

Montgomery County, Texas Comprehensive Annual Financial Report



For the Fiscal Year Ended September 30, 2020

501 N. THOMPSON SUITE 205 CONROE, TEXAS 77301

MONTGOMERY COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020

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

MONTGOMERY COUNTY, TEXAS
Comprehensive Annual Financial Report
Table of Contents
Year Ended September 30, 2020

	<u>PAGE</u>
<u>INTRODUCTORY SECTION</u>	
County Auditor's Letter of Transmittal	1
GFOA Certificate of Achievement.	5
Organization Chart	7
Directory of Officials	9
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	11
Management's Discussion and Analysis (Required Supplementary Information)	13
Basic Financial Statements:	<u>EXHIBIT</u>
Government-wide Financial Statements:	
Statement of Net Position.	I 32
Statement of Activities.	II 33
Fund Financial Statements:	
Balance Sheet – Governmental Funds	III 34
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position.	37
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.	IV 38
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	41
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund And Major Special Revenue Funds	V 42
Statement of Net Position – Proprietary Funds	VI 46
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	VII 47
Statement of Cash Flows – Proprietary Funds	VIII 48
Statement of Assets and Liabilities – Fiduciary Funds.	IX 49
Notes to the Financial Statements	51
Required Supplementary Information:	
Schedule of Changes in the County's Net Pension Liability	88
Schedule of County Contributions	90
Schedule of Changes in the County's Total OPEB Liability and Related Ratios	93
Supplementary Information:	
Schedule of Assets, Liabilities, Deferred Inflows of Resources and Fund Balance – General Fund.	A-1 97
Schedule of Revenues and Other Financing Sources Budget (GAAP Basis) and Actual – General Fund	A-2 98
Schedule of Expenditures and Other Financing Uses Budget (GAAP Basis) and Actual – General Fund	A-3 99

MONTGOMERY COUNTY, TEXAS
Comprehensive Annual Financial Report
Table of Contents
Year Ended September 30, 2020

	<u>SCHEDULE</u>	<u>PAGE</u>
Combining and Individual Fund Statements and Schedules:		
Combining Balance Sheet – Nonmajor Governmental Funds	B-1	114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.	B-2	115
Combining Balance Sheet – Nonmajor Special Revenue Funds	C-1	118
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	C-2	124
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 201 Worthless Checks Fund	C-3	130
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 202 Forfeitures Fund .	C-4	131
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Jury Fund.	C-5	132
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 203 Jail Commissary Fund	C-6	133
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 204 Law Library Fund.	C-7	134
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Memorial Library Fund	C-8	135
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 205 Pre-Trial Diversion Fund	C-9	136
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 206 Records Management and Preservation Fund.	C-10	137
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 207 Records Management County Fund	C-11	138
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 208 Records Management District Clerk Fund	C-12	139
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 209 District Clerk Record Preservation Fund	C-13	140
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 210 Digital Preservation County and District Fund	C-14	141
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – 211 Court Technology County and District Fund	C-15	142

MONTGOMERY COUNTY, TEXAS
Comprehensive Annual Financial Report
Table of Contents
Year Ended September 30, 2020

	<u>SCHEDULE</u>	<u>PAGE</u>
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 212 Court Guardianship Fund	C-16	143
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 213 Court Reporter Fund	C-17	144
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 214 Courthouse Security Fund	C-18	145
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 215 Justice Court Building Security Fund	C-19	146
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 216 Justice Court Technology Fund	C-20	147
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 217 Juvenile Case Manager Fund	C-21	148
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 218 Vital Records Preservation Fund	C-22	149
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 219 Contract Elections Service Fund	C-23	150
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 221 HAVA Grant Fund	C-24	151
Schedule of Revenues, Expenditures, and Changes in Fund		
Balance – Budget (GAAP Basis) and Actual – 222 Joe Corley Pass Through Fund	C-25	152
Combining Balance Sheet – Nonmajor Capital Project Funds	D-1	154
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Project Funds	D-2	156
Schedule of Revenues, Expenditures, and Changes In Fund		
Balances – Budget (GAAP Basis) and Actual - Debt Service Fund	E-1	161
Combining Statement of Net Position – Internal Service Funds	F-1	165
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	F-2	166
Combining Statement of Cash Flows – Internal Service Funds	F-3	167
Combining Statement of Assets and Liabilities – Agency Funds	G-1	170
Combining Statement of Changes in Assets and Liabilities – Agency Funds	G-2	171
Capital Assets Used in the Operation of Governmental Funds:		
Schedule by Source	H-1	175
Schedule by Function and Activity	H-2	176
Schedule of Changes by Function and Activity	H-3	178

MONTGOMERY COUNTY, TEXAS
Comprehensive Annual Financial Report
Table of Contents
Year Ended September 30, 2020
STATISTICAL SECTION

	<u>TABLE</u>	<u>PAGE</u>
Financial Trends:		
Net Position by Component – Last Ten Fiscal Years	I	182
Changes in Net Position – Last Ten Fiscal Years	II	184
Governmental Fund Balances – Last Ten Fiscal Years.	III	190
Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	IV	192
Revenue Capacity:		
Taxable Assessed Value and Actual Value of Property – Last Ten Fiscal Years.	V	195
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years.	VI	196
Principal Taxpayers – Current Year and Nine Years Ago	VII	204
Property Tax Levies and Collections – Last Ten Fiscal Years.	VIII	205
Debt Capacity:		
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.	IX	206
Ratios of Net General Bonded Debt Outstanding – Last Ten Fiscal Years	X	207
Legal Debt Margin – Last Ten Fiscal Years.	XI	208
Direct and Overlapping Debt.	XII	210
Pledged-Revenue Coverage – Last Ten Fiscal Years.	XIII	214
Economic and Demographic Indicators:		
Demographic and Economic Statistics – Last Ten Fiscal Years.	XIV	216
Principal Employers – Current Year and Nine Years Ago	XV	217
Operating Information:		
County Employees by Function – Last Ten Fiscal Years.	XVI	219
Operating Indicators by Function – Last Ten Fiscal Years	XVII	220
Capital Asset and Infrastructure Statistics by Function - Last Ten Fiscal Years	XVIII	222

INTRODUCTORY SECTION



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

Rakesh Pandey CPA
County Auditor

Angela H. Blocker
1st Assistant County Auditor

March 30, 2021

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

Honorable Judges and Commissioners:

The Comprehensive Annual Financial Report (Annual Report) of Montgomery County, Texas, for the year ended September 30, 2020, is submitted herewith. This report was prepared by the County Auditor in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board, and is in compliance with Chapter 114.025 and Chapter 115.045 of the Local Government Code.

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

Montgomery County's financial statements have been audited by Weaver and Tidwell, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2020 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, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

compliance with laws and regulations involving the administration of federal and state awards. This Single Audit Report is available as a separate report from Montgomery County.

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

Profile of Montgomery County

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

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

The U.S. Census Bureau reported the 1990 population for Montgomery County to be 180,394 and the year 2000 population to be 293,768. The most recent census reported the population of Montgomery County to be 455,746. At each census, the County has experienced growth in excess of 50%, with no sign of slowing down. At September 30, 2020 the estimated population was 607,391. 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 30th 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 as a result 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 as a result 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.

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

and December 2018 to fund the remaining projects. These projects are expected to alleviate mobility issues in key areas of the County.

As part of this future planning, the Commissioners' Court created the Montgomery County Toll Road Authority (MCTRA) in August 2006. The MCTRA is charged with the task of collecting tolls from vehicles traveling on the portion of State Highway 242 which connects with Interstate 45 in southern Montgomery County. SH 242 opened to the public in July 2015. In January 2018, the County retired the remainder of the debt associated with the construction of SH 242. In May 2019, the Board agreed to remove the tolls on SH 242. Additionally, revenue bonds for MCTRA were issued in June 2018 to fund construction along State Highway 249 in Montgomery County. Any revenues generated by the authority are anticipated to be used to either retire a portion of the debt related to the construction and/or to fund future improvements, as the need arises.

New developments – As part of the continuing effort in the County to alleviate traffic congestion in the southern part of the County, the Commissioners' Court awarded a contract to construct an interchange facility and direct connectors from State Highway 242 to Interstate 45. This project, approved by the governing body in February 2013, opened in July of 2015 and has improved the flow of traffic in the heavily congested south county area. The County is continuing in its endeavors to face transportation issues by exploring the expansion of the MCTRA to the western part of the County and specifically the SH 249, Tomball Parkway. Working in conjunction with the Harris County Toll Road Authority (HCTRA), MCTRA is completing work on widening and improving SH 249 during fiscal year 2020.

Financial Transparency – In a continuing effort to embrace technological advances, the County embarked on replacing its enterprise resource planning (ERP) financial software system. Aided by various staff members throughout multiple user departments, go-live occurred on July 1, 2020. Continuing modules are being implemented in a staggered approach with the Human Resources module going live in mid fiscal year 2021.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Montgomery County for its comprehensive annual financial report for the fiscal year ended September 30, 2019. This was the thirty-second 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 comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

Rakesh Pandey, CPA
Montgomery County Auditor

RP/kgd



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Montgomery County
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

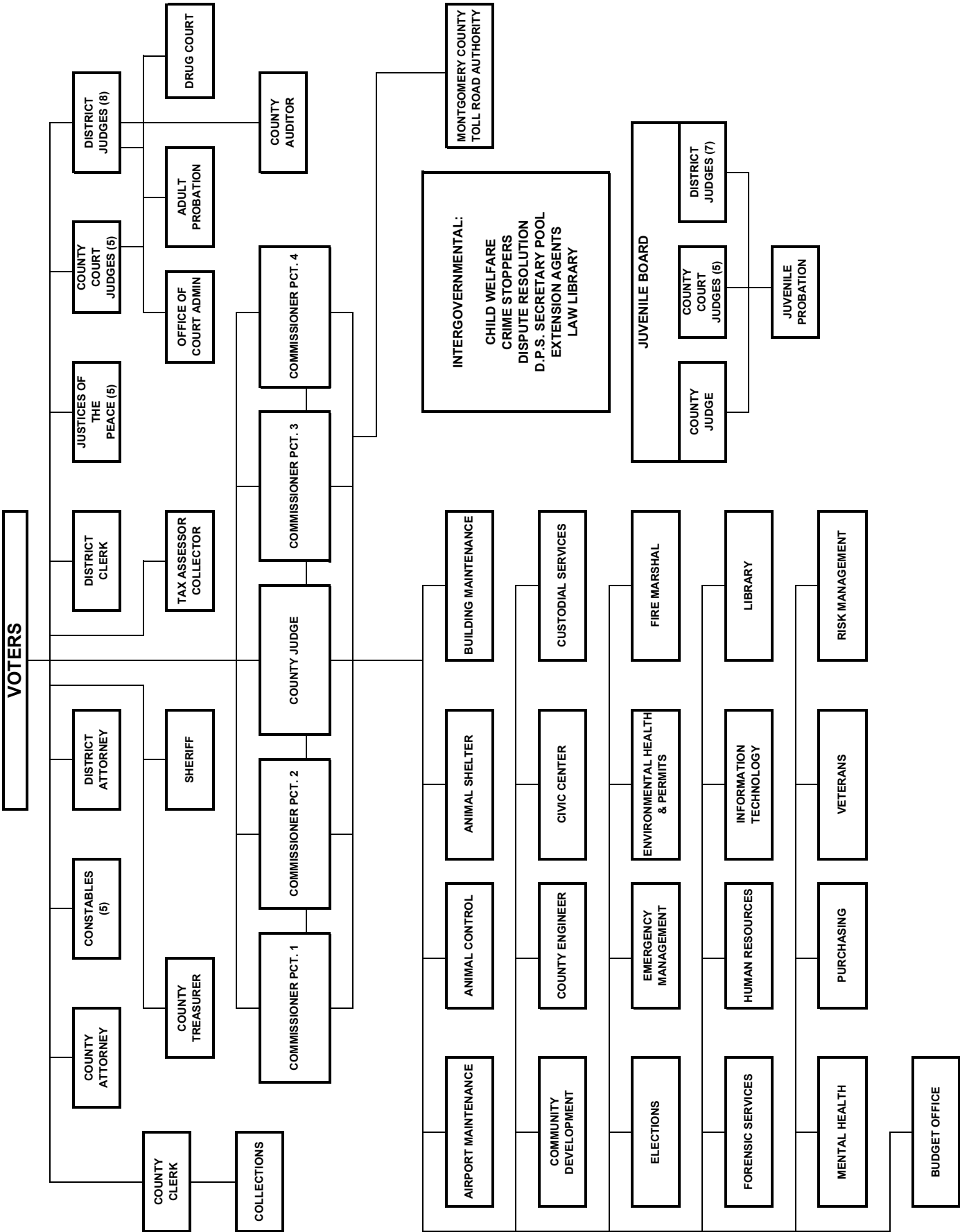
September 30, 2019

Christopher P. Morill

Executive Director/CEO



MONTGOMERY COUNTY, TEXAS ORGANIZATION CHART







MONTGOMERY COUNTY, TEXAS
DIRECTORY OF OFFICIALS
SEPTEMBER 30, 2020

COMMISSIONERS' COURT:

Mark Keough
Mike Meador, retired 12/31/2020
Robert Walker, elected 01/01/2021
Charlie Riley
James L. Noack, Jr.
James Metts

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

DISTRICT COURTS:

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

Judge, 9th Judicial District
Judge, 221st Judicial District
Judge, 284th Judicial District
Judge, 359th Judicial District
Judge, 410th Judicial District
Judge, 418th Judicial District
Judge, 435th Judicial District
Judge, 457th Judicial District
District Attorney
District Clerk

COUNTY COURTS AT LAW:

Dennis Watson
Claudia Laird
Patrice McDonald
Mary Ann Turner
Keith Stewart
BD Griffin
Mark Turnbull

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

JUSTICE COURTS:

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

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

LAW ENFORCEMENT:

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

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

FINANCIAL ADMINISTRATION:

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

Tax Assessor-Collector
County Treasurer
County Auditor¹
Purchasing Agent¹
Budget Officer¹

¹ Designates appointed official. All others are elected.



FINANCIAL SECTION

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Montgomery County, Texas (the County), as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue funds for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 to the financial statements, the County restated beginning net position and fund balance to correct misstatements and reclassifications in its fiscal year 2019 financial statements. Our opinion is not modified with respect to this matter.

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2021 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Conroe, Texas
March 26, 2021

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, 2020. The intent of this discussion and analysis is to evaluate the current activities, resulting changes, and currently known facts of the County as a whole. Readers of this discussion and analysis should consider the information presented here in conjunction with additional information that is furnished in the accompanying letter of transmittal, which can be found on pages 1-4 of this report. This discussion should also be read in conjunction with the basic financial statements and the notes to those financial statements (which immediately follow this discussion). The discussion and analysis includes comparative data from the prior year.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$565,670,839 (net position). Of this amount, \$105,375,960 is restricted for specific purposes. With the presentation of the net investment in capital assets, unrestricted net position becomes (\$120,913,885).
- The County's total net position increased by \$12,055,257 from current operations due to the rapid growth experienced throughout the County.
- The County's beginning net position/fund balance was restated for the correction of an error and reclassification of fund types. See Note 19 for further information related to the prior period adjustments.
- At September 30, 2020, the County's governmental funds reported combined ending fund balances of \$372,768,544, a decrease of \$9,871,734 from operations in comparison with the prior year. From the ending fund balances, \$1,398,753 is non-spendable, \$151,793,574 is restricted, \$68,013,154 is committed and \$99,249,765 is assigned. Approximately 14.03% of the ending balances, \$52,313,298 is unassigned and available for spending at the government's discretion. Details on these balances can be found in the chart included in Note 11.
- At September 30, 2020, unassigned fund balance for the General Fund was \$52,313,298, or 25.93% of total General Fund expenditures.
- The County's total bonded debt decreased by \$12,970,000 (2.5%) during the current fiscal year. This decrease was due to regularly scheduled payments.
- As of fiscal year 2020, the County reported a net pension liability of \$24,066,035.
- As of fiscal year 2020, the County reported other post-employment benefit obligations (OPEB) of \$253,594,793.

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, 2020. 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 32-33 of this report.

Fund Financial Statements

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

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

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

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

Montgomery County maintained 36 individual governmental funds during the fiscal year ended September 30, 2020. 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 Series 2018B Fund, all of which are considered to be major funds. Data from the remaining governmental funds (i.e., nonmajor funds) is combined into a single, aggregated presentation. Individual fund data for each nonmajor governmental fund is provided in the form of combining schedules, which are included in the Supplementary Information section following the notes to the financial statements.

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

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

The basic governmental fund financial statements can be found on pages 34-45 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 projects are in the beginning stages, the operations are primarily dependent on taxes rather than user fees; however, the intention is for these funds to ultimately become fully supported by user fees. This fund is reported as a business-type activity in the financial statements.

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

The basic proprietary fund financial statements can be found on pages 46-48 of this report.

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

The basic fiduciary fund financial statements can be found on page 49 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 51-86 of this report.

Required supplementary information provides information on the County's participation in the agent multiple-employer defined benefit pension plan as well as information on other post-employment benefits. The required supplementary information can be found on pages 88-93.

Supplementary information is comprised of the General Fund final budget versus actual at the department level. This comparative data can be found on pages 97-112 of this report.

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

Supplementary information can be found on pages 114-171 of this report.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, the GASB believes that net position may serve over time as a useful indicator of a government's financial position. Montgomery County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$565,670,839 at September 30, 2020, as shown in the table below. Governmental Activities reported a prior period adjustment for the inclusion of Alarms Permits from an Agency Fund, which resulted in an increase of \$31,879. Business-Type Activities reported a prior period adjustment of \$3,211,919 to correct the beginning balance of capital assets.

Montgomery County, Texas						
Net Position						
	Governmental Activities		Business-type activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Current and other assets	\$ 540,981,662	\$ 455,523,371	\$ 58,123,165	\$ 48,885,625	\$ 599,104,827	\$ 504,408,996
Capital assets	993,450,624	918,988,982	75,397,870	93,323,207	1,068,848,494	1,012,312,189
Total assets	<u>1,534,432,286</u>	<u>1,374,512,353</u>	<u>133,521,035</u>	<u>142,208,832</u>	<u>1,667,953,321</u>	<u>1,516,721,185</u>
Deferred outflow of resources	69,299,840	94,363,745	-	-	69,299,840	94,363,745
Long-term liabilities outstanding	867,390,424	898,365,580	94,921,886	95,190,104	962,312,310	993,555,684
Other liabilities	149,868,524	45,806,664	35,577,302	8,414,697	185,445,826	54,221,361
Total liabilities	<u>1,017,258,948</u>	<u>944,172,244</u>	<u>130,499,188</u>	<u>103,604,801</u>	<u>1,147,758,136</u>	<u>1,047,777,045</u>
Deferred inflow of resources	23,824,186	12,936,101	-	-	23,824,186	12,936,101
Net Position:						
Net Investment in Capital Assets	577,556,834	495,582,352	3,651,930	39,385,042	581,208,764	534,967,394
Restricted	105,375,960	47,671,390	-	-	105,375,960	47,671,390
Unrestricted	(120,283,802)	(31,485,989)	(630,083)	(781,011)	(120,913,885)	(32,267,000)
Total net position	<u>\$ 562,648,992</u>	<u>\$ 511,767,753</u>	<u>\$ 3,021,847</u>	<u>\$ 38,604,031</u>	<u>\$ 565,670,839</u>	<u>\$ 550,371,784</u>

The County's total assets of \$1,667,953,321 are largely comprised of investments of \$166,111,451, or 9.9%, and capital assets net of accumulated depreciation of \$1,068,848,494, or 64.0%. 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 debt of \$962,312,310 comprises the largest portion of the County's total liabilities of \$1,147,758,136 at 83.8%. Of total long-term liabilities, \$42,448,535 is due within one year, with the remainder of \$919,863,775 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 \$565,670,839 (net position) as of September 30, 2020. Roughly 18.6%, or \$105,375,960, 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, \$75,951,195 is restricted for capital projects, \$13,815,367 is restricted for debt service, and \$15,609,398 is restricted by contract or legislation. The most significant portion (\$581,208,764) of the County's net position reflects its net investment in capital assets.

Montgomery County, Texas
Statement of Activities

	Governmental activities		Business-type activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Revenues:						
<i>Program revenues:</i>						
Fees, fines, forfeitures, and charges for services	\$ 138,273,553	\$ 166,832,126	\$ 5,097,422	\$ 1,055,106	\$ 143,370,975	\$ 167,887,232
Operating grants and contributions:	81,513,686	11,580,740	-	-	81,513,686	11,580,740
Capital grants and contributions:	65,784,276	59,283,879	-	8,200,000	65,784,276	67,483,879
<i>General revenues:</i>						
Property taxes	254,870,342	248,026,503	-	-	254,870,342	248,026,503
Other taxes	1,209,281	3,228,697	-	-	1,209,281	3,228,697
Other general revenues	9,079,230	12,401,466	329,692	1,728,673	9,408,922	14,130,139
Total revenues	<u>550,730,368</u>	<u>501,353,411</u>	<u>\$ 5,427,114</u>	<u>\$ 10,983,779</u>	<u>556,157,482</u>	<u>512,337,190</u>
Expenses:						
General Government	115,814,541	111,423,294	-	-	115,814,541	111,423,294
Financial administration	12,120,208	15,180,054	-	-	12,120,208	15,180,054
Health and Human Services	91,519,021	31,978,423	-	-	91,519,021	31,978,423
Culture and Recreation	14,238,359	12,668,901	-	-	14,238,359	12,668,901
Law Enforcement and Corrections	128,465,299	187,359,571	-	-	128,465,299	187,359,571
Legal and Judicial	32,123,928	32,230,980	-	-	32,123,928	32,230,980
Transportation	81,487,052	87,913,321	-	-	81,487,052	87,913,321
Miscellaneous	-	-	-	-	-	-
Debt service interest and fiscal charges	16,328,138	8,202,241	-	-	16,328,138	8,202,241
Toll Road	-	-	52,005,679	8,113,188	52,005,679	8,113,188
Total expenses	<u>492,096,546</u>	<u>486,956,785</u>	<u>52,005,679</u>	<u>8,113,188</u>	<u>544,102,225</u>	<u>495,069,973</u>
Increase (decrease) in net position before transfers	<u>58,633,822</u>	<u>14,396,626</u>	<u>(46,578,565)</u>	<u>2,870,591</u>	<u>12,055,257</u>	<u>17,267,217</u>
Transfers	(7,784,462)	-	7,784,462	(12,205,224)	-	(12,205,224)
Increase (decrease) in net position	<u>50,849,360</u>	<u>14,396,626</u>	<u>(38,794,103)</u>	<u>(9,334,633)</u>	<u>12,055,257</u>	<u>5,061,993</u>
Net Position - beginning	511,767,753	497,382,745	38,604,031	47,938,664	550,371,784	545,321,409
Prior period adjustment	31,879	(11,618)	3,211,919	-	3,243,798	(11,618)
Net Position - Beginning, as restated	<u>511,799,632</u>	<u>497,371,127</u>	<u>38,604,031</u>	<u>47,938,664</u>	<u>550,403,663</u>	<u>545,309,791</u>
Net Position - Ending	<u>\$ 562,648,992</u>	<u>\$ 511,767,753</u>	<u>\$ 3,021,847</u>	<u>\$ 38,604,031</u>	<u>\$ 565,670,839</u>	<u>\$ 550,371,784</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 \$50,849,360 from the prior fiscal year, in addition to an adjustment for the movement of Alarms Permits of \$31,879, attributing to the ending balance of \$562,648,992.

The County's total revenues of \$550,730,368 is an increase from the prior year. Property tax revenue accounts for \$254,870,342, or 46.2%, and is an increase over last year of \$6,843,839. 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 \$138,273,553, or 25.1%; and grants and contributions encompass \$147,297,962, or 26.7% of total revenues of governmental activities. Operating Grants and Contributions were \$81,513,686, an increase of \$69,932,946 largely due to the influx of CARES grant funds received in response to the recovery efforts from COVID-19. Capital Grants and Contributions experienced an increase of \$6,500,397.

Expenses for the year totaled \$492,096,546. The Law Enforcement and Corrections function accounted for \$128,465,299, or 26.11% of the total expenses in governmental activities.

The Law Enforcement and Corrections function experienced a decrease in expenses of \$58,894,272 over the previous year. This is primarily due to the County shifting much of its focus to the ongoing Coronavirus pandemic and its efforts to combat this highly contagious virus in the County. The Federal government, through the Department of the Treasury, awarded over \$104 million in CARES Act funds to the County to assist in the relief effort.

The decrease in spending in the public transportation function of \$6,426,269 is due to the culmination of several large road construction projects undertaken by the County were completed during the fiscal year. These projects are primarily for widening and improvement of State-owned roads, creating expenditures with no offsetting asset capitalization.

The Health and Human Services function experienced an increase in expenses of \$59,540,598 over last year to \$91,519,021. The increase is due to the influx of expenses related to the COVID-19 relief efforts.

The Financial Administration function expenses decreased to \$12,120,208, a decrease of (\$3,059,846). The decrease is primarily due the removal of the Financial Technology department as well as an overall decrease in expenses for department within this function. The County completed phase one, the biggest one, of its new ERP implementation during the fiscal year; there are still three phases remaining.

Both the General Government function and the Culture and Recreation function experienced increases in the amount of \$4,391,247 and \$1,569,458 respectively. The increase in expenses in the General Governmental Function are primarily related to the Self Insurance Medical fund. As a result of the pandemic, there is a corresponding increase in medical visits by the employees. The Culture and Recreation function increase is the result of an increase expenses related to parks and community centers. As certain activities remain subject to occupancy limits, outdoor activities allow for a welcome retreat.

The recognition of the County's total OPEB liability of \$253,594,793 has led to increases for every function. The liability was recognized on a pro rata share based on number of employees by function.

Business-type Activities

For the County's business-type activities, the results for the current year were positive in that overall net position was \$3,021,847. Fees and Charges for Services of \$5,097,422 comprised 93.9% of total revenues for business-type activities. This amount represents the toll revenue receipts from the SH 249 Tollway. Toll Road expenses increased to \$52,005,679, an increase of \$43,892,491 primarily due to the loss on the disposal of infrastructure assets due to transferring State Highway 242 direct connectors to the Texas Department of Transportation.

The government's ending net position of \$565,670,839 represents an increase of \$15,299,055 from the prior year's net position, inclusive of the prior period adjustment discussed earlier. The County's change in net position for governmental activities is summarized by the following chart:

Montgomery County, Texas
Change in Net Position

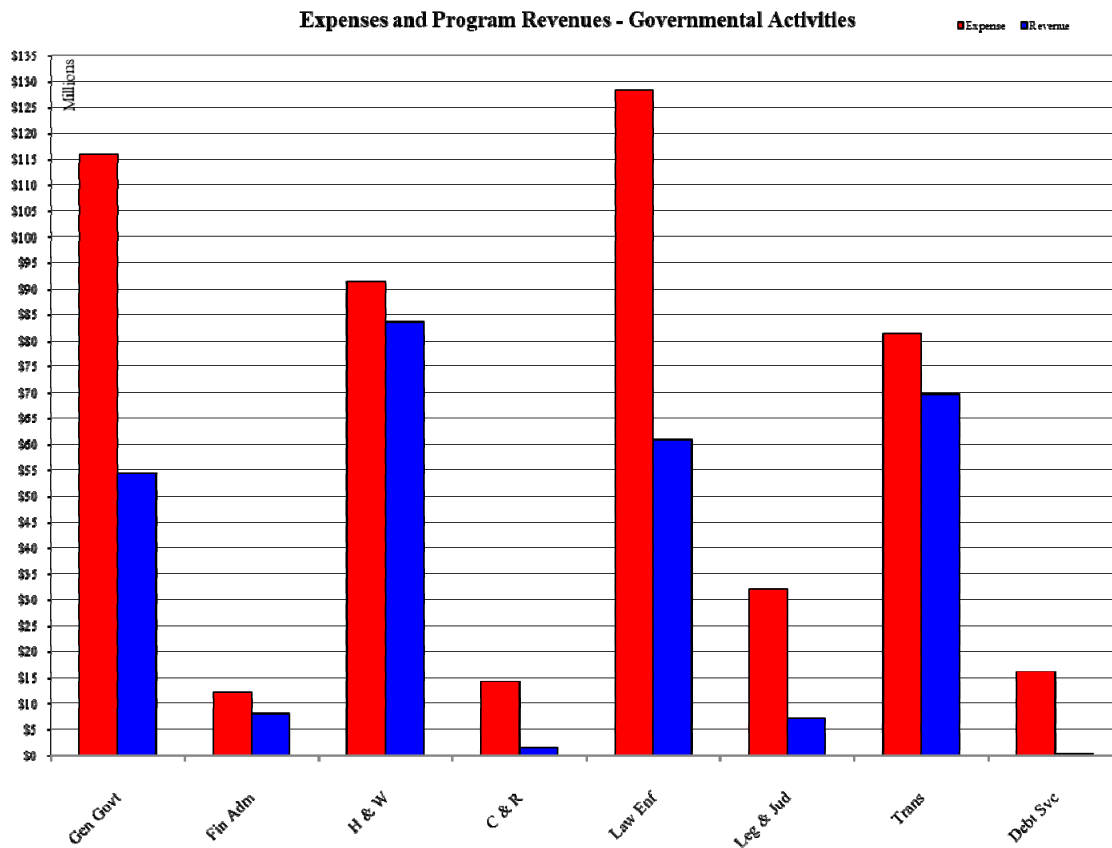
	Governmental Activities	
	FY 2020	FY 2019
<i>Governmental funds activity:</i>		
Total revenues	\$ 447,353,659	\$ 401,013,101
Total expenditures	451,106,270	458,452,025
Excess (Deficiency) of revenues over expenditures	(3,752,611)	(57,438,924)
Capital lease financing	1,665,337	12,515,094
Grant funds not reimbursed	-	(106,864)
Issuance of Refunding Bonds	-	26,965,000
Issuance of general obligation bonds	-	89,010,000
Payment to refunded bond escrow agent	-	(28,245,645)
Premiums on obligations	-	5,873,492
Transfers	(7,784,460)	26,967
Net change in fund balance	(9,871,734)	48,599,120
<i>Government-wide activity:</i>		
Difference between current year's capital outlay expenditures and depreciation expense	16,605,287	2,236,951
Expenditures made in addition to the annual required		
Net effect of capital asset sales, donations, trade-ins, etc.	57,824,873	57,187,619
Revenues not reported in funds because they do not provide current-period financial resources	829,869	(151,417)
Internal Service Funds which are not reported in funds but are reported in government wide activity	(9,311,046)	(6,419,122)
Long-term debt not reported in funds because it does not affect the current period	13,874,861	(67,740,354)
Expenses not reported in the funds because they do not use current-period financial resources	(19,102,750)	(19,316,172)
Total change in net position	<u>\$ 50,849,360</u>	<u>\$ 14,396,626</u>

This change in net position begins with the current year's differences between governmental revenues and expenditures of (\$3,752,611) along with other financing sources and uses of \$6,119,123. Differences between capital assets added during the year and the depreciation related to all capital assets recorded, along with the effect of various capital assets transactions, such as dispositions and donations of \$74,562,470 also affect this change.

Other factors influencing the change in net position are those revenues and expenses that do not provide or require the use of current financial resources of (\$18,405,191). Additionally, long-term debt, whether being issued or retired, has an effect on the change in net position of \$13,874,861. The County also reports a net pension liability of (\$24,066,035) on and a total OPEB liability of (\$253,594,793) on the balance sheet.

The overall financial position of the County has improved over the last year. As mentioned earlier, there is an increase in the County's net position of \$15,299,055, inclusive of the prior period adjustment. The reason for this change is the increase of \$38,986,893 in the combined fund balance of Montgomery County's two major operating funds, the General Fund and the Road and Bridge Fund, indicates continued improvement in the County's near term financial position. As part of long-range planning, management has pledged to continue maintaining the level of the General fund's unassigned fund balance at an amount between 10 and 15 percent of annual operating expenditures.

The following chart depicts expenses and program revenues for the fiscal year ending September 30, 2020 for governmental activities.

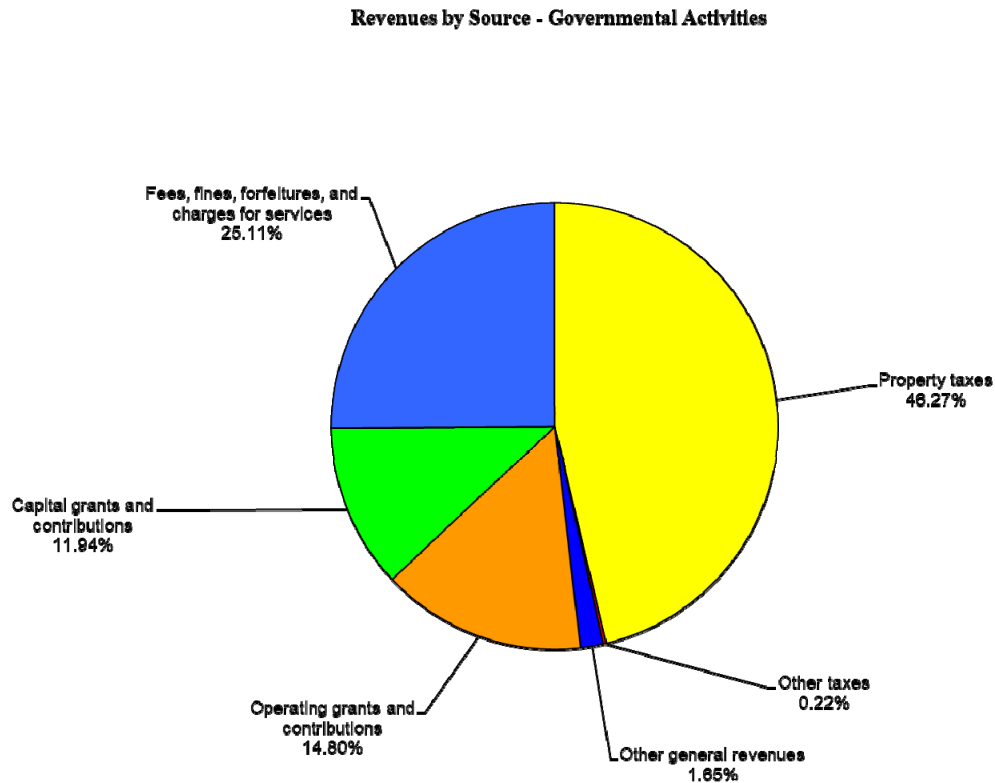


Key elements of the analysis of government-wide program revenues and expenses as they relate to each function reflect the following:

- Program revenues of \$285,571,515 are comprised in large part (29.2%) of Health & Human Services' revenues of \$83,548,383 and Public Transportation's revenues of \$69,682,928 (24.4%). The Law Enforcement and Corrections function comprises 21.3% of program revenues with \$60,885,918, General Government makes up 18.9% of program revenues with \$54,248,265, and Financial Administration covers 2.8% of program revenues with \$8,116,672. The expenses of these functions account for 18.5%, 16.5%, 20.9%, 23.5%, and 2.4%, respectively. As expected, general revenues provided the required support and coverage in areas where expenses exceeded revenues.
- The health and human services function experienced an increase in expenses of \$59,540,598 and an increase in revenues of \$62,522,164 while the law enforcement and corrections function

experienced a decrease in expenses of \$58,894,272 and a decrease in revenues of \$11,931,852. These are primarily a result of increased efforts to manage the effects of the coronavirus pandemic.

The following chart depicts revenues of the governmental activities for the fiscal year ended September 30, 2020.



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, 2020, the County's governmental funds reported combined ending unassigned fund balances of \$52,313,298 that are available for spending at the County's discretion. The remainder of fund balances are categorized as non-spendable \$1,398,753, restricted \$151,793,524, committed \$68,013,154 or assigned \$99,249,765 to reflect the varying levels of liquidity.

Total assets and deferred outflows of resources in the General Fund amounted to \$316,080,339, accounting for 54.0% of total governmental fund assets. The total assets of other major funds, which include Road and Bridge Special Revenue Fund (\$28,314,626) the Debt Service Fund (\$15,795,863), Grants (\$7,981,658), Pass Through Toll Projects (\$67,146,953), and the Road Bonds Series 2018B (\$69,804,072). Together, all major funds account for \$505,123,511 (86.3%) of the County's \$585,006,984 in total assets.

The County's General Fund balance increased by \$37,939,581 during the current fiscal year. Key factors in this increase are as follows:

- Reclassification of allowable costs incurred in response to the Coronavirus Pandemic to CARES Act funding.
- The continued growth in the County has contributed to a general increase in charges for services and fees collected in the general fund.
- Conservative spending policies and practices of the Commissioners' Court encouraged all aspects of the organization to reduce spending where possible.

The Road and Bridge Special Revenue Fund has a total fund balance of \$16,462,316 which is reported as \$2,212,551 as committed and \$14,249,765 as assigned. The fund balance increased by \$1,047,312 during the current year due to the increased focus of funding through the operating budgets of the Commissioners of various road maintenance projects to improve mobility.

The fund balance of \$14,716,523 in the Debt Service Fund is presented as fund balance restricted for debt service. The fund balance increased as property tax collections for the current year were greater than expenditures for debt service.

The Grants Fund has a total fund balance of 7,732,716 which is reported as \$862,252 non-spendable and \$6,870,464 as restricted.

The entire fund balance of the Pass Through Toll Projects \$10,673,953 is classified as restricted and represents amounts that are specifically for projects approved for the Pass Through Toll Program.

The entire fund balance of the Road Bonds, Series 2018B, \$68,356,902 is classified as restricted and represents amounts that are specifically for Commissioners' Court approved road improvement projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

The published budget of Montgomery County for fiscal 2020 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 \$240,484,091 and expenditures of

\$238,479,281. The General Fund's final budget, as amended, contains revenues and other financing sources of \$252,675,269 and expenditures and other financing uses of \$260,437,964.

The following table presents the changes between the original adopted budget and the final budget for the General Fund as of September 30, 2020.

General Fund Budget Variances Year Ended September 30, 2020			
	Original Budget	Final Budget	Variance with Original Budget Positive (Negative)
Revenues:			
Taxes	\$ 191,458,202	\$ 191,458,212	\$ 10
Fees and Charges for Services	21,227,372	21,799,331	571,959
Intergovernmental	3,895,000	4,964,409	1,069,409
Licenses and Permits	2,104,000	2,104,000	-
Contract Reimbursements	19,664,106	21,448,091	1,783,985
Investment Earnings	1,016,786	1,016,786	-
Fines and Forfeitures	740,000	740,000	-
Commissions	6,000	95,410	89,410
Miscellaneous	372,625	800,258	427,633
Total Revenues	240,484,091	244,426,497	3,942,406
Expenditures:			
General Government	43,950,692	44,108,418	(157,726)
Financial Administration	12,094,594	12,254,803	(160,209)
Health and Human Services	11,251,213	11,435,537	(184,324)
Culture and Recreation	10,958,471	11,712,274	(753,803)
Law Enforcement and Corrections	130,761,911	146,324,254	(15,562,343)
Legal and Judicial	28,539,633	29,541,790	(1,002,157)
Transportation	922,767	945,030	(22,263)
Total Expenditures	238,479,281	256,322,106	(17,842,825)
Excess Revenues Over Expenditures	2,004,810	(11,895,609)	(13,900,419)
Other Financing Sources/(Uses):			
Transfers In	-	2,698,017	2,698,017
Transfers Out	-	(4,115,852)	(4,115,852)
Capital Lease Financing	-	5,550,755	5,550,755
Total Other Financing Sources/(Uses)	-	4,132,920	4,132,920
Net Change in Fund Balances	2,004,810	(7,762,689)	(9,767,499)
Fund Balance - Beginning	142,889,911	142,889,911	-
Prior Period Adjustment	3,327,640	3,327,640	-
Fund Balance at Beginning of Year - as restated	146,217,551	146,217,551	-
Fund Balance - Ending	\$ 148,222,361	\$ 138,454,862	\$ (9,767,499)

Final budgeted revenues were higher than originally planned by \$3,942,406. The final budget for contract reimbursements was \$1,783,985 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 \$17,842,825 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 2020. 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.

The final budget in the Legal and Judicial function was \$1,002,157 higher than the original budget at the end of FY 2020. Contributing to this change is the addition of the 457th District Court with an operations budget totaling \$103,058. Commissioners Court approved the addition of a position in Office of Court Administration and Justices of the Peace recognized revenue of \$391,000 to pay for collections services.

A \$15,562,343 increase in the final budget over the original budget for expenditures in the Law Enforcement and Corrections function was the result of several factors, including encumbrance carryovers as mentioned above. Also contributing to the budgeted variances for the Law Enforcement and Corrections function, is the County's participation in several contracts with local agencies for law enforcement services. During the course of the fiscal year, additional inter-local agreements were created with local agencies for the performance of security services. These additional contracts created increased expenditures for the County, but also created an increase in the revenue line supporting the associated expenditure.

The following table presents the differences between the final amended budget and actual expenditures for the General Fund as of September 30, 2020.

General Fund Budget Variances Year Ended September 30, 2020			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Taxes	\$ 191,458,212	\$ 189,151,990	\$ (2,306,222)
Fees and Charges for Services	21,799,331	21,790,383	(8,948)
Intergovernmental	4,964,409	4,046,392	(918,017)
Licenses and Permits	2,104,000	2,194,858	90,858
Contract Reimbursements	21,448,091	24,072,265	2,624,174
Investment Earnings	1,016,786	3,006,735	1,989,949
Fines and Forfeitures	740,000	438,900	(301,100)
Commissions	95,410	99,476	4,066
Miscellaneous	800,258	1,273,622	473,364
Total Revenues	244,426,497	246,074,621	1,648,124
Expenditures:			
General Government	44,108,418	44,066,618	41,800
Financial Administration	12,254,803	11,105,581	1,149,222
Health and Human Services	11,435,537	10,406,092	1,029,445
Culture and Recreation	11,712,274	11,072,244	640,030
Law Enforcement and Corrections	146,324,254	96,752,138	49,572,116
Legal and Judicial	29,541,790	27,484,002	2,057,788
Transportation	945,030	889,242	55,788
Total Expenditures	256,322,106	201,775,917	54,546,189
Excess Revenues Over Expenditures	(11,895,609)	44,298,704	56,194,313
Other Financing Sources/(Uses):			
Transfers In	2,698,017	726,613	(1,971,404)
Transfers Out	(4,115,852)	(8,751,073)	(4,635,221)
Capital Lease Financing	5,550,755	1,665,337	(3,885,418)
Total Other Financing Sources/(Uses)	4,132,920	(6,359,123)	(10,492,043)
Net Change in Fund Balances	(7,762,689)	37,939,581	45,702,270
Fund Balance - Beginning	142,889,911	142,889,911	-
Prior Period Adjustment	3,327,640	3,327,640	-
Fund Balances at Beginning of Year - as restated	146,217,551	146,217,551	-
Fund Balance - Ending	\$ 138,454,862	\$ 184,157,132	\$ 45,702,270

Actual revenues exceeded budgeted revenues by \$1,648,124. A substantial increase in investment earnings, licenses and permits, and contract reimbursements (\$4,704,981) adequately covered the shortfall in intergovernmental and taxes (\$3,224,239).

Actual expenditures were \$54,546,189 lower than final budgeted expenditures. The Law Enforcement and Corrections function contributed \$49,572,116 toward that amount. This is primarily due to the County's response to the coronavirus pandemic. The reclassification of time within most of the departments in the Law Enforcement and Corrections function resulted in a large unspent budget.

All departments in the Legal and Judicial function of the General Fund expended less than was approved in the final amended budget by \$2,057,788. Due to the coronavirus pandemic, The Texas Supreme Court instructed that the district and county courts temporarily suspend operations. On June 1, 2020 those courts resumed limited operations. This temporary suspension attributed to the decrease in spending for this function.

The Health and Human Services function showed actual expenditures less than the final budget by \$1,029,445. This is primarily due to Animal Control receiving funding from a grant as well as other donations, for which timing did not allow the department to proceed with the purchase process during FY 2020.

The actual net change in fund balance was \$45,702,270 more than anticipated with the final budget. The General Fund also recorded a prior period adjustment in the amount of \$3,327,640 for the inclusion of certain funds that were considered Special Revenue Funds in prior year. Those funds are the Jury Fund and Memorial Library Fund. In prior years, the Jury fund did not provide enough revenues to adequately fund its own services and transfers to the fund were necessary. Therefore, it was determined that the departments within the Jury fund should be included in the General Fund.

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, 2020 amounted to \$1,068,848,494 (net of accumulated depreciation). This investment in capital assets includes land and easements, buildings, improvements, equipment, intangibles, infrastructure that was purchased, completed or donated since the fiscal year 1981, and construction in progress.

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

- Additions to the buildings category of \$2,099,565 consisted primarily of the New Caney American Legions building
- Vehicles and other various equipment items were acquired at a cost of \$7,560,309.
- A variety of projects for both new infrastructure construction and for expansion or updating of existing infrastructure were ongoing during the year.
- Montgomery County continues to grow; it is continually ranked in the top 100 fastest growing counties in the nation¹. 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 \$51,958,347.
- Expenditures of \$7,559,857 were incurred for construction that was in progress throughout the year. Projects that were capitalized from ongoing construction throughout the year totaled \$981,920. These include the completion of the Extension Office parking lot, South County Library parking lot and lighting improvements, and Sallas Park splash pad.
- Decrease in business-type activities due to transfer of State Highway 242 direct connector ramps to the Texas Department of Transportation.
- Increases in assets for governmental and business-type activities were offset by depreciation expense of \$56,794,232 and \$4,027,446 respectively.

¹ <http://www.census.gov>

Montgomery County, Texas
Capital Assets
(net of depreciation)
September 30, 2020
with Comparative Totals for September 30, 2019

	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Land	\$ 130,761,009	\$ 123,331,887	\$ -	\$ -	\$ 130,761,009	\$ 123,331,887
Buildings	129,506,478	132,529,308	-	-	129,506,478	132,529,308
Improvements	6,105,943	5,900,999	-	-	6,105,943	5,900,999
Equipment	50,456,603	42,637,219	28,865	-	50,485,468	42,637,219
Infrastructure	548,679,823	613,901,261	75,369,005	93,323,207	624,048,828	707,224,468
Construction in Progress	127,940,768	688,308	-	-	127,940,768	688,308
Total	<u>\$ 993,450,624</u>	<u>\$ 918,988,982</u>	<u>\$ 75,397,870</u>	<u>\$ 93,323,207</u>	<u>\$ 1,068,848,494</u>	<u>\$ 1,012,312,189</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, south Montgomery County library parking lot with lighting, a splash pad at Sallas Park, and a parking lot at the Extension Office. In addition, various large construction projects and renovations that are underway in the County include the medical examiners office, traffic operations center, Sheriff district 4 patrol offices, and a County Clerk repository building. More information on the County's capital assets can be found in Note 7 starting on page 63 of this report.

Long-Term Debt

At September 30, 2020, Montgomery County governmental activities had total bonded debt outstanding of \$509,380,000. 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, \$463,775,000 corresponds to general obligation debt, \$87,680,000 is in the form of revenue bonds and \$46,605,000 represents certificates of obligation.

Outstanding debt for governmental activities decreased by \$12,970,000. This due to regularly scheduled principal payments.

Outstanding debt for the business-type activities, the Montgomery County Toll Road Authority, remained the same at \$87,680,000 since payments for FY 2020 are interest only.

The following table represents the entire long-term debt of the County at September 30, 2020 on a comparative basis.

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

	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
General obligation bonds	\$ 463,775,000	\$ 474,975,000	\$ -	\$ -	\$ 463,775,000	\$ 474,975,000
Revenue Bonds	-	-	87,680,000	87,680,000	87,680,000	87,680,000
Certificates of obligation	45,605,000	47,375,000	-	-	45,605,000	47,375,000
Capital Leases	10,674,041	11,578,902	-	-	10,674,041	11,578,902
Premiums, net of discounts	44,196,827	48,232,661	7,231,952	7,510,104	51,428,779	55,742,765
Compensated absences	15,389,794	14,133,801	-	-	15,389,794	14,133,801
Property Casualty Obligation	420,706	-	-	-	420,706	-
Medical Obligation	8,966,454	8,800,373	-	-	8,966,454	8,800,373
Worker's Comp Obligation	701,773	1,108,133	-	-	701,773	1,108,133
Net Pension Liability	24,066,035	64,534,132	-	-	24,066,035	64,534,132
OPEB Liability	253,594,793	227,627,578	-	-	253,594,793	227,627,578
Total	\$ 867,390,423	\$ 898,365,580	\$ 94,911,952	\$ 95,190,104	\$ 962,302,375	\$ 993,555,684

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 \$14,589,800,823, which is significantly greater than the County's outstanding debt obligation.

Additional information on Montgomery County's long-term debt can be found in Note 9 beginning on page 67 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for the County is currently 8.2%², which is higher than the rate of 3.8% a year ago. This is in line with the State's average unemployment rate of 8.2%³ and slightly higher than the national average rate of 7.8%⁴.
- The estimated debt service obligation increased by \$4,554,310 in fiscal year 2021 to \$41,509,557.
- 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 2021 budget is funding in the amount of \$6,200,000 for this endeavor.
- The County created a budget office that is dedicated to the task of building a more fiscally conservative budget while striving to maintain services for the citizenry.
- For FY 2021, the County adopted the effective tax rate of \$0.4312/\$100 valuation, a rate lower than the "no-new-revenue rate" of \$0.4319/\$100 in response to continued calls by the citizens for property tax relief.

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

² The Work Source. <http://www.wrksolutions.com/Documents/Employer/LMI/unemploymentrates/LAUSHISTORY.pdf>.

³ The Work Source. <http://www.wrksolutions.com/Documents/Employer/LMI/unemploymentrates/LAUSHISTORY.pdf>.

⁴ U.S. Department of Labor, Bureau of Labor Statistics. <http://data.bls.gov/timeseries/LNS14000000>.

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**Statement of Net Position****September 30, 2020**

EXHIBIT I

	Governmental Activities	Business -Type Activities	Total
ASSETS:			
Cash	\$ 277,578,707	\$ 35,618,130	\$ 313,196,837
Investments	144,411,573	21,699,878	166,111,451
Cash, Restricted for Retainage	83,666	-	83,666
Receivables:			
Taxes (net)	7,623,561	-	7,623,561
Accounts (net)	62,617,537	803,887	63,421,424
Interest	294,188	-	294,188
Internal Balances	35,179,743	(35,179,743)	-
Due from Other Governments	11,124,132	-	11,124,132
Prepaid Items	2,068,555	-	2,068,555
Capital Assets, net of accumulated depreciation:			
Land	130,761,009	-	130,761,009
Buildings	129,506,478	-	129,506,478
Improvements	6,105,943	-	6,105,943
Equipment	50,456,603	28,865	50,485,468
Infrastructure	548,679,823	75,369,005	624,048,828
Construction in Progress	127,940,768	-	127,940,768
Total Assets	<u>1,534,432,286</u>	<u>98,340,022</u>	<u>1,632,772,308</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows from Pensions and OPEB	59,789,616	-	59,789,616
Deferred Charge on Refunding	9,510,224	-	9,510,224
Total Deferred Outflows of Resources	<u>69,299,840</u>	<u>-</u>	<u>69,299,840</u>
LIABILITIES:			
Accounts Payable	36,964,181	213,622	37,177,803
Retainage Payable	83,666	-	83,666
Accrued Interest Payable	2,148,010	182,667	2,330,677
Due to Other Governments	2,050	-	2,050
Unearned Revenue	110,670,617	-	110,670,617
Noncurrent Liabilities:			
Due within one year	42,448,535	-	42,448,535
Due in more than one year	824,941,889	94,921,886	919,863,775
Total Liabilities	<u>1,017,258,948</u>	<u>95,318,175</u>	<u>1,112,577,123</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows from Pensions and OPEB	23,824,186	-	23,824,186
Total Deferred Inflows of Resources	<u>23,824,186</u>	<u>-</u>	<u>23,824,186</u>
NET POSITION:			
Net investment in capital assets	577,556,834	3,651,930	581,208,764
Restricted for:			
Capital Projects	75,951,195	-	75,951,195
Grants	862,252	-	862,252
General Government	5,242,760	-	5,242,760
Administration of Justice	1,858,294	-	1,858,294
Public Safety	5,334,089	-	5,334,089
Debt Service	13,815,367	-	13,815,367
General Fund	2,312,003	-	2,312,003
Unrestricted	(120,283,802)	(630,083)	(120,913,885)
Total Net Position	<u>\$ 562,648,992</u>	<u>\$ 3,021,847</u>	<u>\$ 565,670,839</u>

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Activities
Year Ended September 30, 2020

EXHIBIT II

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Fees, Fines, Forfeitures, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
Current:							
General Government	\$ 115,814,541	\$ 53,840,460	\$ 407,805	\$ -	\$ (61,566,276)	\$ -	\$ (61,566,276)
Financial Administration	12,120,208	8,109,129	7,543	-	(4,003,536)	-	(4,003,536)
Health and Human Services	91,519,021	3,055,498	75,423,969	5,068,916	(7,970,638)	-	(7,970,638)
Culture and Recreation	14,238,359	1,522,967	80,800	4,948	(12,629,644)	-	(12,629,644)
Law Enforcement and Corrections	128,465,299	54,321,946	4,855,379	1,708,593	(67,579,381)	-	(67,579,381)
Legal and Judicial	32,123,928	6,471,109	738,190	-	(24,914,629)	-	(24,914,629)
Transportation	81,487,052	10,952,444	-	-	(11,804,124)	-	(11,804,124)
Interest and Fiscal Charges	16,328,138	-	-	271,335	(16,056,803)	-	(16,056,803)
Total Governmental Activities	\$ 492,096,546	\$ 138,273,553	\$ 81,513,686	\$ 65,784,276	(206,525,031)	-	(206,525,031)
Business-type activities:							
Toll Road	\$ 52,005,679	\$ 5,097,422	\$ -	\$ -	(46,908,257)	-	(46,908,257)
Total business-type activities	\$ 52,005,679	\$ 5,097,422	\$ -	\$ -	(46,908,257)	-	(46,908,257)
General Revenues:							
Property Taxes					254,870,342	-	254,870,342
Other Taxes					1,209,281	-	1,209,281
Mixed Beverage Taxes					1,532,241	-	1,532,241
Bingo Taxes					98,890	-	98,890
Vehicle Weight Tax					402,977	-	402,977
Investment Earnings					6,328,584	305,192	6,633,776
Gain on Sale of Capital Assets					716,538	-	716,538
Miscellaneous					-	24,500	24,500
Transfers					(7,784,462)	7,784,462	-
Total General Revenues and Transfers					257,374,391	8,114,154	265,488,545
Change in Net Position					50,849,360	(38,794,103)	12,055,257
Net Position - Beginning					511,767,753	38,604,031	550,371,784
Prior Period Adjustment					31,879	3,211,919	3,243,798
Net Position - Beginning, as Restated					511,799,632	41,815,950	553,615,582
Net Position - Ending					\$ 562,648,992	\$ 3,021,847	\$ 565,670,839

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS**Balance Sheet****Governmental Funds****September 30, 2020**

	General	Road and Bridge	Debt Service
<u>ASSETS:</u>			
Cash	\$ 148,944,326	\$ 13,438,194	\$ 9,203,380
Investments	108,499,866	14,045,552	623,093
Cash, Restricted for Retainage	-	-	-
Receivables:			
Taxes (net)	5,670,965	827,732	1,124,864
Accounts (net)	5,938,094	3,148	203,290
Interest	294,188	-	-
Due from Other Funds	35,179,743	-	4,641,236
Due from Other Governments	11,016,656	-	-
Prepaid Items	536,501	-	-
<u>TOTAL ASSETS</u>	<u>\$ 316,080,339</u>	<u>\$ 28,314,626</u>	<u>\$ 15,795,863</u>
<u>LIABILITIES:</u>			
Accounts Payable	\$ 30,700,352	\$ 532,023	\$ -
Retainage Payable	-	-	-
Due to Other Funds	41,478,939	10,478,049	-
Due to Other Governments	2,050	-	-
Unearned Revenue	54,197,617	-	-
Total liabilities	<u>126,378,958</u>	<u>11,010,072</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Unavailable Revenue: Property Taxes	5,544,249	842,238	1,079,340
Unavailable Revenue: Grant Funds	-	-	-
Total Deferred Inflows of Resources	<u>5,544,249</u>	<u>842,238</u>	<u>1,079,340</u>
<u>FUND BALANCES:</u>			
Nonspendable	536,501	-	-
Restricted	2,312,003	-	14,716,523
Committed	43,995,330	2,212,551	-
Assigned	85,000,000	14,249,765	-
Unassigned	52,313,298	-	-
Total Fund Balances	<u>184,157,132</u>	<u>16,462,316</u>	<u>14,716,523</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>	<u>\$ 316,080,339</u>	<u>\$ 28,314,626</u>	<u>\$ 15,795,863</u>

See accompanying notes to the financial statements.

EXHIBIT III

Grants	Pass Through Toll Projects	Road Bonds Series 2018B	Other Governmental Funds	Total Governmental Funds
\$ 916,987	\$ -	\$ 69,804,072	\$ 33,053,699	\$ 275,360,658
692,280	-	-	20,550,782	144,411,573
83,666	-	-	-	83,666
-	-	-	-	7,623,561
-	56,473,000	-	5	62,617,537
-	-	-	-	294,188
5,318,997	10,673,953	-	26,278,987	82,092,916
107,476	-	-	-	11,124,132
862,252	-	-	-	1,398,753
<u>\$ 7,981,658</u>	<u>\$ 67,146,953</u>	<u>\$ 69,804,072</u>	<u>\$ 79,883,473</u>	<u>\$ 585,006,984</u>
\$ 27,634	\$ -	\$ -	\$ 51,235	\$ 31,311,244
83,666	-	-	-	83,666
-	-	1,447,170	9,163,236	62,567,394
-	-	-	-	2,050
-	56,473,000	-	-	110,670,617
<u>111,300</u>	<u>56,473,000</u>	<u>1,447,170</u>	<u>9,214,471</u>	<u>204,634,971</u>
-	-	-	-	7,465,827
<u>137,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,642</u>
<u>137,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,603,469</u>
862,252	-	-	-	1,398,753
6,870,464	10,673,953	68,356,902	49,036,648	151,966,493
-	-	-	21,805,273	68,013,154
-	-	-	-	99,249,765
-	-	-	(172,919)	52,140,379
<u>7,732,716</u>	<u>10,673,953</u>	<u>68,356,902</u>	<u>70,669,002</u>	<u>372,768,544</u>
<u>\$ 7,844,016</u>	<u>\$ 67,146,953</u>	<u>\$ 69,804,072</u>	<u>\$ 79,883,473</u>	<u>\$ 585,006,984</u>



MONTGOMERY COUNTY, TEXAS
Reconciliation of the Balance Sheet of the Governmental Funds
to the Statement of Net Position
September 30, 2020

Total fund balances - governmental funds (page 35) \$ 372,768,544

Amounts reported for governmental activities in
the statement of net position are different because:

Capital assets used in governmental activities are
not financial resources and therefore, are not reported
in the funds. These capital assets (net of accumulated
depreciation) consist of:

Land	\$ 130,761,009	
Buildings	129,506,478	
Improvements	6,105,943	
Equipment	50,456,603	
Infrastructure	548,679,823	
Construction in Progress	127,940,768	
Total Capital Assets, Net		993,450,624

Some of the County's assets are not available to pay for the
current-period expenditures and, therefore are reported
as unavailable revenue in the funds 7,603,469

Internal Service Funds are used by management to charge the costs
of certain activities to individual funds. The assets and liabilities of
internal service funds are included in governmental activities in the
statement of net position. This is net of assets and liabilities,
excluding capital assets. 2,800,202

Some liabilities are not due and payable in the current
period and therefore are not reported in the funds.

Those liabilities consist of:

Accrued Interest payable	\$ (2,148,010)	
Bonds and capital leases payable, net	(564,250,869)	
OPEB Liability	(253,594,793)	
Deferred charge on refunding	9,510,224	
Deferred amounts for pensions and OPEB	35,965,430	
Net Pension Liability	(24,066,035)	
Compensated absences	(15,389,794)	
Total future period liabilities		(813,973,847)
Net position of governmental activities		\$ 562,648,992

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2020

	General	Road and Bridge	Debt Service
<u>REVENUES:</u>			
Taxes	\$ 189,151,990	\$ 28,202,424	\$ 37,518,917
Fees and Charges for Services	21,790,383	1,881,185	-
Intergovernmental	4,046,392	253,930	403,638
Licenses and Permits	2,194,858	5,817,336	-
Contract Reimbursements	24,072,265	881,828	-
Inmate Housing	-	-	-
Investment Earnings	3,006,735	237,667	193,732
Fines and Forfeitures	438,900	1,706,190	-
Commissions	99,476	-	-
Miscellaneous	1,273,622	361,643	-
<u>TOTAL REVENUES</u>	<u>246,074,621</u>	<u>39,342,203</u>	<u>38,116,287</u>
<u>EXPENDITURES:</u>			
Current:			
General Government	44,066,618	-	-
Financial Administration	11,105,581	-	-
Health and Human Services	10,406,092	1,364,369	-
Culture and Recreation	11,072,244	2,275,643	-
Law Enforcement and Corrections	96,752,138	40,310	-
Legal and Judicial	27,484,002	-	-
Transportation	889,242	34,614,569	-
Capital Projects	-	-	-
Debt Service:			
Principal Retirement	-	-	12,970,000
Interest and Fiscal Charges	-	-	23,975,029
<u>TOTAL EXPENDITURES</u>	<u>201,775,917</u>	<u>38,294,891</u>	<u>36,945,029</u>
Excess (Deficiency) Revenues Over Expenditures	<u>44,298,704</u>	<u>1,047,312</u>	<u>1,171,258</u>
<u>OTHER FINANCING SOURCES/(USES):</u>			
Transfers In	726,613	-	837,256
Transfers Out	(8,751,073)	-	-
Capital Lease Financing	1,665,337	-	-
<u>TOTAL OTHER FINANCING SOURCES/(USES)</u>	<u>(6,359,123)</u>	<u>-</u>	<u>837,256</u>
Net Change in Fund Balances	<u>37,939,581</u>	<u>1,047,312</u>	<u>2,008,514</u>
Fund Balances at Beginning of Year	142,889,911	15,573,310	12,708,009
Prior Period Adjustment	3,327,640	(158,306)	-
Fund Balances at Beginning of Year- as restated	146,217,551	15,415,004	12,708,009
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 184,157,132</u>	<u>\$ 16,462,316</u>	<u>\$ 14,716,523</u>

See accompanying notes to the financial statements.

EXHIBIT IV

Grants	Pass Through Toll Projects	Road Bonds Series 2018B	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 254,873,331
7,832	-	-	4,114,165	27,793,565
87,886,234	-	-	648,889	93,239,083
-	-	-	-	8,012,194
9,996	-	-	-	24,964,089
-	-	-	25,302,982	25,302,982
273,727	-	1,046,982	1,569,743	6,328,586
-	-	-	1,084,209	3,229,299
-	-	-	-	99,476
1,130,022	-	-	745,767	3,511,054
89,307,811	-	1,046,982	33,465,755	447,353,659
-	-	-	2,785,422	46,852,040
7,543	-	-	-	11,113,124
79,773,003	-	-	-	91,543,464
62,010	-	-	-	13,409,897
6,670,263	-	-	29,139,349	132,602,060
228,215	-	-	574,151	28,286,368
989,831	-	-	-	36,493,642
-	-	15,972,783	37,887,863	53,860,646
-	-	-	-	12,970,000
-	-	-	-	23,975,029
87,730,865	-	15,972,783	70,386,785	451,106,270
1,576,946	-	(14,925,801)	(36,921,030)	(3,752,611)
-	-	-	240,000	1,803,869
(626,612)	-	-	(210,644)	(9,588,329)
-	-	-	-	1,665,337
(626,612)	-	-	29,356	(6,119,123)
950,334	-	(14,925,801)	(36,891,674)	(9,871,734)
5,895,932	10,673,953	83,282,703	111,584,581	382,608,399
886,450	-	-	(4,023,905)	31,879
6,782,382	10,673,953	83,282,703	107,560,676	382,640,278
\$ 7,732,716	\$ 10,673,953	\$ 68,356,902	\$ 70,669,002	\$ 372,768,544



MONTGOMERY COUNTY, TEXAS
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of the Governmental Funds
to the Statement of Activities
Year Ended September 30, 2020

Amounts reported for governmental activities in the statement of activities (page 33) are different because:

Net change in fund balances - total governmental funds (page 39)	\$ (9,871,734)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	16,605,287
The net effect of various miscellaneous transactions involving capital assets.	57,824,873
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	829,869
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	13,874,861
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenues over expenditures of the internal service funds is reported with the governmental activities.	(9,311,046)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
The changes in these expenditures are as follows:	
Compensated absences	\$ (1,255,994)
Bond interest owed but not yet paid	(431,483)
Amortization of deferred amounts	2,751,116
Net Pension Liability and Deferred Amounts Related to Pension	(1,778,621)
OPEB Liability and Deferred Amounts Related to OPEB	(18,387,768)
	(19,102,750)
Change in net position of governmental activities	\$ 50,849,360

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
General Fund
Year Ended September 30, 2020

EXHIBIT V
Page 1 of 3

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Taxes	\$191,458,202	\$ 191,458,212	\$ 189,151,990	\$ (2,306,222)
Fees	21,227,372	21,799,331	21,790,383	(8,948)
Intergovernmental	3,895,000	4,964,409	4,046,392	(918,017)
Licenses and Permits	2,104,000	2,104,000	2,194,858	90,858
Contract Reimbursements	19,664,106	21,448,091	24,072,265	2,624,174
Investment Earnings	1,016,786	1,016,786	3,006,735	1,989,949
Fines and Forfeitures	740,000	740,000	438,900	(301,100)
Commissions	6,000	95,410	99,476	4,066
Miscellaneous	372,625	800,258	1,273,622	473,364
<u>TOTAL REVENUES</u>	<u>240,484,091</u>	<u>244,426,497</u>	<u>246,074,621</u>	<u>1,648,124</u>
<u>EXPENDITURES:</u>				
Current:				
General Government	43,950,692	44,108,418	44,066,618	41,800
Financial Administration	12,094,594	12,254,803	11,105,581	1,149,222
Health and Human Services	11,251,213	11,435,537	10,406,092	1,029,445
Culture and Recreation	10,958,471	11,712,274	11,072,244	640,030
Law Enforcement and Corrections	130,761,911	146,324,254	96,752,138	49,572,116
Legal and Judicial	28,539,633	29,541,790	27,484,002	2,057,788
Transportation	922,767	945,030	889,242	55,788
<u>TOTAL EXPENDITURES</u>	<u>238,479,281</u>	<u>256,322,106</u>	<u>201,775,917</u>	<u>54,546,189</u>
Excess (Deficiency) Revenues Over Expenditures	2,004,810	(11,895,609)	44,298,704	56,194,313
<u>OTHER FINANCING SOURCES/ (USES):</u>				
Transfers In	-	2,698,017	726,613	(1,971,404)
Transfers Out	-	(4,115,852)	(8,751,073)	(4,635,221)
Capital Lease Financing	-	5,550,755	1,665,337	(3,885,418)
<u>TOTAL OTHER FINANCING SOURCES/(USES)</u>	<u>-</u>	<u>4,132,920</u>	<u>(6,359,123)</u>	<u>(10,492,043)</u>
Net Change in Fund Balances	2,004,810	(7,762,689)	37,939,581	45,702,270
Fund Balances at Beginning of Year	142,889,911	142,889,911	142,889,911	-
Prior Period Adjustment	3,327,640	3,327,640	3,327,640	-
Fund Balances at Beginning of Year- as restated	146,217,551	146,217,551	146,217,551	-
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$148,222,361</u>	<u>\$ 138,454,862</u>	<u>\$ 184,157,132</u>	<u>\$ 45,702,270</u>

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Road and Bridge Fund
Year Ended September 30, 2020

EXHIBIT V
Page 2 of 3

	Road and Bridge Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Taxes	\$ 28,586,370	\$ 28,586,370	\$ 28,202,424	\$ (383,946)
Fees and Charges for Services	-	1,176,331	1,881,185	704,854
Intergovernmental	135,000	135,000	253,930	118,930
Licenses and Permits	6,900,000	5,800,000	5,817,336	17,336
Contract Reimbursements	-	268,816	881,828	613,012
Investment Earnings	160,000	160,000	237,667	77,667
Fines and Forfeitures	1,900,000	1,900,000	1,706,190	(193,810)
Miscellaneous	-	338,972	361,643	22,671
<u>TOTAL REVENUES</u>	<u>37,681,370</u>	<u>38,365,489</u>	<u>39,342,203</u>	<u>976,714</u>
<u>EXPENDITURES:</u>				
Current:				
Health and Human Services	1,198,208	1,447,704	1,364,369	83,335
Culture and Recreation	2,301,017	2,736,249	2,275,643	460,606
Law Enforcement and Corrections	-	40,310	40,310	-
Transportation	34,182,145	41,552,200	34,614,569	6,937,631
<u>TOTAL EXPENDITURES</u>	<u>37,681,370</u>	<u>45,776,463</u>	<u>38,294,891</u>	<u>7,481,572</u>
Excess (Deficiency) Revenues Over Expenditures	-	(7,410,974)	1,047,312	8,458,286
<u>OTHER FINANCING SOURCES/ (USES):</u>				
Transfers In	-	407,111	-	(407,111)
Transfers Out	-	(2,146,239)	-	2,146,239
<u>TOTAL OTHER FINANCING SOURCES/(USES)</u>	<u>-</u>	<u>(1,739,128)</u>	<u>-</u>	<u>1,739,128</u>
Net Change in Fund Balances	-	(9,150,102)	1,047,312	10,197,414
Fund Balances at Beginning of Year	15,573,310	15,573,310	15,573,310	-
Prior Period Adjustment	(158,306)	(158,306)	(158,306)	-
Fund Balances at Beginning of Year- as restated	15,415,004	15,415,004	15,415,004	-
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 15,415,004</u>	<u>\$ 6,264,902</u>	<u>\$ 16,462,316</u>	<u>\$ 10,197,414</u>

See accompanying notes to the financial statements.



MONTGOMERY COUNTY, TEXAS
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Grants Fund
Year Ended September 30, 2020

EXHIBIT V
Page 3 of 3

	Grants Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees	\$ -	\$ -	\$ 7,832	\$ 7,832
Intergovernmental	20,388,439	174,548,575	87,886,234	(86,662,341)
Contract Reimbursements	-	10,000	9,996	(4)
Investment Earnings	-	151,292	273,727	122,435
Miscellaneous	-	-	1,130,022	1,130,022
<u>TOTAL REVENUES</u>	<u>20,388,439</u>	<u>174,709,867</u>	<u>89,307,811</u>	<u>(85,402,056)</u>
<u>EXPENDITURES:</u>				
Current:				
Financial Administration	-	-	7,543	(7,543)
Health and Human Services	18,649,942	151,601,650	79,773,003	71,828,647
Culture and Recreation	-	58,221	62,010	(3,789)
Law Enforcement and Corrections	-	19,447,267	6,670,263	12,777,004
Legal and Judicial	-	480,892	228,215	252,677
Transportation	50,000	10,090,201	989,831	9,100,370
<u>TOTAL EXPENDITURES</u>	<u>18,699,942</u>	<u>181,678,231</u>	<u>87,730,865</u>	<u>93,947,366</u>
Excess (Deficiency) Revenues Over Expenditures	<u>1,688,497</u>	<u>(6,968,364)</u>	<u>1,576,946</u>	<u>8,545,310</u>
<u>OTHER FINANCING SOURCES/ (USES):</u>				
Transfers In	-	171,229	-	(171,229)
Transfers Out	-	(5,779)	(626,612)	(620,833)
<u>TOTAL OTHER FINANCING SOURCES/(USES)</u>	<u>-</u>	<u>165,450</u>	<u>(626,612)</u>	<u>(792,062)</u>
Net Change in Fund Balances	<u>1,688,497</u>	<u>(6,802,914)</u>	<u>950,334</u>	<u>7,753,248</u>
Fund Balances at Beginning of Year	<u>5,895,932</u>	<u>5,895,932</u>	<u>5,895,932</u>	<u>-</u>
Prior Period Adjustment	<u>886,450</u>	<u>886,450</u>	<u>886,450</u>	<u>-</u>
Fund Balances at Beginning of Year- as restated	<u>6,782,382</u>	<u>6,782,382</u>	<u>6,782,382</u>	<u>-</u>
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 8,470,879</u>	<u>\$ (20,532)</u>	<u>\$ 7,732,716</u>	<u>\$ 7,753,248</u>

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS

Statement of Net Position

Proprietary Funds

September 30, 2020

EXHIBIT VI

	<u>Enterprise Fund</u>	
	<u>Toll Road</u>	<u>Internal Service</u>
	<u>Authority</u>	<u>Funds</u>
<u>ASSETS:</u>		
Current Assets:		
Cash and cash equivalents	\$ 35,618,130	\$ 2,218,049
Prepaid Items	-	669,802
Investments	21,699,878	-
Accounts Receivable	803,887	-
Due from other funds	-	15,654,221
Total Current Assets	<u>58,121,895</u>	<u>18,542,072</u>
Capital Assets (net of accumulated depreciation):		
Buildings	-	737,548
Equipment	28,865	60,606
Infrastructure	75,369,005	-
Total Capital Assets	<u>75,397,870</u>	<u>798,154</u>
Total Assets	<u>133,519,765</u>	<u>19,340,226</u>
<u>LIABILITIES:</u>		
Current Liabilities:		
Accounts Payable	213,622	5,652,937
Accrued interest payable	182,667	-
Claims payable	-	10,088,933
Due to other funds	35,179,743	-
Total Current Liabilities	<u>35,576,032</u>	<u>15,741,870</u>
Noncurrent Liabilities:		
Due in More than One Year	94,921,886	-
Total Noncurrent Liabilities	<u>94,921,886</u>	<u>-</u>
Total Liabilities	<u>130,497,918</u>	<u>15,741,870</u>
<u>NET POSITION:</u>		
Net investment in capital assets	3,651,930	798,154
Unrestricted	(630,083)	2,800,202
Total Net Position	<u>\$ 3,021,847</u>	<u>\$ 3,598,356</u>

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended September 30, 2020

EXHIBIT VII

	<u>Enterprise Fund</u>	
	Toll Road Authority	Internal Service Funds
<u>OPERATING REVENUES:</u>		
Fees and Charges for Service	\$ 5,097,422	\$ 44,718,963
Miscellaneous	-	3,000
Total Operating Revenues	<u>5,097,422</u>	<u>44,721,963</u>
<u>OPERATING EXPENSES:</u>		
Operations	808,473	53,621,890
Capital	-	119,833
Miscellaneous	-	261,219
Depreciation and Amortization	4,027,446	30,067
Total Operating Expenses	<u>4,835,919</u>	<u>54,033,009</u>
Operating Income (Loss)	261,503	(9,311,046)
<u>NON-OPERATING REVENUES:</u>		
Investment Earnings	305,192	-
Miscellaneous	24,500	-
Interest and fiscal charges	(4,115,781)	-
Loss of disposal of capital assets	(43,053,979)	-
Total Non-Operating Revenues	<u>(46,840,068)</u>	<u>-</u>
Loss before capital contributions and transfers	(46,578,565)	(9,311,046)
Transfer In	<u>7,784,462</u>	<u>-</u>
Change in Net Position	(38,794,103)	(9,311,046)
Total net position - beginning	<u>38,604,031</u>	<u>12,909,402</u>
Prior Period Adjustment	<u>3,211,919</u>	<u>-</u>
Total net position - beginning, as restated	41,815,950	12,909,402
Total net position - ending	<u><u>\$ 3,021,847</u></u>	<u><u>\$ 3,598,356</u></u>

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2020

EXHIBIT VIII

	Enterprise Fund	
	Toll Road Authority	Internal Service Funds
Cash flows from operating activities:		
Receipts from customers	\$ 4,302,957	\$ 44,718,963
Miscellaneous receipts	24,500	3,000
Payments to vendors	(5,614,962)	-
Benefits Paid	-	(45,493,720)
Net cash used in operating activities	<u>(1,287,505)</u>	<u>(771,757)</u>
Cash flows from noncapital financing activities:		
Internal receipts from other funds	1,410,508	-
Transfer to other funds	-	21,255
Net cash provided by noncapital financing activities	<u>1,410,508</u>	<u>21,255</u>
Cash flows from capital and related financing activities:		
Capital contributions	-	-
Purchase of capital assets	(29,156,088)	-
Interest paid on capital debt	(4,383,999)	-
Transfers from primary government	7,784,462	-
Net cash used in capital financing activities	<u>(25,755,625)</u>	<u>-</u>
Cash flows from investing activities:		
Purchase of investments	31,844,576	-
Interest received	305,192	-
Net cash provided by investing activities	<u>32,149,768</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>6,517,146</u>	<u>(750,502)</u>
Cash and cash equivalents - beginning	<u>29,100,984</u>	<u>2,968,551</u>
Cash and cash equivalents - ending	<u>\$ 35,618,130</u>	<u>\$ 2,218,049</u>
Reconciliation of operating income (loss) to net cash used in operating activities:		
Operating income (loss)	\$ 261,503	\$ (9,311,046)
Adjustments to reconcile operating income (loss) to		
net cash provided by operating activities:		
(Increase) decrease in due from other funds	-	(42,551)
Depreciation expense and amortization	4,027,446	30,067
(Increase) decrease in prepaid item	-	(99,365)
(Increase) decrease in accounts receivable	(794,465)	288,159
(Increase) decrease in intergovernmental receivable	-	4,534,557
Increase (decrease) in accounts payable	(4,806,489)	3,662,553
Increase (decrease) in claims payable	-	165,869
Miscellaneous Receipts	24,500	-
Total adjustments	<u>(1,549,008)</u>	<u>8,539,289</u>
Net cash used in operating activities	<u>\$ (1,287,505)</u>	<u>\$ (771,757)</u>

See accompanying notes to the financial statements.

MONTGOMERY COUNTY, TEXAS
Statement of Assets and Liabilities
Fiduciary Funds
As of September 30, 2020

EXHIBIT IX

	<u>Agency Funds</u>
<u>ASSETS:</u>	
Cash	\$ 21,409,112
Accounts Receivable	<u>24,749</u>
<u>TOTAL ASSETS</u>	<u>\$ 21,433,861</u>
<u>LIABILITIES:</u>	
Due to Others	<u>\$ 21,433,861</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 21,433,861</u>

See accompanying notes to the financial statements.



MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Montgomery County, Texas have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to local government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

A) REPORTING ENTITY:

Montgomery County, Texas (the County) was created in 1837. The County is a political subdivision of the State of Texas. The Commissioners' Court, composed of the County Judge and four Commissioners, governs the County. The following services are provided for the citizens: public safety, road and bridge construction and maintenance, health and social services, culture and recreation, public improvements, environmental protection, and administrative services.

Per GASB codification, the discussion that follows sets forth the guidelines for an entity's inclusion in the County's financial statements.

The definition of the reporting entity is based primarily on the notion of **financial accountability**. The elected officials governing Montgomery County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, it is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either, it is able to impose its will on that organization or, there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discrete component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Blended Component Units - Legally separate entities that either a) have substantially the same governing body as the governing body of the primary government or b) provide services entirely, or almost entirely, to the primary government must be reported in the financial statements of the primary government as blended component units.

Montgomery County Toll Road Authority:

The Montgomery County Toll Road Authority was created by the Commissioners' Court of the County in August 2006. The Toll Road Authority serves all citizens of the County and is governed by the members of Commissioners' Court and is funded 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, TEXAS

Notes to the Financial Statements

September 30, 2020

Montgomery County Emergency Service Districts No. 1-14:

The emergency service districts are organized under the statutes of the State of Texas as political subdivisions of the State to provide protection from fire for life and property. Commissioners' Court appoints a five-member board for each district, and must approve the issuance of any long-term debt for each. Individual boards retain authority to levy taxes and approve or modify annual appropriation budgets. Inasmuch as each district is required by state law to have audited financial statements prepared, and because the exercise of authority by Commissioners' Court is of a compliant nature rather than substantive, these entities are not included in the County's financial statements.

Montgomery County Housing Authority:

The Montgomery County Housing Authority is organized as a public corporation pursuant to Chapter 392 of the Statutes of the State of Texas, Local Government Code. Its stated mission is the development, acquisition, leasing and administration of federally assisted housing programs under the direction of the U.S. Department of Housing and Urban Development. Commissioners' Court appoints a five-member board for the corporation, but may not remove a member at-will. There is also no financial interdependence between the corporation and the County. The corporation issues a separate financial report, which may be obtained from its offices at 521 N. Thompson Street, Conroe, Texas, 77301.

B) IMPLEMENTATION OF NEW STANDARD:

In the current year, the County implemented the following new standards:

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, will improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements.

C) FINANCIAL STATEMENT PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its blended component 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.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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, 2020. Property taxes and interest earned as of September 30 and received within 60 days of year end are accrued as income in the current period. Expenditures generally are recorded when a liability is incurred; however, debt service expenditures, claims and judgments, and compensated absences are recorded only when payment is made.

Proprietary fund level financial statements include funds which are classified into enterprise and internal service funds. The County has both enterprise and internal service funds. The County's internal service funds are used to accumulate and allocate costs internally among the various functions. Montgomery County's internal service funds predominantly benefit governmental rather than business-type functions; therefore they have been included within governmental activities in the government-wide financial statements. The County's enterprise fund is used to account for the costs of the Montgomery County Toll Road Authority.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position reports increases and decreases in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary fund level financial statements include fiduciary funds which are classified into trust and agency funds and use the accrual basis of accounting. The County has only agency funds which are used to account for assets held by the County as an agent for individuals, private organizations, and other governments. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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*:

Agency Funds are used to account for assets held by the County as custodian for individuals and other governmental units, such as officials' fee accounts, inmate funds, cash bail bonds, and other similar arrangements.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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

6. Payables

Amounts due to suppliers for trade purchases and amounts due to employees for salaries and benefits are presented on both the government-wide statements and the fund statements as accounts payable. Amounts due to various contractors for funds previously deducted from construction draws are presented as retainage payable. Both categories represent current liabilities.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources until then. The County has the following items that qualify for reporting in this category.

- Deferred Charges on Refundings – result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – recognized in the subsequent year.
- Difference in projected and actual earnings on pension assets – amortized on a closed basis over a 5 year period.
- Changes in actual assumptions used to determine pension liability and expected and actual experiences amortized over the weighted average remaining service life of all participants in the respective qualified pension plan.
- Changes in actuarial assumptions and expected and actual experiences used to determine OPEB liability – amortized over the weighted average remaining service life of all participants in the respective OPEB plan.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time. The County has the following items that qualify for reporting in this category.

- Difference in Expected and Actual Pension Experience – recognized over the estimated average remaining lives of all members determined as of the measurement date.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

- Unavailable Revenue – Property Taxes – recognized in the period the amount becomes available.

8. Unearned Revenue

The County records received but unearned grant revenues and other miscellaneous fee revenues in the fund financial statements as unearned revenues.

9. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the reporting period in which they incurred.

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

10. Fund Balances

County Commissioners' Court established Fund Balance policies in accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*. The County strives to maintain a minimum Unassigned Fund Balance in the general 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.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

For any expenditure incurred for purposes for which multiple fund balance categories can be used, the County will utilize funds in the following order on a first-in-first-out basis: restricted, committed, assigned, and unassigned.

11. Compensated Absences

A liability for unused vacation and compensatory time for all full-time regular employees is calculated and reported in the government-wide financial statements. For financial reporting purposes, the following criteria have been applied in considering the accrual of the liability associated with compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

GASB Interpretation No. 6 indicates that liabilities for compensated absences should only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are accrued in the government-wide statements.

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

12. Arbitrage

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on local government bonds. Issuing governments must calculate any rebate due and remit the amount due at least every five years. There were no arbitrage rebate payments made during fiscal year 2020.

13. 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.

14. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from 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.

15. OPEB

The County's OPEB plan has been determined using the flow of economic resources measurement focus and the full accrual basis of accounting. This includes for purposes of measuring the OPEB liability, deferred outflows, OPEB expense. Benefit payments are

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

recognized when due and payable in accordance with the benefit terms. There are no assets as this is a pay-as-you-go plan.

16. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

17. Program Revenues

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

NOTE 2- RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between **net changes in fund balances – total governmental funds** and **changes in net position of governmental activities** as reported in the government-wide statement of activities. Several of the elements of that reconciliation are more fully explained below.

“Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 73,369,451
Depreciation expense	(56,764,164)
	<hr/>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	 \$ 16,605,287
	<hr/> <hr/>

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

“The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, seizures, and donations) is to increase net position.” The details of this difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	\$ (64,735)
--	-------------

The acquisition of capital assets by seizure and by donations increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	57,889,608
	<hr/>

Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	\$ 57,824,873
	<hr/> <hr/>

“The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

The details of this difference are as follows:

Debt issued or incurred:	
Issuance of Capital Leases	\$ (1,665,337)

Principal repayments:	
General Obligation debt	11,200,000
Certificates of Obligation debt	1,770,000
Capital leases	2,570,198
	<hr/>
Net adjustment to decrease net changes in fund balances-total governmental	\$ 13,874,861
	<hr/> <hr/>

“Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Compensated absences	\$ (1,255,994)
Accrued interest	(431,483)
Amortization of charge on refunding bonds	(1,284,718)
Amortization of bond discounts	(7,434)
Amortization of bond premiums	4,043,268
Decrease of Net Pension Liability, net of related deferred inflow and outflow amounts	(1,778,621)
Increase of Other Post-Employment Benefits, net of related deferred inflow amounts	(18,387,768)
	<hr/>

Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	\$ (19,102,750)
	<hr/> <hr/>

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 3- STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

A) BUDGETS AND BUDGETARY ACCOUNTING:

The budget law of the State of Texas provides that “the amounts budgeted for the current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor.” In addition, the law states that the Commissioners’ Court “may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund, but no such transfer shall increase the total of the budget.”

The budget is prepared by the 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 2020, formal budgets were adopted for the General Fund, the Special Revenue Funds, and the Debt Service Fund. Formal budgetary integration is not employed for Capital Project Funds, and legal budgets are not adopted, because budgetary control is achieved through legally binding construction contracts. All appropriations lapse at fiscal year-end with the exception of grant awards and certain ongoing projects.

The Commissioners’ Court may approve expenditures as an amendment to the budget to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. Such expenditures would include the re-appropriation of approved but unexpended amounts for encumbrances, grants, and certain projects from the previous fiscal year.

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 4- DEPOSITS AND INVESTMENTS:

A) DEPOSITS:

Custodial Credit Risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The County does not have a policy for custodial credit risk. As of September 30, 2020, the County’s bank balance (collected funds) was \$290,118,843. 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, 2020, the County’s business-type activities bank balance (collected funds) was \$35,618,130. 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.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

B) INVESTMENTS:

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

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

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

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

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

As of September 30, 2020, the County's governmental activities had the following investments:

Fair Value Measurements Using

	September 30, 2020	Significant Other Observable Inputs (Level 2)	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
<i>Investments Measured at Cost</i>					
Certificates of Deposit - Spirit of Texas B	10,032,053	-	6.95%	1	Not Rated
Certificates of Deposit - Guaranty Bank	4,741,102	-	3.28%	1	Not Rated
Certificates of Deposit - Veritex Bank	20,143,004	-	13.95%	1	Not Rated
<i>Investments Measured at Amortized Cost</i>					
TEXPOOL	667,673	-	0.46%	37	AAAm
TexSTAR	1,013,553	-	0.70%	45	AAAm
Investments Measured at Net Asset Value (NAV), Fair Value:					
TEXCLASS Pool	29,763,262	-	20.61%	55	AAAm
LOGIC	49,927,086	-	34.57%	52	AAAm
<i>Investments Subject to Fair Value Level:</i>					
U.S. Government Agency Securities	28,123,840	28,123,840	19.47%	304	AA+
Total Value	\$ 144,411,573	\$ 28,123,840	100.00%		
Portfolio Weighted Average Maturity				62	

MONTGOMERY COUNTY, TEXAS
Notes to the Financial Statements
September 30, 2020

As of September 30, 2020, the Count's business-type activities had the following investments:

Fair Value Measurement

	September 30, 2020	Significant Other Observable Inputs (Level 2)	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
<i>Investments Measured at Amortized Cost:</i>					
Money Market Funds	\$ 13,892,170	\$ -	64%	1	AAAm
<i>Investments Subject to Fair Value Level:</i>					
U.S. Treasury Notes	5,994,812	5,994,812	28%	138	Not Rated
<i>Investments Measured at Cost:</i>					
Master Repurchase Agreements	1,812,896	-	8%	138	Not Rated
Total Value	\$ 21,699,878	\$ 5,994,812	100%		
Portfolio Weighted Average Maturity				50	

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.

Master Repurchase Agreements are measured at cost and are exempt for fair value reporting.

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

The TexPool and 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 LOGIC investment pools are external investment pools measured at NAV. Texas CLASS and LOGIC's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The County has no unfunded commitments related to the investment pools. TexasCLASS and LOGIC have a redemption notice period of one day and may redeem daily. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pools' liquidity.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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 5- PROPERTY TAXES:

The County Tax Assessor-Collector bills and collects property taxes. Revenues are recognized in the Governmental Funds when levied to the extent that they result in current receivables. Property taxes are levied (assessed) and payable on October 1. They attach as an enforceable lien on property as of January 1 of the following year and become delinquent on February 1.

The County is permitted by the Texas State Constitution (Article VIII, Section 9) and statutes to levy taxes of up to \$0.80 per \$100 of assessed valuation for general governmental services and the payment of long-term debt. The combined current tax rate for the year end was \$0.4475 per \$100, which means that the County has a tax margin of \$0.3525 per \$100, and could raise up to \$205,716,182 in additional taxes from the present assessed valuation of \$58,359,200,490 before the limit is reached.

The thirty years' property taxes receivable at September 30, 2020, as reported by the Tax Assessor-Collector are presented as follows:

	Taxes Receivable	Less: Allowance for Uncollectables	Net Taxes Receivable
General Fund	\$ 5,786,699	\$ 115,734	\$5,670,965
Road & Bridge Fund	844,624	16,892	827,732
Debt Service Fund	1,147,820	22,956	1,124,864
Total Receivable	<u>\$ 7,779,143</u>	<u>\$ 155,582</u>	<u>\$7,623,561</u>

Approximately 65% of the outstanding balance of property taxes receivable is not anticipated to be collected in the next year.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 6- DUE FROM OTHER GOVERNMENTS:

At September 30, 2020, the following amounts were recorded as due to the County:

	Federal	State	Total
General Fund	\$ 8,570,893	\$ 2,445,763	\$ 11,016,656
Grants	612	106,864	107,476
Total Due from Governments	<u>\$ 8,571,505</u>	<u>\$ 2,552,627</u>	<u>\$ 11,124,132</u>

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

NOTE 7- CAPITAL ASSETS:

A) Governmental Activities:

Primary Government Governmental Activities	Beginning Balance	Additions ⁽¹⁾	Deletions And Transfers ⁽¹⁾	Ending Balance
Land ⁽²⁾	\$ 123,331,887	\$ 7,429,122 ⁽²⁾	\$ -	\$ 130,761,009
Construction in Progress	688,308	35,343,260	91,909,200	127,940,768
Total Capital Assets not being depreciated	124,020,195	42,772,382	91,909,200	258,701,777
Buildings ⁽³⁾	216,846,031	261,217	2,099,565	219,207,313
Improvements ⁽³⁾	25,002,717	357,708	1,004,052	26,364,477
Equipment ⁽²⁾⁽³⁾	119,138,063	18,285,681 ⁽²⁾	(1,906,782)	135,516,962
Infrastructure	1,573,024,981	69,643,120	(95,012,817)	1,547,655,284
Total Capital Assets being depreciated	1,934,011,792	88,548,226	(93,815,982)	1,928,744,036
Less accumulated depreciation for:				
Buildings	(84,316,723)	(5,384,110)	-	(89,700,833)
Improvements	(19,101,718)	(1,156,816)	-	(20,258,534)
Equipment	(76,500,844)	(10,401,565)	1,842,047	(85,060,362)
Infrastructure	(959,123,720)	(39,851,741)	-	(998,975,461)
Total Depreciation	<u>(1,139,043,005)</u>	<u>(56,794,232)</u>	<u>1,842,047</u>	<u>(1,193,995,190)</u>
Total Capital Assets, net of Accumulated depreciation	<u>\$ 918,988,982</u>	<u>\$ 74,526,376</u>	<u>\$ (64,735)</u>	<u>\$ 993,450,623</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 \$102,594,256 and \$13,738,820 in land and equipment respectively.

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

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

Depreciation Expense:

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

Governmental activities:	
General Government	\$ 3,494,698
Financial Administration	8,296
Health and Welfare	856,829
Culture and Recreation	1,860,660
Public Safety	6,880,597
Legal and Judicial	1,035,704
Transportation	42,627,380
Capital assets held by the governments internal service funds are charged to the various functions based on their usage of the assets	30,068
Total depreciation expense-governmental activities	<u>\$56,794,232</u>

B) Business- type Activities:

<u>Business-Type Activities</u>	<u>Beginning Balance</u>	<u>Additions ⁽¹⁾</u>	<u>Deletions ⁽¹⁾</u>	<u>Ending Balance</u>
Construction in Progress	50,269,228	29,121,450	(79,390,678)	-
Total Capital Assets not being depreciated	20,269,228	29,121,450	(79,390,678)	-
Equipment	-	34,638	-	34,638
Infrastructure	48,473,348	-	30,917,330	79,390,678
Total Capital Assets being depreciated	48,473,348	34,638	30,917,330	79,425,316
Less accumulated depreciation for:				
Equipment	-	(5,773)	-	(5,773)
Infrastructure	(5,419,369)	(4,021,673)	5,419,369	(4,021,673)
Total Depreciation	(5,419,369)	(4,027,446)	5,419,369	(4,027,446)
Total Capital Assets, net of Accumulated depreciation	<u>\$ 43,053,979</u>	<u>\$ 25,128,642</u>	<u>\$ (43,053,979)</u>	<u>\$ 75,397,870</u>

Depreciation Expense:

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

Business-type Activities:	
Toll Road	\$ 4,027,446
Total depreciation expense-business-type activities	<u>\$ 4,027,446</u>

C) CONSTRUCTION COMMITMENTS:

The County has entered into contracts for the construction, renovation, and improvement of real property. As of September 30, 2020, the County had contracts for various projects in the amount of \$102,680,458 and have paid to date \$67,915,488.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

As of September 30, 2020, contracts entered into by the Montgomery County Toll Road Authority (business-type activities) for the SH 249 project amount to \$56,233,350 and have paid to date \$55,833,503.

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	\$	674,277
Road and Bridge Fund		4,596,743
Grants Fund		2,345,363
Other Non-Major Funds		19,306,891
Total Encumbrances	\$	<u>26,923,274</u>

NOTE 8- DISAGGREGATION OF PAYABLE BALANCES:

A) DUE TO OTHER GOVERNMENTS:

The County records certain amounts due to other governments as a result of operating contracts and overpayment of certain grant funds. At September 30, 2020, the following amounts were due to other governments:

<u>Fund</u>	<u>State</u>	<u>Total</u>
General	\$2,050	\$2,050

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, 2020, unearned revenues are presented below:

<u>Fund</u>	<u>Description</u>	<u>Unearned</u>
General	CARES funding and prepaid leases	\$ 54,197,617
Pass Through Toll Projects	TXDOT Pass Through Toll contract	56,473,000
Total		<u>\$ 110,670,617</u>

NOTE 9- LONG-TERM DEBT:

General long-term debt consists of general obligation bonds, revenue bonds, certificates of obligation, the County's accrued liability for compensated absences and compensatory time, capital leases, workers' compensation and medical claims and judgments, net pension liability, other post-employment benefit liability, and arbitrage due the federal government. Principal and interest payments on the County's bonded debt, in general, are secured by ad valorem property taxes levied on all taxable property within the County. Payments are recorded in the Debt Service Fund.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

A) BONDED DEBT:

A summary of the outstanding governmental bonded debt, at September 30, 2020 is presented:

	Interest Rate (%)	Issue Date	Maturity Date	Bonds Outstanding
GENERAL OBLIGATION BONDS:				
Refunding Bonds, Series 2012	2.00-5.00	2012	2026	\$ 18,830,000
Refunding Bonds, Series 2014A	5.00	2014	2025	57,865,000
Refunding Bonds, Series 2016	3.00-5.00	2016	2027	58,925,000
Road Bonds, Series 2016	2.00-5.00	2016	2027	52,405,000
Refunding Bonds, Series 2016A	3.00-5.00	2017	2030	46,220,000
Road Bonds, Series 2016A	4.00-5.00	2017	2042	70,660,000
Road Bonds, Series 2018	4.00-5.00	2018	2043	43,395,000
Refunding Bonds, Series 2018	4.00	2019	2030	26,965,000
Road Bonds, Series 2018B	3.50-5.00	2019	2040	88,510,000
TOTAL GENERAL OBLIGATION BONDS				<u>\$ 463,775,000</u>
CERTIFICATES OF OBLIGATION:				
Series 2010	3.00-5.40	2010	2039	\$ 23,395,000
Series 2012	2.00-5.00	2012	2032	10,965,000
Series 2012A	2.00-5.00	2012	2023	11,245,000
TOTAL CERTIFICATES OF OBLIGATION				<u>\$ 45,605,000</u>
TOTAL BONDED DEBT				<u><u>\$ 509,380,000</u></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, 2020 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 SENIOR LIEN REVENUE BONDS				<u>\$ 87,680,000</u>
TOTAL BONDED DEBT				<u><u>\$ 87,680,000</u></u>

MONTGOMERY COUNTY, TEXAS**Notes to the Financial Statements****September 30, 2020****B) CHANGES IN LONG-TERM DEBT:**

The following schedule illustrates changes in the County's Governmental Long-Term Liabilities and Business-Type Liabilities for the year ended September 30, 2020. For each category, management has presented the portion that will be due within one year.

Governmental Activities:	Beginning Balance	Additions	Provisions (Reductions)	Ending Balance	Due Within One Year
Bonds payable:					
General Obligation	\$ 474,975,000	\$ -	\$ (11,200,000)	\$463,775,000	\$ 17,360,000
Certificates of Obligation	47,375,000	-	(1,770,000)	45,605,000	810,000
Less deferred amounts:					
Issuance discounts	(85,491)	-	7,434	(78,057)	-
Issuance Premiums	48,318,152	-	(4,043,268)	44,274,884	-
Total bonds payable	570,582,661	-	(17,005,834)	553,576,827	18,170,000
Capital leases	11,578,902	1,665,337	(2,570,198)	10,674,041	2,184,276
Property & Casualty Obligation	951,360	318,213	(848,867)	420,706	420,706
Workers' Comp Obligation	1,108,133	339,766	(746,126)	701,773	701,773
Medical Obligation	8,800,373	37,230,827	(37,064,746)	8,966,454	8,966,454
Total OPEB Liability	227,627,578	30,950,597	(4,983,382)	253,594,793	-
Net Pension Liability	64,534,130	61,578,007	(102,046,102)	24,066,035	-
Compensated absences	14,133,801	8,751,162	(7,495,169)	15,389,794	12,005,326
Total Long-term Liabilities	\$ 899,316,938	\$140,833,909	\$(172,760,424)	\$867,390,423	\$ 42,448,535

Internal Service Funds predominantly serve the governmental funds. Accordingly, long-term liabilities, including Workers' Compensation, Medical, and Property & Casualty, reported in those funds are included as part of the above totals for governmental activities. At year end, \$701,773 for Workers' Compensation obligation, \$8,966,454 for Medical obligation, and \$420,706 for Property & Casualty Obligation were included in the above amounts. Since medical claims are typically resolved within 60 days after occurrence, the entire claims liability is due within one year. It is estimated that \$701,773 of the Workers' Compensation Obligation and \$420,706 of the Property & Casualty Obligation are due within one year.

At year end, \$1,570,039 of special revenue funds compensated absences is included in the above amounts. The remaining balance of \$13,819,755 will be liquidated by the general fund. In prior years, compensated absences have been liquidated by the County's general fund and special revenue funds. The OPEB obligation will be liquidated by the general fund. In prior years, the OPEB obligation was liquidated by the general fund.

Business-Type Activities:	Beginning Balance	Additions	Provisions (Reductions)	Ending Balance	Due Within One Year
Bonds payable:					
Senior Lien Revenue Bonds	\$ 87,680,000	\$ -	\$ -	\$ 87,680,000	\$ -
Unamortized Premium	7,510,104	-	(278,152)	7,231,952	-
Total bonds payable	95,190,104	-	(268,218)	95,190,104	-
Total Long-term Liabilities	\$ 95,190,104	\$ -	\$ (268,218)	\$ 95,190,104	\$ -

MONTGOMERY COUNTY, TEXAS
Notes to the Financial Statements
September 30, 2020

C) **ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY:**

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

Maturity	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2021	\$ 17,360,000	\$ 21,221,713	\$ 810,000	\$ 2,099,727
2022	20,255,000	20,286,338	1,665,000	2,051,686
2023	20,230,000	19,280,463	2,785,000	1,963,192
2024	21,275,000	18,255,538	2,880,000	1,848,444
2025	22,355,000	17,171,238	3,015,000	1,717,356
2026-2030	131,100,000	67,867,633	15,875,000	6,444,982
2031-2035	98,780,000	38,512,625	11,775,000	3,015,723
2036-2040	85,605,000	19,182,588	6,800,000	750,600
2041-2043	46,815,000	2,615,375	-	-
	<u>\$ 463,775,000</u>	<u>\$ 224,393,511</u>	<u>\$ 45,605,000</u>	<u>\$ 19,891,710</u>

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

Maturity	Revenue Bonds	
	Principal	Interest
2021	\$ -	\$ 4,384,000
2022	-	4,384,000
2023	500,000	4,384,000
2024	1,000,000	4,359,000
2025	1,500,000	4,309,000
2026-2030	11,295,000	20,095,500
2031-2035	14,415,000	16,974,750
2036-2040	18,395,000	20,902,750
2041-2045	23,480,000	1,737,500
2046-2048	17,095,000	-
	<u>\$ 87,680,000</u>	<u>\$ 81,530,500</u>

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, 2020, defeased but outstanding debt from prior year refunding transactions consisted of the following:

Series	Amount
Pass-Through Toll Refunding Bonds, Series 2012	\$ 15,880,000
Limited Tax Refunding Bonds, Series 2014A	1,800,000
Total Defeased but Outstanding	<u>\$ 17,680,000</u>

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

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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 29, 2020, there were six (6) series of bonds outstanding with an aggregate principal payable of \$617,175,000. 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 29, 2020 there were forty-five (45) series of Bonds outstanding with an aggregate principal payable of \$4,119,940,273. The Bonds will be repaid from payments required to be made under loan agreements between the issuing entity and the aforementioned parties.

F) CAPITAL LEASES:

The County has entered into capital lease agreements for the lease/purchase/construction of certain heavy road equipment, vehicles, and buildings. The lease agreements are classified as capital leases because title passes to the County at the end of the lease term, and are included as leases payable in the Long-Term Debt portion of the government-wide statements. The assets are recorded in the County's government-wide financial statements at a cost of \$17,322,580, less accumulated depreciation of \$2,077,634. The present value of future minimum capital lease payments at September 30, 2020 and the funds from which they will be paid are as shown below:

<u>Year</u>	<u>General</u>	<u>Special Revenue</u>	
<u>Ending</u>	<u>Fund</u>	<u>Funds</u>	<u>Total</u>
2021	\$ 2,318,851	\$ 88,868	\$ 2,407,719
2022	2,318,851	-	2,318,851
2023	2,318,851	-	2,318,851
2024	2,318,851	-	2,318,851
2025	1,959,355	-	1,959,355
Total Minimum Lease Payments	11,234,759	88,868	11,323,627
Less: amount representing interest	647,836	1,750	649,586
Present value-minimum lease payments	<u>\$ 10,586,923</u>	<u>\$ 87,118</u>	<u>\$ 10,674,041</u>

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 10- INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS:

A) DUE FROM/DUE TO OTHER FUNDS:

Activity between funds that represents the current portion of lending/borrowing and inter-fund charges for goods and services arrangements outstanding at fiscal year-end are referred to as “due from/due to other funds.” Inter-fund balances are expected to be repaid within one year from the date of the financial statements, and are routine in nature.

The composition of inter-fund balances as of September 30, 2020 was as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 35,179,743	\$ 41,478,939
Road and Bridge Fund	-	10,478,049
Debt Service Fund	4,641,236	-
Grants Fund	5,318,997	-
Pass Through Toll Projects	10,673,953	-
Road Bonds Series 2018B Fund	-	1,447,170
Non-major Governmental Funds	26,278,987	9,163,236
Internal Service Funds	15,654,221	-
Enterprise Fund	-	35 179 743
Total	<u>\$ 97,747,137</u>	<u>\$ 97,747,137</u>

B) TRANSFERS:

Transfers are used to a) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, b) move receipts from bond refundings and residual balances from capital project funds to the debt service fund to pay debt obligations, and c) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Inter-fund transfers for the year ended September 30, 2020 were:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 726,613	\$ 8,751,073
Debt Service Fund	837,256	-
Grants Fund	-	626,612
Non-major Governmental Funds	240,000	210,644
Enterprise Fund	7,784,460	-
Total	<u>\$ 9,588,329</u>	<u>\$ 9,588,329</u>

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

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 11- FUND BALANCES:

The following table provides detail of the classification of fund balances as reported in the fund financial statements:

	General	Road & Bridge	Debt Service	Grants	Pass Through Toll Projects	Road Bonds Series 2018B	Other Governmental Funds
Non-Spendable:							
Prepaid	\$ 536,501	\$ -	\$ -	\$ 862,252	\$ -	\$ -	\$ -
Total Non Spendable	536,501	-	-	862,252	-	-	-
Restricted for:							
Capital Projects	-	-	-	-	10,673,953	68,356,902	36,601,505
Debt Service	-	-	14,716,523	-	-	-	-
General Government	-	-	-	-	-	-	5,697,384
Health and Human Services	245,936	-	-	5,285,759	-	-	-
Culture and Recreation	123,605	-	-	-	-	-	-
Law Enforcement and Corrections	1,942,462	-	-	917,514	-	-	5,333,936
Legal and Judicial	-	-	-	17,917	-	-	1,403,823
Transportation	-	-	-	649,274	-	-	-
Total Restricted	2,312,003	-	14,716,523	6,870,464	10,673,953	68,356,902	49,036,648
Committed for:							
Capital Projects	-	-	-	-	-	-	21,805,273
General Government	594,966	-	-	-	-	-	-
Financial Administration	9,063	-	-	-	-	-	-
Health and Human Services	139,352	441	-	-	-	-	-
Culture and Recreation	23,463	1,641	-	-	-	-	-
Law Enforcement and Corrections	43,180,358	-	-	-	-	-	-
Legal and Judicial	20,845	-	-	-	-	-	-
Transportation	27,283	2,210,469	-	-	-	-	-
Total Committed	43,995,330	2,212,551	-	-	-	-	21,805,273
Assigned to:							
OPEB	85,000,000	-	-	-	-	-	-
Transportation	-	14,249,765	-	-	-	-	-
Total Assigned	85,000,000	14,249,765	-	-	-	-	-
Unassigned	52,313,298	-	-	-	-	-	(172,919)
Total Fund Balances	\$ 184,157,132	\$ 16,462,316	\$ 14,716,523	\$ 7,732,716	\$10,673,953	\$ 68,356,902	\$ 70,669,002

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 12- OPERATING LEASES:

The County is a party to several lease agreements. Significant terms are discussed below:

Office Space- The County leases 4,474 square feet of office space to the Conroe Symphony Orchestra for a period of sixty months. The term of this lease July 1, 2020 through June 30, 2025. The monthly rent of \$1,200 is recorded in the General Fund. In August 2020, Commissioners Court reduced their monthly rent to \$1.

The County leases 2,872 square feet of office space to the Montgomery County Housing Authority on a month-to-month basis. The monthly rent is \$425 and is recorded in the General Fund.

The County also leases office space at the East Montgomery County Community Development Building to Lakewood Family Practice and/or Dr. N. K. Karimjee, for a period of eighty-four months. The original term of this lease was through July 1, 2014 and was amended to renew through July 2021. The monthly rent of \$3,750 is recorded in the Community Development Fund. The building is recorded as a Capital Asset in the County's government-wide financial statements at a cost of \$2,660,776, less accumulated depreciation of \$846,083.

Additionally, the County leases office space at a low income medical clinic to the Magnolia Family Practice Clinic and/or Dr. N. K. Karimjee, for a period of 84 months ending on March 10, 2021. The monthly rent of \$2,500 and utilities of \$400 is recorded in the Community Development Fund.

Following is a schedule of lease payments on office space leases through the ending dates of the agreements:

<u>Year Ending</u>	
<u>September 30,</u>	
2021	\$ 82,861
2022	54,300
2023	19,500
2024	19,500
2025	15,900
Total Future Lease Payments	<u>\$ 192,061</u>

NOTE 13- RISK MANAGEMENT:

A) EMPLOYEE HEALTH BENEFITS:

Effective January 1989, the County established a partially self-funded trust plan which offers medical and life insurance coverage to employees and their dependents. The County maintains excess loss insurance, which limits annual claims paid from the plan to a maximum of \$300,000 per plan participant. This excess loss reinsurance policy includes a contract provision that eliminates a large claim run off liability. A third party administrator is employed by the plan to administer claims. A trustee has been engaged to receive employer and employee contributions and to disburse payments to the providers of the plan. Costs relating to the plan are recorded as expenditures in the internal service fund. In prior years these costs were recorded in the General Fund. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

The plan is funded to discharge liabilities as they become due. Claims incurred and reported, but not paid at September 30, 2020, were \$918,984. Claims incurred but not reported (IBNR) at September 30, 2019, are estimated to be \$8,047,470. Estimates are not based on actuarial calculations, but rather on historical trends. Both amounts have been recorded as expenditures in the Self Insurance Medical Fund, an internal service fund, and a liability has been established.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

Changes in the health claims liability for the two fiscal years ended September 30, 2020 and September 30, 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning of year	\$ 8,800,373	\$ 5,148,599
Incurred claims (includes IBNR)	37,230,827	39,753,264
Claim payments	<u>(37,064,746)</u>	<u>(36,101,490)</u>
Unpaid claims, end of year	<u><u>\$ 8,966,454</u></u>	<u><u>\$ 8,800,373</u></u>

During the year ended September 30, 2020, the plan received contributions in the amounts of \$30,614,201 and \$2,858,077 from the employer and employees, respectively. The contributions made by employees included contributions by qualified retirees and certain former employees covered by the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). In addition to the claim payments made, the plan also expended \$1,313,294 in administrative costs, \$2,073,880 for reinsurance and insurance premiums, and \$1,904,086 for Wellness Center operations.

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 2020.

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, 2020, the County expended \$92,697 for administrative costs and \$174,843 for excess loss insurance premiums.

Changes in the Workers' Compensation liability for the two fiscal years ended September 30, 2020 and September 30, 2019 are detailed below:

	<u>2020</u>	<u>2019</u>
Unpaid claims, beginning of year	\$ 1,108,133	\$ 1,614,908
Current year claims and changes in estimates (includes IBNR)	339,766	334,438
Claim payments	<u>(746,126)</u>	<u>(841,213)</u>
Unpaid claims, end of year	<u><u>\$ 701,773</u></u>	<u><u>\$ 1,108,133</u></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

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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 \$1,299,388 in premiums in fiscal year 2020, 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 2020, 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, 2020 is detailed below:

	<u>2020</u>
Unpaid claims, beginning of year	\$ 951,360
Current year claims and changes in estimates (includes IBNR)	318,213
Claim payments	<u>(848,867)</u>
Unpaid claims, end of year	<u>\$ 420,706</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 2020.

NOTE 14- EMPLOYEE RETIREMENT PLAN:

A) PLAN DESCRIPTION:

The County's nontraditional defined benefit pension plan, Texas County and District Retirement System (TCDRS), provides pensions for all of its full-time employees. The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 780 nontraditional defined benefit pension plans. TCDRS in the aggregate issues a comprehensive annual financial report on a calendar year basis. The Annual Report is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX, 78768.

B) BENEFITS PROVIDED:

TCDRS provides retirement, disability, and death benefits. The plan provisions are adopted by the governing body of the County, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire with 8 or more years of service at age 60 and above, with 30 years of service regardless of age, or when the sum of their age and years of

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the Commissioners' Court of the County within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. The plan is open to new entrants.

C) EMPLOYEES COVERED BY BENEFIT TERMS:

Inactive employees or beneficiaries currently receiving benefits	995
Inactive employees entitled to but not yet receiving benefits	1,734
Active employees	2,502

D) CONTRIBUTIONS:

Montgomery County has elected the annually determined contribution rate (Variable Rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The County contributed using the actuarially determined rate of 12.27 percent and \$17,289,479 for the months of the calendar year 2019.

The deposit rate payable by the employee members for calendar year 2019 was 6.0 percent as adopted by the Commissioners' Court. The employee deposit rate and the employer contribution rate may be changed by the Commissioners' Court within the options available in the TCDRS Act.

E) ACTUARIAL ASSUMPTIONS:

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Payroll growth	3.25%
Real rate of return	5.25%
Long-term investment return	8.00%

The actuarial assumptions that determined the total pension liability as of December 31, 2019 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016. In addition, mortality rates were based on the following mortality tables:

Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
--------------------	--

MONTGOMERY COUNTY, TEXAS**Notes to the Financial Statements****September 30, 2020**

Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the Rp-2014 Disabled annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The numbers shown are based on January 2019 information for a 10 year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon.

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
US Equities	14.50%	5.20%
Private Equity	20.00%	8.20%
Global Equities	2.50%	5.50%
International Equities --Developed	7.00%	5.20%
International Equities - Emerging	7.00%	5.70%
Investment - Grade Bonds	3.00%	-0.20%
Strategic Credit	12.00%	3.14%
Direct Lending	11.00%	7.16%
Distressed Debt	4.00%	6.90%
REIT Equities	3.00%	4.50%
Master Limited Partnerships	2.00%	8.40%
Private Real Estate Partnerships	6.00%	5.50%
Hedge Funds	8.00%	2.30%
Total	100.00%	

The discount rate used to measure the total pension liability was 8.10%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods. The employee is legally required to make the contribution specified in the funding policy. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on the above assumptions, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the net pension liability

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 8.10% has been used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 8.00%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

F) PLAN FIDUCIARY NET POSITION:

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

Changes in the Net Pension Liability:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at December 31, 2018	<u>\$528,243,954</u>	<u>\$463,709,823</u>	<u>\$64,534,130</u>
Changes for the year:			
Service cost	17,129,790	-	17,129,790
Interest	43,262,383	-	43,262,383
Effect of economic/demographic gains or losses	772,539	-	772,539
Refund of contributions	(1,509,211)	(1,509,211)	-
Benefit payments	(21,478,849)	(21,478,849)	-
Administrative expense	-	(413,295)	413,295
Member contributions	-	8,453,724	(8,453,724)
Net investment income	-	76,147,612	(76,147,612)
Employer contributions	-	17,288,148	(17,288,148)
Other changes	-	156,618	(156,618)
Net changes	<u>\$ 38,176,652</u>	<u>\$78,644,747</u>	<u>(\$ 42,468,095)</u>
Balances at December 31, 2019	<u>\$566,420,606</u>	<u>\$542,354,570</u>	<u>\$24,066,035</u>

The following presents the net pension liability of the County, calculated using the discount rate of 8.10%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10%) or 1-percentage-point higher (9.10%) than the current rate.

	1% Decrease (7.10%)	Current Discount Rate (8.10%)	1% Increase (9.10%)
County's Net Pension Liability/(Asset)	<u>\$103,151,477</u>	<u>\$24,066,035</u>	<u>(\$41,915,333)</u>

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

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

For the fiscal year ended September 30, 2020, the County recognized pension expense of \$24,066,035. At September 30, 2020, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,488,581	\$ 632,689
Changes of assumptions	1,323,186	-
Net difference between projected and actual earnings	-	12,632,530
Contributions made subsequent to measurement date	13,809,347	-
	<u>\$ 16,621,114</u>	<u>\$ 13,265,219</u>

The \$13,809,347 reported as deferred outflows of resources related to pensions from County contribution subsequent to the measurement date will be recognized as a reduction of net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30, 2020

2021	\$ (2,294,409)
2022	(2,931,353)
2023	2,315,394
2024	(7,543,084)
Total	<u>\$ (10,453,452)</u>

NOTE 15- OTHER POST-EMPLOYMENT BENEFITS (OPEB):

A) PLAN DESCRIPTION:

Effective January 1, 2000, Commissioners' Court adopted a plan to pay for health benefit coverage for qualified retirees under a single-employer defined benefit plan. To qualify for inclusion in the coverage, an individual must currently attain either 15 continuous years of full-time employment (for employees hired prior to October 1, 2009) or 25 continuous years of full-time employment (for employees hired after October 1, 2009) with the County and be eligible for a retirement annuity from the Texas County and District Retirement System. The employee can elect to waive health benefit coverage. The County is under no obligation to provide this benefit, and the decision to do so is made by the Commissioners' Court on a year-to-year basis.

Additionally, the County offers an employee-funded health benefit to those who do not meet the above criteria. The County is obligated to provide this benefit subject to requirements of Chapter 175 of the Texas Local Government Code. Contribution levels are determined by Commissioner's Court on a year-to-year basis. The benefit level is the same as that for a full time regular employee, as further disclosed in Note 13-A.

C) EMPLOYEES COVERED BY BENEFIT TERMS:

Inactive employees or beneficiaries currently receiving benefits	407
Inactive employees entitled to but not yet receiving benefits	-
Active employees	2,127

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

D) TOTAL OPEB LIABILITY:

The County's total OPEB liability of \$253,594,793 was measured as of September 30, 2020, and was determined by an actuarial valuation as of that date.

The total OPEB liability in the September 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	3.25%
Discount Rate	2.41%

Mortality rates for active employees were based on the PubG.H-2010 Employee, Generational with MP-2020 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 Healthy Annuitant Generational with MP-2020 for males or females, as appropriate.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at 9/30/2019	<u>\$ 227,627,578</u>
Changes for the year:	
Service Cost	11,266,295
Interest	6,505,155
Differences between expected and actual experience	(624,924)
Changes in Assumptions/Inputs	13,179,147
Change in Benefit Terms	-
Benefit payments	(4,358,458)
Administrative Expense	-
Net Changes	<u>25,967,215</u>
Balance at 9/30/2020	<u>\$ 253,594,793</u>

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.41 percent) or 1-percentage-point higher (3.41 percent) than the current discount rate:

	1% Decrease (1.41%)	Current Discount Rate (2.41%)	1% Increase (3.41%)
Total OPEB Liability	<u>\$311,649,971</u>	<u>\$253,594,793</u>	<u>\$208,862,990</u>

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Rate	1% Increase
Total OPEB Liability	\$201,739,550	\$253,594,793	\$325,136,404

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

For the year ended September 30, 2020, the County recognized OPEB expense of \$22,746,228. At September 30, 2020, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 144,820	\$ 10,558,966
Changes of assumptions or other inputs	43,023,679	-
	<u>\$ 43,168,499</u>	<u>\$ 10,558,966</u>

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

Year ended September 30,	
2021	\$ 4,974,778
2022	4,974,778
2023	4,974,778
2024	4,974,778
2025	4,974,778
Thereafter	7,735,643
Total	<u>\$ 32,609,533</u>

NOTE 16- CONTINGENT LIABILITIES:

A) **GENERAL LIABILITIES:**

For fiscal year 2020, 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 \$739,342
- AFM (Excess Property) \$345,817
- Flood Damage \$18,777
- Additional Coverages \$243,337

In addition, the County expended \$848,867 for damages in connection with 229 claims, for which the deductible had not been satisfied.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

B) GRANTS:

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

C) LITIGATION:

The County is a defendant in a number of lawsuits with claims for damages in excess of \$5,000,000. These claims result primarily from assertions by former employees that they were wrongfully discharged, allegations by jail inmates that their rights were violated while incarcerated in the County jail, and claims by individuals arising from property damages. The County paid \$3,326 for legal counsel to defend existing claims. 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 13-D.

NOTE 17- TAX ABATEMENTS:

The County enters into property tax abatement agreements with local businesses under the Texas Tax Code, Title 3. Subtitle B, Chapter 312. Texas Property Re-development and Tax Abatement Act (the Act). Under the Act, Counties may grant property tax abatements in accordance with guidelines set forth by the Commissioners' Court. The County may grant property tax abatements for economic projects under the program that are reasonably expected to increase taxable ad valorem tax value of at least \$1,000,000 and that must be expected to prevent the loss of jobs or retain, increase, or create jobs in the County. Abatements are obtained by application by the property owner to either the County Judge or the Tax Assessor-Collector.

A facility may be eligible if it is a: aviation facility, manufacturing facility, regional distribution center, research facility, office building or any other real property not excluded under Section III (c). Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an Abatement Agreement between the County and the property owner and lessee (if required), subject to such limitations as Commissioners' Court may require. New facilities and improvements to existing facilities may be eligible for purposes of modernization or expansion if they are in excess of 1,000,000. Additionally, they must create or retain permanent jobs in order to be eligible for consideration. Abatement may be extended to the value of buildings, structures, site improvements plus that office space, and related fixed personal property improvements necessary to the operation and administration of the facility. Abatement may also be extended to the taxable value of aircraft, but only in conjunction with other eligible property and/or improvements that creates new value in addition to that of the aircraft.

Abatements are granted effective with the January 1 valuation date immediately following the date of execution of the agreement.

For the fiscal year ended September 30, 2020, the County abated property taxes totaling \$1,981,217 under this program which includes twenty-three (23) entities.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 18- NEW ACCOUNTING PRONOUNCEMENTS:

The Governmental Accounting Standards Board (GASB) has recently issued several new statements. A listing follows of those that apply to the County. These statements will be implemented in subsequent years, as required by the GASB.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - and amendment of GASB Statements No. 14 and No. 84, and supersession of GASB Statement No. 32*, will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2022.

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. 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. 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. 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. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*, will improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2021.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, will improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2022.

GASB Statement No. 87, *Leases*, will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2022.

MONTGOMERY COUNTY, TEXAS
Notes to the Financial Statements
September 30, 2020

GASB Statement No. 84, *Fiduciary Activities*, will enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. The requirements of this statement will be effective for the County for the fiscal year ending September 30, 2021.

NOTE 19- PRIOR PERIOD ADJUSTMENT:

Net Position at September 30, 2019 was restated for the inclusion of Alarms Permits. Current analysis by management determined that a prior period adjustment was necessary to remove this account from Agency Funds to Governmental Funds.

Net Position at September 30, 2019 was restated to correct the beginning balance of capital assets for business-type activities. This was a prior period adjustment of \$3,211,919.

Governmental Funds at September 30, 2019 was restated due to the implementation of the County's new ERP. During this implementation process, management reviewed the existing general ledger structure and determined that items accounted for in the Jury Fund should be more appropriately reclassified to the General Fund. Similarly, management created a new Grants Fund to account for the County's grants. Certain grants that were previously recorded in the General Fund and Road and Bridge Fund were moved to the Grants Fund.

Details of these adjustments are as follows:

	Governmental Activities	General	Road & Bridge	Grants	Other Governmental Funds	Business-type Activities
Beginning fund balance\ net position, as previously reported	\$ 511,767,753	\$142,889,911	\$15,573,310	\$5,895,932	\$ 111,584,581	\$ 38,604,031
From Jury Fund to General Fund	-	3,890,876	-	-	(3,890,876)	-
From Memorial Library Fund to General Fund	-	133,029	-	-	(133,029)	-
From General Fund to Grants Fund	-	(728,144)	-	728,144	-	-
From Agency Fund to General Fund	31,879	31,879	-	-	-	-
From Road & Bridge Fund to Grants Fund	-	-	(158,306)	158,306	-	-
From General Fund	-	-	-	-	-	-
From General Fund	-	-	-	-	-	-
To General Fund	-	-	-	-	-	-
Correction of Capital Assets	-	-	-	-	-	3,211,919
Beginning fund balance\ net position, as restated	\$ 511,799,632	\$146,217,551	\$15,415,004	\$6,782,382	\$ 107,560,676	\$ 41,815,950

NOTE 20- DEFICIT IN UNRESTRICTED NET POSITION AND FUND BALANCE:

Contract Elections Services Fund reported a deficit in unassigned fund balance of \$172,919. This is primarily because the County did not receive reimbursement for expenses during the period of availability.

Self Insurance Accident and Liability Fund reported a deficit in Net Position of \$2,860,316. This is due to a significantly large liability recognition for claims and judgements for fiscal year 2020. Management fully expects this deficit to be rectified during fiscal year 2021 as ongoing claims and judgements are resolved.

The statement of net position reported a deficit in unrestricted net position of \$116,805,889 mainly due to unfunded other-post employment benefits liability.

MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2020

NOTE 21- SUBSEQUENT EVENT:

On December 3, 2020, Commissioners Court issued Limited Tax Refunding Bonds, Series 2020 in the amount of 23,235,000. Proceeds from the Refunding Bonds will be used to refund and defease certain outstanding obligations.

In March 2020, the World Health Organization declared the novel coronavirus (“Covid-19”) a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected public education, workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses and organizations. It is not possible for management to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the County’s operations and financial results at this time.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 13,961,075	\$ 14,877,252	\$ 16,207,504
Interest	29,231,819	31,734,340	34,011,062
Effect of plan changes	-	(3,634,696)	419,483
Effect of economic/demographic gains or losses	1,603,366	(3,796,129)	40,860
Effect of assumptions changes or inputs	-	4,204,219	-
Benefit Payments, including refunds of employee 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	360,878,598	391,730,217	419,773,994
Total pension liability - ending	<u>\$ 391,730,217</u>	<u>\$ 419,773,995</u>	<u>\$ 454,061,823</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 12,941,853	\$ 18,689,688	\$ 15,909,431
Contributions - employee	6,328,534	6,694,227	7,100,748
Net Investment income	22,791,347	(5,580,229)	27,516,524
Benefit payments, including refunds of employee contributions	(13,944,641)	(15,341,208)	(16,391,080)
Administrative expenses	(272,575)	(266,281)	(299,286)
Other	200,508	(135,551)	344,834
Net change in plan fiduciary net position	28,045,026	4,060,646	34,181,171
Plan Fiduciary Net Position - beginning	339,456,166	367,501,192	371,561,838
Plan Fiduciary Net Position - ending	<u>\$ 367,501,192</u>	<u>\$ 371,561,838</u>	<u>\$ 405,743,009</u>
County's net pension liability - ending	<u>\$ 24,229,025</u>	<u>\$ 48,212,157</u>	<u>\$ 48,318,814</u>
Plan fiduciary net position as a percentage of the total pension liability	93.81%	88.51%	89.36%
Covered payroll	\$ 105,475,573	\$ 111,570,445	\$ 118,329,101
County's net pension liability as a percentage of covered payroll	22.97%	43.21%	40.83%

The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, December 31 of the prior year. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

	2018		2019		2020
\$	16,423,336	\$	16,637,887	\$	17,129,790
	37,357,960		40,324,746		43,262,383
	-		-		-
	1,078,188		-		772,539
	1,244,964		529,728		-
	(18,919,903)		(20,494,775)		(22,988,060)
	37,184,545		36,997,586		38,176,652
	454,061,823		491,246,368		528,243,955
\$	491,246,368	\$	528,243,954	\$	566,420,607

\$	15,579,849	\$	16,149,204	\$	17,288,148
	7,638,026		7,896,955		8,453,724
	59,293,448		(8,699,150)		76,147,612
	(18,919,903)		(20,494,775)		(22,988,060)
	(311,951)		(372,454)		(413,295)
	54,609		152,956		156,618
	63,334,078		(5,367,264)		78,644,747

	405,743,008		469,077,086		463,709,825
\$	469,077,086	\$	463,709,822	\$	542,354,572

\$	22,169,282	\$	64,534,132	\$	24,066,035
----	------------	----	------------	----	------------

	95.49%		87.78%		95.75%
--	--------	--	--------	--	--------

\$	126,975,182	\$	131,615,924	\$	140,895,394
----	-------------	----	-------------	----	-------------

	17.46%		49.03%		17.08%
--	--------	--	--------	--	--------

MONTGOMERY COUNTY, TEXAS
Required Supplementary Information
Schedule of County Contributions

	2015	2016	2017
Actuarially determined contribution	\$ 11,834,359	\$ 12,194,650	\$ 12,105,067
Actual Employer Contribution	12,941,853	18,689,688	15,909,431
Contribution deficiency (excess)	<u>\$ (1,107,494)</u>	<u>\$ (6,495,039)</u>	<u>\$ (3,804,363)</u>
Covered payroll	\$ 105,475,573	\$ 111,570,445	\$ 126,429,336
Contributions as a percentage of covered payroll	12.30%	16.80%	12.60%

Notes to Schedule

Valuation Date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	8.6 years (based on contribution rate calculated in 12/31/2019 valuation)
Asset valuation method	5 year smoothed market
Inflation	2.75%
Salary increases	Varies by age and service. 4.9% average over career, including inflation
Investment rate of return	8.00%, net of administrative and investment expense, including inflation
Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.

Service retirees, beneficiaries and non-depositing members

130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014

Disabled retirees

130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The amounts presented for the fiscal year were determined as of the County's fiscal year end, September 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

	2018		2019		2020
\$	13,751,412	\$	14,517,236	\$	15,230,792
	15,579,849		16,149,204		17,288,148
\$	(1,828,437)	\$	(1,631,968)	\$	(2,057,356)
\$	129,014,477	\$	136,590,609	\$	140,895,394
	12.08%		11.82%		12.27%



MONTGOMERY COUNTY, TEXAS
Required Supplementary Information
Schedule of Changes in the County's Total OPEB Liability and Related Ratios

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 8,336,459	\$ 8,607,394	\$ 11,266,295
Interest	6,975,183	7,432,143	6,505,155
Changes of benefit terms	-	-	-
Differences between expected and actual experience	231,712	(13,337,971)	(624,924)
Changes in assumptions or other inputs	-	41,745,176	13,179,147
Benefit payments	(3,241,471)	(4,524,987)	(4,358,458)
Net change in total OPEB liability	12,301,883	39,921,755	25,967,215
Total OPEB liability - beginning	175,403,940	187,705,823	227,627,578
Total OPEB liability - ending	<u>\$ 187,705,823</u>	<u>\$ 227,627,578</u>	<u>\$ 253,594,793</u>
Covered payroll	\$ 116,286,612	\$ 125,374,560	\$ 125,886,503
Total OPEB liability as a percentage of covered-employee payroll	161.40%	181.60%	201.40%
Notes to Schedule:			
Changes in benefit terms:	None		
Changes of assumptions:			
The following are the discounts rates used in each period:	2018	3.83%	
	2019	2.75%	
	2,020	2.41%	
The following are the mortality rates used in each period:	2018	RPH-2014 Employee and healthy Annuity, Generational with MP-2018	
	2019	PubG.H-2010 Employee and Healthy Annuitant, Genrational with MP-2019	
	2,020	PubG.H-2010 Employee and Healthy Annuitant, Genrational with MP-2020	
The following are the medical trend rates used in each period:	2018	6.5% first year, decreasing 0.5% per year to an ultimate rate of 5.0%	
	2019	6.5% first year, decreasing 0.25% per year to an ultimate rate of 4.5%	
	2020	6.5% first year, decreasing 0.25% per year to an ultimate rate of 4.5%	

The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, September 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.



SUPPLEMENTARY INFORMATION



MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance

September 30, 2020

A-1

	<u>General Fund</u>
<u>ASSETS:</u>	
Cash	\$ 148,944,326
Investments	108,499,866
Receivables:	
Taxes (net)	5,670,965
Accounts (net)	5,938,094
Interest	294,188
Due from Other Funds	35,179,743
Due from Other Governments	11,016,656
Prepaid Items	536,501
<u>TOTAL ASSETS</u>	<u>\$ 316,080,339</u>
<u>LIABILITIES:</u>	
Accounts Payable	\$ 30,700,352
Due to Other Funds	41,478,939
Due to Other Governments	2,050
Unearned Revenue	54,197,617
Total liabilities	<u>126,378,958</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>	
Unavailable revenue: property taxes	5,544,249
Total deferred inflows of resources	<u>5,544,249</u>
<u>FUND BALANCES:</u>	
Nonspendable	536,501
Restricted	2,312,003
Committed	43,995,330
Assigned	85,000,000
Unassigned	52,313,298
Total Fund Balances	<u>184,157,132</u>
<u>TOTAL LIABILITIES, DEFERRED INFLOWS OF</u>	
<u>RESOURCES AND FUND BALANCES</u>	<u>\$ 316,080,339</u>

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Revenues and Other Financing Sources

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

A-2

<u>TAXES:</u>	Original Budget	Final Budget	Actual	Variance with Final Budget
Ad Valorem Current	\$ 188,429,395	\$ 188,429,395	\$ 186,545,713	\$ (1,883,682)
Ad Valorem Delinquent	1,407,634	1,407,634	736,329	(671,305)
Penalty and Interest	1,396,173	1,396,173	1,577,640	181,467
Miscellaneous Taxes	225,000	225,010	292,308	67,298
Total Taxes	191,458,202	191,458,212	189,151,990	(2,306,222)
<u>FEES AND CHARGES FOR SERVICES:</u>				
General Government	3,439,050	9,913,050	6,961,757	(2,951,293)
Financial Administration	5,857,504	5,857,504	6,291,068	433,564
Health and Human Services	297,250	386,501	480,226	93,725
Culture and Recreation	1,375,000	815,000	429,622	(385,378)
Law Enforcement and Corrections	2,658,568	2,918,018	2,691,614	(226,404)
Legal and Judicial	7,600,000	1,224,258	4,282,128	3,057,870
Transportation	-	685,000	653,968	(31,032)
Total Fees	21,227,372	21,799,331	21,790,383	(8,948)
<u>INTERGOVERNMENTAL:</u>				
Federal Grants	-	295,347	90,682	(204,665)
State Grants	1,540,000	1,694,062	1,313,441	(380,621)
Other	2,355,000	2,975,000	2,642,269	(332,731)
Total Intergovernmental	3,895,000	4,964,409	4,046,392	(918,017)
<u>LICENSES AND PERMITS:</u>				
Beer Licenses	175,000	175,000	250,658	75,658
Health Permits	500,000	500,000	626,405	126,405
Recycle Center Permits	-	-	1,750	1,750
Animal Control Transport	4,000	4,000	4,185	185
Food Service Permits	575,000	575,000	612,785	37,785
Alarm Permits	850,000	850,000	699,075	(150,925)
Total Licenses and Permits	2,104,000	2,104,000	2,194,858	90,858
<u>CONTRACT REIMBURSEMENTS</u>	19,664,106	21,448,091	24,072,265	2,624,174
<u>INVESTMENT EARNINGS</u>	1,016,786	1,016,786	3,006,735	1,989,949
<u>FINES AND FORFEITURES</u>	740,000	740,000	438,900	(301,100)
<u>COMMISSIONS</u>	6,000	95,410	99,476	4,066
<u>MISCELLANEOUS</u>	372,625	800,258	1,273,622	473,364
<u>TOTAL REVENUES</u>	240,484,091	244,426,497	246,074,621	1,648,124
<u>OTHER FINANCING SOURCES:</u>				
Transfers In	-	2,698,017	726,613	(1,971,404)
Capital Lease Financing	-	5,550,755	1,665,337	(3,885,418)
<u>TOTAL OTHER FINANCING SOURCES</u>	-	8,248,772	2,391,950	(5,856,822)
<u>TOTAL REVENUES AND OTHER FINANCING SOURCES</u>	\$ 240,484,091	\$ 252,675,269	\$ 248,466,571	\$ (4,208,698)

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

A-3

Page 1 of 14

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>GENERAL GOVERNMENT:</u>				
County Judge :				
Salaries	\$ 372,621	\$ 379,586	\$ 379,589	\$ (3)
Benefits	122,625	122,625	120,079	2,546
Operations	42,550	42,364	42,357	7
Total County Judge	537,796	544,575	542,025	2,550
Human Resources:				
Salaries	417,982	421,424	421,424	-
Benefits	156,741	156,741	154,513	2,228
Operations	59,579	59,579	50,815	8,764
Total Human Resources	634,302	637,744	626,752	10,992
Risk Management:				
Salaries	613,166	584,056	580,321	3,735
Benefits	232,184	226,965	216,453	10,512
Operations	100,967	112,138	94,563	17,575
Capital	22,000	22,000	22,061	(61)
Total Risk Management	968,317	945,159	913,398	31,761
County Clerk:				
Salaries	1,675,999	1,669,661	1,653,606	16,055
Benefits	762,264	761,001	728,246	32,755
Operations	59,310	53,517	43,390	10,127
Total County Clerk	2,497,573	2,484,179	2,425,242	58,937
Elections:				
Salaries	954,680	908,116	976,649	(68,533)
Benefits	322,392	288,201	293,184	(4,983)
Operations	-	224,564	277,177	(52,613)
Capital	194,379	-	8,208	(8,208)
Total Elections	1,471,451	1,420,881	1,555,218	(134,337)
Information Technology:				
Salaries	2,499,442	2,666,025	2,630,458	35,567
Benefits	889,970	950,268	908,167	42,101
Operations	5,583,538	6,435,642	6,418,918	16,724
Capital	564,500	2,873,371	2,870,069	3,302
Total Information Technology	9,537,450	12,925,306	12,827,612	97,694

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

A-3

Page 2 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>GENERAL GOVERNMENT (cont'd)</u>				
Building Custodial Services:				
Salaries	2,132,366	2,109,805	2,007,990	101,815
Benefits	884,278	879,784	794,169	85,615
Operations	398,610	369,333	358,601	10,732
Capital	23,065	37,395	30,958	6,437
Total Building Custodial Services	<u>3,438,319</u>	<u>3,396,317</u>	<u>3,191,718</u>	<u>204,599</u>
Building Maintenance and Construction:				
Salaries	2,630,592	2,630,592	2,618,774	11,818
Benefits	1,087,334	1,087,334	1,065,301	22,033
Operations	1,452,491	3,251,373	3,220,844	30,529
Capital	189,680	260,258	210,285	49,973
Total Building Maintenance and Construction	<u>5,360,097</u>	<u>7,229,557</u>	<u>7,115,204</u>	<u>114,353</u>
Commissioners Court:				
Operations	<u>-</u>	<u>1,208,272</u>	<u>1,844,253</u>	<u>(635,981)</u>
Total Commissioners Court	<u>-</u>	<u>1,208,272</u>	<u>1,844,253</u>	<u>(635,981)</u>
County-Wide:				
Salaries	250,000	3,287	-	3,287
Benefits	5,296,110	5,311,031	5,311,031	-
Operations	10,347,534	7,206,514	7,213,258	(6,744)
Capital	2,600,000	-	-	-
Total County-Wide	<u>18,493,644</u>	<u>12,520,832</u>	<u>12,524,289</u>	<u>(3,457)</u>
Contingency:				
Salaries	160,787	-	-	-
Benefits	19,761	68,811	-	68,811
Operations	312,267	215,652	-	215,652
Total Contingency	<u>492,815</u>	<u>284,463</u>	<u>-</u>	<u>284,463</u>

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

A-3

Page 3 of 14

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>GENERAL GOVERNMENT (cont'd)</u>				
Permits:				
Salaries	347,318	340,353	337,781	2,572
Benefits	154,720	154,720	149,861	4,859
Operations	16,890	16,060	13,265	2,795
Total Permits	518,928	511,133	500,907	10,226
<u>TOTAL GENERAL GOVERNMENT</u>	43,950,692	44,108,418	44,066,618	41,800

FINANCIAL ADMINISTRATION:

Court Collections:				
Salary	275,707	268,320	246,628	21,692
Benefits	128,399	126,928	108,822	18,106
Operations	86,660	86,291	46,703	39,588
Total Court Collections	490,766	481,539	402,153	79,386
County-Wide:				
Operations	2,390,174	2,531,019	1,888,432	642,587
Total Commissioners Court	2,390,174	2,531,019	1,888,432	642,587
Purchasing Agent:				
Salary	832,236	836,308	830,756	5,552
Benefits	312,735	313,547	303,325	10,222
Operations	28,917	29,355	25,786	3,569
Total Purchasing Agent	1,173,888	1,179,210	1,159,867	19,343
County Auditor:				
Salary	1,483,188	1,514,374	1,490,045	24,329
Benefits	589,357	602,714	563,264	39,450
Operations	72,520	69,089	52,020	17,069
Total County Auditor	2,145,065	2,186,177	2,105,329	80,848

MONTGOMERY COUNTY, TEXAS
General Fund
Schedule of Expenditures and Other Financing Uses
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3
Page 4 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>FINANCIAL ADMINISTRATION (cont'd)</u>				
Budget Office:				
Salary	239,780	238,657	238,635	22
Benefits	84,311	84,311	80,358	3,953
Operations	11,800	11,738	3,966	7,772
Total Budget Office	<u>335,891</u>	<u>334,706</u>	<u>322,959</u>	<u>11,747</u>
County Treasurer:				
Salary	512,203	517,924	517,921	3
Benefits	200,005	200,068	196,979	3,089
Operations	23,520	20,122	19,466	656
Total County Treasurer	<u>735,728</u>	<u>738,114</u>	<u>734,366</u>	<u>3,748</u>
Tax Assessor/Collector:				
Salary	3,093,502	3,063,408	2,942,875	120,533
Benefits	1,436,312	1,430,317	1,300,062	130,255
Operations	293,268	310,313	249,538	60,775
Total Tax Assessor/Collector	<u>4,823,082</u>	<u>4,804,038</u>	<u>4,492,475</u>	<u>311,563</u>
<u>TOTAL FINANCIAL ADMINISTRATION</u>	<u>12,094,594</u>	<u>12,254,803</u>	<u>11,105,581</u>	<u>1,149,222</u>
<u>HEALTH & HUMAN SERVICES:</u>				
Veterans Services:				
Salary	222,567	222,567	213,546	9,021
Benefits	93,322	93,322	82,515	10,807
Operations	10,159	10,342	9,238	1,104
Total Veterans Services	<u>326,048</u>	<u>326,231</u>	<u>305,299</u>	<u>20,932</u>
Non-Departmental				
Operations	90,000	100,418	74,720	25,698
Total Commissioners Court	<u>90,000</u>	<u>100,418</u>	<u>74,720</u>	<u>25,698</u>

MONTGOMERY COUNTY, TEXAS
General Fund
Schedule of Expenditures and Other Financing Uses
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3
Page 5 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>HEALTH & HUMAN SERVICES (cont'd)</u>				
Commissioners Court:				
Operations	816,290	221,525	228,546	(7,021)
Total Commissioners Court	<u>816,290</u>	<u>221,525</u>	<u>228,546</u>	<u>(7,021)</u>
Child Welfare:				
Salaries	-	13,711	8,195	5,516
Benefits	-	63,807	35,934	27,873
Operations	61,450	-	-	-
Total Child Welfare	<u>61,450</u>	<u>77,518</u>	<u>44,129</u>	<u>33,389</u>
Environmental Health:				
Salary	1,520,291	1,458,473	1,430,240	28,233
Benefits	572,257	566,454	530,458	35,996
Operations	83,716	85,554	64,246	21,308
Total Environmental Health	<u>2,176,264</u>	<u>2,110,481</u>	<u>2,024,944</u>	<u>85,537</u>
Animal Services:				
Salary	2,570,234	2,562,522	2,424,953	137,569
Benefits	1,168,948	1,167,412	1,066,009	101,403
Operations	111,875	1,663,724	1,223,264	440,460
Capital Outlay	-	215,892	215,892	-
Total Animal Services	<u>4,857,957</u>	<u>5,609,550</u>	<u>4,930,118</u>	<u>679,432</u>
Forensic Services:				
Salary	1,119,449	1,148,177	1,140,761	7,416
Benefits	345,455	344,667	319,094	25,573
Operations	709,891	734,963	629,833	105,130
Total Forensic Services	<u>2,174,795</u>	<u>2,227,807</u>	<u>2,089,688</u>	<u>138,119</u>
MCCD:				
Operations	1,000	1,000	694	306
Total MCCD	<u>1,000</u>	<u>1,000</u>	<u>694</u>	<u>306</u>

MONTGOMERY COUNTY, TEXAS
General Fund
Schedule of Expenditures and Other Financing Uses
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3
Page 6 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>HEALTH & HUMAN SERVICES (cont'd)</u>				
Extension Services:				
Salary	461,367	461,367	454,971	6,396
Benefits	226,612	226,612	194,092	32,520
Operations	59,430	73,028	58,891	14,137
Total Extension Services	<u>747,409</u>	<u>761,007</u>	<u>707,954</u>	<u>53,053</u>
<u>TOTAL HEALTH & HUMAN SERVICES</u>	<u>11,251,213</u>	<u>11,435,537</u>	<u>10,406,092</u>	<u>1,029,445</u>
<u>CULTURE & RECREATION:</u>				
Commissioners Court:				
Operations	-	150,000	150,000	-
Total Commissioners Court	<u>-</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Historical Commission:				
Operations	30,000	79,954	66,000	13,954
Total Historical Commission	<u>30,000</u>	<u>79,954</u>	<u>66,000</u>	<u>13,954</u>
Convention Center Complex:				
Salaries	496,565	490,207	438,128	52,079
Benefits	209,132	207,866	184,314	23,552
Operations	355,191	519,668	421,662	98,006
Total Convention Center Complex	<u>1,060,888</u>	<u>1,217,741</u>	<u>1,044,104</u>	<u>173,637</u>
Memorial Library:				
Salaries	5,925,063	5,903,791	5,758,829	144,962
Benefits	2,677,916	2,673,678	2,521,102	152,576
Operations	926,981	1,191,928	1,092,338	99,590
Capital	337,623	495,182	439,871	55,311
Total Memorial Library	<u>9,867,583</u>	<u>10,264,579</u>	<u>9,812,140</u>	<u>452,439</u>
<u>TOTAL CULTURE & RECREATION</u>	<u>10,958,471</u>	<u>11,712,274</u>	<u>11,072,244</u>	<u>640,030</u>

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

A-3

Page 7 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>LAW ENFORCEMENT & CORRECTIONS:</u>				
Department of Public Safety:				
Salaries	81,508	81,508	82,139	(631)
Benefits	40,731	40,731	40,089	642
Operations	450	450	-	450
Total Department of Public Safety	<u>122,689</u>	<u>122,689</u>	<u>122,228</u>	<u>461</u>
Office of Homeland Security and Emergency Management:				
Salaries	373,999	405,108	206,538	198,570
Benefits	135,732	165,319	70,433	94,886
Operations	25,156	1,368,566	1,022,077	346,489
Capital	-	5,124	5,124	-
Total Office of Homeland Security and Emergency Management	<u>534,887</u>	<u>1,944,117</u>	<u>1,304,172</u>	<u>639,945</u>
Fire Marshal Investigations:				
Salaries	599,974	628,975	316,885	312,090
Benefits	205,239	205,239	102,622	102,617
Operations	79,995	83,795	78,480	5,315
Capital	48,971	161,396	161,397	(1)
Total Fire Marshal Investigations	<u>934,179</u>	<u>1,079,405</u>	<u>659,384</u>	<u>420,021</u>
Fire Marshal Inspections:				
Salaries	610,353	621,351	621,352	(1)
Benefits	231,924	231,924	228,089	3,835
Operations	64,844	66,344	64,749	1,595
Capital	42,197	80,115	79,588	527
Total Fire Marshal Inspections	<u>949,318</u>	<u>999,734</u>	<u>993,778</u>	<u>5,956</u>
District Attorney:				
Salaries	8,487,936	8,561,735	8,531,709	30,026
Benefits	2,934,580	2,946,317	2,835,222	111,095
Operations	434,248	431,431	400,156	31,275
Capital	150,341	46,200	45,948	252
Total District Attorney	<u>12,007,105</u>	<u>11,985,683</u>	<u>11,813,035</u>	<u>172,648</u>

MONTGOMERY COUNTY, TEXAS
General Fund
Schedule of Expenditures and Other Financing Uses
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3
Page 8 of 14

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>LAW ENFORCEMENT & CORRECTIONS (cont'd):</u>				
Juvenile Services:				
Salaries	3,780,672	3,775,672	3,698,932	76,740
Benefits	1,671,566	1,671,566	1,597,242	74,324
Operations	189,211	377,047	333,255	43,792
Total Juvenile Services	5,641,449	5,824,285	5,629,429	194,856
Adult Services:				
Salaries	-	4,163,533	3,467,357	696,176
Benefits	-	907,022	686,084	220,938
Operations	7,127	18,227	4,502	13,725
Capital	14,000	2,750	2,750	-
Total Adult Services	21,127	5,091,532	4,160,693	930,839
Commissions:				
Operations	-	35,723	33,477	2,246
Capital	-	419	419	-
Total Commissions	-	36,142	33,896	2,246
LEOSE:				
Operations	-	5,450	5,450	-
Total LEOSE	-	5,450	5,450	-
Sheriff:				
Salaries	39,860,988	39,944,204	23,193,494	16,750,710
Benefits	15,483,835	15,034,005	8,735,314	6,298,691
Operations	6,187,706	7,182,475	6,451,588	730,887
Capital	923,598	7,430,539	3,208,387	4,222,152
Total Sheriff	62,456,127	69,591,223	41,588,783	28,002,440
Jail:				
Salaries	13,525,979	12,889,882	5,922,894	6,966,988
Benefits	6,025,288	5,488,364	2,539,157	2,949,207
Operations	7,119,254	7,365,093	7,074,093	291,000
Capital	-	131,628	131,628	-
Total Jail	26,670,521	25,874,967	15,667,772	10,207,195

MONTGOMERY COUNTY, TEXAS
General Fund
Schedule of Expenditures and Other Financing Uses
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3
Page 9 of 14

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>LAW ENFORCEMENT & CORRECTIONS (cont'd):</u>				
Constable Pct 1:				
Salaries	3,239,461	3,300,022	1,866,643	1,433,379
Benefits	1,191,724	1,224,712	662,913	561,799
Operations	319,143	367,102	360,972	6,130
Capital	54,283	536,719	512,156	24,563
Total Constable Pct 1	<u>4,804,611</u>	<u>5,428,555</u>	<u>3,402,684</u>	<u>2,025,871</u>
Constable Pct 2:				
Salaries	1,420,009	1,408,696	634,401	774,295
Benefits	515,126	512,873	226,398	286,475
Operations	123,346	128,163	113,397	14,766
Capital	23,414	202,686	201,280	1,406
Total Constable Pct 2	<u>2,081,895</u>	<u>2,252,418</u>	<u>1,175,476</u>	<u>1,076,942</u>
Constable Pct 3:				
Salaries	3,904,021	3,972,743	2,512,414	1,460,329
Benefits	1,473,407	1,495,458	924,075	571,383
Operations	473,549	511,102	477,609	33,493
Capital	54,105	506,059	502,676	3,383
Total Constable Pct 3	<u>5,905,082</u>	<u>6,485,362</u>	<u>4,416,774</u>	<u>2,068,588</u>
Constable Pct 4:				
Salaries	2,946,472	2,986,965	1,428,517	1,558,448
Benefits	1,087,566	1,109,140	516,988	592,152
Operations	292,575	323,404	313,288	10,116
Capital	52,996	299,830	292,943	6,887
Total Constable Pct 4	<u>4,379,609</u>	<u>4,719,339</u>	<u>2,551,736</u>	<u>2,167,603</u>
Constable Pct 5:				
Salaries	2,862,520	3,134,325	1,984,464	1,149,861
Benefits	1,104,808	1,184,203	740,158	444,045
Operations	236,126	215,180	157,669	57,511
Capital	49,858	349,645	344,557	5,088
Total Constable Pct 5	<u>4,253,312</u>	<u>4,883,353</u>	<u>3,226,848</u>	<u>1,656,505</u>
<u>TOTAL LAW ENFORCEMENT & CORRECTIONS</u>	<u>130,761,911</u>	<u>146,324,254</u>	<u>96,752,138</u>	<u>49,572,116</u>

MONTGOMERY COUNTY, TEXAS**General Fund****Schedule of Expenditures and Other Financing Uses****Budget (GAAP Basis) and Actual**
Year Ended September 30, 2020

A-3

Page 10 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>LEGAL & JUDICIAL:</u>				
District Clerk:				
Salaries	2,462,246	2,453,113	2,407,987	45,126
Benefits	1,212,787	1,210,968	1,140,558	70,410
Operations	64,974	37,200	36,080	1,120
Total District Clerk	<u>3,740,007</u>	<u>3,701,281</u>	<u>3,584,625</u>	<u>116,656</u>
County Attorney:				
Salaries	2,536,641	2,549,388	2,495,822	53,566
Benefits	880,042	874,613	805,000	69,613
Operations	145,275	334,374	291,091	43,283
Capital	-	-	-	-
Total County Attorney	<u>3,561,958</u>	<u>3,758,375</u>	<u>3,591,913</u>	<u>166,462</u>
Alternate Dispute Resolution:				
Operations	<u>150,000</u>	<u>173,258</u>	<u>171,175</u>	<u>2,083</u>
Total Alternate Dispute Resolution	<u>150,000</u>	<u>173,258</u>	<u>171,175</u>	<u>2,083</u>
Court Operations:				
Salaries	50,000	48,275	42,807	5,468
Benefits	13,034	13,034	7,011	6,023
Operations	<u>7,832,000</u>	<u>891,978</u>	<u>341,383</u>	<u>550,595</u>
Total Court Operations	<u>7,895,034</u>	<u>953,287</u>	<u>391,201</u>	<u>562,086</u>
Indigent Defense:				
Operations	<u>-</u>	<u>7,022,000</u>	<u>6,488,608</u>	<u>533,392</u>
Total Indigent Defense	<u>-</u>	<u>7,022,000</u>	<u>6,488,608</u>	<u>533,392</u>
Office of Court Administration:				
Salaries	528,824	621,536	634,097	(12,561)
Benefits	191,668	230,967	203,498	27,469
Operations	15,271	27,476	24,859	2,617
Capital	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Office of Court Administration	<u>745,763</u>	<u>879,979</u>	<u>862,454</u>	<u>17,525</u>

MONTGOMERY COUNTY, TEXAS**General Fund****Schedule of Expenditures and Other Financing Uses****Budget (GAAP Basis) and Actual**
Year Ended September 30, 2020

A-3

Page 11 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>LEGAL & JUDICIAL (cont'd):</u>				
County Court at Law 1:				
Salaries	393,229	396,058	396,059	(1)
Benefits	127,111	127,111	122,547	4,564
Operations	11,514	12,047	7,686	4,361
Total County Court at Law 1	<u>531,854</u>	<u>535,216</u>	<u>526,292</u>	<u>8,924</u>
County Court at Law 2:				
Salaries	681,063	682,729	682,729	-
Benefits	233,430	233,430	226,034	7,396
Operations	14,400	14,267	7,629	6,638
Total County Court at Law 2	<u>928,893</u>	<u>930,426</u>	<u>916,392</u>	<u>14,034</u>
County Court at Law 3:				
Salaries	628,287	631,279	631,279	-
Benefits	198,426	198,426	191,878	6,548
Operations	17,203	17,142	9,405	7,737
Total County Court at Law 3	<u>843,916</u>	<u>846,847</u>	<u>832,562</u>	<u>14,285</u>
County Court at Law 4:				
Salaries	398,680	401,582	401,582	-
Benefits	128,196	128,196	123,793	4,403
Operations	14,882	14,226	9,063	5,163
Total County Court at Law 4	<u>541,758</u>	<u>544,004</u>	<u>534,438</u>	<u>9,566</u>
County Court at Law 5:				
Salaries	383,393	386,220	386,221	(1)
Benefits	125,150	125,150	120,743	4,407
Operations	11,900	12,132	7,491	4,641
Total County Court at Law 5	<u>520,443</u>	<u>523,502</u>	<u>514,455</u>	<u>9,047</u>

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3

Page 12 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>LEGAL & JUDICIAL (cont'd):</u>				
9th District Court:				
Salaries	237,098	238,767	238,767	-
Benefits	96,009	96,009	91,633	4,376
Operations	13,820	23,805	13,694	10,111
Total 9th District Court	<u>346,927</u>	<u>358,581</u>	<u>344,094</u>	<u>14,487</u>
221st District Court:				
Salaries	246,166	246,894	246,894	-
Benefits	97,815	97,815	93,397	4,418
Operations	12,034	12,112	9,597	2,515
Total 221st District Court	<u>356,015</u>	<u>356,821</u>	<u>349,888</u>	<u>6,933</u>
284th District Court:				
Salaries	544,152	522,228	517,558	4,670
Benefits	193,912	193,912	175,881	18,031
Operations	13,977	13,977	9,968	4,009
Total 284th District Court	<u>752,041</u>	<u>730,117</u>	<u>703,407</u>	<u>26,710</u>
359th District Court:				
Salaries	293,431	293,431	284,985	8,446
Benefits	107,231	107,231	100,960	6,271
Operations	14,426	16,450	12,469	3,981
Total 359th District Court	<u>415,088</u>	<u>417,112</u>	<u>398,414</u>	<u>18,698</u>
410th District Court:				
Salaries	352,576	377,576	373,201	4,375
Benefits	131,258	131,258	130,338	920
Operations	15,438	15,330	9,198	6,132
Total 410th District Court	<u>499,272</u>	<u>524,164</u>	<u>512,737</u>	<u>11,427</u>
418th District Court:				
Salaries	477,615	477,615	472,136	5,479
Benefits	168,411	168,411	158,961	9,450
Operations	17,960	15,432	12,604	2,828
Total 418th District Court	<u>663,986</u>	<u>661,458</u>	<u>643,701</u>	<u>17,757</u>

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

A-3

Page 13 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>LEGAL & JUDICIAL (cont'd):</u>				
435th District Court:				
Salaries	248,490	248,490	231,372	17,118
Benefits	98,277	98,277	84,273	14,004
Operations	17,575	27,998	15,496	12,502
Total 435th District Court	<u>364,342</u>	<u>374,765</u>	<u>331,141</u>	<u>43,624</u>
457th District Court:				
Salaries	-	61,103	60,469	634
Benefits	-	23,589	16,304	7,285
Operations	-	18,366	15,449	2,917
Total 457th District Court	<u>-</u>	<u>103,058</u>	<u>92,222</u>	<u>10,836</u>
Drug Court:				
Salaries	227,196	228,921	228,921	-
Benefits	94,247	94,247	92,879	1,368
Operations	692,633	687,549	484,379	203,170
Total Drug Court	<u>1,014,076</u>	<u>1,010,717</u>	<u>806,179</u>	<u>204,538</u>
Mental Health Court Services:				
Salaries	239,250	239,250	220,712	18,538
Benefits	108,891	108,891	100,314	8,577
Operations	12,000	12,000	10,733	1,267
Total Mental Health Court Services	<u>360,141</u>	<u>360,141</u>	<u>331,759</u>	<u>28,382</u>
Justice of the Peace 1:				
Salaries	622,895	632,012	632,012	-
Benefits	222,879	222,879	220,584	2,295
Operations	42,790	164,856	100,258	64,598
Total Justice of the Peace 1	<u>888,564</u>	<u>1,019,747</u>	<u>952,854</u>	<u>66,893</u>
Justice of the Peace 2				
Salaries	374,551	377,266	377,266	-
Benefits	148,088	148,088	145,957	2,131
Operations	30,545	188,111	151,708	36,403
Total Justice of the Peace 2	<u>553,184</u>	<u>713,465</u>	<u>674,931</u>	<u>38,534</u>

MONTGOMERY COUNTY, TEXAS

General Fund

Schedule of Expenditures and Other Financing Uses

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

A-3

Page 14 of 14

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>LEGAL & JUDICIAL (cont'd):</u>				
Justice of the Peace 3				
Salaries	907,852	884,546	879,934	4,612
Benefits	388,822	388,410	378,003	10,407
Operations	33,707	33,908	29,854	4,054
Capital	-	4,028	4,028	-
Total Justice of the Peace 3	<u>1,330,381</u>	<u>1,310,892</u>	<u>1,291,819</u>	<u>19,073</u>
Justice of the Peace 4				
Salaries	655,581	655,581	633,394	22,187
Benefits	289,584	289,584	263,156	26,428
Operations	36,103	150,723	122,065	28,658
Total Justice of the Peace 4	<u>981,268</u>	<u>1,095,888</u>	<u>1,018,615</u>	<u>77,273</u>
Justice of the Peace 5				
Salaries	381,710	386,863	386,863	-
Benefits	149,308	148,958	145,745	3,213
Operations	23,704	100,868	85,518	15,350
Total Justice of the Peace 5	<u>554,722</u>	<u>636,689</u>	<u>618,126</u>	<u>18,563</u>
<u>TOTAL LEGAL & JUDICIAL</u>	<u>28,539,633</u>	<u>29,541,790</u>	<u>27,484,002</u>	<u>2,057,788</u>
<u>PUBLIC TRANSPORTATION:</u>				
Airport				
Salaries	457,736	457,736	456,558	1,178
Benefits	177,177	177,177	172,032	5,145
Operations	287,854	310,117	260,652	49,465
<u>TOTAL PUBLIC TRANSPORTATION</u>	<u>922,767</u>	<u>945,030</u>	<u>889,242</u>	<u>55,788</u>
<u>TOTAL EXPENDITURES</u>				
<u>GENERAL FUND</u>	<u>238,479,281</u>	<u>256,322,106</u>	<u>201,775,917</u>	<u>54,546,189</u>
<u>OTHER FINANCING USES:</u>				
Transfers Out	-	4,115,852	8,751,073	(4,635,221)
<u>TOTAL OTHER FINANCING USES</u>	<u>-</u>	<u>4,115,852</u>	<u>8,751,073</u>	<u>(4,635,221)</u>
<u>TOTAL EXPENDITURES AND</u>				
<u>OTHER FINANCING USES</u>	<u>\$ 238,479,281</u>	<u>\$ 260,437,958</u>	<u>\$ 210,526,990</u>	<u>\$ 49,910,968</u>

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

MONTGOMERY COUNTY, TEXAS

Nonmajor Governmental Funds

Combining Balance Sheet

September 30, 2020

B-1

	Special Revenue	Capital Projects	Total
<u>ASSETS:</u>			
Cash	\$ 6,185,410	\$ 26,868,289	\$ 33,053,699
Investments	3,352,026	17,198,756	20,550,782
Receivables:			
Accounts (net)	5	-	5
Due from Other Funds	4,473,714	21,805,273	26,278,987
<u>TOTAL ASSETS</u>	<u>\$ 14,011,155</u>	<u>\$ 65,872,318</u>	<u>\$ 79,883,473</u>

**LIABILITIES AND
FUND BALANCES:**

LIABILITIES:

Accounts Payable	\$ 51,235	\$ -	\$ 51,235
Due to Other Funds	1,697,696	7,465,540	9,163,236
Total Liabilities	<u>1,748,931</u>	<u>7,465,540</u>	<u>9,214,471</u>

FUND BALANCES:

Restricted	12,435,143	36,601,505	49,036,648
Committed	-	21,805,273	21,805,273
Unassigned	(172,919)	-	(172,919)
Total Fund Balances	<u>12,262,224</u>	<u>58,406,778</u>	<u>70,669,002</u>

**TOTAL LIABILITIES AND
FUND BALANCES**

<u>\$ 14,011,155</u>	<u>\$ 65,872,318</u>	<u>\$ 79,883,473</u>
-----------------------------	-----------------------------	-----------------------------

MONTGOMERY COUNTY, TEXAS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended September 30, 2020

B-2

	Special Revenue	Capital Projects	Totals
<u>REVENUES:</u>			
Fees and Charges for Services	\$ 4,114,165	\$ -	\$ 4,114,165
Intergovernmental	648,889	-	648,889
Inmate Housing	25,302,982	-	25,302,982
Investment Earnings	(279,819)	1,849,562	1,569,743
Fines and Forfeitures	1,084,209	-	1,084,209
Miscellaneous	6,635	739,132	745,767
<u>TOTAL REVENUES</u>	<u>30,877,061</u>	<u>2,588,694</u>	<u>33,465,755</u>
<u>EXPENDITURES:</u>			
Current:			
General Government	2,785,422	-	2,785,422
Law Enforcement and Corrections	29,139,349	-	29,139,349
Legal and Judicial	574,151	-	574,151
Capital Projects	-	37,887,863	37,887,863
<u>TOTAL EXPENDITURES</u>	<u>32,498,922</u>	<u>37,887,863</u>	<u>70,386,785</u>
Deficiency Revenues Over Expenditures	(1,621,861)	(35,299,169)	(36,921,030)
<u>OTHER FINANCING SOURCES/(USES):</u>			
Transfers In	240,000	-	240,000
Transfers Out	-	(210,644)	(210,644)
<u>TOTAL OTHER FINANCING SOURCES/(USES)</u>	<u>240,000</u>	<u>(210,644)</u>	<u>29,356</u>
Net Change in Fund Balances	(1,381,861)	(35,509,813)	(36,891,674)
Fund Balances at Beginning of Year	17,667,990	93,916,591	111,584,581
Prior Period Adjustment	(4,023,905)	-	(4,023,905)
Beginning Fund Balance as Restated	13,644,085	93,916,591	107,560,676
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 12,262,224</u>	<u>\$ 58,406,778</u>	<u>\$ 70,669,002</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.

Jury Fund - to account for the operations of the courts.

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.

Memorial Library Fund - to account for the operations of a countywide library system.

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 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.

MONTGOMERY COUNTY, TEXAS
Nonmajor Special Revenue Funds
Combining Balance Sheet
September 30, 2020

	Worthless Checks 201	Forfeitures 202	Jury	Jail Commissary 203
<u>ASSETS:</u>				
Cash	\$ 11,065	\$ 2,248,795	\$ -	\$ 1,373,961
Investments	-	-	-	-
Receivables:				
Accounts (net)	5	-	-	-
Due from Other Funds	-	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 11,070</u>	<u>\$ 2,248,795</u>	<u>\$ -</u>	<u>\$ 1,373,961</u>

LIABILITIES AND FUND BALANCES:

LIABILITIES:

Accounts Payable	\$ 809	\$ 2,535	\$ -	\$ 4,115
Due to Other Funds	6,175	82,335	-	126,284
Total Liabilities	<u>6,984</u>	<u>84,870</u>	<u>-</u>	<u>130,399</u>

FUND BALANCES:

Restricted	4,086	2,163,925	-	1,243,562
Unassigned	-	-	-	-
Total Fund Balances	<u>4,086</u>	<u>2,163,925</u>	<u>-</u>	<u>1,243,562</u>

**TOTAL LIABILITIES AND
FUND BALANCES**

<u>\$ 11,070</u>	<u>\$ 2,248,795</u>	<u>\$ -</u>	<u>\$ 1,373,961</u>
-------------------------	----------------------------	--------------------	----------------------------

Law Library 204	Memorial Library	Pre-Trial Diversion 205	Memo Totals from Page 121	Memo Totals from Page 123	Totals
\$ 807,906	\$ -	\$ -	\$ -	\$ 1,743,683	\$ 6,185,410
-	-	-	3,277,755	74,271	3,352,026
-	-	-	-	-	5
-	-	51,670	2,987,511	1,434,533	4,473,714
<u>\$ 807,906</u>	<u>\$ -</u>	<u>\$ 51,670</u>	<u>\$ 6,265,266</u>	<u>\$ 3,252,487</u>	<u>\$ 14,011,155</u>
\$ 5,094	\$ -	\$ 959	\$ 23,270	\$ 14,453	\$ 51,235
288,925	-	-	4,118	1,189,859	1,697,696
<u>294,019</u>	<u>-</u>	<u>959</u>	<u>27,388</u>	<u>1,204,312</u>	<u>1,748,931</u>
513,887	-	50,711	6,237,878	2,221,094	12,435,143
-	-	-	-	(172,919)	(172,919)
<u>513,887</u>	<u>-</u>	<u>50,711</u>	<u>6,237,878</u>	<u>1,875,256</u>	<u>12,262,224</u>
<u>\$ 807,906</u>	<u>\$ -</u>	<u>\$ 51,670</u>	<u>\$ 6,265,266</u>	<u>\$ 3,079,568</u>	<u>\$ 14,011,155</u>

MONTGOMERY COUNTY, TEXAS

Nonmajor Special Revenue Funds

Combining Balance Sheet

September 30, 2020

	Records Management and Preservation 206	Records Management County 207	Records Management District Clerk 208	District Clerk Records Preservation 209
<u>ASSETS:</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	2,886,989	-	136,930	83,237
Receivables:				
Due from Other Funds	2,048,989	35,560	-	67,554
<u>TOTAL ASSETS</u>	<u>\$ 4,935,978</u>	<u>\$ 35,560</u>	<u>\$ 136,930</u>	<u>\$ 150,791</u>

LIABILITIES AND FUND BALANCES:

LIABILITIES:

Accounts Payable	\$ 7,140	\$ 16,130	\$ -	\$ -
Due to Other Funds	-	-	4,118	-
Total Liabilities	<u>7,140</u>	<u>16,130</u>	<u>4,118</u>	<u>-</u>

FUND BALANCES:

Restricted	4,928,838	19,430	132,812	150,791
Unassigned	-	-	-	-
Total Fund Balances	<u>4,928,838</u>	<u>19,430</u>	<u>132,812</u>	<u>150,791</u>

TOTAL LIABILITIES AND

<u>FUND BALANCES</u>	<u>\$ 4,935,978</u>	<u>\$ 35,560</u>	<u>\$ 136,930</u>	<u>\$ 150,791</u>
-----------------------------	----------------------------	-------------------------	--------------------------	--------------------------

Digital Preservation County & District 210	Court Technology County & District 211	Court Guardianship 212	Court Reporter Service 213	Memo Totals to Page 119
\$ -	\$ -	\$ -	\$ -	\$ -
170,599	-	-	-	3,277,755
283,872	34,121	142,560	374,855	2,987,511
<u>\$ 454,471</u>	<u>\$ 34,121</u>	<u>\$ 142,560</u>	<u>\$ 374,855</u>	<u>\$ 6,265,266</u>
\$ -	\$ -	\$ -	\$ -	\$ 23,270
-	-	-	-	4,118
-	-	-	-	27,388
454,471	34,121	142,560	374,855	6,237,878
-	-	-	-	-
<u>454,471</u>	<u>34,121</u>	<u>142,560</u>	<u>374,855</u>	<u>6,237,878</u>
<u>\$ 454,471</u>	<u>\$ 34,121</u>	<u>\$ 142,560</u>	<u>\$ 374,855</u>	<u>\$ 6,265,266</u>

MONTGOMERY COUNTY, TEXAS
Nonmajor Special Revenue Funds
Combining Balance Sheet
September 30, 2020

	Courthouse Security 214	Justice Court Building Security 215	Justice Court Technology 216
<u>ASSETS:</u>			
Cash	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables:			
Accounts	-	-	-
Due from Other Funds	127,271	239,072	725,880
<u>TOTAL ASSETS</u>	<u>\$ 127,271</u>	<u>\$ 239,072</u>	<u>\$ 725,880</u>
 <u>LIABILITIES AND FUND BALANCES:</u>			
<u>LIABILITIES:</u>			
Accounts Payable	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-
Total Liabilities	-	-	-
 <u>FUND BALANCES:</u>			
Restricted	127,271	239,072	725,880
Unassigned	-	-	-
Total Fund Balances	127,271	239,072	725,880
 <u>TOTAL LIABILITIES AND</u>			
<u>FUND BALANCES</u>	<u>\$ 127,271</u>	<u>\$ 239,072</u>	<u>\$ 725,880</u>

Juvenile Case Manager 217	Vital Records Preservation 218	Contract Elections Services 219	HAVA Grant 221	Joe Corley Pass Through 222	Memo Totals to Page 119
\$ -	\$ -	\$ 949,418	\$ -	\$ 794,265	\$ 1,743,683
-	-	74,271	-	-	74,271
-	-	-	-	-	-
28,388	44,031	-	269,891	-	1,434,533
<u>\$ 28,388</u>	<u>\$ 44,031</u>	<u>\$ 1,023,689</u>	<u>\$ 269,891</u>	<u>\$ 794,265</u>	<u>\$ 3,252,487</u>
\$ 7,704	\$ -	\$ 6,749	\$ -	\$ -	\$ 14,453
-	-	1,189,859	-	-	1,189,859
<u>7,704</u>	<u>-</u>	<u>1,196,608</u>	<u>-</u>	<u>-</u>	<u>1,204,312</u>
20,684	44,031	-	269,891	794,265	2,221,094
-	-	(172,919)	-	-	(172,919)
<u>20,684</u>	<u>44,031</u>	<u>(172,919)</u>	<u>269,891</u>	<u>794,265</u>	<u>2,048,175</u>
<u>\$ 28,388</u>	<u>\$ 44,031</u>	<u>\$ 1,023,689</u>	<u>\$ 269,891</u>	<u>\$ 794,265</u>	<u>\$ 3,252,487</u>

MONTGOMERY COUNTY, TEXAS**Nonmajor Special Revenue Funds****Combining Statement of Revenues, Expenditures, and Changes in Fund Balances****Year Ended September 30, 2020**

	Worthless Checks 201	Forfeitures 202	Jury	Sheriff Commissary 203
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 3,343	\$ -	\$ -	\$ 1,908,264
Intergovernmental	-	-	-	-
Inmate Housing	-	-	-	-
Investment Earnings	115	31,228	-	15,958
Fines and Forfeitures	-	1,084,209	-	-
Miscellaneous	-	-	-	-
<u>TOTAL REVENUES</u>	<u>3,458</u>	<u>1,115,437</u>	<u>-</u>	<u>1,924,222</u>
<u>EXPENDITURES:</u>				
Current:				
General Government	-	-	-	-
Law Enforcement and Corrections	-	1,297,781	-	1,932,805
Legal and Judicial	32,547	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>32,547</u>	<u>1,297,781</u>	<u>-</u>	<u>1,932,805</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(29,089)</u>	<u>(182,344)</u>	<u>-</u>	<u>(8,583)</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers In	20,000	-	-	-
<u>TOTAL OTHER FINANCING SOURCES</u>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(9,089)	(182,344)	-	(8,583)
Fund Balances at Beginning of Year	<u>13,175</u>	<u>2,346,269</u>	<u>3,890,876</u>	<u>1,252,145</u>
Prior Period Adjustment	-	-	(3,890,876)	-
Beginning Fund Balance, as Restated	<u>13,175</u>	<u>2,346,269</u>	<u>-</u>	<u>1,252,145</u>
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 4,086</u>	<u>\$ 2,163,925</u>	<u>\$ -</u>	<u>\$ 1,243,562</u>

Memorial Library	Law Library 204	Pre-Trial Diversion 205	Memo Totals from Page 127	Memo Totals from Page 129	Totals
\$ -	\$ 315,034	\$ 26,293	\$ 1,299,692	\$ 561,539	\$ 4,114,165
-	-	-	-	648,889	648,889
-	-	-	-	25,302,982	25,302,982
-	6,108	-	(345,216)	11,988	(279,819)
-	-	-	-	-	1,084,209
-	6,537	-	-	98	6,635
-	327,679	26,293	954,476	26,525,496	30,877,061
-	-	-	1,294,510	1,490,912	2,785,422
-	-	-	643,678	25,265,085	29,139,349
-	309,463	26,093	206,048	-	574,151
-	309,463	26,093	2,144,236	26,755,997	32,498,922
-	18,216	200	(1,189,760)	(230,501)	(1,621,861)
-	-	-	110,000	110,000	240,000
-	-	-	110,000	110,000	240,000
-	18,216	200	(1,079,760)	(120,501)	(1,381,861)
133,029	495,671	50,511	7,317,638	2,168,676	17,667,990
(133,029)	-	-	-	-	(4,023,905)
-	495,671	50,511	7,317,638	2,168,676	13,644,085
\$ -	\$ 513,887	\$ 50,711	\$ 6,237,878	\$ 2,048,175	\$ 12,262,224

MONTGOMERY COUNTY, TEXAS
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended September 30, 2020

	Records Management and Preservation 206	Records Management County 207	Records Management District Clerk 208	District Clerk Records Preservation 209
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 778,387	\$ 114,654	\$ 52,620	\$ 86,294
Intergovernmental	-	-	-	-
Inmate Housing	-	-	-	-
Investment Earnings	(349,840)	-	1,620	985
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
<u>TOTAL REVENUES</u>	<u>428,547</u>	<u>114,654</u>	<u>54,240</u>	<u>87,279</u>
<u>EXPENDITURES:</u>				
Current:				
General Government	1,294,510	-	-	-
Law Enforcement and Corrections	-	643,678	-	-
Legal and Judicial	-	-	61,001	13,735
<u>TOTAL EXPENDITURES</u>	<u>1,294,510</u>	<u>643,678</u>	<u>61,001</u>	<u>13,735</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(865,963)</u>	<u>(529,024)</u>	<u>(6,761)</u>	<u>73,544</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	110,000	-	-
<u>TOTAL OTHER FINANCING SOURCES</u>	<u>-</u>	<u>110,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(865,963)	(419,024)	(6,761)	73,544
Fund Balances at Beginning of Year	<u>5,794,801</u>	<u>438,454</u>	<u>139,573</u>	<u>77,247</u>
Prior Period Adjustment	-	-	-	-
Beginning Fund Balance, as Restated	<u>5,794,801</u>	<u>438,454</u>	<u>139,573</u>	<u>77,247</u>
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 4,928,838</u>	<u>\$ 19,430</u>	<u>\$ 132,812</u>	<u>\$ 150,791</u>

Digital Preservation County & District 210	Court Technology County & District 211	Court Guardianship 212	Court Reporter Service 213	Memo Totals to Page 125
\$ 81,845	\$ 14,411	\$ 30,080	\$ 141,401	\$ 1,299,692
-	-	-	-	-
-	-	-	-	-
2,019	-	-	-	(345,216)
-	-	-	-	-
-	-	-	-	-
83,864	14,411	30,080	141,401	954,476
-	-	-	-	1,294,510
-	-	-	-	643,678
-	13,210	36,249	81,853	206,048
-	13,210	36,249	81,853	2,144,236
83,864	1,201	(6,169)	59,548	(1,189,760)
-	-	-	-	110,000
-	-	-	-	110,000
83,864	1,201	(6,169)	59,548	(1,079,760)
370,607	32,920	148,729	315,307	7,317,638
-	-	-	-	-
370,607	32,920	148,729	315,307	7,317,638
\$ 454,471	\$ 34,121	\$ 142,560	\$ 374,855	\$ 6,237,878

MONTGOMERY COUNTY, TEXAS**Nonmajor Special Revenue Funds****Combining Statement of Revenues, Expenditures, and Changes in Fund Balances****Year Ended September 30, 2020**

	Courthouse Security 214	Justice Court Building Security 215	Justice Court Technology 216	Juvenile Case Manager 217
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 284,614	\$ 61,267	\$ 116,235	\$ 75,955
Intergovernmental	-	-	-	-
Inmate Housing	-	-	-	-
Investment Earnings	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
<u>TOTAL REVENUES</u>	<u>284,614</u>	<u>61,267</u>	<u>116,235</u>	<u>75,955</u>
<u>EXPENDITURES:</u>				
General Government	-	-	-	-
Law Enforcement and Corrections	340,115	23,095	83,586	309,572
Legal and Judicial	-	-	-	-
<u>TOTAL EXPENDITURES</u>	<u>340,115</u>	<u>23,095</u>	<u>83,586</u>	<u>309,572</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(55,501)</u>	<u>38,172</u>	<u>32,649</u>	<u>(233,617)</u>
<u>OTHER FINANCING SOURCES</u>				
Transfers In	-	-	-	110,000
<u>TOTAL OTHER FINANCING SOURCES</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>110,000</u>
Net Change in Fund Balances	<u>(55,501)</u>	<u>38,172</u>	<u>32,649</u>	<u>(123,617)</u>
Fund Balances at Beginning of Year	<u>182,772</u>	<u>200,900</u>	<u>693,231</u>	<u>144,301</u>
Prior Period Adjustment	-	-	-	-
Beginning Fund Balance, as Restated	<u>182,772</u>	<u>200,900</u>	<u>693,231</u>	<u>144,301</u>
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 127,271</u>	<u>\$ 239,072</u>	<u>\$ 725,880</u>	<u>\$ 20,684</u>

Vital Records Preservation 218	Contract Elections Services 219	HAVA Grant 221	Joe Corley Pass Through 222	Memo Totals to Page 125
\$ 23,468	\$ -	\$ -	\$ -	\$ 561,539
-	241,084	407,805	-	648,889
-	-	-	25,302,982	25,302,982
-	11,988	-	-	11,988
-	-	-	-	-
-	-	98	-	98
23,468	253,072	407,903	25,302,982	26,525,496
11,430	1,071,619	407,863	-	1,490,912
-	-	-	24,508,717	25,265,085
-	-	-	-	-
11,430	1,071,619	407,863	24,508,717	26,755,997
12,038	(818,547)	40	794,265	(230,501)
-	-	-	-	110,000
-	-	-	-	110,000
12,038	(818,547)	40	794,265	(120,501)
31,993	645,628	269,851	-	2,168,676
-	-	-	-	-
31,993	645,628	269,851	-	2,168,676
\$ 44,031	\$ (172,919)	\$ 269,891	\$ 794,265	\$ 2,048,175

MONTGOMERY COUNTY, TEXAS
201 -Worthless Checks Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-3

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 4,550	\$ 4,550	\$ 3,343	\$ (1,207)
Investment Earnings	-	-	115	115
Total Revenues	<u>4,550</u>	<u>4,550</u>	<u>3,458</u>	<u>(1,092)</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Salary	21,591	21,783	22,169	(386)
Benefits	10,139	10,139	10,378	(239)
Operations	625	625	-	625
Total Expenditures	<u>32,355</u>	<u>32,547</u>	<u>32,547</u>	<u>-</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(27,805)</u>	<u>(27,997)</u>	<u>(29,089)</u>	<u>(1,092)</u>
<u>OTHER FINANCING SOURCES:</u>				
Transfers In	-	-	20,000	20,000
<u>TOTAL OTHER FINANCING SOURCES</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Net Change in Fund Balance	(27,805)	(27,997)	(9,089)	18,908
Fund Balance at Beginning of Year	<u>13,175</u>	<u>13,175</u>	<u>13,175</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ (14,630)</u>	<u>\$ (14,822)</u>	<u>\$ 4,086</u>	<u>\$ 18,908</u>

MONTGOMERY COUNTY, TEXAS

202 - Forfeitures Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

C-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Investment Earnings	\$ -	\$ 5,091	\$ 31,228	\$ 26,137
Fines and Forfeitures	917,043	1,084,209	1,084,209	-
Total Revenues	<u>917,043</u>	<u>1,089,300</u>	<u>1,115,437</u>	<u>26,137</u>
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Salary	196,201	85,882	83,543	2,339
Benefits	63,392	34,055	30,970	3,085
Operations	657,450	1,452,254	769,361	682,893
Capital	-	470,497	413,907	56,590
Total Expenditures	<u>917,043</u>	<u>2,042,688</u>	<u>1,297,781</u>	<u>744,907</u>
Net Change in Fund Balance	-	(953,388)	(182,344)	771,044
Fund Balance at Beginning of Year	<u>2,346,269</u>	<u>2,346,269</u>	<u>2,346,269</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 2,346,269</u>	<u>\$ 1,392,881</u>	<u>\$ 2,163,925</u>	<u>\$ 771,044</u>

MONTGOMERY COUNTY, TEXAS

Jury Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

C-5

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Fund Balance at Beginning of Year	<u>3,890,876</u>	<u>3,890,876</u>	<u>3,890,876</u>	<u>-</u>
Prior Period Adjustment*	<u>(3,890,876)</u>	<u>(3,890,876)</u>	<u>(3,890,876)</u>	
Fund Balance at Beginning of Year, restated	-	-	-	-
<u>FUND BALANCE AT</u>				
<u>END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* This activity has been transferred to the general fund.

MONTGOMERY COUNTY, TEXAS

203 - Jail Commissary Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

C-6

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 1,128,337	\$ 1,908,264	\$ 1,908,264	\$ -
Investment Earnings	-	15,598	15,958	360
Total Revenues	<u>1,128,337</u>	<u>1,923,862</u>	<u>1,924,222</u>	<u>360</u>
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Salary	160,147	160,147	111,487	48,660
Benefits	68,640	68,640	48,933	19,707
Operations	649,550	1,304,018	1,606,916	(302,898)
Capital	250,000	400,000	165,469	234,531
Total Expenditures	<u>1,128,337</u>	<u>1,932,805</u>	<u>1,932,805</u>	<u>-</u>
Net Change in Fund Balance	-	(8,943)	(8,583)	360
Fund Balance at Beginning of Year	<u>1,252,145</u>	<u>1,252,145</u>	<u>1,252,145</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 1,252,145</u>	<u>\$ 1,243,202</u>	<u>\$ 1,243,562</u>	<u>\$ 360</u>

MONTGOMERY COUNTY, TEXAS

204 - Law Library Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

C-7

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 296,041	\$ 303,972	\$ 315,034	\$ 11,062
Investment Earnings	-	6,000	6,108	108
Miscellaneous	-	-	6,537	6,537
Total Revenues	<u>296,041</u>	<u>309,972</u>	<u>327,679</u>	<u>17,707</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Salaries	132,221	138,645	138,645	-
Benefits	51,039	51,827	51,335	492
Operations	52,507	59,676	59,209	467
Capital	60,274	60,274	60,274	-
Total Expenditures	<u>296,041</u>	<u>310,422</u>	<u>309,463</u>	<u>959</u>
Net Change in Fund Balance	-	(450)	18,216	18,666
Fund Balance at Beginning of Year	<u>495,671</u>	<u>495,671</u>	<u>495,671</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 495,671</u>	<u>\$ 495,221</u>	<u>\$ 513,887</u>	<u>\$ 18,666</u>

MONTGOMERY COUNTY, TEXAS
Memorial Library Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-8

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Fund Balance at Beginning of Year	\$ 133,029	\$ 133,029	\$ 133,029	\$ -
Prior Period Adjustment*	(133,029)	(133,029)	(133,029)	-
Fund Balance at Beginning of Year, restated	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

*This activity has been transferred to the general fund.

MONTGOMERY COUNTY, TEXAS
205 - Pre-Trial Diversion Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-9

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 38,863	\$ 38,863	\$ 26,293	\$ (12,570)
Total Revenues	<u>38,863</u>	<u>38,863</u>	<u>26,293</u>	<u>(12,570)</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Salary	28,063	28,063	19,675	8,388
Benefits	5,800	5,800	4,067	1,733
Operations	5,000	5,000	2,351	2,649
Total Expenditures	<u>38,863</u>	<u>38,863</u>	<u>26,093</u>	<u>12,770</u>
Net Change in Fund Balance	-	-	200	200
Fund Balance at Beginning of Year	<u>50,511</u>	<u>50,511</u>	<u>50,511</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u><u>\$ 50,511</u></u>	<u><u>\$ 50,511</u></u>	<u><u>\$ 50,711</u></u>	<u><u>\$ 200</u></u>

MONTGOMERY COUNTY, TEXAS
206 - Records Management and Preservation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-10

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 538,309	\$ 1,038,309	\$ 778,387	\$ (259,922)
Investment Earnings	-	10,959	(349,840)	(360,799)
Total Revenues	538,309	1,049,268	428,547	(620,721)
<u>EXPENDITURES:</u>				
General Government:				
Salaries	298,576	298,576	213,105	85,471
Employee Benefits	120,708	120,708	90,100	30,608
Supplies	119,025	210,053	182,569	27,484
Contract Services	-	3,026,376	808,736	2,217,640
Total Expenditures	538,309	3,655,713	1,294,510	2,361,203
Net Change in Fund Balance	-	(2,606,445)	(865,963)	1,740,482
Fund Balance at Beginning of Year	5,794,801	5,794,801	5,794,801	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 5,794,801</u>	<u>\$ 3,188,356</u>	<u>\$ 4,928,838</u>	<u>\$ 1,740,482</u>

MONTGOMERY COUNTY, TEXAS
207 - Records Management County Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-11

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 170,000	\$ 170,000	\$ 114,654	\$ (55,346)
Total Revenues	170,000	170,000	114,654	(55,346)
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Salary	420,266	452,026	429,077	22,949
Benefits	204,167	204,407	204,406	1
Operations	51,604	23,216	10,195	13,021
Capital	2,700	2,700	-	2,700
Total Expenditures	678,737	682,349	643,678	38,671
Excess (Deficiency) Revenues Over Expenditures	(508,737)	(512,349)	(529,024)	(16,675)
<u>OTHER FINANCING SOURCES:</u>				
Transfers In	-	250,000	110,000	(140,000)
<u>TOTAL OTHER FINANCING SOURCES</u>	-	250,000	110,000	(140,000)
Net Change in Fund Balance	(508,737)	(262,349)	(419,024)	(156,675)
Fund Balance at Beginning of Year	438,454	438,454	438,454	-
<u>FUND BALANCE AT END OF YEAR</u>	\$ (70,283)	\$ 176,105	\$ 19,430	\$ (156,675)

MONTGOMERY COUNTY, TEXAS
208 - Records Management District Clerk Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-12

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 80,000	\$ 80,000	\$ 52,620	\$ (27,380)
Investment Earnings	-	-	1,620	1,620
Total Revenues	<u>80,000</u>	<u>80,000</u>	<u>54,240</u>	<u>(25,760)</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Operations	80,000	85,256	61,001	24,255
Total Expenditures	<u>80,000</u>	<u>85,256</u>	<u>61,001</u>	<u>24,255</u>
Net Change in Fund Balance	-	(5,256)	(6,761)	(1,505)
Fund Balance at Beginning of Year	<u>139,573</u>	<u>139,573</u>	<u>139,573</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u><u>\$ 139,573</u></u>	<u><u>\$ 134,317</u></u>	<u><u>\$ 132,812</u></u>	<u><u>\$ (1,505)</u></u>

MONTGOMERY COUNTY, TEXAS
209 - District Clerk Records Preservation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-13

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 40,000	\$ 40,000	\$ 86,294	\$ 46,294
Investment Earnings	-	-	985	985
Total Revenues	40,000	40,000	87,279	47,279
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Operations	40,000	37,633	13,735	23,898
Total Expenditures	40,000	37,633	13,735	23,898
Net Change in Fund Balance	-	2,367	73,544	71,177
Fund Balance at Beginning of Year	77,247	77,247	77,247	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 77,247</u>	<u>\$ 79,614</u>	<u>\$ 150,791</u>	<u>\$ 71,177</u>

MONTGOMERY COUNTY, TEXAS
210 - Digital Preservation County and District Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-14

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ -	\$ -	\$ 81,845	\$ 81,845
Investment Earnings	-	-	2,019	2,019
Total Revenues	-	-	83,864	83,864
Net Change in Fund Balance	-	-	83,864	83,864
Fund Balance at Beginning of Year	370,607	370,607	370,607	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 370,607</u>	<u>\$ 370,607</u>	<u>\$ 454,471</u>	<u>\$ 83,864</u>

MONTGOMERY COUNTY, TEXAS
211 - Court Technology County and District Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-15

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 17,477	\$ 19,014	\$ 14,411	\$ (4,603)
Total Revenues	<u>17,477</u>	<u>19,014</u>	<u>14,411</u>	<u>(4,603)</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Operations	<u>17,477</u>	<u>18,976</u>	<u>13,210</u>	<u>5,766</u>
Total Expenditures	<u>17,477</u>	<u>18,976</u>	<u>13,210</u>	<u>5,766</u>
Net Change in Fund Balance	-	38	1,201	1,163
Fund Balance at Beginning of Year	<u>32,920</u>	<u>32,920</u>	<u>32,920</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u><u>\$ 32,920</u></u>	<u><u>\$ 32,958</u></u>	<u><u>\$ 34,121</u></u>	<u><u>\$ 1,163</u></u>

MONTGOMERY COUNTY, TEXAS
212 - Court Guardianship Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-16

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 30,000	\$ 30,000	\$ 30,080	\$ 80
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>30,080</u>	<u>80</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Operations	<u>30,000</u>	<u>36,249</u>	<u>36,249</u>	<u>-</u>
Total Expenditures	<u>30,000</u>	<u>36,249</u>	<u>36,249</u>	<u>-</u>
Net Change in Fund Balance	-	(6,249)	(6,169)	80
Fund Balance at Beginning of Year	<u>148,726</u>	<u>148,729</u>	<u>148,729</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 148,726</u>	<u>\$ 142,480</u>	<u>\$ 142,560</u>	<u>\$ 80</u>

MONTGOMERY COUNTY, TEXAS
213 - Court Reporter Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-17

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 40,000	\$ 40,000	\$ 141,401	\$ 101,401
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>141,401</u>	<u>101,401</u>
<u>EXPENDITURES:</u>				
Legal and Judicial:				
Salary	-	31,154	-	31,154
Benefits	-	10,858	-	10,858
Operations	141,843	136,000	81,853	54,147
Total Expenditures	<u>141,843</u>	<u>178,012</u>	<u>81,853</u>	<u>96,159</u>
(Deficiency) Revenues Over Expenditures	<u>(101,843)</u>	<u>(138,012)</u>	<u>59,548</u>	<u>197,560</u>
Net Change in Fund Balance	(101,843)	(138,012)	59,548	197,560
Fund Balance at Beginning of Year	<u>315,307</u>	<u>315,307</u>	<u>315,307</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 213,464</u>	<u>\$ 177,295</u>	<u>\$ 374,855</u>	<u>\$ 197,560</u>

MONTGOMERY COUNTY, TEXAS
214 - Courthouse Security Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-18

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 300,000	\$ 300,000	\$ 284,614	\$ (15,386)
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>284,614</u>	<u>(15,386)</u>
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Operations	<u>370,000</u>	<u>370,000</u>	<u>340,115</u>	<u>29,885</u>
Total Expenditures	<u>370,000</u>	<u>370,000</u>	<u>340,115</u>	<u>29,885</u>
(Deficiency) Revenues				
Over Expenditures	<u>(70,000)</u>	<u>(70,000)</u>	<u>(55,501)</u>	<u>14,499</u>
Net Change in Fund Balance	(70,000)	(70,000)	(55,501)	14,499
Fund Balance at Beginning of Year	<u>182,772</u>	<u>182,772</u>	<u>182,772</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 112,772</u>	<u>\$ 112,772</u>	<u>\$ 127,271</u>	<u>\$ 14,499</u>

MONTGOMERY COUNTY, TEXAS
215 - Justice Court Building Security Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-19

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ -	\$ -	\$ 61,267	\$ 61,267
Total Revenues	-	-	61,267	61,267
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Operations	-	4,016	4,016	-
Capital	-	33,366	19,079	14,287
Total Expenditures	-	37,382	23,095	14,287
Net Change in Fund Balance	-	-	61,267	61,267
Fund Balance at Beginning of Year	200,900	200,900	200,900	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 200,900</u>	<u>\$ 200,900</u>	<u>\$ 262,167</u>	<u>\$ 61,267</u>

MONTGOMERY COUNTY, TEXAS
216 - Justice Court Technology Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-20

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 52,000	\$ 112,744	\$ 116,235	\$ 3,491
Total Revenues	52,000	112,744	116,235	3,491
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Operations	52,000	119,306	83,586	35,720
Total Expenditures	52,000	119,306	83,586	35,720
Net Change in Fund Balance	-	(6,562)	32,649	39,211
Fund Balance at Beginning of Year	693,231	693,231	693,231	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 693,231</u>	<u>\$ 686,669</u>	<u>\$ 725,880</u>	<u>\$ 39,211</u>

MONTGOMERY COUNTY, TEXAS
217 - Juvenile Case Manager Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-21

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 377,192	\$ 377,192	\$ 75,955	\$ (301,237)
Total Revenues	<u>377,192</u>	<u>377,192</u>	<u>75,955</u>	<u>(301,237)</u>
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Salary	252,217	252,217	209,225	42,992
Benefits	123,725	123,725	100,347	23,378
Operations	1,250	1,250	-	1,250
Total Expenditures	<u>377,192</u>	<u>377,192</u>	<u>309,572</u>	<u>67,620</u>
Excess Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>(233,617)</u>	<u>(233,617)</u>
<u>OTHER FINANCING SOURCES:</u>				
Transfers In	<u>-</u>	<u>-</u>	<u>110,000</u>	<u>110,000</u>
<u>TOTAL OTHER FINANCING USES</u>	<u>-</u>	<u>-</u>	<u>110,000</u>	<u>110,000</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>(123,617)</u>	<u>(123,617)</u>
Fund Balance at Beginning of Year	<u>144,301</u>	<u>144,301</u>	<u>144,301</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 144,301</u>	<u>\$ 144,301</u>	<u>\$ 20,684</u>	<u>\$ (123,617)</u>

MONTGOMERY COUNTY, TEXAS
218 - Vital Records Preservation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-22

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Fees and Charges for Services	\$ 18,190	\$ 18,190	\$ 23,468	\$ 5,278
Total Revenues	<u>18,190</u>	<u>18,190</u>	<u>23,468</u>	<u>5,278</u>
<u>EXPENDITURES:</u>				
General Government				
Operations	18,190	18,190	11,430	6,760
Total Expenditures	<u>18,190</u>	<u>18,190</u>	<u>11,430</u>	<u>6,760</u>
Net Change in Fund Balance	-	-	12,038	12,038
Fund Balance at Beginning of Year	<u>31,993</u>	<u>31,993</u>	<u>31,993</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u><u>\$ 31,993</u></u>	<u><u>\$ 31,993</u></u>	<u><u>\$ 44,031</u></u>	<u><u>\$ 12,038</u></u>

MONTGOMERY COUNTY, TEXAS
219 - Contract Elections Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-23

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ 1,080,005	\$ 241,084	\$ (838,921)
Investment Earnings	-	-	11,988	11,988
Total Revenues	-	1,080,005	253,072	(826,933)
<u>EXPENDITURES:</u>				
General Government:				
Salary	-	712,789	712,789	-
Benefits	-	118,554	118,554	-
Operations	-	235,568	235,568	-
Capital Outlay	-	4,708	4,708	-
Total Expenditures	-	1,071,619	1,071,619	-
Net Change in Fund Balance	-	8,386	(818,547)	(826,933)
Fund Balance at Beginning of Year	645,628	645,628	645,628	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 645,628</u>	<u>\$ 654,014</u>	<u>\$ (172,919)</u>	<u>\$ (826,933)</u>

MONTGOMERY COUNTY, TEXAS

221 - HAVA Grant Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

Year Ended September 30, 2020

C-24

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ 612,735	\$ 407,805	\$ (204,930)
Miscellaneous	-	-	98	98
Total Revenues	-	612,735	407,903	(204,832)
<u>EXPENDITURES:</u>				
General Government:				
Salary	-	302,066	216,028	86,038
Benefits	-	32,101	26,002	6,099
Operations	-	355,085	165,833	189,252
Total Expenditures	-	689,252	407,863	281,389
(Deficiency) Revenues Over Expenditures	-	(76,517)	40	76,557
<u>OTHER FINANCING SOURCES:</u>				
Transfers In		76,518	-	(76,518)
<u>TOTAL OTHER FINANCING USES</u>	-	76,518	-	(76,518)
Net Change in Fund Balance	\$ -	\$ 1	\$ 40	\$ -
Fund Balance at Beginning of Year	269,851	269,851	269,851	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 269,851</u>	<u>\$ 269,852</u>	<u>\$ 269,891</u>	<u>\$ -</u>

MONTGOMERY COUNTY, TEXAS
222 - Joe Corley Pass Through Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

C-25

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Inmate Housing	\$ -	\$ 24,508,717	\$ 25,302,982	\$ 794,265
Total Revenues	-	24,508,717	25,302,982	794,265
<u>EXPENDITURES:</u>				
Law Enforcement and Corrections:				
Operations	-	24,508,717	24,508,717	-
Total Expenditures	-	24,508,717	24,508,717	-
Net Change in Fund Balance	\$ -	\$ -	\$ 794,265	\$ -
Fund Balance at Beginning of Year	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 794,265</u>	<u>\$ -</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.

Certificates of Obligation Series 2012A 333– to account for various road improvements to county owned roads and the construction and renovation of runway and taxiway improvements at the Lone Star Executive Airport. The County issued \$13,350,000 in certificates of obligation for these projects.

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

Nonmajor Capital Project Funds

Combining Balance Sheet

September 30, 2020

	Local Capital Projects 400	Revenue Toll Bonds Series 2010 401	Certificates Of Obligation Series 2012 402	Certificates Of Obligation Series 2012A 333
<u>ASSETS:</u>				
Cash	\$ -	\$ 2,421,629	\$ 733,778	\$ -
Investments	-	2,990,929	-	-
Due from Other Funds	4,401,737	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 4,401,737</u>	<u>\$ 5,412,558</u>	<u>\$ 733,778</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCES:</u>				
<u>LIABILITIES:</u>				
Due to Other Funds	\$ -	\$ 27,951	\$ 252,439	\$ -
Total Liabilities	-	27,951	252,439	-
<u>FUND BALANCES:</u>				
Restricted	-	5,384,607	481,339	-
Committed	4,401,737	-	-	-
Total Fund Balances	4,401,737	5,384,607	481,339	-
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 4,401,737</u>	<u>\$ 5,412,558</u>	<u>\$ 733,778</u>	<u>\$ -</u>

Note: Columns with no numerical identification represent funds that were closed as of the end of the fiscal year being reported.

D-1

Road Bonds 2016 404	Road Bonds 2016A 405	Road Bonds 2018 406	Sheriff Projects 408	Totals
\$ 15,204	\$ 70,601	\$ 23,627,077	\$ -	\$ 26,868,289
5,009,289	9,198,538	-	-	17,198,756
-	-	-	17,403,536	21,805,273
<u>\$ 5,024,493</u>	<u>\$ 9,269,139</u>	<u>\$ 23,627,077</u>	<u>\$ 17,403,536</u>	<u>\$ 65,872,318</u>
<u>\$ 2,509,072</u>	<u>\$ 351,070</u>	<u>\$ 4,325,008</u>	<u>\$ -</u>	<u>\$ 7,465,540</u>
2,509,072	351,070	4,325,008	-	7,465,540
2,515,421	8,918,069	19,302,069	-	36,601,505
-	-	-	17,403,536	21,805,273
<u>2,515,421</u>	<u>8,918,069</u>	<u>19,302,069</u>	<u>17,403,536</u>	<u>58,406,778</u>
<u>\$ 5,024,493</u>	<u>\$ 9,269,139</u>	<u>\$ 23,627,077</u>	<u>\$ 17,403,536</u>	<u>\$ 65,872,318</u>

MONTGOMERY COUNTY, TEXAS
Nonmajor Capital Project Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended September 30, 2020

	Local Capital Projects 400	Revenue Toll Bonds Series 2010 401	Certificates of Obligation Series 2012 402	Certificates of Obligation Series 2012A 333
<u>REVENUES:</u>				
Investment Earnings	\$ 451,548	\$ 703,295	\$ 11,622	\$ 486
Miscellaneous	719,508	-	-	-
<u>TOTAL REVENUES</u>	<u>1,171,056</u>	<u>703,295</u>	<u>11,622</u>	<u>486</u>
<u>EXPENDITURES:</u>				
Operations	1,345,360	-	498,509	-
Capital	11,901,928	49,500	334,535	-
<u>TOTAL EXPENDITURES</u>	<u>13,247,288</u>	<u>49,500</u>	<u>833,044</u>	<u>-</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(12,076,232)</u>	<u>653,795</u>	<u>(821,422)</u>	<u>486</u>
<u>OTHER FINANCING (USES):</u>				
Transfers Out	-	-	-	(210,644)
<u>TOTAL OTHER FINANCING (USES)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(210,644)</u>
Net Change in Fund Balance	(12,076,232)	653,795	(821,422)	(210,158)
Fund Balances at Beginning of Year	<u>16,477,969</u>	<u>4,730,812</u>	<u>1,302,761</u>	<u>210,158</u>
<u>FUND BALANCES AT END OF YEAR</u>	<u>\$ 4,401,737</u>	<u>\$ 5,384,607</u>	<u>\$ 481,339</u>	<u>\$ -</u>

Note: Columns with no numerical identification represent funds that were closed as of the end of the fiscal year being reported.

Road Bonds 2016 404	Road Bonds 2016A 405	Road Bonds 2018 406	Sheriff Projects 408	Totals
\$ 69,330	\$ 235,459	\$ 377,822	\$ -	\$ 1,849,562
-	-	-	19,624	739,132
69,330	235,459	377,822	19,624	2,588,694
212,922	69,458	3,333	-	2,129,582
3,135,008	10,259,654	9,700,235	377,421	35,758,281
3,347,930	10,329,112	9,703,568	377,421	37,887,863
(3,278,600)	(10,093,653)	(9,325,746)	(357,797)	(35,299,169)
-	-	-	-	(210,644)
-	-	-	-	(210,644)
(3,278,600)	(10,093,653)	(9,325,746)	(357,797)	(35,509,813)
5,794,021	19,011,722	28,627,815	17,761,333	93,916,591
\$ 2,515,421	\$ 8,918,069	\$ 19,302,069	\$ 17,403,536	\$ 58,406,778



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
Schedule of Revenues, Expenditures, and Changes in Fund Balance
300 - Debt Service Fund
Budget (GAAP Basis) and Actual
Year Ended September 30, 2020

E-1

	Original Budget	Final Budget	Actual	Variance with Final Budget
<u>REVENUES:</u>				
Taxes	\$ 33,572,609	\$ 33,572,609	\$ 37,518,917	\$ 3,946,308
Intergovernmental	397,714	397,714	403,638	5,924
Investment Earnings	-	-	193,732	(193,732)
Total Revenues	<u>33,970,323</u>	<u>33,970,323</u>	<u>38,116,287</u>	<u>4,145,964</u>
<u>EXPENDITURES:</u>				
Debt Service:				
Principal Retirement	12,970,000	33,071,947	12,970,000	20,101,947
Interest and Fiscal Charges	23,985,247	3,883,300	23,975,029	(20,091,729)
Total Expenditures	<u>36,955,247</u>	<u>36,955,247</u>	<u>36,945,029</u>	<u>10,218</u>
Excess (Deficiency) Revenues Over Expenditures	<u>(2,984,924)</u>	<u>(2,984,924)</u>	<u>1,171,258</u>	<u>4,156,182</u>
<u>OTHER FINANCING</u>				
<u>SOURCES:</u>				
Transfers In	<u>-</u>	<u>-</u>	<u>837,256</u>	<u>837,256</u>
TOTAL OTHER FINANCING				
SOURCES	<u>-</u>	<u>-</u>	<u>837,256</u>	<u>837,256</u>
Net Change in Fund Balance	(2,984,924)	(2,984,924)	2,008,514	4,993,438
Fund Balance at Beginning of Year	<u>12,708,009</u>	<u>12,708,009</u>	<u>12,708,009</u>	<u>-</u>
<u>FUND BALANCE AT</u>				
<u>END OF YEAR</u>	<u>\$ 9,723,085</u>	<u>\$ 9,723,085</u>	<u>\$ 14,716,523</u>	<u>\$ 4,993,438</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 full-time 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
Combining Statement of Net Position
Internal Service Funds
September 30, 2020

F-1

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	\$ 1,996,149	\$ 136,688	\$ 85,212	\$ 2,218,049
Due from other funds	9,370,352	5,415,945	867,924	15,654,221
Prepaid Items	-	87,421	582,381	669,802
Total Current Assets	<u>11,366,501</u>	<u>5,640,054</u>	<u>1,535,517</u>	<u>18,542,072</u>
Capital Assets (net of accumulated depreciation):				
Buildings	737,548	-	-	737,548
Equipment	56,271	4,335	-	60,606
Total Capital Assets	<u>793,819</u>	<u>4,335</u>	<u>-</u>	<u>798,154</u>
Total Assets	<u>12,160,320</u>	<u>5,644,389</u>	<u>1,535,517</u>	<u>19,340,226</u>
LIABILITIES:				
Current Liabilities:				
Accounts Payable	1,677,810	-	3,975,127	5,652,937
Claims Payable	8,966,454	701,773	420,706	10,088,933
Total Current Liabilities	<u>10,644,264</u>	<u>701,773</u>	<u>4,395,833</u>	<u>15,741,870</u>
NET POSITION:				
Net Investment in Capital Assets	793,819	4,335	-	798,154
Unrestricted	722,237	4,938,281	(2,860,316)	2,800,202
Total Net Position	<u>\$ 1,516,056</u>	<u>\$ 4,942,616</u>	<u>\$ (2,860,316)</u>	<u>\$ 3,598,356</u>

Note: Columns with no numerical identification represent funds that were closed as of the end of the fiscal year being reported.

MONTGOMERY COUNTY, TEXAS
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
September 30, 2020

F-2

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
OPERATING REVENUES:				
Fees and Charges for Services	\$ 40,883,382	\$ 1,668,247	\$ 2,167,334	\$ 44,718,963
Miscellaneous	3,000	-	-	3,000
Total Operating Revenues	<u>40,886,382</u>	<u>1,668,247</u>	<u>2,167,334</u>	<u>44,721,963</u>
OPERATING EXPENSES:				
Operations	46,940,475	588,295	6,093,120	53,621,890
Capital Outlay	8,236	-	111,597	119,833
Depreciation	25,732	4,335	-	30,067
Miscellaneous	974	-	260,245	261,219
Total Operating Expenses	<u>46,975,417</u>	<u>592,630</u>	<u>6,464,962</u>	<u>54,033,009</u>
Operating Income/(Loss)	(6,089,035)	1,075,617	(4,297,628)	(9,311,046)
Change in Net Position	(6,089,035)	1,075,617	(4,297,628)	(9,311,046)
Total Net Position - beginning	<u>7,605,091</u>	<u>3,866,999</u>	<u>1,437,312</u>	<u>12,909,402</u>
Total Net Position - ending	<u>\$ 1,516,056</u>	<u>\$ 4,942,616</u>	<u>\$ (2,860,316)</u>	<u>\$ 3,598,356</u>

Note: Columns with no numerical identification represent funds that were closed as of the end of the fiscal year being reported.

MONTGOMERY COUNTY, TEXAS
Combining Statement of Cash Flows
Internal Service Funds
September 30, 2020

F-3

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
Cash flows from operating activities:				
Receipts from customers	\$ 40,883,382	\$ 1,668,247	\$ 2,167,334	\$ 44,718,963
Receipts from others	3,000	-	-	3,000
Benefits paid	(41,735,565)	(1,676,033)	(2,082,122)	(45,493,720)
Net cash used in operating activities	(849,183)	(7,786)	85,212	(771,757)
Cash flows from noncapital financing activities:				
Transfers to other funds	-	21,255	-	21,255
Net cash provided by financing activities	-	21,255	-	21,255
Net decrease in cash and cash equivalents	(849,183)	13,469	85,212	(750,502)
Cash and cash equivalents - beginning	2,845,332	123,219	-	2,968,551
Cash and cash equivalents - ending	\$ 1,996,149	\$ 136,688	\$ 85,212	\$ 2,218,049
Reconciliation of operating income (loss) to net cash provided (used) in operating activities:				
Operating income (loss)	\$ (6,089,035)	\$ 1,075,617	\$ (4,297,628)	\$ (9,311,046)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
(Increase) decrease in due from other funds		(665,876)	623,325	(42,551)
Depreciation expense	25,732	4,335	-	30,067
(Increase) decrease in prepaid item	-	(942)	(98,423)	(99,365)
(Increase) decrease in accounts receivable	256,569	-	31,590	288,159
(Increase) decrease in intergovernmental receivable	4,534,557	-	-	4,534,557
Increase (decrease) in accounts payable	256,913	-	3,405,640	3,662,553
Increase (decrease) in claims payable	166,081	(420,920)	420,708	165,869
Total adjustments	5,239,852	(1,083,403)	4,382,840	8,539,289
Net cash used in operating activities	\$ (849,183)	\$ (7,786)	\$ 85,212	\$ (771,757)

Note: Columns with no numerical identification represent funds that were closed as of the end of the fiscal year being reported.



AGENCY FUND

County Officials Fund - to account for the collection of fees and court ordered payments collected by various elected county officials and distribution of those funds on their behalf.

MONTGOMERY COUNTY, TEXAS
Agency Funds
Combining Statement of Assets and Liabilities
September 30, 2020

G-1

	County Officials
	<hr/>
<u>ASSETS:</u>	
Cash	\$ 21,409,112
Accounts Receivable	24,749
<u>TOTAL ASSETS</u>	<hr/> <u>\$ 21,433,861</u> <hr/>
<u>LIABILITIES:</u>	
Due to Others	\$ 21,433,861
<u>TOTAL LIABILITIES</u>	<hr/> <u>\$ 21,433,861</u> <hr/>

MONTGOMERY COUNTY, TEXAS
Agency Funds
Combining Statement of Changes in Assets and Liabilities
Year Ended September 30, 2020

G-2

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
<u>COUNTY OFFICIALS:</u>				
Assets:				
Cash	\$ 22,565,058	\$ 3,249,984,091	\$ 3,251,140,037	\$ 21,409,112
Accounts Receivable	20,360	22,591	18,202	24,749
TOTAL ASSETS	<u>\$ 22,585,418</u>	<u>\$ 3,250,006,682</u>	<u>\$ 3,251,158,239</u>	<u>\$ 21,433,861</u>
Liabilities:				
Due to Others	22,585,418	3,250,006,682	3,251,158,239	21,433,861
TOTAL LIABILITIES	<u>\$ 22,585,418</u>	<u>\$ 3,250,006,682</u>	<u>\$ 3,251,158,239</u>	<u>\$ 21,433,861</u>



**CAPITAL ASSETS
USED IN THE OPERATION
OF
GOVERNMENTAL FUNDS**



MONTGOMERY COUNTY, TEXAS
Capital Assets Used in the Operation of Governmental Activities
Schedule by Source
September 30, 2020

H-1

GOVERNMENTAL ACTIVITIES CAPITAL ASSETS:

Land	\$ 130,761,009
Buildings	219,207,313
Improvements Other than Buildings	26,364,477
Equipment	135,516,962
Infrastructure	1,547,655,284
Construction in Progress	127,940,768

<u>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u>	<u>\$ 2,187,445,813</u>
--	--------------------------------

INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS

BY SOURCE:

General Fund	\$ 354,383,197
Special Revenue Funds	1,704,071,822
Capital Project Funds	127,940,767
Internal Service Funds	1,050,027

<u>TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u>	<u>\$ 2,187,445,813</u>
--	--------------------------------

In prior years this schedule only included capital assets in the operation of Governmental Funds. For this report, Internal Service Funds assets are included in these figures.

MONTGOMERY COUNTY, TEXAS
Capital Assets Used in the Operation of Governmental Activities
Schedule by Function and Activity
September 30, 2020

H-2
Page 1 of 2

Function and Activity	Total	Land	Buildings	Improvements Other than Buildings	Equipment	Infrastructure
<u>GENERAL GOVERNMENT:</u>						
Risk Management	1,069,826	-	951,264	2,394	116,168	-
County Clerk	383,616	-	-	-	383,616	-
Civic Center	17,632,303	88,214	15,586,323	1,577,781	379,985	-
Building Maintenance	1,662,355	-	171,407	32,788	1,458,160	-
Custodial Services	607,905	30,715	174,371	6,155	396,664	-
Elections Administrator	4,096,363	3,000	582,570	70,469	3,440,324	-
Information Technology	22,747,632	-	86,901	1,061,451	21,599,280	-
County Buildings	98,660,017	-	97,971,814	651,713	-	36,490
County Land	6,614,985	6,495,072	-	119,913	-	-
<u>TOTAL GENERAL GOVT.</u>	<u>153,475,002</u>	<u>6,617,001</u>	<u>115,524,650</u>	<u>3,522,664</u>	<u>27,774,197</u>	<u>36,490</u>
<u>FINANCIAL ADMINISTRATION:</u>						
County Auditor	20,945	-	-	-	20,945	-
County Treasurer	11,890	-	-	-	11,890	-
County Purchasing	61,169	-	-	-	61,169	-
Tax Assessor/Collector	103,380	17,500	-	-	85,880	-
<u>TOTAL FINANCIAL ADM.</u>	<u>197,384</u>	<u>17,500</u>	<u>-</u>	<u>-</u>	<u>179,884</u>	<u>-</u>
<u>HEALTH AND WELFARE:</u>						
Public Health	8,942,549	159,705	7,085,297	231,249	1,466,298	-
Extension Agents	1,576,126	1,683	815,958	758,485	-	-
Recycling Stations	254,121	-	61,318	53,478	139,325	-
Mental Health Treatment	32,132,130	2,631,689	27,973,100	1,114,493	412,848	-
Community Development	11,598,328	563,626	10,614,528	-	420,174	-
<u>TOTAL HEALTH/WELFARE.</u>	<u>54,503,254</u>	<u>3,356,703</u>	<u>46,550,201</u>	<u>2,157,705</u>	<u>2,438,645</u>	<u>-</u>
<u>CULTURE AND RECREATION:</u>						
Memorial Library	25,235,786	3,637,627	16,764,357	50,694	4,783,108	-
Parks	29,263,939	9,310,958	4,390,386	15,562,595	-	-
<u>TOTAL CULTURE AND REC.</u>	<u>54,499,725</u>	<u>12,948,585</u>	<u>21,154,743</u>	<u>15,613,289</u>	<u>4,783,108</u>	<u>-</u>

MONTGOMERY COUNTY, TEXAS
Capital Assets Used in the Operation of Governmental Activities
Schedule of Changes by Function and Activity
Year Ended September 30, 2020

H-3
Page 2 of 2

Function and Activity	Govtl Funds Capital Assets October 1, 2019	Additions	Deletions	Govtl Funds Capital Assets September 30, 2020
<u>PUBLIC SAFETY:</u>				
Emergency Management	19,181,724	1,927,721	48,465	21,060,980
Fire Marshal	573,946	233,357	-	807,303
Constables	6,648,017	1,770,529	-	8,418,546
Sheriff	52,778,797	6,124,413	2,050,447	56,852,763
Jail	6,286,651	131,628	-	6,418,279
District Attorney Forfeitures	479,039	39,465	-	518,504
County Attorney Forfeitures	387,215	49,718	-	436,933
Juvenile Probation	1,913,754	-	-	1,913,754
Adult Probation	13,151	-	-	13,151
<u>TOTAL PUBLIC SAFETY</u>	<u>88,262,294</u>	<u>10,276,831</u>	<u>2,098,912</u>	<u>96,440,213</u>
<u>LEGAL AND JUDICIAL:</u>				
Courts	124,789	-	-	124,789
District Clerk	85,304	-	-	85,304
Justice of the Peace	3,083,783	-	-	3,083,783
Law Library	655,919	60,274	99,761	616,432
<u>TOTAL LEGAL AND JUDICIAL</u>	<u>3,949,795</u>	<u>60,274</u>	<u>99,761</u>	<u>3,910,308</u>
<u>TRANSPORTATION:</u>				
Engineer	49,958	-	-	49,958
Commissioners' Operations	1,658,445,126	79,632,349	82,561,770	1,655,515,705
Airport	52,513,295	80,705	11,680,502	40,913,498
<u>TOTAL TRANSPORTATION</u>	<u>1,711,008,379</u>	<u>79,713,054</u>	<u>94,242,272</u>	<u>1,696,479,161</u>
Construction In Progress	688,308	130,356,076	3,103,617	127,940,767
<u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u>	<u>\$ 2,058,031,987</u>	<u>\$ 230,801,212</u>	<u>\$ 101,387,386</u>	<u>\$ 2,187,445,813</u>

MONTGOMERY COUNTY, TEXAS
Capital Assets Used in the Operation of Governmental Activities
Schedule of Changes by Function and Activity
Year Ended September 30, 2020

H-3
Page 1 of 2

Function and Activity	Govtl Funds Capital Assets October 1, 2019	Additions	Deletions	Govtl Funds Capital Assets September 30, 2020
<u>GENERAL GOVERNMENT</u>				
Risk Management	1,148,953	62,523	141,650	1,069,826
County Clerk	383,616	-	-	383,616
Civic Center	17,370,586	261,717	-	17,632,303
Building Maintenance	1,471,610	206,843	16,098	1,662,355
Custodial Services	580,965	26,940	-	607,905
Elections Administrator	4,100,086	15,985	19,708	4,096,363
Information Technology	17,765,033	4,982,599	-	22,747,632
County Buildings	96,560,452	2,099,565	-	98,660,017
County Land	6,614,985	-	-	6,614,985
<u>TOTAL GENERAL GOVT.</u>	<u>145,996,286</u>	<u>7,656,172</u>	<u>177,456</u>	<u>153,475,002</u>
<u>FINANCIAL ADMINISTRATION:</u>				
County Auditor	20,945	-	-	20,945
County Treasurer	11,890	-	-	11,890
County Purchasing	61,169	1,364,170	1,364,170	61,169
Tax Assessor/Collector	93,380	10,000	-	103,380
<u>TOTAL FINANCIAL ADM.</u>	<u>187,384</u>	<u>1,374,170</u>	<u>1,364,170</u>	<u>197,384</u>
<u>HEALTH AND WELFARE:</u>				
Public Health	8,726,121	216,428	-	8,942,549
Extension Agents	922,548	653,578	-	1,576,126
Recycling Stations	199,362	54,758	-	254,120
Mental Health Treatment	32,132,130	-	-	32,132,130
Community Development	11,598,328	-	-	11,598,328
<u>TOTAL HEALTH & WELFARE</u>	<u>53,578,489</u>	<u>924,764</u>	<u>-</u>	<u>54,503,253</u>
<u>CULTURE AND RECREATION</u>				
Memorial Library	25,097,113	439,871	301,198	25,235,786
Parks	29,263,939	-	-	29,263,939
<u>TOTAL CULTURE/REC.</u>	<u>54,361,052</u>	<u>439,871</u>	<u>301,198</u>	<u>54,499,725</u>

MONTGOMERY COUNTY, TEXAS
Capital Assets Used in the Operation of Governmental Activities
Schedule of Changes by Function and Activity
Year Ended September 30, 2020

H-3
Page 2 of 2

Function and Activity	Govtl Funds Capital Assets October 1, 2019	Additions	Deletions	Govtl Funds Capital Assets September 30, 2020
<u>PUBLIC SAFETY:</u>				
Emergency Management	19,181,724	1,927,721	48,465	21,060,980
Fire Marshal	573,946	233,357	-	807,303
Constables	6,648,017	1,770,529	-	8,418,546
Sheriff	52,778,797	6,124,413	2,050,447	56,852,763
Jail	6,286,651	131,628	-	6,418,279
District Attorney Forfeitures	479,039	39,465	-	518,504
County Attorney Forfeitures	387,215	49,718	-	436,933
Juvenile Probation	1,913,754	-	-	1,913,754
Adult Probation	13,151	-	-	13,151
<u>TOTAL PUBLIC SAFETY</u>	<u>88,262,294</u>	<u>10,276,831</u>	<u>2,098,912</u>	<u>96,440,213</u>
<u>LEGAL AND JUDICIAL:</u>				
Courts	124,789	-	-	124,789
District Clerk	85,304	-	-	85,304
Justice of the Peace	3,083,783	-	-	3,083,783
Law Library	655,919	60,274	99,761	616,432
<u>TOTAL LEGAL AND JUDICIAL</u>	<u>3,949,795</u>	<u>60,274</u>	<u>99,761</u>	<u>3,910,308</u>
<u>TRANSPORTATION:</u>				
Engineer	49,958	-	-	49,958
Commissioners' Operations	1,658,445,126	79,632,349	82,561,770	1,655,515,705
Airport	52,513,295	80,705	11,680,502	40,913,498
<u>TOTAL TRANSPORTATION</u>	<u>1,711,008,379</u>	<u>79,713,054</u>	<u>94,242,272</u>	<u>1,696,479,161</u>
Construction In Progress	688,308	130,356,076	3,103,617	127,940,767
<u>TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS</u>	<u>\$ 2,058,031,987</u>	<u>\$ 230,801,212</u>	<u>\$ 101,387,386</u>	<u>\$ 2,187,445,813</u>



STATISTICAL SECTION

STATISTICAL SECTION

(unaudited)

This part of Montgomery County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and additional supplementary information says about the County's overall financial health.

Contents

Table

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 data to help the reader understand how the information in the County's financial report relates to the services the County provides.	XVI, XVII, XVIII

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

MONTGOMERY COUNTY, TEXAS**Net Position by Component****Last Ten Fiscal Years**

(accrual basis of accounting)

	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	\$ 380,478,332	\$ 319,059,222	\$ 364,555,659	\$ 266,597,783
Restricted	9,360,962	26,137,977	61,986,405	71,863,955
Unrestricted	(75,320,823)	(36,634,612)	(37,107,523)	59,772,088
Total Governmental activities net position	<u>314,518,471</u>	<u>308,562,587</u>	<u>389,434,541</u>	<u>398,233,826</u>
Business -type activities				
Net investment in capital assets	-	-	-	-
Restricted	-	-	-	-
Unrestricted	-	-	-	-
Total business-type activities net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Primary government				
Net investment in capital assets	380,478,332	319,059,222	364,555,659	266,597,783
Restricted	9,360,962	26,137,977	61,986,405	71,863,955
Unrestricted	(75,320,823)	(36,634,612)	(37,107,523)	59,772,088
Total primary government net position	<u>\$ 314,518,471</u>	<u>\$ 308,562,587</u>	<u>\$ 389,434,541</u>	<u>\$ 398,233,826</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

2015	2016	2017	2018	2019	2020
\$ 314,750,807	\$ 386,697,807	\$ 452,183,891	\$ 559,976,686	\$ 495,582,352	\$ 573,671,416
54,197,228	63,131,106	73,859,730	72,875,709	47,671,390	105,203,041
90,395,375	70,203,109	41,952,110	(135,469,650)	(31,485,989)	(116,225,465)
<u>459,343,410</u>	<u>520,032,022</u>	<u>567,995,731</u>	<u>497,382,745</u>	<u>511,767,753</u>	<u>562,648,992</u>
45,949,353	60,315,827	62,599,944	44,945,936	39,385,042	3,602,271
-	-	-	-	-	-
(1,064,882)	(4,635,780)	(5,928,310)	2,992,728	(781,011)	(580,424)
<u>44,884,471</u>	<u>55,680,047</u>	<u>56,671,634</u>	<u>47,938,664</u>	<u>38,604,031</u>	<u>3,021,847</u>
360,700,160	447,013,634	514,783,835	604,922,622	534,967,394	577,273,687
54,197,228	63,131,106	73,859,730	72,875,709	47,671,390	105,203,041
89,330,493	65,567,329	36,023,800	(132,476,922)	(32,267,000)	(116,805,889)
<u>\$ 504,227,881</u>	<u>\$ 575,712,069</u>	<u>\$ 624,667,365</u>	<u>\$ 545,321,409</u>	<u>\$ 550,371,784</u>	<u>\$ 565,670,839</u>

MONTGOMERY COUNTY, TEXAS

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2011	2012	2013	2014
Expenses				
<i>Governmental Activities:</i>				
General Administration	\$ 56,850,436	\$ 54,732,939	\$ 49,084,269	\$ 52,627,252
Judicial	25,751,781	27,800,678	29,981,281	32,077,111
Legal	2,893,028	3,254,126	3,170,292	3,548,986
Elections	1,723,583	2,249,037	2,081,998	2,438,670
Financial Administration	6,111,643	6,334,740	6,748,425	6,813,820
Public Facilities	50,133,665	49,812,586	57,821,137	66,496,215
Public Safety	62,564,836	66,364,576	65,088,893	69,458,813
Health and Welfare	14,924,434	28,582,176	22,722,536	25,315,219
Culture and Recreation	9,061,639	9,607,386	10,121,267	10,285,291
Conservation	982,337	1,003,159	1,170,933	748,622
Public Transportation	80,597,409	65,221,658	76,521,763	89,687,467
Miscellaneous	659,499	-	-	-
Debt Service	24,566,713	23,989,607	29,179,720	17,797,503
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>336,821,003</u>	<u>338,952,668</u>	<u>353,692,514</u>	<u>377,294,969</u>
<i>Business-type activities:</i>				
Toll Road	-	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u><u>336,821,003</u></u>	<u><u>338,952,668</u></u>	<u><u>353,692,514</u></u>	<u><u>377,294,969</u></u>

TABLE II

Page 1 of 3

2015	2016	2017	2018	2019	2020
\$ 57,411,391	\$ 57,650,555	\$ 65,159,730	\$ 69,064,470	\$ 91,013,764	\$ -
32,772,811	34,705,287	37,787,341	37,498,575	40,484,282	-
3,456,782	4,074,382	4,038,642	4,055,102	4,294,105	-
2,025,750	2,431,498	2,142,405	2,418,834	2,158,108	-
6,885,418	7,545,414	8,001,174	8,825,650	13,400,718	-
63,860,067	72,057,612	71,243,441	74,896,281	86,664,558	-
70,860,690	110,534,947	83,664,853	103,791,920	109,220,683	-
25,349,849	27,909,010	30,656,288	30,287,821	30,341,024	-
9,949,881	10,445,137	11,037,207	10,719,438	11,626,582	-
1,279,756	1,480,246	1,704,745	1,903,911	1,637,399	-
74,721,871	80,106,170	81,958,847	89,720,534	87,913,321	-
-	-	-	-	-	-
18,147,345	18,137,058	19,419,455	28,471,590	8,202,241	-
-	-	-	-	-	115,814,541
-	-	-	-	-	12,120,208
-	-	-	-	-	91,519,021
-	-	-	-	-	14,238,359
-	-	-	-	-	128,465,299
-	-	-	-	-	32,123,928
-	-	-	-	-	81,487,052
-	-	-	-	-	16,328,138
366,721,611	427,077,316	416,814,128	461,654,126	486,956,785	492,096,546
4,572,677	1,506,873	1,307,118	5,773,776	8,113,188	52,005,679
4,572,677	1,506,873	1,307,118	5,773,776	8,113,188	52,005,679
371,294,288	428,584,189	418,121,246	467,427,902	495,069,973	544,102,225

MONTGOMERY COUNTY, TEXAS

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2011	2012	2013	2014
Program Revenues				
<i>Governmental Activities:</i>				
Fees, Fines, Forfeitures and Charges for Services				
General Administration	39,240,521	37,812,374	38,371,600	36,601,588
Judicial	8,713,071	2,973,713	7,504,357	8,945,991
Legal	503,400	499,509	484,413	484,963
Elections	177	453	182	317
Financial Administration	2,553,434	2,943,952	3,700,987	4,525,655
Public Facilities	19,812,950	23,655,878	30,568,848	34,120,105
Public Safety	17,542,034	17,403,723	14,140,176	15,900,947
Health and Welfare	10,628,153	16,718,253	16,494,475	17,947,526
Culture and Recreation	309,966	287,967	287,822	309,567
Conservation	-	-	228,653	216,727
Public Transportation	9,219,220	10,489,702	7,538,461	10,634,088
Operating Grants and Contributions	12,781,928	9,526,211	8,669,829	10,302,710
Capital Grants and Contributions	24,936,363	27,209,719	92,305,068	60,564,053
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 Revenues	<u>146,241,217</u>	<u>149,521,454</u>	<u>220,294,871</u>	<u>200,554,237</u>
<i>Business-type activities:</i>				
Toll Road	-	-	-	-
Total business-type activities revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>146,241,217</u>	<u>149,521,454</u>	<u>220,294,871</u>	<u>200,554,237</u>
Net (Expense)/Revenue				
Governmental Activities	(190,579,786)	(189,431,214)	(133,397,643)	(176,740,732)
Business-type Activities	-	-	-	-
Net (Expense)	<u>(190,579,786)</u>	<u>(189,431,214)</u>	<u>(133,397,643)</u>	<u>(176,740,732)</u>

TABLE II

Page 2 of 3

2015	2016	2017	2018	2019	2020
48,745,095	41,420,399	41,240,937	44,732,374	49,534,765	-
13,933,298	14,825,718	9,131,103	9,628,757	10,449,839	-
437,628	541,310	555,769	606,306	614,110	-
198	144,118	7,327	204	111	-
5,073,087	5,154,306	5,385,447	5,664,153	8,136,059	-
28,945,676	34,745,935	32,057,716	32,319,163	41,586,131	-
4,418,006	21,269,829	21,919,270	21,723,535	27,405,344	-
17,606,018	16,628,893	16,300,319	17,565,029	18,136,433	-
339,773	156,840	303,209	276,036	238,088	-
169,779	172,656	143,524	186,637	164,125	-
10,721,201	11,921,478	9,451,945	9,912,023	10,567,121	-
9,562,198	13,138,023	14,153,836	18,248,825	11,580,740	-
94,908,316	89,527,655	58,853,193	70,300,531	59,283,879	-
-	-	-	-	-	53,840,460
-	-	-	-	-	8,109,129
-	-	-	-	-	3,055,498
-	-	-	-	-	1,522,967
-	-	-	-	-	54,321,946
-	-	-	-	-	6,471,109
-	-	-	-	-	10,952,444
-	-	-	-	-	81,513,686
-	-	-	-	-	65,784,276
234,860,273	249,647,160	209,503,595	231,163,573	237,696,745	285,571,515
49,795,550	12,302,449	2,298,705	5,172,109	9,255,106	5,097,422
49,795,550	12,302,449	2,298,705	5,172,109	9,255,106	5,097,422
284,655,823	261,949,609	211,802,300	236,335,682	246,951,851	290,668,937
(131,861,338)	(177,430,156)	(207,310,533)	(230,490,553)	(249,260,040)	(206,525,031)
45,222,873	10,795,576	991,587	(601,667)	1,141,918	(46,908,257)
(86,638,465)	(166,634,580)	(206,318,946)	(231,092,220)	(248,118,122)	(253,433,288)

MONTGOMERY COUNTY, TEXAS

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2011	2012	2013	2014
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes	161,327,007	167,297,778	175,901,469	186,842,153
Other Taxes	1,785,343	1,674,934	1,970,594	2,456,460
Unrestricted Grants and Contributions	8,364,557	12,855,843	-	-
Investment Earnings	540,642	382,170	459,052	669,309
Miscellaneous	2,900,249	1,264,605	30,938,482	844,937
Transfers	-	-	-	-
Total Governmental Activities	174,917,798	183,475,330	209,269,597	190,812,859
Business-type activities:				
Investment Earnings	-	-	-	-
Miscellaneous	-	-	-	-
Transfers	-	-	-	-
Total business-type activities	-	-	-	-
Total Primary Government	174,917,798	183,475,330	209,269,597	190,812,859
Change in Net Position				
Governmental Activities	(15,661,988)	(5,955,884)	75,871,954	14,072,127
Business-type Activities	-	-	-	-
Change in Net Position	\$ (15,661,988)	\$ (5,955,884)	\$ 75,871,954	\$ 14,072,127

TABLE II

Page 3 of 3

2015	2016	2017	2018	2019	2020
203,539,676	229,719,148	248,120,144	235,309,431	248,026,503	254,870,342
2,804,782	2,757,791	2,788,410	3,095,156	3,228,697	3,243,389
-	-	-	-	-	-
529,535	2,179,522	3,977,715	7,144,114	11,880,106	6,328,584
589,453	539,171	387,973	371,322	521,360	716,538
338,402	-	-	8,301,324	-	(7,784,462)
207,801,848	235,195,632	255,274,242	254,221,347	263,656,666	257,374,391
-	-	-	170,021	1,728,673	305,192
-	-	-	-	-	24,500
(338,402)	-	-	(8,301,324)	(12,205,224)	7,784,462
(338,402)	-	-	(8,131,303)	(10,476,551)	8,114,154
207,463,446	235,195,632	255,274,242	246,090,044	253,180,115	265,488,545
75,940,510	57,765,476	47,963,709	23,730,794	14,396,626	50,849,360
44,884,471	10,795,576	991,587	(8,732,970)	(9,334,633)	(38,794,103)
\$ 120,824,981	\$ 68,561,052	\$ 48,955,296	\$ 14,997,824	\$ 5,061,993	\$ 12,055,257

MONTGOMERY COUNTY, TEXAS

Governmental Fund Balances

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2011 ⁽¹⁾	2012	2013	2014
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	11,217	2,010,097	1,442,838
Committed	134,855	91,718	5,909,899	2,292,056
Assigned	19,571,942	32,806,254	36,450,842	44,517,198
Unassigned	29,647,002	30,241,977	35,336,437	39,722,291
Total General Fund	<u>\$ 49,353,799</u>	<u>\$ 63,151,166</u>	<u>\$ 79,707,275</u>	<u>\$ 87,974,383</u>
All Other Governmental Funds				
Nonspendable	\$ 172,593	\$ 363,698	\$ 2,654,365	\$ 1,533,898
Restricted	76,922,025	80,798,663	97,079,589	77,236,101
Committed	19,740	16,848	25,354,566	16,133,816
Assigned	7,421,107	10,801,627	11,718,578	14,409,545
Total All Other Governmental Funds	<u>\$ 84,535,465</u>	<u>\$ 91,980,836</u>	<u>\$ 136,807,098</u>	<u>\$ 109,313,360</u>

⁽¹⁾ Beginning in 2011, the County's fund balances are stated in accordance with the requirements of GASB Statement 54.

TABLE III

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 536,501
3,425,360	3,119,811	2,855,149	2,121,503	5,684,101	2,312,003
10,793,467	16,794,364	29,242,336	15,443,950	11,469,969	43,995,330
42,441,944	50,680,646	59,173,918	75,082,330	80,000,000	85,000,000
40,938,206	40,619,824	44,683,463	44,851,001	45,735,841	52,313,298
<u>\$ 97,598,977</u>	<u>\$ 111,214,645</u>	<u>\$ 135,954,866</u>	<u>\$ 137,498,784</u>	<u>\$ 142,889,911</u>	<u>\$ 184,157,132</u>
\$ 192,207	\$ 106,290	\$ 813,310	\$ 618,735	\$ 566,167	\$ 862,252
74,035,446	133,836,974	164,046,153	149,293,950	185,555,764	149,654,490
10,299,674	23,988,996	25,603,027	34,489,497	37,479,986	24,017,824
23,422,966	9,731,586	8,956,249	12,119,931	16,116,571	14,249,765
<u>\$ 107,950,293</u>	<u>\$ 167,663,846</u>	<u>\$ 199,418,739</u>	<u>\$ 196,522,113</u>	<u>\$ 239,718,488</u>	<u>\$ 188,784,331</u>

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

(modified accrual basis of accounting)

	2011	2012	2013	2014
Revenues				
Taxes	\$ 162,716,956	\$ 169,042,135	\$ 178,176,320	\$ 189,037,048
Licenses and Permits	7,498,169	7,340,620	7,933,209	8,559,827
Fees	16,404,832	17,013,807	19,145,966	18,355,114
Fees and Charges for Services	-	-	-	-
Intergovernmental	32,110,368	31,530,494	47,182,714	33,269,063
Charges for Services	1,633,673	1,975,389	2,892,355	4,968,141
Investment Earnings	540,616	382,173	459,053	669,336
Contract Reimbursements	24,213,859	30,930,076	28,960,527	28,370,644
Inmate Housing	18,958,951	22,670,575	29,373,490	32,383,821
Fines and Forfeitures	3,662,448	4,247,571	4,392,610	4,792,027
Commissions	-	-	-	-
Miscellaneous	5,055,183	4,354,033	5,557,556	1,920,078
Total Revenues	272,795,055	289,486,873	324,073,800	322,325,099
Expenditures				
General Administration	26,145,340	24,829,831	22,145,663	26,136,632
Judicial	25,547,447	26,939,088	28,623,495	30,585,284
Legal Services	2,982,862	3,136,043	2,963,853	3,332,642
Elections	1,344,669	2,156,915	1,887,236	2,512,216
Financial Administration	5,983,660	5,997,385	6,237,056	6,346,867
Public Facilities	42,038,981	46,681,717	55,409,376	63,531,573
Public Safety	65,088,924	63,136,032	62,574,123	66,190,543
Health and Welfare	23,540,364	27,684,389	22,365,117	23,979,722
Culture and Recreation	8,480,049	8,621,870	8,800,215	8,967,110
Conservation	960,483	910,093	1,074,697	1,065,899
Public Transportation	33,746,483	25,354,154	34,898,188	42,400,671
Miscellaneous	659,499	-	-	-
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Capital Projects	26,806,719	8,809,026	18,177,561	27,503,608
Debt Service:				
Principal Retirement	11,304,861	16,970,899	20,185,150	19,460,000
Interest and Fiscal Charges	23,757,714	23,245,469	23,025,209	17,618,628
Issuance Costs	329,498	382,183	590,333	435,540
Payment to Refunded Bonds Escrow Agent	-	-	-	-
Total Expenditures	298,717,553	284,855,094	308,957,272	340,066,935
Excess/(Deficiency) Revenues over (under) Expenditures	(25,922,498)	4,631,779	15,116,528	(17,741,836)
Other Financing Sources/(Uses)				
Transfers In	20,909,835	27,961,981	98,091,394	23,737,039
Transfers Out	(20,909,835)	(27,961,981)	(98,091,394)	(23,737,039)
Grant Funds Not Reimbursed	-	-	-	-
Capital Lease Financing	1,197,802	830,702	218,758	949,101
Issuance of General Obligation Debt	-	-	-	-
Issuance of Refunding Bonds	-	30,885,000	15,880,000	101,760,000
Payment to Refunded Bonds Escrow Agent	-	(35,739,475)	(60,594,395)	(118,083,208)
Sale of Capital Asset	-	-	65,000,000	-
Issuance of Other Bonds	31,390,000	14,925,000	13,350,000	-
Discounts/Premiums on Debt Issuance	4,238,443	5,709,732	4,353,152	13,889,313
Total Other Financing Sources/(Uses)	36,826,245	16,610,959	38,207,515	(1,484,794)
Net Change in Fund Balances	\$ 10,903,747	\$ 21,242,738	\$ 53,324,043	\$ (19,226,630)
Debt Service as a percentage of noncapital expenditures	13.1%	14.8%	14.8%	11.9%

TABLE IV

2015	2016	2017	2018	2019	2019
\$ 206,377,981	\$ 231,994,520	\$ 248,079,254	\$ 235,558,082	\$ 251,359,371	\$ 254,873,331
8,175,139	9,029,910	9,095,653	9,582,174	9,705,450	8,012,194
18,446,593	20,616,445	19,492,864	20,621,186	21,304,523	-
-	-	-	-	-	27,793,565
38,700,051	35,983,483	36,524,346	24,293,498	13,418,137	93,239,083
4,088,981	6,715,271	5,983,326	5,232,263	6,524,779	-
529,538	2,179,437	3,977,718	7,144,114	11,880,104	6,328,586
36,963,546	30,184,415	30,249,586	31,308,893	39,108,799	24,964,089
27,265,236	32,712,111	29,992,842	30,230,873	39,713,354	25,302,982
4,458,853	3,920,461	4,110,711	3,969,571	5,186,820	3,229,299
-	-	-	-	-	99,476
3,512,456	5,419,640	2,285,873	2,144,850	2,811,764	3,511,054
348,518,374	378,755,693	389,792,173	370,085,504	401,013,101	447,353,659
29,982,617	24,481,407	24,239,114	25,165,171	39,407,456	-
32,286,937	33,444,158	35,387,322	35,505,352	37,587,719	-
3,388,347	3,892,560	3,735,549	3,835,022	3,959,026	-
1,888,438	2,241,412	1,876,697	2,221,687	1,981,614	-
6,806,814	7,067,579	7,218,354	8,188,900	12,455,185	-
59,634,179	66,801,231	65,622,460	68,625,017	77,635,311	-
72,849,381	81,417,910	84,951,030	100,770,822	106,708,303	-
25,246,552	27,300,562	29,583,589	28,826,687	28,609,063	-
9,182,400	9,432,186	9,606,214	9,620,128	10,102,334	-
1,219,373	1,426,722	1,887,050	1,740,210	1,878,707	-
44,760,403	51,782,691	40,502,071	37,721,235	36,406,775	-
-	-	-	-	-	-
-	-	-	-	-	46,852,040
-	-	-	-	-	11,113,124
-	-	-	-	-	91,543,464
-	-	-	-	-	13,409,897
-	-	-	-	-	132,602,060
-	-	-	-	-	28,286,368
-	-	-	-	-	36,493,642
-	20,246,230	32,157,497	58,521,214	53,225,077	53,860,646
20,115,000	21,360,000	27,260,000	31,887,580	16,740,000	12,970,000
18,941,447	18,743,285	19,787,766	20,165,827	24,015,802	23,975,029
-	448,473	429,966	194,194	434,383	-
-	-	31,789,234	-	7,305,270	-
326,301,888	370,086,406	416,033,913	432,989,046	458,452,025	451,106,270
22,216,486	8,669,287	(26,241,740)	(62,903,542)	(57,438,924)	(3,752,611)
25,524,507	29,359,836	18,440,387	38,365,985	26,322,995	1,803,869
(25,611,105)	(29,359,836)	(18,003,397)	(28,076,427)	(26,296,028)	(9,588,329)
-	(6,862)	-	-	(106,864)	-
622,106	595,566	758,256	255,949	12,515,094	1,665,337
-	51,662,323	73,725,000	45,670,000	89,010,000	-
-	60,402,677	47,775,000	-	26,965,000	-
-	(73,331,090)	(51,269,830)	-	-	-
-	-	-	-	-	-
-	-	-	-	(28,245,645)	-
-	22,414,184	11,311,438	5,335,327	5,873,492	-
535,508	61,736,798	82,736,854	61,550,834	106,038,044	(6,119,123)
\$ 22,751,994	\$ 70,406,085	\$ 56,495,114	\$ (1,352,708)	\$ 48,599,120	\$ (9,871,734)

12.0%

11.6%

13.5%

13.7%

10.4%

8.2%



MONTGOMERY COUNTY, TEXAS
Taxable Assessed Value and Actual Value of Property ^{(1) (2)}
Last Ten Fiscal Years

TABLE V

Fiscal Year	Residential Property	Commercial Property	Other Property	Personal Property ⁽³⁾	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate ⁽⁴⁾
2011	25,470,544	4,313,292	3,635,389	3,557,689	(3,114,294)	33,862,620	0.4838
2012	26,546,279	4,406,788	3,637,096	3,710,767	(3,199,844)	35,101,086	0.4838
2013	27,633,521	4,749,812	3,644,710	3,767,339	(3,089,011)	36,706,371	0.4838
2014	29,215,860	5,529,356	3,600,829	4,345,886	(3,324,961)	39,366,970	0.4838
2015	33,047,928	6,419,044	3,779,489	4,693,637	(4,285,836)	43,654,262	0.4767
2016	37,876,334	7,401,355	3,906,748	5,133,399	(5,002,526)	49,315,310	0.4767
2017	41,742,803	8,271,324	4,637,123	5,060,465	(5,308,718)	54,402,997	0.4667
2018	43,373,630	8,905,657	4,819,633	5,101,177	(11,351,814)	50,848,283	0.4667
2019	45,200,643	10,309,888	4,881,184	5,304,177	(11,458,596)	54,237,296	0.4667
2020	49,260,474	10,558,652	5,406,116	5,723,311	(12,589,352)	58,359,201	0.4475

⁽¹⁾ Amounts expressed in thousands.

⁽²⁾ Property in the County is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value.

⁽³⁾ This includes the County's 20% exemption.

⁽⁴⁾ Tax rates are per \$100 of assessed value.

Source: Montgomery Central Appraisal District

MONTGOMERY COUNTY, TEXAS
Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments
Last Ten Fiscal Years

	2011	2012	2013	2014
<u>MONTGOMERY COUNTY, TEXAS:</u>				
General Fund	\$ 0.3582	\$ 0.3629	\$ 0.3715	\$ 0.3657
Special Revenue Funds	0.0458	0.0464	0.0464	0.0464
Debt Service Fund	0.0798	0.0745	0.0659	0.0717
Total Montgomery County, Texas	0.4838	0.4838	0.4838	0.4838
<u>OVERLAPPING GOVERNMENTS:</u>				
Special Districts:				
Blaketree M.U.D. #1	-	-	-	-
Chateau Woods M.U.D.	0.2223	0.2317	0.2486	0.2592
Clover Creek M.U.D.	1.2500	1.2500	1.2500	1.2500
Conroe M.U.D. #1	0.6000	0.6000	0.6000	0.6000
Corinthian Point M.U.D.	0.5738	0.5393	0.5393	0.5393
East Montgomery County M.U.D. #3	0.9500	0.9500	0.9500	0.9500
East Montgomery County M.U.D. #4	No Tax	No Tax	No Tax	No Tax
East Montgomery County M.U.D. #6	-	-	-	-
East Montgomery County M.U.D. #7	-	-	-	-
East Montgomery County M.U.D. #7	-	-	-	-
East Plantation U.D.	0.7090	0.7090	0.7090	0.7090
Far Hills U.D.	0.4700	0.4820	0.4820	-
Grand Oaks M.U.D.	1.3500	1.3500	1.3500	1.3500
Harris County ID #17	-	-	-	-
Harris-Montgomery County Mgt Distr.	-	-	-	-
Harris County M.U.D. #386	-	0.9900	0.9400	0.7200
Kings Manor M.U.D.	0.8600	0.8600	0.8300	0.8100
Lake Conroe Hills M.U.D.	0.5000	0.5000	0.5000	0.5000
Lazy River I.D.	0.5599	0.5342	0.5627	0.5662
Hendricks - Defined Area	-	-	-	0.5000
Lone Star Community College	0.1176	0.1210	0.1198	0.1160
Magnolia East M.U.D.	-	-	-	-
Montgomery County D.D. #6	0.2641	0.2100	0.2100	0.2050
Montgomery County D.D. #10	0.4470	0.4470	0.4500	0.4500
Montgomery County F.W.S.D. #6	0.2941	0.2820	0.3385	0.3462
Montgomery County Hospital Dist	0.7540	0.0745	0.0729	0.7270
Montgomery County M.U.D. #1	-	-	-	-
Montgomery County M.U.D. #6	0.0950	0.0875	0.0800	0.0750
Montgomery County M.U.D. #7	0.1750	0.1675	0.1675	0.1645
Montgomery County M.U.D. #8	0.2494	0.2651	0.2651	0.2651
Montgomery County M.U.D. #9	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #15	1.2400	1.2400	1.2400	1.2400
Montgomery County M.U.D. #16	1.3000	1.3000	1.2600	1.2000
Montgomery County M.U.D. #18	0.4400	0.4300	0.3800	0.3800
Montgomery County M.U.D. #19	0.3243	0.3243	0.3243	0.3000
Montgomery County M.U.D. #24	1.3800	1.1800	1.1800	1.2800

TABLE VI

Page 1 of 4

2015	2016	2017	2018	2019	2020
\$ 0.3544	\$ 0.3547	\$ 0.3419	\$ 0.3437	\$ 0.3423	\$ 0.3329
0.0464	0.0486	0.0486	0.0486	0.0486	0.0486
0.0759	0.0734	0.0762	0.0744	0.0758	0.0660
0.4767	0.4767	0.4667	0.4667	0.4667	0.4475
-	1.3500	1.3500	1.3500	1.3500	1.3500
0.2616	0.2498	0.2473	0.2741	0.2950	0.3350
0.7800	1.2500	1.2100	1.2100	1.2100	1.2100
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
0.4791	0.4355	0.4029	0.3900	0.3650	0.3696
0.6700	0.9500	0.9500	1.2000	0.9000	0.9000
No Tax	1.2500	1.2500	1.2500	1.2500	1.2500
-	-	-	-	1.3000	1.3000
-	-	-	-	1.3000	1.3000
-	-	-	-	-	1.3500
0.6700	0.6300	0.5000	0.5400	0.5400	0.5400
0.4740	0.6500	0.6500	0.6740	0.6740	0.6740
1.3200	1.3200	1.0500	1.0200	1.0000	1.0000
-	-	-	-	1.2500	-
-	-	-	-	-	1.2500
0.5000	0.5000	0.4650	0.4650	0.4650	0.4900
0.7900	0.7400	0.7100	0.7000	0.7000	0.6800
0.4750	0.4650	0.4550	0.4550	0.4500	0.4500
0.5564	0.5213	0.4731	0.4829	0.4896	0.4725
0.9850	0.9850	-	0.9850	0.9850	0.9850
0.1081	0.1079	0.1078	0.1078	0.1078	0.1078
-	-	-	-	-	1.5000
0.1925	0.1700	0.1700	0.1600	0.1400	0.1400
0.4400	0.4400	0.4400	0.4400	0.4400	0.4400
0.3770	0.3800	0.3000	0.2977	0.3100	0.3089
0.0725	0.0710	0.0665	0.0664	0.0599	0.0589
-	-	0.0900	0.0800	0.0750	-
0.0750	0.0750	0.0750	0.0750	0.0700	0.0800
0.1645	0.1645	0.1645	0.1645	0.1250	0.1250
0.2651	0.2651	0.2651	0.3000	0.3000	0.3000
0.4555	0.4182	0.4059	0.4059	0.4059	0.4059
1.1970	1.0375	0.9369	0.8900	0.8700	0.8200
1.0300	0.9300	0.9179	0.8694	-	0.9600
0.3600	0.3600	0.3400	0.3300	0.3300	0.3300
0.2800	0.2500	0.2250	0.2000	0.1800	0.1800
1.2800	1.1954	1.1500	1.1500	1.1250	1.1200

MONTGOMERY COUNTY, TEXAS
Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments
Last Ten Fiscal Years

	2011	2012	2013	2014
Special Districts (continued):				
Montgomery County M.U.D. #36	0.0550	0.0400	0.0350	0.0350
Montgomery County M.U.D. #39	0.4300	0.4200	0.4200	0.4150
Montgomery County M.U.D. #40	0.1700	0.1600	0.1500	0.1400
Montgomery County M.U.D. #42	1.2300	1.1800	1.1500	1.2500
Montgomery County M.U.D. #46	0.2750	0.2650	0.2550	0.2400
Montgomery County M.U.D. #47	0.2500	0.2450	0.2450	0.2450
Montgomery County M.U.D. #56	1.0000	1.0000	1.0000	1.0000
Montgomery County M.U.D. #60	0.2400	0.2375	0.2275	0.2175
Montgomery County M.U.D. #67	0.3200	0.3125	0.3125	0.3025
Montgomery County M.U.D. #83	1.2000	1.1300	1.0500	0.9800
Montgomery County M.U.D. #84	1.2500	1.2500	1.2500	1.2000
Montgomery County M.U.D. #88	1.3900	1.3900	1.3900	1.3900
Montgomery County M.U.D. #89	1.1800	1.1100	1.0900	1.0600
Montgomery County M.U.D. #90	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #92	0.6000	0.6000	0.6000	0.6000
Montgomery County M.U.D. #94	1.1600	1.1300	1.1000	1.0100
Montgomery County M.U.D. #95	No Tax	1.3500	1.3500	1.3500
Montgomery County M.U.D. #96	-	-	-	-
Montgomery County M.U.D. #98	1.2300	1.2250	1.2250	1.2250
Montgomery County M.U.D. #99	1.0400	1.0400	1.0400	1.0400
Montgomery County M.U.D. #105	-	-	-	-
Montgomery County M.U.D. #111	No Tax	No Tax	N/A	-
Montgomery County M.U.D. #107	0.7000	0.7000	0.7000	0.7000
Montgomery County M.U.D. #112	1.1000	1.1000	1.1000	1.1000
Montgomery County M.U. D #113	1.1900	1.1900	0.7500	0.7100
Montgomery County M.U.D. #115	1.3500	1.3500	1.3500	1.3500
Montgomery County M.U.D. #119	1.4500	1.4500	1.4500	1.4500
Montgomery County M.U.D. #121	-	-	-	-
Montgomery County M.U.D. #123	-	1.2500	-	-
Montgomery County M.U.D. #126	-	-	-	-
Montgomery County M.U.D. #127	-	-	-	-
Montgomery County M.U.D. #128A	-	-	-	-
Montgomery County M.U.D. #132	-	-	-	-
Montgomery County M.U.D. #137	-	-	-	-
Montgomery County M.U.D. #138	-	-	-	-
Montgomery County M.U.D. #139	-	-	-	-
Montgomery County M.U.D. #141	-	-	-	-
Montgomery County M.U.D. #142	-	-	-	-
Montgomery County M.U.D. #145	-	-	-	-
Montgomery County M.U.D. #148	-	-	-	-
Montgomery County M.U.D. #149	-	-	-	-
Montgomery County M.U.D. #150	-	-	-	-
Montgomery County M.U.D. #151	-	-	-	-

TABLE VI
Page 2 of 4

2015	2016	2017	2018	2019	2020
0.0550	-	0.0350	0.0350	0.0350	0.0350
0.4150	0.4000	0.3650	0.3550	0.3550	0.3550
0.1300	0.0900	-	-	-	-
1.2500	1.1700	1.1400	1.1100	1.0800	1.0700
0.2300	0.2250	0.2125	0.2125	0.2125	0.2097
0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
0.9964	0.8600	0.8300	0.7300	0.7200	0.7200
0.1975	0.1850	0.1650	0.1650	0.1650	0.1650
0.2800	0.2575	0.2375	0.2175	0.1600	0.1600
0.9000	0.8200	0.7700	0.7500	0.7400	0.7400
1.0200	0.9500	0.9000	0.8800	0.8800	0.8000
1.3900	1.3900	1.3900	1.3800	1.3800	1.3800
1.0600	0.9500	0.8864	0.8828	0.8200	0.7950
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
0.9300	0.8400	0.7700	0.8000	0.8000	0.7850
1.3500	1.3000	1.3000	1.2500	1.2500	1.2200
-	-	1.4800	1.4800	1.4800	1.4800
1.2100	1.1650	1.1350	1.0400	1.0850	1.0700
1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
-	-	1.3500	1.3500	1.3500	1.3500
-	-	-	-	-	1.3500
0.7000	0.7000	0.7000	0.6900	0.6800	0.6000
1.1000	1.0257	1.0207	1.0000	0.9800	0.9500
1.1200	1.0200	0.9200	0.9000	0.8900	0.8800
1.3500	1.3500	1.3500	1.3500	1.3200	1.3000
1.4500	1.3700	1.3700	1.3200	1.2900	1.2400
-	-	-	-	0.9900	0.9900
-	-	-	-	-	-
-	-	0.9000	0.9000	0.9000	0.9000
1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	-	-	1.1000	1.1000
-	-	-	-	0.7000	0.7000
-	-	-	-	1.3500	1.3500
-	-	-	-	0.8800	0.8800
-	-	-	-	1.4500	1.4000
-	-	-	-	1.3500	1.3500
-	-	-	-	1.0000	1.0000
-	-	-	-	1.4500	1.3500
-	-	-	-	0.9000	0.9000
-	-	-	-	-	0.9000
-	-	-	-	-	1.3500
-	-	-	-	-	1.3500

MONTGOMERY COUNTY, TEXAS
Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments
Last Ten Fiscal Years

	2011	2012	2013	2014
Special Districts (continued):				
Montgomery County M.U.D. #164	-	-	-	-
Montgomery County M.U.D. #165	-	-	-	-
Montgomery County U.D. #2	0.5700	0.5700	0.5700	0.5700
Montgomery County U.D. #3	0.4554	0.4515	0.4515	0.4515
Montgomery County U.D. #4	0.4895	0.4895	0.4100	0.4100
Montgomery County W.C.I.D. #1	0.7750	0.8100	0.8100	0.8100
New Caney M.U.D.	0.7100	0.7100	0.7100	0.7100
New Caney M.U.D. Valley Ranch	-	-	-	-
Point Aquarius M.U.D.	0.7032	0.7032	0.7032	0.7032
Porter M.U.D.	0.5150	0.5150	0.5150	0.5150
Rayford Road M.U.D.	0.5920	0.6220	0.6100	0.6000
River Plantation M.U.D.	0.3101	0.3200	0.3200	0.3200
Roman Forest Cons. M.U.D.	0.2900	0.2700	0.2000	0.2200
Roman Forest P.U.D. #3	1.2500	1.2500	-	-
Roman Forest P.U.D. #4	1.1500	1.1500	1.1540	1.1540
South Montgomery County M.U.D.	0.2266	0.2266	0.2266	0.2258
Spring Creek U.D.	1.0000	1.0000	1.0000	1.0000
Stanley Lake M.U.D.	0.5200	0.5100	0.5000	0.5200
Texas National M.U.D.	1.0959	1.0959	1.0823	1.1330
Valley Ranch Medical Center MD	-	-	-	-
Valley Ranch Town Center MD	-	-	-	-
Valley Ranch M.U.D. #1	1.4000	1.4000	1.4000	1.4000
Wood Trace M.U.D. #1	0.7500	0.7500	0.7500	0.7500
Woodlands Metro-Center M.U.D.	0.1900	0.1750	0.1750	0.1650
Woodlands M.U.D. #1	-	-	-	-
Woodlands M.U.D. #2	0.1900	0.1700	0.1500	0.1300
Woodlands R.U.D. #1	0.4300	0.4266	0.4063	0.3600
Woodridge M.U.D.	-	-	-	1.5000
Emergency Service District #1	0.0974	0.9640	0.0964	0.0964
Emergency Service District #2	0.1000	0.1000	0.1000	0.1000
Emergency Service District #3	0.1000	0.0998	0.0990	0.0954
Emergency Service District #4	0.1000	0.0986	0.0961	0.1000
Emergency Service District #5	0.0935	0.1000	0.1000	0.1000
Emergency Service District #6	0.1000	0.1000	0.1000	0.1000
Emergency Service District #7	0.1000	0.1000	0.0998	0.0996
Emergency Service District #8	0.1000	0.1000	0.1000	0.0960
Emergency Service District #9	0.1000	0.0946	0.0917	0.0855
Emergency Service District #10	0.1000	0.0988	0.1000	0.1000
Emergency Service District #11	0.1000	0.1000	0.1000	0.1000
Emergency Service District #12	0.1000	0.0996	0.0996	0.1000
Emergency Service District #14	0.1000	0.1000	0.1000	0.0951
Total Special Districts	51.4491	54.6308	50.3262	51.4080

TABLE VI

Page 3 of 4

2015	2016	2017	2018	2019	2020
-	-	-	-	-	1.3500
-	-	-	-	-	1.3500
0.5700	0.5000	0.4900	0.4600	0.4600	0.4750
0.0900	0.0900	0.0900	0.0900	0.0900	0.0899
0.0800	0.0800	0.0775	0.0775	0.0700	0.0875
0.8100	0.7600	0.7600	0.7820	0.7820	0.7476
-	-	-	-	-	0.5300
0.7800	0.7800	-	-	-	-
0.6631	0.6000	0.5800	0.5600	0.5200	0.5000
0.5150	0.4800	0.4800	0.4800	0.4640	0.4600
0.5800	0.5500	0.5300	0.5100	0.5100	0.5000
0.3200	0.3200	0.3200	0.3200	0.3200	0.3200
0.2100	0.2035	0.1850	0.1593	0.1546	0.1340
-	-	1.2088	0.9500	0.9500	0.5600
1.1657	1.1720	1.1748	1.1656	1.1749	1.1749
0.2175	0.1733	0.1660	0.1600	0.1600	0.1600
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
0.5300	0.5300	0.5300	0.5300	0.5500	0.5500
1.1330	1.1300	1.1330	1.1330	1.1330	1.1330
-	-	-	-	0.3500	0.4000
-	-	-	-	1.1500	0.9700
1.4000	1.2000	1.1500	1.1500	1.0000	1.1000
1.5000	1.5000	1.3500	1.3500	1.3500	1.3500
0.1650	0.1550	0.1250	0.1050	0.0900	0.0900
-	-	-	-	-	0.0750
0.1100	0.1000	-	-	-	-
0.3800	0.3200	0.2600	0.2150	0.2000	0.2000
1.3000	0.1000	1.2700	1.2700	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	0.1000
0.0955	0.1000	0.0981	0.1000	0.1000	0.1000
0.0917	0.0808	0.1000	0.1000	0.1000	0.0939
0.1000	-	-	-	-	-
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.0967	0.1000	0.1000	0.1000	0.1000	0.1000
0.0946	0.0926	0.0906	0.1000	0.1000	0.1000
0.0814	0.1000	0.1000	0.0972	0.1000	0.1000
0.0980	0.0970	0.1000	0.1000	0.1000	0.1000
0.1000	-	-	-	-	-
0.0983	0.1000	0.1000	0.1000	-	-
0.0885	0.1000	0.1000	0.1000	0.1000	0.1000
53.9109	51.8583	54.3785	54.6195	69.2382	78.9531

MONTGOMERY COUNTY, TEXAS
Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments
Last Ten Fiscal Years

	2011	2012	2013	2014
Cities:				
Cleveland	-	0.6850	0.7800	0.7800
Conroe	0.4200	0.4200	0.4200	0.4200
Magnolia	0.4914	0.4814	0.4786	0.4786
Montgomery	0.4199	0.4155	0.4155	0.4155
Oak Ridge North	0.5996	0.5996	0.5744	0.5244
Panorama Village	0.6512	0.6698	0.6844	0.6741
Patton Village	0.3890	0.3779	0.3779	0.3818
Roman Forest	0.4707	0.4721	0.4819	0.4819
Shenandoah Village	0.3282	0.3237	0.3137	0.2664
Splendora	0.2968	0.2797	0.2797	0.2720
Stagecoach	0.5214	0.5044	0.5000	0.5429
Willis	0.5893	0.5669	0.5208	0.5363
Woodbranch Village	0.3373	0.3514	0.3544	0.3496
Woodlands Township	0.3274	0.3250	0.3173	0.2940
Woodloch	0.5199	1.0000	0.5000	0.4971
Auburn Trail Defined Area	-	-	0.9850	0.5750
Auburn Trail II Defined Area	-	-	-	0.5750
Houston (County Line City)	0.6388	0.6388	0.6388	0.6388
Total Cities	7.0009	8.1112	8.6224	8.7034
School Districts:				
Cleveland I.S.D.	1.3150	1.3150	1.3150	1.3150
Conroe I.S.D.	1.2950	1.2950	1.2900	1.2850
Humble I.S.D.	-	1.5200	1.5200	1.5200
Magnolia I.S.D.	1.3995	1.3995	1.3995	1.3995
Montgomery I.S.D.	1.3400	1.3400	1.3400	1.3400
New Caney I.S.D.	1.5400	1.5400	1.5400	1.6700
Richards I.S.D.	1.0400	1.0400	1.0400	1.0400
Splendora I.S.D.	1.3599	1.3300	1.3600	1.3155
Tomball I.S.D.	1.3600	1.3600	1.3155	1.3600
Willis I.S.D.	1.3700	1.3700	1.3700	1.3900
Total School Districts	12.0194	13.5095	13.4900	13.6350
<u>TOTAL PROPERTY TAX RATES -</u>				
<u>DIRECT AND OVERLAPPING</u>				
<u>GOVERNMENTS</u>				
	\$70.9532	\$76.7352	\$72.9223	\$74.2302

⁽¹⁾ Per \$100 of assessed valuation.

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

Sources: Montgomery Central Appraisal District, Harris County Appraisal District, Liberty County Appraisal District, Tomball Independent School District.

TABLE VI

Page 4 of 4

2015	2016	2017	2018	2019	2020
0.7800	0.7800	0.7700	0.7700	0.7700	0.7700
0.4200	0.4200	0.4175	0.4175	0.4175	0.4375
0.4629	0.4629	0.4629	0.4709	0.4675	0.4645
0.4155	0.4155	0.4155	0.4155	0.4000	0.4000
0.4822	0.4598	0.4509	0.4470	0.4807	0.4900
0.6591	0.6743	0.6604	0.6852	0.6748	0.6779
0.3818	0.3459	0.2606	0.2606	0.2850	0.2850
0.4819	0.4945	0.4945	0.7385	0.7538	0.7530
0.2404	0.2399	0.2295	0.2099	0.1799	0.1799
0.2473	0.2473	0.2616	0.4103	0.4103	0.4103
0.5353	0.5207	0.5000	0.4595	0.4595	0.4595
0.6077	0.5961	0.5953	0.6351	0.6697	0.5869
0.3597	0.3597	0.3785	0.3784	0.2306	0.2207
0.2500	0.2300	0.2300	0.2300	0.2273	0.2240
0.8125	0.6566	0.5782	0.5000	0.5000	0.3600
0.6190	0.7110	-	0.7150	0.7150	0.7000
0.6190	0.7110	-	0.7150	0.7071	0.7000
0.6311	-	0.5864	0.5864	0.5883	0.5679
9.0054	8.3252	7.2918	9.0448	8.9370	8.6871
1.3150	1.3150	1.3800	1.4150	1.4150	1.3450
1.2800	1.2800	1.2800	1.2800	1.2800	1.2300
1.5200	1.5200	1.5200	1.5200	1.5200	1.4184
1.3895	1.3795	1.3795	1.3795	1.3795	1.3095
1.3400	1.3400	1.3700	1.3700	1.3700	1.3075
1.6700	1.6700	1.6700	1.6700	1.6700	1.5684
1.0400	1.0400	1.0400	1.0400	1.0600	0.9900
1.3155	1.3155	1.6000	1.6000	1.1700	1.4984
1.3600	1.3600	1.3400	1.3400	1.3400	1.2900
1.3900	1.3900	1.3900	1.3900	1.3900	1.2700
13.6200	13.6100	13.9695	14.0045	13.5945	13.2272
\$77.0130	\$74.2702	\$76.1065	\$78.1355	\$92.2264	\$101.3149

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

<u>2020 Taxpayer</u>	<u>Type of Business</u>	<u>2020 Assessed Valuation ⁽¹⁾</u>	<u>Percentage of Total Assessed Valuation ⁽²⁾</u>
Entergy Texas Inc.	Electric Utility	\$ 399,067,408	0.68 %
Wal-Mart Real Estate Business Trust	Retail	273,895,382	0.47
Mckesson Corporation	Medical	218,098,831	0.37
Anadarko Realty Co.	Oil & Gas Industrial	215,129,760	0.37
The Woodlands Mall Associates	Retail	200,749,641	0.34
IMI MSW LLC	Retail	140,069,430	0.24
Kingwood Medical Plaza Ltd	Medical	136,717,022	0.23
Woodlands Land Dev LP	Land Development	130,992,298	0.22
Ball Metal Container Corp	Manufacturing	106,904,274	0.18
The Geo Group	Real Estate	106,166,640	0.18
		<u>\$ 1,927,790,686</u>	<u>3.28 %</u>
<u>2011 Taxpayer</u>	<u>Type of Business</u>	<u>2010 Assessed Valuation ⁽¹⁾</u>	<u>Percentage of Total Assessed Valuation ⁽³⁾</u>
Wal Mart Real Estate Business Trust/ Sams Club	Retail	249,899,476	0.78 %
Entergy, Texas Inc	Electric Utility	206,455,710	0.65
Woodlands Land Development LP	Land Development	200,599,980	0.63
Denbury Onshore LLC	Oil & Gas	176,376,860	0.55
Anadarko Realty Co	Oil & Gas	137,104,330	0.43
Conroe Regional Medical Center/ Kingwood Medical Plaza	Medical	120,287,730	0.38
Hughes Christensen Company	Oil & Gas	86,057,850	0.27
Consolidated Communications of Texas	Communications	78,352,940	0.24
Canrig Drilling Tech Ltd	Oil & Gas	74,892,990	0.23
The Woodlands Mall Association	Retail	58,159,755	0.18
		<u>\$ 1,388,187,621</u>	<u>4.34 %</u>

⁽¹⁾ Source: Montgomery Central Appraisal District⁽²⁾ Net Assessed Valuation - 2020 \$ 58,359,200,490⁽³⁾ Net Assessed Valuation - 2011 \$ 31,993,150,379

MONTGOMERY COUNTY, TEXAS
Property Tax Levies and Collections ⁽¹⁾
Last Ten Fiscal Years

TABLE VIII

Fiscal Year	Collected in first period				Collections in subsequent periods	Total collections				
	Levy		Amount	Percentage		Amount	Percentage			
2011	\$	160,613,960	\$	159,432,595	99.3 %	\$	969,064	\$	160,401,659	99.9 %
2012		166,764,811		164,636,997	98.7 %		1,852,080		166,489,077	99.8 %
2013		175,204,298		173,007,132	98.7 %		1,866,459		174,873,591	99.8 %
2014		186,703,380		184,735,498	98.9 %		1,607,946		186,343,444	99.8 %
2015		203,804,943		201,321,741	98.8 %		2,116,800		203,438,541	99.8 %
2016		229,000,765		226,359,011	98.8 %		2,098,457		228,457,468	99.8 %
2017		247,075,115		243,625,647	98.6 %		2,399,870		246,025,517	99.6 %
2018		235,828,214		232,005,266	98.4 %		740,543		232,745,809	98.7 %
2019		250,896,287		246,268,100	98.2 %		438,156		246,706,256	98.3 %
2020		256,035,175		253,326,012	98.9 %		-		253,326,012	98.9 %

⁽¹⁾ Taxes levied in any year which are collected from October 1 through June 30 are shown as current collections. Such amounts include collections of the current levy after February 1, which is the date taxes become legally delinquent.

Source: Montgomery County Tax Assessor-Collector

MONTGOMERY COUNTY, TEXAS
Ratios of Outstanding Debt by Type ⁽¹⁾
Last Ten Fiscal Years

TABLE IX

Fiscal Year	Governmental Activities				Business-type Activities				Percent of Personal Income ⁽²⁾	Per Capita ⁽²⁾
	General Obligation Bonds	Revenue Bonds	Certificates of Obligation	Capital Leases Obligation	Net: Interest Premiums and Discounts	Revenue Bonds	Net: Interest Premiums and Discounts	Total Primary Government		
2011	\$ 270,030,000	\$ 128,266,840	\$ 99,190,000	\$ 15,336,959	\$ 15,233,295	\$ -	\$ -	\$ 528,057,094	2.31 %	\$ 1,142.62
2012	268,735,000	122,140,941	101,120,000	13,671,491	10,236,430	-	-	515,903,862	2.09 %	1,071.90
2013	261,590,000	75,075,000	109,930,000	11,209,724	12,589,534	-	-	470,394,258	1.77 %	956.79
2014	278,565,000	67,995,000	74,555,000	9,942,261	28,256,466	-	-	459,313,727	1.40 %	913.29
2015	269,415,000	60,585,000	71,000,000	7,694,658	26,085,333	-	-	434,779,991	1.35 %	837.81
2016	315,110,000	52,825,000	58,535,000	5,893,321	43,468,294	-	-	475,831,615	1.51 %	885.17
2017	376,370,000	16,420,000	50,750,000	3,777,887	46,503,251	-	-	493,821,138	N/A %	876.80
2018	408,885,000	-	49,090,000	13,953,358	47,447,713	87,680,000	7,778,322	614,834,393	N/A %	1,076.89
2019	474,975,000	-	47,375,000	11,578,902	48,232,661	87,680,000	7,510,104	677,351,667	N/A %	1,146.26
2020	463,775,000	-	45,605,000	10,674,041	44,196,827	87,680,000	7,231,952	659,162,820	N/A %	1,085.24

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽²⁾ See Table XIV for personal income and population data.

Personal income for 2017 - 2020 is not available.

MONTGOMERY COUNTY, TEXAS

Ratios of Net General Bonded Debt Outstanding ⁽¹⁾
Last Ten Fiscal Years

TABLE X

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Actual Value of Property ⁽²⁾	Per Capita ⁽³⁾
	General Obligation Bonds	Revenue Bonds ⁽⁴⁾	Certificates of Obligation	Net: Interest Premiums and Discounts	Revenue Bonds	Net: Interest Premiums and Discounts			
2011	\$270,030,000	\$128,266,840	\$ 99,190,000	\$ 15,233,295	\$ -	\$ -	\$512,720,135	1.51 %	\$ 1,109.44
2012	268,735,000	122,140,941	101,120,000	10,236,430	-	-	502,232,371	1.43 %	1,043.50
2013	261,590,000	75,075,000	109,930,000	12,589,534	-	-	459,184,534	1.25 %	933.99
2014	278,565,000	67,995,000	74,555,000	28,256,466	-	-	449,371,466	1.14 %	893.52
2015	269,415,000	60,585,000	71,000,000	26,085,333	-	-	427,085,333	0.98 %	822.98
2016	315,110,000	52,825,000	58,535,000	43,468,294	-	-	469,938,294	0.95 %	874.21
2017	376,370,000	16,420,000	50,750,000	46,503,251	-	-	490,043,251	0.90 %	870.09
2018	408,885,000	-	49,090,000	47,447,713	87,680,000	7,778,322	600,881,035	1.18 %	1,052.45
2019	474,975,000	-	47,375,000	48,232,661	87,680,000	7,510,104	665,772,765	1.23 %	1,126.66
2020	463,775,000	-	45,605,000	44,196,827	87,680,000	7,231,952	648,488,779	1.11 %	1,067.66

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽²⁾ Taxable Assessed Valuation can be found in Table V.

⁽³⁾ Population data can be found in Table XIV.

⁽⁴⁾ The County began issuing revenue bonds in 2007.

MONTGOMERY COUNTY, TEXAS

Legal Debt Margin ⁽¹⁾

Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Assessed value ⁽²⁾	\$ 33,862,620	\$ 35,101,086	\$ 36,706,371	\$ 39,366,970
Debt limit ⁽³⁾	8,465,655	8,775,272	9,176,593	9,841,743
Debt applicable to limit				
Total bonded debt	497,487	491,996	446,595	493,740
Less: Assets in Debt				
Service Funds available				
for payment of principal	<u>(14,239)</u>	<u>(15,950)</u>	<u>(17,795)</u>	<u>(20,906)</u>
Total debt applicable to limit	<u>483,248</u>	<u>476,046</u>	<u>428,800</u>	<u>472,834</u>
Legal debt margin	<u>\$ 7,982,407</u>	<u>\$ 8,299,226</u>	<u>\$ 8,747,794</u>	<u>\$ 9,368,910</u>
Total debt applicable to the limit as a percent of debt limit	5.71%	5.42%	4.67%	4.80%

⁽¹⁾ Amounts expressed in thousands.

⁽²⁾ Assessed valuation is equal to total valuation less personal property.

⁽³⁾ 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.

⁽⁴⁾ Beginning in 2014, total bonded debt includes total debt outstanding for both Montgomery County and Woodlands RUD #1.

TABLE XI

2015	2016	2017	2018	2019	2020
\$ 43,654,262	\$ 49,315,310	\$ 54,402,996	\$ 50,848,283	\$ 54,237,296	\$ 58,359,200
10,913,566	12,328,828	13,600,749	12,712,071	13,559,324	14,589,800
463,080	487,680	443,870	508,054	708,230	689,947 ⁽⁴⁾
(32,453)	(48,577)	(28,250)	(15,757)	(12,708)	(14,717)
430,627	439,103	415,620	492,297	695,522	675,230
\$ 10,482,939	\$ 11,889,725	\$ 13,185,129	\$ 12,219,774	\$ 12,863,802	\$ 13,914,570
3.95%	3.56%	3.06%	3.87%	5.13%	4.63%

MONTGOMERY COUNTY, TEXAS**Direct and Overlapping Debt****September 30, 2020****TABLE XII**

	Debt Outstanding	Percentage Applicable to Montgomery County ⁽¹⁾	Amount Applicable to Montgomery County
Montgomery County, Texas	<u>\$ 648,488,779</u>	100.00	<u>\$ 648,488,779</u>
TOTAL DIRECT DEBT	<u>648,488,779</u>		<u>648,488,779</u>
<u>OVERLAPPING GOVERNMENTS:</u>			
Special Districts:			
Blaketree M.U.D.	11,270,000	100.00	11,270,000
Clovercreek M.U.D.	340,000	100.00	340,000
Corinthian Point M.U.D. #2	1,160,000	100.00	1,160,000
East Montgomery Co M.U.D #3	11,125,000	100.00	11,125,000
East Montgomery Co M.U.D #4	10,275,000	100.00	10,275,000
East Montgomery Co M.U.D #6	32,446,246	100.00	32,446,246
East Plantation U.D.	1,390,000	100.00	1,390,000
Far Hills U.D.	9,855,000	100.00	9,855,000
Grand Oaks M.U.D.	2,680,000	100.00	2,680,000
Kings Manor M.U.D.	12,080,000	70.30	8,492,240
Lazy River I.D.	215,000	100.00	215,000
Lone Star College System	544,355,000	27.26	148,391,173
Conroe M.U.D. #1	7,785,000	100.00	7,785,000
Conroe Municipal Mgt District #1	22,410,000	100.00	22,410,000
Montgomery Co. D.D. #10	13,775,000	100.00	13,775,000
Montgomery Co. M.U.D. #8	23,000,000	100.00	23,000,000
Montgomery Co. M.U.D. #9	26,560,000	100.00	26,560,000
Montgomery Co. M.U.D. #15	29,890,000	100.00	29,890,000
Montgomery Co. M.U.D. #16	2,230,000	100.00	2,230,000
Montgomery Co. M.U.D. #18	10,715,000	100.00	10,715,000
Montgomery Co. M.U.D. #24	5,025,000	100.00	5,025,000
Montgomery Co. M.U.D. #39	12,745,000	100.00	12,745,000
Montgomery Co. M.U.D. #42	6,340,000	100.00	6,340,000
Montgomery Co. M.U.D. #46	68,400,000	100.00	68,400,000
Montgomery Co. M.U.D. #47	18,960,000	100.00	18,960,000
Montgomery Co. M.U.D. #56	2,415,000	100.00	2,415,000
Montgomery Co. M.U.D. #60	11,705,000	100.00	11,705,000
Montgomery Co. M.U.D. #67	15,340,000	100.00	15,340,000
Montgomery Co. M.U.D. #83	13,800,000	100.00	13,800,000
Montgomery Co. M.U.D. #84	29,075,000	100.00	29,075,000
Montgomery Co. M.U.D. #88	19,485,000	100.00	19,485,000
Montgomery Co. M.U.D. #89	22,415,000	100.00	22,415,000
Montgomery Co. M.U.D. #90	6,965,000	100.00	6,965,000
Montgomery Co. M.U.D. #92	4,435,000	100.00	4,435,000

MONTGOMERY COUNTY, TEXAS**Direct and Overlapping Debt****September 30, 2020****TABLE XII**

	Debt	Percentage	Amount Applicable
	Outstanding	Applicable to	to Montgomery
		Montgomery County ⁽¹⁾	County
Special Districts:(Continued)			
Montgomery Co. M.U.D. #94	27,810,000	100.00	27,810,000
Montgomery Co. M.U.D. #95	32,225,000	100.00	32,225,000
Montgomery Co. M.U.D. #96	5,230,000	100.00	5,230,000
Montgomery Co. M.U.D. #98	15,645,000	100.00	15,645,000
Montgomery Co. M.U.D. #99	19,035,000	100.00	19,035,000
Montgomery Co. M.U.D. #105	29,990,000	100.00	29,990,000
Montgomery Co. M.U.D. #107	21,785,000	100.00	21,785,000
Montgomery Co. M.U.D. #112	44,180,000	100.00	44,180,000
Montgomery Co. M.U.D. #113	123,385,000	100.00	123,385,000
Montgomery Co. M.U.D. #115	45,925,000	100.00	45,925,000
Montgomery Co. M.U.D. #119	81,285,000	100.00	81,285,000
Montgomery Co. M.U.D. #126	13,690,000	100.00	13,690,000
Montgomery Co. M.U.D. #127	15,810,000	100.00	15,810,000
Montgomery Co. M.U.D. #132	5,990,000	100.00	5,990,000
Montgomery Co. M.U.D. #137	10,335,000	100.00	10,335,000
Montgomery Co. M.U.D. #138	12,895,000	100.00	12,895,000
Montgomery Co. M.U.D. #139	27,235,000	100.00	27,235,000
Montgomery Co. M.U.D. #141	4,565,000	100.00	4,565,000
Montgomery Co. M.U.D. #142	4,075,000	100.00	4,075,000
Montgomery Co. M.U.D. #148	4,500,000	100.00	4,500,000
Montgomery Co. U.D. #2	5,955,000	100.00	5,955,000
Montgomery Co. U.D. #3	3,690,000	100.00	3,690,000
Montgomery Co. U.D. #4	10,435,000	100.00	10,435,000
Montgomery Co. W.C.I.D. #1	16,695,000	100.00	16,695,000
New Caney M.U.D.	34,433,524	100.00	34,433,524
Point Aquarius M.U.D.	10,010,000	100.00	10,010,000
Porter M.U.D.	24,035,000	100.00	24,035,000
Porter M.U.D. Auburn Trails Def #1	5,315,000	100.00	5,315,000
Porter M.U.D. Auburn Trails Def #2	3,895,000	100.00	3,895,000
Porter M.U.D. Hendricks Def	4,775,000	100.00	4,775,000
Rayford Road M.U.D.	13,875,000	100.00	13,875,000
River Plantation M.U.D.	-	100.00	-
Roman Forest Cons. M.U.D.	5,655,000	100.00	5,655,000
Roman Forest P.U.D. #4	-	100.00	-
Harris-Montgomery Co MUD	5,940,000	66.57	3,954,258
Harris-Montgomery Co MUD #386	151,845,000	8.27	12,557,582
Spring Creek U.D.	56,170,000	100.00	56,170,000
Stanley Lake M.U.D.	22,620,000	100.00	22,620,000
Southern Montgomery County MUD	9,265,000	100.00	9,265,000



MONTGOMERY COUNTY, TEXAS**Direct and Overlapping Debt****September 30, 2020****TABLE XII**

	Debt Outstanding	Percentage Applicable to Montgomery County ⁽¹⁾	Amount Applicable to Montgomery County
Special Districts:(Continued)			
Texas National M.U.D.	4,525,000	100.00	4,525,000
Valley Ranch M.U.D. #1	23,060,000	100.00	23,060,000
Woodlands Metro-Center I.D.	11,315,000	100.00	11,315,000
Roman Forest P.U.D. #4	765,000	100.00	765,000
Wood Trace M.U.D. #1	21,490,000	100.00	21,490,000
Woodlands R.U.D. #1	41,905,000	98.91	41,448,236
The Woodlands Township	28,220,000	87.09	24,576,798
Valley Ranch Town Center	14,925,000	100.00	14,925,000
Woodridge M.U.D.	16,410,000	100.00	16,410,000
Total Special Districts	<u>2,022,564,770</u>		<u>1,558,550,056</u>
Cities:			
Cleveland	11,675,000	1.15	134,263
Conroe	327,340,000	100.00	327,340,000
Magnolia	20,679,333	100.00	20,679,333
Montgomery	7,960,000	100.00	7,960,000
Oak Ridge North	5,455,000	100.00	5,455,000
Panorama Village	2,950,000	100.00	2,950,000
Patton Village	3,591,000	100.00	3,591,000
Shenandoah	15,505,000	100.00	15,505,000
Roman Forest	3,260,000	100.00	3,260,000
Splendor	5,860,000	100.00	5,860,000
Willis	21,440,000	100.00	21,440,000
Woodbranch Village		100.00	-
Houston	3,423,995,000	0.35	11,983,983
Total Cities	<u>3,849,710,333</u>		<u>426,158,578</u>
School Districts			
Cleveland I.S.D.	243,104,989	1.48	3,597,954
Conroe I.S.D.	1,269,275,000	100.00	1,269,275,000
Magnolia I.S.D.	150,165,000	100.00	150,165,000
Montgomery I.S.D.	328,960,000	100.00	328,960,000
New Caney I.S.D.	504,345,000	98.38	496,174,611
Splendor I.S.D.	58,130,000	100.00	58,130,000
Tomball I.S.D.	587,705,000	6.96	40,904,268
Willis I.S.D.	141,038,989	98.59	139,050,339
Total School Districts	<u>3,282,723,978</u>		<u>2,486,257,172</u>
TOTAL OVERLAPPING DEBT	<u>9,154,999,081</u>		<u>4,470,965,806</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 9,803,487,860</u>		<u>\$ 5,119,454,585</u>

⁽¹⁾ 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

	Lease Revenue Bonds ⁽¹⁾					
		Less:	Net:	Debt Service		
Year	Lease	Operating	Available	Principal	Interest	Coverage
	Payments	Expenses	Revenue			
2011	18,334,041	15,808,119	2,525,922	1,569,861	1,873,619	0.73
2012	20,997,947	18,372,582	2,625,365	1,640,899	1,802,582	0.76
2013	19,053,761	17,818,794	1,234,967	1,715,150	1,728,330	0.36
2014	-	-	-	-	-	-
2015	-	-	-	-	-	-
2016	-	-	-	-	-	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-

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.

⁽¹⁾ 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.

⁽²⁾ The County has pledged pass-through tolling revenue to repay the debt service on selected bond issues.

TABLE XIII

Pass -Through Toll Revenue Bonds ⁽²⁾			
TXDOT Revenue	Debt Service		Coverage
	Principal	Interest	
7,883,095	-	1,077,755	7.31
19,235,365	4,485,000	2,733,321	2.66
25,969,528	6,785,000	3,589,583	2.55
29,275,155	7,080,000	3,356,300	2.81
35,248,559	7,410,000	3,025,850	3.38
42,260,009	7,760,000	2,678,400	4.05
49,268,909	36,405,000	10,696,550	1.05
18,285,240	16,420,000	873,900	1.06
-	-	-	-
-	-	-	-

MONTGOMERY COUNTY, TEXAS
Demographic and Economic Statistics
Last Ten Fiscal Years

TABLE XIV

<u>Year</u>	<u>Population ⁽¹⁾</u>	<u>Personal Income ⁽²⁾⁽³⁾</u>	<u>Per Capita Personal Income ⁽³⁾</u>	<u>School Enrollment ⁽⁴⁾</u>	<u>School Average Daily Attendance ⁽⁴⁾</u>	<u>Unemployment Rate ⁽⁵⁾</u>
2011	462,144	22,882,899	49,514	95,250	90,554	7.9 %
2012	481,298	24,638,680	51,192	96,912	91,276	5.7 %
2013	491,636	26,549,916	53,192	95,815	91,235	5.3 %
2014	502,920	32,773,154	65,166	98,887	92,983	4.7 %
2015	518,947	32,310,508	62,262	101,598	96,755	4.3 %
2016	537,559	31,553,145	58,697	120,488	114,955	4.3 %
2017	563,209	N/A	N/A	126,748	121,309	4.1 %
2018	570,934	N/A	N/A	132,903	125,757	3.8 %
2019	590,925	N/A	N/A	137,294	130,003	3.3 %
2020	607,391	N/A	N/A	142,313	134,755	8.2 %

⁽¹⁾ Source: U.S. Census Bureau

⁽²⁾ Amounts expressed in thousands.

⁽³⁾ Source: Texas Workforce Commission website

Information for fiscal years 2011 through 2016 from The Bureau of Economic Analysis website
Personal income information for 2017, 2018, 2019, and 2020 is not available.

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

⁽⁵⁾ Source: The Work Source website

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

MONTGOMERY COUNTY, TEXAS
Principal Employers
Current Year and Nine Years Ago

TABLE XV

2020 Employer ⁽¹⁾	Employees	Percentage of Total County Employment ⁽²⁾
Conroe Independent School District	7,951	3.04 %
Memorial Hermann - The Woodlands	2,650	1.01
Montgomery County, Texas	2,505	0.96
ExxonMobil	2,317	0.89
New Caney Independent School District	2,162	0.83
Occidental	2,020	0.77
Magnolia Independent School District	1,693	0.65
CHI St. Luke's The Woodlands Hospital	1,650	0.63
Houston Methodist The Woodlands Hospital	1,445	0.55
Alight Solutions	1,300	0.50
	<u>25,693</u>	<u>9.82 %</u>
2011 Employer ⁽³⁾	Employees	Percentage of Total County Employment ⁽²⁾
Conroe Independent School District	5,797	2.70 %
Anadarko Petroleum	2,566	1.20
Montgomery County, Texas	2,019	0.94
Magnolia Independent School District	1,616	0.75
Aon Hewitt	1,500	0.70
New Caney Independent School District	1,404	0.65
Memorial Hermann - The Woodlands	1,400	0.65
Lone Star Community College	1,000	0.47
Willis Independent School District	857	0.40
Huntsman Company LLC	775	0.36
	<u>18,934</u>	<u>8.82 %</u>

⁽¹⁾ 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.

⁽²⁾ Total County Employment for 2011 and 2020:

214,540 and 261,509 respectively

Source: <http://www.wrksolutions.com>

⁽³⁾ <http://ritter.tea.state.tx.us>

<http://www.edpartnership.net>



MONTGOMERY COUNTY, TEXAS
County Employees by Function ⁽¹⁾
Last Ten Fiscal Years

TABLE XVI

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Administration	135	127	132	130	132	125	125	123	119	-
Judicial	269	278	289	291	297	296	304	301	284	-
Legal Services	30	32	32	33	32	33	34	34	34	-
Elections	11	11	11	11	12	15	15	13	15	-
Financial Administration	95	101	103	99	93	98	102	99	98	-
Public Facilities	388	405	404	398	415	416	420	433	371	-
Public Safety	628	655	662	679	714	742	762	777	1011	-
Health and Welfare	77	77	48	46	47	48	89	91	90	-
Culture and Recreation	161	161	161	162	163	140	141	140	120	-
Conservation	20	21	21	10	19	10	20	23	23	-
Public Transportation	205	213	226	230	232	249	259	258	213	-
General Government	-	-	-	-	-	-	-	-	-	233
Financial Administration	-	-	-	-	-	-	-	-	-	115
Health & Human Services	-	-	-	-	-	-	-	-	-	117
Culture & Recreation	-	-	-	-	-	-	-	-	-	174
Law Enforcement & Corrections	-	-	-	-	-	-	-	-	-	1,297
Legal & Judicial	-	-	-	-	-	-	-	-	-	342
Transportation	-	-	-	-	-	-	-	-	-	227
	<u>2,019</u>	<u>2,081</u>	<u>2,089</u>	<u>2,089</u>	<u>2,156</u>	<u>2,172</u>	<u>2,271</u>	<u>2,292</u>	<u>2,378</u>	<u>2,505</u>

⁽¹⁾ Information derived from the annual salary schedules adopted by Montgomery County Commissioners' Court.

MONTGOMERY COUNTY, TEXAS
Operating Indicators by Function
Last Ten Fiscal Years

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government				
Construction permits issued ⁽¹⁾	2,440	2,905	4,336	4,947
Estimated value of construction ⁽¹⁾⁽²⁾	575,758	1,054,912	1,344,371	2,019,423
Health inspections performed ⁽³⁾	11,638	14,214	14,968	15,623
Birth certificates filed ⁽⁴⁾	5,283	5,213	5,325	5,392
Death certificates filed ⁽⁴⁾	2,214	2,235	2,384	2,638
Marriage license applications ⁽⁴⁾	2,351	2,399	2,630	2,795
Registered voters ⁽⁵⁾	244,080	260,253	265,424	274,536
Number of voting precincts ⁽⁵⁾	85	86	86	89
Public Safety - Sheriff				
Total arrests ⁽⁶⁾	20,802	22,057	22,758	24,679
Average number of inmates ⁽⁶⁾	1,026	965	1,033	1,152
Calls for service ⁽⁶⁾	286,719	312,405	333,548	346,749
Number of accidents investigated ⁽⁶⁾	1,122	951	1,356	2,385
Miles patrolled ⁽⁶⁾	2,717,733	3,867,763	5,906,651	5,747,155
Gallons of gas used ⁽⁶⁾	409,337	444,854	465,391	468,806
Culture and Recreation - Libraries (tentative)				
Number of items checked out ⁽⁷⁾	2,008,110	1,963,074	1,996,503	2,018,491
Number of libraries ⁽⁷⁾	7	7	7	7
Volumes in collection ⁽⁷⁾	670,068	683,803	691,892	686,870
Number of library visits ⁽⁷⁾	1,296,899	1,286,333	1,184,833	1,108,782
Library programs attendance ⁽⁷⁾	127,694	101,789	118,959	124,738

⁽¹⁾ Source: Montgomery County Engineer.

⁽²⁾ Dollar values are in thousands.

⁽³⁾ Source: Montgomery County Health Department.

⁽⁴⁾ Source: Montgomery County Clerk.

⁽⁵⁾ Source: Montgomery County Elections Administrator.

⁽⁶⁾ Source: Montgomery County Sheriff's Department.

⁽⁷⁾ Source: Montgomery County Memorial Library System Annual Report.

TABLE XVII

Fiscal Year					
2015	2016	2017	2018	2019	2020
4,754	4,052	4,381	5,549	5,057	6,857
1,381,849	1,414,524	1,386,391	1,514,299	1,582,931	1,742,289
17,274	16,552	16,197	16,719	15,406	13,599
6,602	5,766	6,996	8,144	6,436	6,450
2,820	2,874	3,643	4,437	3,167	3,716
4,505	2,927	2,869	4,420	2,871	2,824
289,000	308,597	315,946	330,768	339,779	364,581
89	90	90	96	96	100
22,523	21,483	22,473	18,855	22,402	18,481
1,058	999	933	944	937	859
317,501	411,796	355,936	610,315	672,825	411,121
4,184	4,937	5,931	6,063	6,125	7,638
5,876,771	4,063,212	4,232,396	3,952,673	4,279,456	4,732,334
490,073	368,033	368,412	343,644	388,891	407,036
2,055,189	2,066,886	2,192,792	2,547,829	2,820,839	1,973,871
7	7	7	7	7	7
665,009	694,536	711,777	717,314	703,658	677,853
1,107,085	1,105,760	1,075,000	923,129	901,935	498,055
130,780	134,163	169,467	150,020	169,079	102,934

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

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government				
Office Buildings/Courthouses ⁽¹⁾	42	43	43	38
Public Safety - Sheriff				
Sheriff's Vehicles ⁽²⁾	427	460	463	467
Academy Square Footage ⁽¹⁾	13,800	13,800	13,800	13,800
Public Transportation				
County Roads (miles) ⁽³⁾	2,640	2,656	2,685	2,703
Bridges ⁽³⁾	158	158	159	159
Public Facilities				
Park Acreage ⁽⁴⁾	2,072	2,956	2,061	2,061
Convention Center Square Footage ⁽⁵⁾	56,000	56,000	56,000	56,000
Community Centers ⁽²⁾	18	17	17	17
Culture and Recreation				
Total Library Square Footage ⁽⁶⁾	171,400	171,400	171,400	171,400

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

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

3) Montgomery County Engineer.

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

5) Montgomery County Civic Center Complex;

6) Montgomery County Memorial Library System Annual Report.

TABLE XVIII

2015	2016	2017	2018	2019	2020
44	49	49	49	49	49
505	512	555	648	650	627
13,800	13,800	13,800	13,800	13,800	13,800
2,704	2,751	2,771	2,811	2,843	2,878
160	160	160	160	160	160
2,089	2,089	2,089	2,289	2,289	2,289
56,000	56,000	56,000	56,000	56,000	56,000
17	17	17	17	17	17
171,400	173,800	173,800	173,800	173,800	173,800

