

NOTICE OF REGULAR MEETING

August 23, 2016

MONTGOMERY CITY COUNCIL

STATE OF TEXAS

AGENDA

COUNTY OF MONTGOMERY

CITY OF MONTGOMERY

NOTICE IS HEREBY GIVEN that a Regular Meeting of the Montgomery City Council will be held on Tuesday, August 23, 2016 at 6:00 p.m. at the City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas for the purpose of considering the following:

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE TO FLAGS

PRESENTATION:

Mayor Leah Tarrant, Patton Village, to present plaques of appreciation to the City of Montgomery and Montgomery Police Department.

VISITOR/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must be recognized by the Mayor. Council may not discuss or take any action on an item, but may place the issue on a future agenda. The number of speakers along with the time allowed per speaker may be limited.

CONSENT AGENDA:

1. Matters related to the approval of minutes for the Public Hearing and Regular Meeting held on August 9, 2016.

CONSIDERATION AND POSSIBLE ACTION:

2. Consideration and possible action on Department Reports.
 - A. Administrator's Report
 - B. Public Works Report
 - C. Police Department Report
 - D. Court Department Report
 - E. Utility/Development Report
 - F. Water Report
 - G. Engineer's Report
 - H. Financial Report
3. Consideration and possible action to adopt the following Ordinance:
AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS ADOPTING AN OPERATING BUDGET FOR FISCAL YEAR 2016-2017.
4. Consideration and possible action regarding calling a Public Hearing regarding a water and sewer rate increase.

5. Consideration and possible action regarding approval of Montgomery EDC funding for McCoy's Building Supply sewer line upgrade.
6. Consideration and possible action regarding approval of Final Plat submission and accompanying construction plans for McCoy's Building Supply.
7. Consideration and possible action regarding billing ESD #2 for in-station water and sewer and for other water used by ESD #2.
8. Consideration and possible action regarding the approval of a Resolution By The City Council Of The City Of Montgomery, Texas Requesting Financial Assistance From The Texas Water Development Board For Water System Projects.
9. Consideration and possible action regarding the approval of a Resolution By The City Council Of The City Of Montgomery, Texas Requesting Financial Assistance From The Texas Water Development Board For Sanitary Sewer System Projects.
10. Consideration and possible action regarding request by Milestone Development for Jones & Carter, Inc. to design the Public water and sanitary sewer line extension to the Buffalo Crossing Phase II development.

EXECUTIVE SESSION:

The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas. *(No current items at this time.)*

COUNCIL INQUIRY:

Pursuant to Texas Government Code Sect. 551.042 the Mayor and Council Members may inquire about a subject not specifically listed on this Agenda. Responses are limited to recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation or decision shall be limited to a proposal to place on the agenda of a future meeting.

ADJOURNMENT



Susan Hensley, City Secretary

I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on the 19th day of August, 2016 at 2:45 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

This facility is wheelchair accessible and accessible parking spaces are available. Please contact the City Secretary's office at 936-597-6434 for further information or for special accommodations.

MINUTES OF PUBLIC HEARING and REGULAR MEETING

August 9, 2016

MONTGOMERY CITY COUNCIL

CALL TO ORDER

Mayor Kirk Jones declared a quorum was present, and called the meeting to order at 6:00 p.m.

Present: Kirk Jones Mayor
 Jon Bickford City Council Position # 1
 John Champagne, Jr. City Council Position # 2
 Rebecca Huss City Council Position # 4
 Dave McCorquodale City Council Position # 5

Absent: T.J. Wilkerson City Council Position # 3

Also Present: Jack Yates City Administrator
 Larry Foerster City Attorney

INVOCATION

John Champagne gave the invocation.

PLEDGE OF ALLEGIANCE TO FLAGS

Mayor Jones recognized Ethan Reid, who was present at the meeting. Mr. Reid advised that he was with Scout Troop 491, and present for a communication merit badge.

PUBLIC HEARINGS:

Convene into Public Hearing:

1. Public Hearing for the purpose of hearing public comments regarding the proposed 2016-2017 City of Montgomery FY Operating Budget.

Mayor Jones convened the Public Hearing at 6:04 p.m.

Mr. Yates presented an over view of the Proposed 2016-2017 City of Montgomery FY Operating Budget.

Mr. Yates advised reviewed the proposed Budget as follows:

<u>Summary of all Funds</u>	<u>Balance</u>
Projected Balance	\$ 1,080,000
All Funds	\$ 1,414,000
Revenue Total	\$ 2,951,000
Expense Total	\$ 2,894,000

<u>General Fund</u>	<u>Balance</u>
Taxes and Franchise Fees	\$ 2,066,612
Total Revenue	\$ 2,151,142
Expenses (with a \$40,000 transfer in)	\$ 2,972,570
General Fund Net Income	\$ 19,472

<u>Summary of the Utility Fund:</u>	<u>Balance</u>
Charges for services	\$ 960,000
GRP	\$ 125,300
Income	\$1,009,560
Expenses	\$ 947,750
Net Gain	\$ 18,510

Summary of Debt Service Fund:

Mr. Yates said that the City is considering borrowing \$2.6 million dollars from the Texas Water Development Board in early 2017.

Expenses	\$ 546,000
Revenue	\$ 605,000
Net Gain	\$ 158,941

Mr. Yates advised that there would be a surplus because there is an increase in appraised valuation from \$125 million to \$168 million.

Mr. Yates stated that this year they are adding a full time public works employee, and a part-time administrative employee. Mr. Yates said that they are planning on adopting the same .4155 tax rate that they have had six years in a row. Mr. Yates said that the debt service portion of the tax rate is proposed to remain at .2112 per \$100 property valuation.

No citizens made comments during the Public Hearing.

Mayor Jones closed the Public Hearing at 6:09 p.m.

Reconvene into Regular Session

VISITOR/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must be recognized by the Mayor. Council may not discuss or take any action on an item, but may place the issue on a future agenda. The number of speakers along with the time allowed per speaker may be limited.

Mr. Washington advised that he would speak with Mr. Yates regarding Wade Street. Mr. Yates said that a report on Wade Street will be placed on the August 23, 2016 City Council Meeting.

CONSENT AGENDA:

2. Matters related to the approval of minutes for the Regular Meeting held on July 26, 2016.
3. Authorize street closures for the Wine and Music Festival to be held on Saturday, September 17, 2016 beginning on Friday, September 16, 2016 for the following streets: College, McCown, Maiden, Caroline, and John A. Butler.

Dave McCorquodale asked whether the street closures would be the same streets that they have closed in the past. Mr. Yates advised that they would be the same streets.

Rebecca Huss stated that the Antiques Festival this year had a notable improvement in the relationship with various merchants and landowners, so whatever the HMBA did was

something she hoped could be replicated. Rebecca Huss said that closing streets and parking was a big deal for some of the businesses that don't benefit from the Wine and Music Festival. Rebecca Huss said hopefully they can figure out what worked for the Antiques Festival and then apply it to this Festival. Mr. Yates said that he would suggest that information.

Dave McCorquodale moved to approve the consent agenda items as presented. John Champagne seconded the motion, the motion carried unanimously. (4-0)

CONSIDERATION AND POSSIBLE ACTION:

4. Consideration and possible action to accept the 2016 Effective and Rollback Tax Rates.

Mr. Yates presented the report from the Montgomery County Tax Assessor/Collector and said that City Council just needed to accept the rates.

Rebecca Huss moved to acknowledge and accept the 2016 Effective and Rollback Tax rates from the County Tax Assessor/Collector. Jon Bickford seconded the motion, the motion carried unanimously. (4-0)

5. Consideration and possible action to Vote on a Proposed Tax Rate for 2016. If the proposed rate exceeds the lower of the effective or rollback rate, schedule public hearings, dates, times and locations.

Mr. Yates stated that this was the proposed rate, and was not the final adoption of the rate. Mr. Yates said that the Tax Assessor has to publish a legal notice with the information on the proposed tax rate. Mr. Yates said that the recommendation is for City Council to accept the proposed rate of .4155 per \$100 valuation.

John Champagne moved to take a vote on and set the Proposed Tax Rate for 2016 at .4155 per \$100 valuation. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

6. Consideration and possible action to authorize Jones & Carter, Inc. to prepare detailed cost estimates, construction drawings, technical specifications, and bid documents for repair and mitigation of damages sustained upon the Buffalo Crossings Bridge during recent flood events; as needed to facilitate application for advance funding from FEMA.

Mr. Fleming said that the level of damage at the bridge pretty much speaks for itself, and the Mitigation Specialist was impressed with what he saw at the site. The Mitigation Specialist had some good advice and was encouraging about the City's chances not only for replacement, but some mitigating actions at the site.

Mr. Fleming advised that as they had talked about previously, they have been looking at what it would take to receive advanced funding from FEMA. Mr. Fleming said that the Project Coordinator, who is assigned to the City of Montgomery, has been very encouraging and given some great advice.

Mr. Fleming said that in order to complete the information for advance funding from FEMA they have to provide detailed cost estimates and have an idea of what the City proposes to do. They will need to provide engineered drawings, full technical specifications, bid documents, proposals and contract documents. Mr. Fleming said that in order to facilitate that procedure, they are asking for a blanket authorization for them to move forward as needed with FEMA. Mr. Fleming said that it does not imply any immediate financial obligation on anyone's behalf, it just allows them to move forward with cost estimates and engineered drawings, etc.

Rebecca Huss said that, in theory, FEMA could deny the funds, and the City will have paid for all the engineering work up front. Rebecca Huss said that if FEMA is not giving the City 75 percent of the cost, they probably won't go forward with that, so there has got to be some cost to advancing that the City would bear a risk. Mr. Fleming said that was a fair statement, but based on the conversations that he has had with FEMA he does not have any real trepidations where that is concerned. Jon Bickford asked to confirm that the City does not really have a lot of options. Mr. Fleming said that was correct. Rebecca Huss said that she was not saying not to do this, but she was wondering if there was an upper

limit on the cost of doing this, should the City end up bearing all the cost, so they will know what they are approving on a blanket basis. Rebecca Huss said that the construction drawings have a cost. Mr. Fleming said that was correct. Jon Bickford asked if those costs would be in the reimbursement pool. Mr. Fleming said that they would.

Dave McCorquodale said that the solution has changed based on the funding. Mr. Fleming said that was correct. Dave McCorquodale asked how much was the disparity between the FEMA funding cost, and the City's cost without FEMA funding. Mr. Fleming said that they have not prepared the detail cost estimates yet, but the best he could say was that the difference would be substantial. Mr. Fleming said that it would be a true mitigating action to rehabilitate the side slopes and bridge abutments and to provide a permanent long-term fix.

Dave McCorquodale asked if the City was interested in fixing the bridge in a permanent long-term way, was there a huge gap between getting a Band-Aid on the problem or fixing it. Dave McCorquodale said that if a true fix is where they are looking, is there a great deal of difference between them. Mr. Fleming said that it would be a very large number. Mr. Yates said that they had gotten a statement from the FEMA representative who basically said whatever the engineer submitted, would be what they would approve.

Rebecca Huss asked how Mr. Fleming would go about doing construction drawings if they do not even know if they are doing the sheet piling or gabion rock structures. Mr. Fleming said that he has already had one gabion basket contractor come out and look at the site, and he will have sheet piling contractors out in the next week to 10 days. The onus will be on the contractor to provide a proposal on what they would do. If they are the chosen solution, they will be the ones to produce engineering drawings, specifications, bid documents, etc. for their portion of the work. Mr. Fleming said that he envisions the City's portion of the work will be to provide drawings, specifications and bid documents for the repair of the paving approaches, guard rails and associated structures and whatever drainage solution has to be incorporated.

Jon Bickford asked what Mr. Fleming's plan was, from the City's exposure standpoint, and whether he had a best guess estimate plus or minus 20% percent. Jon Bickford also

asked if they would be keeping City Council informed, possibly ever other meeting, on the status of the project.

Mr. Fleming said that right now they are in a strictly conceptual phase. Jon Bickford said that they still have to pay for the City Engineer's time. Mr. Fleming said that he felt that \$50,000 would get them well into the engineering design. Mr. Shackelford said that he was going to break up the cost into a few more increments, with cost estimates on 2 or 3 different options (gabion baskets and sheet piling), including drainage structures on the 4 corners of the bridge, taking it from conceptual to less conceptual, but still not preliminary engineering.

Jon Bickford asked for an estimate for their cost, to the extent that they can estimate, from the time they start to the time that FEMA says you have all you need. Mr. Shackelford said that his thinking was from today through coming back to City Council with cost estimates for different options, for a cost of no more than \$20,000. Then once City Council knows which option they are choosing, based on the estimated costs, it will be easier to advise what the cost will be for designing that plan. Mr. Shackelford said that by that time they would have talked to FEMA, the different contractors and then maybe they will be able to come back to City Council with more of a definitive answer. Jon Bickford said that City Council could receive monthly progress reports in the interim, or whatever seems reasonable to the City Engineers. Mayor Jones said that they could make other monetary decisions later.

Jon Bickford moved to authorize Jones & Carter, Inc. to prepare detailed cost estimates, construction drawings, technical specifications, and bid documents for repair and mitigation of damages sustained upon the Buffalo Crossings Bridge during recent flood events; as needed to facilitate application for advance funding from FEMA. John Champagne seconded the motion.

Discussion: Rebecca Huss asked about the competition or conflict of interest, when you have a design team working on one side, and the City Engineers are doing the evaluation and the construction approval on the other side. Mr. Shackelford said that if, for example, based on the authorization of City Council tonight, he and Mr. Fleming would be involved

in working with whatever design team is in house. Mr. Shackleford presented the organization chart for Jones and Carter to give City Council some idea, because he and Mr. Fleming have not spent a lot of time talking about the depth of their organization.

Mr. Shackleford advised that Jones and Carter has nine practices that are classified as different divisions or groups within the company. One group does water and wastewater, another does hydrology and hydraulics, another does private land development, etc. Mr. Shackleford advised that he and Mr. Fleming are in the municipal district section, with 550 people in the company.

Mr. Shackleford stated that in their group located in The Woodlands office, there are eight licensed professional engineers and six engineers in training. Mr. Shackleford said that he and Mr. Fleming work for the City in the vein of plan reviews, and making certain that third party engineers and developers submit documents that are in compliance with the City's ordinances, rules and regulations. Mr. Shackleford said that they do not really design things on the City's behalf. For the authorization tonight, they would be involved in making certain that whatever is being designed meets the City's requirements. The plans would either be done elsewhere within their division, or in another practice, such as their hydrology and hydraulics division. They would need to do some modeling and plans.

Mr. Shackleford said that regarding the conflict of interest, they would still be representing the City's interest to insure that whatever drawings are prepared, whether third party or within Jones and Carter, meets the City's requirements. Mr. Shackleford said that once the plans are done and the bids are received and there is a contractor on the ground, they will typically be inspecting, on behalf of the City, and watching to insure that the work that is being done is in compliance with the drawings. If there is an error found on the engineering side, then Mr. Shackleford said they would bring it to the attention of the City and advise how they would fix the error, where it would be no new cost to the City. If it was the contractor's error, then they will get the contractor to rectify what they did wrong to insure that the City is getting the product that they paid for. Jon Bickford asked if he would be right in calling it an independent validation and verification function. Mr. Shackleford said that they do a pretty effective job of keeping the two separate.

Mr. Shackelford asked if that information answered Rebecca Huss' question regarding conflict of interest. Rebecca Huss said that it did answer her question, and thanked Mr. Shackelford.

Mayor Jones asked, in general, if anyone else had concerns about a conflict of interest. Rebecca Huss said, she thinks the overall the reason that they asked Jones and Carter to work for the City was mostly because they trust them, and she feels that is something that will continue. Mayor Jones said that if Council votes yes on this item that means that they are accepting this matter.

The motion carried unanimously. (4-0)

Mr. Fleming and Mr. Shackelford thanked City Council for their trust.

7. Consideration and possible action regarding installation of a reclaimed water system used for chlorine bleach feed and wash-down purposes.

Mr. Yates stated that this item is to create a recycling device at the sewer plant so that water used to inject effluent discharge with bleach can be recycled saving approximately 184,000 gallons of fresh water use per month. Mr. Yates advised that the effluent water, just before being discharged into Steward Creek, is treated with a bleach mixture to take any remaining bacteria out of the effluent, then the water is detained long enough for the bleach to evaporate before being safely discharged into the Creek.

Mr. Yates said they would use about 184,375 gallons of fresh water to form the bleach mixture at \$6.84 per the recent Jones and Carter water study, for an annual cost of \$10,089. Mr. Yates said that before they would make this change, they would have it reviewed by Mr. Fleming before doing the work.

Mr. Yates said that the cost of the re-plumbing work would be approximately \$28,000, but the payback of the investment, including the annual operating expense is 4.55 years, but once Kroger comes in, the payback will go down to 2.7 years.

Mr. Yates said that he was asking City Council to approve the project with the funds to come from the General Fund balance. Mayor Jones asked if this would require a budget amendment. Mr. Yates advised that it would require a budget amendment.

Dave McCorquodale asked if this was a best practice in other wastewater treatment plants, and as a general gauge how many other facilities take advantage of something like this. Mr. Williams, with Gulf Utility, said that most facilities do this procedure and the process is very common.

Dave McCorquodale asked about the filter screen and whether it would require more work for the operators. Mr. Williams said that daily they will visually inspect the screen and clean it accordingly so they do not burn up the pump. Mr. Muckleroy said that the contractor has advised that what they are putting in will need to be cleaned every two weeks. Mr. Williams said that they quoted a large enough size filter to handle the two week periods.

Dave McCorquodale moved to accept the proposal as presented. Rebecca Huss seconded the motion, the motion carried unanimously. (4-0)

8. Consideration and possible action regarding modification of garbage poly cart pickup charge due to fuel increase by Waste Management.

Mr. Yates said that the adjustment was actually for a cost of living increase, which is provided for in their contract that is based upon the CPI as provided from the Department of Labor. Mr. Yates said that the cost is \$.31cents per month for the pick-up charge for the poly cart, and he is recommending passing the cost through to the customers. Mr. Yates said that he was asking the City Council to authorize the City Attorney to prepare the ordinance to increase the cost.

John Champagne moved to authorize the City Attorney to prepare a rate increase ordinance in the amount of \$.31 cents per each poly cart collected by Waste Management and paid by the City. Jon Bickford seconded the motion.

Discussion: Dave McCorquodale asked about review of contracts and whether this was one that they needed to look at because he did not recall the last time that it had been reviewed. Rebecca Huss said that she believed Ken Knight did RFP's when he was at the City, so it was about a year and a half ago. Mr. Yates said that he would not recommend doing any changes. Rebecca Huss said that they did not have an enthusiastic response for competition.

Mayor Jones asked if the \$.31 cent increase was weekly or monthly. Mr. Yates advised that it was monthly, and said the price for garbage pickup will go from \$17.61 to \$17.92.

The motion carried unanimously. (4-0)

EXECUTIVE SESSION:

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COUNCIL INQUIRY:

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Dave McCorquodale advised that recently he had joined a Watershed Protection Program for the West Fork of the San Jacinto River. Dave McCorquodale said that he joined as a personal interest of his.

Dave McCorquodale said that he noticed on the agenda for their last meeting he was listed as the representative for the City of Montgomery. He does not necessarily want to represent the City in any official capacity, but wanted to make it known that he was on the Steering Committee for the Watershed Protection Plan, and if anyone had any objections or any thoughts of direction on it, he was willing to listen.

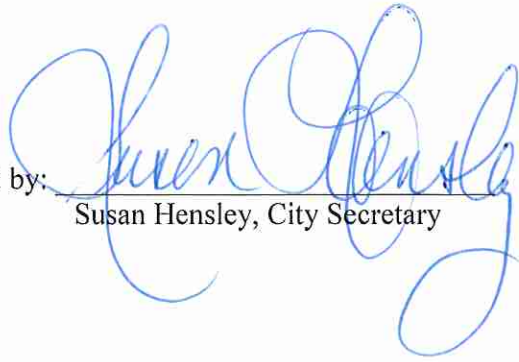
Jon Bickford said that he thought it would be great to hear back. Jon Bickford said that what they have here is making its way into Lake Conroe and he thought it would be great to get on the matter early and learn as much as they can moving forward. Mayor Jones asked if Jon Bickford was asking to have Dave McCorquodale represent the City. Jon Bickford said that he would not ask him to do that since he was already volunteering his time to the City now on City Council. Jon Bickford said that from the City standpoint his participation would be great and he would be happy for him to bring information back to the City. Dave McCorquodale said that he did not think they were looking for any official representation from the City, and he would not be going to them and saying that the City would be agreeable to do certain things, he would bring information back to the City. Rebecca Huss said that basically Dave McCorquodale was continuing to serve the community. City Council thanked Dave McCorquodale for serving on the Committee.

Jon Bickford asked if anyone else would be interested in meeting on a non-weekday to have one more run through the proposed budget for 2016-2017, he would like to have an opportunity to do so. Mr. Yates said that he would be glad to meet with Jon Bickford to go over the budget. Rebecca Huss and John Champagne said that they would be interested in meeting again. Rebecca Huss asked whether they could post something that would work for another meeting. Mayor Jones said that there is a request for another Workshop Meeting to review the proposed budget. Mr. Yates asked if Saturday, August 13, 2016, in the morning would be okay for everyone and said that the agenda would be posted. Jon Bickford said that he would provide breakfast. Mayor Jones advised that he would be unable to attend the Workshop Meeting on Saturday.

ADJOURNMENT

Jon Bickford moved to adjourn the meeting at 6:47 p.m. Dave McCorquodale seconded the motion, the motion carried unanimously. (4-0)

Submitted by:



Susan Hensley, City Secretary

Date Approved: _____

Mayor Kirk Jones

CITY ADMINISTRATOR REPORT

- Met with Planning Commission for one meeting
- Met with MEDC, kept minutes
- Worked on implementing oversized loads and telecommunication tower ordinances
- Worked on preparation of 2016-2017 budget
- Met with city engineers several times regarding; plats, system management, upcoming projects, bridge improvements, developments, water/sewer rates, FEMA projects, cooperative meetings with Kroger building contractor

- Met with several developers during the month regarding; developer concerning 105 and Lone Star Pkwy., Heritage Apartments, Kroger Development, Villages of Mia Lago, McCoy's Lumber

- Met with property owners regarding Lone Star Bend extension and Wade Street. Lone Star Bend is moving according pre-construction steps,. Awaiting legal descriptions so City Attorney can complete the necessary deeds/documents/Council process.

- Arranged to meet with citizens regarding adjustment to water/sewer rates

- Worked on dilapidated buildings – working with property owners to clean lots.

- Coordinated with FEMA and State Emergency Management staff regarding flood damage in the city and with FEMA. Received . notice on August 10th of FEMA declaration of May 22nd flood declaration, including bridges/roads.

- Worked with city engineer and financial advisor on the Texas Water Development Board financing application.

- Worked with contractor and staff regarding AMRS water billing process.

- Communicated, discussed various items with the Council during the month

- Continued work with city staff on virtually all realms of my activities, particularly on the drafting of the city budget.

- Took one week of vacation August 16 – 22.

Public Works

July 2016 Monthly Report

- Cleanup from Freedom Festival
- Performed meter and endpoint number verification of entire city with Accurate Meter and Supply
- Replaced 2 speed hump sign posts on Old Plantersville Rd.
- Made repairs to fence and cleared fence line at Sewer Plant 2
- Assisted customer at 283 Berkley with low water pressure issue
- Replaced broken meter boxes on Wade St. and Buffalo Crossing
- Completed FEMA paperwork for submittal
- Repaired top rail of fence at Water Plant 3
- Replaced 30 MPH sign post on Buffalo Springs
- Attended Operation of Activated Sludge Plants class
- Repaired sidewalk at 706 Caroline removed during water leak repair
- Trimmed bushes in ditch at 902 Caroline
- Cut and removed dead tree from ROW at 1003 College
- Planted oleanders around Lift Station 12
- Verified water main size on Houston St.
- Set up and removed barricades for Children's Health Fair
- Met with FEMA representative
- Fixed pothole on Community Center Dr.
- Monthly weed patrol
- Monthly grease trap inspections
- Weekly mowing inspections
- Monthly door hangers and cut offs
- Daily utility line locates as necessary
- 4 water taps
- 3 sewer taps
- 2 water leaks

- 0 sewer stop ups
- 2 sewer inspections

Parks and Recreation

- Replaced irrigation controller at Community Center
- Fixed 2 leaks on irrigation at Community Center
- Repaired 2 leaks at Memory Park irrigation
- M/W/F cleanings of parks
- Continue Community Center rental inspections
- Monthly lighting and air filter checks

The docents at Fernland reported a total of 530 visitors for the month and provided 54 tours.

Prepared by:
Mike Muckleroy
Public Works Foreman



101 Old Plantersville Rd
Montgomery, TX 77356
Mailing Address:
P.O. Box 708
Montgomery, TX 77356

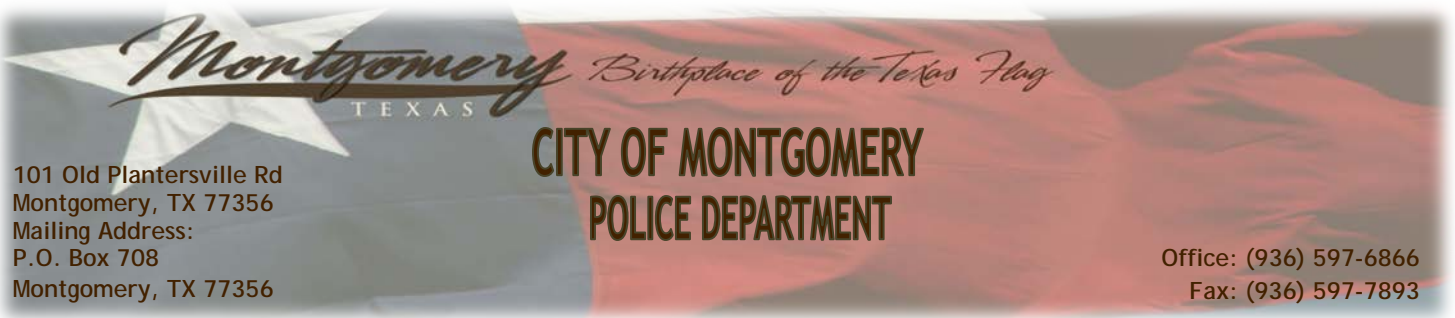
**CITY OF MONTGOMERY
POLICE DEPARTMENT**

Office: (936) 597-6866
Fax: (936) 597-7893

MONTGOMERY POLICE DEPARTMENT

MONTHLY REPORT

JULY 2016



101 Old Plantersville Rd
Montgomery, TX 77356
Mailing Address:
P.O. Box 708
Montgomery, TX 77356

CITY OF MONTGOMERY POLICE DEPARTMENT

Office: (936) 597-6866
Fax: (936) 597-7893

MONTGOMERY POLICE DEPARTMENT REPORTS

During the month of May the Montgomery Police Department Police Department Patrol Officers generated **44** reports. The reports are as follows:

Forgery – July 2 – Officer Bauer – 300 John A. Butler

Warrant Arrest – July 2 – Officer Bracht – 20500 Eva St.

Assault Public Servant - July 3 – Officer Carswell – 17351 Barker

Motor Vehicle Accident – July 4 – Officer Thompson – 1000 Lone Star Parkway

Driving while License Invalid – July 4 – Officer Carswell – 17998 HWY 59

Driving while License Invalid – July 4 – Officer Carswell – 17998 HWY 59

Warrant Arrest/Driving while License Invalid – July 4 – Officer Thompson – 21600 Eva St.

Warrant Arrest – July 6 – Officer Carswell – 17299 HWY 59

Towed Vehicle / No DL / No Insurance – July 6 – Officer Bauer – 21200 Eva St.

Criminal Trespass – July 6 – Officer Bauer – 1000 Baja Ln.

Possession of a Controlled Substance – July 8 – Sgt. Rosario - 21100 Eva St.

Towed Vehicle / No DL / No Insurance – July 8 – Officer Thompson – 19700 Eva St.

Driving while License Invalid – July 11 – Officer Thompson – 21200 Eva St.

Evading Motor Vehicle – July 13 – Officer Thompson – 15500 Liberty St.

Assault – July 13 – Officer Thompson – 21000 Eva St.

Warrant Arrest – July 14 – Officer Flores – 101 Old Plantersville Rd.

Information Call – July 14 – Officer Thompson -

Motor Vehicle Accident – July 15 – Officer Bauer – Plez Morgan@FM 1097

DWI – July 16 – Officer Bracht – 21100 Eva St.

DWI – July 17 – Officer Bracht – 20800 Eva St.

DWI – July 17 – Officer Bracht – Eva St.@FM 2854

Burglary of Building – July 18 – Officer Hernandez – 22800 Hwy 105

Information Report – July 19 – Officer Flores – 2700 McGinnis

Warrant Arrest – July 19 – Officer Flores – 1000 MLK

Motor Vehicle Accident – July 19 – Officer Thompson – 21800 Eva St.

Possession of Marijuana – July 20 – Sgt. Rosario – 20900 Eva St.

Assault – July 21 – Officer Bracht – 723 MLK

Driving while License Invalid – July 21 – Sgt. Rosario – 105/1486

Possession Controlled Substance – July 22 – Sgt. Rosario – Liberty/FM 1097

Fraud – July 22 – Officer Flores

Criminal Mischief – July 23 – Officer Thompson – 22870 HWY 105

Motor Vehicle Accident – July 23 – Officer Thompson – 14100 Liberty

Warrant Arrest – July 23 – Officer Thompson – 22900 Eva St.

Motor Vehicle Accident – July 23 – Officer Hernandez – 22500 FM 1097

Possession of Marijuana – July 24 – Officer Hernandez – 20000 Eva St.

Assault – July 24 – Officer Hernandez – 7 Westway

Driving while License Invalid – July 25 – Officer Carswell – 14050 Liberty

Threat – July 26 – Officer Bracht

Driving while Intoxicated/PCS – July 26 – Officer Carswell – 21100 Eva

Fail Stop and Render Aid or Give Information – July 27 – Sgt. Rosario – Phils /Liberty Street

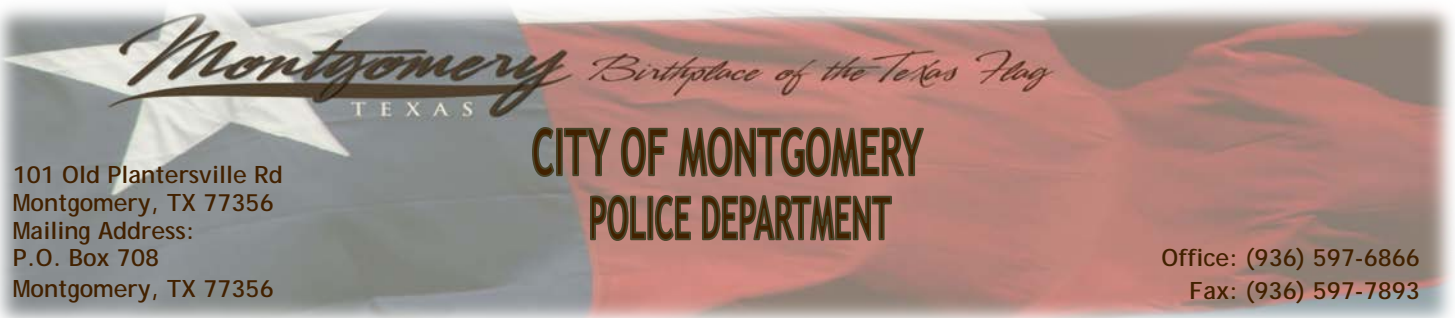
Curfew / Possession of Marijuana – July 29 – Sgt. Rosario – 100 Flagship

Possession of Controlled Substance / DWI – July 30 – Officer Bracht – 20000 Eva

Sexual Assault Past – July 31 – Officer Bauer – 2510 Lonestar PKWY

Theft – July 31 – Officer Bauer – 611 Community Center

Fail Stop and Render Aid or Give Information – July 31 – Officer Bracht – 15300 Liberty Street



MONTGOMERY POLICE DEPARTMENT NEWS:

On June 15th the City of Montgomery hosted a blood drive and had an excellent show of support and donations.

On June 21st Chief Napolitano, Sgt. Lehn and Sgt. Rosario represented the City of Montgomery Police Department by attending and honoring the life of fallen Pearland Police Officer Endy Ekpanya.

On June 23rd Sgt. Rosario attended training in DWI courtroom preparation/testimony. The training was hosted by Sugarland PD and presented by Houston PD DWI Task Force with the assistance of the Harris County DA vehicular crimes unit.

On June 24th Chief Napolitano, Lt. Belmares and Sgt. Rosario represented the City of Montgomery Police Department by attending and honoring the life of fallen Patton Village Sgt. Stacey Baumgartner. The police department also assisted with perimeter security during the ceremony which was provided by Officers Tim Bauer, Larry Evans, Miguel Sigala and James Bracht.

On June 28th Officer Flores attended Military Culture and Veteran Services with regards to PTSD Training. The training covered a wide range of topics and why Veterans are a unique population. The training was hosted by the Montgomery County Sheriff's Office and presented by Tri-County Behavioral Healthcare Veteran Services.

101 Old Plantersville Rd
Montgomery, TX 77356
Mailing Address:
P.O. Box 708
Montgomery, TX 77356

**CITY OF MONTGOMERY
POLICE DEPARTMENT**

Office: (936) 597-6866
Fax: (936) 597-7893

ARRESTS/CHARGES:

Misdemeanor - 24

Felony – 6

TRAFFIC ENFORCEMENT:

128 - Citations Issued

131 – Warnings Issued

Prepared by:

Sgt Miguel Rosario Unit 1602

Montgomery Police Department

101 Old Plantersville Rd.

Montgomery TX, 77356

936-537-1430

mrosario@ci.montgomery.tx.us

Municipal Court-Monthly Report

July 2016

8/4/2016
Becky Lehn
Court Administrator



Montgomery Municipal Court Monthly Report

July 2016

REVENUE Category	CURRENT	YEAR TO DATE October 1, 2015
<i>Total Cases Filed</i>	153	3031
Deposit – City	\$27,504.08	\$318,577.16
Deposit - State	\$13,052.60	\$203,088.24
Deposit - OMNI	\$48.00	\$1,201.22
Child Safety Fund	\$0.00	\$1,269.37
Judicial Efficiency	\$136.85	\$1,932.26
Court Tech Fund	\$686.95	\$10,254.05
Court Bldg. Security Fund	\$515.22	\$7,672.88
Collection Agency	\$1,047.27	\$17,022.92
<i>Total</i>	\$42,990.97	\$561,018.10

Created By: Becky Lehn
Court Administrator
August 4, 2016



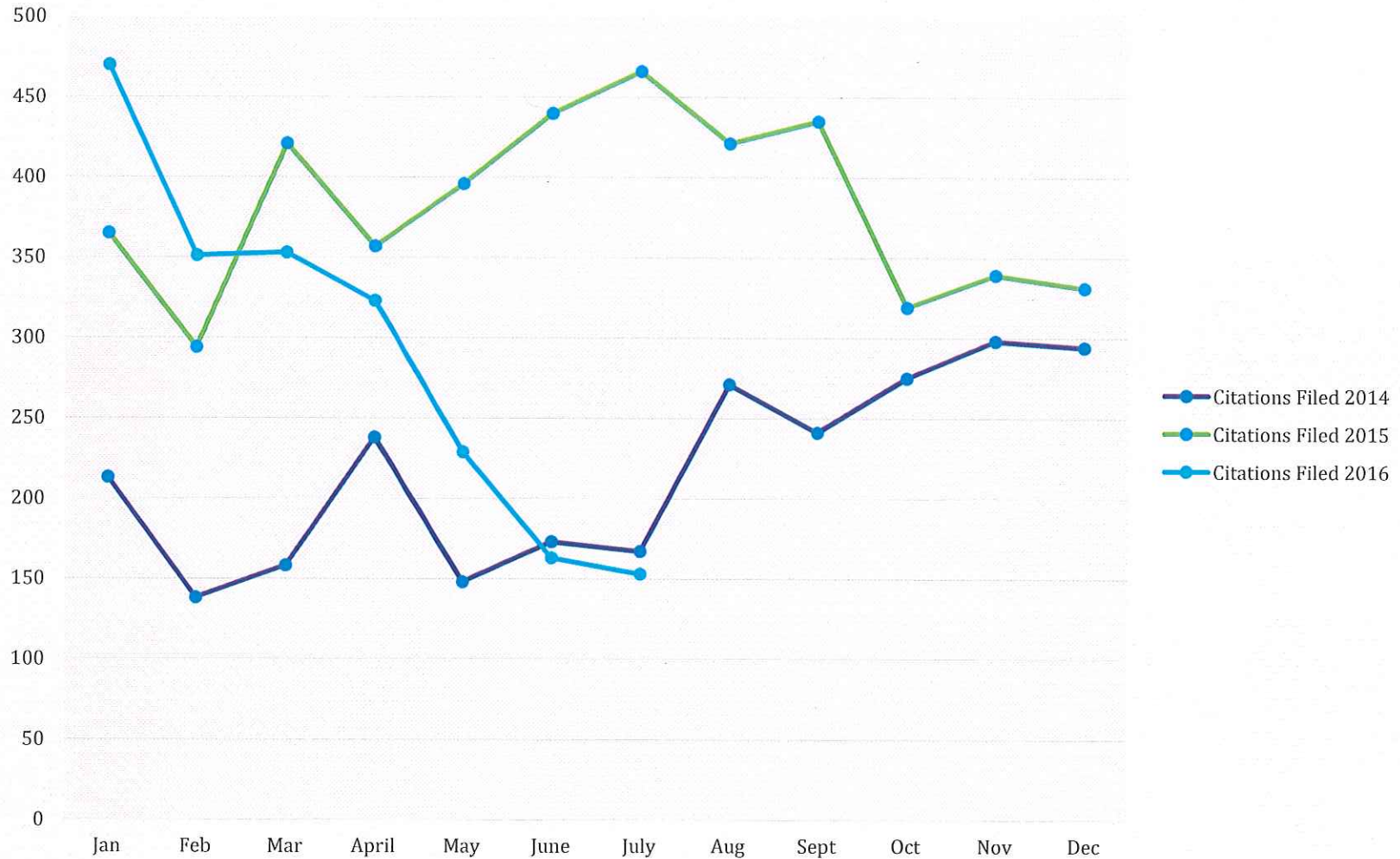
Comparison Chart

Citations/Warrants/Revenue January 2014 - Present

	Citations Filed			Warrants Collected			Total Revenue Collected		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
<i>Jan</i>	213	365	470	\$9,060.80	\$2,708.90	\$2,762.37	\$29,388.10	\$44,544.59	\$44,702.82
<i>Feb</i>	138	294	351	\$38,679.28	\$3,362.90	\$10,976.60	\$64,299.13	\$56,555.03	\$67,466.54
<i>Mar</i>	158	421	353	\$20,260.43	\$15,303.54	\$14,732.43	\$44,481.53	\$63,838.40	\$86,201.43
<i>April</i>	238	357	323	\$14,613.61	\$2,106.50	\$5,940.80	\$40,156.21	\$56,577.20	\$59,388.14
<i>May</i>	148	396	229	\$10,987.28	\$3,286.10	\$3,279.10	\$36,115.98	\$48,760.60	\$50,854.90
<i>June</i>	173	440	163	\$7,354.48	\$9,972.20	\$6,336.57	\$25,471.74	\$67,656.40	\$41,238.67
<i>July</i>	167	466	153	\$3,870.40	\$4,858.20	\$4,291.87	\$29,451.41	\$64,193.80	\$42,990.97
<i>Aug</i>	271	421		\$4,651.40	\$2,740.40		\$29,328.47	\$47,484.40	
<i>Sept</i>	241	435		\$3,267.40	\$6,399.30		\$31,878.10	\$61,912.50	
<i>Oct</i>	275	319		\$4,257.80	\$7,550.70		\$31,657.00	\$63,688.50	
<i>Nov</i>	298	339		\$1,948.40	\$8,581.07		\$30,271.30	\$51,170.47	
<i>Dec</i>	294	331		\$1,270.00	\$8,675.20		\$38,855.10	\$53,315.66	
Totals	2164	2402	2042	\$120,221.28	\$75,545.01	\$48,319.74	\$431,354.07	\$679,697.55	\$392,843.47

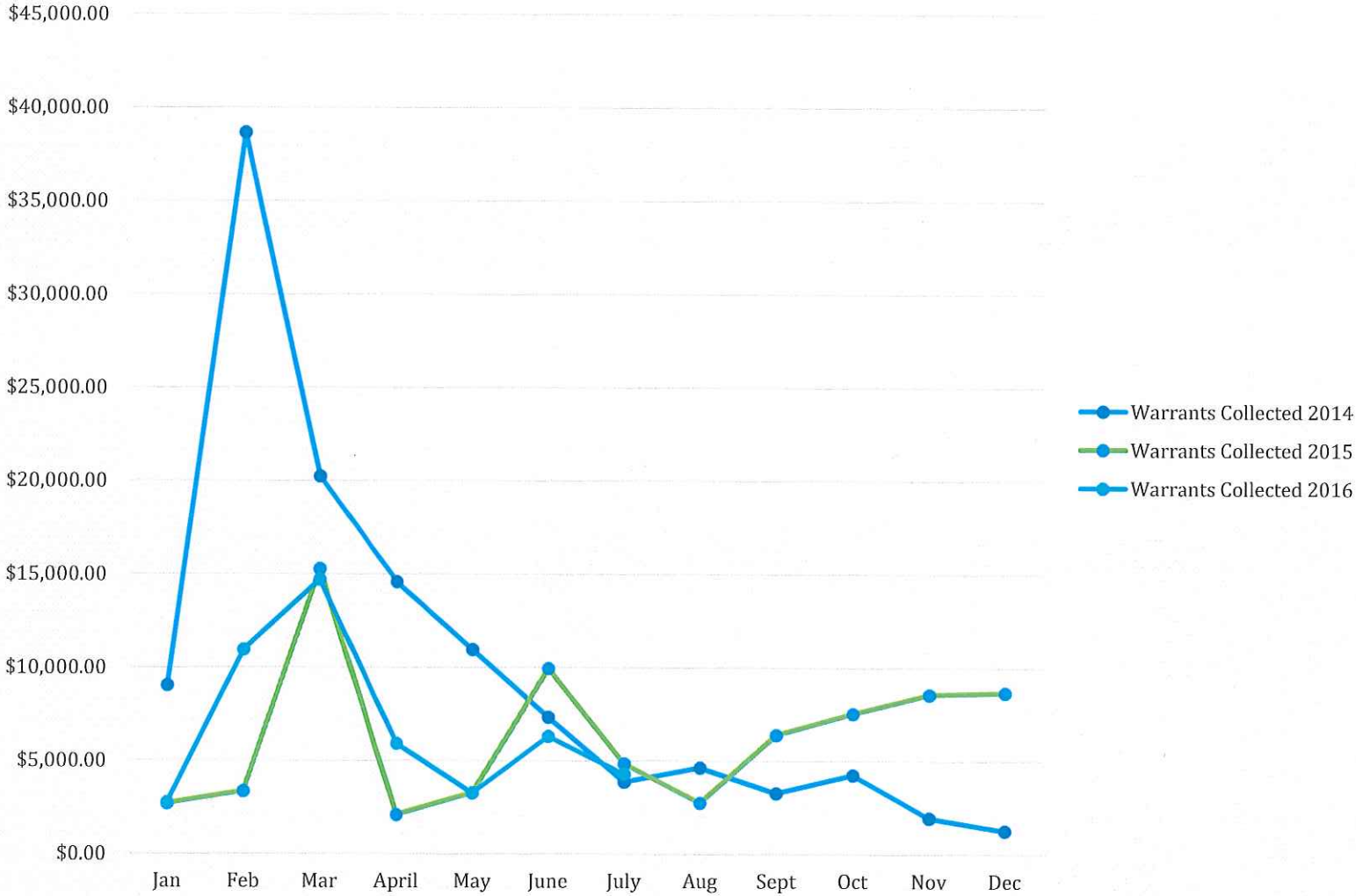
Becky Lehn
 Court Administrator
 08/04/2016

Citations Filed Yearly Comparison

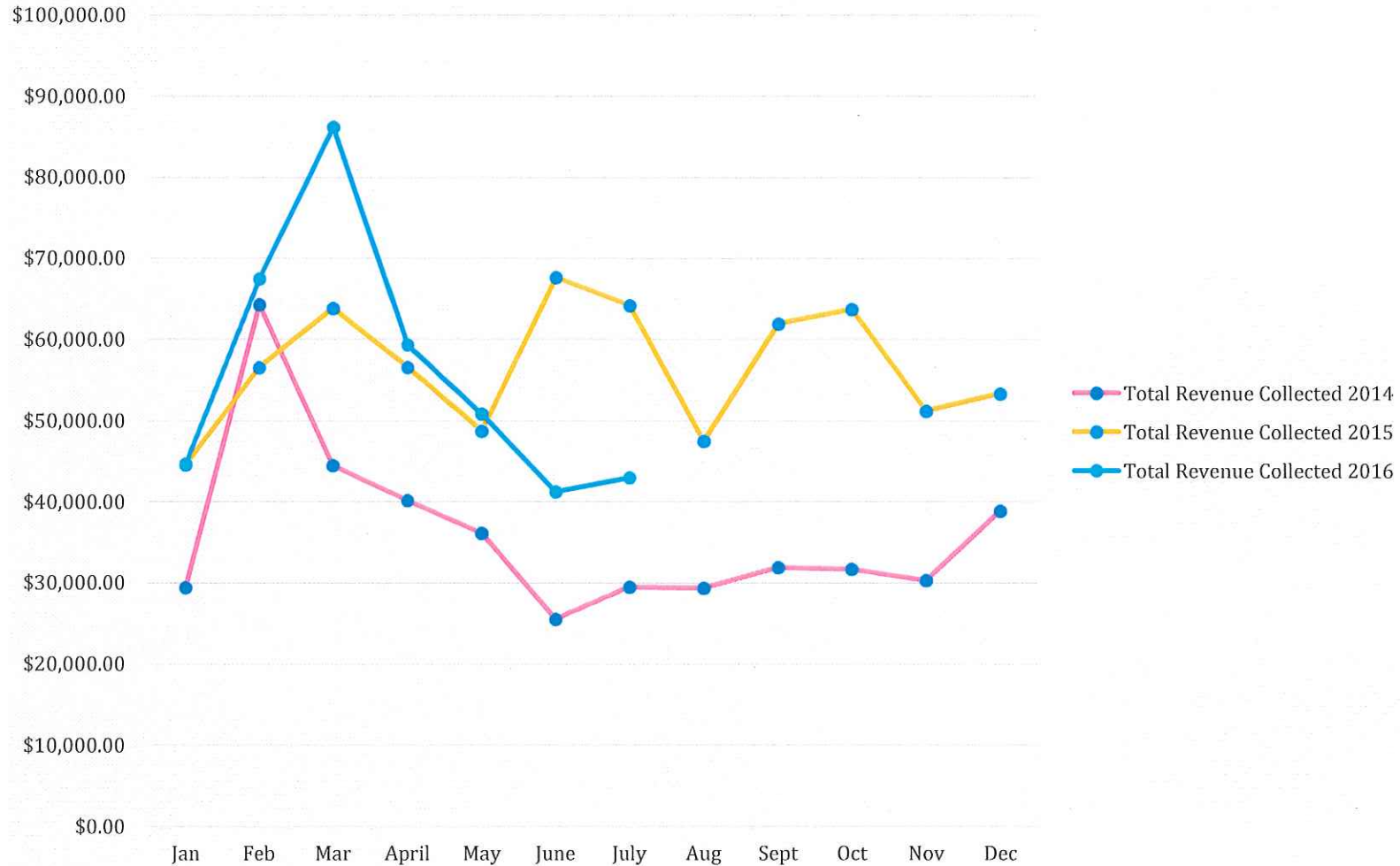


Warrants Collected

Yearly Comparison



Total Revenue Collected Yearly Comparison



UTILITY / PERMITS REPORTS – MONTHLY

Created by Ashley Slaughter

July 2016 Report



UTILITY / DEVELOPMENT PERMIT REPORTS – JULY 2016

TOTAL REVENUE SNAPSHOT

Utilities	\$89,352.04
Permits	\$4,600.10
Community Building	\$330.00

UTILITIES

UTILITY ACCOUNT TOTALS

New Water Accounts	18
Disconnected Water Accounts	15
Total number of Active Accounts	550
Number of Idle Services	29
Total Number of Accounts Cutoff	8

CITY ACCOUNT CONSUMPTION

City Venue	May 2016	June 2016	July 2016
Community Building - Irrigation	21	5	8
Community Building	2	4	1
City Cemetary	0	0	0
City Welcome Sign Irrigation at HWY 105 & Prairie – Rose Garden	0	0	0
North Liberty Sewer Plant	0	0	0
Cedar Break Park Statute Sprinkler	3	3	5
Cedar Break Park Restrooms	8	3	10
Fernland	9	11	12
Memory Park	56	72	338
Community Building Stage Irrigation – Rose Garden	0	0	0
City Hall & Irrigation	42	11	42
Homecoming Park Restrooms	1	0	2
Homecoming Park Drinking Fountain	0	0	1
Buffalo Springs Sewer Plant	170	194	186

Notes:

- Included three months' worth of data for comparison and ease in tracking.

WATER FLUSHING CONSUMPTION

Public Works – 110,000 gallons

Fire Dept – 13,000 gallons

Gulf Utility - 103,000 gallons

PERMITS

Type	Number of Permits	Revenue
Building - Residential	2	\$2,239.50
Building - Commercial	2	\$400.00
Building - Pool	1	\$260.00
Building – Misc.	3	\$180.00
Electrical	3	\$554.00
Mechanical	1	\$119.60
Plumbing	9	\$847.00
Sign	0	\$0.00
Total:	21	\$4,600.10

COMMUNITY BUILDING – JULY

Type of Rental	# of Bookings	Revenue
Profit	3	\$280.00
Non - Profit	6	\$0.00
Amount collected after full or partial loss of deposit	1	\$50.00

Created by Ashley Slaughter
August 19th, 2016



GULF UTILITY
SERVICE, INC.
281-355-1312

City of Montgomery

Operations Report

06/17/16-7/18/16

TAP

INTO

TECHNOLOGY

Dear City of Montgomery Council Members:

We are pleased to provide you with the monthly operations report. This report summarizes the major events that occurred during the operating month. Our mission, as always, is to assist the district in providing safe and reliable water to the residents.

The water plants, wastewater plant and drinking water quality is checked on a daily basis. Wastewater collection system lift stations are checked three times a week. Alarms are monitored and our staff is on 24-hour call. Our construction crews are minutes away from the City.

Our operators collect and enter all facility data into Kardia. Our operators note any issues or problems that are observed during the day. Mission Control is instantly aware of the issue and immediately begins the resolution process. This approach benefits our clients because decisions can be made based on relevant data.

All of the district's data can be accessed on-line. The data is username and password protected. The data is integrated with Kardia and updated daily. District alerts that are generated by Kardia can be sent to board designated recipients. GUS appreciates the trust and confidence that the board has in our team. We work diligently to provide our clients with accurate and useful information.

Michael Williams
Chief Operator
Gulf Utility Service

SUMMARY OF OPERATIONS

District Alerts

Lift station 3

6-24-16

The breaker was tripped to lift pump 1. Maintenance was called to pull pump and clean debris. While pulling pump the chain broke, the pump was retrieved but the motor was locked up. A rental pump was installed until the pump can be rebuilt.

Buffalo Springs WWTP

6-21-16

Operator found the skimmer arm to clarifier not rotating again. The clarifier had to be pumped out to make repair and verify there is no other damage to equipment.

6-21-16

Operator found a damaged coupling to blower 1. The part was ordered and replaced

Water Plant 3

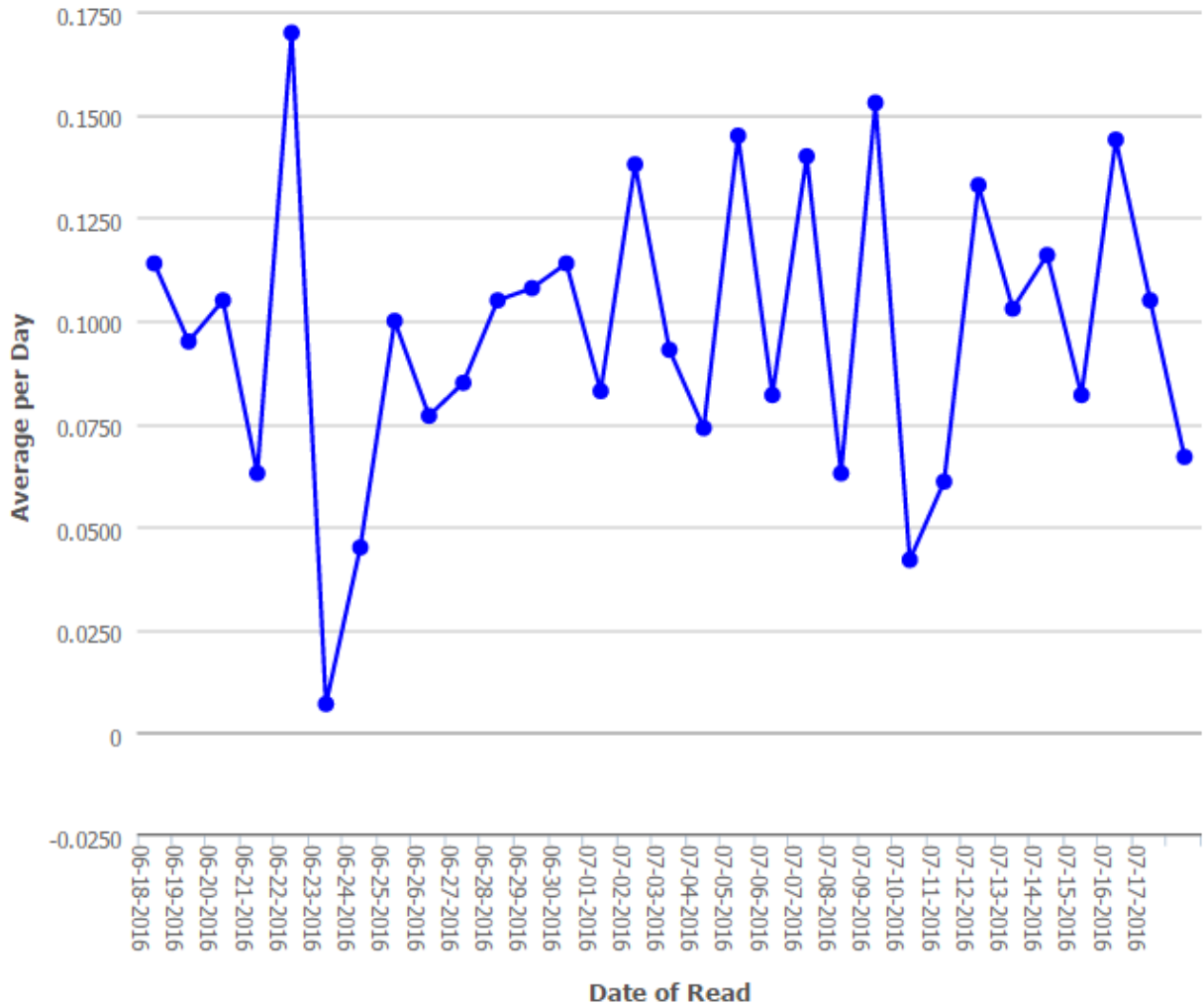
7-6-16

Operator found a break in the chlorination piping. Repairs were made to line.

7-13-16 & 7-23-16

Auto dialer called for well 4 fail to prime. On both occasions the problem was found to be the imbalance on incoming power causing the well to not start. The well was tested and ran normally when the operator arrived at the plant and put the well in manual. Entergy was contacted and we have not encountered another imbalance spike since.

OPERATIONS DETAIL



- Flow for the month of July was 3,012,000 gallons
- Daily peak flow June 22, 2016 was 170,000 gallons (.170 MGD)
 - 77% of permitted value
 - The clarifier was cleaned out on the 22nd causing the high flow and the low flow on the 23rd and 24th
- Average Daily Flow 97,000 gallons (.097 MGD)
 - 24% of permitted value

*Average per day is a non-weighted average.

This data is available on our website. <http://www.gulfutility.net/commercial-accounts/>

WATER DISTRIBUTION AND MONITORING

The operator will collect a sample from the City on a daily basis. The purpose is to ensure that a good chlorine residual is maintained throughout the water distribution system. There are a total of seven sample locations that have been carefully selected to provide a fair representation of the entire district. The operator will rotate the sample locations taking a sample from the location that has the oldest prior sample date. Kardia will display the next sample location for the operator. Kardia can display the date of the latest sample and result or list the historical sample dates and results by location.

Flushing

A flushing program has been carefully created to ensure that the City's residents are provided with clean, clear and disinfected water.

COLLECTION SYSTEM

GUS operates and maintains 12 lift stations for the City. Our operator will inspect each location for problems. The access hatches will be opened and a visual inspection will be performed. If the control panel includes an ETM, the hours will be entered into Kardia. Auto dialers are verified weekly.

WASTEWATER TREATMENT PLANT

During each plant visit a visual inspection of the entire facility is performed. All flow meters and ETM values will be recorded in Kardia along with totalizer readings. The operator will also note erratic flow, upset or cloudy effluent, chlorine residual, chemical inventory, sludge blanket depths, mixed liquor sets, temperature and rainfall. All data is entered into Kardia. The City and consultants are able to view the data by logging into our website. The data can also be provided in electronic format. The operator will also record the staff gauge reading, Kardia returns the calculation for instantaneous flow. The calculated result is compared to the instant flow reading per the totalizer. The operator is looking for the readings to be within 80% - 120% of each other. Consistently different results would indicate a problem with totalizer calibration or with the transducer. The operator will also coordinate with the lab company. The permit values are maintained in Kardia and compared to sample results.

Permit Information – Stewart Creek

The current permit expires 06/01/2017

Discharge Limitations

- Daily Average Flow 400,000 gallons (0.4 MGD)
- 2-Hour Peak Flow 833 gpm
- CBOD daily average 10 mg/l
- Total Suspended Solids (TSS) 15 mg/l
- Ammonium Nitrogen (NH3) 2 mg/l
- Chlorine Residual >1.0 mg/l < 4.0 mg/l

Lab results

Gulf has contracted with Eastex Environmental to pull scheduled monthly samples from the effluent and the aeration basin. The samples are required by the state and are used to ensure that the plant has complied with all permitted limits.


Aeration

It is extremely important that the samples are taken where the operator has indicated. The operator is not always present when the samples are taken. The operator routinely communicates with the lab company and the lab technician taking the samples. The operator has marked the sample locations.

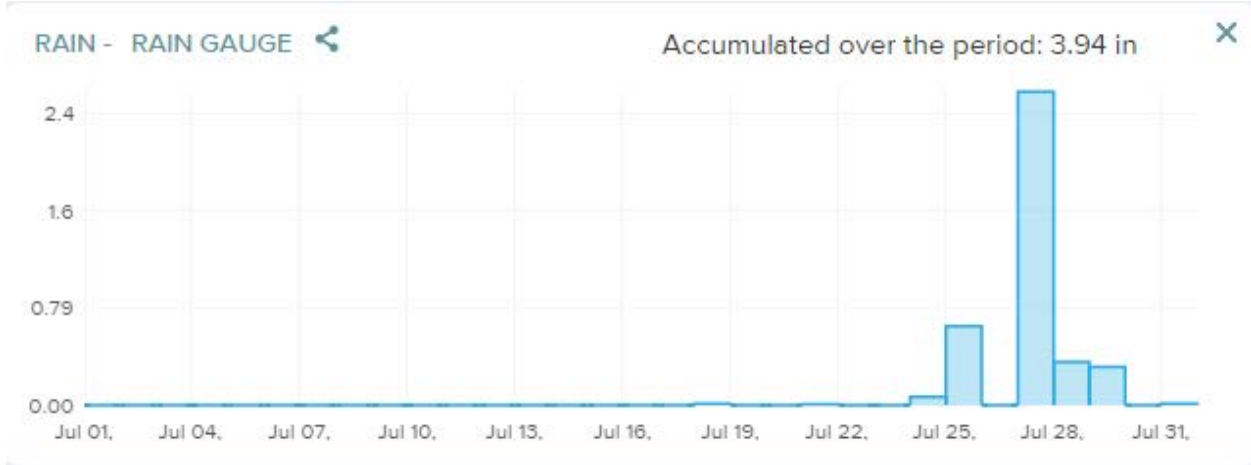
Effluent

TSS, DO, E.Coli, NH3N, PH sample results were all comfortable within the parameters set by the State of Texas.

Buffalo Springs WWTP Effluent Monitoring Report

Effluent Permitted Values	Parameter		Measured	Excursion
Average Monthly T.S.S.	15	MGD	12.6	no
Average Monthly NH3	2	mg/l	0.32	no
Minimal CL2 Residual	1	mg/l	1.01	no
Max CL2 Residual	4	mg/l	3.70	no
Rainfall for the Month			3.94	inches

There were no excursions for the month of July



Water Report

06/17/2016 – 07/18/2015

Well Name	City Recorded	GULF Recorded	% of Total	Rating g/Day	g/pMonth
Well 2	0.013	0.013	00.6%	0.864	25.92
Well 3	.577	.577	04.7%	0.864	25.92
Well 4	11.694	11.694	94.7%	2.160	64.80
Total	12.284	12.284	100.00%	3.888	116.64
Flushing	.225	.225			
Subtotal	12.049	12.049			
Sold	11.764	11.764			
Percentage Accounted	98%	98%			

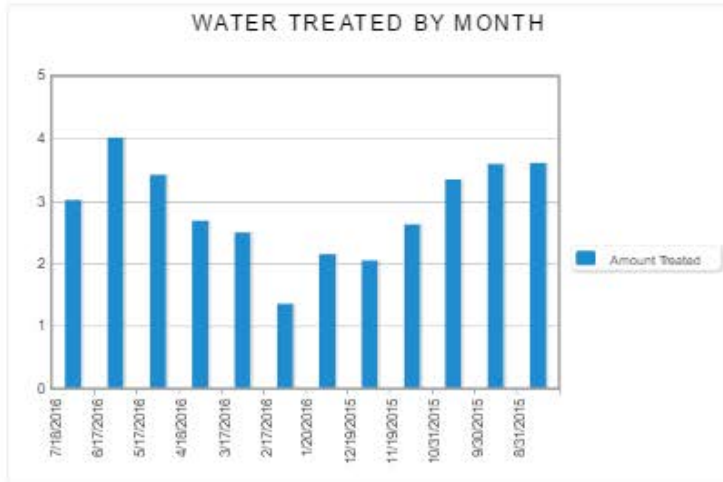
Well Run Times

Well Name	Total Hrs	% Total	Peak Day
2	.7	.4%	06/28/2016
3	17.4	11.0%	07/17/2016
4	140.5	88.6%	07/12/2016
Total	158.6	100%	

WATER PRODUCTION

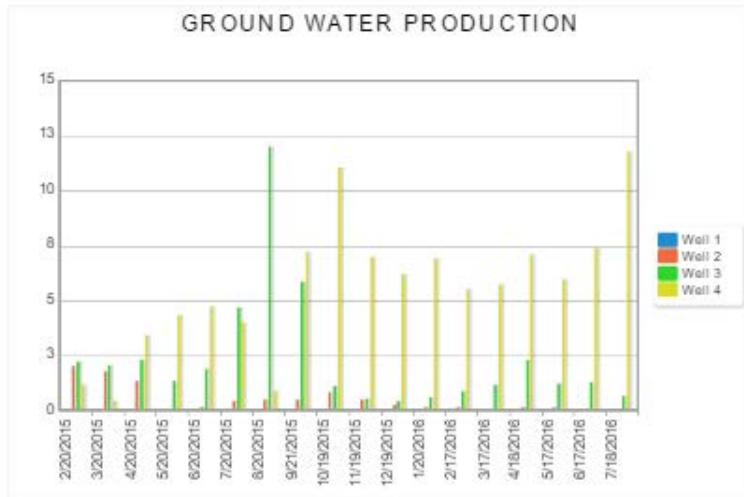
Connections	
School	7
Commercial Inside	90
Commercial Outside	1
Residential Inside	383
Residential Outside	24
Church	10
City	16
Hydrant	5
Irrigation	49
Total	585

Gulf Utility Services Operations Report
 July 26, 2016

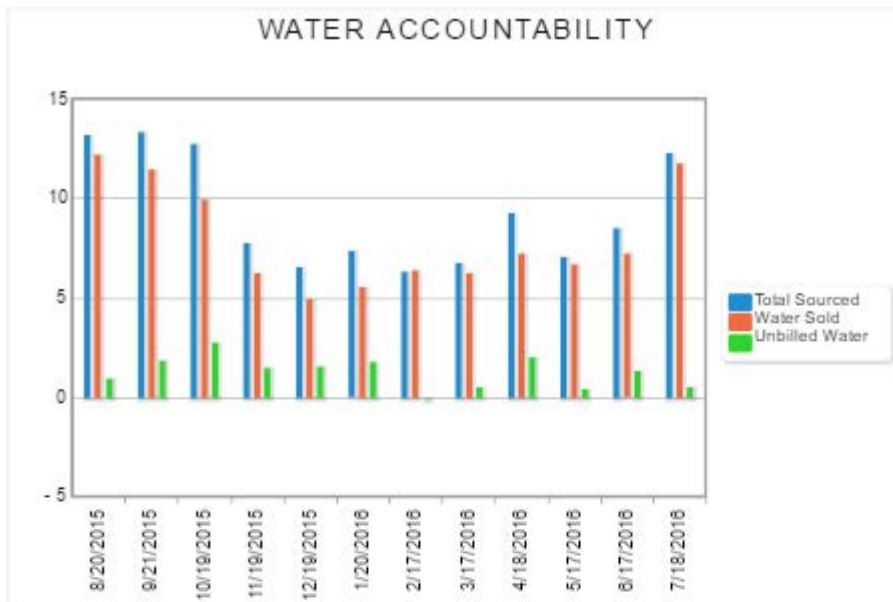


MONTH ▲	FLOW	RAIN (INCHES)
1/31/15	1.889	5.000
2/29/15	1.898	1.800
3/31/15	2.929	6.250
4/30/15	2.497	11.000
5/31/15	4.296	8.000
6/30/15	3.598	2.500
7/31/15	3.213	0.000
8/31/15	3.819	3.500
9/30/15	3.596	3.750
10/31/15	3.335	6.750
11/19/15	2.628	8.250
12/19/15	2.044	6.250
1/20/16	2.138	1.500
2/17/16	1.343	2.500
3/17/16	2.494	8.500
4/18/16	2.678	7.500
5/17/16	3.409	14.500
6/17/16	4.021	5.670
7/18/16	3.012	3.940
AVERAGE		5.629
TOTAL		106.960

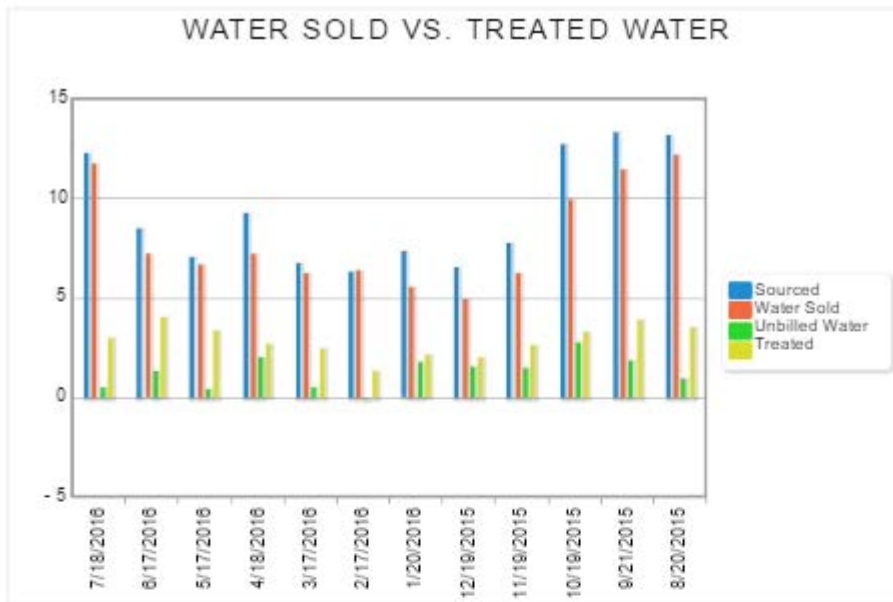
Gulf Utility Services Operations Report
 July 26, 2016



DATE	TOTAL	WELL 1	WELL 2	WELL 3	WELL 4
A/G	8.216	0.000	0.419	2.277	5.520
7/18/16	12.284	0.000	0.013	0.577	11.694
6/17/16	8.522	0.000	0.026	1.179	7.317
5/17/16	7.107	0.000	0.073	1.137	5.897
4/18/16	9.247	0.000	0.062	2.193	6.992
3/17/16	6.789	0.000	0.005	1.077	5.687
2/17/16	8.313	0.000	0.055	0.796	5.462
1/20/16	7.355	0.000	0.030	0.499	6.826
12/19/15	6.579	0.000	0.160	0.325	6.094
11/19/15	7.763	0.000	0.415	0.467	6.881
10/19/15	12.723	0.000	0.719	1.033	10.971
9/21/15	13.341	0.000	0.415	5.776	7.150
8/20/15	13.184	0.000	0.412	11.961	0.811
7/20/15	8.806	0.000	0.328	4.560	3.918
6/20/15	8.459	0.000	0.037	1.792	4.630
5/20/15	5.503	0.000	0.001	1.255	4.247
4/20/15	6.761	0.000	1.221	2.182	3.358
3/20/15	4.028	0.000	1.678	2.008	0.342
2/20/15	5.143	0.000	1.899	2.165	1.079
TOTAL	147.887	0.000	7.549	40.982	99.356



DATE ▼	TOTAL SOURCED	WATER SOLD	UNBILLED WATER	FLUSHING/LEAKS	UNACCOUNTED	ACCTBLTY
7/18/16	12.284	11.764	0.520	0.225	0.295	98%
6/17/16	8.522	7.194	1.328	1.199	0.129	98%
5/17/16	7.107	6.886	0.421	0.380	0.041	99%
4/18/16	9.247	7.218	2.029	1.565	0.464	95%
3/17/16	6.789	6.265	0.504	0.231	0.273	96%
2/17/16	6.313	6.398	-0.085	0.325	-0.410	106%
1/20/16	7.355	5.551	1.804	0.055	1.749	76%
12/19/15	8.579	4.997	1.582	0.000	1.582	76%
11/19/15	7.783	6.279	1.484	0.137	1.347	83%
10/19/15	12.723	9.965	2.758	0.000	2.758	78%
9/21/15	13.341	11.476	1.865	0.000	1.865	86%
8/20/15	13.184	12.200	0.984	0.000	0.984	93%



DATE ▼	SOURCED	WATER SOLD	UNBILLED WATER	TREATED WATER	RETURN %	RAIN
7/18/16	12.284	11.764	0.520	3.012	26%	3.940
6/17/16	8.522	7.194	1.328	4.021	56%	5.670
5/17/16	7.107	6.686	0.421	3.409	51%	14.500
4/18/16	9.247	7.218	2.029	2.678	37%	7.500
3/17/16	6.769	6.265	0.504	2.494	40%	8.500
2/17/16	6.313	6.398	- 0.085	1.343	21%	2.500
1/20/16	7.355	5.551	1.804	2.136	38%	1.500
12/19/15	6.579	4.997	1.582	2.044	41%	6.250
11/19/15	7.783	6.279	1.484	2.626	42%	8.250
10/19/15	12.723	9.965	2.758	3.33	33%	6.750
9/21/15	13.341	11.476	1.865	3.902	34%	4.500
8/20/15	13.184	12.200	0.984	3.544	29%	2.000

This data is available on our website. <http://www.gulfutility.net/commercial-accounts/>



August 18, 2016

The Honorable Mayor and City Council
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Engineering Report
Council Meeting: August 23, 2016
City of Montgomery

Dear Mayor and Council:

The following information summarizes our activities on your behalf since the July 26, 2016 Council Meeting:

Status of Previously Authorized Projects:

a) Impact Fee Analysis

We have completed Capital Improvements Impact Fee calculations and are preparing to conduct our initial meeting with the Advisory Committee on September 2nd regarding land use assumptions and related capital projects.

b) Joint Mobility Study

We held a kick-off meeting with representatives from Precincts One and Two on August 1st and are now proceeding with preliminary phase work on the Mobility Study.

c) TPDES Wastewater Treatment Plant Permit Renewals

We are underway with preparation of the permit renewals for both the Town Creek and Stewart Creek plants. The anticipated timeline for submission is approximately 45-60 days.

d) Texas Capital Fund Grant (Kroger)

Key Construction is continuing with work on the Kroger building and the Reserve A outparcel, and on-site Private utility construction is ongoing. Construction contracts for the public infrastructure project have been prepared and delivered to the corporate offices of Key Construction for ratification. We anticipate holding a pre-construction meeting before the end of the month.

e) Texas Capital Fund Grant (Pizza Shack)

Our understanding is building plans have been submitted to the City for code review. We recently returned review comments on the interior plumbing plans and have resumed preparation of construction plans for the public utility extension to serve the development. We expect to advertise the project for bids in early to mid-September.

Status of Previously Authorized Projects (cont.):**f) Water Distribution System Analysis and Master Plan-CP No. 1, GST Backfill**

Recall, construction drawings were approved by the TCEQ on May 19th, and the project is complete and ready to be advertised for bids. We are prepared to proceed with bidding and construction upon allocation of funding for the project. Recall this project includes the installation of additional piping, valves, and electrical controls to backfill the ground storage tank at Water Plant No. 2 from the existing distribution system.

g) Water Distribution System Analysis and Master Plan-CP No. 2, 12-inch Waterline Across Town Creek Bridge

Completion of this project will remain on hold indefinitely while the bridge damage and adjacent slope stability issues are addressed. However, we looking at additional options to serve the SH-105 & Lone Star Parkway corridor with a looped waterline.

Plan/Plat Reviews: The following plan and plat reviews are in progress.**a) Plan Reviews**

- i. **Heritage Place Medical Center** – We received a revised submission on August 10th and returned approved drawings on August 18th.
- ii. **Heritage Place Parking Expansion** – We returned approved drawings on August 9th.
- iii. **Heritage Plaza, Phase II** – We returned review comments on July 22, 2015 and are currently awaiting revised drawings. The Developer has indicated they are revising the proposed Phase II expansion into separate Phases II and III
- iv. **McCoy's Building Supply** – We received a revised submission on August 15th and are prepared return approved drawings upon receiving approval by the Planning & Zoning Commission and City Council.

***Agenda Item No. 6** – Consideration and possible action regarding approval of Final Plat submission and accompanying on-site construction plans for McCoy's Building Supply.*

- v. **SH-105 Retail Center** – We received a revised submission on August 12th and returned review comments on August 18th. Recall, this is a proposed 2-acre commercial development located on the northeast corner of SH-105 and Lone Star Parkway east.
- vi. **Villas of Mia Lago, Section Two** – We received drawings on August 3rd and returned review comments on August 9th.



b) Plat Reviews

- i. **McCoy's Building Supply (Final Plat)** – We received a revised submission on August 15th and are to prepared return approved drawings upon receiving approval by the Planning & Zoning Commission and City Council.

***Agenda Item No. 6** – Consideration and possible action regarding approval of Final Plat submission and accompanying on-site construction plans for McCoy's Building Supply.*

- ii. **Villas of Mia Lago, Section Two (Preliminary Plat)** – We received a revised submission on August 3rd and returned review comments on August 9th.

Meetings and Ongoing Activities:

- a) **Buffalo Springs Bridge** – On August 4th we met representatives from Modular Gabion Systems and on August 8th we met with the FEMA Mitigation Specialist regarding needed repairs to the bridge and adjacent drainage structure. We are currently working with Modular Gabion Systems to obtain a preliminary cost estimate and design proposal for remediation of the bridge abutments and adjacent slopes. Additionally we have contacted the Natural Resources Conservation Service regarding the disposition of the canal and are awaiting a response regarding possible assistance with dredging activities.
- b) **Hills of Town Creek, Section Two** – We attended a pre-construction meeting for water, sanitary sewer, paving, and drainage construction with representatives from Stylecraft Builders, Inc., Cooley Construction, LLC, and L Squared Engineering. Recall this is the first of two phases for a 100 lot single family residential development located northeast of the intersection of SH-105 and Lone Star Parkway West.
- c) **Kroger Civil Site Construction, Progress Meetings** – We continue to hold bi-monthly coordination meetings with Key Construction. Our understanding is Kroger continues to target a late November to early December opening.
- d) **Lake Creek Village, Section Two** – Construction of water, sanitary sewer, and lower stage storm sewer is complete. Construction of paving and second stage storm sewer is nearing completion and we are continuing to provide daily field inspections.
- e) **Lone Star Bend Extension** – We have completed initial survey and staking of the approximately 20'x80' portion of Restricted Reserve "A" situated within Block 2 of Grandview, Section One and delivered a completed legal description to the County Engineer's office. Recall county acquisition of this parcel is needed to gain access to the existing Bois D'Arc Bend right-of-way.



Meetings and Ongoing Activities (cont.):

- f) **Terra Vista, Section One** – Construction of water and sanitary sewer is complete. We noted no progress on paving construction and minimal progress on drainage construction during the month. On July 12th the Developer stated his intent was to achieve substantial completion and request a final inspection within the 30-45 days.
- g) **Texas Water Development Board, Capital Project Funding** – The TWDB has extended a formal invitation to apply for project funding and we are coordinating submission of the necessary applications with City Staff and Consultants. An additional memo is included in your packet for your review.

***Agenda Item No. 8** – Consideration and possible action regarding approval of a Resolution By The City Council Of The City Of Montgomery, Texas Requesting Financial Assistance From The Texas Water Development Board For Water System Projects*

***Agenda Item No. 9** – Consideration and possible action regarding approval of a Resolution By The City Council Of The City Of Montgomery, Texas Requesting Financial Assistance From The Texas Water Development Board For Sanitary Sewer System Projects*

- h) **Wade Street Survey** –We prepared final drafts of legal descriptions and surveyor’s exhibits, and submitted to the City Administrator and Attorney for review. Recall this work was intended to identify a proposed City right-of-way, locate property corners, pavement extents, and utility locations along Wade Street between Worsham Street and Old Plantersville Road; and to establish a City right-of-way and proposed compensation for the adjacent property owners.
- i) **Waterstone, Section Two** – Construction of water and sanitary sewer is complete. The Contractor is beginning to address paving failures which occurred during the April rain events, but minimal progress was noted during the month.
- j) **Weekly Operations Conference Call** – We continue hosting a weekly conference call with representatives from Gulf Utility Service, Inc. and the City Staff. Items of note discussed during the previous month included repairs to Lift Pump No. 1 at Lift Station No.3 and requested assistance with historical operations data for inclusion in the TWDB funding applications.

Meetings and Ongoing Activities (cont.):

- k) **West Side at the Park** –The Developer’s Engineer has submitted drawings indicating a desire to modify the planned drainage improvements which the City approved in July 2014. We will provide review comments and approvable modifications will be presented for Council consideration in the coming weeks.

Please contact Glynn Fleming or myself if you have any questions.

Sincerely,



Ed Shackelford, P.E.
Engineer for the City

EHS/gef:lr2

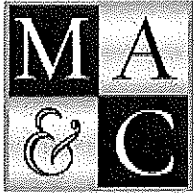
P:\PROJECTS\W5841 - City of Montgomery\W5841-0900-00 General Consultation\2016\Engineer's Reports\Engineer's Report 8-23-2016.docx

Enclosures: N/A

cc/enc.: The Planning and Zoning Commission – City of Montgomery
Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney

CITY OF MONTGOMERY
ACCOUNT BALANCES
For Meeting of August 23, 2016

	<u>CHECKING ACCT BALANCES</u>	<u>PRIOR MONTH END INVESTMENTS</u>	<u>TOTAL FUNDS AVAILABLE</u>
<u>GENERAL FUNDS</u>			
OPERATING FUND #1017375	\$ 562,312.22		\$ 562,312.22
TEMP GRANT FUNDS - COPS UNIVERSAL #103289	\$ 10.00		\$ 10.00
ESCROW FUND #1025873	\$ -		\$ -
PARK FUND #7014236	\$ -		\$ -
POLICE DRUG & MISC FUND #1025675	\$ 10,675.64		\$ 10,675.64
INVESTMENTS - GENERAL FUND		\$ 300,000.00	\$ 300,000.00
TEXPOOL - GENERAL FUND # 00003		\$ 202,945.94	\$ 202,945.94
TEXPOOL - RESERVE FUND # 00005		\$ -	\$ -
TOTAL GENERAL FUND	\$ 572,997.86	\$ 502,945.94	\$ 1,075,943.80
<u>CONSTRUCTION FUND</u>			
BUILDING FUND #1058528	\$ -		\$ -
CONSTRUCTION ACCOUNT #1058544	\$ 1,008.08		\$ 1,008.08
TEXPOOL - CONST # 00009		\$ 1,567.48	\$ 1,567.48
INVESTMENTS - CONSTRUCTION		\$ -	\$ -
TOTAL CONSTRUCTION FUND	\$ 1,008.08	\$ 1,567.48	\$ 2,575.56
<u>DEBT SERVICE FUND</u>			
DEBT SERVICE FUND #7024730	\$ 160,444.13		\$ 160,444.13
TEXPOOL DEBT SERVICE # 00008	\$ -	\$ 24,233.79	\$ 24,233.79
TOTAL DEBT SERVICE FUND	\$ 160,444.13	\$ 24,233.79	\$ 184,677.92
COURT SECURITY FUND #1058361	\$ 16,229.59	\$ -	\$ 16,229.59
COURT TECHNICAL FUND #1058361	\$ 12,990.41	\$ -	\$ 12,990.41
<u>GRANT FUND</u>			
HOME GRANT ACCOUNT #1059104	\$ 10.00		\$ 10.00
GRANT ACCOUNT #1048479	\$ 287.74		\$ 287.74
TOTAL GRANT FUND	\$ 297.74	\$ -	\$ 297.74
HOTEL OCCUPANCY TAX FUND #1025253	\$ 9,399.90	\$ -	\$ 9,399.90
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 371,435.10		\$ 371,435.10
TEXPOOL - MEDC # 00003		\$ 233,304.67	\$ 233,304.67
INVESTMENTS - MEDC		\$ 100,000.00	\$ 100,000.00
TOTAL MEDC	\$ 371,435.10	\$ 333,304.67	\$ 704,739.77
POLICE ASSET FORFEITURES #1047745	\$ 4,272.25		\$ 4,272.25
<u>UTILITY FUND</u>			
UTILITY FUND #1017383	\$ 95,310.97		\$ 95,310.97
CUSTOMER DEPOSITS FUND #1017417	\$ -		\$ -
WATER WORKS & SAN SEWER #7013840	\$ -		\$ -
TEXPOOL - UTILITY FUND # 00002		\$ 17,852.96	\$ 17,852.96
TOTAL UTILITY FUND	\$ 95,310.97	\$ 17,852.96	\$ 113,163.93
TOTAL ALL FUNDS	\$ 1,244,386.03	\$ 879,904.84	\$ 2,124,290.87
<u>INVESTMENTS</u>			
TEXPOOL - GENERAL FUND			\$ 202,945.94
INVESTMENTS - GENERAL FUND			\$ 300,000.00
TEXPOOL - CONST # 00009			\$ 1,567.48
TEXPOOL - DEBT SERVICE # 00008			\$ 24,233.79
TEXPOOL - MEDC			\$ 233,304.67
INVESTMENTS - MEDC			\$ 100,000.00
TEXPOOL - UTILITY			\$ 17,852.96
TOTAL ALL INVESTMENTS			\$ 879,904.84



MUNICIPAL ACCOUNTS
& CONSULTING, L.P.

City of Montgomery

Bookkeeper's Report

August 23, 2016

City of Montgomery
Account Balances

As of August 17, 2016

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Operating					
Certificates of Deposit					
GREEN BANK (XXXX0365)	05/23/2016	08/22/2016	0.35 %	100,000.00	
INDEPENDENT BANK (XXXX1533)	06/16/2016	09/14/2016	0.35 %	100,000.00	
ALLIANCE BANK (XXXX3545)	07/16/2016	10/14/2016	0.40 %	100,000.00	
Money Market Funds					
TEXPOOL (XXXX0003)	08/01/2005		0.34 %	202,945.94	
Checking Account(s)					
FIRST BANK N.A. (XXXX7375)			0.00 %	562,312.22	Checking Account
FIRST BANK N.A. (XXXX5675)			0.00 %	10,675.64	Police Drug & Misc Fund
FIRST BANK N.A. (XXXX5873)			0.00 %	0.00	Escrow
FIRST BANK N.A. (XXXX2895)			0.00 %	10.00	COPS Universal Award
FIRST BANK N.A. (XXXX4236)			0.00 %	0.00	Park
Totals for Operating Fund:				\$1,075,943.80	
Fund: Capital Projects					
Money Market Funds					
TEXPOOL (XXXX0009)	12/27/2012		0.34 %	1,567.48	
Checking Account(s)					
FIRST BANK N.A. (XXXX8528)			0.00 %	0.00	Building Fund
FIRST BANK N.A. (XXXX8544)			0.00 %	1,008.08	Const Ckg-W&S Proj 1058544
Totals for Capital Projects Fund:				\$2,575.56	
Fund: Debt Service					
Money Market Funds					
TEXPOOL (XXXX0008)	12/27/2012		0.34 %	24,233.79	
Checking Account(s)					
FIRST BANK N.A. (XXXX4730)			0.00 %	160,444.13	Checking Account
Totals for Debt Service Fund:				\$184,677.92	
Fund: CT Security					
Checking Account(s)					
FIRST BANK N.A. (XXXX0580)			0.00 %	16,229.59	Cash In Bank
Totals for CT Security Fund:				\$16,229.59	
Fund: CT Tech					
Checking Account(s)					
FIRST BANK N.A. (XXXX8361)			0.00 %	12,990.41	Cash In Bank
Totals for CT Tech Fund:				\$12,990.41	
Fund: Grant					
Checking Account(s)					
FIRST BANK N.A. (XXXX8479)			0.00 %	287.74	Grant Account
FIRST BANK N.A. (XXXX9104)			0.00 %	10.00	Checking Account
Totals for Grant Fund:				\$297.74	

City of Montgomery
Account Balances

As of August 17, 2016

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Hotel Occupancy Tax					
Checking Account(s)					
FIRST BANK N.A. (XXXX5253)			0.00 %	9,399.90	Cash In Bank
Totals for Hotel Occupancy Tax Fund:				\$9,399.90	
Fund: MEDC					
Certificates of Deposit					
INDEPENDENT BANK (XXXX6840)	05/26/2016	08/24/2016	0.35 %	100,000.00	
Money Market Funds					
TEXPOOL (XXXX0006)	08/01/2005		0.34 %	233,304.67	
Checking Account(s)					
FIRST BANK N.A. (XXXX7938)			0.00 %	371,435.10	MEDC Checking
Totals for MEDC Fund:				\$704,739.77	
Fund: Policy Asset Forfeiture					
Checking Account(s)					
FIRST BANK N.A. (XXXX7745)			0.00 %	4,272.25	Cash In Bank
Totals for Policy Asset Forfeiture Fund:				\$4,272.25	
Fund: Utility					
Money Market Funds					
TEXPOOL (XXXX0002)	08/01/2005		0.34 %	17,852.96	
Checking Account(s)					
FIRST BANK N.A. (XXXX7383)			0.00 %	95,310.97	Water & Sewer Fund
FIRST BANK N.A. (XXXX7417)			0.00 %	0.00	Customer Deposit Acct
FIRST BANK N.A. (XXXX3840)			0.00 %	0.00	Water Works
Totals for Utility Fund:				\$113,163.93	
Grand total for City of Montgomery:				\$2,124,290.87	

City of Montgomery - General
Cash Flow Report - Checking Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$402,679.77
Receipts				
	Tax Revenue CL 7/16		6,912.83	
	Tax Revenue OS 7/19		431.54	
	Tax P&I CL 7/16		1,082.84	
	Tax Revenue EOM 7/16		64.86	
	Miscellaneous Rev CL 7/16		49,618.47	
	Miscellaneous Rev OS 7/16		5,821.38	
	Court Revenue CL 7/16		28,645.67	
	Court Revenue OS 7/16		7,215.90	
	Interest		28.49	
	Amount Due from Utility Fund thru 8/5/16		21,876.72	
	Sales Tax Revenue rec'd 8/16		202,380.82	
	3rd Qtr 2016 Admin Transfer		9,375.00	
	4th Qtr 2016 Admin Transfer		9,375.00	
Total Receipts				342,829.52
Disbursements				
26403	Office of the Attorney General	0012541428, 0012011313, 0009584649, 001180485	(2,253.23)	
26404	Consolidated Communications	Telephone Service 7/16	(61.51)	
26405	Documation, Inc.	Contract 25366376 Account 124715 - Lease Pmt	(1,263.25)	
26406	Ewing Irrigation Products, Inc.	Order 3785637-A-1 - Hunter Pro - Com. Center	(197.45)	
26407	GTIN	#5790, 5812, 5821	(6,610.91)	
26408	Michael Shirley	Prosecutor Fee 7/14/16	(450.00)	
26409	Pecan Hill Florist	Dish Garden - Dana Bickford	(50.00)	
26410	Tyler Technologies, Inc	Monthly fee - Web Site and On Line Billing Compo	(41.00)	
26411	Verizon Wireless	521590387-00001	(667.22)	
26412	Christopher Carswell	Reimbursement of Expense for - DRE Field Certif	(224.00)	
26413	Northwest Pest Patrol	Mosquito fogging - June	(725.00)	
26414	Price Air Conditioning	Air conditioner repair #1621	(81.19)	
26415	Rick Hanna, CPI	Inv 16427, 28	(1,391.00)	
26416	Tammy J. McRae	Police Vehicle Registration Renewal	(14.25)	
26417	Thomas Lundsten	Cedar Brake Park Garden Maintenance - 7/16	(65.00)	
26418	Valero Marketing & Supply Company	Acct #62249487 - Fuel 6/15-7/16/16 (police)	(2,369.26)	
26419	Valero Marketing & Supply Company-2	Acct 7137-8863 - Invoice for June	(1,325.51)	
26420	Weisinger Materials, Inc	Wholesale Decomposed Granite #044575	(130.00)	
26421	Daspit, Laurence F	Payroll 8/5/16	(191.62)	
26422	3rd Day Creations Lawn & Landscaping	Mowing Contract -#1666 Inv 2461	(4,996.89)	
26423	Allen's Safe and Lock, LLC	Inv 47780 - Install new Smart Key cylinder - Police	(175.50)	
26424	Card Service Center	First Financial Credit Card Account XXXX 0869 -	(2,250.68)	
26425	City of Montgomery - Utility Fund	Water Usage - Memory Pk - 124.50, Fernland - 84.8	(209.32)	
26426	Construction Code Consultants, LLC	Commercial Building Code plan review service- BX	(100.00)	
26427	Easley Enterprises of Texas, Inc.	City Hall General Cleaning 7/16	(375.00)	
26428	Entergy	Part Utilities per spreadsheet 7/16	(1,389.78)	
26429	Grainger	Invoice 9166650938, 9178693256	(456.12)	
26430	Information Professionals, Inc.	Subscription to E-workorders - 3 months - Inv 33	(555.00)	
26431	Michael Shirley	Prosecutor Fee 7/28/16	(450.00)	
26432	Miller Uniforms & Emblems, Inc.	Uniforms Acct 299- inv 46330	(135.46)	
26433	Municipal Accounts & Consulting, L.P.	Bookkeeping 7/16 Inv 43095	(6,668.75)	
26434	Personalized Communications, Inc.	Answering Service - 8/11/16-9/7/16 Inv 18253-07	(140.92)	
26435	Rick Hanna, CPI	Inv 16448, 449	(1,864.75)	
26436	Robert Rosenquist	Municipal Court Judge - 7/16	(1,000.00)	

City of Montgomery - General
Cash Flow Report - Checking Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
Disbursements				
26437	Sam's Club	Acct #040241083268-7 Inv 004872, 004333	(281.20)	
26438	Stowes' Wrecker & Collision	Inv 32539, 32546	(126.00)	
26439	Texas Specialties/Lone Star Signs	Inv 9479, 9729, 9960, 10025, 10399, 10438	(1,866.04)	
26440	The Mail Stop	Statement Period thru 8/1/16- Register Chg 13517	(40.40)	
26441	TML-IRP	Contract #6827 - Ins Premium 8/16	(2,910.34)	
26442	TML-Multistate Intergovernmental	Health, Life & AD&D Insurance August	(9,474.93)	
26443	Office of the Attorney General	0012541428, 0012011313, 0009584649, 001180485	(2,388.08)	
26444	TMRS	0877, 00877	(8,949.43)	
26445	City of Montgomery - Utility Fund	Water Usage Memory and Fernland Park - 7/16	(1,222.35)	
26446	COPsync, Inc	Courtsync, warrantsync, & Mobil Web app -Annual	(1,200.00)	
26447	Davis Investigation Services	Inv 9827-15013 - Regina Rather	(25.00)	
26448	Entergy	Part Utilities per spreadsheet #105574 7/16	(1,009.89)	
26449	Ger Nay Pest Control	Pest control #11462, 11458	(212.00)	
26450	GTIN	New PC Configuration & Install (Kim, Angelina, M	(1,500.00)	
26451	Houston Community Newspaper	Acct #189014 - Notice of Ordinances, Budget Hea	(311.00)	
26452	Iron Mountain	Document Shredding MWC8892	(100.44)	
26453	Jim's Hardware	Acct #102 - Invoices - 7/16	(428.81)	
26454	LDC	CM100017 & CM100032 - Gas Service 101 Planter	(34.87)	
26455	Milton Weinzettle	Inv 225114 - Fabricated one drain cover	(150.00)	
26456	Office Depot Business Credit	Supplies Inv 849888464001,585001,851136836001,	(405.99)	
26457	Perdue, Brandon, Fielder, Collins, & Mott	Collections-Fines and Fees - 6/1-5/30/16 Inv 000	(1,546.17)	
26458	Price Air Conditioning	Air conditioner repair #1658	(189.44)	
26459	Rotary Club of Lake Conroe	1st Qtr - 1/2 Dues and Meals 2016 (Jack Yates)	(96.50)	
26460	Weisinger Materials, Inc	Wholesale Decomposed Granite #045244	(325.00)	
D/M	ETS Corporation	Credit Card Fees 7/16	(850.49)	
DD	Bauer, Timothy M	Payroll 7/22/16	(1,628.26)	
DD	Belmares, Jose N.	Payroll 7/22/16	(1,834.56)	
DD	Bracht, James C.	Payroll 7/22/16	(1,811.39)	
DD	Carswell, Christopher M	Payroll 7/22/16	(1,355.13)	
DD	Duckett, Kimberly T.	Payroll 7/22/16	(1,074.61)	
DD	Flores, Angelina C.	Payroll 7/22/16	(1,416.00)	
DD	Gonzalez, Krystal	Payroll 7/22/16	(1,047.17)	
DD	Hensley, Susan L	Payroll 7/22/16	(1,462.88)	
DD	Hernandez, George J.	Payroll 7/22/16	(1,064.49)	
DD	Kohl, Julie J	Payroll 7/22/16	(220.80)	
DD	Kowarsch, Robert D	Payroll 7/22/16	(140.83)	
DD	Lehn, Rebecca L.	Payroll 7/22/16	(1,739.26)	
DD	Muckleroy, Micha D.	Payroll 7/22/16	(1,628.86)	
DD	Napolitano, James F	Payroll 7/22/16	(2,437.58)	
DD	Raica, Carol D	Payroll 7/22/16	(292.86)	
DD	Rosario III, Miguel A.	Payroll 7/22/16	(1,027.61)	
DD	Rosendo, Jose A	Payroll 7/22/16	(1,165.12)	
DD	Slaughter, Ashley A.	Payroll 7/22/16	(1,054.03)	
DD	Standifer, Eric L.	Payroll 7/22/16	(1,294.55)	
DD	Thompson, Kevin A.	Payroll 7/22/16	(651.15)	
DD	Yates, Jack R	Payroll 7/22/16	(3,146.20)	
DD	Bauer, Timothy M	Payroll 8/5/16	(976.29)	
DD	Belmares, Jose N.	Payroll 8/5/16	(1,834.57)	
DD	Bracht, James C.	Payroll 8/5/16	(1,673.68)	
DD	Carswell, Christopher M	Payroll 8/5/16	(1,727.96)	
DD	Duckett, Kimberly T.	Payroll 8/5/16	(1,045.11)	
DD	Flores, Angelina C.	Payroll 8/5/16	(1,437.00)	

City of Montgomery - General
Cash Flow Report - Checking Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
Disbursements				
DD	Gonzalez, Krystal	Payroll 8/5/16	(1,125.44)	
DD	Hensley, Susan L	Payroll 8/5/16	(1,462.90)	
DD	Hernandez, George J.	Payroll 8/5/16	(1,041.53)	
DD	Kohl, Julie J	Payroll 8/5/16	(223.11)	
DD	Kowarsch, Robert D	Payroll 8/5/16	(113.13)	
DD	Lehn, Rebecca L.	Payroll 8/5/16	(1,739.25)	
DD	Muckleroy, Micha D.	Payroll 8/5/16	(1,628.86)	
DD	Napolitano, James F	Payroll 8/5/16	(2,437.59)	
DD	Raica, Carol D	Payroll 8/5/16	(419.93)	
DD	Rosario III, Miguel A.	Payroll 8/5/16	(1,027.61)	
DD	Rosendo, Jose A	Payroll 8/5/16	(1,145.55)	
DD	Slaughter, Ashley A.	Payroll 8/5/16	(1,054.04)	
DD	Standifer, Eric L.	Payroll 8/5/16	(1,264.60)	
DD	Thompson, Kevin A.	Payroll 8/5/16	(441.88)	
DD	Yates, Jack R	Payroll 8/5/16	(3,146.20)	
POL	EFTPS	Payroll Liabilities 7/22/16	(10,452.36)	
POL	EFTPS	Payroll Liabilities 8/5/16	(10,226.84)	
Transfer	City of Montgomery - MEDC	Sales Tax Transfer thru 7/31/16	(33,534.36)	
Total Disbursements			<u>(183,197.07)</u>	<u>(183,197.07)</u>
BALANCE AS OF 08/17/2016				<u><u>\$562,312.22</u></u>

City of Montgomery - General
Cash Flow Report - Police Drug & Misc Fund Account
 As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$10,675.64
Receipts				
	No Receipts Activity		0.00	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				\$10,675.64

City of Montgomery - General
Cash Flow Report - COPS Universal Award Account
 As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$10.00
Receipts				
	No Receipts Activity		0.00	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				\$10.00

**City of Montgomery - General Fund
Profit & Loss Budget Performance-All**

Accrual Basis

July 2016

	Jul 16	Budget	\$ Over B...	Oct '15 - J...	YTD Budget	\$ Over B...	Annual Bu...
Ordinary Income/Expense							
Income							
14000.1 · Taxes & Franchise Fees							
14103 · Beverage Tax	1,240.44	1,500.00	-259.56	4,690.72	6,000.00	-1,309.28	6,000.00
14111 · Franchise Tax	0.00	0.00	0.00	12,145.73	0.00	12,145.73	70,000.00
14320 · Ad Valorem Taxes	3,635.87	21,360.58	-17,724.71	252,008.82	213,605.84	38,402.98	256,327.00
14330 · Penalties & Interest on Adv Tax	530.33	125.00	405.33	2,831.61	1,250.00	1,581.61	1,500.00
14331 · Rendition Penalties	0.00	20.83	-20.83	0.00	208.34	-208.34	250.00
14600 · Sales Tax	100,603.08	111,666.67	-11,063.59	1,139,809.38	1,116,666.66	23,142.72	1,340,000.00
Total 14000.1 · Taxes & Franchise Fees	106,009.72	134,673.08	-28,663.36	1,411,486.26	1,337,730.84	73,755.42	1,674,077.00
14000.2 · Permits & Licenses							
14105 · Building Permits	13,760.65	6,666.67	7,093.98	118,518.16	66,666.66	51,851.50	80,000.00
14146 · Vendor Permits	0.00	12.50	-12.50	20.00	125.00	-105.00	150.00
14611 · Sign Fee	100.00	200.00	-100.00	965.30	2,000.00	-1,034.70	2,400.00
14612 · Misc Permit Fees(plats & Zoning	320.90	20.83	300.07	14,055.18	208.34	13,846.84	250.00
Total 14000.2 · Permits & Licenses	14,181.55	6,900.00	7,281.55	133,558.64	69,000.00	64,558.64	82,800.00
14000.4 · Fees for Service							
14380 · Community Bldg Rental	340.00	366.67	-26.67	7,125.00	3,666.66	3,458.34	4,400.00
14381 · Kiosk Revenue	0.00	2.50	-2.50	0.00	25.00	-25.00	30.00
14385 · Right of Way Use Fees	220.87	0.00	220.87	3,081.09	0.00	3,081.09	0.00
Total 14000.4 · Fees for Service	560.87	369.17	191.70	10,206.09	3,691.66	6,514.43	4,430.00
14000.5 · Court Fines & Forfeitures							
14101 · Collection Fees	1,047.27	2,166.67	-1,119.40	17,022.92	21,666.66	-4,643.74	26,000.00
14102 · Asset Forfeitures	0.00	275.00	-275.00	0.00	1,100.00	-1,100.00	1,100.00
14104 · Bond Fees (Dedicated)	0.00	0.00	0.00	-422.70	0.00	-422.70	0.00
14106 · Child Belt/Safety (Dedicated)	0.00	187.50	-187.50	1,269.37	1,875.00	-605.63	2,250.00
14110 · Fines	33,427.28	39,966.67	-6,539.39	494,908.00	399,666.66	95,241.34	479,600.00
14118 · OMNI	48.00	250.00	-202.00	1,201.22	2,500.00	-1,298.78	3,000.00
14120 · State - (Dedicated)	0.00	12,500.00	-12,500.00	0.00	125,000.00	-125,000.00	150,000.00
14125 · Warrant Fees	0.00	0.00	0.00	48.49	0.00	48.49	0.00
14126 · Judicial Efficiency (Dedicated)	136.85	125.00	11.85	1,932.26	1,250.00	682.26	1,500.00
14130 · Accident Reports	23.00	16.67	6.33	263.00	166.66	96.34	200.00
Total 14000.5 · Court Fines & Forfeitures	34,682.40	55,487.51	-20,805.11	516,222.56	553,224.98	-37,002.42	663,650.00
14000.6 · Other Revenues							
15380 · Unanticipated Income	30,217.60			37,050.14	0.00	37,050.14	0.00
15391 · Interest Income	28.49	83.33	-54.84	479.98	833.34	-353.36	1,000.00
15392 · Interest on Investments	0.00	41.67	-41.67	997.93	416.66	581.27	500.00
Total 14000.6 · Other Revenues	30,246.09	125.00	30,121.09	38,528.05	1,250.00	37,278.05	1,500.00
Total Income	185,680.63	197,554.76	-11,874.13	2,110,001.60	1,964,897.48	145,104.12	2,426,457.00
Expense							
16000 · Personnel							
16247 · Compensated Benefit Exp.	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
16353.1 · Health Ins.	7,314.60	7,095.83	218.77	80,452.74	70,958.34	9,494.40	85,150.00
16353.4 · Unemployment Ins.	26.12	771.42	-745.30	3,373.24	7,714.16	-4,340.92	9,257.00
16353.5 · Workers Comp.	1,116.38	1,460.16	-343.78	15,491.84	14,601.68	890.16	17,522.00
16353.6 · Dental & Vision Insurance	966.96	933.33	33.63	8,192.92	9,333.34	-1,140.42	11,200.00
16353.7 · Life & AD&D Insurance	103.25	115.00	-11.75	550.48	1,150.00	-599.52	1,380.00
16560 · Payroll Taxes	5,800.52	5,633.33	167.19	65,598.57	56,333.34	9,265.23	67,600.00
16600 · Wages	73,301.75	80,796.00	-7,494.25	816,165.84	771,960.00	44,205.84	933,552.00
16600.1 · Overtime	2,056.20	1,291.67	764.53	24,469.59	12,916.66	11,552.93	15,500.00
16620 · Retirement Expense	3,046.53	2,709.17	337.36	33,899.23	27,091.66	6,807.57	32,510.00
Total 16000 · Personnel	93,732.31	100,805.91	-7,073.60	1,048,194.45	972,059.18	76,135.27	1,183,671.00
16001 · Communications							
16338 · Advertising/Promotion	311.00	750.00	-439.00	2,295.00	7,500.00	-5,205.00	9,000.00
Total 16001 · Communications	311.00	750.00	-439.00	2,295.00	7,500.00	-5,205.00	9,000.00

City of Montgomery - General Fund
Profit & Loss Budget Performance-All

Accrual Basis

July 2016

	Jul 16	Budget	\$ Over B...	Oct '15 - J...	YTD Budget	\$ Over B...	Annual Bu...
16002 · Contract Services							
16102 · General Consultant Fees	427.59	6,850.00	-6,422.41	20,845.38	45,500.00	-24,654.62	59,200.00
16220 · Omni Expense	0.00	258.33	-258.33	1,278.00	2,583.34	-1,305.34	3,100.00
16242 · Prosecutors Fees	900.00	833.33	66.67	8,100.00	8,333.34	-233.34	10,000.00
16280 · Mowing	0.00	5,416.67	-5,416.67	46,713.41	54,166.66	-7,453.25	65,000.00
16299 · Inspections/Permits	3,255.75	3,750.00	-494.25	46,578.16	37,500.00	9,078.16	45,000.00
16310 · Judge's Fee	1,000.00	1,000.00	0.00	11,000.00	10,000.00	1,000.00	12,000.00
16320 · Legal	0.00	2,916.66	-2,916.66	28,292.92	29,166.68	-873.76	35,000.00
16321 · Audit Fees	0.00	0.00	0.00	17,350.00	17,000.00	350.00	17,000.00
16322 · Engineering	0.00	6,250.00	-6,250.00	57,349.84	62,500.00	-5,150.16	75,000.00
16326 · Collection Agency Fees	0.00	2,916.67	-2,916.67	17,367.95	29,166.66	-11,798.71	35,000.00
16333 · Accounting Fees	6,668.75	6,583.33	85.42	65,477.59	65,833.34	-355.75	79,000.00
16335 · Repairs & Maintenance							
16335.1 · Maintenance - Vehicles & Equip							
16334 · Gas/Oil	2,369.26	3,542.33	-1,173.07	20,793.36	35,415.34	-14,621.98	42,500.00
16343 · Tractor & Mower	0.00	83.33	-83.33	135.23	833.34	-698.11	1,000.00
16357 · Auto Repairs	16.24	1,083.33	-1,067.09	14,241.85	10,833.34	3,408.51	13,000.00
16373 · Equipment repairs	112.96	466.66	-353.70	4,471.20	4,666.68	-195.48	5,600.00
16374 · Building Repairs-City Hall/Comm	853.35	1,541.67	-688.32	21,742.13	15,416.66	6,325.47	18,500.00
16375 · Street Repairs - Minor	86.59	208.33	-121.74	10,853.81	2,083.34	8,770.47	2,500.00
Total 16335.1 · Maintenance - Vehicles & Eq...	3,438.40	6,925.65	-3,487.25	72,237.58	69,248.70	2,988.88	83,100.00
16335 · Repairs & Maintenance - Other	375.00	1,608.33	-1,233.33	7,899.53	19,583.34	-11,683.81	23,300.00
Total 16335 · Repairs & Maintenance	3,813.40	8,533.98	-4,720.58	80,137.11	88,832.04	-8,694.93	106,400.00
16337 · Street Signs	90.00	416.67	-326.67	5,488.04	4,166.66	1,321.38	5,000.00
16340 · Printing & Office supplies	136.14	366.67	-230.53	7,460.33	3,666.66	3,793.67	4,400.00
16342 · Computers/Website	2,926.12	1,275.00	1,651.12	19,871.74	8,250.00	11,621.74	9,300.00
16350 · Postage/Delivery	416.40	374.99	41.41	2,778.61	3,750.02	-971.41	4,500.00
16351 · Telephone	671.13	1,825.00	-1,153.87	14,810.34	18,250.00	-3,439.66	21,900.00
16360 · Tax Assessor Fees	0.00	0.00	0.00	3,431.00	2,500.00	931.00	2,500.00
16370 · Election	0.00	0.00	0.00	0.00	15,000.00	-15,000.00	15,000.00
17030 · Mobil Data Terminal	0.00	666.67	-666.67	13,410.76	6,666.66	6,744.10	8,000.00
17031 · Police Officer Scheduling Serv	30.45	166.67	-136.22	2,030.45	1,666.66	363.79	2,000.00
17040 · Computer/Technology	542.73	1,333.34	-790.61	18,744.75	13,333.32	5,411.43	16,000.00
17510 · State Portion of Fines/Payouts	0.00	14,583.33	-14,583.33	176,312.53	145,833.34	30,479.19	175,000.00
Total 16002 · Contract Services	20,878.46	66,317.31	-45,438.85	664,828.91	673,665.38	-8,836.47	805,300.00
16003 · Supplies & Equipment							
16244 · Radio Fees	0.00	333.33	-333.33	4,270.14	3,333.34	936.80	4,000.00
16328 · Uniforms & Protective Gear	135.46	687.50	-552.04	9,624.26	6,875.00	2,749.26	8,250.00
16358 · Copier/Fax Machine Lease	1,263.25	316.66	946.59	11,103.76	3,166.68	7,937.08	3,800.00
16460 · Operating Supplies (Office)							
16460.1 · Streets and Drainage	0.00	208.33	-208.33	4,712.09	2,083.34	2,628.75	2,500.00
16460.2 · Cedar Brake Park	25.18	291.67	-266.49	1,951.28	2,916.66	-965.38	3,500.00
16460.3 · Homecoming Park	25.18	166.67	-141.49	940.93	1,666.66	-725.73	2,000.00
16460.4 · Fernland Park	25.18	166.67	-141.49	873.43	1,666.66	-793.23	2,000.00
16460.5 · Community Building	197.45	500.00	-302.55	3,605.99	5,000.00	-1,394.01	6,000.00
16460.6 · Tools, Etc	69.78	83.33	-13.55	1,509.47	833.34	676.13	1,000.00
16460.7 · Memory Park	25.16	166.67	-141.51	1,394.08	1,666.66	-272.58	2,000.00
16460 · Operating Supplies (Office) - Other	1,039.52	2,375.04	-1,335.52	17,410.49	20,249.92	-2,839.43	24,500.00
Total 16460 · Operating Supplies (Office)	1,407.45	3,958.38	-2,550.93	32,397.76	36,083.24	-3,685.48	43,500.00
16503 · Code Enforcement Expenses	0.00	166.67	-166.67	0.00	1,666.66	-1,666.66	2,000.00
17010 · Emergency Equipment	0.00	250.00	-250.00	93.25	2,500.00	-2,406.75	3,000.00
17050 · Radios	0.00	2,166.66	-2,166.66	25,844.00	21,666.68	4,177.32	26,000.00
17100 · Capital Purchase Furniture	0.00	391.67	-391.67	0.00	4,666.66	-4,666.66	5,450.00
16003 · Supplies & Equipment - Other	1,513.39	250.00	1,263.39	2,285.84	2,500.00	-214.16	3,000.00
Total 16003 · Supplies & Equipment	4,319.55	8,520.87	-4,201.32	85,619.01	82,458.26	3,160.75	99,000.00
16004 · Staff Development							
16241 · Police Training/Education	614.10	566.66	47.44	4,104.66	5,666.68	-1,562.02	6,800.00
16339 · Dues & Subscriptions	544.50	1,812.50	-1,268.00	2,824.00	18,312.50	-15,488.50	22,000.00

**City of Montgomery - General Fund
Profit & Loss Budget Performance-All**

Accrual Basis

July 2016

	Jul 16	Budget	\$ Over B...	Oct '15 - J...	YTD Budget	\$ Over B...	Annual Bu...
16341 · Employee Relations (Education)	0.00	233.33	-233.33	1,225.46	2,333.34	-1,107.88	2,800.00
16354 · Travel & Training (Travel)	1,274.26	1,291.67	-17.41	9,866.17	12,916.66	-3,050.49	15,500.00
Total 16004 · Staff Development	2,432.86	3,904.16	-1,471.30	18,020.29	39,229.18	-21,208.89	47,100.00
16005 · Maintenance							
16228 · Park Maint-Memory Pk	49.22	666.67	-617.45	3,149.36	6,666.66	-3,517.30	8,000.00
16229 · Park Maint - Fernland	130.00	566.67	-436.67	1,011.50	5,666.66	-4,655.16	6,800.00
16230 · Park Maint-Cedar Brake Park	66.99	400.00	-333.01	4,965.50	4,000.00	965.50	4,800.00
16231 · Park Maint. - Homecoming Park	0.00	233.33	-233.33	17.99	2,333.34	-2,315.35	2,800.00
Total 16005 · Maintenance	246.21	1,866.67	-1,620.46	9,144.35	18,666.66	-9,522.31	22,400.00
16006 · Insurance							
16353.2 · Liability Ins.	1,424.71	1,201.67	223.04	14,302.94	12,016.66	2,286.28	14,420.00
16353.3 · Property Ins.	369.25	316.66	52.59	3,692.50	3,166.68	525.82	3,800.00
Total 16006 · Insurance	1,793.96	1,518.33	275.63	17,995.44	15,183.34	2,812.10	18,220.00
16007 · Utilities							
16351.1 · Utilities - Memory Park-Water	1,131.46			2,605.00			
16351.2 · Utilities-Fernland Pk-Water	90.89			272.19			
16352.0 · Electronic Sign-City	40.61	41.67	-1.06	370.62	416.66	-46.04	500.00
16352.1 · Street Lights	1,044.01	1,108.34	-64.33	10,990.28	11,083.32	-93.04	13,300.00
16352.2 · Traffic Lights	24.74	100.00	-75.26	283.15	1,000.00	-716.85	1,200.00
16352.3 · Cedar Brake Park	97.06	150.00	-52.94	1,413.45	1,500.00	-86.55	1,800.00
16352.4 · Homecoming Park	49.26	83.33	-34.07	679.22	833.34	-154.12	1,000.00
16352.5 · Fernland Park	238.38	200.00	38.38	1,776.59	2,000.00	-223.41	2,400.00
16352.6 · Utilities - City Hall	640.66	541.67	98.99	5,393.33	5,416.66	-23.33	6,500.00
16352.7 · Utilities - Gas	34.87	175.00	-140.13	644.25	1,750.00	-1,105.75	2,100.00
16352.8 · Utilities - Comm Center Bldg	264.95	408.34	-143.39	2,614.91	4,083.32	-1,468.41	4,900.00
Total 16007 · Utilities	3,656.89	2,808.35	848.54	27,042.99	28,083.30	-1,040.31	33,700.00
16008 · Capital Outlay							
16233 · Cap Outlay- Com Building Proj	0.00	166.67	-166.67	0.00	1,666.66	-1,666.66	2,000.00
17070 · Capital Outlay - Police Cars							
17070.1 · Emergency Lights, Decals	0.00	0.00	0.00	19,158.54	21,500.00	-2,341.46	21,500.00
17070.3 · Vid Tec - In Car	0.00	833.33	-833.33	1,376.18	8,333.34	-6,957.16	10,000.00
17070 · Capital Outlay - Police Cars - Other	0.00	14,000.00	-14,000.00	52,501.80	54,000.00	-1,498.20	54,000.00
Total 17070 · Capital Outlay - Police Cars	0.00	14,833.33	-14,833.33	73,036.52	83,833.34	-10,796.82	85,500.00
17071 · Cap Purchase - Computers/Equip							
17071.1 · Copsync	0.00			5,285.16	0.00	5,285.16	0.00
17071.2 · Radar	0.00			1,175.70			
17071.4 · Laser Fish (Software Equip)	0.00			3,445.88	0.00	3,445.88	0.00
17071.6 · Investigative and Testing Equip	0.00	250.00	-250.00	142.77	2,500.00	-2,357.23	3,000.00
17071.7 · Ballistic Vests & Shields	0.00	416.67	-416.67	1,936.02	4,166.66	-2,230.64	5,000.00
17071 · Cap Purchase - Computers/Equip - Ot...	41.00	1,808.34	-1,767.34	17,563.48	18,083.32	-519.84	21,700.00
Total 17071 · Cap Purchase - Computers/Equip	41.00	2,475.01	-2,434.01	29,549.01	24,749.98	4,799.03	29,700.00
17071.5 · Patrol Weapons	0.00	208.34	-208.34	1,010.13	2,083.32	-1,073.19	2,500.00
17071.9 · In Field Fingerprinter	0.00	375.00	-375.00	0.00	3,750.00	-3,750.00	4,500.00
17072 · Capital Outlay-PWorks Items	0.00	3,833.33	-3,833.33	39,733.43	38,333.34	1,400.09	46,000.00
17080 · Capital Outlay-Improvements	0.00	833.33	-833.33	0.00	8,333.34	-8,333.34	10,000.00
Total 16008 · Capital Outlay	41.00	22,725.01	-22,684.01	143,329.09	162,749.98	-19,420.89	180,200.00
16009 · Miscellaneous Expenses							
16590 · Misc. Expense	850.49	1,025.00	-174.51	18,396.07	10,250.00	8,146.07	12,300.00
16009 · Miscellaneous Expenses - Other	0.00			30.07			
Total 16009 · Miscellaneous Expenses	850.49	1,025.00	-174.51	18,426.14	10,250.00	8,176.14	12,300.00
16010 · Contingency	0.00	8.33	-8.33	500.00	83.34	416.66	100.00
16356 · Contract Labor- Streets	0.00	8,737.25	-8,737.25	24,320.00	51,872.50	-27,552.50	69,347.00

City of Montgomery - General Fund
Profit & Loss Budget Performance-All

Accrual Basis

July 2016

	Jul 16	Budget	\$ Over B...	Oct '15 - J...	YTD Budget	\$ Over B...	Annual Bu...
16500 · Leases - Parks and Recreation							
16504 · Adams Park	0.00			2,641.01			
Total 16500 · Leases - Parks and Recreation	0.00			2,641.01			
Total Expense	128,262.73	218,987.19	-90,724.46	2,062,356.68	2,061,801.12	555.56	2,480,338.00
Net Ordinary Income	57,417.90	-21,432.43	78,850.33	47,644.92	-96,903.64	144,548.56	-53,881.00
Other Income/Expense							
Other Income							
14000.3 · Transfers In							
14620.2 · Admin Transfer from MEDC	0.00	0.00	0.00	18,750.00	28,125.00	-9,375.00	37,500.00
14620.4 · Admin Trf from Court Security	0.00	0.00	0.00	720.00	2,160.00	-1,440.00	2,880.00
Total 14000.3 · Transfers In	0.00	0.00	0.00	19,470.00	30,285.00	-10,815.00	40,380.00
Total Other Income	0.00	0.00	0.00	19,470.00	30,285.00	-10,815.00	40,380.00
Net Other Income	0.00	0.00	0.00	19,470.00	30,285.00	-10,815.00	40,380.00
Net Income	57,417.90	-21,432.43	78,850.33	67,114.92	-66,618.64	133,733.56	-13,501.00

City of Montgomery - Capital Projects
Cash Flow Report - Const CkgW&S Proj 1058544 Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$1,008.08
Receipts				
	No Receipts Activity		0.00	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				<u><u>\$1,008.08</u></u>

City of Montgomery - Capital Projects Acct
Profit & Loss Budget Performance
 July 2016

Accrual Basis

	<u>Jul 16</u>	<u>Bu...</u>	<u>% ...</u>	<u>Oct '15 - ...</u>	<u>YTD Bu...</u>	<u>% of ...</u>	<u>Annual B...</u>
Ordinary Income/Expense							
Income							
45391 · Interest Earned	0.62	12.50	5.0%	236.79	125.00	189.4%	150.00
Total Income	0.62	12.50	5.0%	236.79	125.00	189.4%	150.00
Expense							
43890 · Engineering -Series 2012							
43890.1 · Eng-Catahoula Aquifer WW	0.00			1,062.72			
43890.2 · Eng-WP #3 Improvements	0.00			3,768.67			
43890 · Engineering -Series 2012 - Other	0.00			28,505.67			
Total 43890 · Engineering -Series 2012	0.00			33,337.06			
44000 · Wastewater System							
44000.1 · Wastewater-Lift Station Repair	0.00	0.00	0.0%	0.00	30,000.00	0.0%	30,000.00
44002 · Cap Outlay-SS Diversion/Permit	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total 44000 · Wastewater System	0.00	0.00	0.0%	0.00	30,000.00	0.0%	30,000.00
46000 · Roadway System Improvements							
46000.1 · Water - Meters	0.00	0.00	0.0%	181,386.00	120,000.00	151.2%	120,000.00
46000 · Roadway System Improvements - Ot...	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total 46000 · Roadway System Improvements	0.00	0.00	0.0%	181,386.00	120,000.00	151.2%	120,000.00
48000 · Cap Outlay-Fac, Equip. & PIng							
48000.1 · Water-Buffalo Sp Bridge Proj	0.00	0.00	0.0%	0.00	70,000.00	0.0%	70,000.00
48000 · Cap Outlay-Fac, Equip. & PIng - Other	0.00	0.00	0.0%	0.00	0.00	0.0%	0.00
Total 48000 · Cap Outlay-Fac, Equip. & PIng	0.00	0.00	0.0%	0.00	70,000.00	0.0%	70,000.00
Total Expense	0.00	0.00	0.0%	214,723.06	220,000.00	97.6%	220,000.00
Net Ordinary Income	0.62	12.50	5.0%	-214,486.27	-219,875.00	97.5%	-219,850.00
Net Income	<u>0.62</u>	<u>12.50</u>	<u>5.0%</u>	<u>-214,486.27</u>	<u>-219,875.00</u>	<u>97.5%</u>	<u>-219,850.00</u>

City of Montgomery - Debt Service
Cash Flow Report - Checking Account
 As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$70,366.15
Receipts				
	Interest		2.98	
	Admin Transfer thru 6/30/16		31,325.00	
	Admin transfer thru 6/30/16		29,375.00	
	Admin transfer thru 9/16		29,375.00	
Total Receipts			90,077.98	90,077.98
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements			0.00	0.00
BALANCE AS OF 08/17/2016				\$160,444.13

**City of Montgomery - Debt Service
Profit & Loss Budget Performance**

Accrual Basis

July 2016

	Jul 16	Budget	\$ Over ...	Oct '15 - ...	YTD Bud...	\$ Over ...	Annual ...
Income							
34000 · Taxes & Franchise Fees							
34320 · Ad Valorem Taxes	0.00	0.00	0.00	256,705.72	264,668.74	-7,963.02	264,985.00
34330 · Penalty & Interest	0.00	108.33	-108.33	2,386.62	1,083.34	1,303.28	1,300.00
Total 34000 · Taxes & Franchise Fees	0.00	108.33	-108.33	259,092.34	265,752.08	-6,659.74	266,285.00
34100 · Transfers							
34301.4 · Transfers in-MEDC Fund	0.00	29,375.00	-29,375.00	58,750.00	88,125.00	-29,375.00	117,500.00
34301.5 · Transfers in - Utility Fund	0.00	31,325.00	-31,325.00	62,650.00	93,975.00	-31,325.00	125,300.00
Total 34100 · Transfers	0.00	60,700.00	-60,700.00	121,400.00	182,100.00	-60,700.00	242,800.00
34200 · Proceeds-Bond Series Refundings	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35000 · Other Revenues							
35390 · Interest on Checking	0.00	1.25	-1.25	0.00	12.50	-12.50	15.00
35391 · Interest on Investments	10.57	15.42	-4.85	86.46	154.16	-67.70	185.00
Total 35000 · Other Revenues	10.57	16.67	-6.10	86.46	166.66	-80.20	200.00
Total Income	10.57	60,825.00	-60,814.43	380,578.80	448,018.74	-67,439.94	509,285.00
Expense							
37000 · Debt Service							
37360 · Interest Payments On Note	0.00	0.00	0.00	8,580.00	8,580.00	0.00	16,841.25
37363 · Paying Agent Fees	0.00	0.00	0.00	250.00	2,500.00	-2,250.00	2,500.00
37365 · Interest 2012 Series Premium	0.00	0.00	0.00	100,871.88	100,871.88	0.00	198,968.75
37395 · Principal Note Payments	0.00	0.00	0.00	295,000.00	295,000.00	0.00	295,000.00
Total 37000 · Debt Service	0.00	0.00	0.00	404,701.88	406,951.88	-2,250.00	513,310.00
37370 · Expenses-Refunding Bond Act	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37440 · Payment to Refunding Bond Agent	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Expense	0.00	0.00	0.00	404,701.88	406,951.88	-2,250.00	513,310.00
Net Income	10.57	60,825.00	-60,814.43	-24,123.08	41,066.86	-65,189.94	-4,025.00

City of Montgomery - Ct Security Fund
Cash Flow Report - Checking Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$16,229.32
Receipts				
	Interest		0.27	
Total Receipts				0.27
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				\$16,229.59

City of Montgomery - Ct Security Fund
Profit & Loss Budget Performance

Accrual Basis

July 2016

	<u>Jul 16</u>	<u>Budget</u>	<u>\$ Over ...</u>	<u>Oct '15 ...</u>	<u>YTD B...</u>	<u>\$ Over ...</u>	<u>Annual ...</u>
Ordinary Income/Expense							
Income							
84110 · Court Fines & Forfeitures							
84110.1 · Court Security Fees	0.00	375.00	-375.00	5,977.03	3,750.00	2,227.03	4,500.00
Total 84110 · Court Fines & Forfeitures	0.00	375.00	-375.00	5,977.03	3,750.00	2,227.03	4,500.00
84120 · Other Revenues							
84120.1 · Interest Income	0.27	1.67	-1.40	2.12	16.66	-14.54	20.00
Total 84120 · Other Revenues	0.27	1.67	-1.40	2.12	16.66	-14.54	20.00
Total Income	0.27	376.67	-376.40	5,979.15	3,766.66	2,212.49	4,520.00
Net Ordinary Income	0.27	376.67	-376.40	5,979.15	3,766.66	2,212.49	4,520.00
Other Income/Expense							
Other Expense							
86560 · Interfund Transfers							
86551 · Baliff Transfer to General Fund	0.00	0.00	0.00	2,160.00	2,160.00	0.00	2,880.00
Total 86560 · Interfund Transfers	0.00	0.00	0.00	2,160.00	2,160.00	0.00	2,880.00
Total Other Expense	0.00	0.00	0.00	2,160.00	2,160.00	0.00	2,880.00
Net Other Income	0.00	0.00	0.00	-2,160.00	-2,160.00	0.00	-2,880.00
Net Income	<u>0.27</u>	<u>376.67</u>	<u>-376.40</u>	<u>3,819.15</u>	<u>1,606.66</u>	<u>2,212.49</u>	<u>1,640.00</u>

City of Montgomery - Ct Tech Fund
Cash Flow Report - Checking Account
 As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$12,990.19
Receipts				
	Interest		0.22	
Total Receipts				0.22
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				\$12,990.41

City of Montgomery - Ct Tech Fund
Actual to Budget Performance
July 2016

Accrual Basis

	<u>Jul 16</u>	<u>Budget</u>	<u>\$ Over...</u>	<u>Oct '15...</u>	<u>YTD B...</u>	<u>\$ Over ...</u>	<u>Annual...</u>
Ordinary Income/Expense							
Income							
74100 · Court Fines and Forfeitures							
74110 · Court Technology Fees	<u>0.00</u>	<u>666.67</u>	<u>-666.67</u>	<u>7,988.43</u>	<u>6,666.66</u>	<u>1,321.77</u>	<u>8,000.00</u>
Total 74100 · Court Fines and Forfeitures	<u>0.00</u>	<u>666.67</u>	<u>-666.67</u>	<u>7,988.43</u>	<u>6,666.66</u>	<u>1,321.77</u>	<u>8,000.00</u>
74200 · Other Revenues							
74291 · Interest Income	<u>0.22</u>	<u>0.83</u>	<u>-0.61</u>	<u>0.41</u>	<u>8.34</u>	<u>-7.93</u>	<u>10.00</u>
Total 74200 · Other Revenues	<u>0.22</u>	<u>0.83</u>	<u>-0.61</u>	<u>0.41</u>	<u>8.34</u>	<u>-7.93</u>	<u>10.00</u>
Total Income	<u>0.22</u>	<u>667.50</u>	<u>-667.28</u>	<u>7,988.84</u>	<u>6,675.00</u>	<u>1,313.84</u>	<u>8,010.00</u>
Expense							
76200 · Contract Services							
76362 · Computer/Website Services	<u>0.00</u>	<u>500.00</u>	<u>-500.00</u>	<u>3,728.88</u>	<u>5,000.00</u>	<u>-1,271.12</u>	<u>6,000.00</u>
76363 · Computer/ Equipment	<u>0.00</u>			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total 76200 · Contract Services	<u>0.00</u>	<u>500.00</u>	<u>-500.00</u>	<u>3,728.88</u>	<u>5,000.00</u>	<u>-1,271.12</u>	<u>6,000.00</u>
76300 · Supplies & Equipment							
76361 · Computer/Technology Equipment	<u>0.00</u>			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total 76300 · Supplies & Equipment	<u>0.00</u>			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expense	<u>0.00</u>	<u>500.00</u>	<u>-500.00</u>	<u>3,728.88</u>	<u>5,000.00</u>	<u>-1,271.12</u>	<u>6,000.00</u>
Net Ordinary Income	<u>0.22</u>	<u>167.50</u>	<u>-167.28</u>	<u>4,259.96</u>	<u>1,675.00</u>	<u>2,584.96</u>	<u>2,010.00</u>
Net Income	<u>0.22</u>	<u>167.50</u>	<u>-167.28</u>	<u>4,259.96</u>	<u>1,675.00</u>	<u>2,584.96</u>	<u>2,010.00</u>

City of Montgomery - Grant
Cash Flow Report - Grant Account Account
 As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$287.74
Receipts				
	No Receipts Activity		0.00	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				\$287.74

City of Montgomery - Grant
Cash Flow Report - Checking Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$10.00
Receipts				
	No Receipts Activity		0.00	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				\$10.00

City of Montgomery - Hotel Occupancy Tax Fund
Cash Flow Report - Checking Account
 As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$9,399.90
Receipts				
	No Receipts Activity		0.00	
Total Receipts				0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements				0.00
BALANCE AS OF 08/17/2016				<u>\$9,399.90</u>

**City of Montgomery - Hotel Occupancy Tax Fund
Profit & Loss Budget Performance**

Accrual Basis

July 2016

	<u>Jul 16</u>	<u>Bud...</u>	<u>\$ Ove...</u>	<u>Oct '...</u>	<u>YTD ...</u>	<u>\$ Over ...</u>	<u>Annua...</u>
Income							
44300 · Taxes & Franchise Fees							
44330 · Hotel Occupancy Taxes	0.00	104.17	-104.17	0.00	1,041.66	-1,041.66	1,250.00
Total 44300 · Taxes & Franchise Fees	<u>0.00</u>	<u>104.17</u>	<u>-104.17</u>	<u>0.00</u>	<u>1,041.66</u>	<u>-1,041.66</u>	<u>1,250.00</u>
44400 · Other Revenues							
44360 · Interest Earned On Checking	0.00	1.67	-1.67	0.00	16.66	-16.66	20.00
Total 44400 · Other Revenues	<u>0.00</u>	<u>1.67</u>	<u>-1.67</u>	<u>0.00</u>	<u>16.66</u>	<u>-16.66</u>	<u>20.00</u>
Total Income	<u>0.00</u>	<u>105.84</u>	<u>-105.84</u>	<u>0.00</u>	<u>1,058.32</u>	<u>-1,058.32</u>	<u>1,270.00</u>
Expense	<u>0.00</u>			<u>0.00</u>			
Net Income	<u><u>0.00</u></u>	<u><u>105.84</u></u>	<u><u>-105.84</u></u>	<u><u>0.00</u></u>	<u><u>1,058.32</u></u>	<u><u>-1,058.32</u></u>	<u><u>1,270.00</u></u>

City of Montgomery - MEDC
Cash Flow Report - MEDC Checking Account

As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$432,388.07
Receipts				
	Transfer of Sales Tax Revenue thru 7/16		33,534.36	
Total Receipts				33,534.36
Disbursements				
1748	First Montgomery Baptist Church	Reimbursement for Blight Removal - Shoemaker an	(1,000.00)	
1749	Houston Press	Weekly Digital Advertising - June 9th-20th	(184.60)	
1750	Waste Management of Texas, Inc.	1406768-1792-1, 1406802-1792-8	(555.20)	
1751	Montgomery Area Chamber of Commerce	Wine Fest Sponsorship 2016	(9,500.00)	
1752	Montgomery United Methodist Church	Reimburse part of Expense for Blight Removal - 90	(487.53)	
1753	Laurel Paving	Ferland Improvements - concrete sidewalks	(5,260.00)	
Transfer	City of Montgomery - General Fund	3rd qtr transfer 2016 YE	(9,375.00)	
Transfer	City of Montgomery - General Fund	4thqtr transfer 2016 YE	(9,375.00)	
Transfer	City of Montgomery Debt Srv Fund	3rd qtr transfer 2016 YE	(29,375.00)	
Transfer	City of Montgomery Debt Srv Fund	4th qtr transfer 2016 YE	(29,375.00)	
Total Disbursements				(94,487.33)
BALANCE AS OF 08/17/2016				\$371,435.10

City of Montgomery - MEDC
Actual to Budget Performance
 July 2016

	Jul 16	Budget	\$ Over B...	Oct '15 - ...	YTD Bud...	\$ Over Bu...	Annual B...
Income							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	33,534.36	40,829.91	(7,295.55)	379,936.48	361,687.34	18,249.14	466,000.00
Total 55000 · Taxes & Franchise Fees	33,534.36	40,829.91	(7,295.55)	379,936.48	361,687.34	18,249.14	466,000.00
55300 · Other Revenues							
55391 · Interest Income	73.13	20.83	52.30	726.12	208.34	517.78	250.00
Total 55300 · Other Revenues	73.13	20.83	52.30	726.12	208.34	517.78	250.00
Total Income	33,607.49	40,850.74	(7,243.25)	380,662.60	361,895.68	18,766.92	466,250.00
Expense							
56000 · Category I							
56000.6 · Downtown Parking Improvements	0.00	0.00	0.00	1,370.19	16,666.67	(15,296.48)	20,000.00
56000.8 · Utility Extensions	0.00	0.00	0.00	0.00	140,833.33	(140,833.33)	170,000.00
56423 · Undesignated Projects (Cat I)	0.00			1,250.00	0.00	1,250.00	0.00
56430 · Tsf to Debt Serv/ W & S Project	0.00	0.00	0.00	88,125.00	88,125.00	0.00	117,500.00
Total 56000 · Category I	0.00	0.00	0.00	90,745.19	245,625.00	(154,879.81)	307,500.00
56001 · Category II							
56001.7 · Seasonal Decorations	0.00	0.00	0.00	9,809.53	0.00	9,809.53	0.00
56423 · Economic Development Grant Prog	0.00	0.00	0.00	0.00	15,000.00	(15,000.00)	15,000.00
Total 56001 · Category II	0.00	0.00	0.00	9,809.53	15,000.00	(5,190.47)	15,000.00
56002 · Category III							
56420.1 · Christmas in Montgomery	0.00	0.00	0.00	5,000.00	5,000.00	0.00	5,000.00
56420.2 · Christmas Lighting(Civic Assn)	0.00	0.00	0.00	1,341.50	1,600.00	(258.50)	1,600.00
56423.1 · Walking Tours	0.00	0.00	0.00	2,660.00	10,000.00	(7,340.00)	10,000.00
56424.1 · Heritage Village Det. Pond Imp	0.00	0.00	0.00	0.00	10,000.00	(10,000.00)	10,000.00
56429 · Removal of Blight	555.20	7,500.00	(6,944.80)	12,563.16	30,000.00	(17,436.84)	30,000.00
56433 · Downtown Signs	0.00	0.00	0.00	0.00	3,000.00	(3,000.00)	3,000.00
56435 · Fernland Irrigation / Lighting	0.00	0.00	0.00	10,000.00	10,000.00	0.00	10,000.00
56439 · Downtown Development Projects	0.00	0.00	0.00	0.00	5,000.00	(5,000.00)	5,000.00
Total 56002 · Category III	555.20	7,500.00	(6,944.80)	31,564.66	74,600.00	(43,035.34)	74,600.00
56003 · Category IV							
56408.1 · Promotional Video	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)	4,000.00
56409 · Antique Show & Fest	0.00	0.00	0.00	10,000.00	10,000.00	0.00	10,000.00
56413 · Brochures/Printed Literature	0.00	2,500.00	(2,500.00)	4,405.00	10,000.00	(5,595.00)	10,000.00
56413.1 · Banners Assistance	0.00	0.00	0.00	0.00	3,000.00	(3,000.00)	3,000.00
56414 · Wine & Music Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56415 · Texian/Heritage Festival	0.00	0.00	0.00	8,000.00	8,000.00	0.00	8,000.00
Total 56003 · Category IV	0.00	2,500.00	(2,500.00)	22,405.00	35,000.00	(12,595.00)	45,000.00
56004 · Category V							
56004.1 · Admin Transfers to Gen Fund	0.00	0.00	0.00	28,125.00	28,125.00	0.00	37,500.00
56004.2 · MACC Administration & Office	2,566.67	2,500.00	66.67	25,666.70	25,000.00	666.70	30,000.00
56004.3 · Miscellaneous Expenses	0.00	0.00	0.00	878.87	1,500.00	(621.13)	1,500.00
56327 · Gen Consulting (Acct,Eng,Legal)	0.00	1,250.00	(1,250.00)	1,120.00	12,500.00	(11,380.00)	15,000.00
56354 · Travel & Training Expenses	0.00	0.00	0.00	806.44	3,500.00	(2,693.56)	3,500.00
Total 56004 · Category V	2,566.67	3,750.00	(1,183.33)	56,597.01	70,625.00	(14,027.99)	87,500.00
Total Expense	3,121.87	13,750.00	(10,628.13)	211,121.39	440,850.00	(229,728.61)	529,600.00
Net Income	30,485.62	27,100.74	3,384.88	169,541.21	(78,954.32)	248,495.53	(63,350.00)

City of Montgomery - Police Asset Forfeiture
Cash Flow Report - Checking Account

As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$4,272.25
Receipts				
	No Receipts Activity		0.00	
Total Receipts			<u>0.00</u>	0.00
Disbursements				
	No Disbursements Activity		0.00	
Total Disbursements			<u>0.00</u>	<u>0.00</u>
BALANCE AS OF 08/17/2016				<u><u>\$4,272.25</u></u>

City of Montgomery - Water & Sewer
Cash Flow Report - Water & Sewer Fund Account
As of August 17, 2016

Num	Name	Memo	Amount	Balance
BALANCE AS OF 07/22/2016				\$94,207.19
Receipts				
	W&S Revenue CL 7/16		90,367.16	
	W&S Revenue OS 7/16		5,453.30	
	Misc Rev OS 7/16		275.00	
	Misc Rev CL 7/16		2,248.75	
	Interest		6.15	
Total Receipts				98,350.36
Disbursements				
13119	Badger Meter	Orion Cellular Serv Unit Inv 80007408	(547.35)	
13120	Camino Services	Clean out Clarifier @ Buffalo Spring WWTP Inv 4	(1,216.00)	
13121	Consolidated Communications	936-597-4774- New lift Station Auto Dialer - 7/16	(37.05)	
13122	DXI Industries Inc.	Chemicals Inv. DE05004735-16	(100.00)	
13123	GTIN	New Computer Inv 5811	(1,667.80)	
13124	Magna Flow Environmental, Inc	Sludge Hauling #43036	(3,539.76)	
13125	PAVERS SUPPLY COMPANY	Washed Limestone- #87730	(129.44)	
13126	DXI Industries Inc.	Chemicals Inv.055011709-16 - WP #3	(492.00)	
13127	Gulf Utility Service, Inc.	Invoice 14387 - June Operations	(15,058.27)	
13128	Consolidated Communications	936-597-4826 - New Summit Business Park Auto	(36.99)	
13129	Entergy	PartUtilities per spreadsheet 7/16	(7,230.07)	
13130	Municipal Accounts & Consulting, L.P.	Accounting Service Inv 43095 7/16	(400.00)	
13131	Neil Technical Services, Inc	Inv 67701, 67702	(9,035.00)	
13132	Texas Excavation Safety System, Inc.	Monthly Message Fees for 7/16- Inv 16-10442	(54.15)	
13133	TML - IRP	Insurance Premiums 08/16	(1,074.66)	
13134	Accurate Utility Supply, LLC	Operating Supplies Inv 133177	(2,498.33)	
13135	Entergy	PartUtilities per spreadsheet 7/16	(242.19)	
13136	LDC	Generator - 149 South #1 Gen & 105 West #2 Ge	(49.32)	
DM	ETS Corporation	Credit Card Fees 7/16	(561.60)	
DM	Return Deposit	Returned deposit item	(74.88)	
Transfer	City of Montgomery General Fund	Reimbursement of Expenses thru 8/5/16	(21,876.72)	
Transfer	City of Montgomery-Debt Service	Admin Transfer 3rd Qtr FY 2016 (thru 6/16)	(31,325.00)	
Total Disbursements				(97,246.58)
BALANCE AS OF 08/17/2016				\$95,310.97

City of Montgomery - Water & Sewer Fund
Actual to Budget Performance - Utility Fund

July 2016

	Jul 16	Budget	\$ Over B...	Oct '15 - J...	YTD Bud...	\$ Over Bu...	Annual Bu...
Ordinary Income/Expense							
Income							
24000 · Charges for Service							
24100 · Water Revenue	44,328.42	30,365.67	13,962.75	297,060.53	303,656.66	(6,596.13)	364,388.00
24118 · Surface Water Revenue	778.75	375.00	403.75	4,783.59	3,750.00	1,033.59	4,500.00
24119 · Application Fee	0.00	66.67	(66.67)	70.61	666.66	(596.05)	800.00
24120 · Disconnect Reconnect	300.00	183.33	116.67	4,125.00	1,833.34	2,291.66	2,200.00
24200 · Sewer Revenue	22,455.22	16,250.00	6,205.22	162,706.26	162,500.00	206.26	195,000.00
24310 · Tap Fees/Inspections	20,420.00	2,916.67	17,503.33	78,123.00	29,166.66	48,956.34	35,000.00
24319 · Grease Trap Inspections	800.00	833.33	(33.33)	8,000.00	8,333.34	(333.34)	10,000.00
24330 · Late Charges	1,275.12	916.67	358.45	13,221.06	9,166.66	4,054.40	11,000.00
24333 · Returned Ck Fee	0.00	15.00	(15.00)	150.00	150.00	0.00	180.00
25403 · Solid Waste Revenue	7,748.40	5,583.33	2,165.07	67,099.52	55,833.34	11,266.18	67,000.00
Total 24000 · Charges for Service	98,105.91	57,505.67	40,600.24	635,339.57	575,056.66	60,282.91	690,068.00
24101 · Taxes and Franchise Fees							
24110 · Sales Tax Rev for Solid Waste	629.54	458.33	171.21	5,441.85	4,583.34	858.51	5,500.00
Total 24101 · Taxes and Franchise Fees	629.54	458.33	171.21	5,441.85	4,583.34	858.51	5,500.00
24121 · Groundwater Reduction Revenue	18,356.25	7,916.67	10,439.58	109,107.80	79,166.66	29,941.14	95,000.00
25000 · Other Revenues							
25391 · Interest Income	6.15	25.00	(18.85)	76.53	250.00	(173.47)	300.00
25392 · Interest earned on Investments	0.00	14.17	(14.17)	85.21	141.66	(56.45)	170.00
25399 · Miscellaneous Revenue	148.75	62.50	86.25	649.88	625.00	24.88	750.00
Total 25000 · Other Revenues	154.90	101.67	53.23	811.62	1,016.66	(205.04)	1,220.00
25393 · Use of Surplus Funds	0.00	0.00	0.00	0.00	0.00	0.00	80,000.00
Total Income	117,246.60	65,982.34	51,264.26	750,700.84	659,823.32	90,877.52	871,788.00
Expense							
26001 · Personnel							
26353.1 · Health Ins.	975.28	1,333.33	(358.05)	9,696.00	13,333.34	(3,637.34)	16,000.00
26353.4 · Unemployment Ins	0.00	0.00	0.00	342.00	522.00	(180.00)	522.00
26353.5 · Workers Comp.	102.95	166.67	(63.72)	1,150.43	1,666.66	(516.23)	2,000.00
26353.6 · Dental Insurance	87.04	120.83	(33.79)	861.36	1,208.34	(346.98)	1,450.00
26353.7 · Life & AD&D Insurance	27.80	37.50	(9.70)	278.00	375.00	(97.00)	450.00
26501 · Retirement Expense	274.33	268.58	5.75	3,043.86	2,685.84	358.02	3,223.00
26560 · Payroll Taxes	508.17	570.00	(61.83)	5,638.20	5,700.00	(61.80)	6,840.00
26600 · Wages	6,642.58	6,517.67	124.91	73,702.18	65,176.66	8,525.52	78,212.00
26600.1 · Overtime	0.00	90.00	(90.00)	0.00	900.00	(900.00)	1,080.00
Total 26001 · Personnel	8,618.15	9,104.58	(486.43)	94,712.03	91,567.84	3,144.19	109,777.00
26200 · Contract Services							
26320 · Legal Fees	0.00	183.33	(183.33)	10,760.00	1,833.34	8,926.66	2,200.00
26322 · Engineering	0.00	4,583.33	(4,583.33)	61,853.38	45,833.34	16,020.04	55,000.00
26323 · Operator	0.00	2,500.00	(2,500.00)	27,475.00	25,000.00	2,475.00	30,000.00
26324 · Billing and Collections	0.00	375.00	(375.00)	3,224.41	3,750.00	(525.59)	4,500.00
26328 · Testing	0.00	1,000.00	(1,000.00)	5,966.60	10,000.00	(4,033.40)	12,000.00
26331 · Sales Tax for Solid Waste	0.00	462.50	(462.50)	4,871.97	4,625.00	246.97	5,550.00
26333 · Accounting Fees	400.00	500.00	(100.00)	4,000.00	5,000.00	(1,000.00)	6,000.00
26336 · Sludge Hauling	0.00	1,166.67	(1,166.67)	28,584.92	11,666.66	16,918.26	14,000.00
26340 · Printing	0.00	41.67	(41.67)	0.00	416.66	(416.66)	500.00
26350 · Postage	0.00	208.33	(208.33)	2,314.03	2,083.34	230.69	2,500.00
26351 · Telephone	185.57	166.67	18.90	1,777.29	1,666.66	110.63	2,000.00
26370 · Tap Fees & Inspections	0.00	1,666.67	(1,666.67)	6,504.63	16,666.66	(10,162.03)	20,000.00
26399 · Garbage Pickup	0.00	5,166.67	(5,166.67)	66,436.38	51,666.66	14,769.72	62,000.00
26200 · Contract Services - Other	0.00			531.33			
Total 26200 · Contract Services	585.57	18,020.84	(17,435.27)	224,299.94	180,208.32	44,091.62	216,250.00
26300 · Communications							
26338 · Advertising/Promotion	0.00	41.67	(41.67)	900.00	416.66	483.34	500.00
Total 26300 · Communications	0.00	41.67	(41.67)	900.00	416.66	483.34	500.00
26326 · Permits & Licenses	0.00	1,583.33	(1,583.33)	12,043.15	15,833.34	(3,790.19)	19,000.00
26371 · Dues & Subscriptions	0.00			545.00			

	Jul 16	Budget	\$ Over B...	Oct '15 - J...	YTD Bud...	\$ Over Bu...	Annual Bu...
26400.1 · Supplies & Equipment							
26342 · Chemicals	492.00	1,416.67	(924.67)	13,615.45	14,166.66	(551.21)	17,000.00
26358 · Copier/Fax Machine Lease	0.00	375.00	(375.00)	653.34	3,750.00	(3,096.66)	4,500.00
26460 · Operating Supplies	2,553.15	1,500.00	1,053.15	19,315.57	15,000.00	4,315.57	18,000.00
26485 · Uniforms	0.00	187.50	(187.50)	1,586.65	1,875.00	(288.35)	2,250.00
27040 · Computer Technology Equipment	1,667.80	416.67	1,251.13	3,390.72	4,166.66	(775.94)	5,000.00
26400.1 · Supplies & Equipment - Other	0.00	0.00	0.00	2,400.00	0.00	2,400.00	0.00
Total 26400.1 · Supplies & Equipment	4,712.95	3,895.84	817.11	40,961.73	38,958.32	2,003.41	46,750.00
26401 · Groundwater Reduction Expenses	0.00	1,666.67	(1,666.67)	45,534.24	16,666.66	28,867.58	20,000.00
26500 · Staff Development							
26339 · Dues & Subscriptions	0.00	83.33	(83.33)	0.00	833.34	(833.34)	1,000.00
26354 · Travel & Training (Travel)	0.00	166.67	(166.67)	1,638.38	1,666.66	(28.28)	2,000.00
26355 · Employee Relations (Education)	0.00	41.67	(41.67)	100.00	416.66	(316.66)	500.00
Total 26500 · Staff Development	0.00	291.67	(291.67)	1,738.38	2,916.66	(1,178.28)	3,500.00
26600.2 · Maintenance							
26335 · Repairs & Maintenance	9,218.59	9,583.33	(364.74)	154,348.19	95,833.34	58,514.85	115,000.00
26335.1 · Vehicle Rep. & Maint.	0.00	333.33	(333.33)	164.26	3,333.34	(3,169.08)	4,000.00
26349 · Gas & Oil	0.00	416.67	(416.67)	2,553.48	4,166.66	(1,613.18)	5,000.00
Total 26600.2 · Maintenance	9,218.59	10,333.33	(1,114.74)	157,065.93	103,333.34	53,732.59	124,000.00
26700 · Insurance Expense							
26353.2 · Liability Ins.	142.96	129.17	13.79	4,172.76	1,291.66	2,881.10	1,550.00
26353.3 · Property Ins.	828.75	833.33	(4.58)	5,437.53	8,333.34	(2,895.81)	10,000.00
Total 26700 · Insurance Expense	971.71	962.50	9.21	9,610.29	9,625.00	(14.71)	11,550.00
26800 · Utilities Expense							
26352.1 · Utilities - Gas for Generators	49.32	45.83	3.49	808.23	458.34	349.89	550.00
26352.2 · Utilities-Water Plants	5,138.67	3,500.00	1,638.67	48,579.12	35,000.00	13,579.12	42,000.00
26352.3 · Utilities-WW Treatment Plants	1,637.60	2,916.67	(1,279.07)	19,014.44	29,166.66	(10,152.22)	35,000.00
26352.4 · Utilities - Lift Stations	684.89	625.00	59.89	16,617.02	6,250.00	10,367.02	7,500.00
26352.5 · Utilities - Security Light	11.10	50.00	(38.90)	103.10	500.00	(396.90)	600.00
Total 26800 · Utilities Expense	7,521.58	7,137.50	384.08	85,121.91	71,375.00	13,746.91	85,650.00
26900 · Capital Outlay							
26900.3 · Capital Outlay Equipment	0.00	11,666.67	(11,666.67)	0.00	116,666.66	(116,666.66)	140,000.00
26900 · Capital Outlay - Other	0.00			1,040.00			
Total 26900 · Capital Outlay	0.00	11,666.67	(11,666.67)	1,040.00	116,666.66	(115,626.66)	140,000.00
27000 · Miscellaneous Expenses							
26359 · Misc Expense	561.60	83.33	478.27	3,983.87	833.34	3,150.53	1,000.00
Total 27000 · Miscellaneous Expenses	561.60	83.33	478.27	3,983.87	833.34	3,150.53	1,000.00
Total Expense	32,190.15	64,787.93	(32,597.78)	677,556.47	648,401.14	29,155.33	777,977.00
Net Ordinary Income	85,056.45	1,194.41	83,862.04	73,144.37	11,422.18	61,722.19	93,811.00
Other Income/Expense							
Other Expense							
27001 · Other Expenses							
27001.2 · Transfer to Debt Service	0.00	0.00	0.00	93,975.00	93,975.00	0.00	125,300.00
Total 27001 · Other Expenses	0.00	0.00	0.00	93,975.00	93,975.00	0.00	125,300.00
Total Other Expense	0.00	0.00	0.00	93,975.00	93,975.00	0.00	125,300.00
Net Other Income	0.00	0.00	0.00	(93,975.00)	(93,975.00)	0.00	(125,300.00)
Net Income	85,056.45	1,194.41	83,862.04	(20,830.63)	(82,552.82)	61,722.19	(31,489.00)

City of Montgomery
District Debt Service Payments

08/01/2016 - 12/31/2016

Paying Agent	Series	Date Due	Date Paid	Principal	Interest	Total Due
Debt Service Payment Due 09/01/2016						
Amegy Bank of Texas	2012	09/01/2016		0.00	58,887.50	58,887.50
Amegy Bank of Texas	2012R	09/01/2016		0.00	39,209.37	39,209.37
First National Bank of Huntsville	2015R	09/01/2016		0.00	8,261.25	8,261.25
		Total Due 09/01/2016		0.00	106,358.12	106,358.12
			District Total	\$0.00	\$106,358.12	\$106,358.12

City of Montgomery
Summary of Pledged Securities

As of August 17, 2016

Financial Institution: ALLEGIANCE BANK		
Total CDs, MM:	\$100,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: FIRST BANK N.A. (Depository Bank)		
Total CDs, MM, and Checking Accounts:	\$1,244,386.03	Collateral Security Required: Yes
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: Yes
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	0.00 %	
Financial Institution: GREEN BANK		
Total CDs, MM:	\$100,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: INDEPENDENT BANK		
Total CDs, MM:	\$200,000.00	Collateral Security Required: No
Less FDIC coverage:	\$250,000.00	Collateral Security Agreement On File: No
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	
Financial Institution: TEXPOOL		
Total CDs, MM:	\$479,904.84	Collateral Security Required: No
Less FDIC coverage:	\$0.00	Collateral Security Agreement On File: Yes
Total pledged securities:	\$0.00	Investment Policy Received: Yes
Ratio of pledged securities to investments:	N/A	

Montgomery City Council
AGENDA REPORT

ITEM #3

Meeting Date:	August 23, 2016	Budgeted Amount:	N/A
Department:			
		Exhibits:	Budget Ordinance
Date Prepared:	August 17, 2016		

Subject

Adoption of the 2016-2017 FY Operating Budget for the City of Montgomery.

Recommendation

Adopt the 2016-2017 FY Operating Budget for the City of Montgomery by Ordinance.

Discussion

Approved By		
Department Manager		Date:
City Administrator	Jack Yates	Date: August 17, 2016

ORDINANCE NO. 2016-16

**AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS
ADOPTING AN OPERATING BUDGET FOR THE FISCAL YEAR 2015-2016.**

WHEREAS, applicable law requires the City of Montgomery, Texas to adopt a budget for the fiscal year 2016-2017; and

WHEREAS, a budget has been prepared for the fiscal year 2016-2017 as set forth in Exhibit "A" hereto and

WHEREAS, notice having been first given in the manner provided by law, the City Council conducted a public hearing upon such proposed budget; and

WHEREAS, the City Council has considered the proposed budget and made such changes as it considers warranted by law and in the best interest of the municipal taxpayers:

THEREFORE, BE IT ORDAINED by the City Council of the City of Montgomery, Texas:

Section 1. That the budget, including estimated revenues and proposed expenditures within the General Fund and each Special Fund is hereby approved and adopted as the Municipal Budget for the Fiscal Year beginning October 1, 2016 and ending September 30, 2017.

Section 2. That the monies set out within each fund are hereby appropriated out of each such respective fund for the payment of expenses lawfully attributable to such fund, all as itemized in the budget.

Section 3. That the budget may be amended from time to time as provide by law for the purposes of authorizing emergency expenditures or for municipal purposes, provided however, no obligation shall be incurred or any expenditure made except 'in conformity with the budget.

Section 4. That the City Administrator may, at any time, transfer any unencumbered appropriate from one line item to another line item within the same department, provided however, that no unencumbered appropriation may be transferred from one department to another except upon the express approval of the City Council.

Section 5. That the Mayor of the City of Montgomery, Texas, be, and is hereby authorized to execute the Ordinance on behalf of the City of Montgomery, Texas and the City Council.

PASSED THIS THE 23rd day of August, 2016.

CITY OF MONTGOMERY, TEXAS

Mayor Kirk Jones

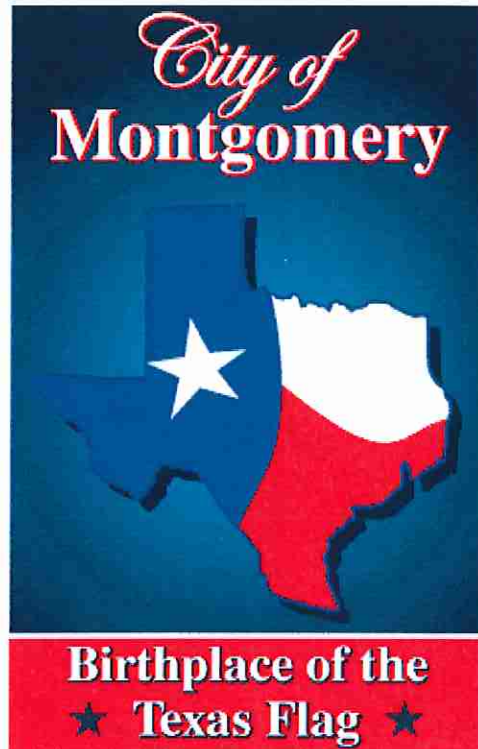
ATTEST:

Susan Hensley, City Secretary

APPROVED AS TO FORM:

Larry Foerster, City Attorney

City of Montgomery



FY 2016-2017 *Proposed* Annual Operating Budget

H.B. 3195 Notice

“This budget will raise more total property taxes than last year’s budget by \$168,321, and of that amount, \$36,815 is the tax revenue to be raised from new property added to the roll this year.”

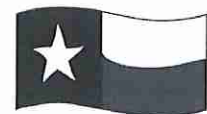
*Filed with the City Secretary on: July 22, 2016
Revised: 08/01/16 - Revised: 08/05/16 – Revised: 08/10/16*

CITY OF MONTGOMERY

FY 2016-17 OPERATING BUDGET

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City of Montgomery

Mayor and Members of the City Council

Kirk Jones

Mayor
Term: 2016-2018

Jon Bickford

City Council Member, Position #1
Term: 2015-2017

John Champagne

City Council Member, Position #2
Term: 2016-2018

T.J. Wilkerson

City Council Member, Position #3
Term: 2015-2017

Rebecca Huss

City Council Member, Position #4
Term: 2016-2018

Dave McCorquodale

City Council Member, Position #5
Term: 2015-2017

Administration

Jack Yates

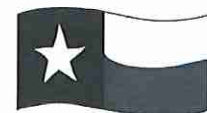
City Administrator

Susan Hensley
City Secretary

James Napolitano
Police Chief

Rebecca Lehn
Court Administrator

Mick Muckleroy
Public Works Foreman





Dear Citizens of Montgomery:

In compliance with state law, the City's code of ordinances, and good management practices, we are pleased to submit the *FY 2016-2017 Annual Operating Budget* for the City of Montgomery. This budget has been developed with the goal of providing a wide range of quality services and maintaining the quality of life for the citizens of the City of Montgomery.

The budget is a statement of policy, a management and planning document, a financial report, and a means of communication with the citizens of Montgomery. It reviews past accomplishments, identifies future needs, sets objectives for the coming year, and defines the purposes and resources to achieve those objectives.

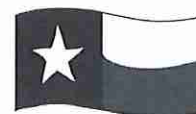
Budget Preparation –The City begins preparing the projections and estimates needed to compile the Budget in April. Department heads meet with the City Administrator to review their goals, objectives, and financial needs for the coming fiscal year. A public hearing on the proposed budget will be held on August 9, 2016 and the FY 2016-2017 budget and 2016 tax rate will be considered at a meeting of City Council on August 23, 2016.

Financial Policies – An annual budget cannot be prepared without first determining where the organization intends to go and how it intends to get there. The budget is the City's policy statement. It represents priorities for the expenditure of public funds. With this in mind, this budget has been created with recognized and adopted standard municipal financial guidelines.

The city staff is to be commended for their work in creating and preparing this budgetary document. Also, the guidance and support of the City Council in providing direction and assistance in the budgeting process is very much appreciated. Thanks to these efforts, the citizens of Montgomery's quality of life will be protected as the City continues to grow. We are happy to report to our residents and bondholders that on December 10, 2013 Standard and Poor's upgraded the City's credit rating three notches to "AA" based on the "strong economy, very strong budgetary flexibility, strong budgetary performance, very strong liquidity, strong management, very weak debt and liability profile, and strong institutional framework."

Kirk Jones
Mayor

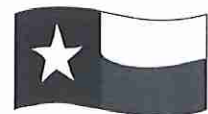
Jack Yates
City Administrator



ACKNOWLEDGMENTS

Once again, it is important to recognize the dedication and exceptional service provided by the Department Heads and their staff. Those department heads include Chief of Police Jim Napolitano, City Secretary Susan Hensley, Municipal Court Administrator Becky Lehn and Mike Muckleroy, Public Works Foreman.

Also, special acknowledgment and consideration goes to the City Council, City residents, members of the appointed boards and commissions, Larry Foerster, City Attorney, Glynn Fleming and Ed Shackelford, City Engineers with Jones and Carter, Municipal Accounts, Fernland and all City employees for their hard work and dedication to the City of Montgomery.



CITY INFORMATION AND AREA DEMOGRAPHICS

Location and History

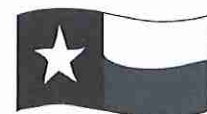
Founded in 1837 and recognized as the birthplace of the Texas Lone Star Flag, the City of Montgomery and the surrounding area is rich with historical sites where events occurred that have shaped the history of the City.

Prior to 1837, Montgomery was a trading post situated a mile north of the City's present site. Owen and Margaret Montgomery Shannon, colonists with Stephen F. Austin, had settled on their grant of land and traded with the Indians. In July of 1837, an ad in the *Telegraph and Texas Register* advertised the sale of lots in the newly-organized town of Montgomery. The article stated that a new county was expected to be created and Montgomery, from its central position, would be selected as the seat of justice. Montgomery remained the seat of government until 1889, when the records were moved to Conroe.

In its early days, Montgomery was the trade center for a large farming area, where stagecoach, railroad, and telegraph lines crossed. Civic and religious organizations came early to the City, as well as the first school in 1839. In 1848, the City of Montgomery was officially incorporated, and in 1842, the first Protestant parsonage in Texas was built here.

In the 1850's, Montgomery experienced a building boom. Some of the fine homes built at that time remain today with descendants of the original owners or early owners occupying them. The Civil War stopped much of the progress in the City, but by 1900, numerous mercantile establishments were in business, as well as three cotton gins, railroads active with freight and passengers, five hotels and boarding houses, doctors, dentists, and lawyers. However, with the railroads bypassing the City, and the county seat moving to Conroe, Montgomery reverted back to the little town it is today – quiet, peaceful, and rich in history.

Today, Montgomery is a small and friendly community of approximately 900 residents, and is located in the scenic countryside of west Montgomery County, intersected by Highways 105 and 149. Known for its large assortment of antiques and crafts stores, Montgomery enjoys a relaxed small-town atmosphere, but due to its close proximity with Conroe, The Woodlands, and Houston, the City is poised for significant growth in the coming years.



Population

	<i>1990</i>	<i>2000</i>	<i>2010</i>	<i>2016</i>
Montgomery	356	489	621	960
Montgomery RTA	N/A	24,822	40,837	48,200
Montgomery County	182,201	293,768	455,760	537,599
Houston MSA	3,321,911	4,715,407	5,920,416	6,622,047

Note: RTA means Retail Trade Area as defined in Retail Coach Study, 2013
MSA means Metropolitan Statistical Area

Unemployment

	<i>2005</i>	<i>2010</i>	<i>2016</i>
Montgomery County	4.6	7.3	4.0
Houston MSA	5.3	8.2	4.8
Texas	5.6	8.4	4.4
USA	5.1	9.6	4.9

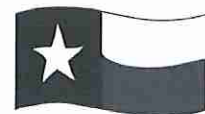
Education

Montgomery ISD:

- 1 senior high school
- 1 junior high school
- 1 middle school
- 1 intermediate school
- 4 elementary schools

Higher Education:

Montgomery County Lone Star College-Montgomery, The Woodlands
The University Center, The Woodlands



Area Colleges

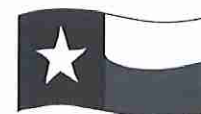
Prairie View A&M University, Prairie View
Rice University, Houston
Sam Houston State University, Huntsville
Texas A&M University, College Station
Texas Southern University, Houston
University of Houston, Houston
University of St. Thomas, Houston

Utilities

Electric Power:	Supplier	Entergy
Natural Gas:	Supplier	LDC, Centerpoint
Water Supply:	Supplier Water Source	City of Montgomery Jasper and Catahoula Aquifers
Sewer System:	Operator	City of Montgomery
Telephone:	Supplier	Consolidated Numerous others

Community

Newspaper:	Houston Chronicle (daily) The Courier (daily) Montgomery County News (weekly)
Radio:	Numerous stations in the Houston area
Television:	KPRC Channel 2 (NBC) KHOU Channel 11 (CBS) KTRK Channel 13 (ABC) KRIV Channel 26 (FOX) KHTV Channel 39 (WB) Numerous cable channels
Church:	Numerous churches of various denominations
Parks and playgrounds:	4 City parks



BUDGET SUMMARY

This Budget Summary is a condensed overview of the City of Montgomery's budget for the fiscal year that begins on October 1, 2016 and ends on September 30, 2017 (FY 2016-2017). A City's budget presents in financial terms a plan to accomplish certain objectives in a fiscal year. Budget preparation and development is an ongoing process. The City Council sets the vision and direction for the City by establishing priorities, developing proposals or projects, and providing feedback to the staff on a variety of ideas and propositions. The staff's role is to then translate that information into a financial action plan that is reviewed and reformed by the City Council.

The budget for FY 2016-2017 is a balanced, conservative plan that maintains the City's previous commitments towards providing quality services and facilities for the citizens of Montgomery, and addresses opportunities for continual improvements. The total operating budget for FY 2016-2017 is just over \$2.880 million. The following is an outline of some general conditions and the key components of this budget.

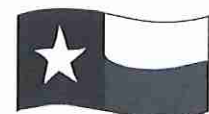
Basis of Accounting and Budget

The City's accounting and budgeting records for all general governmental funds are maintained on a modified accrual basis. This method recognizes revenues when they are measurable and available, and expenditures when goods and services are received, except for principal and interest on long-term debt, which is recognized when paid.

Economic Climate

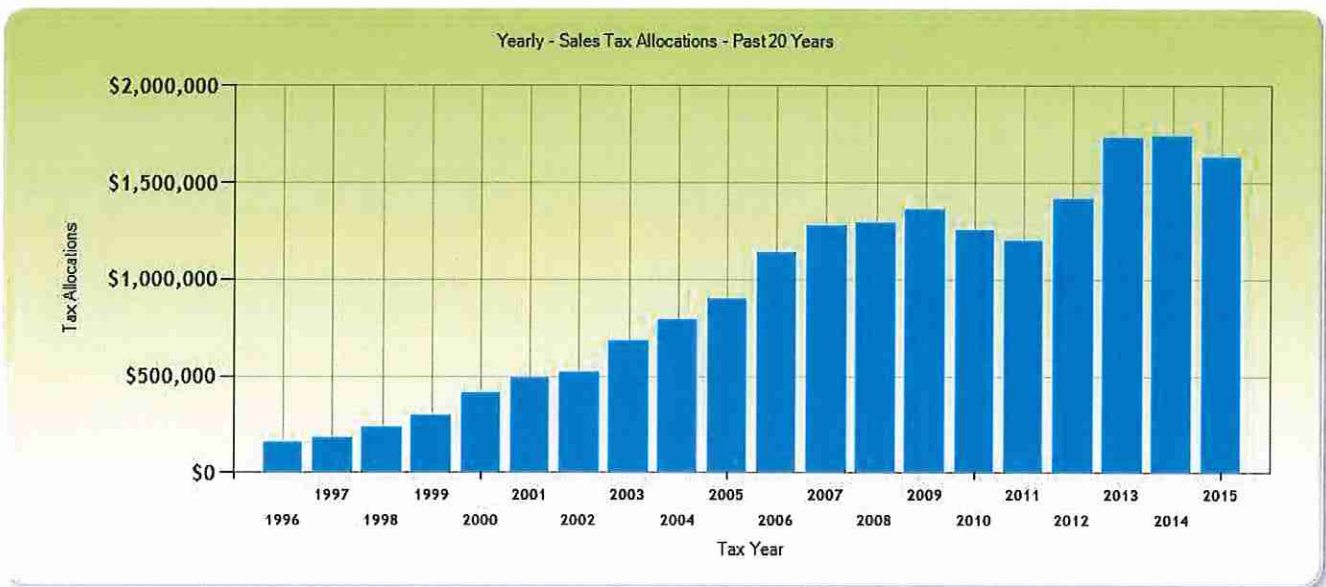
While the City economy is limited primarily to residences and small retailers, residents have access to employment opportunities throughout the northern Houston MSA which is undergoing rapid economic growth. County unemployment is 4.0% in May 2016, which was below state and national rates.

The City's tax bases have benefited from the growth occurring in the region. City sales tax collections have increased 24% over two years ending in fiscal 2016 with \$1.65 million. Taxable assessed valuation (AV) has increased by 26.5% over two years ending in 2015 at \$170 million. The tax base is diverse with 10 leading taxpayers accounting for 23% of the AV.

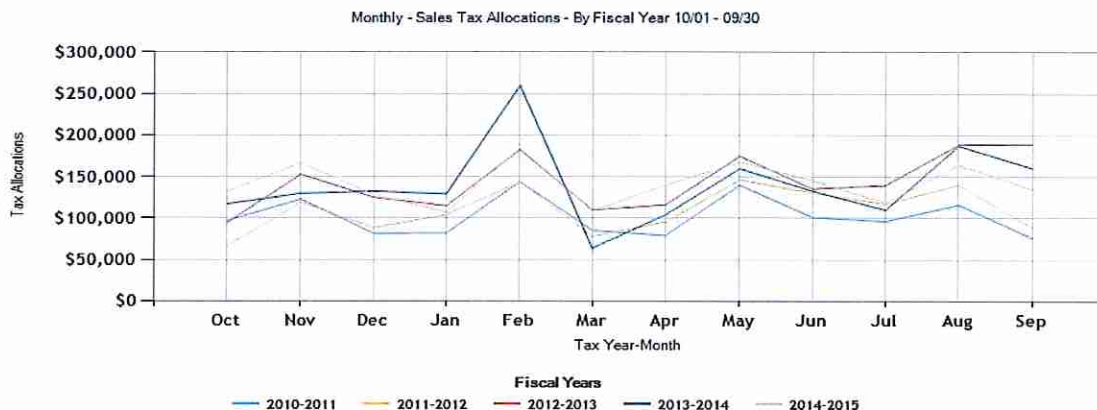


Sales Tax

Sales tax is the largest revenue source for the City, accounting for nearly two-thirds of the projected revenues in the General Fund. The City collects 2% from all taxable sales within the city limits. One percent is authorized for general government use, ½ percent is allocated to the Montgomery Economic Development Corporation (MEDC), and the remaining ½ percent is designated for property tax reduction. While sales tax is a major contributor for the City’s revenues, it is also highly volatile and can rise and fall unpredictably. In order to try and offset these fluctuations, the City tries to carefully forecast sales tax growth. Based upon this and projected growth rates, the City estimates that sales tax revenues in the General Fund will increase by 10%.



This chart shows the City’s total sales tax allocations since 1996. From 2004 to 2016, sales tax allocations have increased by over 19 %. In 2005, the City passed an ordinance authorizing the collection of an additional ½ cent sales tax for use by MEDC, and this revenue is transferred to the MEDC Fund on a monthly basis.



Monthly and Yearly Sales Tax Allocation charts, as reported by the Texas State Comptroller of Public Accounts.



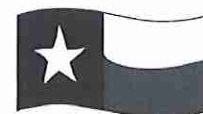
Property Tax

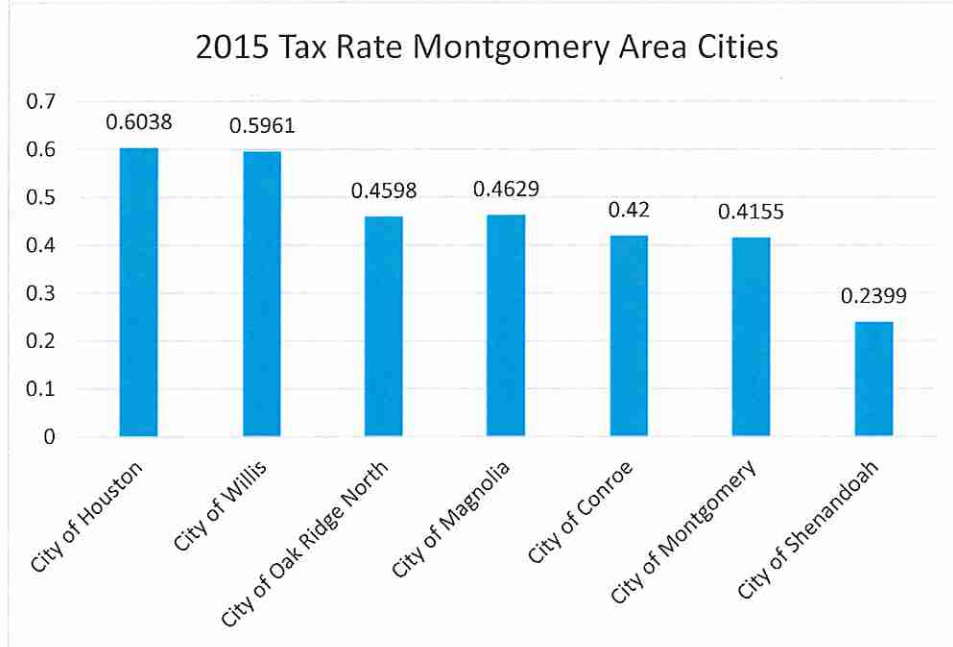
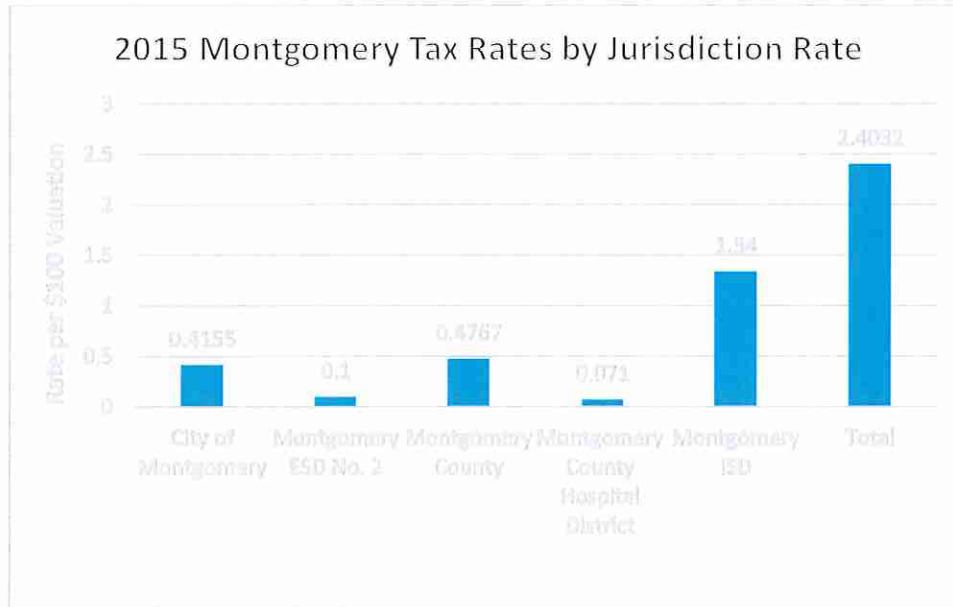
Property tax (also known as ad valorem tax) paid to the City is broken down into two components: maintenance & operations (M&O) and debt service, sometimes known as interest & sinking (I&S). The M&O rate is used to fund general operations of the City. Meanwhile, the debt service rate is calculated to raise enough revenue to make the payments on bonded debt for the upcoming twelve months. The proposed property tax rate for 2016 is unchanged at \$0.4155 per \$100 valuation. The revenue from this property tax is shown in the FY 2016-2017 budget.



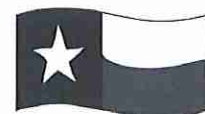
This tax rate is levied on all property within the City that is classified as real (land), improvements (homes, stores, and other buildings), and business personal property (machinery and equipment used for commercial purposes as well as business inventories). The Montgomery Central Appraisal District (MCAD) is charged with determining the appropriate market value for all of the property in the county, as well as maintaining records for the exemptions and deductions allowed by state law. This comprises the City's property tax roll, and the tax is assessed in October and due by the end of January. The Montgomery County Tax Assessor and Collector's office bills and collects our taxes via an Interlocal Agreement.

The property tax rolls for the City can be increased in several ways. First, new improvements can be built or additional personal property can be located within the City. Second, exempt property can lose its exemption through a change of use. Third, market conditions can increase the value of existing property and improvements. Finally, the City can also annex additional territory. As the property tax rolls can increase, they can also decrease if the opposite occurs in the examples listed above. In 2015 (FY 2015-2016), the total assessed valuation (AV) for property in the City was estimated at \$125,000,000. The estimated preliminary AV in the City for FY 2016-2016 is \$170,000,000.





The first chart illustrates the 2015 property tax rates charged by the taxing entities most applicable to residents of the City, and these rates are configured based upon \$100 of the property’s assessed valuation by the Montgomery Central Appraisal District. For example, a tax rate of \$0.5000 would be assessed at 50¢ for each \$100 in value. The average resident pays property taxes to the Montgomery Independent School District, the City, Montgomery County, Emergency Services District #2, and the Montgomery County Hospital District. Also, the second chart compares the property tax rates of Montgomery with several other area municipalities.



Water and Sewer Sales

Another major revenue source for the City is water and sewer sales. The Water and Sewer Fund is an Enterprise Fund, which means that the fund operates in a self-sufficient manner to cover the operating costs associated with the water and sewer utilities. Water consumption varies each year in proportion to the amount of rainfall. Essentially, water sales tend to increase in a dry year and decrease in a wet year.

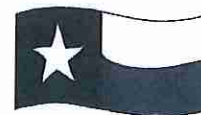
Water and sewer rates bills are invoiced on a monthly basis. For residential customers, the City charges a minimum of \$16.00 up to 2,000 gallons for water usage, with increasing block rates for water use beginning at \$2.50 per 1,000 gallons of use. The City charges residential sewer customers a minimum of \$12.50 for up to 2,000 gallons of water usage plus \$1.60 per \$1,000 gallons of water used in excess of 2,000 gallons. For commercial customers, the City charges a minimum of \$19.50 up to 2,000 gallons for water usage, with increasing block rates for water use beginning at \$2.50 per 1,000 gallons of use. The City charges commercial sewer customers a minimum of \$21.50 for up to 2,000 gallons of water usage plus \$2.00 per \$1,000 gallons of water used in excess of 2,000 gallons. Also, it should be noted there are different rates for institutions such as schools as well as customers located outside the city limits.

A rate analysis by the City Engineer has identified the need for higher rates to fund much needed repairs and investments. This increase will be addressed through Council discussions and public hearings in September 2016.

Additionally, the City charges all water customers \$1.65 per 1,000 gallons of water used for a Groundwater Reduction Program implemented to satisfy regulations by Lone Star Groundwater Conservation District. Customers are also charged \$17.61 for garbage pickup, along with \$1.40 in tax. New water and sewer rates are being considered for the 2016-2017 FY Budget.

Each year, the Texas Municipal League (TML) conducts a survey of the water and sewer rates in several Texas cities. The chart below compares Montgomery's rates to other area cities as reported in the TML survey, and these monthly rates are based on 10,000 gallons of water use under the proposed rate. Based upon these figures, Montgomery's rates are below several area cities.

City	2015 Water and Sewer Minimum Bill	2016 Water and Sewer Minimum Bill	2016 Water and Sewer 10,000 Gal. Bill
Cleveland	52.94	52.94	100.00
Oak Ridge North		49.45	142.19
Willis	48.75	48.75	103.45
Conroe	48.73	48.53	109.48
Montgomery	47.56	47.56	112.76
Houston		15.84	123.81



Fund Overviews

The City's budget consists of many different funds, and these funds account for the various functions or projects of the government. Some revenue sources, such as water and sewer sales, are dedicated for a specified purpose, so a fund is created to record these activities. Each fund is a stand-alone operation and audited as an individual unit, and the following is a brief outline of the activity in each funds. In order to view more detailed information and figures on these funds, please see their separate sections.

General Fund

The General Fund is the City's largest fund, and finances nearly all of the City's services. This fund accounts for revenue, expenditures, and transfers associated with municipal services not directly supported or accounted for in other funds. The primary funding sources for the General Fund are taxes and franchise fees, permits and licenses, and court fines and forfeitures. For FY 2016-2017, the budget calls for revenues and transfers of \$2,992,042 and expenditures of \$2,894,870.

Water and Sewer Fund

The Water and Sewer Fund finances the operation and maintenance of the City's water and sewer systems, and the contracted municipal solid waste collection and disposal service. The main source of revenue for the fund is the water and sewer fees that are collected monthly from the customers of the City's systems. In FY 2016-2017, the budget proposes revenues of \$1,106,260 and expenditures of \$947,750 and a transfer to Debt Service of \$125,300.

Debt Service Fund

The Debt Service Fund was established to account for the payment of principal and interest on outstanding tax supported debt. When this debt was issued, property taxes were pledged to repay the bondholders. The revenue sources for this fund are property taxes and transfers from the MEDC and Water and Sewer Funds. It is anticipated that \$2,667,000 of Texas Water Development debt will be made mid-year with a \$546,867 payment due this fiscal year. The proposed FY 2016-2017 budget includes tax and interest revenues of \$352,891, transfers from Montgomery Economic Development Corporation (MEDC) Fund of \$127,500, and transfers from Water and Sewer Fund of \$125,300 to pay expenditures of \$546,867.

Capital Projects Fund

The Capital Projects Fund was created primarily to finance the purchase or construction of infrastructure projects. Capital projects are characterized by their costs, the long operational life of the asset, and the potential impact these projects would have on a department's operating budget. The main revenue sources for this fund are bonds, grants, transfers from other funds and interest. Several large capital projects were completed in FY 2015-2016. For FY 2016-2017 a water line across Buffalo Springs Bridge, and \$2,667,000 of projects will be added from the Texas Water Development Board, including lift station upgrades and water plant improvements are planned from this fund.



Hotel Occupancy Tax Fund

The Hotel Occupancy Tax Fund collects taxes from hotels, motels, and bed and breakfasts located in the City. The City collects a 6% hotel tax from local bed and breakfasts. For FY 2016-2017, the budget calls for revenues of \$610 and expenditures of \$100.

Court Technology Fund

The Court Technology Fund is a fund that collects revenues from court fines and utilizes these resources to finance the purchase of technological enhancements for the Municipal Court. Based upon the Texas Code of Criminal Procedure and enabled through a City ordinance, the City created this fund that requires a defendant convicted of a misdemeanor offense to pay a technology fee not to exceed \$4.00 as a cost of the court. In FY 2016-2017, the budget proposes revenues of \$6,002 and expenditures to equal \$4,800.

Court Security Fund

The Court Security Fund collects revenues from court fines for the purposes of providing funding for the enhancement of Municipal Court security. Also, similar to the Court Technology Fund, the City created this fund based upon the Texas Code of Criminal Procedure and via a City ordinance. Based upon the FY 2016-2017 budget, revenues of \$5,505 and transfers of \$3,400 to General Fund for security expenses and \$1,000 other expenses are proposed.

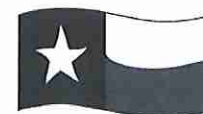
Police Asset Forfeiture Fund

The Police Asset Forfeiture Fund collects funds related to assets by the Montgomery Police Department. According to state law, expenditures in this fund are to be solely used for law enforcement purposes. For FY 2016-2017, projected revenues are \$1,000 with \$0 expenditures.

Other Financial Structures

Besides the above operating funds, the City also maintains several other financial vehicles and accounts that merit some discussion. In the future, the City may decide to consolidate these items or close some of the accounts.

The City maintains its reserve funds with several accounts in TexPool, which is the largest and oldest local government investment pool in the State of Texas, providing investment services to over 1,700 communities throughout the state. The City holds five TexPool accounts (General, Reserve, Utility, Customer Deposits, and MEDC). These funds were placed in TexPool because this fund earns a much higher interest rate than regular banks, but can still be easily accessed. The State Comptroller of Public Accounts oversees TexPool, and Lehman Brothers and Federated Investors manage the daily operations of the pool under a contract with the Comptroller. TexPool seeks to maintain a \$1.00 value per share as required by the Texas Public Funds Investment Act, and TexPool investments consist exclusively of U.S.



Government securities, repurchased agreements collateralized by U.S. Government securities, and AAA-rated no-load money market mutual funds.

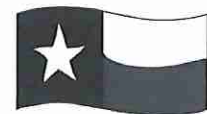
The Montgomery Economic Development Corporation (MEDC) Fund accounts for the revenues and expenditures associated with MEDC, the City's 4B economic development corporation. MEDC receives a ½ cent sales tax transfer from the General Fund every month, and its primary goals are to promote the expansion of the City by attracting business activity of all types and encouraging the creation of new businesses. The corporation is managed by a Board of Directors responsible for the allocation of these funds in accordance with State Law and the policies or directives established by the City Council. The funds raised through the sales tax allocation may be used for many projects, including direct contribution to new business enterprises that create and retain primary jobs, attracting new industrial development, assistance with expansions or related infrastructure. Although under a separate budget, MEDC anticipates revenues of \$557,500 and expenditures of \$717,100.

The Grant and HOME Grant Accounts are designed as a pass-through for the City's grant programs which are funded through other governmental sources, such as the Texas Department of Housing and Community Affairs. It is anticipated that the projects associated with these grants will soon be completed.

The Police, Drug, and Miscellaneous Account collects money earned through the activities of the Police Department. However, this account is currently separate from the proposed Police Asset Forfeiture Fund and does not currently have an operating budget.

The City's Escrow Account is primarily used for collecting money from developers related to the pending satisfaction of a contractual contingency or condition to safeguard the City from any major financial losses. Finally, the Customer Utility Deposit Account was established to hold the deposits of water and sewer customers.

The table on the page 17 is a summary of the City's funds including projected fund balances and the proposed FY 2016-2017 activity for each fund. This table shows the funds available to the City to meet its obligations along with the projected revenue and expenses in each fund. On the following page, a simple organizational chart for the City is presented.



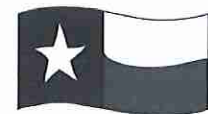
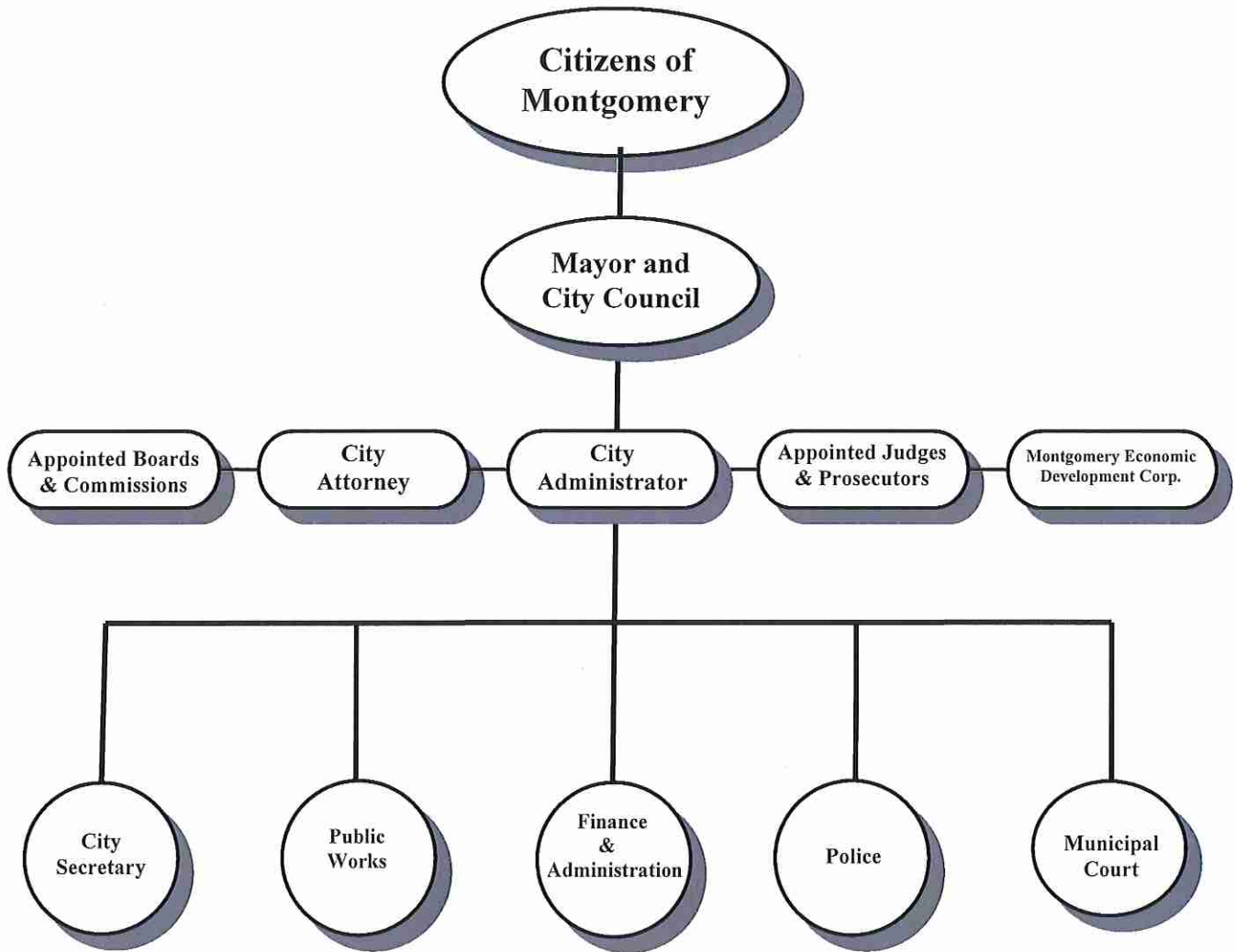
**Fiscal Year 2016-2017
Base Budget**

Summary of All Funds

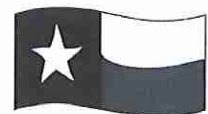
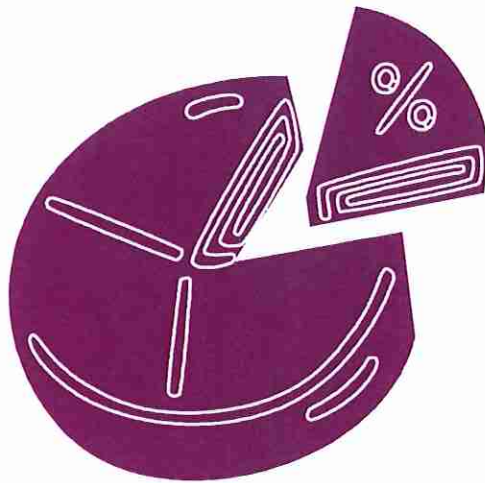
	Proj. Balance 9/30/2016	FY 2016 Expense	FY2016 Transfer	FY2016 Revenue	Proj. Balance 9/30/2017
Governmental Funds					
General Fund	\$ 983,302	\$ 2,972,570	\$ 40,900	\$ 2,951,142	\$ 1,002,774
Debt Service Fund	99,817	546,867	253,100	352,891	\$ 158,941
Capital Projects Fund (Grants/ Bo	2,575	2,666,000	-	2,667,100	\$ 3,675
Hotel Occupancy Fund	7,743	100	-	610	\$ 8,253
Court Technology Fund	4,964	4,800	-	6,002	\$ 6,166
Court Security Fund	8,179	1,000	(3,400)	5,505	\$ 9,284
Police Asset Forfeiture Fund	5,715	-	-	1,000	\$ 6,715
Total Governmental Funds	\$ 1,112,295	\$ 6,191,337	\$ 290,600	\$ 5,984,250	\$ 1,195,808
Non-Governmental Funds					
Water & Sewer Fund	\$ 67,494	\$ 947,750	\$ (125,300)	\$ 1,091,560	\$ 86,004
Total Non-Governmental Funds	\$ 67,494	\$ 947,750	\$ (125,300)	\$ 1,091,560	\$ 86,004
Total All Funds	\$ 1,179,789	\$ 7,139,087	\$ 165,300	\$ 7,075,810	\$ 1,281,812

* MEDC Fund is not shown and its transfers are shown as revenues to other funds.

CITY OF MONTGOMERY ORGANIZATIONAL CHART



GENERAL FUND



GENERAL FUND SUMMARY

The General Fund accounts for revenue, expenditures, and transfers associated with municipal services not directly supported or accounted for in other funds.

FUND FINANCIAL ACTIVITY

The General Fund finances nearly all of the City's services. Issues such as the ad valorem tax rate, fees, objectives, levels of service, the number of employees, salaries and benefits are all determined using the preparation of the General Fund's budget. The General Fund is the source of funds for the following City departments: Administration, Police, Municipal Court, and Public Works and Community Development.

Revenue Projections for 2016-2017. The FY 2016-2017 Budget forecasted revenues to finance the General Fund's services at \$2,992,042 million. Based on unaudited year-end numbers, revenues are expected to exceed this target, ending FY 2015-2016 with revenues of \$2.74 million.

Expenditure Projections for 2016-2017. The FY 2016-2017 Budget appropriated \$2.88 million. Using unaudited year-end numbers, it appears that actual expenditures will be under this amount, ending FY 2015-2016 with expenditures of \$2.20million.

Financial Position in 2016-2017. The City of Montgomery's General Fund will close 2016 in sound fiscal condition. The estimated balance available for appropriation will be approximately \$983,300 thousand, and this amount represents about 66% of estimated 2015-2016 expenses. In other words, the General Fund's operations could be sustained for around eight months with no additional revenues.

2016-2017 Budget

Projected 2016-2017 Revenues. The City's General Fund Revenues for FY 2016-2017 are forecasted to increase \$97,172, or 9% over 2015-2016 budgeted revenues. Total revenues are expected to be \$2,992,042.

Taxes and franchise fees are projected to be \$2,206,612. General Fund revenues generated by the City's sales tax are budgeted at \$1,650,000, 10.3% higher than the \$1,490,000 budgeted in 2015-2016. With a total property valuation within the City appraised at approximately \$168,000,000 million, maintenance and operations property tax revenues are budgeted at \$339,912, which is an increase of 25% over 2015-2016 budgeted estimates. Franchise taxes provide \$70,000, or 1% of the City's General Fund revenues, while beverage taxes account for \$4,000, which is less than 1%.

Revenues from permits and licenses are budgeted at \$133,600 because of annexations and increased commercial and residential development. Administrative transfers from MEDC and the Court Security Fund will account for \$40,900. Community building rentals should produce revenues of \$5,800. Revenues related to court fines and forfeitures are budgeted at \$500,000, which is a 6% increase from the previous year.

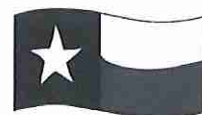
Expenditures in 2016-2017. The FY 2016-2017 Budget recommends an appropriation in the amount of \$2,972,570 in the General Fund. The General Fund's 2015-2016 Budget was \$2,587,467, so this budget represents a 13% increase in the total budget.



Personnel costs, including benefits, amount to \$1,319,850 or about 17% of the budget, adding two full-time equivalent positions. Contract services are budgeted at \$896,500, an increase of 6% over last year. Expenditures for capital outlays are budgeted at \$218,600, which is a 11.7% decrease from last year. Expenditures related to communications, supplies and equipment, staff development, insurance, and utilities have modest increases from last year. Meanwhile, expenditures

for maintenance and miscellaneous expenses will decrease slightly, with spending for contingency purposes remaining stable.

It is anticipated that there will be an amendment to the FY 2016-2017 Budget to account for increased revenue and expenses in this fiscal year. These figures are not shown on the tables in the FY 2016-2017 budget.



**Fiscal Year 2016-2017
Proposed Base Budget**

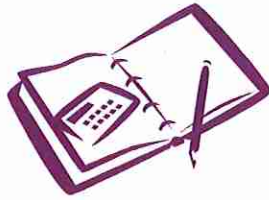
General Fund Budget at a Glance	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
Beginning Fund Balance	750,929	845,377	845,377	983,302	
Revenue					
14000.1 Taxes and Franchise Fees	1,553,410	1,819,200	1,674,077	2,066,612	
14000.2 Permits and Licenses	82,754	124,759	82,800	133,600	17
14000.4 Fees For Service	4,161	9,660	4,430	8,580	7
14000.5 Court Fines and Forfeitures	437,533	701,859	663,650	730,850	10
14000.6 Other Revenues	69,502	85,099	41,880	11,500	25
<i>Revenue</i>	<u>2,147,360</u>	<u>2,740,577</u>	<u>2,466,837</u>	<u>2,951,142</u>	<u>17</u>
Expenditures					
16000 Personnel	907,097	1,135,204	1,126,090	1,319,850	17
16001 Communications	5,776	7,000	5,000	9,000	40
16002 Contract Services	610,016	746,801	861,090	896,500	4
16003 Supplies and Equipment	65,289	76,420	68,350	143,800	47
16004 Staff Development	27,541	23,700	51,650	33,700	-35
16005 Maintenance	80,325	84,462	92,100	121,500	25
16006 Insurance	16,208	17,570	17,320	21,220	23
16007 Utilities	52,548	29,900	28,820	53,900	35
16008 Capital Outlay	150,020	149,813	401,447	218,600	-46
16010 Miscellaneous/ Contingency	47,769	6,000	8,200	154,500	1878
<i>Expenditures</i>	<u>1,962,589</u>	<u>2,276,870</u>	<u>2,660,067</u>	<u>2,972,570</u>	<u>13</u>
Net Ordinary Income	184,771	463,707	-193,230	-21,428	
Interfund Transfers					
Transfers In	40,380	40,380	40,380	40,900	1
Transfers Out	130,703	0	0	0	0
<i>Net Transfers</i>	<u>-90,323</u>	<u>40,380</u>	<u>40,380</u>	<u>40,900</u>	<u>1</u>
Net Income	94,448	504,087	-152,850	19,472	
Ending Fund Balance	845,377	1,349,464	983,302	1,002,774	

**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Revenues	2014	2015	2015	2016-17
Statement of Revenues	Actual	Estimate	Ammended Budget	Proposed Budget
Ordinary Revenue				
Taxes and Francise Fees				
14103 Beverage Tax	5,164	3,800	6,000	4,000
14111 Francise Tax	68,295	68,000	70,000	70,000
14320 Ad Valorem Tax	131,668	255,000	256,327	339,912
14330 Penalties and Interest	2,104	2,300	1,500	2,500
14331 Rendition Penalties	327	100	250	200
14600 Sales Tax	1,345,854	1,490,000	1,340,000	1,650,000
14000.1 Total Taxes and Francise	1,553,410	1,819,200	1,674,077	2,066,612
Permits and Licenses				
14105 Building Permits	79,964	110,000	80,000	130,000
14146 Vendor Permits	0	45	150	100
14611 Sign Fee	2,600	1,000	2,400	1,500
14612 Miscellaneous Permit Fee	190	13,714	250	2,000
14000.2 Permits and Licenses	82,754	124,759	82,800	133,600
Fees for Service				
14380 Community Building Rental	3,885	6,800	4,400	5,800
14381 Kiosk Revenue	276	0	30	30
14385 Right of Way Use Fees	0	2,860	0	2,750
14000.4 Fees for Service	4,161	9,660	4,430	8,580
Court Fines and Forfeitures				
14101 Collection Fees	28,054	26,000	26,000	24,000
14102 Asset Forfeitures	0	0	1,100	1,100
14104 Bond Fees	26,907	-636	0	-500
14106 Child Belt Fees	2,045	2,000	2,250	2,000
14108 Court Fees	0	0		
14110 Fines	219,340	520,000	479,600	500,000
14118 OMNI	2,373	2,200	3,000	2,000
14119 Overpayment	0			
14120 State Portion	156,790	150,000	150,000	200,000
14121 State Jury Fees	0			
14122 STF Fees				
14124 TP Fees				
14125 Warrant Fees	204	80	0	50
14126 Judicial Efficiency Court	1,473	2,000	1,500	2,000
14128 Admin Deferred Fee				
14130 Accident Reports	348	215	200	200
14000.5 Court Fines and Forfeitures	437,533	701,859	663,650	730,850
Other Revenues				
14000.6 Other Revenues	0	6719	0	0

**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Revenues	2014	2015	2015	2016-17
Statement of Revenues	Actual	Estimate	Ammended Budget	Proposed Budget
14132 DWI Step Revenue	983	0	0	0
15350 Proceeds from Sales	17,714	0	0	10,000
15380 Unanticipated Income	8,054	37,000	0	
15391 Interest Income	1,125	0	1,000	500
15392 Interest on Investments	1,246	1,000	500	1,000
<i>14000.6 Other Revenues</i>	<i>29,122</i>	<i>44,719</i>	<i>1,500</i>	<i>11,500</i>
Net Income	2,106,980	2,700,197	2,426,457	2,951,142
Grants/ Transfers				
14620.2 MEDC Contributions	37,500	37500	37500	37,500
14620.4 Court Security Contributions	2,880	2880	2880	3,400
Subtotal	40,380	40,380	40,380	40,900
Total Income	2,147,360	2,740,577	2,466,837	2,992,042



Administration

Administration is responsible for the efficient delivery of City services. The City Administrator, Jack Yates, has day-to-day responsibility for the operation of all City activities and employees.

The City Secretary, Susan Hensley, is responsible for maintaining ordinances, resolutions, meeting minutes, and all City documents and required publications. The City Secretary serves as the Human Resources Officer, Records Management Officer and Public Information Officer for the City.

The City Attorney, Larry Foerster, serves as a consultant, providing the City with general counsel, litigation, contract review, and ordinance review.

The contract Bookkeeper, Municipal Accounts records the financial activities of the City and assists in managing payroll, city depositories and investments. The City has retained BrooksCardiel, PLLC Certified Public Accountants to audit the financial records.

Budget Changes:

- Add a part-time records and administrative clerk to assist with the duties of the City Secretary.

Accomplishments during 2015-2016

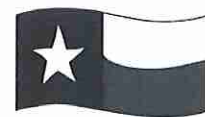
- Began Re-Codification of City's Code of Ordinances, submitting ordinances from

2005 through current. Legal review has been completed and the draft Code is being prepared.

- Implemented new sign ordinance and new building codes.
- Worked with numerous developers on growth related issues.
- Set up Administrative Archive Room to provide a working location to scan and organize all City's files.
- Converted the City's Records Management Schedule to the Texas State Library and Archives Schedule.

Goals for 2016-2017:

- Adopt Re-Codification of City Code of Ordinances.
- Consult with the Texas State Library and Archives Commission to convert to electronic records management for City records, which are not required to be maintained in paper copy.
- Update Personnel Policies and Procedures.
- Preparation and implementation of the lighting, tree preservation and landscaping ordinances.
- Continue with growth and development of the City.



**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Admin Class Expenditures	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
Ordinary Expense					
Personnel					
16247 Compensated Benefit		64,000	69,000	0	-6900%
16353.1 Health Insurance	11,123	12,000	13,307	12,000	-10%
16353.4 Unemployment Insurance	496	230	500	370	-26%
16353.5 Workers Comp.	410	638	638	650	2%
16353.6 Dental Insurance	1,211	1,100	1,352	1,400	7%
16353.7 Life & AD&D Insurance	133	153	153	160	5%
16560 Payroll Taxes	13,644	13,500	14,611	14,630	0%
16600 Wages	178,482	170,000	170,000	184,500	8%
16620 Retirement	5,594	6,000	6,000	6,410	7%
<i>16000 Personnel</i>	<i>211,093</i>	<i>267,621</i>	<i>275,561</i>	<i>220,120</i>	<i>-21%</i>
Communications					
16338 Advertising/Promotion	5,776	2,500	3,000	7,000	133%
<i>16001 Communications</i>	<i>5,776</i>	<i>2,500</i>	<i>3,000</i>	<i>7,000</i>	<i>133%</i>
Contract Services					
16102 General Consultant Fees	0	20,000	34,200	34,200	0%
16320 Legal	28,576	32,000	33,000	33,000	0%
16321 Audit	15,800	17,350	16,000	19,000	19%
16322 Engineering	6,000	20,000	105,000	40,000	-262%
16333 Accounting	65,566	69,000	65,000	79,000	21%
16335 Repairs and Maintenance	8,998	3,000	1,200	6,300	525%
16340 Printing and Office Supplies	847	2,700	3,100	3,000	-3%
16342 Computers Website	3,700	2,600	2,500	3,000	17%
16350 Postage and Delivery	1,710	1,500	1,300	2,400	45%
16351 Telephone	12,515	12,800	12,000	13,000	8%
16360 Tax Assessor Fee	2,950	4,500	2,500	4,500	80%
16370 Election	0	0	100	16,000	15900%
17040 Computer Technology	15,791	12,000	18,300	10,000	-47%
<i>16002 Contract Services</i>	<i>162,453</i>	<i>197,450</i>	<i>294,200</i>	<i>263,400</i>	<i>-11%</i>
Supplies and Equipment					
16358 Copier/Fax	2,465	6,800	2,500	7,000	280%
16460 Operating Supplies	10,979	11,000	18,000	12,600	-30%
17100 Furniture	3,870	800	1,700	3,200	88%
<i>16003 Supplies and Equipment</i>	<i>17,314</i>	<i>18,600</i>	<i>22,200</i>	<i>22,800</i>	<i>3%</i>
Staff Development					
16339 Dues/ Subscriptions	3,046	2,100	20,000	2,500	-88%

**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Admin Class Expenditures	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
16341 Employee Relations	1,175	1,000	1,000	1,400	40%
16354 Travel and Training	7,715	5,000	7,900	6,000	20%
<i>16004 Staff Development</i>	<i>11,936</i>	<i>8,100</i>	<i>28,900</i>	<i>9,900</i>	<i>-66%</i>
Insurance					
16353.2 Liability Insurance	5,949	6,100	5,700	6,900	21%
16353.3 Property Insurance	1,614	1,500	1,700	2,200	42%
<i>16006 Insurance</i>	<i>7,563</i>	<i>7,600</i>	<i>7,400</i>	<i>9,100</i>	<i>22%</i>
Utilities					
16352.6 Utilities - City Hall	2,057	1,800	3,000	0	-100%
16352.7 Utilities - Gas	1,144	700	2,000	0	-100%
16352.8 Utilities - Community Center	321	600	0	0	1400%
<i>16007 Utilities</i>	<i>3,522</i>	<i>3,100</i>	<i>5,000</i>	<i>0</i>	<i>11%</i>
Capital Outlay					
16223 Community Bldg Irrigation	0				
17071 Computers/ Equipment	7,408	1,722	3,400	2,700	-25%
16336 Capital projects					
<i>16008 Capital Outlay</i>	<i>7,408</i>	<i>1,722</i>	<i>3,400</i>	<i>2,700</i>	<i>-25%</i>
Miscellaneous					
16504 Adams Park Lease	1,475	2,641		2,800	2800%
Sales Tax Rebatement				148,000	148000%
16590 Miscellaneous	41,196	1,800	3,800		71%
Miscellaneous	41,196	1,800	3,800	150,800	13362%
Total Expense	468,261	508,493	643,461	685,820	15%



Police

Montgomery Police Department is a constituted body of persons empowered by the state to enforce the law, protect property, and limit civil disorder. Montgomery Police Department includes the Police Chief Jim Napolitano, Lt. Joe Belmares, and Patrol Sergeant Miguel Rosario, Administrative Sergeant Becky Lehn, five patrol officers, and several reserve officers.

Mission: The mission of the Montgomery Police Department is to enhance the quality of life in the City of Montgomery by working with the public and within the guidelines of the US Constitution to enforce the laws, preserve peace, reduce fear, and provide a safe environment.

Vision: To optimize the efficient use of the police resources and respond quickly and professionally to all forms of crime, emergencies, and homeland security concerns. The Montgomery Police Department and its community stakeholders will partner with other law enforcement, government, and civic groups to address all crime and disorder issues. Montgomery Police Department seeks to improve public safety guided by its core values: respect, dignity, integrity, and fairness.

Montgomery Police Department participates in a grant funded program known as the DWI task force to prevent loss of life by apprehending violators operating a motor vehicle on our public roadways under the influence of an alcoholic beverage or

substance which causes a level of intoxication. This task force works closely with other law enforcement agencies and the District Attorney to reduce the number of violators on the roads particularly during holiday weekends.

Goals for 2016:

- Maintain high visibility to reduce criminal activity.
- Practice fiscal responsibility and accountability in the management of public resources.
- Update the Department Policy Manual.
- Manage purchase and use of equipment to assist officers in provide effective service in a timely and safe manner.
- Manage, evaluate, and train personnel to maintain safety, high standards of performance. Provide continuing education to improve professionalism and personal development.
- Improve communication and cooperation with the community by implementing new web page, by utilizing other media such as Nixle, and by participating in community partnerships and programs that promote our mission and values.
- Update emergency response procedures.



**Fiscal Year 2016
Proposed Base Budget**

General Fund Police Class Expenditures	2014 Actual	2015 Estimate	2015 Budget	2016 Pro. Budget	% Change
Ordinary Expense					
Personnel					
16247 Compensated Benefit	0	5,000	5,000	0	0%
16353.1 Health Insurance	36,891	51,284	51,284	50,000	-2%
16353.4 Unemployment Insurance	1,893	2,610	2,610	3,600	37%
16353.5 Workers Comp.	5,870	12,970	11,959	14,500	22%
16353.6 Dental Insurance	4,187	6,423	5,943	6,000	1%
16353.7 Life & AD&D Insurance	544	728	728	750	3%
16560 Payroll Taxes	27,801	33,755	29,669	44,000	49%
16600 Wages	337,036	441,236	430,231	552,600	28%
16600.1 Overtime	21,090	16,000	12,000	16,000	25%
16620 Retirement	11,184	18,223	19,223	23,500	22%
16000 Personnel	<u>446,496</u>	<u>588,229</u>	<u>568,647</u>	<u>709,950</u>	<u>24%</u>
Communications					
16338 Advertising/Promotion		4,500	2,000	2,000	0%
16001 Communications	<u>0</u>	<u>4,500</u>	<u>2,000</u>	<u>2,000</u>	<u>0%</u>
Repairs and Maintenance					
16334 Gas/Oil	28,751	20,338	35,000	26,000	-26%
16357 Auto Repairs	17,298	14,196	14,100	15,000	6%
16373 Equipment Repairs	1,311	2,600	2,500	3,000	17%
16335.1 Maint-Vehicles & Equip	624	0	0	0	5500%
16340 Printing/ Office Supplies	774	1,680	1,500	2,000	25%
16342 Computers/ Website	295	14,000	8,000	4,000	-50%
16350 Postage/ Delivery	146	48	500	700	29%
16351 Telephone	3,452	1,300	5,000	15,000	300%
17030 Mobile Data Terminal (Air Fees)	9,152	16,000	6,000	8,000	25%
17031 Police Officer Scheduling Syst	0	0	0	2,000	2000%
17040 Computer Technology	5,082	0	0	2,000	2000%
16005 Repairs and Maintenance	<u>67,235</u>	<u>70,162</u>	<u>72,600</u>	<u>77,700</u>	<u>7%</u>

**Fiscal Year 2016
Proposed Base Budget**

General Fund Police Class Expenditures		2014 Actual	2015 Estimate	2015 Budget	2016 Budget	% Change
Sup	16244 Radio Fees	2,727	4,270	2,800	5,000	44%
	16328 Uniforms	7,114	7,500	6,000	8,000	25%
	16358 Copier/Fax	2,152	4,800	100	2,000	200%
	16460 Operating Supplies	5,685	5,000	5,000	5,000	0%
	17010 Emergency Equipment	2,947	2,000	1,500	3,000	50%
	17050 Radios		0		26,000	2600%
	17100 Capital Purchase Furniture	0	500	2,000	15,000	750%
	<i>16003 Supplies and Equipment</i>	<i>20,625</i>	<i>24,070</i>	<i>17,400</i>	<i>64,000</i>	<i>367%</i>
Sta	16241 Police Training/ Education	5,360	5,000	6,000	7,000	15%
	16339 Dues/ Subscriptions	140	450	1,500	2,000	25%
	16341 Community Relations	1,574	400	1,000	1,300	24%
	16354 Travel and Training	1,559	4,000	4,000	5,000	25%
	<i>16004 Staff Development</i>	<i>8,633</i>	<i>9,850</i>	<i>12,500</i>	<i>15,300</i>	<i>19%</i>
Inst	16353.2 Liability Insurance	6,363	7,000	7,000	8,500	21%
	16353.3 Property Insurance	1,328	1,500	1,500	2,000	25%
	<i>16006 Subtotal Insurance</i>	<i>7,691</i>	<i>8,500</i>	<i>8,500</i>	<i>10,500</i>	<i>20%</i>
Cap	17070 Police Cars	95,247	52,501	52,000	63,000	18%
	Emergency Lights, Decals	0	19,158	21,500	25,000	16%
	Vid Tec - In Car	0	1,376	10,000	12,000	1200%
	17071 Computers/Equipment	17,185	17,000	18,000	15,000	-12%
	17071.1 Copsync	200	5,285	0	6,500	22%
	17071.2 Radar	0	1,176	0	4,000	4000%
	Investigative and Testing Equip		2,200	3,000	3,000	33%
	Ballistic Vests and Shields		3,000	5,000	5,000	-14%
	17071.5 Patrol Weapons	14,830	2,500	2,500	4,000	40%
	17071.9 In Field Fingerprinter	0	0	0	0	0%
	17080 Improvements	0	0	0	0	0%
	<i>16008 Capital Outlay</i>	<i>127,462</i>	<i>104,196</i>	<i>112,000</i>	<i>137,500</i>	<i>10%</i>
Oth	16590 Miscellaneous	4,919	2,000	2,000	1,000	-50%
	16010 Contingency	0	0	0	100	100%
	16356 Contract Labor	19,600	0	0	0	0%
		24,519	2,000	2,000	1,100	
Total Expense		702,661	811,507	795,647	1,018,050	22%



Municipal Court

The Municipal Court is a trial court of limited jurisdiction. The court acts as an impartial fact finder in determining if a City ordinance has been violated. The Municipal Court processes citations, warrants, court payments, and trials. Municipal Court Administrator Becky Lehn is responsible for the overall operations of the court and supervises Deputy Court Clerks Krystal Gonzalez and Kimberly Duckett.

Mission: To provide individuals a fair and impartial judicial process in a timely and efficient manner.

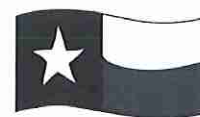
Accomplishments achieved in FY 2015-2016:

- Deputy Court Clerk Krystal Gonzalez is working towards her Level II Court Clerk Certification.
- Deputy Court Clerk Kimberly Duckett was hired to join our Municipal Court team right before the 2015-2016 fiscal year started.
- Deputy Court Clerk Kimberly Duckett, attended a week long “Boot Camp” put on by TMCEC, as well as working towards her Level I Court Clerk Certification.
- Court Administrator Becky Lehn, was invited, again this year, to sit on faculty for the Texas Court Clerk Association to instruct/teach both the Level I and Level II Court Clerk Certification classes throughout Texas.
- Officer Angelina Flores was transferred over to the Court as the Warrant/Bailiff Officer.

- Court Administrator Becky Lehn, and Officer Angelina Flores attended training regarding Court Room Security.
- Total revenue collected is at an all-time high in the Court due to collaborated efforts by the Court staff, Police Department and Collection Agency.

Goals for FY 2016-2017:

- Provide employees with customer service training that focuses on our specific customer services issues.
- Judge and staff will actively participate in City and State Court Organizations to promote continuous court knowledge and excellence.
- Judge, Prosecutor and staff will increase court dates to insure a timely process for the increased number of defendants.
- Continue to develop and improve procedures to collect past-due payments for fines and fees.
- Continue to improve electronic technology for Municipal Court record keeping and processing.
- Deputy Court Clerk Krystal Gonzalez to obtain her Level II Court Clerk Certification.
- Deputy Court Clerk Kimberly Duckett to obtain her Level I Court Clerk Certification.



**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Court Class Expenditures	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
Ordinary Expense					
Personnel					
16353.1 Health Insurance	9,927	9,795	9,795	19,500	50
16353.4 Unemployment Insurance	414	522	433	590	36
16353.5 Workers Comp.	243	309	309	360	16
16353.6 Dental Insurance	1,201	1,352	1,352	1,600	16
16353.7 Life & AD&D Insurance	133	153	153	220	31
16560 Payroll Taxes	6,065	7,244	7,244	11,680	39
16600 Wages	78,540	93,196	90,136	152,700	31
16600.1 Overtime	1,528	1,500	1,500	1,500	0
16620 Retirement	2,518	3,911	3,911	6,310	36
<i>16000 Personnel</i>	<i>100,569</i>	<i>117,982</i>	<i>114,833</i>	<i>194,460</i>	<i>31</i>
Contract Services					
16100 Admin Expense Misc.					
16102 General Consultant	385	4,000	1,800	4,000	255
16220 Omni Expense	2,540	13,000	3,000	3,500	15
16242 Prosecutor	7,650	9,450	9,000	11,500	22
16310 Judge	12,000	12,000	12,000	18,000	34
16322 Engineering	0	489	0	0	0
16326 Collection Agent	25,940	18,000	35,000	30,000	-16
16340 Printing/ Office Supplies	658	1,600	600	2,500	76
16342 Computers/ Website	2,000	5,500	2,500	5,500	55
16350 Postage/ Delivery	921	1,200	750	1,500	50
16351 Telephone	1,200	1,200	1,200	1,200	0
17510 State Portion of Fines	145,580	150,000	210,000	200,000	-5
<i>16002 Contract Services</i>	<i>198,874</i>	<i>216,439</i>	<i>275,850</i>	<i>277,700</i>	<i>1</i>
Supplies and Equipment					
16328 Uniforms & Protective Gear	114		19,750	500	395
16358 Copier/Fax Machine Lease	184	0	0	1,000	1000
16003 Supplies and Equipment - Other		2,500	2,300	7,000	68
16460 Operating Supplies	3,477	3,000	0	4,000	4000
17100 Furniture	0	750		5,000	5000
<i>16003 Supplies and Equipment</i>	<i>3,775</i>	<i>6,750</i>	<i>2,300</i>	<i>16,000</i>	<i>695</i>
Staff Development					
16339 Dues/ Subscriptions	197	250	250	250	0
16341 Employee Relations (Education)	105	0	0	0	0
16354 Travel and Training	3,670	3,000	5,000	5,000	0
<i>16004 Staff Development</i>	<i>3,972</i>	<i>3,250</i>	<i>5,250</i>	<i>5,250</i>	<i>0</i>

**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Court Class Expenditures	2014 Actual	2015 Estimate	2015 Budget	2016 Budget	% Change
Insurance					
16353.2 Liability Insurance	100	450	400	450	12
16006 Insurance	100	450	400	450	12
Capital Outlay					
17071.4 LaserFiche (Software Equip)	1,375	0	0	0	0
17071 Computers/Equipment	5,720	2,000	2,000	3,000	33
16008 Capital Outlay	7,095	2,000	2,000	3,000	33
Miscellaneous					
16590 Miscellaneous	0	200	200	2,500	1250
	0	200	200	2,500	1250
Total Expense	314,385	347,071	400,833	499,360	24



Public Works and Community Development

The Department of Public Works and Community Development is responsible for engineering, water and sewer utilities, streets and drainage, parks and recreation, city facilities maintenance, planning, code enforcement, building permits, and inspections. The department consists of a Public Works Foreman, 2 maintenance technicians, and a utility/permits clerk.

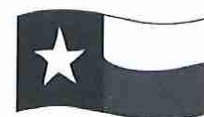
- 2 lift station fences added
- All speed humps painted and signage placed
- Street sign replacement project started
- Installed rock in all lift stations to reduce mowing
- Started sanitary sewer smoke testing
- Painted all stop bars in city

Accomplishments in FY 2016:

- Replaced all lighting in parks and historical district with LED's for lower energy consumption
- Installation of electronic read water meters
- Complete rewire of Community Center with LED lighting
- Parking lot project for Vintage Tea Garden to provide more parking

Goals for FY 2017:

- Add maintenance technician position
- More attention and time dedicated to parks
- Continue sanitary sewer smoke testing
- Continue repairs to city streets
- Add more parking for Cedar Brake Park
- Sidewalk improvements at Memory and Fernland Parks



**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Public Works Class Expenditures	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	%
					Change
Ordinary Expense					
Personnel					
16353.1 Health Insurance	13,435	12,700	14,693	17,060	16
16353.4 Unemployment Insurance	1,082	500	929	400	-225
16353.5 Workers Comp.	2,416	3,550	3,801	4,400	12
16353.6 Dental Insurance	1,255	1,565	2,028	2,400	16
16353.7 Life & AD&D Insurance	150	200	230	320	39
16560 Payroll Taxes	9,278	11,030	11,975	11,680	29
16600 Wages	114,686	124,700	123,792	150,760	15
16600.1 Overtime	3,191	3,000	6,001	2,000	-300
16620 Retirement	3,446	4,127	3,600	6,300	59
<i>16000 Personnel</i>	<i>148,939</i>	<i>161,372</i>	<i>167,049</i>	<i>195,320</i>	<i>16</i>
Communications					
16338 Advertising/Promotion	0	0	0	0	0
<i>16001 Communications</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Contract Services					
16102 General Consultant Fees	65,947	23,000	0	23,000	23000
16280 Mowing	65,947	60,000	75,000	85,000	12
16299 Inspections/ Permits	28,643	51,000	40,000	55,000	28
16320 Legal	5,553	2,000	0	5,000	5000
16322 Engineering	22,799	67,000	35,000	35,000	0
16337 Street Signs	1,548	6,000	3,200	6,500	49
16340 Printing and Office Supplies	60	500	500	500	0
16342 Computers/ Website	800	1,950	5,500	2,300	-59
16350 Postage/ Delivery	266	600	400	700	57
16351 Telephone	3,115	2,700	3,200	2,700	-18
17040 Computer Technology	2,835	13,000	5,200	2,000	-62
16334 Gas/Oil	6,910	3,300	6,400	3,500	-46
16335 Maintenance -Other	15,747	15,200	8,240	15,000	54
16343 Tractor & Mower	715	500	1,000	2,000	100
16357 Auto Repairs	2,773	1,600	4,000	2,500	-38
16372 Finance & Administration	152	0	0	0	0
16373 Equipment Repairs	968	3,000	3,000	3,500	15
16374 Building Repairs-City Hall/Comm	18,841	21,700	5,300	18,500	286
16375 Street Repairs	3,782	12,700	22,500	15,000	-33
<i>16002 Contract Services</i>	<i>181,454</i>	<i>262,750</i>	<i>218,440</i>	<i>277,700</i>	<i>27</i>

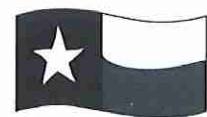
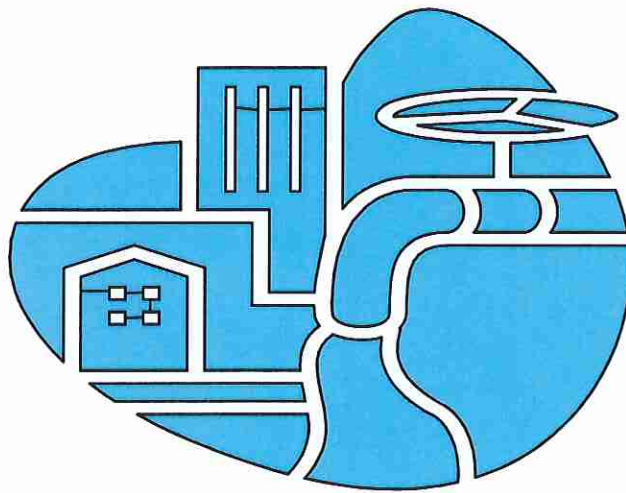
**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Public Works Class Expenditures	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
Supplies and Equipment					
16328 Uniforms/ Protective Gear	5,008	2,800	2,750	7,500	74
16460 Operating Supplies	2,245	4,500	1,000	6,000	80
16460.1 Streets and drainage	1,763	5,000	2,000	3,500	43
164602 Cedar Brake Park	2,638	3,000	3,500	4,000	14
16460.3 Homecoming Park	917	1,500	2,000	6,000	300
16460.4 Fernland Park	1,735	1,600	2,000	3,000	15
16460.5 Community Building	6,594	5,000	6,000	5,000	-17
16460.6 Tools, Etc	145	1,600	900	2,000	55
16460.7 Memory Park	2,215	2,000	1,300	3,000	230
16503 Code Enforcement Expense	315	0	5,000	1,000	-400
<i>16003 Supplies and Equipment</i>	<i>23,575</i>	<i>27,000</i>	<i>26,450</i>	<i>41,000</i>	<i>45</i>
Staff Development					
16339 Dues/ Subscriptions			0	250	250
16341 Employee Relations	500	500	500	500	0
16354 Travel and Training	2,500	2,000	4,500	2,500	-20
<i>16004 Staff Development</i>	<i>3,000</i>	<i>2,500</i>	<i>5,000</i>	<i>3,250</i>	<i>-35</i>
Maintenance					
16228 Memory Park Maintenance	2,668	7,000	7,000	8,500	18
16229 Fernland Park Maintenance	3,378	1,500	6,000	9,800	37
16230 CB Park Maintenance	5,158	4,800	4,000	5,000	25
Street Maintenance				18,000	18000
16231 Homecoming Park Maintenance	1,886	1,000	2,500	2,500	0
<i>16005 Maintenance</i>	<i>13,090</i>	<i>14,300</i>	<i>19,500</i>	<i>43,800</i>	<i>224</i>
Insurance					
16353.2 Liability Insurance	569	720	720	770	7
16353.3 Property Insurance	285	300	300	400	33
<i>16006 Insurance</i>	<i>854</i>	<i>1,020</i>	<i>1,020</i>	<i>1,170</i>	<i>15</i>
Utilities					
16352 Electronic Sign-City		400	370	500	26
16352.1 Street Lights	15,406	12,000	11,800	13,000	10
16352.2 Traffic Lights	200	1,000	250	1,200	380
16352.3 Cedar Brake Park	1,774	1,800	1,800	3,200	222
16352.4 Homecoming Park	590	900	900	1,200	277
16352.5 Fernland Park	23,895	2,400	2,000	3,100	200
16352.6 City Hall Utilities	4,190	5,000	3,500	8,000	42
16352.7 Gas-City Hall and Com Center	0	0	0	1,200	42
16352.8 Community Center Utilities	2,971	3,300	3,200	7,500	3
16352.9 Memory Park	0	0	0	15,000	3
<i>16007 Utilities</i>	<i>49,026</i>	<i>26,800</i>	<i>23,820</i>	<i>53,900</i>	<i>40</i>

**Fiscal Year 2016-2017
Proposed Base Budget**

General Fund Public Works Class Expenditures	2014 Actual	2015 Estimate	2015 Budget	2016 Budget	% Change
Capital Outlay					
16233 Community Building		2,000	10,000	2,000	-500
17071.4 Laser Fiche (Software Equip)	3,490		2,100	1,000	-210
17071 Computers/Equipment	4,565	500	2,000	2,000	0
17072 Public Works Items	0	39,395	27,000	60,400	66
17080 Improvements	0	0	60,000	10,000	-600
17081 Drainage Improvements	0	0	71,847	0	-7184
<i>16008 Capital Outlay</i>	<i>8,055</i>	<i>41,895</i>	<i>172,947</i>	<i>75,400</i>	<i>-157</i>
Miscellaneous					
16356 Contract Labor-Streets	416	0	0	0	0
16590 Miscellaneous	238	2,000	2,200	100	-220
16500 Lease	1,000	0	0	0	0
Miscellaneous/Other	1,654	2,000	2,200	100	-220
Total Expense	429,647	539,637	636,426	691,640	5

WATER AND SEWER FUND



WATER AND SEWER FUND SUMMARY

The Water and Sewer Fund is an Enterprise Fund. Enterprise funds are operated and accounted for like business enterprises in the private sector, and are specifically meant to be self-sufficient. The Water and Sewer Fund accounts for the revenue, expenditures, and transfers associated with the operation of the water and sanitary sewer system as well as municipal solid waste collection. User fees finance the system and its services.

The Utility Billing Coordinator and Utility Technician are City staff members assigned to the Water and Sewer Department and are supervised by the City Administrator.

Water and sewer service fees must reflect the cost of operation, maintenance and replacement of costly water and sewer facilities. The replacement cost of facilities is reflected in the water and sewer rates by charging a rate sufficient to cover the operating costs and the debt service costs associated with major capital maintenance or replacement.

The City of Montgomery has implemented a Groundwater Reduction Program (GRP) to reduce the withdrawal of water from the Jasper Aquifer in compliance of regulations by the Lone Star Groundwater District. The City's program included development of a Catahoula aquifer water well and related treatment equipment at Water Plant No. 3. The City is also a partner with

Montgomery County Utility Districts 3 and 4 in the development of their GRP until 2016. The City charges a GRP Fee as a separate line item for all water customers to cover the costs of this program.

FUND FINANCIAL ACTIVITY

The 2016-2017 Budget. The City's Water and Sewer Fund revenues for FY 2016-2017 are projected to be \$1,106,260, a 20% increase from the previous year's budget. Revenue increases are based on new customers expected in the budget year. Expenditures for FY 2016-2017 are proposed at \$947,750 plus a transfer to debt service of \$125,300 for a total outlay of \$1,073,050.

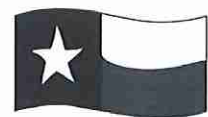
For the Future. The Water and Sewer Fund is the most difficult of all of the City's funds to predict, as water usage can vary dramatically with the weather. Due to anticipated growth, the City will need to continue invest in additional utility infrastructure. One improvement to operations this year was the conversion to an Automated Meter Reading System where meters are read by radio signal, simplifying and shortening the reading process and billing process. The City is currently in the process of evaluating water rates to better balance goals of promoting conservation while generating sufficient revenue to cover expenses and debt service.



Fiscal Year 2016-2017
Proposed Base Budget

Water and Sewer Fund	2014 Budget	2015-16 Estimate	2015-16 Budget	2016-17 Budget	%
					Change
Beginning Fund Balance	220,000	147,954	147,954	67,494	
Revenue					
24000 Charges for Service	804,717	770,600	783,400	960,000	23%
24101 Taxes and Francise Fees	5,201	5,650	5,500	5,600	2%
GRP				125,300	125300%
25000 Other Revenues	3,500	110,517	96,220	660	-1450%
<i>Income</i>	<u>813,418</u>	<u>886,767</u>	<u>885,120</u>	<u>1,091,560</u>	27%
Expenditures					
26001 Personnel	90,291	109,942	122,040	125,000	3%
26200 Contract Services	132,590	246,580	190,400	250,700	31%
26300 Communications	0	900	500	900	45%
26326 Permits and Licenses	14,225	16,085	0	25,000	1600%
26400 Supplies and Equipment	39,671	44,750	45,600	50,600	10%
16401 Groundwater Reduction Exp	115,942	54,300	10,000	30,000	400%
26500 Staff Development	1,442	2,750	3,150	4,000	23%
26600 Maintenance	109,418	159,000	127,000	167,000	31%
26700 Insurance	10,915	8,640	10,620	11,000	4%
26800 Utilities	74,016	94,200	79,350	82,550	4%
26900 Capital	96,583	105,400	160,000	105,000	-35%
26901 Utility Projects/Preventative Maint				95,000	70000%
27000 Misc./ Contingency/ GRP	619	3,500	1,000	1,000	0%
<i>Expenditures</i>	<u>685,712</u>	<u>846,047</u>	<u>749,660</u>	<u>947,750</u>	21%
Net Ordinary Income	127,706	40,720	44,840	143,810	5000%
Interfund Transfers					
Transfers In	24,340	0	0	0	0%
Net GRP Fees	0	0	0		0%
Transfers Out	80,000	125,300	125,300	125,300	0%
<i>Net Transfers</i>	<u>-55,660</u>	<u>-125,300</u>	<u>-125,300</u>	<u>-125,300</u>	0%
Net Income	72,046	-84,580	-80,460	18,510	-440%
Ending Fund Balance	147,954	63,374	67,494	86,004	

DEBT SERVICE FUND



DEBT SERVICE FUND SUMMARY

The Debt Service Fund is established by ordinances authorizing the issuance of general obligation bonds. These same ordinances call for an ad valorem tax to be levied in sufficient amount to produce the funds needed to satisfy the City's annual debt service requirements for its general obligation bonds.

FUND ACTIVITY

The City of Montgomery uses debt financing to fund large capital investments. Streets, drainage, water and waste water systems are primarily constructed with borrowed funds. The Debt Service Fund expenditures include the interest, principle and fees related to the City's debt. The revenue used to pay these expenditures comes from ad valorem taxes and transfers from Montgomery Economic Development Corporation (MEDC) and Water and Sewer Fund.

In FY 2016-2017, the Debt Service Fund will expend \$546,867 for debt service, a 6% increase over the \$510,810 funded in FY 2015-2016. The income budgeted for FY 2016-2017 includes \$351,391 from ad valorem taxes and interest, a transfer from Water and Sewer Fund of \$125,800, and a transfer from MEDC of \$127,300. The projected fund balance at the end of FY 2016-2017 is \$99,817 or 17% of expenditures. There are three

outstanding debt issues that the City is currently financing:

- Tax & Revenue Certificate of Obligation, Series 2005 were refunded during the 2015 and are related to water and sewer improvements
- General Obligation Refunding Bonds, Series 2012, which were issued to refinance debt related to the City Hall and utility improvements.
- Tax & Obligation Certificates of Obligation, Series 2012, which were issued for construction projects associated with improvements to the City's water and sanitary sewer systems.

FUTURE ACTIVITY

The City is planning on borrowing \$2,667,000 plus from the Texas Water Development board in early 2017 with possibly one partial principle and interest payment in the 2016-2017 fiscal year.

In December 2013, Standard and Poor's upgraded the City's Tax & Obligation Certificate of Obligations from "A" to "AA". In the future, this should increase the City's bond market ability and decrease bond issuance related costs.

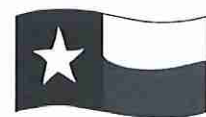
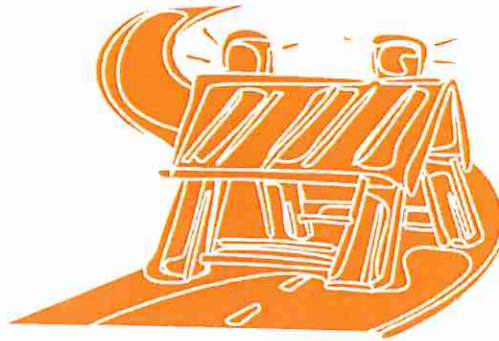


**Fiscal Year 2016-2017
Proposed Base Budget**

**Debt Service Fund
Budget at a Glance**

	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
Beginning Balance*	\$ 77,442	\$ 111,034	\$ 42,805	\$ 99,817	-21%
Revenues					
Ad Valorem Tax	\$ 194,233	\$ 259,092	\$ 264,085	\$ 351,391	27%
All Other Revenues	270	200	1,300	1,500	14%
Total Revenues	\$ 194,503	\$ 259,292	\$ 265,385	\$ 352,891	27%
Interfund Transfers					
Transfers In	\$ 117,500	\$ 242,800	\$ 242,800	\$ 253,100	6%
Transfers Out	-	-	-	-	0%
Net Interfund Transfers	\$ 117,500	\$ 242,800	\$ 242,800	\$ 253,100	6%
Expenditures					
Debt Service	\$ 345,390	\$ 510,810	\$ 513,310	\$ -	-100%
TWDB				\$ 30,000	
C.O. Series, 2015				\$ 96,023	
G.O. Series, 2012				\$ 182,369	
C.O. Series, 2012				\$ 235,975	
Contract Services	1,250	2,500	2,500	2,500	31%
All Other Operating Expenditures	-	-	-	-	0%
Total Expenditures	\$ 346,640	\$ 513,310	\$ 515,810	\$ 546,867	6%
Ending Balance*	\$ 42,805	\$ 99,817	\$ 35,180	\$ 158,941	351.8%

CAPITAL PROJECTS FUND



CAPITAL PROJECTS FUND SUMMARY

The Capital Projects Fund is designed to finance the purchase or construction of infrastructure projects (i.e. roads and water/waste water system improvements), equipment and vehicles having very long service lives, property, and buildings. Capital projects are characterized by their costs, which normally exceed \$25,000, the long operational life of the completed asset, and the impact they would have on a department's operating budget. Capital Projects are financed by debt proceeds, General Fund transfers, reserves, intergovernmental grants, developer participation, and interest earned on investments.

FUND ACTIVITY

In FY 2016-2017, the Capital Projects Fund started with a fund balance of \$209,107 from The Series 2012 Tax & Obligation Certificates of Obligation and some insurance proceeds. Estimated engineering and construction costs in FY 2016 - 2017 for water supply and street projects total

\$2,666,000 leaving approximately \$2,666,000 available for future construction projects.

Projects underway at budget were completed in FY 2015-2016. They include:

The placement of a new Automatic Meter Reading System was the fund activity in 2015-2016. The system provided replacement of all water meters that are now read electronically, virtually eliminating all labor for the reading of meters.

The City is considering borrowing approximately \$2,666,000 million dollars for water and sewer needs.

FUTURE ACTIVITY

Due to anticipated growth in the City, this Fund will likely expand in future years. The City anticipates that there will be increased spending related to numerous annexations; residential and commercial growth; and infrastructure planning, construction, and maintenance. The City plans to complete a Capital Improvement Project in FY 2016-2017 in Water and Sewer Fund to identify projects needed in the next five years.

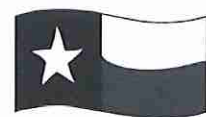


**Fiscal Year 2016-2017
Proposed Base Budget**

Capital Projects Fund

	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget
Beginning Balance*	\$ 2,028,371	\$ 347,587	\$ 209,107	\$ 2,575
Revenues				
43960-TWDB	\$ 2,732	\$ -	\$ -	\$ 2,667,000
CDBG Block Grant	-	-	-	-
FEMA Hazard Mitigation Gra	-	-	-	-
Insurance Proceeds	-	-	-	-
45391-Interest	994	100	1,000	100
Total Revenues	\$ 3,726	\$ 100	\$ 1,000	\$ 2,667,100
Interfund Transfers				
45392-Transfers In	\$ -	\$ -	\$ -	\$ -
43002-Transfers Out	-	-	-	-
Net Interfund Transfers	\$ -	\$ -	\$ -	\$ -
Expenditures				
43890 Engineering	\$ 110,804	\$ 34,515	\$ -	\$ -
44002-Wastewater Projects	3,098	-	-	-
48000-Water Projects	1,424,089	186,000	186,000	-
46000-Roadway Projects	257,324	-	-	-
SH 105 WL Improvements	\$ -	\$ -	\$ -	\$ 722,000
WP #3 Improvements	-	-	-	884,000
LS #1 Expansion	-	-	-	860,000
LS#3 Forcemain Reroute	-	-	-	200,000
Other	-	-	-	-
Total Expenditures	\$ 1,684,510	\$ 220,515	\$ 186,000	\$ 2,666,000
Ending Balance	\$ 347,587	\$ 127,172	\$ 24,107	\$ 3,675

HOTEL OCCUPANCY TAX FUND



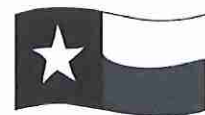
HOTEL OCCUPANCY TAX FUND SUMMARY

The Hotel Occupancy Tax Fund collects taxes from hotels, motels, and bed and breakfasts within the City. For the purposes of the tax, a hotel is considered to be any building in which members of the public rent sleeping accommodations for \$15 or more per day, and local hotel taxes apply to sleeping rooms costing \$2 or more per day. While the state's hotel tax rate is 6%, local taxing authorities are also allowed to levy hotel tax rates up to 7%. The City collects a 6% hotel tax that may only be used for specified purposes related to promoting the hotel and convention industry such

as tourism marketing. The funds may not be used for other general governmental functions.

FUTURE ACTIVITY

In FY 2016- 2017, the City projects there will be \$610 in revenues derived primarily from hotel taxes. There are not expenditures budgeted from this fund in FY 2016 - 2017. In the future, as the City adds hotels, motels, as well as additional bed and breakfasts, these revenues should rise accordingly.



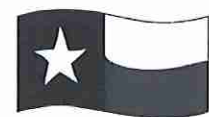
Fiscal Year 2016-2017

Base Budget

Hotel Occupancy Tax Fund

	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget
Beginning Balance	\$ 5,936	\$ 7,138	\$ 7,743	\$ 7,743
Revenues				
Hotel Occupancy Tax	\$ 1,190	\$ 600	\$ 600	\$ 600
All Other Revenues	12	5	20	10
Total Revenues	\$ 1,202	\$ 605	\$ 620	\$ 610
Interfund Transfers				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-
Net Interfund Transfers	\$ -	\$ -	\$ -	\$ -
Expenditures				
Contract Services	-	-	-	-
All Other Operating Expenditures	-	-	-	100
Total Expenditures	\$ -	\$ -	\$ -	\$ 100
Ending Balance	\$ 7,138	\$ 7,743	\$ 8,363	\$ 8,253

COURT TECHNOLOGY FUND



COURT TECHNOLOGY FUND SUMMARY

The Court Technology Fund is a fund that collects revenues from court fines and forfeitures and utilizes these resources to finance the purchase of technological enhancements for the Municipal Court in accordance with Article 102.0172 in the Texas Code of Criminal Procedure.

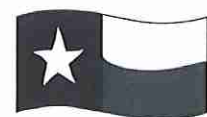
Some of the items that may be purchased in the Court Technology Fund include:

1. Computer systems, networks, hardware, and software
2. Imaging systems

3. Electronic kiosks
4. Electronic ticket writers
5. Docket management systems

FUND/FUTURE ACTIVITY

During FY 2016-2017, the City projects \$6,000 in revenues and \$4,800 in expenditures in this fund. As the operations and scope of the Municipal Court expands, this fund should be flexible enough to meet further technological needs.

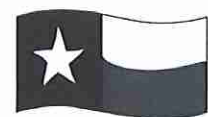
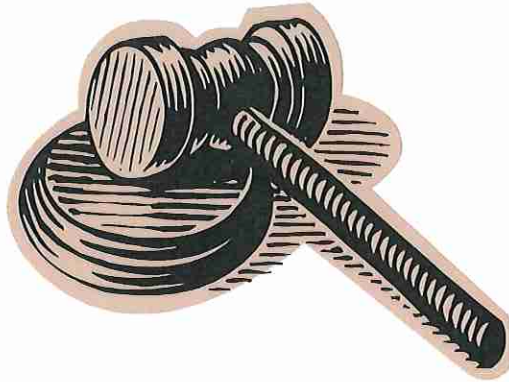


**Fiscal Year 2016-2017
Proposed Base Budget**

Court Technology Fund

	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 budget	% Change
Beginning Balance	\$ 2,482	\$ 2,812	\$ 5,294	\$ 4,964	-6%
Revenues					
Court Technology Fees	\$ 5,900	\$ 6,000	\$ 6,000	\$ 6,000	0%
All Other Revenues	2	10	10	2	-0.8
Total Revenues	\$ 8,384	\$ 8,822	\$ 11,304	\$ 10,966	-3%
Interfund Transfers					
Transfers In	0	0	0	0	0%
Transfers Out	0	0	0	0	0%
Net Interfund Transfers	\$ -	\$ -	\$ -	\$ -	0%
Expenditures					
Supplies & Equipment	0	0	0	0	0%
Contract Services	\$ 3,100	\$ 6,340	\$ 6,340	\$ 4,800	32%
All Other Operating Expendit	0	0	0	0	0%
Total Expenditures	\$ 3,100	\$ 6,340	\$ 6,340	\$ 4,800	32%
Ending Balance	\$ 5,284	\$ 2,482	\$ 4,964	\$ 6,166	20%

COURT SECURITY FUND



COURT SECURITY FUND SUMMARY

The Court Security Fund is a fund that collects revenues from court fines and forfeitures for the purposes of providing funding for the enhancement of Municipal Court security. The Court Security Fund collects fees in accordance with Article 102.017 in the Texas Code of Criminal Procedures.

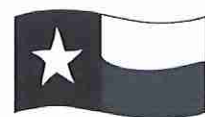
Some of the items that may be purchased in the Court Security Fund include:

1. X-ray machines and metal detectors
2. Identification cards and systems
3. Electronic locking and surveillance equipment

4. Court bailiff
5. Continuing education on security issues for court and security personnel

FUND/FUTURE ACTIVITY

For FY 2016 - 2017, this fund will have projected revenues of \$5,505, \$1,000 in expenses, and a transfer of \$3,400 to General Fund to pay for a bailiff officer for Municipal Court. Also, similar to the Court Technology Fund, as the operations and scope of the Municipal Court expands, this fund should be flexible enough to meet further technological needs regarding the Municipal Court.



**Fiscal Year 2016-2017
Proposed Base Budget**

Court Security Fund

	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget	% Change
Beginning Balance	\$ 2,963	\$ 7,631	\$ 6,539	\$ 8,179	21%
Revenues					
84110.1-Court Security Fees	\$ 4,648	\$ 7,600	\$ 4,500	\$ 5,500	19%
84120.1-All Other Revenues	20	2	20	5	-75%
Total Revenues	\$ 4,668	\$ 7,602	\$ 4,520	\$ 5,505	-18%
Interfund Transfers					
84130-Transfers In	\$ -	\$ -	\$ -	\$ -	0%
86551-Transfers Out-- Baliff		3,000	2,880	3,400	16%
Net Interfund Transfers	\$ -	\$ (3,000)	\$ (2,880)	\$ (3,400)	16%
Expenditures					
Contract Services	-	-	-	-	0%
All Other Operating Expenditures	-	-	-	1,000	1000%
Total Expenditures	\$ -	\$ -	\$ -	\$ 1,000	0%
Ending Balance	\$ 7,631	\$ 12,233	\$ 8,179	\$ 9,729	16%

POLICE ASSET FORFEITURE FUND



POLICE ASSET FORFEITURE FUND SUMMARY

The Police Asset Forfeiture Fund is a fund that collects revenues from seized contraband that is used in the commission of certain felonies, and utilizes these resources to finance the purchase of specified items for the Police Department. In this context, contraband refers to property of any nature, including real, personal, tangible, or intangible as defined by Article 59.06 in the Texas Code of Criminal Procedure.

Expenditures within this fund must be used solely for law enforcement purposes, such as salaries and overtime pay for officers, officer training, specialized investigative equipment and supplies, and items used by officers in direct law enforcement duties.

FUND/FUTURE ACTIVITY

For FY 2016-2017, this fund will start with a beginning balance of \$5,715, and will have projected revenues of \$1,000 and no expenditures. In the future, this fund will likely continue to increase as the Police Department obtains more revenues through seized assets.



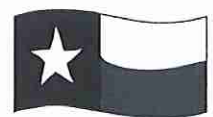
**Fiscal Year 2016-2017
Proposed Base Budget**

Police Asset Forfeiture Fund

	2014 Actual	2015-16 Estimate	2015-16 Budget	2016-17 Budget
Beginning Balance	\$ 4,515	\$ 4,715	\$ 4,715	\$ 5,715
Court Fines and Fees				
Asset Forfeitures	\$ 200	\$ 1,000	\$ 1,000	\$ 1,000
All Other Revenues			-	-
Total Revenues	\$ 4,715	\$ 5,715	\$ 5,715	\$ 6,715
Interfund Transfers				
Transfers In	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-
Net Interfund Transfers	\$ -	\$ -	\$ -	\$ -
Expenditures				
Supplies & Equipment	\$ 3,000	\$ -		
Contract Services	-	-	-	-
Capital Outlay	-	-	-	-
All Other Operating Expenc	-	-	-	-
Total Expenditures	\$ 3,000	\$ -	\$ -	\$ -
Ending Balance	\$ 4,715	\$ 5,715	\$ 5,715	\$ 6,715

CAPITAL OUTLAY

PROJECT LIST



Police Department Capital Outlay:

• 17050 – Radios	\$26,000
<i>(Currently in standard expenditures, but should be in capital expenditures)</i>	
• 17070 – Police Cars	
Two vehicles 1 Tahoe; 1 Explorer	\$ 63,000
Emergency Lights, safety equipment and Decals.	\$ 25,000
Vid Tec – In Car Video	\$ 12,000
• 17071 – Computers/Equipment	\$ 15,000
• 17071.1 – Copsync	\$ 6,500
• 17071.2 – Radar	\$ 4,000
Investigative and testing equipment	\$ 3,000
Ballistic Vests and Shields	\$ 5,000
• 17071.5 – Patrol Weapons and safes	\$ 4,000
	<u>\$ 4,000</u>
	Total Capital Outlay \$137,500

Public Works Capital Outlay:

• Chevrolet 1500 4x4 Crew Truck	\$ 39,500
Equipped with tool boxes, steps and all necessary tools	
• Covered shed for equipment and crew trucks	\$ 18,000
• Security cameras for Sewer Plant #2	\$ 1,500
• Garage door opener for 1 shop door	\$ 1,400
	<u>\$ 1,400</u>
	Total Capital Outlay \$ 60,400

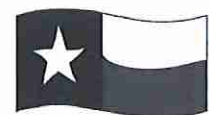
Water/Sewer Capital Outlay:

Water:

• CP No. 1 GST Backfill <i>(Previously approved project)</i>	\$136,000
• CP No.2 Buffalo Springs Bridge WL <i>(Previously approved project)</i>	\$ 90,000
• CP No. 3 SH-105 WL Improvements <i>(Applied for TWDB funding)</i>	\$722,000
• CP No. 9 WP No. 3 Improvements <i>(Applied for TWDB funding)</i>	<u>\$884,000</u>
	Total Capital Outlay \$1,832,000

Wastewater

• CP No. 3b LS No. 1 Expansion to 0.40MGD <i>(Applied for TWDB funding)</i>	\$860,000
• CP No. 10 LS No. 3 Forcemain Reroute <i>(Applied for TWDB funding)</i>	<u>\$200,000</u>
	Total Capital Outlay \$1,060,000



• APPENDICES

Appendices

Appendix A – Glossary of Terms

Appendix B – Bond Debt Service

Appendix C - General Obligation Refunding Bonds, Series 2012

Appendix D – Tax and Obligation Certificates of Obligation, Series 2012



Appendix A

Glossary of Terms

Account: A term used to identify an individual asset, liability, expenditure control, revenue control, encumbrance, or fund balance.

Accounts Payable: A liability account reflecting amounts on open account owing to private persons or organizations for goods and services received by a government but not including amounts due to other funds of the same government or to other governments.

Accounts Receivable: An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

Ad Valorem: Latin for “value of.” Refers to the tax assessed against real (land and buildings) and personal (equipment and furniture) property; usually in reference to property taxes.

Appropriation: A legal authorization granted by City Council to make expenditures and incur obligations for designated purposes.

Assessed Valuation: A valuation set upon real estate or other property by a government on a basis for levying taxes.

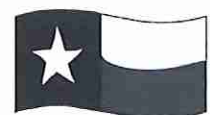
Balance Sheet: The basic financial statement which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

Bond: A written promise, generally under seal, to pay a specific amount of money, called the face value, at a fixed time in the future, called the maturity date, and carrying interest at fixed rate, usually paid periodically.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Ordinance: The official enactment by the City Council establishing the legal authority for City Officials to obligate and expend funds.

Capital Outlays: Expenditures which result in the acquisition of or addition to fixed assets which are individually priced more than \$1,000.



Capital Improvements Program: A plan for capital expenditures to be incurred each year over a fixed period of several years setting forth each capital project and the amount and method of financing.

Central Appraisal District: A county-wide district formed by legislature to provide appraisals of property located within the county. These county-wide appraisals are provided to the county, school districts, cities, and municipal utility districts for basis of taxation.

Current Assets: Those assets which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets which will be used up or converted into cash within one year. Some examples are cash, temporary investments, and

Current Liabilities: Debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed, or refunded within one year.

Debt Service: A cost category which typically reflects the repayment of general long-term debt principle and interest.

Delinquent Taxes: Property taxes remaining unpaid at the end of the current fiscal year. Although taxes become delinquent and accrue penalties and interest on February 1 of each year, they are carried as current taxes receivable during the current fiscal year.

Effective Interest Rate: The property tax rate set necessary to generate the same tax dollars as the previous tax year.

Encumbrances: Obligations in the form of purchase orders or contracts charged to an appropriation which reserves the fund until it is necessary to pay the bill.

Fiscal Year: A twelve month period at the end of which the City determines its financial condition and the results of its operations and closes its books.

Fixed Assets: Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery, and equipment.

Franchise: A special privilege granted by a government permitting the continuing use of public property, such as City streets, and usually involving the elements of monopoly and regulation.

Fund: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.



Fund Balance: The difference between governmental fund assets and liabilities; also referred to as fund equity.

General Ledger: A book, file, or other device which contains the accounts needed to reflect the financial position and the results of operations of an entity. In double-entry bookkeeping, the debits and credits in the general ledger are equal; therefore, the debit balances equal the credit balances

Governmental Funds: Those funds through which most governmental functions typically are financed. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds.

Ordinance: A formal legislative enactment by the governing board of a municipality. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies. The difference between an ordinance and a resolution is that the latter requires less legal formality and has a lower legal status. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances.

Purchase Order: A document which authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

Revenues: Increases in governmental fund type net current assets from other than expenditure funds and residual equity transfers.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, sewer service charges.

Tax Rate: The amount of tax levied for each \$100 of assessed valuation.

User Fees: The payment of a fee for a direct receipt of a public service by the party benefiting from the service.



City of Montgomery, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2015

The annual requirements to amortize governmental activities debt issues outstanding at year ending were as follows:

Year ending September 30,	2012 G.O. Bonds		Governmental Activities 2012 Tax & Revenue COs		2015 G.O. Refunding Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 105,000	\$ 79,468	\$ 115,000	\$ 119,501	\$ 75,000	\$ 16,841
2017	105,000	77,368	120,000	115,976	80,000	16,023
2018	105,000	75,268	120,000	112,376	80,000	14,903
2019	105,000	73,103	125,000	108,701	85,000	13,518
2020	110,000	70,750	130,000	104,876	85,000	11,903
2021	115,000	68,075	130,000	100,976	80,000	11,173
2022	115,000	65,200	135,000	97,001	85,000	8,294
2023	120,000	62,112	140,000	92,876	90,000	6,170
2024	125,000	58,744	145,000	88,601	90,000	3,853
2025	130,000	55,076	145,000	84,251	95,000	1,330
2026	130,000	51,176	150,000	79,451	-	-
2027	135,000	47,032	155,000	74,113	-	-
2028	140,000	42,563	160,000	68,600	-	-
2029	145,000	37,569	165,000	62,913	-	-
2030	155,000	31,944	170,000	57,051	-	-
2031	110,000	26,975	175,000	51,013	-	-
2032	115,000	22,756	180,000	44,800	-	-
2033	125,000	18,100	190,000	38,325	-	-
2034	125,000	13,100	190,000	31,675	-	-
2035	130,000	8,000	195,000	24,938	-	-
2036	135,000	2,700	200,000	18,026	-	-
2037	-	-	205,000	10,938	-	-
2038	-	-	210,000	3,675	-	-
	<u>\$ 2,580,000</u>	<u>\$ 987,079</u>	<u>\$ 3,650,000</u>	<u>\$ 1,590,653</u>	<u>\$ 845,000</u>	<u>\$ 104,008</u>

Series 2012 – General Obligation Refunding Bond - the bond is secured by water and sewer revenue and is repayable with property tax revenue. The proceeds were used to refund the City's Series 2005A and Series 2005B Certificates of Obligation.

Series 2012 Tax and Revenue Certificate of Obligation - the bond is secured by water and sewer revenues and is repayable with property tax revenue. The proceeds were used for construction of and improvements to the facilities and equipment of the City's water and sewer system.

Series 2015 General Obligation Refunding Bond - the bond is secured by water and sewer revenues and is repayable with property tax revenue. The proceeds were used to refund an existing bond that was used for improvements to the City's water and sewer system.

Appendix C

General Obligation Refunding Bonds, Series 2012

FYE	Interest	Interest Due		Principle	
September	Rate	1-Mar	1-Sep	March 1	Total
2014	2.0000	\$42,259	41,259	\$100,000	\$183,518
2015	2.0000	41,259	40,259	100,000	181,518
2016	2.0000	40,259	39,209	105,000	184,468
2017	2.0000	39,209	38,159	105,000	182,368
2018	2.0000	38,159	37,109	105,000	180,268
2019	2.1250	37,109	35,994	105,000	178,103
2020	2.2500	35,994	34,756	110,000	180,750
2021	2.5000	34,756	33,319	115,000	183,075
2022	2.5000	33,319	31,881	115,000	180,200
2023	2.7500	31,881	30,231	120,000	182,112
2024	2.7500	30,231	28,513	125,000	183,744
2025	3.0000	28,513	26,563	130,000	185,076
2026	3.0000	26,563	24,613	130,000	181,176
2027	3.2500	24,613	22,419	135,000	182,032
2028	3.2500	22,419	20,144	140,000	182,563
2029	3.7500	20,144	17,425	145,000	182,569
2030	3.7500	17,425	14,519	155,000	186,944
2031	3.7500	14,519	12,456	110,000	136,975
2032	3.7500	12,456	10,300	115,000	137,756
2033	4.0000	10,300	7,800	125,000	143,100
2034	4.0000	7,800	5,300	125,000	138,100
2035	4.0000	5,300	2,700	130,000	138,000
2036	4.0000	2,700	0	135,000	137,700
Total		\$597,187	\$554,928	\$2,780,000	\$3,932,115



Appendix D

Tax and Obligation Certificates of Obligation, Series 2012

FYE	Interest	Interest Due		Principle	
September	Rate	1-Mar	1-Sep	March 1	Total
2014	3.0000	\$62,263	62,263	\$0	\$124,526
2015	3.0000	62,263	60,613	110,000	232,876
2016	3.0000	60,613	58,888	115,000	234,501
2017	3.0000	58,888	57,088	120,000	235,976
2018	3.0000	57,088	55,288	120,000	232,376
2019	3.0000	55,288	53,413	125,000	233,701
2020	3.0000	53,413	51,463	130,000	234,876
2021	3.0000	51,463	49,513	130,000	230,976
2022	3.0000	49,513	47,488	135,000	232,001
2023	3.0000	47,488	45,388	140,000	232,876
2024	3.0000	45,388	43,213	145,000	233,601
2025	3.0000	43,213	41,038	145,000	229,251
2026	3.5000	41,038	38,413	150,000	229,451
2027	3.5000	38,413	35,700	155,000	229,113
2028	3.5000	35,700	32,900	160,000	228,600
2029	3.5000	32,900	30,013	165,000	227,913
2030	3.5000	30,013	27,038	170,000	227,051
2031	3.5000	27,038	23,975	175,000	226,013
2032	3.5000	23,975	20,825	180,000	224,800
2033	3.5000	20,825	17,500	190,000	228,325
2034	3.5000	17,500	14,185	190,000	221,685
2035	3.5000	14,185	10,763	195,000	219,948
2036	3.5000	10,763	7,263	200,000	218,026
2037	3.5000	7,263	3,675	205,000	215,938
2038	3.5000	3,675	0	210,000	213,675
Total		\$950,169	\$887,906	\$3,760,000	\$5,598,075



Montgomery City Council
AGENDA REPORT

ITEM #4

Meeting Date:	August 23, 2016	Budgeted Amount:	N/A
Department:			
		Exhibits:	
Date Prepared:	August 17, 2016		

Subject

Water and Sewer Rate Public Hearing

Recommendation

City Council will need to schedule a Public Hearing regarding the proposed water and sewer rates and fee schedule. Staff is recommending that the Public Hearing be scheduled to be held on the same date as the Regular Council Meeting on September 13, 2016 at 6:00 p.m.

Discussion

The Public Hearing Notice will need to be published in the City's official newspaper at least 15-days prior to the hearing.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	Date: August 17, 2016

Montgomery City Council
AGENDA REPORT

ITEM #5

Meeting Date: August 23, 2016	Budgeted Amount: MEDC Expense
Department:	
	Exhibits: May 13, 2016 memo from city engineer, letter from McCoy's with their cost estimate, Memorandum of Understanding with McCoy's regarding tap fees and sewer line upgrade, e-mails from Glynn Fleming (city engineer) and Sam Eckermann (McCoy's engineer)
Prepared By: Jack Yates	
Date Prepared: August 15, 2016	

Subject

MEDC participation in 12" upgrade to deeper sewer line to serve S. Hwy. 105 area and McCoy's Lumber.

Discussion

As originally presented at the May MEDC Board meeting the issue is a MEDC financial participation in a upgrade from an 8 inch sewer line to a 12 inch sewer line placed at a deeper depth as suggested by the city engineer, the deeper depth eliminates one lift station that the city currently has in place, the saving upgrade and replacement cost at some point in the future, and a cost of several hundred thousand dollars.

With the upgrade in size and deepening of the line the cost to the city is estimated to be \$100,000. The previous estimate was approximately \$75,000.

This new line is approximately 2,150 linear feet connecting FM 2854 with the existing sewer line that now ends east of the First Baptist Church - thus creating a ready-for-development zone that is now undevelopable thus creating a sizeable sales tax potential area.

If the MEDC does not agree an 8" inch sewer line will be laid by McCoy's, but is undersized for any other development to connect to.

The present cost estimate provided by McCoy's for the 12 inch line is \$210,662. McCoy's is willing to pay \$110,662 of the total, and is asking for \$100,000 from

Montgomery City Council
AGENDA REPORT

the MEDC to fund the remaining part of the price. The upgrade, and particularly the deepening of the project is a very costly part of the construction.

Glynn Fleming believes that the \$210,662 is a high estimate and that the project will receive bids considerably lower than that figure. If the actual bid does come in under the \$210,662 then the \$100,000 will be reduced by that number—i.e. if the bid were to come in at \$200,662 then the MEDC share would be \$90,000.

The MEDC approved the amount not to exceed \$100,000 at it's August 15th meeting.

McCoy's is now ready to proceed and is planning to have their construction plans approved at the August 23rd Council meeting.

Recommendation

Approve the expenditure, not to exceed \$100,000 with final determination to be based upon the actual bid.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	August 12, 2016 Date:

August 18, 2016

The Honorable Mayor and City Council
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Request for Financial Assistance from the Texas Water Development Board
City of Montgomery

Mayor and Council:

As you are likely aware, the McCoy Corporation has selected the City of Montgomery as the location of the newest McCoy's Building Supply store. We along with the City Staff have worked closely with the McCoy's real estate development and engineering teams over the past several months to complete the pre-development feasibility, required rezoning, plat review, and construction plan review phases. As identified in the pre-development feasibility study, this tract will require an extension of the City's existing sanitary sewer system in order to receive service. This extension will consist of approximately 2,150 linear feet of gravity sanitary sewer line and associated appurtenances. It will commence at the westernmost property line of the McCoy's Tract and extend east along the southern right-of-way of SH-105, terminating at an existing City of Montgomery man hole located southwest of the intersection of SH-105 and FM-2854. Per Section 90-103(10) of the City of Montgomery Code of Ordinances, if the City deems it prudent to install a line larger than that required to serve a development, the City must fund the additional cost associated with increasing the proposed line size. For future planning purposes we recommended the City elect to fund a larger diameter extension. On August 15, 2016 the Montgomery Economic Development Corporation (the "MEDC") voted unanimously to participate in a cost sharing agreement with the McCoy Corporation in order to construct a 12-inch gravity sanitary sewer line. Construction of a 12-inch line rather than an 8-inch line will serve the McCoy's tract and facilitate service to future commercial development along the southern right-of-way of SH-105. The motion adopted by MEDC indicated a willingness to contribute an amount not to exceed \$100,000 to the project. The McCoy Corporation will fund the full cost of surveying and engineering design associated with this extension as well as the cost associated with construction of an eight-inch line. The MEDC contribution will provide for the increased diameter and depth needed to serve future growth along the SH-105 corridor. We will be coordinating with the McCoy's engineering design team in the coming days to review submitted construction cost proposals on behalf of the City and to ensure the proposed terms of agreement are met to the City's satisfaction.

If you have any questions or comments, please contact, Glynn Fleming and or myself.

Sincerely,



Ed Shackelford, P.E.
Engineer for the City

EHS/gef:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1014-00 - McCoy's Building Supply\Letters\McCoy's Sanitary Sewer Extension, EDC
Memo.doc

Enclosures:

McCoy's Cost Sharing Proposal

cc/enc.:

The Honorable Mayor and City Council

The Planning and Zoning Commission

Mr. Jack Yates – City of Montgomery, City Administrator

Ms. Susan Hensley – City of Montgomery, City Secretary

Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney



July 13, 2016

Mr. Jack Yates
City Administrator
City of Montgomery
101 Old Plantersville Road
Montgomery, TX 77316

Re: McCoy's Building Supply
Eva Street 12-inch Wastewater Extension
Montgomery, Texas

Dear Mr. Yates:

At the City's request and in response to the correspondence regarding the cost sharing of the proposed 12-inch wastewater line to be extended along Eva Street as part of the McCoy's Building Supply project, Eckermann Engineering, Inc. (EEI) solicited a bid for the installation of +/-2,180 linear feet of 12-inch wastewater line. The line is proposed to extend along the southern side of State Highway 105 (Eva Street) from the existing manhole located southwest of the intersection of State Highway 105 and FM 2854 to the western property line of the McCoy's Building Supply development.

It was previously agreed that McCoy Corporation will pay for the cost to extend an 8-inch wastewater line along the alignment and that the City of Montgomery will pay the associated costs to upsize the line to a 12-inch and deepen the wastewater line to serve future developments to the west. A bid was received from Embree Construction Group for the 12-inch wastewater line based upon the approximate quantities provided by EEI. The 12-inch wastewater installation cost totaled \$210,662 and is attached to this letter for reference. When compared to the \$81,600 construction cost estimate for the 8-inch wastewater line, referenced in the Jones and Carter Utility Feasibility report, this represents a cost increase of \$129,062 plus engineering/surveying costs of \$23,100.

On behalf of the Developer, McCoy Corporation, we would like to request the following cost participation and consideration from the City of Montgomery, as referenced in the Memorandum of Understanding generated from the May 3, 2016 meeting.

- Allow McCoy's to design and construct the 12-inch wastewater line along State Highway 105, with City review, as part of the overall development project.
- Upon completion and inspection of the said wastewater line by City representatives, the City of Montgomery will reimburse McCoy Corporation \$100,000 to offset the costs for the deepening and upsizing of the wastewater line. (The referenced \$100,000 represents approximately 75% of the additional construction costs excluding soft costs).
- McCoy's to pay for all engineering and design associated with the extension of the 12-inch wastewater line.

In summary, we would like to request the above cost sharing agreement from the City of Montgomery to support the McCoy's Building Supply development. Please feel free to contact me at 512-556-8160 if you have any questions or comments.

Very truly yours,

ECKERMANN ENGINEERING, INC.



Sam N. Walker, P.E.
Vice President

Montgomery City Council
AGENDA REPORT

ITEM #6

Meeting Date:	August 23, 2016	Budgeted Amount:	N/A
Department:			
Prepared By:	Glynn Fleming	Exhibits:	
Date Prepared:	August 19, 2016		

Subject

Approval of Final Plat and Construction Plans from McCoy's Building Supply

Recommendation

Offer full approval of the referenced submissions.

Discussion

We received a revised submission on August 15th and are prepared return approved drawings upon receiving approval by the Planning & Zoning Commission and City Council.

Approved By

Department Manager	Glynn Fleming	Date: August 18, 2016
City Administrator		Date:



8701 New Trails Drive, Suite 200
The Woodlands, Texas 77381-4241
Tel: 281.363.4039
Fax: 281.363.3459
www.jonescarter.com

August 18, 2016

The Planning and Zoning Commission
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Approval of Final Plat and Construction Drawings
McCoy's Building Supply
City of Montgomery

Commission Members:

We have reviewed the referenced Final Plat and accompanying construction drawings as submitted by Eckermann Engineering, Inc. and offer no objections to the plat or plans as submitted to us. Our recommendation is the Commission offer full approval to both, thereby allowing the Developer to commence with construction. At the request of City Council, one copy of the referenced plan set is available for your review in the office of the City Secretary.

Thank you for the opportunity to serve the City of Montgomery. As always, should you have any questions or need any additional information, please do not hesitate to contact Glynn Fleming or myself.

Sincerely,

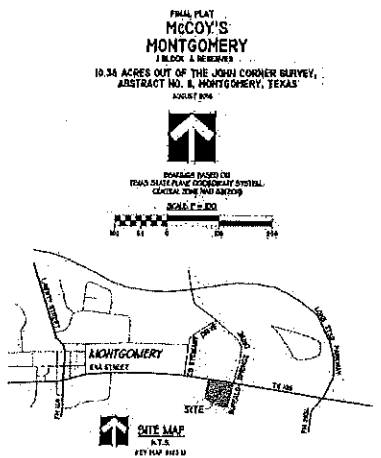
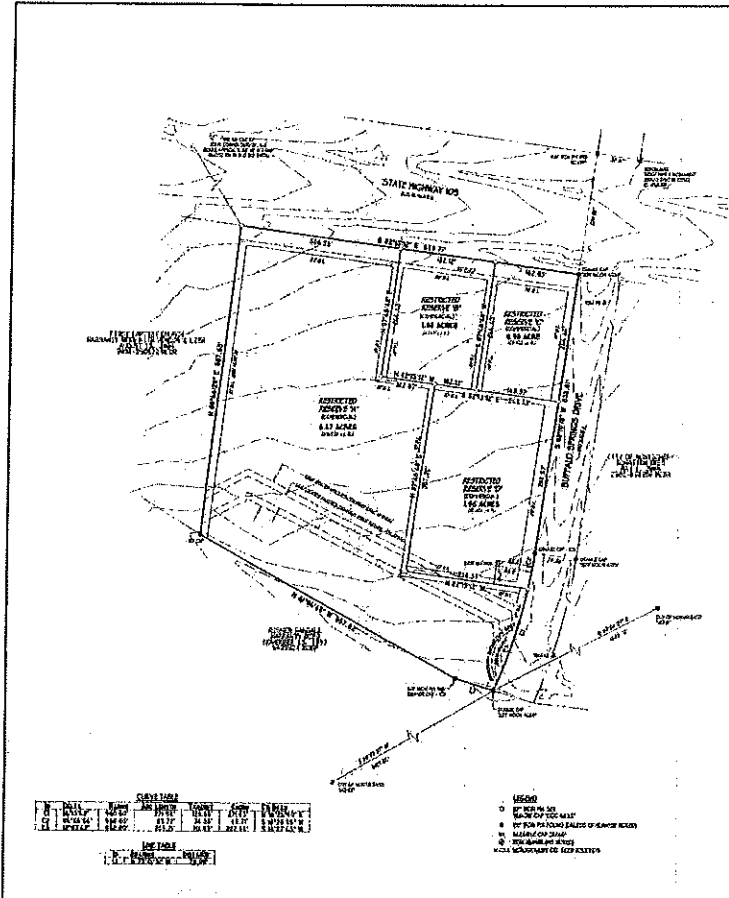
A handwritten signature in blue ink, appearing to read 'Ed Shackelford', with a long horizontal flourish extending to the right.

Ed Shackelford, P.E.
Engineer for the City

EHS/gef: lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-0900-00 General Consultation\2016\P&Z Reports\8-23-2016\McCoy's Building Supply Plat and Plan Approval-P&Z Opinion.doc

Enclosures cc: The Honorable Mayor and City Council, City of Montgomery
Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler and Creighton, LLP, City Attorney
Mr. Sam Walker, P.E. – Eckermann Engineering, Inc.



FINAL PLAN
**MCCOY'S
 MONTGOMERY**
 10.34 ACRES OUT OF THE JOSEF CORNER SURVEY,
 ABSTRACT NO. 8, MONTGOMERY, TEXAS
 RIGHT 80%



SITE MAP
 A.T.C.
 207 MAP 810 10

1. NOTES:
 - a. MOUNTAIN ENGINEERING, INC. (M.E.I.)
 - b. P.O. BOX 1015
 - c. SAN ANGELO, TX 76901
 - d. 817-343-2100
2. ENGINEER:
 - a. MOUNTAIN ENGINEERING, INC.
 - b. P.O. BOX 1015
 - c. SAN ANGELO, TX 76901
 - d. 817-343-2100
 - e. TEXAS PROFESSIONAL REGISTRATION NO. 7-68183
3. ELEVATIONS ARE BASED ON AN ON THE SURVEY - NAVD 83
4. WORKING INFORMATION:
 - a. MOUNTAIN ENGINEERING, INC.
 - b. 1000 P.O. BOX 1015
 - c. SAN ANGELO, TX 76901
 - d. 817-343-2100
 - e. 1000 P.O. BOX 1015
 - f. SAN ANGELO, TX 76901
 - g. 817-343-2100
5. THIS PLAN IS FOR A 2.00 ACRE TRACT AND SHALL BE USED FOR THE PURPOSES OF THE TITLE INSURANCE POLICY ONLY. THE TRACT SHALL BE USED FOR THE PURPOSES OF THE TITLE INSURANCE POLICY ONLY.
6. THIS PLAN IS FOR A 2.00 ACRE TRACT AND SHALL BE USED FOR THE PURPOSES OF THE TITLE INSURANCE POLICY ONLY. THE TRACT SHALL BE USED FOR THE PURPOSES OF THE TITLE INSURANCE POLICY ONLY.
7. AS A PART OF THE EQUIPMENT'S USE, THE USER SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE EQUIPMENT AND THE USER SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE EQUIPMENT.

Tilpe C Surveying Co. 8074 FM 855 - Lufkin, Texas 75904
 (817) 815-6440 FAX (817) 815-6441
 www.tilpecsurveying.com Email: info@tilpec.com
 10/21/19

No.	Date	Description

**ECKERMANN
 ENGINEERING, INC.**
 200 SPRING RIDGE AVENUE
 HOUSTON, TEXAS 77058
 TEL: 281.486.8800
 FAX: 281.486.8801

MCCOY'S BUILDING SUPPLY #113
 10001 EAST STREET
 HOUSTON, TEXAS
**MCCOY'S
 BUILDING SUPPLY**
 SITE PLAN IMPROVEMENTS

**FINAL
 PLAN**

Project No: 19019
 Issue: 00/22/18
 Drawn By: M.A.S./E.N.
 Checked By: SWW

C.04
 Sheet 4 of 32

THIS SHEET IS FOR INFORMATIONAL PURPOSES ONLY

ACCEPTED BY: *[Signature]*
 ESTABLISHED 1954
 INCORPORATED 1984
 10/21/19

Montgomery City Council
AGENDA REPORT

ITEM #7

Meeting Date:	August 23, 2016	Budgeted Amount:	At current rates an increase of \$2,052 per year to Utility fund
Department:	Utility Fund		
Date Prepared:	August 15, 2016	Exhibits:	Rate Charts for water/sewer usage for building at Residential and for commercial rates, Chart for non-building use at Irrigation rate

Subject

Consideration of if to bill ESD #2 for fire station water and sewer and if to charge for other training/fire fighting water consumption

Discussion

The fire station building of ESD #2 is not being billed for water or sewer consumption. This has been an understanding though there is nothing documenting the no-charge policy.

Because of the city's attempt to reduce the non-billable water use in the city for city related uses (such as parks and city hall and other public uses) the question of if to begin billing the ESD #2 for its building use and for its training/fire fighting water has arisen.

The ESD #2 Station house is metered and has been using approximately 19,000 gallons per month. This would, at current rates, be an annual water and sewer billing of \$2,052. The backup materials also has a rate sheet for Commercial class billing

The training and firefighting use is approximately 10-15,000 gallons per month. The ladder truck has a flow meter on it. All other equipment they fill has a known tank size so they simply multiply how many times they fill up the tank. When a fire happens they calculate an estimate based on GPM and time spent using the water. If they were billed at an Irrigation rate with the present rate that

Montgomery City Council
AGENDA REPORT

would be \$596. per year. That number can be given to the city each month to improve water accountability.

Recommendation

Begin charging ESD #2 for the Fire Station water and sewer at the Residential rate in the billing due October 1st. I do not recommend charging for the training/firefighting water because of the public good created by their training and actual fire fighting in the city.

Approved By

Department Manager		Date:
City Administrator	Jack Yates	Date: August 15,2016

CURRENT RATES

Residential In (1 meter) <small>Usage Below</small>		
Water used with 1 meter in 1k gallons:	19	Res. In
Up to First 2K-\$16.00	2	\$16.00
Next 7K-\$2.50	7	\$17.50
Next 15K-\$2.75	10	\$27.50
At or Over 25K-\$3.25	0	\$0.00
Total rates for water used	19	\$61.00
Sewer rates used with 1 meter	19	Res. In
Up to First 2K-\$12.50	2	\$12.50
Next rate-\$1.60	17	\$27.20
Total sewer rates	19	\$39.70
Total water/sewer rate for 1 meter		\$100.70
BILL=		\$152.44
Detail Bill Info for one meter		
House Meter		\$61.00
Sewer		\$39.70
Lone Star Grd(\$.07)		\$1.33
Garbage		\$19.06
GRP(\$1.65)		\$31.35
BILL TOTAL		\$152.44

ENTER USAGE

19

NEW RATES-2016 - Year 1

Residential In (1 meter) <small>Usage Below</small>				
Water used with 1 meter in 1k gallons:	19	Res. In	WATER DIFFERENCE	
Up to First 2K-\$16.00	2	\$16.00	\$19.25	
Next 2K-\$2.25	2	\$4.50		
Next 2K-\$2.75	2	\$5.50		
Next 2K-\$3.25	2	\$6.50		
Next 2K-\$3.75	2	\$7.50		
Next 5K-\$4.25	5	\$21.25	SEWER DIFFERENCE	
Next 5K-\$4.75	4	\$19.00	\$37.05	
Over 20K-\$5.50	0	\$0.00		
Total rates for water used	19	\$80.25		
Total water/sewer rate for 1 meter		\$157.00	BILL DIFFERENCE	
BILL=		\$208.74	\$56.30	
Sewer rates used with 1 meter	19	Res. In		
Up to First 2K-\$12.50	2	\$12.50		
Next 2K-\$2.25	2	\$4.50		
Next 2K-\$2.75	2	\$5.50		
Next 2K-\$3.25	2	\$6.50		
Next 2K-\$3.75	2	\$7.50		
Next 5K-\$4.25	5	\$21.25	Detail Bill Info for one meter	
Next 5K-\$4.75	4	\$19.00	House Meter	\$80.25
Over 25K-\$5.50	0	\$0.00	Sewer	\$76.75
Total sewer rates	19	\$76.75	Lone Star Grd(\$.07)	\$1.33
Total water/sewer rate for 1 meter		\$157.00	Garbage	\$19.06
BILL=		\$208.74	GRP(\$1.65)	\$31.35
			BILL TOTAL	\$208.74

CURRENT RATES

Commercial In (1 meter)		
Usage Below		
Water used with 1 meter in 1k gallons	19	Comm In
Up to First 2K-\$19.50	2	\$19.50
Next 7K-\$2.50	7	\$17.50
Next 15K-\$2.75	10	\$27.50
At or Over 25K-\$3.50	0	\$0.00
Total rates for water used	19	\$64.50
Sewer rates used with 1 meter	19	Comm In
Up to First 2K-\$21.50	2	\$21.50
Next 22K-\$2.00	17	\$34.00
At or Over 25K-\$2.25	0	\$0.00
Total sewer rates	19	\$55.50
Total water/sewer rate for 1 meter		\$120.00
BILL=		\$171.74
Detail Bill Info for one meter		
Comm Meter	\$64.50	
Sewer	\$55.50	
Lone Star Grd(\$\$.07)	\$1.33	
Garbage	\$19.06	
GRP(\$1.65)	\$31.35	
BILL TOTAL	\$171.74	

ENTER USAGE
19

NEW Comm RATES -2016

Commercial In (1 meter)		
Usage Below		
Water used with 1 meter in 1k gallons	19	Comm In
Up to First 2K-\$19.5	2	\$19.50
Next 2K-\$2.75	2	\$5.50
Next 2K-\$3.25	2	\$6.50
Next 2K-\$3.75	2	\$7.50
Next 2K-\$4.25	2	\$8.50
Next 5K-\$4.75	5	\$23.75
Next 5K-\$5.25	4	\$21.00
Over 20K-\$5.75	0	\$0.00
Total rates for water used	19	\$92.25
Sewer rates used with 1 meter	19	Comm In
Up to First 2K-\$21.50	2	\$21.50
Next 2K-\$4.00	2	\$8.00
Next 2K-\$4.25	2	\$8.50
Next 2K-\$4.50	2	\$9.00
Next 2K-\$4.75	2	\$9.50
Next 5K-\$5.00	5	\$25.00
Next 5K-\$5.25	4	\$21.00
Over 20K-\$6.50	0	\$0.00
Total sewer rates	19	\$102.50
Total water/sewer rate for 1 meter		\$194.75
BILL=		\$246.49
WATER DIFFERENCE		
		\$27.75
SEWER DIFFERENCE		
		\$47.00
BILL DIFFERENCE		
		\$74.75
Detail Bill Info for one meter		
Comm Meter	\$92.25	
Sewer	\$102.50	
Lone Star Grd(\$\$.07)	\$1.33	
Garbage	\$19.06	
GRP(\$1.65)	\$31.35	
BILL TOTAL	\$246.49	

NEW RATES-2016 - Year 2

Comm In (1 meter)		
Usage Below		
Water used with 1 meter in 1k gallons	19.00	Comm. In
Up to First 2K-\$21.5	2	\$21.50
Next 2K-\$3.25	2	\$6.50
Next 2K-\$3.75	2	\$7.50
Next 2K-\$4.25	2	\$8.50
Next 2K-\$4.75	2	\$9.50
Next 5K-\$5.25	5	\$26.25
Next 5K-\$5.75	4	\$23.00
Over 20K-\$6.00	0	\$0.00
Total rates for water used	19	\$102.75
Sewer rates used with 1 meter	19	Comm. In
Up to First 2K-\$22.50	2	\$22.50
Next 2K-\$4.50	2	\$9.00
Next 2K-\$4.75	2	\$9.50
Next 2K-\$5.00	2	\$10.00
Next 2K-\$5.25	2	\$10.50
Next 5K-\$5.50	5	\$27.50
Next 5K-\$5.75	4	\$23.00
Over 20K-\$9.35	0	\$0.00
Total sewer rates	19	\$112.00
Total water/sewer rate for 1 meter		\$214.75
BILL=		\$266.49
WATER DIFFERENCE		
		\$33.25
SEWER DIFFERENCE		
		\$56.50
BILL DIFFERENCE		
		\$94.75
Detail Bill Info for one meter		
Comm Meter	\$102.75	
Sewer	\$112.00	
Lone Star Grd(\$\$.07)	\$1.33	
Garbage	\$19.06	
GRP(\$1.65)	\$31.35	
BILL TOTAL	\$266.49	

NEW RATES-2016 - Year 3

Comm In (1 meter)		
Usage Below		
Water used with 1 meter in 1k gallons	19.00	Comm. In
Up to First 2K-\$21.5	2	\$21.50
Next 2K-\$3.75	2	\$7.50
Next 2K-\$4.25	2	\$8.50
Next 2K-\$4.75	2	\$9.50
Next 2K-\$5.25	2	\$10.50
Next 5K-\$5.75	5	\$28.75
Next 5K-\$6.00	4	\$24.00
Over 20K-\$6.00	0	\$0.00
Total rates for water used	19	\$110.25
Sewer rates used with 1 meter	19	Comm. In
Up to First 2K-\$23.50	2	\$23.50
Next 2K-\$5.00	2	\$10.00
Next 2K-\$5.25	2	\$10.50
Next 2K-\$5.50	2	\$11.00
Next 2K-\$5.75	2	\$11.50
Next 5K-\$6.00	5	\$30.00
Next 5K-\$6.25	4	\$25.00
Over 20K-\$9.35	0	\$0.00
Total sewer rates	19	\$121.50
Total water/sewer rate for 1 meter		\$231.75
BILL=		\$283.49
WATER DIFFERENCE		
		\$45.75
SEWER DIFFERENCE		
		\$66.00
BILL DIFFERENCE		
		\$111.75
Detail Bill Info for one meter		
Comm Meter	\$110.25	
Sewer	\$121.50	
Lone Star Grd(\$\$.07)	\$1.33	
Garbage	\$19.06	
GRP(\$1.65)	\$31.35	
BILL TOTAL	\$283.49	

Current Rates

Irrigation Meter		
Irrigation meter in 1k gallons	Usage Below	Irrigation
Up to First 2K-\$12.00	2	\$12.00
Next 7K-\$2.50	7	\$17.50
At or Over 10K-\$3.00	1	\$3.00
Total Water	10	\$32.50
BILL=		\$49.70

Detail Bill Info for Irrigation Meter

Irrigation Meter	\$32.50
Lone Star Grd(\$.07)	\$0.70
GRP(\$1.65)	\$16.50
BILL TOTAL	\$49.70

NEW RATES-2016-Year 1

Irrigation Meter		
Irrigation meter in 1k gallons	Usage Below	Irrigation
Up to First 2K-\$12.00	2	\$12.00
Next 2K-\$2.50	2	\$5.00
Next 2K-\$3.00	2	\$6.00
Next 2K-\$3.50	2	\$7.00
Next 2K-\$4.00	2	\$8.00
Next 5K-\$4.50	0	\$0.00
Next 5K-\$5.00	0	\$0.00
Over 20K-\$5.75	0	\$0.00
Total rates for water used	10	\$38.00
BILL=		\$55.20

Detail Bill Info for Irrigation Meter

Irrigation Meter	\$38.00
Lone Star Grd(\$.07)	\$0.70
GRP(\$1.65)	\$16.50
BILL TOTAL	\$55.20

Enter Usage Here
10

WATER DIFFERENCE	
\$5.50	
BILL DIFFERENCE	
\$5.50	

Montgomery City Council
AGENDA REPORT

ITEM #8

Meeting Date:	August 23, 2016	Budgeted Amount:	N/A
Department:			
Prepared By:	Glynn Fleming	Exhibits:	
Date Prepared:	August 19, 2016		

Subject

Approval of a Resolution By The City Council Of The City Of Montgomery, Texas Requesting Financial Assistance From The Texas Water Development Board For Water System Projects.

Recommendation

Discussion

The TWDB has extended a formal invitation to apply for project funding. This resolution authorizes City Staff and Consultants to proceed with submission of the applications.

Approved By

Department Manager		Date:
City Administrator		Date:

August 18, 2016

The Honorable Mayor and City Council
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Request for Financial Assistance from the Texas Water Development Board
City of Montgomery

Mayor and Council:

As previously reported over the past few weeks we have worked closely with City Staff and the City's Financial Advisor to complete and submit four project information forms requesting Texas Water Development Board (the "TWDB") financing of needed water and sanitary sewer infrastructure improvements. The City was recently notified these forms received preliminary approval and was invited to make formal application for review of the proposed projects. Included in the proposed scope are CP Nos. 3 and 9 as identified in the Water System Analysis and Master Plan, and CP Nos. 3b and 10 as identified in the Sanitary Sewer System Analysis and Master Plan. We are currently working with City Staff and Consultants to complete the requested applications and initiate the formal review phase. Enclosed for your review are the Capital Projects Summaries from both the Water System Analysis and Master Plan and the Sanitary Sewer System Analysis and Master Plan. Additionally, your Council packets contain resolutions authorizing Staff to proceed with submission of said applications. Mr. Jim Gilley of U.S. Capital Advisors, LLC will be in attendance on Tuesday evening to further discuss the timeline for completion, submission, and acceptance of these requests.

If you have any questions or comments, please contact, Glynn Fleming and or myself.

Sincerely,



Ed Shackelford, P.E.
Engineer for the City

EHS/gef:lr2

P:\PROJECTS\W5841 - City of Montgomery\W5841-1014-00 - McCoy's Building Supply\Letters\McCoy's Sanitary Sewer Extension, EDC Memo.doc

Enclosures: Water System Analysis and Master Plan-Capital Projects Summary
Sanitary Sewer System Analysis and Master Plan-Capital Projects Summary

cc/enc.: The Honorable Mayor and City Council
The Planning and Zoning Commission
Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney

EXECUTIVE SUMMARY

This City of Montgomery 2015 Water System Analysis and Master Plan evaluates the current 2015 water system, the projected 2020 water system, proposed Capital Projects, and includes our recommendations for the City of Montgomery water system.

The City of Montgomery (the City) encompasses approximately 3,040 acres and is expected to increase in population from 710 in 2015 to 2,676 by 2020. The average daily flow water demand is expected to increase from a 3-year average of 209,100 gallons per day (gpd) from 2012 to 2015 to approximately 665,790 gpd by 2020.

The City's existing water distribution system is able to provide current average and maximum daily flow above Texas Commission on Environmental Quality (TCEQ) minimum pressures but is not able to provide adequate fire flows (recommend 1,000 gpm) to the entire City. In order to provide recommend fire flow and meet projected 2020 demand, the City will have to engage in an aggressive infrastructure design and construction program to improve the existing system and lay the needed infrastructure foundation for future demands. We recommend the following Capital Projects be implemented by the City.

Capital Projects Summary

No.	Name	Purpose of Capital Project	Cost
1	WP No. 2 GST Backfill	Fill the ground storage tank at Water Plant No. 2 from Well No. 4 (Catahoula) by backfilling from the distribution system.	\$136,000
2	Buffalo Springs Bridge Crossing	Provide a waterline loop on the east side of the City.	\$90,000
3	Downtown & SH-105 Improvements	Provide a better path for water from Water Plant No. 3 to Water Plant No. 2.	\$722,000
4	Lone Star Parkway to Town Creek Village Apartments Improvements	Provide a waterline loop on the west side of the City for future growth and demand and the future elevated storage tank.	\$834,000
5	Lone Star Parkway from FM 149 to SH 105 Waterline	Provide a waterline loop through the central area of future development to serve the north-east areas and Lone Star Parkway.	\$712,000
6	Elevated Storage Tank	Provide elevated storage to stabilize the water system and provide increased capacities and pressure.	\$2,726,000
7	Old Plantersville Road Waterline	Provide a 12-inch waterline loop to improve daily pressure and provide fire flow capacity in the southwest portion of the City.	\$695,000
8	Water Plant No. 2 Improvements	Address known deficiencies in the existing infrastructure.	\$45,000
9	Water Plant No. 3 Improvements	Additional infrastructure to improve water quality and pressure.	\$884,000
Total			\$6,844,000

Capital Projects Summary

CP No.	Capital Project	Cost ⁽¹⁾
1	Stewart Creek WWTP Rehabilitation	\$240,000
2	Lift Station Rehabilitation (Lift Station Nos. 1, 3, & 5 based on 2014 Inspection Report)	\$460,000
3a	Lift Station No. 1 Expansion to 0.76 MGD	\$1,440,000
3b	Lift Station No. 1 Expansion to 0.40 MGD	\$860,000
3c	Lift Station No. 1 Expansion to 0.59 MGD	\$950,000
4a	Lift Station No. 2 Expansion to 0.54 MGD	\$860,000
4b	Lift Station No. 2 Demolition	\$150,000
4c	Lift Station No. 2 Expansion to 0.36 MGD	\$750,000
5	Lift Station No. 3 Expansion	\$860,000
6	Lift Station No. 4 Expansion	\$650,000
7	Lift Station Emergency Operations Improvements	\$700,000
8a	Stewart Creek WWTP Expansion (0.76 MGD)	\$7,900,000
8c	Stewart Creek WWTP Expansion (0.59 MGD)	\$7,200,000
9a	Town Creek WWTP Demolition	\$250,000
9b	Town Creek WWTP Replacement (0.54 MGD) (Demo Ex WWTP & LS)	\$9,500,000
9c	Town Creek WWTP Rehabilitation (0.17 MGD)	\$860,000
10	Lift Station No. 3 Force Main Re-route	\$200,000
11	GSA 12 Gravity System Improvements	\$350,000
12	GSA 1 Gravity System Improvements	\$1,250,000
13	GSA 2C Gravity System Improvements	\$600,000
14	GSA 2S Gravity System Improvements	\$650,000
15	Gravity Sanitary Sewer System Cleaning & Televising	\$50,000
16	Gravity Sanitary Sewer System Rehabilitation	\$800,000
17	Sanitary Sewer Manhole Rehabilitations	\$1,020,000
18	Lift Station No. 8 Improvements	\$500,000
19	Lift Station No. 5 Improvements	\$360,000
20	Lift Station No. 6 Rehabilitation	\$220,000
21	Lift Station No. 7 Rehabilitation	\$220,000
22	Lift Station & WWTP SCADA Connection	\$800,000

Notes: ⁽¹⁾ All costs rounded to the nearest \$10,000.

Regarding the WWTPs and their ultimate ability to treat the projected 760,000 gpd, there are three (3) major options.

Option A: Town Creek WWTP Demolition & Stewart Creek WWTP Expansion (0.76 MGD)

This option consists of the demolition of the Town Creek WWTP and expansion of the Stewart Creek WWTP to handle 0.76 MGD. In order to complete Option A, the City would need to expand LS 1 to treat 0.76 MGD and LS 2 to handle 0.54 MGD. A final choice to expand the Stewart Creek WWTP would require further investigation of the WWTP, the flows it receives and the land available to the City. Site restrictions can have a major impact on the cost and feasibility of wastewater treatment plant expansions. This option consists of the completion of CP Nos. 1, 3a, 4a, 8a, and 9a and would total approximately \$10,690,000.

RESOLUTION NO. _____

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY,
TEXAS REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER
DEVELOPMENT BOARD FOR WATER SYSTEM PROJECTS

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §
CITY OF MONTGOMERY §

WHEREAS, the City Council of the City of Montgomery, Texas (the "City") hereby finds and determines that there is an urgent need for the City to apply for financial assistance from the Texas Water Development Board (the "TWDB"); and

WHEREAS, the City Council of the City desires to authorize the submission of an application for financial assistance to the TWDB under one or more programs for which it would be eligible to receive funding, including particularly the Drinking Water State Revolving Fund;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, THAT:

Section 1. An application is hereby approved and authorized to be filed with the TWDB seeking financial assistance in an amount not to exceed \$2,000,000 to provide for eligible costs for improvements to the City's water system, including the construction of improvements to and the expansion and equipment of water plant no. 3; the construction of improvements to and the expansion and replacement of water distribution lines; and the costs of issuance related to the financial assistance.

Section 2. Jack Yates, City Administrator of the City, is hereby designated the authorized representative of the City for purposes of furnishing such information, executing such documents, and making such appearances as may be required in connection with the preparation and filing of such application for financial assistance and with complying with the rules of the TWDB.

Section 3. The following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City before any hearings held by the TWDB on such application, to-wit:

Financial Advisor

Jim Gilley
James F. Gilley
U.S. Capital Advisors
1330 Post Oak Blvd. Suite 900
Houston, TX 77056
713.366.0555

Bond Counsel

Jonathan K. Frels
Bracewell LLP
711 Louisiana Street Suite 2300
Houston, TX 77002
713.221.1599

Engineer

Ed Shackelford, P.E.
Jones & Carter Inc.
8701 New Trails Dr, Ste 200
The Woodlands, Texas 77381
281.363.4039

PASSED AND APPROVED this 23rd day of August, 2016.

Mayor, City of Montgomery, Texas

ATTEST:

City Secretary, City of Montgomery, Texas

(SEAL)

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

I, the undersigned City Secretary of the City of Montgomery, Texas, hereby certify as follows:

1. The City Council of the City of Montgomery, Texas, convened in a regular meeting on the 23rd day of August, 2016, at the regular meeting place thereof, within said City, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Kirk Jones	Mayor
Jon Bickford	Council Member, Position 1
John Champagne	Council Member, Position 2
T.J. Wilkerson	Council Member, Position 3
Rebecca Huss	Council Member, Position 4
Dave McCorquodale	Council Member, Position 5

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION NO. _____

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY,
TEXAS REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS
WATER DEVELOPMENT BOARD FOR WATER SYSTEM PROJECTS

was duly introduced for the consideration of said City Council and read in full. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

_____ Member(s) of City Council shown present above voted "Aye".

_____ Member(s) of City Council shown present above voted "No".

_____ Member(s) of City Council shown present abstained.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said

City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 23rd day of August, 2016.

Ms. Susan Hensley
City Secretary
City of Montgomery, Texas

[SEAL]

Montgomery City Council
AGENDA REPORT

ITEM #9

Meeting Date:	August 23, 2016	Budgeted Amount:	N/A
Department:			
Prepared By:	Glynn Fleming	Exhibits:	
Date Prepared:	August 19, 2016		

Subject

Approval of a Resolution By The City Council Of The City Of Montgomery, Texas Requesting Financial Assistance From The Texas Water Development Board For Sanitary Sewer System Projects.

Recommendation

Discussion

The TWDB has extended a formal invitation to apply for project funding. This resolution authorizes City Staff and Consultants to proceed with submission of the applications.

Approved By

Department Manager		Date:
City Administrator		Date:

RESOLUTION NO. _____

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY,
TEXAS REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER
DEVELOPMENT BOARD FOR SANITARY SEWER SYSTEM PROJECTS

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §
CITY OF MONTGOMERY §

WHEREAS, the City Council of the City of Montgomery, Texas (the "City") hereby finds and determines that there is an urgent need for the City to apply for financial assistance from the Texas Water Development Board (the "TWDB"); and

WHEREAS, the City Council of the City desires to authorize the submission of an application for financial assistance to the TWDB under one or more programs for which it would be eligible to receive funding, including particularly the Clean Water State Revolving Fund;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, THAT:

Section 1. An application is hereby approved and authorized to be filed with the TWDB seeking financial assistance in an amount not to exceed \$1,300,000 to provide for eligible costs for improvements to the City's sanitary sewer system, including the construction of improvements to and the expansion and equipment of Lift Station No. 1; the construction of improvements to and relocation of the force main for Lift Station No. 3; the replacement of existing lift pumps; and the costs of issuance related to the financial assistance.

Section 2. Jack Yates, City Administrator of the City, is hereby designated the authorized representative of the City for purposes of furnishing such information, executing such documents, and making such appearances as may be required in connection with the preparation and filing of such application for financial assistance and with complying with the rules of the TWDB.

Section 3. The following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City before any hearings held by the TWDB on such application, to-wit:

Financial Advisor

Jim Gilley
James F. Gilley
U.S. Capital Advisors
1330 Post Oak Blvd. Suite 900
Houston, TX 77056
713.366.0555

Bond Counsel

Jonathan K. Frels
Bracewell LLP
711 Louisiana Street Suite 2300
Houston, TX 77002
713.221.1599

Engineer

Ed Shackelford, P.E.
Jones & Carter Inc.
8701 New Trails Dr, Ste 200
The Woodlands, Texas 77381
281.363.4039

PASSED AND APPROVED this 23rd day of August, 2016.

Mayor, City of Montgomery, Texas

ATTEST:

City Secretary, City of Montgomery, Texas

(SEAL)

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF MONTGOMERY §

I, the undersigned City Secretary of the City of Montgomery, Texas, hereby certify as follows:

1. The City Council of the City of Montgomery, Texas, convened in a regular meeting on the 23rd day of August, 2016, at the regular meeting place thereof, within said City, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Kirk Jones	Mayor
Jon Bickford	Council Member, Position 1
John Champagne	Council Member, Position 2
T.J. Wilkerson	Council Member, Position 3
Rebecca Huss	Council Member, Position 4
Dave McCorquodale	Council Member, Position 5

and all of said persons were present, except the following absentee(s): _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

RESOLUTION NO. _____

RESOLUTION BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY,
TEXAS REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS
WATER DEVELOPMENT BOARD FOR SANITARY SEWER SYSTEM
PROJECTS

was duly introduced for the consideration of said City Council and read in full. It was then duly moved and seconded that said resolution be adopted; and, after due discussion, said motion, carrying with it the adoption of said resolution, prevailed and carried by the following vote:

_____ Member(s) of City Council shown present above voted "Aye".

_____ Member(s) of City Council shown present above voted "No".

_____ Member(s) of City Council shown present abstained.

2. A true, full and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said resolution has been duly recorded in said City Council's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said meeting pertaining to the adoption of said resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and

members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED this 23rd day of August, 2016.

Ms. Susan Hensley
City Secretary
City of Montgomery, Texas

[SEAL]

Montgomery City Council
AGENDA REPORT

ITEM #10

Meeting Date:	August 23, 2016	Budgeted Amount:	N/A
Department:			
Prepared By:	Glynn Fleming	Exhibits:	
Date Prepared:	August 19, 2016		

Subject

Approval of a request by Milestone Development for Jones & Carter, Inc. to design the Public water and sanitary sewer line extension to the Buffalo Crossing Phase II development.

Recommendation

Discussion

Jones | Carter was requested to provide a professional engineering services proposal to the Milestone Companies for the design of the Public water and sanitary sewer line extension to serve Phase II of the Buffalo Springs Shopping Center development. A disclosure letter from Ed Shackelford, PE is enclosed for your review.

Approved By

Department Manager		Date:
City Administrator		Date:



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August 18, 2016

The Honorable Mayor and City Council
101 Old Plantersville Road
Montgomery, TX 77316

Mr. Jacobo Malca
The Milestone Companies
10497 Town & Country Way, Suite 820
Houston TX 77024

Dear Mayor, Council, and Mr. Malca:

Jones|Carter was requested to provide a professional engineering services proposal to the Milestone Companies for the design of the Public water and sanitary sewer line extension to serve Phase II of the Buffalo Springs Shopping Center development. Our current Professional Services Agreement with City provides for contract City Engineering services including development plat review, development plan review, and offer recommendations to the City Council regarding whether these documents comply with the City's ordinances.

Services rendered by Jones|Carter's Site Development group, if approved, on behalf of The Milestone Companies would include surveying, engineering design, and preparation of construction drawings for the referenced utility extensions. These drawings would require submission to the City for review and approval.

The purpose of this letter is to advise both parties in writing, per the regulations of the Texas Board of Professional Engineers, Section 137.57 and Section 137.63 (see enclosure) that a potential Conflict of Interest exists and to request each entity's approval in advance. Please know that the Jones|Carter individuals reviewing the development documents, specifically Messrs. Ed Shackelford and Glynn Fleming, will not actively be involved in the design or preparation of the Milestone documents but other members within Jones|Carter, Inc. may seek our counsel to ensure the documents are prepared in accordance with the City's requirements.

We ask that each of you formally acknowledge the potential Conflict of Interest by signing and dating on the following page. Three originals are being sent to ensure that each entity receives an executed original letter.

Thanks you for your cooperation and understanding

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ed Shackelford', written over a blue circular stamp.

Ed Shackelford, P.E.

The Honorable Kirk Jones
Mayor, City of Montgomery, Texas

Mr. Jacobo Malca
The Milestone Companies

EHS/gef:lr2

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Enclosures: N/A

cc/enc.: Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney

general population whose normal course of life might reasonably include an interaction of any sort with the engineering work of the license holder.

(b) Engineers shall not perform any engineering function which, when measured by generally accepted engineering standards or procedures, is reasonably likely to result in the endangerment of lives, health, safety, property, or welfare of the public. Any act or conduct which constitutes incompetence or gross negligence, or a criminal violation of law, constitutes misconduct and shall be censurable by the board.

(c) Engineers shall first notify involved parties of any engineering decisions or practices that might endanger the health, safety, property or welfare of the public. When, in an engineer's judgment, any risk to the public remains unresolved, that engineer shall report any fraud, gross negligence, incompetence, misconduct, unethical or illegal conduct to the board or to proper civil or criminal authorities.

(d) Engineers should strive to adequately examine the environmental impact of their actions and projects, including the prudent use and conservation of resources and energy, in order to make informed recommendations and decisions.

Source Note: The provisions of this §137.55 amended to be effective May 20, 2004.

§137.57 Engineers Shall be Objective and Truthful

(a) Engineers shall issue statements only in an objective and truthful manner. Engineers should strive to make affected parties aware of the engineers' professional concerns regarding particular actions or projects, and of the consequences of engineering decisions or judgments that are overruled or disregarded.

(b) The issuance of oral or written assertions in the practice of engineering shall not be:

(1) fraudulent,

(2) deceitful, or

(3) misleading or shall not in any manner whatsoever tend to create a misleading impression.

(c) The engineer shall disclose a possible conflict of interest to a potential or current client or employer upon discovery of the possible conflict.

(d) A conflict of interest exists when an engineer accepts employment when a reasonable probability exists that the engineer's own financial, business, property, or personal interests may affect any professional judgment, decisions, or practices exercised on behalf of the client or employer. An engineer may accept such an employment only if all parties involved in the potential conflict of interest are fully informed in writing and the client or employer confirms the knowledge of the potential conflict in writing. An engineer in a conflict of interest employment shall maintain the interests of the client and other parties as provided by §137.61 of this title (relating to Engineers Shall Maintain Confidentiality of Clients) and other rules and statutes.

Source Note: The provisions of this §137.57 amended to be effective December 21, 2008.

§137.59 Engineers' Actions Shall Be Competent

(a) Engineers shall practice only in their areas of competence.

(b) The engineer shall not perform any engineering assignment for which the engineer is not qualified by education or experience to perform adequately and competently. However, an engineer may accept an assignment which includes phases outside of the engineer's area of competence if those other phases are performed by qualified licensed professionals, consultants, associates, or employees.

(c) The engineer shall not express an engineering opinion in deposition or before a court, administrative agency, or other public forum which is contrary to generally accepted scientific and engineering principles without fully disclosing the basis and rationale for such an opinion. Engineering opinions which are rendered as expert testimony and contain quantitative values shall be supported by adequate modeling or analysis of the phenomena described.

Source Note: The provisions of this §137.59 amended to be effective September 4, 2006.

§137.61 Engineers Shall Maintain Confidentiality of Clients

(a) The engineer may reveal confidences and private information only with a fully informed client's or employer's consent, or when required by law or court order; or when those confidences, if left undisclosed, would constitute a threat to the health, safety or welfare of the public.

(b) The engineer shall not use a confidence or private information regarding a client or employer to the disadvantage of such client or employer or for the advantage of a third party.

(c) The engineer shall exercise reasonable care to prevent unauthorized disclosure or use of private information or confidences concerning a client or employer by the engineer's employees and associates.

Source Note: The provisions of this §137.61 amended to be effective May 20, 2004.

§137.63 Engineers' Responsibility to the Profession

(a) Engineers shall engage in professional and business activities in an honest and ethical manner. Engineers should strive to promote responsibility, commitment, and ethics both in the education and practice phases of engineering. They should attempt to enhance society's awareness of engineers' responsibilities to the public and encourage the communication of these principles of ethical conduct among engineers.

(b) The engineer shall:

(1) endeavor to meet all of the applicable professional practice requirements of federal, state and local statutes, codes, regulations, rules, ordinances or standards in the performance of engineering services;

(2) exercise reasonable care or diligence to prevent the engineer's partners, associates, and employees from engaging in conduct which, if done by the engineer, would violate any provision of the Texas Engineering Practice Act, general board rule, or any of the professional practice requirements of federal, state and local statutes, codes, regulations, rules or ordinances in the performance of engineering services;

(3) exercise reasonable care to prevent the association of the engineer's name, professional identification, seal, firm or business name in connection with any venture or enterprise which the engineer knows, or should have known, is engaging in trade,

business or professional practices of a fraudulent, deceitful, or dishonest nature, or any action which violates any provision of the Texas Engineering Practice Act or board rules.

(4) act as faithful agent for their employers or clients;

(5) conduct engineering and related business affairs in a manner that is respectful of the client, involved parties, and employees. Inappropriate behaviors or patterns of inappropriate behaviors may include, but are not limited to, misrepresentation in billing; unprofessional correspondence or language; sale and/or performance of unnecessary work; or conduct that harasses or intimidates another party; and

(6) practice engineering in a careful and diligent manner.

(c) The engineer shall not:

(1) aid or abet, directly or indirectly, any unlicensed person or business entity in the unlawful practice of engineering;

(2) maliciously injure or attempt to injure or damage the personal or professional reputation of another by any means. This does not preclude an engineer from giving a frank but private appraisal of engineers or other persons or firms when requested by a client or prospective employer;

(3) retaliate against a person who provides reference material for an application for a license or who in good faith attempts to bring forward an allegation of wrongdoing;

(4) give, offer or promise to pay or deliver, directly or indirectly, any commission, gift, favor, gratuity, benefit, or reward as an inducement to secure any specific engineering work or assignment;

(5) accept compensation or benefits from more than one party for services pertaining to the same project or assignment; or

(6) solicit professional employment in any false or misleading advertising.

Source Note: The provisions of this §137.63 amended to be effective December 21, 2008.

§137.65 Action in Another Jurisdiction

(a) The engineer shall not practice or offer to practice engineering in any other jurisdiction in violation of the laws regulating the practice of professional engineering in that jurisdiction. A finding by such jurisdiction of illegal practice or offer to practice is misconduct and will subject the engineer to disciplinary action in Texas.

(b) Any disciplinary actions taken by another jurisdiction on a matter which would constitute a violation of the Texas Engineering Practice Act or board rules shall be sufficient cause for disciplinary action by this board. A certified copy of the board Order or Final Action from another jurisdiction shall be sufficient evidence to take disciplinary action in this state.

(c) Any complaint, referral or report that a Texas licensed professional engineer performing engineering related to Texas Occupations Code, §1001.068 in another state may be subject to disciplinary action by this board, if after investigation it is determined that the engineering work done in that other state was inadequate, deficient, incorrect or violated that state's law or rules regarding the practice of engineering.

Source Note: The provisions of this §137.65 amended to be effective December 25, 2012.

SUBCHAPTER D: FIRM AND GOVERNMENTAL ENTITY COMPLIANCE

§137.71 Firm Names

Pursuant to §1001.405(e), a business entity that is not registered with the board may not represent to the public by way of letters, signs, or symbols as a part of any sign, directory, listing, contract, document, pamphlet, stationery, advertisement, signature, or business name that it is engaged in the practice of engineering by using the terms:

(1) "engineer,"

(2) "engineering,"

(3) "engineering services,"

(4) "engineering company,"

(5) "engineering, inc.,"

(6) "professional engineers,"

(7) "licensed engineer,"

(8) "registered engineer,"

(9) "licensed professional engineer,"

(10) "registered professional engineer,"

(11) "engineered," or

(12) any abbreviation or variation of those terms listed in (1)-(11) above, or directly or indirectly use or cause to be used any of those terms in combination with other words.

Source Note: The provisions of this §137.71 amended to be effective December 21, 2008.

§137.73 Firm Record Modifications

(a) Each registered firm shall notify the board in writing not later than 30 days after a change in the business entity's:

(1) physical or mailing address, electronic mail address, telephone or facsimile number or other contact information;

(2) officers or directors;

(3) employment status of the professional engineers of the firm;

(4) operation including dissolution of the firm or that the firm no longer offers to provide or is not providing engineering services to the public in Texas; or

(5) operation including addition or dissolution of branch and/or subsidiary offices.

(b) Notice shall include, as applicable, the:

(1) full legal trade or business name entity,

(2) the firm registration number,