

# **MONTGOMERY COUNTY, TEXAS**

## **Monthly Unaudited Financial Report**



**For the Month Ended  
August 31, 2017**



**MONTGOMERY COUNTY, TEXAS**  
**MONTHLY UNAUDITED FINANCIAL REPORT**

**Prepared by**

**THE MONTGOMERY COUNTY AUDITOR'S OFFICE**  
**Phyllis L. Martin**  
**County Auditor**



**MONTGOMERY COUNTY, TEXAS**  
**Unaudited Monthly Financial Report**  
**As of August 31, 2017**

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**Montgomery County, Texas**  
**Office of the County Auditor**  
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P. O. Box 539, Conroe, Texas 77305

Phyllis L. Martin  
County Auditor

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

September 26, 2017

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

Honorable Judges and Commissioners:

The unaudited and unadjusted Monthly Financial Report of Montgomery County, Texas is submitted herewith for the period from August 1, 2017 through August 31, 2017. This report was prepared by the County Auditor in compliance with Chapter 114 Section 023 of the Local Government Code (Vernon's Texas Codes Annotated).

The Monthly Financial Report is presented in three sections: **Financial Statements, Budget Status, and Schedules**. Included in the Financial Statements are a Consolidated Balance Sheet and a Statement of Changes in Fund Balance. These statements report on all funds of the County. The Budget Status section is comprised of a Schedule of Expenditures for all departments showing the adjusted budget, the current month's actual activity, the activity for the year to date, current encumbrances and the remainder in the budget. The Schedules section includes a Schedule of Bonded Debt and a Schedule of Transfers to and from each fund.

This report is designed to provide a general overview of Montgomery County's finances for all those with an interest in the County's finances at a specific point during the fiscal year. However, the reader should note that the report does not include those disclosures associated with, and usually made a part of, audited financial statements. 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.

Respectfully submitted,

Phyllis L. Martin  
Montgomery County Auditor

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# **FINANCIAL STATEMENTS**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Consolidated Balance Sheet**  
**Governmental Funds**  
**For the 11 Months Ended August 31, 2017**

	<u>Total Governmental Funds</u>
<b>Assets:</b>	
Cash	\$ 118,024,286
Investments, at Fair Value	235,010,729
Receivables:	
Taxes (net)	6,295,478
Accounts (net)	8,455
Due From Other Funds	63,385,918
Prepaid Items	740,090
<b><u>Total Assets</u></b>	<b><u>423,464,956</u></b>
 <b><u>LIABILITIES AND FUND BALANCES:</u></b>	
Current Liabilities:	
Accounts Payable	10,428,984
Other Payables	3,679,089
Due to Other Funds	78,942,043
Due to Other Governments	18,045
Deferred Revenue	11,685,972
Total liabilities	104,754,133
Fund Balances:	
Reserved	163,704,334
Unreserved	155,006,489
Total Fund Balances	318,710,823
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ 423,464,956</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Changes in Fund Balance - Governmental Funds**  
**For the 11 Months Ended August 31, 2017**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Total All Funds</u>
Fund Balance, 8/1/2017	\$ 172,434,794	\$ 37,926,654	\$ 20,993,857	\$ 126,150,745	\$ 357,506,050
Revenues/Other Financing Sources	\$ 4,141,995	\$ 1,386,647	\$ 198,219	\$ 4,988	\$ 5,731,849
Expenditures/Other Financing Uses	\$ (21,570,300)	\$ (6,601,164)	\$ (10,175,837)	\$ (6,179,775)	\$ (44,527,076)
Fund Balance, 8/31/2017	<u>\$ 155,006,489</u>	<u>\$ 32,712,137</u>	<u>\$ 11,016,239</u>	<u>\$ 119,975,958</u>	<u>\$ 318,710,823</u>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Net Position**  
**Internal Service Funds**  
**For the 11 Months Ended August 31, 2017**

	<u>Total Internal Service Funds</u>
<b>Assets:</b>	
Cash	\$ 57,791
Receivables:	
Accounts (net)	291,249
<hr/>	
Due From Other Funds	27,667,054
Capital Assets (net of accumulated depreciation):	
Buildings	815,471
Improvements	718
Equipment	74,471
Total assets	<u>28,906,754</u>
<b>Liabilities:</b>	
Current Liabilities:	
Accounts Payable	1,335,302
Other Payables	5,011,403
Due to General Fund	1,045,024
Due to Road & Bridge	19,300
Due to Wellness Clinic	986,483
Total liabilities	<u>8,397,512</u>
<b>Net Position:</b>	
Invested in capital assets	890,660
Unreserved	19,618,582
Total Net Position	<u>\$ 20,509,242</u>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Changes in Net Position**  
**Internal Service Funds**  
**For the 10 Months Ended August 31, 2017**

	<u>Total Internal Service Funds</u>
<b>Current Operating Revenues:</b>	
Fees	\$ 2,278,980
Miscellaneous	5,445
Total Operating Revenues	2,284,425
<b>Current Operating Expenses:</b>	
Supplies	711
Services	3,386,926
Total Operating Expenses	3,387,637
Change in net position	(1,103,212)
Total Net Position - August 1, 2017	21,612,454
<b>Total Net Position - August 31, 2017</b>	<b>\$ 20,509,242</b>

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# **BUDGET STATUS**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 11 Months Ended August 31, 2017**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>GENERAL ADMINISTRATION:</u></b>					
County Judge	646,208	61,747	506,443	4,578	135,187
Human Resources	636,768	64,468	552,446	295	84,027
Risk Management	995,867	95,322	827,252	438	168,177
County Clerk	2,524,025	269,002	2,105,803	9,287	408,935
Collections	460,182	51,806	391,051	2,485	66,646
Veterans' Service	249,687	28,211	225,288	11	24,388
Information Technology Services	6,800,610	539,992	5,552,610	261,446	986,554
Purchasing Agent	1,186,384	126,786	955,707	3,319	227,358
Records Management & Preservation	1,532,564	99,328	934,045	328,693	269,826
Permits	422,732	47,467	378,413	37	44,282
Worthless Checks Division	60,788	1,730	48,368	-	12,420
County-Wide	19,141,580	1,836,982	9,627,674	22,909	9,490,997
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>34,657,395</u></b>	<b><u>3,222,841</u></b>	<b><u>22,105,100</u></b>	<b><u>633,498</u></b>	<b><u>11,918,797</u></b>
<b><u>JUDICIAL:</u></b>					
County Court No1	498,668	48,833	437,514	238	60,916
County Court No2	870,379	86,641	755,164	27	115,188
County Court No3	773,143	86,862	688,021	4	85,118
County Court No4	520,242	57,743	455,615	-	64,627
County Court No5	499,133	55,873	439,842	94	59,197
9 <sup>th</sup> District Court	333,502	38,017	293,783	50	39,669
410 <sup>th</sup> District Court	443,028	53,982	407,587	1,954	33,487
221 <sup>st</sup> District Court	338,668	39,190	299,800	28	38,840
284 <sup>th</sup> District Court	771,223	77,013	672,824	53	98,346
359 <sup>th</sup> District Court	395,269	43,853	350,377	-	44,892
418 <sup>th</sup> District Court	621,194	72,792	556,418	32	64,744
435 <sup>th</sup> District Court	383,940	38,730	299,994	1,547	82,399
Court Operations	7,577,054	542,937	6,685,441	73,775	817,838
Indigent Defense	184,599	19,772	145,085	369	39,145
Mental Health Court Services	354,905	32,465	297,923	700	56,282
Drug Court	1,085,591	103,538	793,196	4,919	287,476
Office of Court Admin	402,402	44,909	382,046	62	20,294
District Attorney	11,187,462	1,245,462	10,006,479	9,328	1,171,655
District Clerk	3,721,869	377,548	3,191,604	1,695	528,570
Justice of Peace Pct 1	819,862	88,399	726,822	16	93,024
Justice of Peace Pct 2	530,513	51,286	440,317	557	89,639
Justice of Peace Pct 3	1,066,018	119,882	936,565	77	129,376
Justice of Peace Pct 4	894,308	99,494	796,474	312	97,522
Justice of Peace Pct 5	516,995	57,576	461,541	896	54,558
Judicial Technology	1,119,017	40,938	940,727	53,931	124,359
Court Technology County/District	20,323	198	8,112	756	11,455



**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 11 Months Ended August 31, 2017**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b>JUDICIAL (cont'd):</b>					
Court Guardianship	19,325	-	19,325	-	-
Court Reporter Service Fund	158,266	12,918	118,057	-	40,209
Juvenile Case Manager	296,272	33,922	267,779	-	28,493
Justice Court Technology	52,961	22	39,675	1	13,285
Veterans Treatment Court	259,140	13,513	47,519	397	211,224
<b>TOTAL JUDICIAL</b>	<b>36,715,271</b>	<b>3,584,308</b>	<b>31,961,626</b>	<b>151,818</b>	<b>4,601,827</b>
<b>LEGAL:</b>					
County Attorney	3,477,009	358,763	3,003,361	3,486	470,162
Law Library	303,585	23,740	234,466	338	68,781
Alternate Dispute Resolution	129,500	-	108,426	-	21,074
<b>TOTAL LEGAL</b>	<b>3,910,094</b>	<b>382,503</b>	<b>3,346,253</b>	<b>3,824</b>	<b>560,017</b>
<b>ELECTIONS:</b>					
<b>TOTAL ELECTIONS</b>	<b>1,458,521</b>	<b>139,110</b>	<b>1,753,675</b>	<b>11,231</b>	<b>(306,385)</b>
<b>FINANCIAL ADMINISTRATION:</b>					
County Auditor	2,285,865	249,329	1,956,461	1,387	328,017
Financial Technology	4,192,016	-	33,605	427,700	3,730,711
County Treasurer	705,371	77,502	554,689	620	150,062
Tax Assessor-Collector	4,748,375	469,922	3,994,504	3,274	750,597
<b>TOTAL FINANCIAL ADM</b>	<b>11,931,627</b>	<b>796,753</b>	<b>6,539,259</b>	<b>432,981</b>	<b>4,959,387</b>
<b>PUBLIC FACILITIES:</b>					
Custodial Services	3,336,741	359,218	2,800,696	34,555	501,490
Building Maintenance	6,685,149	572,695	5,408,409	113,449	1,163,291
Precinct 2 Parks and Comm. Center	203,162	20,821	160,326	42	42,794
Precinct 3 Parks and Comm. Center	704,746	55,548	416,356	1,104	287,286
Precinct 4 Parks and Comm. Center	145,150	13,189	104,682	4,447	36,021
Jail	46,645,423	5,070,003	42,692,313	38,364	3,914,746
Civic Center	1,426,943	102,527	1,143,762	13,236	269,945
<b>TOTAL PUBLIC FACILITIES</b>	<b>59,147,314</b>	<b>6,194,001</b>	<b>52,726,544</b>	<b>205,197</b>	<b>6,215,573</b>
<b>PUBLIC SAFETY:</b>					
Fire Marshal	1,622,514	163,217	1,401,702	783	220,029
Constable Pct 1	4,444,654	463,125	3,551,207	328,843	564,604
Constable Pct 2	1,853,213	199,349	1,590,984	37,650	224,579
Constable Pct 3	4,854,388	496,155	4,077,176	116,643	660,569
Constable Pct 4	3,818,475	418,347	3,189,156	101,993	527,326
Constable Pct 5	2,857,922	283,954	2,169,761	62,062	626,099
Sheriff	55,440,471	5,267,023	43,920,104	1,407,627	10,112,740
Sheriff Commissary	964,240	9,115	461,396	-	502,844
Law Enforcement Technology	2,507,947	-	969,676	158,787	1,379,484
Juvenile Services	11,515,611	954,965	6,877,207	38,793	4,599,611
Adult Services	11,171,037	585,380	5,104,774	4,088	6,062,175
Emergency Management	3,660,588	150,886	1,396,218	476,576	1,787,794
Department of Public Safety	115,987	13,293	104,503	450	11,034
Forfeitures	1,037,530	8,906	455,509	-	582,021
Courthouse Security	477,403	39,454	346,213	649	130,541
<b>TOTAL PUBLIC SAFETY</b>	<b>106,341,980</b>	<b>9,053,169</b>	<b>75,615,586</b>	<b>2,734,944</b>	<b>27,991,450</b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 11 Months Ended August 31, 2017**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>HEALTH AND WELFARE:</u></b>					
Vehicle Emission Program	1,614,036	-	1,537,786	-	76,250
Forensic Services	1,683,960	158,771	1,319,923	48,751	315,286
Medical: Contract Services	90,000	7,500	82,500	-	7,500
Mental Health: Contract Services	278,525	2,582	166,426	522	111,577
Environmental Health	2,135,688	237,352	1,839,762	51	295,875
Mental Health Facility	13,471,936	1,130,696	11,195,072	-	2,276,864
FEMA Disaster Grants	170,407	-	162,086	-	8,321
Community Development	6,263,003	120,299	1,809,746	1,342,479	3,110,778
Animal Control	1,024,393	104,716	891,400	4,013	128,980
Animal Shelter	3,834,361	340,399	2,929,260	64,946	840,155
Child Welfare	141,785	3,852	51,214	3,700	86,871
Welfare:					
Contract Services	1,094,373	-	1,054,373	-	40,000
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b><u>31,802,467</u></b>	<b><u>2,106,167</u></b>	<b><u>23,039,548</u></b>	<b><u>1,464,462</u></b>	<b><u>7,298,457</u></b>
<b><u>CONSERVATION:</u></b>					
Extension Agent	743,683	79,902	640,938	264	102,481
Precinct 3 Recycling Center	858,068	66,703	698,381	575	159,112
Precinct 1 Recycling Center	449,047	16,231	424,280	-	24,767
<b><u>TOTAL CONSERVATION</u></b>	<b><u>2,050,798</u></b>	<b><u>162,836</u></b>	<b><u>1,763,599</u></b>	<b><u>839</u></b>	<b><u>286,360</u></b>
<b><u>CULTURE &amp; RECREATION:</u></b>					
Memorial Library	10,110,367	946,209	8,334,521	71,224	1,704,622
Historical Commissions	148,858	-	117,066	-	31,792
<b><u>TOTAL CULTURE &amp; RECREATION</u></b>	<b><u>10,259,225</u></b>	<b><u>946,209</u></b>	<b><u>8,451,587</u></b>	<b><u>71,224</u></b>	<b><u>1,736,414</u></b>
<b><u>PUBLIC TRANSPORTATION:</u></b>					
Airport	8,292,207	91,335	889,787	21,843	7,380,577
County Engineer	2,603,780	210,055	1,652,373	446	950,961
Commissioner Pct 1	13,481,276	653,657	8,490,894	273,946	4,716,436
Commissioner Pct 2	11,352,072	581,746	9,315,390	487,172	1,549,510
Commissioner Pct 3	12,299,337	676,390	6,923,729	563,608	4,812,000
Commissioner Pct 4	12,017,871	780,381	8,592,752	123,146	3,301,973
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<b><u>60,046,543</u></b>	<b><u>2,993,564</u></b>	<b><u>35,864,925</u></b>	<b><u>1,470,161</u></b>	<b><u>22,711,457</u></b>
<b><u>DEBT SERVICE:</u></b>					
Reserve for Fund Balance	13,952,484	-	-	-	13,952,484
Principal	27,260,000	-	27,260,000	-	-
Interest	20,396,274	10,175,837	19,785,751	-	610,523
Issuance Costs	203,208	-	214,303	-	(11,095)
Payment to Escrow Agent	51,269,830	-	83,059,064	-	(31,789,234)
<b><u>TOTAL DEBT SERVICE</u></b>	<b><u>113,081,796</u></b>	<b><u>10,175,837</u></b>	<b><u>130,319,118</u></b>	<b><u>-</u></b>	<b><u>(17,237,322)</u></b>
<b><u>MISCELLANEOUS:</u></b>					
<b><u>TOTAL MISCELLANEOUS</u></b>	<b><u>1,013,271</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>1,013,271</u></b>
<b><u>TOTAL EXPENDITURES - GOVERNMENTAL FUNDS</u></b>	<b><u>472,416,302</u></b>	<b><u>39,757,298</u></b>	<b><u>393,486,820</u></b>	<b><u>7,180,179</u></b>	<b><u>71,749,303</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 11 Months Ended August 31, 2017**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>INTERNAL SERVICE FUNDS</u></b>					
<b><u>GENERAL ADMINISTRATION:</u></b>					
Employee Health	23,838,868	2,746,116	26,392,562	-	(2,553,694)
Retiree Health	2,897,500	232,165	2,359,862	-	537,638
Optional Health	295,488	100,238	939,033	-	(643,545)
Cobra Coverage	-	3,010	101,584	-	(101,584)
Employee Life	133,314	23,252	137,421	-	(4,107)
Risk Mgt - Workers Comp	775,000	146,573	1,152,562	7,069	(384,631)
Risk Mgt-Prop/Casltly/Liab	1,500,000	40,000	1,227,697	902	271,401
Wellness Clinic	2,168	96,281	1,136,828	-	(1,134,660)
<b>TOTAL GENERAL ADM</b>	<b>29,442,338</b>	<b>3,387,635</b>	<b>33,447,549</b>	<b>7,971</b>	<b>(4,013,182)</b>
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>29,442,338</b>	<b>3,387,635</b>	<b>33,447,549</b>	<b>7,971</b>	<b>(4,013,182)</b>
<b><u>ENTERPRISE FUNDS</u></b>					
Montgomery County Toll Road Authority	6,245,356	161,352	3,436,966	1,502,607	1,305,783
<b>TOTAL ENTERPRISE FUNDS</b>	<b>6,245,356</b>	<b>161,352</b>	<b>3,436,966</b>	<b>1,502,607</b>	<b>1,305,783</b>

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# **SCHEDULES**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Revenues and Expenses - Montgomery County Toll Road Authority**  
**Budget and Year-to-Date Actual for the 11 Months Ended August 31, 2017**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b>Revenue:</b>					
Wetlands Mitigation	1,289,810	-	1,305,110	-	(15,300)
242 Toll Project	258,722	7,486	1,111,635	-	(852,913)
<b>Total Revenue</b>	<b>1,548,532</b>	<b>7,486</b>	<b>2,416,745</b>	<b>-</b>	<b>(868,213)</b>
<b>Expenses:</b>					
General Administration	975,278	-	-	75,000	900,278
249 Toll Project	3,620,042	146,785	1,939,825	1,427,607	252,610
Wetlands Mitigation	1,305,110	-	1,217,810	-	87,300
242 Toll Project	344,926	14,567	279,331	-	65,595
<b>Total Expenses</b>	<b>6,245,356</b>	<b>161,352</b>	<b>3,436,966</b>	<b>1,502,607</b>	<b>1,305,783</b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Transfers In and Out by Fund**  
**For the 11 Months Ended August 31, 2017**

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 6,570,000
Attorney Administration	35,000	-
Jury	6,200,000	-
Adult Probation - Supervision	207,210	80,000
Adult Probation - Community Corrections	50,000	152,508
Adult Probation - Mental Impairment	30,000	54,702
Records Management County	255,000	-
Courthouse Security	80,000	-
Debt Service	180,569	-
Certificates of Obligation, Series 2008	-	161,251
Certificates of Obligation, Series 2006	-	19,318
<b>TOTAL FINANCING USES</b>	<b><u>\$ 7,037,779</u></b>	<b><u>\$ 7,037,779</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Bond Indebtedness**  
**As of August 31, 2017**

	<u>Interest Rate (%)</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balances Outstanding</u>
<b>GENERAL OBLIGATION BONDS:</b>				
Refunding Bonds, Series 2008	3.50-5.00	2008	2018	580,000
Refunding Bonds, Series 2010	4.00-5.00	2010	2030	28,175,000
Refunding Bonds, Series 2012	2.00-5.00	2012	2026	23,710,000
Refunding Bonds, Series 2014	1.75-2.27	2014	2020	19,275,000
Refunding Bonds, Series 2014A	5.00	2014	2025	72,125,000
Refunding Bonds, Series 2016	4.25-5.25	2016	2032	58,925,000
Road Bonds, Series 2016	4.25-5.25	2016	2041	52,905,000
Refunding Bonds, Series 2016A	3.00-5.00	2016	2030	46,950,000
Road Bonds, Series 2016A	4.00-5.00	2016	2042	73,725,000
<b>TOTAL GENERAL OBLIGATION BONDS PAYABLE</b>				<b>376,370,000</b>
<b>REVENUE BONDS:</b>				
Toll Revenue Bonds, Series 2009	3.00-5.00	2009	2032	12,565,000
Toll Revenue Bonds, Series 2010	3.00-5.00	2011	2021	3,855,000
<b>TOTAL REVENUE BONDS PAYABLE</b>				<b>16,420,000</b>
<b>CERTIFICATES OF OBLIGATION:</b>				
Series 2010	3.00-5.40	2010	2039	26,030,000
Series 2012	2.00-4.00	2012	2032	12,320,000
Series 2012A	2.00-5.00	2012	2023	12,400,000
<b>TOTAL CERTIFICATES OF OBLIGATION</b>				<b>50,750,000</b>
<b>TOTAL BONDED DEBT</b>				<b>\$ 443,540,000</b>