

MONTGOMERY COUNTY, TEXAS

Monthly Unaudited Financial Report



**For the Month Ended
December 31, 2016**

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 December 31, 2016

TABLE OF CONTENTS

	Page
County Auditor's Letter of Transmittal	i
<u>FINANCIAL STATEMENTS</u>	
Consolidated Balance Sheet, All Funds	2
Changes in Fund Balance, All Funds	3
Statement of Net Position - Internal Service Funds	4
Statement of Changes in Net Position - Internal Service Funds	5
<u>BUDGET STATUS</u>	
Schedule of Expenditures - All Departments - Budget and Year-to-Date Actual	8-11
<u>SCHEDULES</u>	
Schedule of Revenues and Expenses - Montgomery County Toll Road Authority	13
Transfers In and Out - By Fund	14
Schedule of Bond Indebtedness	15



Montgomery County, Texas
Office of the County Auditor
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Phyllis L. Martin
County Auditor

Angela H. Blocker
1st Assistant County Auditor

May 9, 2017

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

Honorable Judges and Commissioners:

The unaudited and unadjusted Monthly Financial Report of Montgomery County, Texas is submitted herewith for the period from December 1, 2016 through December 31, 2016. 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 3 Months Ended December 31, 2016

	<u>Total Governmental Funds</u>
Assets:	
Cash	\$ 89,687,465
Investments, at Fair Value	299,921,142
Receivables:	
Taxes (net)	6,295,480
Accounts (net)	18,337
Due From Other Funds	133,229,225
Prepaid Items	106,290
<u>Total Assets</u>	<u>529,257,939</u>
 <u>LIABILITIES AND FUND BALANCES:</u>	
Current Liabilities:	
Accounts Payable	5,943,558
Other Payables	61,717
Due to Other Funds	154,795,368
Due to Other Governments	10,211
Deferred Revenue	(50,151,591)
Total liabilities	110,659,263
Fund Balances:	
Reserved	249,321,239
Unreserved	169,277,437
Total Fund Balances	418,598,676
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 529,257,939</u>

MONTGOMERY COUNTY, TEXAS
Statement of Changes in Fund Balance - Governmental Funds
For the 3 Months Ended December 31, 2016

	<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, 12/1/2016	\$ 101,321,285	\$ 29,906,729	\$ 51,463,950	\$ 62,077,467	\$ 244,769,431
Revenues/Other Financing Sources	\$ 86,966,661	\$ 17,543,320	\$ 69,905,939	\$ 81,119,191	\$ 255,535,111
Expenditures/Other Financing Uses	\$ (19,010,509)	\$ (8,692,545)	\$ (51,755,248)	\$ (2,247,564)	\$ (81,705,866)
Fund Balance, 12/31/2016	<u>\$ 169,277,437</u>	<u>\$ 38,757,504</u>	<u>\$ 69,614,641</u>	<u>\$ 140,949,094</u>	<u>\$ 418,598,676</u>

MONTGOMERY COUNTY, TEXAS
Statement of Net Position
Internal Service Funds
For the 3 Months Ended December 31, 2016

	<u>Total Internal Service Funds</u>
Assets:	
Cash	\$ 57,791
Receivables:	
Accounts (net)	691,922
<hr/>	
Due From Other Funds	29,465,433
Capital Assets (net of accumulated depreciation):	
Buildings	815,471
Improvements	718
Equipment	74,471
Total assets	<u>31,105,806</u>
Liabilities:	
Current Liabilities:	
Accounts Payable	1,162,730
Other Payables	5,011,403
Due to General Fund	356,446
Due to Wellness Clinic	266,379
Total liabilities	<u>6,796,958</u>
Net Position:	
Invested in capital assets	890,660
Unreserved	23,418,188
Total Net Position	<u>\$ 24,308,848</u>

MONTGOMERY COUNTY, TEXAS
Statement of Changes in Net Position
Internal Service Funds
For the 3 Months Ended December 31, 2016

	<u>Total Internal Service Funds</u>
Current Operating Revenues:	
Fees	\$ 2,183,648
Miscellaneous	10,520
Total Operating Revenues	2,194,168
Current Operating Expenses:	
Supplies	377
Services	4,399,130
Total Operating Expenses	4,399,507
Change in net position	(2,205,339)
Total Net Position - December 1, 2016	26,514,187
Total Net Position - December 31, 2016	\$ 24,308,848

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BUDGET STATUS
(unaudited)

MONTGOMERY COUNTY, TEXAS
Schedule of Expenditures - All Departments
Budget and Year-to-Date Actual for the 3 Months Ended December 31, 2016

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<u>GENERAL ADMINISTRATION:</u>					
County Judge	647,677	42,069	125,946	125	521,606
Human Resources	636,768	52,713	138,431	299	498,038
Risk Management	995,867	79,101	203,316	788	791,763
County Clerk	2,524,025	171,274	499,962	180	2,023,883
Collections	460,182	31,761	95,622	2,748	361,812
Veterans' Service	246,947	18,268	53,093	11	193,843
Information Technology Services	6,711,664	394,833	1,455,415	547,790	4,708,459
Purchasing Agent	1,189,233	90,553	240,561	-	948,672
Records Management & Preservation	711,559	68,941	194,471	149	516,939
Permits	427,721	32,182	91,959	28	335,734
Worthless Checks Division	60,788	4,764	13,212	-	47,576
County-Wide	19,735,217	605,983	6,247,000	27,573	13,460,644
<u>TOTAL GENERAL ADM</u>	<u>34,347,648</u>	<u>1,592,442</u>	<u>9,358,988</u>	<u>579,691</u>	<u>24,408,969</u>
<u>JUDICIAL:</u>					
County Court No1	498,668	36,799	103,173	-	395,495
County Court No2	870,540	64,461	169,583	-	700,957
County Court No3	773,143	57,144	159,974	72	613,097
County Court No4	520,242	37,475	109,819	-	410,423
County Court No5	499,133	36,750	102,450	94	396,589
9 th District Court	333,502	24,691	72,051	157	261,294
410 th District Court	155,533	28,815	82,095	1,116	72,322
221 st District Court	338,668	24,971	73,133	55	265,480
284 th District Court	771,223	57,730	167,194	45	603,984
359 th District Court	395,269	29,330	85,761	520	308,988
418 th District Court	621,194	47,244	133,356	28	487,810
435 th District Court	383,940	25,972	60,935	5,078	317,927
Court Operations	7,567,054	711,279	1,632,651	74,091	5,860,312
Indigent Defense	133,266	12,391	38,605	269	94,392
Mental Health Court Services	354,905	24,372	68,122	385	286,398
Drug Court	1,093,091	50,769	169,966	9,373	913,752
Office of Court Admin	453,735	32,381	86,147	-	367,588
District Attorney	11,149,546	836,621	2,401,166	25,289	8,723,091
District Clerk	3,721,977	266,220	762,963	3,351	2,955,663
Justice of Peace Pct 1	806,706	58,702	173,484	140	633,082
Justice of Peace Pct 2	520,955	39,327	112,927	203	407,825
Justice of Peace Pct 3	1,066,018	80,323	217,699	2,154	846,165
Justice of Peace Pct 4	883,148	66,307	191,781	94	691,273
Justice of Peace Pct 5	512,034	37,793	107,333	869	403,832
Judicial Technology	1,060,517	74,384	171,944	172,935	715,638
Court Technology County/District	17,119	1,917	2,320	139	14,660

MONTGOMERY COUNTY, TEXAS
Schedule of Expenditures - All Departments
Budget and Year-to-Date Actual for the 3 Months Ended December 31, 2016

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
JUDICIAL (cont'd):					
Court Guardianship	16,000	3,896	7,616	-	8,384
Court Reporter Service Fund	142,023	9,906	33,382	629	108,012
Juvenile Case Manager	296,272	22,613	62,958	-	233,314
Justice Court Technology	34,295	5,806	7,487	22	26,786
Veterans Treatment Court	159,340	2,475	3,488	-	155,852
TOTAL JUDICIAL	36,149,056	2,808,864	7,571,563	297,108	28,280,385
LEGAL:					
County Attorney	3,377,654	314,719	744,863	2,563	2,630,228
Law Library	303,741	21,132	58,874	1,455	243,412
Alternate Dispute Resolution	129,500	10,778	21,899	-	107,601
TOTAL LEGAL	3,810,895	346,629	825,636	4,018	2,981,241
ELECTIONS:					
TOTAL ELECTIONS	1,410,600	193,833	723,400	172,661	514,539
FINANCIAL ADMINISTRATION:					
County Auditor	2,287,101	165,388	467,298	54	1,819,749
Financial Technology	4,192,016	-	-	43,005	4,149,011
County Treasurer	727,411	52,824	138,374	430	588,607
Tax Assessor-Collector	4,803,420	372,631	962,043	2,542	3,838,835
TOTAL FINANCIAL ADM	12,009,948	590,843	1,567,715	46,031	10,396,202
PUBLIC FACILITIES:					
Custodial Services	3,336,741	295,608	702,039	7,256	2,627,446
Building Maintenance	6,611,075	463,634	1,224,241	265,565	5,121,269
Precinct 2 Parks and Comm. Center	191,762	10,905	30,442	-	161,320
Precinct 3 Parks and Comm. Center	632,645	35,733	99,760	278	532,607
Precinct 4 Parks and Comm. Center	82,150	12,240	26,537	829	54,784
Jail	10,723,293	5,464,836	7,882,598	68,139	2,772,556
Civic Center	1,376,943	121,163	283,710	37,766	1,055,467
TOTAL PUBLIC FACILITIES	22,954,609	6,404,119	10,249,327	379,833	12,325,449
PUBLIC SAFETY:					
Fire Marshal	1,585,525	115,622	324,616	47,357	1,213,552
Constable Pct 1	1,071,849	278,652	786,006	28,430	257,413
Constable Pct 2	1,811,527	136,211	376,828	3,512	1,431,187
Constable Pct 3	4,521,829	414,095	996,887	47,951	3,476,991
Constable Pct 4	3,764,548	269,172	790,946	9,262	2,964,340
Constable Pct 5	2,876,340	177,376	504,660	15,230	2,356,450
Sheriff	15,798,017	3,526,728	9,620,514	390,140	5,787,363
Sheriff Commissary	964,240	55,563	197,735	-	766,505
Law Enforcement Technology	2,504,525	-	4,069	111,763	2,388,693
Juvenile Services	8,271,339	2,866,563	1,626,226	4,483	6,640,630
Adult Services	6,857,291	397,526	1,228,053	13,007	5,616,231
Emergency Management	3,441,031	63,246	172,146	101,664	3,167,221
Department of Public Safety	115,987	8,860	24,738	-	91,249
Forfeitures	814,488	76,612	128,446	-	686,042
Courthouse Security	477,402	28,144	88,151	1,251	388,000
TOTAL PUBLIC SAFETY	54,875,938	8,414,370	16,870,021	774,050	37,231,867

MONTGOMERY COUNTY, TEXAS
Schedule of Expenditures - All Departments
Budget and Year-to-Date Actual for the 3 Months Ended December 31, 2016

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<u>HEALTH AND WELFARE:</u>					
Vehicle Emission Program	1,614,036	1,366,787	1,366,787	170,999	76,250
Forensic Services	1,647,086	105,837	283,247	6,479	1,357,360
Medical: Contract Services	90,000	7,500	22,500	-	67,500
Mental Health: Contract Services	278,525	-	53,900	-	224,625
Environmental Health	2,135,688	153,458	428,921	206	1,706,561
Mental Health Facility	13,471,936	1,113,070	2,243,765	79,917	11,148,254
FEMA Disaster Grants	77,593	4,709	4,709	-	72,884
Community Development	6,102,824	219,731	306,538	10,517	5,785,769
Animal Control	1,024,393	66,044	258,525	4,034	761,834
Animal Shelter	2,780,818	244,655	612,558	166,537	2,001,723
Child Welfare	139,333	2,779	6,735	636	131,962
Welfare:					
Contract Services	1,084,373	-	242,343	-	842,030
<u>TOTAL HEALTH/WELFARE</u>	<u>30,446,605</u>	<u>3,284,570</u>	<u>5,830,528</u>	<u>439,325</u>	<u>24,176,752</u>
<u>CONSERVATION:</u>					
Extension Agent	741,609	52,323	157,161	1,658	582,790
Precinct 3 Recycling Center	658,628	38,173	162,292	119	496,217
Precinct 1 Recycling Center	507,774	-	-	289,447	218,327
<u>TOTAL CONSERVATION</u>	<u>1,908,011</u>	<u>90,496</u>	<u>319,453</u>	<u>291,224</u>	<u>1,297,334</u>
<u>CULTURE & RECREATION:</u>					
Memorial Library	9,927,011	785,426	1,977,240	189,834	7,759,937
Historical Commissions	92,706	24,398	24,750	834	67,122
<u>TOTAL CULTURE & RECREATION</u>	<u>10,019,717</u>	<u>809,824</u>	<u>2,001,990</u>	<u>190,668</u>	<u>7,827,059</u>
<u>PUBLIC TRANSPORTATION:</u>					
Airport	1,741,961	73,753	188,131	44,311	1,509,519
County Engineer	2,603,780	142,986	390,513	347	2,212,920
Commissioner Pct 1	8,394,697	6,929,732	3,451,570	118,799	4,824,328
Commissioner Pct 2	10,308,129	801,445	3,103,463	557,278	6,647,388
Commissioner Pct 3	10,207,244	567,152	1,752,164	498,515	7,956,565
Commissioner Pct 4	9,418,561	1,115,808	2,635,974	178,230	6,604,357
<u>TOTAL PUBLIC TRANSPORTATION</u>	<u>42,674,372</u>	<u>9,630,876</u>	<u>11,521,815</u>	<u>1,397,480</u>	<u>29,755,077</u>
<u>DEBT SERVICE:</u>					
Reserve for Fund Balance	13,952,484	-	-	-	13,952,484
Principal	22,490,000	-	-	-	22,490,000
Interest	18,979,188	282,210	282,882	-	18,696,306
Issuance Costs	-	203,208	203,208	-	(203,208)
Payment to Escrow Agent	-	51,269,830	51,269,830	-	(51,269,830)
<u>TOTAL DEBT SERVICE</u>	<u>55,421,672</u>	<u>51,755,248</u>	<u>51,755,920</u>	<u>-</u>	<u>3,665,752</u>
<u>MISCELLANEOUS:</u>					
<u>TOTAL MISCELLANEOUS</u>	<u>72,407,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,407,444</u>
<u>TOTAL EXPENDITURES - GOVERNMENTAL FUNDS</u>	<u>378,436,515</u>	<u>85,922,114</u>	<u>118,596,356</u>	<u>4,572,089</u>	<u>255,268,070</u>

MONTGOMERY COUNTY, TEXAS
Schedule of Expenditures - All Departments
Budget and Year-to-Date Actual for the 3 Months Ended December 31, 2016

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
<u>INTERNAL SERVICE FUNDS</u>					
<u>GENERAL ADMINISTRATION:</u>					
Employee Health	23,838,868	3,561,127	7,852,280	-	15,986,588
Retiree Health	2,897,500	329,571	504,131	-	2,393,369
Optional Health	295,488	130,419	259,950	-	35,538
Cobra Coverage	-	9,615	52,721	-	(52,721)
Employee Life	133,314	22,875	45,528	-	87,786
Risk Mgt - Workers Comp	775,000	90,000	476,178	-	298,822
Risk Mgt-Prop/Casltly/Liab	1,500,000	70,472	887,594	11,760	600,646
Wellness Clinic	-	185,429	376,110	-	(376,110)
TOTAL GENERAL ADM	29,440,170	4,399,508	10,454,492	11,760	18,973,918
TOTAL INTERNAL SERVICE FUNDS	29,440,170	4,399,508	10,454,492	11,760	18,973,918
<u>ENTERPRISE FUNDS</u>					
Montgomery County Toll Road Authority	4,486,014	589,613	851,182	1,761,002	1,873,830
TOTAL ENTERPRISE FUNDS	4,486,014	589,613	851,182	1,761,002	1,873,830

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SCHEDULES

(unaudited)

MONTGOMERY COUNTY, TEXAS
Schedule of Revenues and Expenses - Montgomery County Toll Road Authority
Budget and Year-to-Date Actual for the 3 Months Ended November 30, 2016

	Adjusted Budget	Current Month Actual	Year- to-Date Actual	Encumbrances	Unexpended Budget
Revenue:					
Wetlands Mitigation	-	-	15,300	-	(15,300)
242 Toll Project	-	119,653	119,653	-	(119,653)
Total Revenue	-	119,653	134,953	-	(134,953)
Expenses:					
General Administration	975,278	-	-	75,000	900,278
249 Toll Project	3,620,041	541,780	802,539	1,686,002	1,131,500
Wetlands Mitigation	15,300	-	-	-	15,300
242 Toll Project	(124,605)	47,833	48,643	-	(173,248)
Total Expenses	4,486,014	589,613	851,182	1,761,002	1,873,830

MONTGOMERY COUNTY, TEXAS
Schedule of Transfers In and Out by Fund
For the 3 Months Ended December 31, 2016

	Transfers In	Transfers Out
General Fund	\$ -	\$ 100,000
Jury	100,000	-
Adult Probation - Supervision	-	10,000
Adult Probation - Mental Impairment	10,000	-
	110,000	110,000
TOTAL FINANCING USES	\$ 110,000	\$ 110,000

MONTGOMERY COUNTY, TEXAS
Schedule of Bond Indebtedness
As of December 31, 2016

	<u>Interest Rate (%)</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balances Outstanding</u>
GENERAL OBLIGATION BONDS:				
Refunding Bonds, Series 2007	4.00-5.50	2007	2026	2,055,000
Road Bonds, Series 2008A	3.50-5.25	2008	2030	1,555,000
Refunding Bonds, Series 2008	3.50-5.00	2008	2018	1,645,000
Refunding Bonds, Series 2010	4.00-5.00	2010	2030	28,175,000
Refunding Bonds, Series 2012	2.00-5.00	2012	2026	25,055,000
Refunding Bonds, Series 2014	1.75-2.27	2014	2020	24,090,000
Refunding Bonds, Series 2014A	5.00	2014	2025	73,510,000
Refunding Bonds, Series 2016	4.25-5.25	2016	2032	58,925,000
Road Bonds, Series 2016	4.25-5.25	2016	2041	53,140,000
Refunding Bonds, Series 2016A	3.00-5.00	2016	2030	47,775,000
Road Bonds, Series 2016A	4.00-5.00	2016	2042	73,725,000
TOTAL GENERAL OBLIGATION BONDS PAYABLE				389,650,000
REVENUE BONDS:				
Toll Revenue Bonds, Series 2009	3.00-5.00	2009	2032	20,495,000
Toll Revenue Bonds, Series 2010	3.00-5.00	2011	2021	16,450,000
Pass Thru Toll Revenue and Limited Tax Bonds, Series 2012	3.00-5.00	2012	2023	15,880,000
TOTAL REVENUE BONDS PAYABLE				52,825,000
CERTIFICATES OF OBLIGATION:				
Series 2007	4.00-4.63	2008	2027	1,040,000
Series 2008	3.50-5.25	2008	2027	3,175,000
Series 2010	3.00-5.40	2010	2039	26,840,000
Series 2012	2.00-4.00	2012	2032	12,870,000
Series 2012A	2.00-5.00	2012	2023	12,650,000
TOTAL CERTIFICATES OF OBLIGATION				56,575,000
TOTAL BONDED DEBT				\$ 499,050,000