

# **MONTGOMERY COUNTY, TEXAS**

## **Monthly Unaudited Financial Report**



**For the Month Ended  
June 30, 2013**



**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 June 30, 2013**

**TABLE OF CONTENTS**

---

	<b>Page</b>
County Auditor's Letter of Transmittal	i
<b><u>FINANCIAL STATEMENTS</u></b>	
Consolidated Balance Sheet, All Funds	2
Changes in Fund Balance, All Funds	3
Statement of Net Assets - Internal Service Funds	4
Statement of Changes in Net Assets - Internal Service Funds	5
<b><u>BUDGET STATUS</u></b>	
Schedule of Expenditures - All Departments - Budget and Year-to-Date Actual	8-11
<b><u>SCHEDULES</u></b>	
Transfers In and Out - By Fund	13
Schedule of Bond Indebtedness	14



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

Phyllis L. Martin  
County Auditor

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

August 2, 2013

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 June 1, 2013 through June 30, 2013. 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

PLM/mg

This page left blank intentionally.

# **FINANCIAL STATEMENTS**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Consolidated Balance Sheet**  
**Governmental Funds**  
**For the Month Ended June 30, 2013**

	<u>Total Governmental Funds</u>
<b>Assets:</b>	
Cash	\$ 89,047,220
Investments, at Fair Value	219,189,971
Restricted Cash	28
Receivables:	
Taxes (net)	6,485,915
Accounts (net)	43,526
<hr/>	
Due From Other Funds	228,583,106
Due From Other Governments	5,908
Inventory, at Cost	103,393
Prepaid Items	2,972,209
<b><u>Total Assets</u></b>	<b><u>546,431,276</u></b>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>	
Current Liabilities:	
Accounts Payable	7,217,678
Other Payables	1,403,786
Due to Other Funds	278,327,342
Due to Other Governments	4,627,848
Deferred Revenue	9,507,218
Total liabilities	<u>301,083,872</u>
Fund Balances:	
Reserved	110,324,830
Unreserved	135,022,574
Total Fund Balances	<u>245,347,404</u>
<b><u>TOTAL LIABILITIES AND FUND BALANCES</u></b>	<b><u>\$ 546,431,276</u></b>



**MONTGOMERY COUNTY, TEXAS**  
**Statement of Changes in Fund Balance - Governmental Funds**  
**For the Month Ended June 30, 2013**

	<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, 6/01/2013	\$ 120,712,127	\$ 31,816,656	\$ 11,705,334	\$ 60,668,555	\$ 224,902,672
Revenues/Other Financing Sources	\$ 71,311,540	\$ 2,877,184	\$ 58,330,776	\$ 2,294	\$ 132,521,794
Expenditures/Other Financing Uses	\$ (57,001,093)	\$ (4,402,566)	\$ (44,228,518)	\$ (6,444,885)	\$ (112,077,062)
Fund Balance, 6/30/2013	<u>\$ 135,022,574</u>	<u>\$ 30,291,274</u>	<u>\$ 25,807,592</u>	<u>\$ 54,225,964</u>	<u>\$ 245,347,404</u>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Net Assets**  
**Internal Service Funds**  
**For the 9 Months Ended June 30, 2013**

	<u>Total Internal Service Funds</u>
<b>Assets:</b>	
Cash	\$ 791,635
Receivables:	
Accounts (net)	393,622
<hr/>	
Due From Other Funds	18,970,808
Capital Assets (net of accumulated depreciation):	
Buildings	893,392
Improvements	1,676
Equipment	129,944
Total assets	<u>21,181,077</u>
<b>Liabilities:</b>	
Current Liabilities:	
Accounts Payable	(687,201)
Other Payables	3,921,659
Due to General Fund	722,181
Due to Road & Bridge	4,000
Due to Wellness Clinic	767,748
Total liabilities	<u>4,728,387</u>
<b>Net assets:</b>	
Net assets, invested in capital assets	1,025,012
Unreserved	15,427,678
Total net assets	<u>\$ 16,452,690</u>

**MONTGOMERY COUNTY, TEXAS**  
**Statement of Changes in Net Assets**  
**Internal Service Funds**  
**For the 9 Months Ended June 30, 2013**

	<u>Total Internal Service Funds</u>
<b>Current Operating Revenues:</b>	
Fees	\$ 2,114,473
Miscellaneous	1,938
Total Operating Revenues	<u>2,116,411</u>
<b>Current Operating Expenses:</b>	
Supplies	2,184
Services	1,594,258
Miscellaneous	30,000
Total Operating Expenses	<u>1,626,442</u>
Nonoperating revenues (expenses)	
Interest Income	
Total nonoperating revenues (expenses)	
Change in net assets	489,969
Total net assets - June 1, 2013	15,962,721
<b>Total net assets - June 30, 2013</b>	<u><u>\$ 16,452,690</u></u>

This page left blank intentionally.

**BUDGET STATUS**  
(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 9 Months Ended June 30, 2013**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>GENERAL ADMINISTRATION:</u></b>					
County Judge:	553,590	43,167	400,870	1,120	151,600
Human Resources:	567,994	39,591	388,754	175	179,065
Risk Management:	857,944	53,171	539,861	525	317,558
County Clerk:	2,291,120	164,883	1,603,644	2,597	684,879
Collections:	493,882	30,046	281,444	423	212,015
Environmental Health/Alarm:	5,269	-	-	-	5,269
Veterans' Service	214,554	16,205	157,978	-	56,576
Information Technology Services	8,690,498	311,775	4,219,834	378,567	4,092,097
Purchasing Agent	2,227,426	144,150	1,514,188	4,312	708,926
Records Management & Preservation	391,474	24,143	256,231	-	135,243
Records Management District Clerk	67,572	408	35,377	-	32,195
Worthless Checks Division	70,857	3,956	39,062	-	31,795
County-Wide	9,162,377	369,647	5,601,768	719	3,559,890
<b><u>TOTAL GENERAL ADM</u></b>	<b><u>25,594,557</u></b>	<b><u>1,201,142</u></b>	<b><u>15,039,011</u></b>	<b><u>388,438</u></b>	<b><u>10,167,108</u></b>
<b><u>JUDICIAL:</u></b>					
County Court No1	438,040	33,940	308,819	602	128,619
County Court No2	738,570	59,503	532,191	-	206,379
County Court No3	633,912	50,408	427,604	52	206,256
County Court No4	447,899	33,195	322,681	391	124,827
County Court No5	424,530	31,830	304,263	699	119,568
9 <sup>th</sup> District Court	281,482	15,877	196,102	363	85,017
410 <sup>th</sup> District Court	377,222	29,038	272,238	-	104,984
221 <sup>st</sup> District Court	320,907	21,948	213,970	-	106,937
284 <sup>th</sup> District Court	703,665	52,852	489,447	-	214,218
359 <sup>th</sup> District Court	350,960	25,180	249,024	160	101,776
418 <sup>th</sup> District Court	540,173	40,902	386,413	104	153,656
435 <sup>th</sup> District Court	232,624	16,801	162,834	-	69,790
Court Operations	6,424,457	408,274	4,286,191	15,218	2,123,048
Indigent Defense	123,562	11,905	112,924	-	10,638
Managed Assigned Counsel	483,956	28,528	268,740	20,546	194,670
Drug Court	993,541	72,755	464,645	1,172	527,724
Office of Court Admin	425,917	16,942	165,396	2,630	257,891
District Attorney	8,820,525	637,236	6,446,920	4,669	2,368,936
District Clerk	3,332,107	262,388	2,355,426	12,155	964,526
Justice of Peace Pct 1	619,273	48,000	445,343	562	173,368
Justice of Peace Pct 2	470,030	34,402	309,359	494	160,177
Justice of Peace Pct 3	897,591	66,840	638,163	1,144	258,284
Justice of Peace Pct 4	792,053	61,750	578,634	291	213,128
Justice of Peace Pct 5	420,242	30,997	295,524	-	124,718
Courthouse Security	335,000	27,670	283,774	14,450	36,776
Court Technology County/District	4,056	337	1,994	26	2,036

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 9 Months Ended June 30, 2013**

Page 2 of 4

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b>JUDICIAL (cont'd):</b>					
Court Guardianship	-	-	800	-	(800)
Court Reporter Service Fund	126,851	10,864	100,796	1,070	24,985
Juvenile Case Manager	110,224	8,681	81,425	-	28,799
Justice Court Technology	40,169	825	38,560	-	1,609
<b><u>TOTAL JUDICIAL</u></b>	<b><u>29,570,482</u></b>	<b><u>2,111,861</u></b>	<b><u>20,454,432</u></b>	<b><u>62,322</u></b>	<b><u>9,053,728</u></b>
<b><u>LEGAL:</u></b>					
County Attorney	2,540,242	185,735	1,731,761	5,198	803,283
Law Library	407,636	27,651	255,398	99	152,139
Alternate Dispute Resolution	145,543	-	78,166	-	67,377
<b><u>TOTAL LEGAL</u></b>	<b><u>3,093,421</u></b>	<b><u>213,386</u></b>	<b><u>2,065,325</u></b>	<b><u>5,297</u></b>	<b><u>1,022,799</u></b>
<b><u>ELECTIONS:</u></b>					
<b><u>TOTAL ELECTIONS</u></b>	<b><u>1,275,110</u></b>	<b><u>81,027</u></b>	<b><u>1,382,640</u></b>	<b><u>84,307</u></b>	<b><u>(191,837)</u></b>
<b><u>FINANCIAL ADMINISTRATION:</u></b>					
County Auditor	1,883,510	144,402	1,277,804	1,310	604,396
County Treasurer	649,571	48,904	471,867	-	177,704
Tax Assessor-Collector	4,373,943	289,951	2,896,536	14,940	1,462,467
<b><u>TOTAL FINANCIAL ADM</u></b>	<b><u>6,907,024</u></b>	<b><u>483,257</u></b>	<b><u>4,646,207</u></b>	<b><u>16,250</u></b>	<b><u>2,244,567</u></b>
<b><u>PUBLIC FACILITIES:</u></b>					
Custodial Services	3,113,611	218,786	2,189,357	18,290	905,964
Building Maintenance	5,662,730	373,513	3,476,049	228,020	1,958,661
Precinct 3 Parks and Comm. Center	-	27,438	296,582	-	(296,582)
EMCID Friendship Center Grant	52,207	15,472	15,472	-	36,735
Jail	37,575,917	3,350,285	25,607,027	210,889	11,758,001
Civic Center	1,230,051	59,214	722,128	35,935	471,988
<b><u>TOTAL PUBLIC FACILITIES</u></b>	<b><u>47,634,516</u></b>	<b><u>4,044,708</u></b>	<b><u>32,306,615</u></b>	<b><u>493,134</u></b>	<b><u>14,834,767</u></b>
<b><u>PUBLIC SAFETY:</u></b>					
Fire Marshal	1,077,556	75,656	729,511	1,314	346,731
Constable Pct 1	3,212,973	234,270	2,372,840	11,637	828,496
Constable Pct 2	1,376,187	104,108	994,100	5,110	376,977
Constable Pct 3	2,749,000	208,701	1,914,161	9,817	825,022
Constable Pct 4	2,398,496	184,627	1,721,084	4,331	673,081
Constable Pct 5	2,118,677	156,233	1,485,471	9,665	623,541
Sheriff	38,303,364	2,782,083	27,427,829	1,009,967	9,865,568
Sheriff Commissary	83,000	28,280	383,545	-	(300,545)
Juvenile Services	7,899,151	506,839	5,143,562	38,912	2,716,677
Adult Services	6,959,016	379,417	3,688,924	5,828	3,264,264
Emergency Management	3,773,052	87,968	1,654,719	396,725	1,721,608
Department of Public Safety	102,809	7,454	70,758	-	32,051
Forfeitures	680,912	109,290	765,288	-	(84,376)
Records Management County	431,851	29,766	355,325	8,760	67,766
Courthouse Security	335,000	27,670	283,774	14,450	36,776
<b><u>TOTAL PUBLIC SAFETY</u></b>	<b><u>71,501,044</u></b>	<b><u>4,922,362</u></b>	<b><u>48,990,891</u></b>	<b><u>1,516,516</u></b>	<b><u>20,993,637</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 9 Months Ended June 30, 2013**

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<b><u>HEALTH AND WELFARE:</u></b>					
Vehicle Emission Program	237,845	-	216,880	-	20,965
Forensic Services	1,299,619	82,776	691,829	4,595	603,195
Medical: Contract Services	90,000	7,500	67,500	-	22,500
Mental Health: Contract Services	318,525	1,204	173,570	-	144,955
Environmental Health	2,290,135	171,405	1,624,498	474	665,163
Mental Health Facility	13,179,219	1,142,798	9,288,498	-	3,890,721
Community Development	19,701,454	73,071	1,821,658	701,007	17,178,789
Animal Control	999,589	76,839	720,185	3,802	275,602
Animal Shelter	1,451,260	118,311	1,108,327	1,620	341,313
Child Welfare	117,451	5,926	44,862	544	72,045
Welfare:					
Contract Services	966,731	23,597	725,048	-	241,683
<b><u>TOTAL HEALTH/WELFARE</u></b>	<b>40,651,828</b>	<b>1,703,427</b>	<b>16,482,855</b>	<b>712,042</b>	<b>23,456,931</b>
<b><u>CONSERVATION:</u></b>					
Extension Agent	586,533	42,150	429,015	2,719	154,799
Precinct 3 Recycling Center	597,077	30,365	346,788	310	249,979
<b><u>TOTAL CONSERVATION</u></b>	<b>1,183,610</b>	<b>72,515</b>	<b>775,803</b>	<b>3,029</b>	<b>404,778</b>
<b><u>CULTURE &amp; RECREATION:</u></b>					
Memorial Library	9,257,401	632,065	6,343,779	151,873	2,761,749
Historical Commissions	55,000	6,250	35,911	-	19,089
<b><u>TOTAL CULTURE &amp; RECREATION</u></b>	<b>9,312,401</b>	<b>638,315</b>	<b>6,379,690</b>	<b>151,873</b>	<b>2,780,838</b>
<b><u>PUBLIC TRANSPORTATION:</u></b>					
Airport	1,217,160	46,149	510,248	55,105	651,807
County Engineer	1,492,235	122,231	1,063,605	61	428,569
Commissioner Pct 1	5,941,428	411,122	4,121,938	111,551	1,707,939
Commissioner Pct 2	8,856,461	290,725	3,550,999	49,293	5,256,169
Commissioner Pct 3	6,539,018	234,123	2,655,494	292,498	3,591,026
Commissioner Pct 4	7,827,949	499,023	3,859,501	91,510	3,876,938
<b><u>TOTAL PUBLIC TRANSPORTATION</u></b>	<b>31,874,251</b>	<b>1,603,373</b>	<b>15,761,785</b>	<b>600,018</b>	<b>15,512,448</b>
<b><u>DEBT SERVICE:</u></b>					
Issuance Costs	245,616	163,841	368,818	-	(123,202)
Principal	20,185,151	867,063	20,185,150	-	1
Interest	22,095,332	854,677	12,493,316	-	9,602,016
<b><u>TOTAL DEBT SERVICE</u></b>	<b>42,526,099</b>	<b>1,885,581</b>	<b>33,047,284</b>	<b>-</b>	<b>9,478,815</b>
<b><u>MISCELLANEOUS:</u></b>					
<b><u>TOTAL MISCELLANEOUS</u></b>	<b>841,497</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>841,497</b>
<b><u>TOTAL EXPENDITURES - GOVERNMENTAL FUNDS</u></b>	<b>311,965,840</b>	<b>18,960,954</b>	<b>197,332,538</b>	<b>4,033,226</b>	<b>110,600,076</b>



**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Expenditures - All Departments**  
**Budget and Year-to-Date Actual for the 9 Months Ended June 30, 2013**

	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	19,297,000	1,237,777	13,422,221	-	5,874,779
Retiree Health	1,755,200	90,172	919,990	-	835,210
Optional Health	774,400	66,117	571,829	-	202,571
Cobra Coverage	51,700	6,772	30,951	-	20,749
Employee Life	122,000	10,266	92,371	-	29,629
Risk Mgt - Workers Comp	1,083,373	70,000	792,574	-	290,799
Risk Mgt-Prop/Casltly/Liab	900,000	55,516	1,077,463	1,100	(178,563)
Wellness Clinic	1,085,100	89,822	816,874	361	267,865
<b>TOTAL GENERAL ADM</b>	<b>25,068,773</b>	<b>1,626,442</b>	<b>17,724,273</b>	<b>1,461</b>	<b>7,343,039</b>
<b><u>TOTAL INTERNAL SERVICE FUNDS</u></b>	<b><u>25,068,773</u></b>	<b><u>1,626,442</u></b>	<b><u>17,724,273</u></b>	<b><u>1,461</u></b>	<b><u>7,343,039</u></b>

This page left blank intentionally.

# **SCHEDULES**

(unaudited)

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Transfers In and Out by Fund**  
**For the 9 Months Ended June 30, 2013**

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,266,678	\$ 47,516,399
Jury	300,000	-
Mental Health Facility	-	1,266,678
Adult Probation - Supervision	-	11,000
Adult Probation - Case Reduction	1,000	1,000
Adult Probation - Mental Impairment	11,000	-
Debt Service	1,266,678	-
MC Jail Financing Corp (340)	45,949,721	-
<b>TOTAL FINANCING USES</b>	<b><u>\$ 48,795,077</u></b>	<b><u>\$ 48,795,077</u></b>

**MONTGOMERY COUNTY, TEXAS**  
**Schedule of Bond Indebtedness**  
**As of June 30, 2013**

	<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	32,590,000
Road Bonds Fixed Rate, Series 2006A	4.00-5.00	2006	2027	45,525,000
Road Bonds Adjustable Rate, Series 2006B	4.75	2006	2030	20,195,000
Refunding Bonds, Series 2007	4.00-5.50	2007	2026	38,285,000
Road Bonds, Series 2008A	3.50-5.25	2008	2030	10,610,000
Refunding Bonds, Series 2008	3.50-5.00	2008	2018	5,900,000
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	30,400,000
<b>TOTAL GENERAL OBLIGATION BONDS PAYABLE</b>				<b>261,590,000</b>
<b>REVENUE BONDS:</b>				
Tax Bonds, Series 2009	3.00-5.00	2009	2032	32,785,000
Toll Revenue Bonds, Series 2010	3.00-5.00	2011	2021	26,410,000
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>				<b>75,075,000</b>
<b>CERTIFICATES OF OBLIGATION:</b>				
Series 2004	3.00-4.60	2004	2020	175,000
Series 2006	3.75-5.00	2006	2027	22,235,000
Series 2007	4.00-4.63	2008	2027	7,935,000
Series 2008	3.50-5.25	2008	2027	20,755,000
Series 2010	3.00-5.40	2010	2039	31,060,000
Series 2012	2.00-4.00	2012	2032	14,420,000
Series 2012A	2.00-5.00	2012	2023	13,350,000
<b>TOTAL CERTIFICATES OF OBLIGATION</b>				<b>109,930,000</b>
<b>TOTAL BONDED DEBT</b>				<b>\$ 446,595,000</b>