

City of Conroe, Texas

Budget-In-Brief

Fiscal Year 2021-2022



*"To protect and serve the citizens of Conroe
and exceed their expectations."*



FY 2021-2022 BUDGET-IN-BRIEF

City Council

Jody Czajkoski
Mayor

Todd Yancey
Place 1

Curt Maddux
Place 2

Duke W. Coon
Place 3

Marsha Porter
Place 5

Raymond McDonald
Mayor Pro Tem
Place 4

Appointed Officials

Paul Virgadamo, Jr.
City Administrator

Gary Scott
City Attorney

Soco Gorjon
City Secretary

Tommy Woolley
Director of Capital
Projects/Transportation

Steve Williams
Assistant City Administrator/
Chief Financial Officer

Ken Kreger
Fire Chief

Jeff Christy
Police Chief

Andre Houser
Director of Human Resources

Mike Riggins
Director of Parks & Recreation

Norman McGuire
Director of Public
Works

Nancy Mikeska
Director of Community
Development

Danielle Scheiner
Executive Director of Conroe
Industrial Development
Corporation

CITY OF CONROE, TEXAS

FY 2021-2022 BUDGET-IN-BRIEF

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FY 2021-2022 BUDGET-IN-BRIEF

October 1, 2021

The City of Conroe is pleased to present the fiscal year 2021-2022 “Budget-In-Brief.” This document summarizes the annual budget for the fiscal year beginning October 1, 2021, and ending September 30, 2022.

A city’s budget presents in financial terms a plan to accomplish its objectives during the upcoming fiscal year. Budget preparation is an ongoing process as the City Council discusses priorities, commits to projects, and provides feedback to the staff on various proposals. The staff then translates that information into a financial action plan.

The budget for FY 2021-2022 is a balanced, conservative plan that continues our previous commitments toward quality services and facilities and addresses opportunities for additional improvements.

I must commend the ongoing work of the City Council, City Administration, the Management Team, and all of our fine City employees. We are indeed focused on our mission statement:

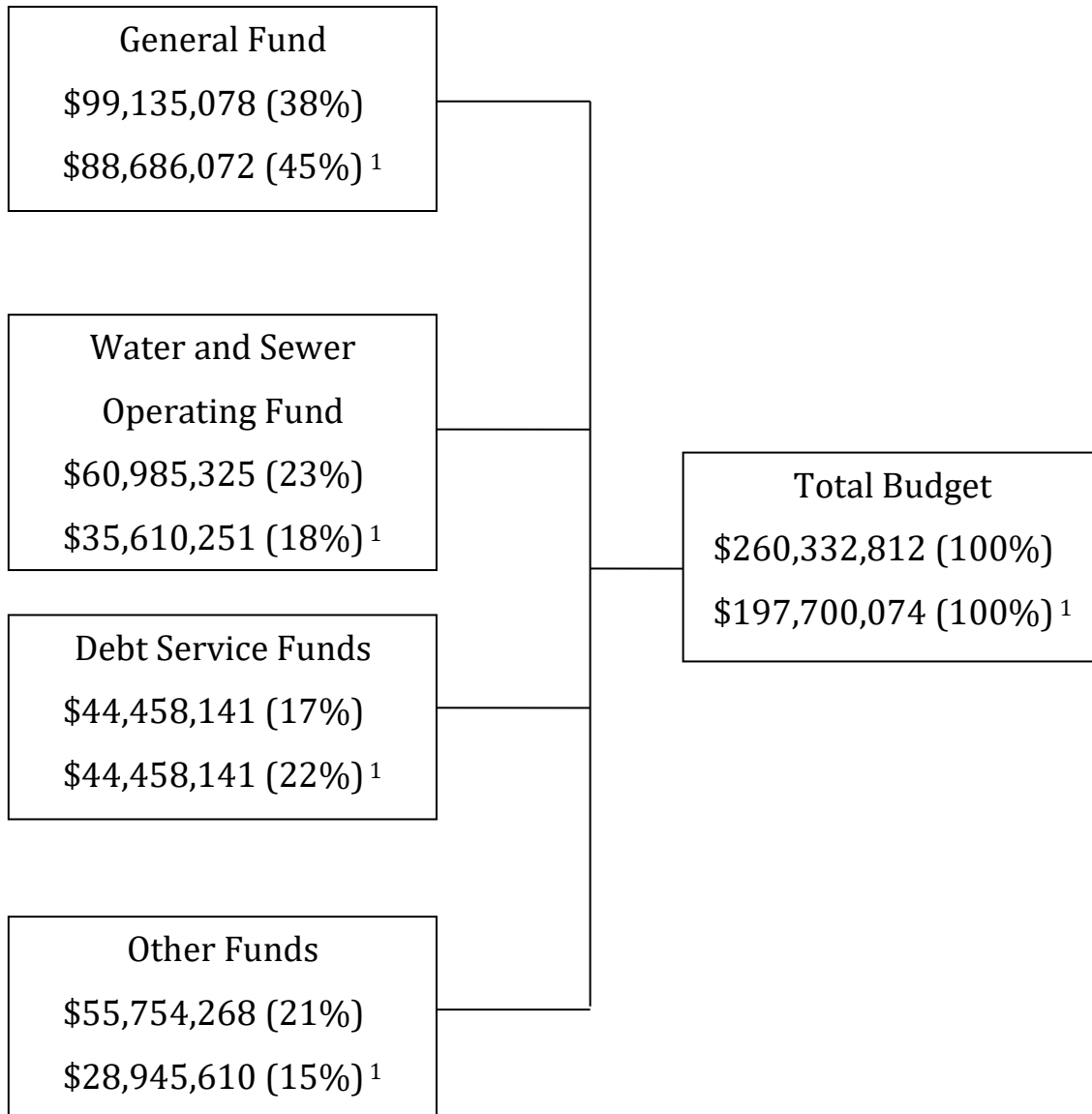
“To protect and serve the citizens of Conroe and exceed their expectations.”

Sincerely,



Jody Czajkoski
Mayor

Organization of the Total Budget



1. These figures represent the budgeted expenditures net of interfund transfers.

FY 2021-2022 Budget Summary

On September 10, 2021, the Conroe City Council approved a \$260,332,812 budget with a 3 percent contingent appropriation for FY 2021-2022. Net of interfund transfers, the total budget is \$197,700,074. The approved budget consists of the General, Water and Sewer Operating, Debt Service, and Other Operating Funds.

General Fund

The General Fund accounts for 38.1 percent of the budget and supports basic services such as police, fire, parks, recreation, streets, and other community services. It is the general operating fund of the City and is used to account for all transactions and operations of governmental units that are not accounted for in another fund. The General Fund also is used to account for transactions financed from taxes or other general revenues.

Water and Sewer Operating Fund

The Water and Sewer Operating Fund comprises 23.5 percent of the budget. This fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing water and sewer services are financed through user charges (water and sewer bills). However, there is no profit margin, unlike private businesses.

Debt Service Funds

The Debt Service Funds category is composed of four funds: General Obligation Debt Service Fund, Water and Sewer Debt Service Fund, Conroe Industrial Development Corporation (CIDC) Debt Service Fund, and Convention Center Debt Service Fund. These four funds account for 22.5 percent of the budget and pay for the annual interest and principal costs of the City's debt.

The General Obligation Debt Service Fund provides for the payment of the City's certificates of obligation and other tax-supported debt issued to finance the tax-based portion of the City's Capital Improvement Program. The Water and Sewer Debt Service Fund provides for the retirement of revenue-supported bonds that are used to pay the cost of improvements to the City's water and wastewater system. This debt is repaid with revenues collected from utility customers. The CIDC Debt Service Fund

FY 2021-2022 BUDGET-IN-BRIEF

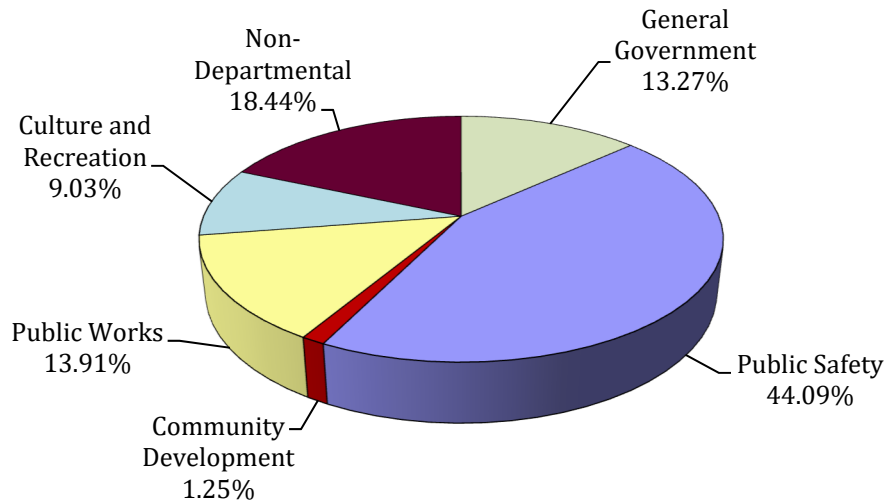
provides the funds necessary to retire the outstanding sales tax revenue-supported debt of the City. This debt consists of revenue-supported bonds that are used for economic development purposes and are repaid with a portion of the ½-cent sales tax charged within the City. The Convention Center Debt Service Fund provides the funds for the payment of principal and interest on debt related to the convention center and parking garage adjacent to the Conroe Hyatt Regency Hotel.

Other Operating Funds

The Other Funds category of the budget includes funds used to account for the proceeds of special revenues, other than expendable trusts or major capital projects. These funds makeup 14.6 percent of the budget and include such funds as the Conroe Industrial Development Corporation (CIDC) Revenue Clearing Fund, CIDC General Fund, CIDC Industrial Park Land Sales, Vehicle and Equipment Replacement Funds, Hotel Occupancy Tax (HOT) Fund, Community Development Block Grant (CDBG) Entitlement Fund, Facilities Management Fund, Transportation Grants Funds, Oscar Johnson, Jr. Community Center (OJJCC) Fund, Municipal Court Technology Fund, Municipal Court Building Security Fund, Municipal Court Local Truancy Prevention & Diversion Fund, Municipal Court Efficiency Fee Fund, Municipal Court Truancy Prevention Fund, Municipal Court Jury Fund, Municipal Court Time Payment Reimbursement Fee, Fleet Services Fund, Self-Funded Insurance Fund, Public Improvement District (PID) Funds, Animal Shelter Reserve Fund, Technology Replacement Fund, and Disaster Recovery Grants Fund.

General Fund Expenditures

\$99,135,078
(\$88,686,072)



General Fund Services

General Government

\$13,153,157

The General Government category is comprised of the Administration, Mayor & City Council, Transportation, Legal, Municipal Court, Finance, Community Development Block Grant Administration, Purchasing - Warehouse, Information Technology, and Human Resources departments. These departments are responsible for various functions of the City, including providing quality customer relations and accurate public information; coordinating and scheduling City Council meetings; handling media relations; providing legal services; providing disposition of violations of City ordinances and State law; managing finance, accounting, and utility billing; administering grants; acquiring supplies and services; maintaining computer hardware and software; and providing programs and consultations in the areas of employee recruitment, selection, compensation, and benefits.

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Administration	\$	1,170,193
Mayor & City Council		856,918
Transportation		1,577,891
Legal		883,582
Municipal Court		1,360,434
Finance		2,501,702
CDBG Administration		140,406
Purchasing - Warehouse		418,986
Information Technology		3,194,693
Human Resources		1,048,353
	\$	13,153,157

Public Safety

\$43,711,032

The Public Safety category includes the Police Department and Fire Department. The Police Department is separated into six departments based on areas of responsibility: Police Administration, Support Services, Patrol, Investigative Services, Commercial Vehicle Enforcement Program and Animal Services. The Fire Department is responsible for preparing for and responding to fire, rescue, medical, and environmental emergencies.

Police Administration	\$	1,811,902
Police Support Services		1,527,422
Police Patrol		13,730,720
Police Investigative Services		4,650,819
Police Animal Services		783,721
Police Commercial Vehicle Enforcement Program		144,937
Fire		21,061,511
	\$	43,711,032

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Culture and Recreation

\$8,952,483

The Culture and Recreation category covers parks and recreation expenditures. Parks Administration and Parks Operations are responsible for providing beautiful parks and trails, multi-generational athletic and recreational services, and dedicated customer service to Conroe's citizens and employees. The Recreation Center provides athletic and recreational programs including, but not limited to: art, karate, dance/ballet, and gymnastics. The Senior Center provides a welcoming place for ages 55 and up to join with friends, socialize, and remain connected to the community. The Aquatic Center provides safe, quality, and state of the art pools for the citizens of Conroe.

Parks & Recreation Administration	\$	2,620,524
CK Ray Recreation Center		1,296,798
Senior Center		119,668
Aquatic Center		1,833,042
Parks Operations		3,082,451
	\$	8,952,483

Community Development

\$1,243,080

The Community Development Department provides efficient, professional assistance to ensure responsible development practices that respect the natural landscape, cross timbers, bottomland, and floodplains. The Code Enforcement department assists in completion of many ongoing projects and development relative to the City's building and permitting processes.

Community Development	\$	1,243,080
	\$	1,243,080

Public Works

\$13,793,428

The Public Works category includes Drainage Maintenance, Streets, Signal Maintenance, Sign Maintenance, Engineering, and Building Inspections and Permits Departments. The Drainage Maintenance Department provides storm water control to the City by utilizing the resources dedicated to the maintenance of drainage ways. The Streets Department maintains streets, controls traffic, trims trees in the City

FY 2021-2022 BUDGET-IN-BRIEF

rights-of-way, repairs curbs and gutters, installs and replaces directional marking, and maintains street signage. The Signal Maintenance Department provides efficient maintenance and operation of the traffic signals and illumination lighting within the city. The Engineering Department establishes policies and procedures for addressing traffic issues, maintain and enforce the city's floodplain and floodway ordinances, and designs major roadway and infrastructure improvements. The Building Permits team provides review and inspections to ensure life, health, safety, and welfare by verifying compliance with the building codes and City ordinances that protect the citizens of Conroe.

Drainage Maintenance	\$	1,455,108
Streets Maintenance		4,516,645
Signal Maintenance		1,766,049
Sign Maintenance		750,385
Engineering		3,636,930
Building Inspections & Permits		1,668,311
	\$	13,793,428

General Fund Non-Departmental **\$18,281,897**

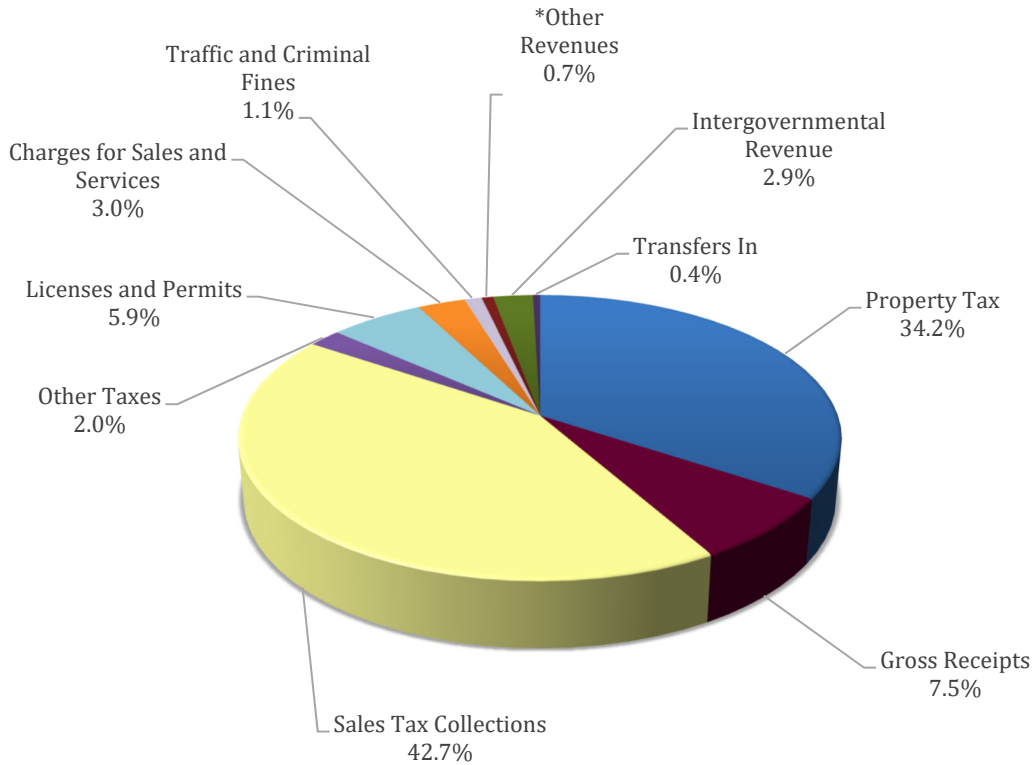
Within the General Fund, the Non-Departmental Department provides for transfers between funds for shared operating costs. Also included in the department are any expenses not falling within a single department activity that can be most efficiently handled in the aggregate for the entire General Fund.

Funding has been included in General Fund Non-Departmental for inter-fund transfers, contract services, and payments of the principal and interest for lease-purchase agreements.

GF Non-Departmental	\$	18,281,897
	\$	18,281,897

General Fund Revenue Sources

\$95,690,529
(\$95,263,239)



*Other Revenues

Investment Income	0.1%
Lease Income	0.2%
Penalties & Interest	0.2%
Miscellaneous Revenue	<u>0.2%</u>
	0.7%

FY 2021-2022 BUDGET-IN-BRIEF

General Fund Revenue Sources

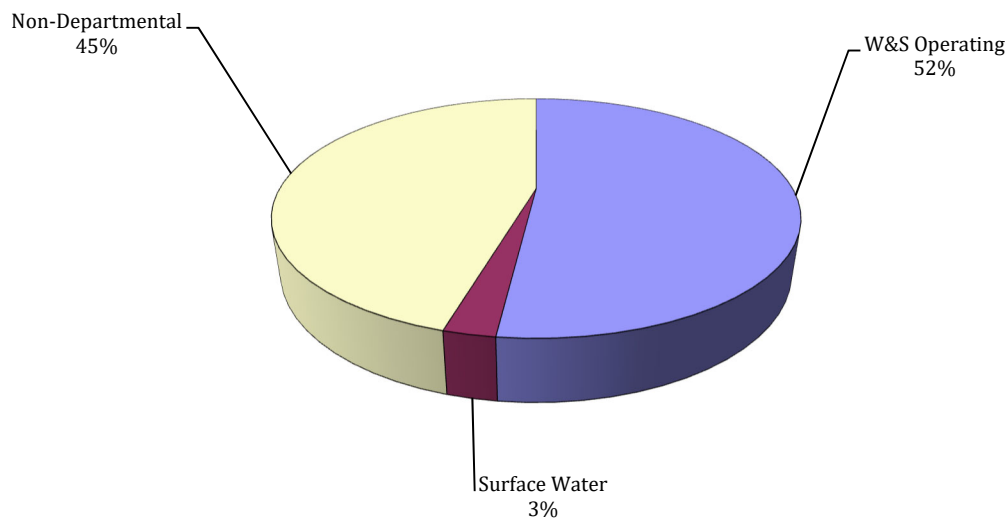
The General Fund has a number of revenue sources, the largest of which is Sales Tax. It constitutes 42.7 percent of all General Fund revenues. Additional sources of revenue include Property Taxes, Gross Receipts Taxes, Other Taxes, Licenses and Permits, Charges for Sales and Services, Traffic and Criminal Fines, Intergovernmental, and Other Revenues.

The tax roll of the City of Conroe continues to grow, increasing by 10.7% percent from FY 2020-2021. The July 28, 2021, Certified Tax Roll of \$10,672,297,776 marks an increase of \$1,029,268,639 over the previous year's certified roll on July 29, 2020.

Property Tax	\$	32,743,912
Gross Receipts		7,131,220
Sales Tax Collections		40,904,590
Other Taxes		1,943,246
Licenses and Permits		5,614,751
Charges for Sales and Services		2,847,378
Traffic and Criminal Fines		1,031,297
*Other Revenues		680,687
Intergovernmental		2,366,158
Transfers In		427,290
General Fund Revenues Total	\$	95,690,529

In FY 2021-2022, budgeted General Fund expenditures exceed General Fund revenues by \$3,444,549 due to capital purchases. Additionally, this fund will maintain a reserve amount equal to 125 days (or 34.2% of the fund's total expenditures.)

Water & Sewer Operating Fund Expenses \$60,985,325 (\$35,610,251)



W & S Operating Fund Services

Public Works \$18,677,172

The Public Works category consists of six departments: Utility Billing, Public Works Administration, Water, WasteWater Treatment Plant, Conroe Central Wastewater Plant, Sewer Maintenance, and Pump and Motor Maintenance.

The Utility Billing Department's mission is to ensure accuracy in the assessment of user charges; maintain professional and responsive service; answer customer inquiries; and provide accurate and timely billings through progressive and innovative systems. It also strives to ensure accurate and efficient data collection of

FY 2021-2022 BUDGET-IN-BRIEF

water and sewer usage, as well as to provide timely water meter installations and repair.

Public Works Administration is responsible for managing resources dedicated to the provision of water and wastewater utilities and maintaining streets and drainage. This department assists in the engineering design standards and construction criteria for many programs required by State and Federal law. The department also updates all permits and plans the water distribution emergency response plan.

The Water Department provides the installation of large meter service and lines to residential and commercial customers. The department participates in relocating lines, repairing broken lines, replacing faulty meters, and constructing new lines.

The Wastewater Treatment Plant and the Conroe Central Wastewater Plant treats and discharges 3.2 billion gallons of treated wastewater a year. Staff also handles the Industrial Pretreatment program by issuing permits to industrial users within the city limits and monitoring their discharge through monthly reports and inspections.

The Sewer Department performs sewer line maintenance and installation services to residential and commercial customers by utilizing resources dedicated to preventive maintenance and repair of utility infrastructure.

The Pump & Motor Maintenance Department maintains lift stations, water wells, the wastewater treatment plant, city facilities, and downtown lighting.

Public Works	\$	2,214,601
Utility Billing		1,471,550
Water		5,237,493
Wastewater Treatment Plant		3,244,798
Conroe Central Wastewater Plant		2,017,814
Sewer		2,928,448
Pump & Motor Maintenance		1,562,468
Public Works Total	\$	18,677,172

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Surface Water **\$14,533,358**

The City is a participant in the San Jacinto River Authority (SJRA) Groundwater Reduction Plan (GRP). The SJRA has constructed a surface water treatment facility and transmission system to provide treated surface water to the City. The transmission system was interconnected to the City's water system, and in December 2015, the City started receiving treated surface water. Based on the agreement between the City and the SJRA, the City pays the SJRA for groundwater pumped from the Jasper aquifer and for treated surface water from Lake Conroe.

The Surface Water Department includes costs for providing treated surface water through the San Jacinto River Authority (SJRA). This is a pass-through cost that is charged to customers in the Surface Water Conversion Fee. The proposed cost is based on the SJRA rate and historical water usage.

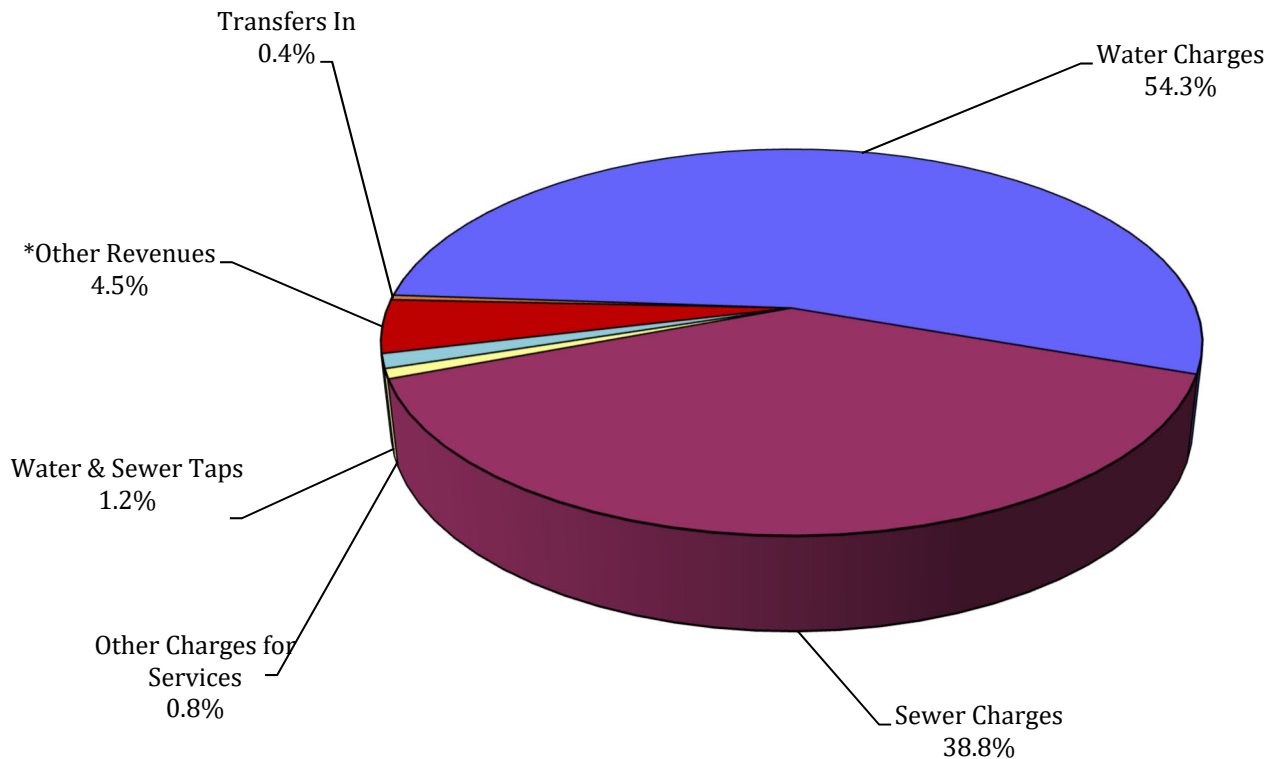
Surface Water	<u>\$ 14,533,358</u>
Surface Water Department Total	\$ 14,533,358

Water & Sewer Fund Non-Departmental **\$27,774,795**

The Water & Sewer Non-Departmental Department provides for transfers to the General Fund, Debt Service Funds, Facilities Management Fund, Water CIP Fund, Sewer CIP Fund, and the Water & Sewer Vehicle and Equipment Replacement Fund. The transfers to the Debt Service Funds are to pay principal and interest costs for debt issued to improve or expand the water and sewer system. Also included in the department are any expenses that do not fall within a single department activity that can be most efficiently handled in the aggregate for the entire Water & Sewer Operating Fund.

Water & Sewer Non-Departmental	<u>\$ 27,774,795</u>
W&S Operating Fund Non-Departmental Total	\$ 27,774,795

**Water & Sewer Operating
Fund Revenues
\$54,254,877
(\$54,042,560)**



***Other Revenues**

Discharged Water Sales	0.9%
Special Revenue/Water & Sewer	0.1%
Intergovernmental	2.5%
Interest on Investments	0.1%
Miscellaneous Revenue	0.9%
	<hr/>
	4.5%

Water & Sewer Operating Fund

Revenue Sources

The Water and Sewer Operating Fund has a variety of revenue sources, the most notable of which are Water Sales and Sewer Charges. Water Sales constitute 54.3 percent of fund revenues, while Sewer Charges constitute 38.8 percent. Additionally, the City recovers a Surface Water Conversion Fee that offsets expenses related to the surface water conversion agreement with the San Jacinto River Authority. The Surface Water Conversion Fee constitutes 24.4 percent of revenues. Other sources of revenue that support the fund are Water and Sewer Tap Fees, Groundwater Conservation Fee, Reconnection Charges, Pretreatment Fees, Interest Income, and Other Revenues.

Water and Sewer Operating Fund revenues are anticipated to increase. There is no change for the FY 2021-2022 budget water and sewer rates for residential and commercial customers. Water and sewer “Lifeline Rate” provide a discount for customers age 65 and over and/or disabled customers. Additionally, water bills include a pass-through fee charged to the City by the Lone Star Ground Water Conservation District. Proposed revenues for FY 2021-2022 assume an overall increase of 8 percent over FY 2020-2021 projections.

Water Charges	\$	15,800,862
Groundwater Conservation Fee		219,357
Sewer Charges		21,060,459
Surface Water Conversion Fee		13,233,818
Water Taps		584,580
Sewer Taps		70,254
Service Charges		447,474
Pretreatment Fees		201,902
*Other Revenues		2,423,854
Transfer In		212,317
Water & Sewer Operating Fund Revenue Total	\$	54,254,877

FY 2021-2022 BUDGET-IN-BRIEF

General Obligation Debt Service Fund \$19,003,569

The General Obligation (G.O.) 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. Its primary revenue source, therefore, is property taxes.

A transfer in from the Tax Increment Reinvestment Zone (TIRZ) #3 Fund is also made for bonds that were sold to benefit that zone. This TIRZ was established to fund regional roadway improvements in the City. The City and the County both dedicate a portion of the taxes received from property value growth in the TIRZ, which is used to pay the principal and interest of the bonds. The bond proceeds have been used to widen and improve portions of League Line Road, Longmire Road, First Street, Ed Kharbat Drive, Crighton Road, and Gladstell Road. As additional growth occurs in the TIRZ, more bonds will be sold for additional improvements.

A transfer in is made from the Conroe Industrial Development Corporation (CIDC) Fund. This transfer covers the principal and interest costs for bonds that were issued to make improvements to the park system. The CIDC fund is made up of revenues from a ½ cent sales tax for economic development. These park improvements qualify as permissible projects for this particular sales tax. Transfers in are also made from PID funds and the Conroe MMD #1 Fund to pay principal and interest costs related to those districts.

General Obligation Debt Service Expenditures	\$ 19,003,569
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Property Taxes	\$ 13,150,721
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Interest	35,374
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Penalties and Interest	87,333
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Transfer In	5,523,462
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General Obligation Debt Service Revenues Total	\$ 18,796,890
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CITY OF CONROE, TEXAS

**Water & Sewer Debt
Service Fund
\$18,153,864**

The Water & Sewer Debt Service Fund provides the funds necessary to retire the outstanding revenue-supported debt of the city. Debt in this category consists of revenue-supported bonds that are used to pay the cost of improvements to the city's water and wastewater system, and it is repaid with revenues collected from utility customers.

The outstanding revenue bonds were issued with a pledge to repay bondholders from water and sewer revenues. The payments on these bonds are accounted for in this fund. Its main source of revenue is a transfer of money from the Water & Sewer Operating Fund. An additional transfer in is made from the Conroe Industrial Development Corporation (CIDC) Fund. This transfer covers the principal and interest costs of the water well that was constructed in the Conroe Park North Industrial Park.

Water & Sewer Debt Service Expenditures	\$ 18,153,864
Transfer In	<u>\$ 18,153,864</u>
Water & Sewer Debt Service Revenues Total	\$ 18,153,864

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CIDC Debt Service Fund \$6,446,067

The Conroe Industrial Development Corporation (CIDC) Debt Service Fund provides the funds necessary to retire the outstanding sales tax-supported debt. Debt in this category is repaid with the ½ cent sales tax for economic development.

There are several bond issues in the CIDC Debt Service Fund. The bond series issued in 2011, which was subsequently refunded in 2016, was used to install streets, water, sewer, and drainage infrastructure in the industrial park as well as purchase land for the Deison Technology Park. The bonds issued in 2012 were used to install infrastructure in the technology park. The bonds issued in 2018 were used to purchase 610 acres to expand the Conroe Park North Industrial Park. The bonds issued in 2019 were used to improve the infrastructure of the 610-acre expansion in the Conroe Park North Industrial Park. Its main source of revenue is a transfer from the CIDC Revenue Clearing Fund.

CIDC Debt Service Expenditures	\$ 6,446,067
Transfer In	<u>\$ 6,446,067</u>
CIDC Debt Service Revenues Total	\$ 6,446,067

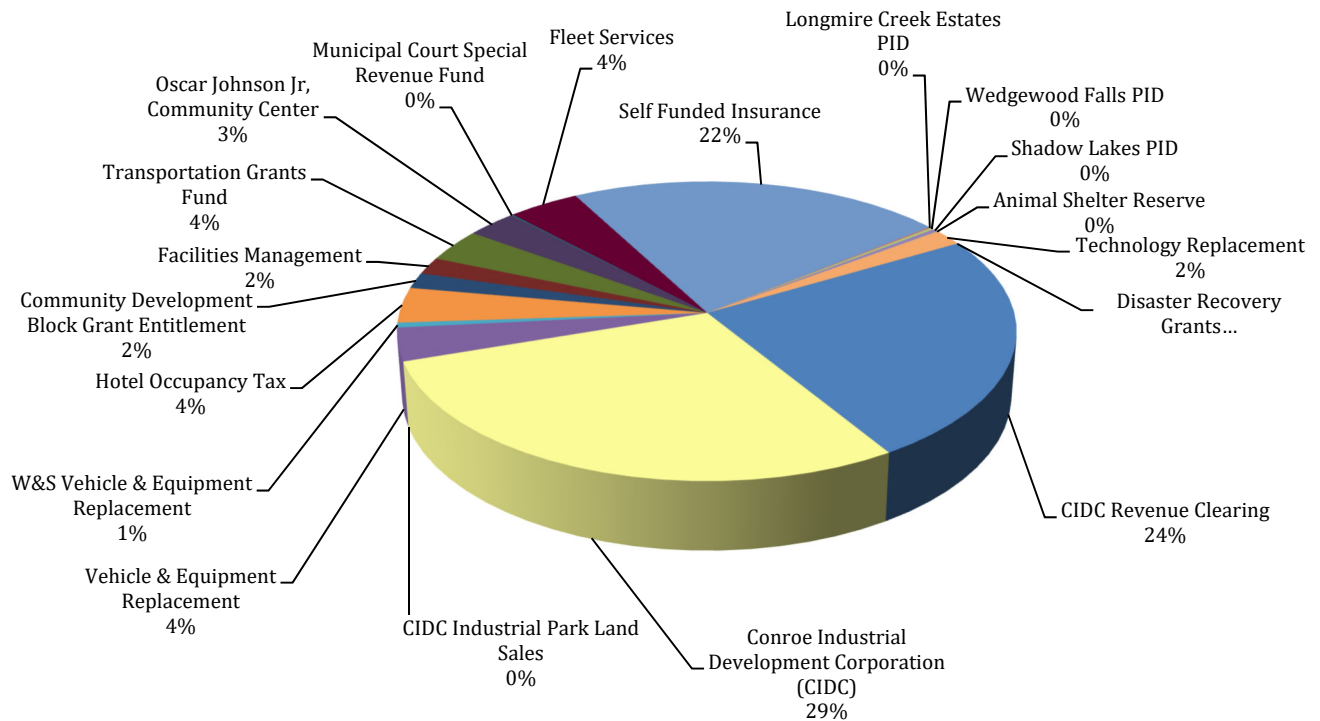
**Convention Center Debt
Service Fund
\$854,641**

The Convention Center Debt Service Fund provides the funds for the payment of principal and interest on debt related to the convention center and parking garage adjacent to the Conroe Hyatt Regency Hotel.

These bonds will be used for the payment of design, construction and equipment of the convention center, related infrastructure, and parking facilities. Once the project is opened, these bonds will be repaid from sales taxes and hotel occupancy taxes from the hotel and convention center.

Convention Center Debt Service Expenditures	\$ 854,641
Transfer In	<u>\$ 707,150</u>
Convention Center Debt Service Revenues Total	\$ 707,150

**Other Operating
Funds Expenditures
\$55,754,268
(\$28,945,610)**



Other Operating Funds

Vehicle & Equipment Replacement Funds **\$2,278,973**

The Vehicle and Equipment Replacement Fund (VERF) accounts for revenues and expenses that are used to purchase replacement City vehicles and equipment for the City's general government and water and sewer operating funds. Revenue to the general government VERF includes a transfer in from the General, Facilities Management, and Fleet Services Funds. Revenue to the Water & Sewer VERF is from a transfer in from the Water & Sewer Operating Fund.

GF Vehicle & Equipment Replacement	\$ 1,987,740
Water & Sewer Vehicle & Equipment Replacement	<u>291,233</u>
Vehicle & Equipment Replacement Funds Total	\$ 2,278,973

CIDC General Fund **\$16,026,842**

In 1994, Conroe voters adopted a ½ cent sales tax for economic development. The money is controlled by a non-profit entity known as the Conroe Industrial Development Corporation (CIDC). The CIDC has a funding structure that includes three funds: CIDC Revenue Clearing, CIDC Debt Service, and CIDC General Fund. The CIDC General Fund includes expenditures for economic development incentives for companies located in the city. In FY 2021-2022, transfers are included for underground utilities on SH 105, water infrastructure, and the technology replacement fund. Transfers are also included to the General Obligation Debt Service Fund for the payment of principal and interest costs for bonds issued to benefit the parks system, to the Water & Sewer Debt Service Fund for the payment of principal and interest costs for the water well constructed in the Conroe Park North Industrial Park, and a transfer for the capitalized interest payment for the Convention Center Debt Service Fund for the construction of the convention center facilities.

CIDC General Fund	\$ 16,026,842
CIDC General Fund Total	\$ 16,026,842

CIDC Revenue Clearing Fund **\$13,633,123**

The CIDC Revenue Clearing Fund was established as a pledge to creditors who purchased the bonds issued by the CIDC. The fund assures bondholders that the

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appropriate funding amount is withdrawn from the clearing fund each month and deposited into the debt service fund.

CIDC Revenue Clearing	<u>\$ 13,633,123</u>
CIDC Revenue Clearing Fund Total	\$ 13,633,123

Hotel Occupancy Tax (HOT) Fund **\$2,126,032**

The HOT Fund accounts for revenues and expenditures that are derived from a 7% hotel occupancy tax that must be used to promote the tourism and convention industry. Expenditures support the Conroe Convention and Visitors Bureau (CVB).

Hotel Occupancy Tax	<u>\$ 2,126,032</u>
Hotel Occupancy Tax (HOT) Fund	\$ 2,126,032

Community Development Block Grant Entitlement Fund **\$948,887**

The Community Development Block Grant (CDBG) Entitlement Fund was established to account for the annual payment the city receives from the US Department of Housing and Urban Development for participation in the CDBG program. CDBG funds can be used to improve areas of a community that are populated with families that earn a low to moderate income.

CDBG Entitlement	<u>\$ 948,887</u>
CDBG Entitlement Fund Total	\$ 948,887

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Facilities Management Fund **\$1,023,361**

The Facilities Management Fund was established to account for the rental income and expenditures of operating the Conroe Tower. This fund also includes maintenance costs for the Madeley Building, Owen Theatre, and the Conroe Municipal Center.

Facilities Management	\$ <u>1,023,361</u>
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Facilities Management Fund Total	\$ 1,023,361
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Transportation Grants Funds **\$1,962,981**

Transportation Grants Funds are established when grants are awarded for mobility and transportation needs of the City of Conroe. Grants received from the Federal and State government along with City general funds provide a fixed route transit service enabling riders to have greater benefits from work-related opportunities, shopping and access to governmental and medical services.

Transportation Grants	\$ <u>1,962,981</u>
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Transportation Grants Fund Totals	\$ 1,962,981
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Fleet Services Fund **\$2,353,394**

The Fleet Services Fund was established to account for revenues and expenditures associated with the City's vehicles and rolling stock equipment. Fleet Services manages the service and maintenance of the City of Conroe and other local government fleets. Fleet Services staff performs vehicle and equipment repairs, maintenance, acquisition, and disposal.

Fleet Services	\$ <u>2,353,394</u>
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Fleet Services Fund Total	\$ 2,353,394
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FY 2021-2022 BUDGET-IN-BRIEF

Oscar Johnson, Jr. Community Center Fund **\$1,658,276**

The Oscar Johnson, Jr. Community Center (OJJCC) Fund was established to account for revenues and expenditures associated with the Oscar Johnson, Jr. Community Center. The center, located on 2.5 acres south of downtown, offers after-school programs and summer day camps for children. It also offers adult education classes, special events, seasonal swimming, outdoor basketball courts, and community service opportunities for teens.

Oscar Johnson, Jr. Community Center	\$ 1,658,276
Oscar Johnson, Jr. Community Center Fund Total	\$ 1,658,276

Self-Funded Insurance Fund **\$12,322,890**

The Self-Funded Insurance Fund was established to account for revenues and expenditures related to employee health, dental, and vision insurance coverage. Revenues include employer and employee contributions for health, dental, and vision insurance, and expenditures include health, dental, and vision claims as well as administration costs. Retiree insurance benefits are budgeted here as well.

Self Funded Insurance	\$ 12,322,890
Self Funded Insurance Fund	\$ 12,322,890

Municipal Court Funds **\$63,000**

The Municipal Court Funds were established to account for revenues from fines and expenditures for specifically authorized purposes established by state law.

Municipal Court Technology	\$ 5,000
Municipal Court Building Security	26,250
Municipal Court Local Truancy Prevention & Diversion	22,750
Municipal Court Efficiency Fee	4,000
Municipal Court Truancy Prevention	5,000
Municipal Court Jury Fund	-
Municipal Court Time Payment Reimbursement Fee	-
Municipal Court Funds Total	\$ 63,000

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PID Funds **\$360,163**

The PID Funds are Special Revenue Funds used to account for revenues and expenditures related to residential development. Revenues include collections of assessments based on rates in the Public Improvement District (PID) that were established by Ordinance. The City reimbursed the developers for costs of infrastructure and will finance those costs with debt payments that mature in 2040. The debt payments are funded by transfers from the PID Funds to the General Obligation Debt Service Fund.

Longmire Creek Estates PID	\$	63,887
Wedgewood Falls PID		118,982
Shadow Lakes PID		177,294
PID Funds Total	\$	360,163

Animal Shelter Reserve Fund **\$13,250**

The Animal Shelter Reserve Fund is a Special Revenue Fund used to account for revenues and expenditures related to the Conroe Animal Shelter building and property. Revenues include a portion of collections from inter-local agreements that has been designated as a reserve for the Animal Shelter. Expenditures may include repairs, maintenance, and improvements to the Conroe Animal Shelter building and property.

Animal Shelter Reserve Fund	\$	13,250
Animal Shelter Reserve Fund Total	\$	13,250

Technology Replacement Fund **\$983,096**

The Technology Replacement Fund accounts for revenues and expenses that are used to purchase replacement City computers, hardware, and equipment for the City's general government and water and sewer operating funds. Revenue to the general government Technology Fund includes a transfer in from the General Fund and the Water & Sewer Operating Fund.

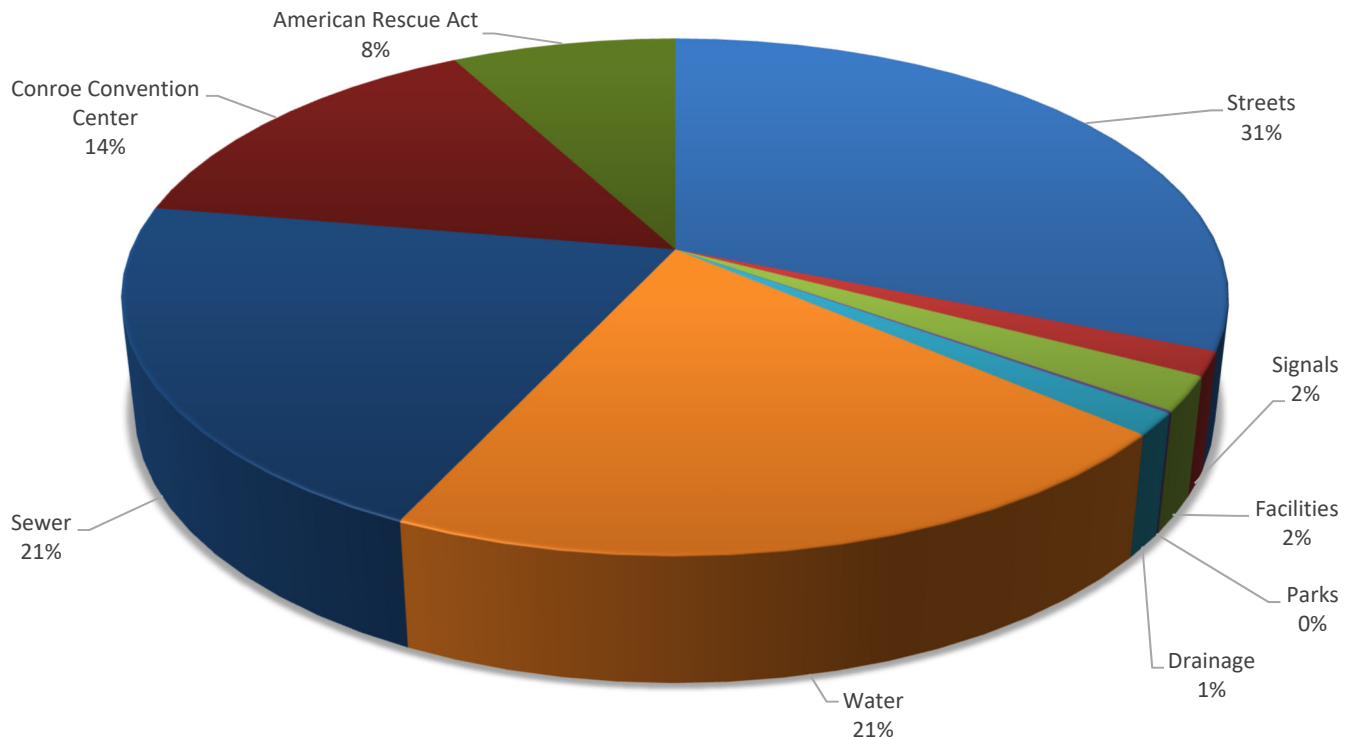
Technology Replacement	\$	983,096
Technology Replacement Fund Total	\$	983,096

CITY OF CONROE, TEXAS

Capital Improvement Program Expenditures \$197,359,000

Capital Improvement Program

The Capital Improvement Program (CIP) provides funding for streets, signals, facilities, parks, drainage, and transportation projects in the General Government CIP as well as projects for water and wastewater improvements in the Water and Sewer CIP. These capital assets are of significant value and generally have a useful life of twenty years or more.



The 2021-2022 Capital Improvement Program is \$197,359,000, which includes projects that are currently in progress. Of this amount, 36% are for General Government improvements, 41% are for Water & Sewer improvements, 14% are for the construction of the new Convention Center and Hotel, and 8% are for other expenditures such as American Rescue Act.

FY 2021-2022 BUDGET-IN-BRIEF

Major projects in these programs include:

Streets

Road Widening with Improvements - Old Conroe Road South Section
Street Rehab - Tanglewood/Briarwood Phase 1A
Road Widening with Improvements - TIRZ #3 - Old Conroe Road North Section
Street Rehab - Sherman Area
Street Rehab - Wiggins Village
Street Rehab - Sunset Ridge
Railroad Crossing Quiet Zone Upgrades - Downtown
Sidewalk - Metcalf
Sidewalk - River Pointe Drive
Hike & Bike Trail - Alligator Creek - Option 1
Underground Electrical Conversion - Downtown Alleys
Roadway Extension - Mike Meador Boulevard
Street Rehab - Tanglewood/Briarwood Phase 2A
Street Realignment - Dallas and Roberson Intersection
Roadway Widening - Old Montgomery Road
Sidewalk - Dallas, San Jacinto and North Thompson
Sidewalk - Davis - From Pacific to 10th Street
Sidewalks - Longmire Way
Sidewalks - Flournoy Park
Sidewalks - Lions Park
Street Rehab - North 6th Street Area
Sidewalk - Loop 336 North
Street Rehab - Rivershire Area
Street Rehab - Tanglewood/Briarwood Phase 1B
Street Rehab - Lake Conroe Forest Phase 1
Street Rehab - Service Center Area
Roadway Extension - David Memorial

Signals

Signal Upgrades - City Wide Flashing Yellow Arrows (5-year Plan)
Signal System Upgrades - City Wide Radars (5-year Plan)
Signal - Sgt. Ed Holcomb at Camelot
Signal - North Loop 336 at Montgomery Park Blvd.
Signal Upgrades - South Loop 336 at River Pointe
Signal - Longmire Road at Wedgewood Blvd.
Signal Upgrades - Mast Arms (5-year Plan)

CITY OF CONROE, TEXAS

FY 2021-2022 BUDGET-IN-BRIEF

Signal - League Line at Longmire Road
Signal - Airport Road at Technology Parkway

Facilities

Fire Department - Fire Station #8
Old Fleet Building Renovation

Parks

Candy Cane Park Roadway Improvements
Restroom Building for Carl Barton, Jr. Park

Drainage

Rehab - Alligator Creek Phase 1
Rehab - Crighton Ridge

Transportation Grants

None

Water

Water Line Extension - Water Well No. 24 Blending
Water Line Extension - Seven Coves SH 75 to Farrel
Water Line Rehab - Hwy 105 West to Lester
Water Line Replacement - Sherman Street Area
Water Line Rehab - North Thompson Area
Elevated Storage Tank - McCaleb/Tejas
Water Line Extension - Wally Wilkerson to FM 1484 (CIDC)
Water Line Rehab - Rivershire and Gladstell Area
Water Line Extension - Ed Kharbat Drive
Water Line Rehab - Conroe Hospital Area
Water Plant - Seven Coves Area (CIDC)
Ameresco AMI/Water Meter Project

Sewer

Treatment Plant - Construction of New Plant (Phase IV)
Flood Protection - Southwest Wastewater Treatment Plant
Sewer System Improvements - Carl Barton
Gravity Main Replacement - Upper Stewart Creek Phase 1

CITY OF CONROE, TEXAS

FY 2021-2022 BUDGET-IN-BRIEF

Trunk Line Replacement - Stewarts Creek (Avenue M to Ed Kharbat)
Lift Station Consolidation - Area No. 01
Sewer Rehab and Expansion of Lift Station - Camp Silver Springs Option 1
Lift Station Consolidation - Area No. 03
Lift Station Consolidation - Area No. 02
Lift Station Upgrade - FM 1488
Sewer Replacement - Tanglewood Area Phase 1A
SSOI Program - Section 8

Facilities

Conroe Convention Center & Parking Garage

American Rescue Act - Water

Water Rehab - Tanglewood Phase 2
Water Rehab - Sunset Ridge
Water Line Rehab - East Semands Street Area

American Rescue Act - Sewer

Sewer Rehab - Middle Stewarts Creek (Ave. M to Hwy 105)
Sewer Rehab - Sunset Ridge
Trunk Line Rehab - Lower Stewarts Creek (S. Loop 336 - IH 45)

City of Conroe
FY 2021-2022
Budget Preparation Calendar

February	Budget Kick-off Department Training VERF Committee Meeting
March	Budget Submissions Due Review of New Budget Requests
April	Ranking of New Budget Requests Budget Draft Creation
May	Operating Budget Meeting with City Administrator CIP Budget Meeting with City Administrator
June	Submit Preliminary Tax Rate Data to Montgomery County Tax Office Budget Review Meeting with Mayor Budget Review Meetings with City Council Members
July	Submit Final 2021 Tax Rate Calculation Data to Montgomery County Tax Office Proposed Budget submitted to City Council City Council Budget Retreat Chief Appraiser certifies the appraisal roll No-New-Revenue and Voter-Approval tax rates are calculated and submitted to City Council
August	Public Hearing is held
September	Public Hearing is held Vote to Ratify the Property Tax Increase (if needed) City Council adopts the Operating Budget, the Annual Tax Rate, and the Capital Improvement Program
October	Fiscal year begins Adopted Operating Budget Book Published Adopted Capital Improvement Program Book Published Budget-in-Brief Document Published

FY 2021-2022 BUDGET-IN-BRIEF

City of Conroe Profile

2021 Population 92,648

Source: City of Conroe

Square Miles 75.5

Source: City of Conroe

City Government Information

Form of Government Council-Administrator

Number of Full-time City Employees 638

Citizens Per Employee 145.2

Source: City of Conroe

Taxation Information

Property Tax Rate \$0.4375 per \$100 Assessed Value

Total Taxable Value \$10,672,297,776

Taxable Value Per Capita \$115,192

Percent Increase in Property Tax Roll

From FY 2020-2021 to FY 2021-2022 10.7%

Source: Montgomery Central Appraisal District

Sales Tax Revenue (FY 2020) \$49,674,919

Source: Texas Comptroller of Public Accounts

(<https://mycpa.cpa.state.tx.us/allocation/AllocHist>)

City Debt Information

FY 2021-2022:

Net Bonded Debt \$209,346,803

Debt Per Capita \$2,260

Debt as a Percent of Tax Base 2.1%

Source: City of Conroe

Climatological Summary

Annual Average Temperature (Daily Mean) 69°F

Annual Rainfall 48.77 Inches

Source: United States Geography

(<http://countrystudies.us/united-states/weather/texas/conroe.htm>)

CITY OF CONROE, TEXAS

City of Conroe Profile

Transportation

Conroe-North Houston Regional Airport

Distance: 0.0 miles (located inside city limits)

Address: 10260 Carl Pickering Memorial Drive

Building 11A

Conroe, TX 77303

Website: www.lonestarairport.org

Source: Montgomery County

George Bush Intercontinental Airport

Distance: 33.5 miles

Address: 2800 North Terminal Road

Houston, TX 77032

Website: www.fly2houston.com

Source: Houston Airport System

Greater Conroe/Lake Conroe Area Chamber of Commerce

505 West Davis

Conroe, TX 77301

Phone: (936) 756-6644

www.conroe.org

Conroe Convention & Visitors Bureau

700 Metcalf St.

Conroe, TX 77301

Phone: (936) 522-3000

www.conroecvb.net

For additional copies contact:

Finance & Administration Department

300 West Davis

Conroe, Texas 77301

(936) 522-3040

Or on the Internet at www.cityofconroe.org



CITY OF CONROE

*"To protect and serve the citizens of Conroe
and exceed their expectations."*