

# **MONTGOMERY COUNTY, TEXAS**

## **Monthly Unaudited Financial Report**



**For the Month Ended  
September 30, 2014**



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

**Prepared by**

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

**MONTGOMERY COUNTY, TEXAS**  
**Unaudited Monthly Financial Report**  
**As of September 30, 2014**

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

Phyllis L. Martin  
County Auditor

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

October 1, 2014

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

Honorable Judges and Commissioners:

The unaudited and unadjusted Monthly Financial Report of Montgomery County, Texas is submitted herewith for the period from September 1, 2014 through September 30, 2014. This report was prepared by the County Auditor in compliance with Chapter 114 Section 023 of the Local Government Code (Vernon's Texas Codes Annotated).

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

This report is designed to provide a general overview of Montgomery County's finances for all those with an interest in the County's finances at a specific point during the fiscal year. However, the reader should note that the report does not include those disclosures associated with, and usually made a part of, audited financial statements. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Montgomery County Auditor, P.O. Box 539, Conroe, Texas 77305-0539.

Respectfully submitted,

Phyllis L. Martin  
Montgomery County Auditor

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# **FINANCIAL STATEMENTS**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Consolidated Balance Sheet**  
**Governmental Funds**  
**For the 12 Months Ended September 30, 2014**

	<u>Total Governmental Funds</u>
<b>Assets:</b>	
Cash	\$ 40,957,792
Investments, at Fair Value	172,595,369
Receivables:	
Taxes (net)	6,162,560
Accounts (net)	13,754
<hr/>	
Due From Other Funds	56,166,431
Due From Other Governments	2,176
Loans Receivable	500,000
Prepaid Items	2,606,686
<b><u>Total Assets</u></b>	<b><u>279,004,768</u></b>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>	
Current Liabilities:	
Accounts Payable	1,894,317
Other Payables	1,507,688
Due to Other Funds	78,945,454
Due to Other Governments	12,600
Deferred Revenue	13,134,823
Total liabilities	<u>95,494,882</u>
Fund Balances:	
Reserved	84,062,405
Unreserved	99,447,481
Total Fund Balances	<u>183,509,886</u>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ 279,004,768</u></b>



**MONTGOMERY COUNTY, TEXAS**  
**Statement of Changes in Fund Balance - Governmental Funds**  
**For the 12 Months Ended September 30, 2014**

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Project Funds</u>	<u>Total All Funds</u>
Fund Balance, 9/1/2014	\$ 109,013,331	\$ 36,261,639	\$ 7,436,375	\$ 34,739,254	\$ 187,450,599
Revenues/Other Financing Sources	\$ 7,561,439	\$ 1,297,803	\$ 13,680,210	\$ -	\$ 22,539,452
Expenditures/Other Financing Uses	\$ (17,127,289)	\$ (8,454,768)	\$ (157,141)	\$ (740,967)	\$ (26,480,165)
Fund Balance, 9/30/2014	<u>\$ 99,447,481</u>	<u>\$ 29,104,674</u>	<u>\$ 20,959,444</u>	<u>\$ 33,998,287</u>	<u>\$ 183,509,886</u>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Net Position**  
**Internal Service Funds**  
**For the 12 Months Ended September 30, 2014**

	<u>Total Internal Service Funds</u>
<b>Assets:</b>	
Cash	\$ 32,863
Receivables:	
Accounts (net)	972,176
<hr/>	
Due From Other Funds	26,961,708
Capital Assets (net of accumulated depreciation):	
Buildings	873,912
Improvements	1,436
Equipment	108,551
Total assets	<u>28,950,646</u>
<b>Liabilities:</b>	
Current Liabilities:	
Accounts Payable	(286,388)
Other Payables	4,383,233
Due to General Fund	2,038,550
Due to Road & Bridge	48,853
Due to Wellness Clinic	2,084,118
Total liabilities	<u>8,268,366</u>
<b>Net Position:</b>	
Invested in capital assets	983,899
Unreserved	19,698,383
Total Net Position	<u>\$ 20,682,282</u>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Changes in Net Position**  
**Internal Service Funds**  
**For the 12 Months Ended September 30, 2014**

	<u>Total Internal Service Funds</u>
<b>Current Operating Revenues:</b>	
Fees	\$ 2,153,925
Miscellaneous	1,777
Total Operating Revenues	<u>2,155,702</u>
 <b>Current Operating Expenses:</b>	
Supplies	1,943
Services	1,953,328
Total Operating Expenses	<u>1,955,271</u>
Change in net position	200,431
Total Net Position - August 1, 2014	20,481,851
 <b>Total Net Position - August 31, 2014</b>	 <u><u>\$ 20,682,282</u></u>

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# **BUDGET STATUS**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 12 Months Ended September 30, 2014**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>GENERAL ADMINISTRATION:</u></b>					
County Judge	602,583	44,381	557,532	983	44,068
Human Resources	592,713	37,138	511,583		81,130
Risk Management	787,616	56,412	713,324	2,875	71,417
County Clerk	2,369,533	166,308	2,156,852	6,173	206,508
Collections	455,869	31,028	406,225	209	49,435
Veterans' Service	223,532	17,726	216,244	-	7,288
Information Technology Services	10,950,889	1,091,841	9,436,207	788,825	725,857
Purchasing Agent	2,184,246	156,577	1,923,712	9,132	251,402
Records Management & Preservation	462,380	16,103	378,016	51,195	33,169
Worthless Checks Division	74,213	4,316	51,331	-	22,882
County-Wide	10,878,486	2,205,488	8,792,557	275	2,085,654
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>29,582,060</u></b>	<b><u>3,827,318</u></b>	<b><u>25,143,583</u></b>	<b><u>859,667</u></b>	<b><u>3,578,810</u></b>
<b><u>JUDICIAL:</u></b>					
County Court No1	467,923	34,454	438,219	336	29,368
County Court No2	778,493	61,506	740,187	26	38,280
County Court No3	702,934	53,455	662,802	321	39,811
County Court No4	473,925	35,817	454,887	985	18,053
County Court No5	453,094	34,214	438,799	1,265	13,030
9 <sup>th</sup> District Court	321,633	21,256	254,076	1,894	65,663
410 <sup>th</sup> District Court	392,936	26,217	354,058	1,906	36,972
221 <sup>st</sup> District Court	336,015	23,676	306,997	90	28,928
284 <sup>th</sup> District Court	788,198	53,845	661,391	1,690	125,117
359 <sup>th</sup> District Court	371,240	29,252	354,635	-	16,605
418 <sup>th</sup> District Court	574,206	42,960	548,069	-	26,137
435 <sup>th</sup> District Court	245,437	19,491	231,968	-	13,469
Court Operations	6,625,665	566,549	6,453,872	680	171,113
Indigent Defense	145,060	12,162	139,321	-	5,739
Managed Assigned Counsel	483,956	29,038	37,191	107	446,658
Drug Court	996,049	78,370	738,509	4,399	253,141
Office of Court Admin	428,257	29,295	361,299	231	66,727
District Attorney	9,506,639	693,219	8,999,812	1,310	505,517
District Clerk	3,483,402	250,577	3,220,860	43,148	219,394
Justice of Peace Pct 1	670,845	52,636	620,798	451	49,596
Justice of Peace Pct 2	482,936	32,778	444,265	230	38,441
Justice of Peace Pct 3	931,763	70,203	869,142	2,580	60,041
Justice of Peace Pct 4	827,593	61,971	769,417	1,100	57,076
Justice of Peace Pct 5	437,367	31,172	406,586	1,769	29,012
Court Technology County/District	5,305	271	3,673	26	1,606

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 12 Months Ended September 30, 2014**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b>JUDICIAL (cont'd):</b>					
Court Guardianship	7,759	-	7,759	-	-
Court Reporter Service Fund	195,364	7,703	153,717	-	41,647
Juvenile Case Manager	117,259	8,971	113,557	-	3,702
Justice Court Technology	27,686	1,168	19,161	950	7,575
<b><u>TOTAL JUDICIAL</u></b>	<b>31,273,634</b>	<b>2,361,955</b>	<b>28,801,354</b>	<b>65,468</b>	<b>2,406,812</b>
<b><u>LEGAL:</u></b>					
County Attorney	3,208,465	236,277	2,721,757	11,433	475,275
Law Library	394,920	26,848	348,141	289	46,490
Alternate Dispute Resolution	130,830	12,611	112,683	-	18,147
<b><u>TOTAL LEGAL</u></b>	<b>3,734,215</b>	<b>275,736</b>	<b>3,182,581</b>	<b>11,722</b>	<b>539,912</b>
<b><u>ELECTIONS:</u></b>					
<b><u>TOTAL ELECTIONS</u></b>	<b>1,279,427</b>	<b>138,782</b>	<b>2,426,524</b>	<b>36,958</b>	<b>(1,184,055)</b>
<b><u>FINANCIAL ADMINISTRATION:</u></b>					
County Auditor	1,983,806	153,752	1,844,833	2,241	136,732
County Treasurer	682,574	52,443	632,941	1,529	48,104
Tax Assessor-Collector	4,319,927	280,293	3,669,262	6,892	643,773
<b><u>TOTAL FINANCIAL ADM</u></b>	<b>6,986,307</b>	<b>486,488</b>	<b>6,147,036</b>	<b>10,662</b>	<b>828,609</b>
<b><u>PUBLIC FACILITIES:</u></b>					
Custodial Services	5,569,294	431,472	4,794,566	344,123	430,605
Building Maintenance	3,187,566	232,538	2,956,292	8,662	222,612
Precinct 3 Parks and Comm. Center	777,568	35,304	235,900	272	541,396
EMCID Friendship Center Grant	42	-	-	-	42
Jail	50,231,631	4,436,827	47,249,916	2,259,397	722,318
Civic Center	1,396,763	92,247	1,316,819	8,260	71,684
Magnolia Park	71,803	-	-	-	71,803
<b><u>TOTAL PUBLIC FACILITIES</u></b>	<b>61,234,667</b>	<b>5,228,388</b>	<b>56,553,493</b>	<b>2,620,714</b>	<b>2,060,460</b>
<b><u>PUBLIC SAFETY:</u></b>					
Fire Marshal	1,145,658	92,445	1,035,494	753	109,411
Constable Pct 1	3,426,951	262,207	3,341,876	9,731	75,344
Constable Pct 2	1,607,431	115,660	1,509,241	3,871	94,319
Constable Pct 3	3,184,819	249,344	3,033,180	90,401	61,238
Constable Pct 4	2,662,479	196,977	2,595,528	3,494	63,457
Constable Pct 5	2,284,872	170,251	2,116,535	4,937	163,400
Sheriff	42,734,654	3,077,115	39,719,483	485,617	2,529,554
Sheriff Commissary	683,360	8,403	499,892	-	183,468
Juvenile Services	10,876,113	616,792	7,316,505	106,999	3,452,609
Adult Services	503,905	18,277	294,222	200	209,483
Emergency Management	2,948,418	94,222	1,693,809	237,674	1,016,935
Department of Public Safety	101,412	7,739	98,477	-	2,935
Forfeitures	825,722	1,365	594,299	-	231,423
Records Management County	432,106	28,929	361,203	152	70,751
Courthouse Security	440,000	43,903	416,642	89	23,269
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b>73,857,900</b>	<b>4,983,629</b>	<b>64,626,386</b>	<b>943,918</b>	<b>8,287,596</b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 12 Months Ended September 30, 2014**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>HEALTH AND WELFARE:</u></b>					
Vehicle Emission Program	400,454	-	177,477	45,500	177,477
Forensic Services	1,297,443	75,788	956,578	8,580	332,285
Medical: Contract Services	90,000	7,500	90,000	-	-
Mental Health: Contract Services	302,525	522	236,716	-	65,809
Environmental Health	2,347,005	180,919	2,231,445	5,141	110,419
Mental Health Facility	13,561,391	1,084,804	13,259,654	-	301,737
Community Development	7,397,700	88,843	3,215,637	1,060,854	3,121,209
Animal Control	981,695	70,709	926,322	24,560	30,813
Animal Shelter	1,476,520	63,444	1,463,779	-	12,741
Child Welfare	142,636	10,174	61,348	170	81,118
Welfare:					
Contract Services	999,231	23,597	999,231	-	-
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b><u>28,996,600</u></b>	<b><u>1,606,300</u></b>	<b><u>23,618,187</u></b>	<b><u>1,144,805</u></b>	<b><u>4,233,608</u></b>
<b><u>CONSERVATION:</u></b>					
Extension Agent	614,915	45,263	571,062	513	43,340
Precinct 3 Recycling Center	813,267	24,535	463,060	(552)	350,759
<b><u>TOTAL CONSERVATION</u></b>	<b><u>1,428,182</u></b>	<b><u>69,798</u></b>	<b><u>1,034,122</u></b>	<b><u>(39)</u></b>	<b><u>394,099</u></b>
<b><u>CULTURE &amp; RECREATION:</u></b>					
Memorial Library	9,450,017	750,470	8,533,352	40,175	876,490
Historical Commissions	50,000	6,329	50,000	-	-
<b><u>TOTAL CULTURE &amp; RECREATION</u></b>	<b><u>9,500,017</u></b>	<b><u>756,799</u></b>	<b><u>8,583,352</u></b>	<b><u>40,175</u></b>	<b><u>876,490</u></b>
<b><u>PUBLIC TRANSPORTATION:</u></b>					
Airport	19,780,833	64,319	1,043,855	251,001	18,485,977
County Engineer	3,282,860	1,051,768	2,698,638	35,094	549,128
Commissioner Pct 1	10,631,247	1,106,869	7,280,192	121,970	3,229,085
Commissioner Pct 2	12,054,259	1,782,086	7,334,269	73,322	4,646,668
Commissioner Pct 3	11,865,764	533,867	5,629,471	962,459	5,273,834
Commissioner Pct 4	12,389,623	1,336,608	9,540,594	179,458	2,669,571
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<b><u>70,004,586</u></b>	<b><u>5,875,517</u></b>	<b><u>33,527,019</u></b>	<b><u>1,623,304</u></b>	<b><u>34,854,263</u></b>
<b><u>DEBT SERVICE:</u></b>					
Reserve for Fund Balance	3,952,484	-	-	-	3,952,484
Principal	19,460,000	-	19,460,000	-	-
Interest	21,006,521	1,613	17,618,628	-	3,387,893
Issuance Costs	459,356	155,528	380,540	-	78,816
Payment to Escrow Agent	116,050,451	-	118,083,207	-	-
<b><u>TOTAL DEBT SERVICE</u></b>	<b><u>160,928,812</u></b>	<b><u>157,141</u></b>	<b><u>155,542,375</u></b>	<b><u>-</u></b>	<b><u>7,419,193</u></b>
<b><u>MISCELLANEOUS:</u></b>					
<b><u>TOTAL MISCELLANEOUS</u></b>	<b><u>398,361</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>398,361</u></b>
<b><u>TOTAL EXPENDITURES - GOVERNMENTAL FUNDS</u></b>	<b><u>479,204,768</u></b>	<b><u>25,767,851</u></b>	<b><u>409,186,012</u></b>	<b><u>7,357,354</u></b>	<b><u>64,694,158</u></b>



**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 12 Months Ended September 30, 2014**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>INTERNAL SERVICE FUNDS</u></b>					
<b><u>GENERAL ADMINISTRATION:</u></b>					
Employee Health	-	1,548,858	19,676,887	-	(19,676,887)
Retiree Health	-	154,779	2,264,665	-	(2,264,665)
Optional Health	-	66,144	765,957	-	(765,957)
Cobra Coverage	-	2,175	58,450	-	(58,450)
Employee Life	-	10,448	125,596	-	(125,596)
Risk Mgt - Workers Comp	775,000	-	772,585	-	2,415
Risk Mgt-Prop/Casltly/Liab	900,000	80,443	1,766,320	-	(866,320)
Wellness Clinic	-	92,425	1,106,066	-	(1,106,066)
<b>TOTAL GENERAL ADM</b>	<b>1,675,000</b>	<b>1,955,272</b>	<b>26,536,526</b>	<b>-</b>	<b>(24,861,526)</b>
<b>TOTAL INTERNAL SERVICE FUNDS</b>	<b>1,675,000</b>	<b>1,955,272</b>	<b>26,536,526</b>	<b>-</b>	<b>(24,861,526)</b>
<b><u>ENTERPRISE FUNDS</u></b>					
North/South Connectors	-	-	425,000	75,000	(500,000)
<b>TOTAL ENTERPRISE FUNDS</b>	<b>-</b>	<b>-</b>	<b>425,000</b>	<b>75,000</b>	<b>(500,000)</b>

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# **SCHEDULES**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Transfers In and Out by Fund**  
**For the 12 Months Ended September 30, 2014**

	Transfers In	Transfers Out
General Fund	\$ 1,121,914	\$ 1,421,914
Jury	300,000	-
Mental Health Facility	-	1,121,914
Debt Service	1,121,914	-
	\$ 2,543,828	\$ 2,543,828
<b>TOTAL FINANCING USES</b>		

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Bond Indebtedness**  
**As of September 30, 2014**

	<u>Interest Rate (%)</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balances Outstanding</u>
<b>GENERAL OBLIGATION BONDS:</b>				
Refunding Bonds, Series 2005	5.00	2005	2020	3,005,000
Road Bonds Fixed Rate, Series 2006A	4.00-5.00	2006	2027	955,000
Road Bonds Adjustable Rate, Series 2006B	4.75	2006	2030	20,195,000
Refunding Bonds, Series 2007	4.00-5.50	2007	2026	36,865,000
Road Bonds, Series 2008A	3.50-5.25	2008	2030	4,355,000
Refunding Bonds, Series 2008	3.50-5.00	2008	2018	4,545,000
Road Bonds Adjustable Rate, Series 2008B	5.12-5.25	2008	2032	34,705,000
Refunding Bonds, Series 2010	4.00-5.00	2010	2030	43,380,000
Refunding Bonds, Series 2012	2.00-5.00	2012	2026	28,800,000
Refunding Bonds, Series 2014	1.75-2.27	2014	2020	28,250,000
Refunding Bonds, Series 2014A	5.00	2014	2025	73,510,000
<b>TOTAL GENERAL OBLIGATION BONDS PAYABLE</b>				<u>278,565,000</u>
<b>REVENUE BONDS:</b>				
Toll Revenue Bonds, Series 2009	3.00-5.00	2009	2032	28,860,000
Toll Revenue Bonds, Series 2010	3.00-5.00	2011	2021	23,255,000
Pass Thru Toll Revenue and Limited Tax Bonds, Series 2012	3.00-5.00	2012	2023	15,880,000
<b>TOTAL REVENUE BONDS PAYABLE</b>				<u>67,995,000</u>
<b>CERTIFICATES OF OBLIGATION:</b>				
Series 2006	3.75-5.00	2006	2027	1,325,000
Series 2007	4.00-4.63	2008	2027	5,385,000
Series 2008	3.50-5.25	2008	2027	10,475,000
Series 2010	3.00-5.40	2010	2039	30,330,000
Series 2012	2.00-4.00	2012	2032	13,915,000
Series 2012A	2.00-5.00	2012	2023	13,125,000
<b>TOTAL CERTIFICATES OF OBLIGATION</b>				<u>74,555,000</u>
<b>TOTAL BONDED DEBT</b>				<u><u>\$ 421,115,000</u></u>