

# **City of Conroe 2023-2024**

## **Listing of City Officials**

### **Elected Officials**

Mayor	Jody Czajkoski
Councilman Place 1	Todd Yancey
Councilman Place 2	Curt Maddux
Councilman Place 3	Harry Hardman
Councilman Place 4	Howard Wood
Councilman Place 5	Marsha Porter
Municipal Court Judge	William Waggoner

### **Appointed Officials**

City Administrator	Gary Scott
City Secretary	Soco Gorjon
City Attorney (Interim)	Michael Garner
Assistant City Administrator/Director of Finance	Collin Boothe
Assistant City Administrator/Director of Public Works	Norman McGuire
Assistant City Administrator/Director of Community Development	Nancy Mikeska
Police Chief	Jeff Christy
Fire Chief	Ken Kreger
Director of Human Resources	Andre Houser
Director of Parks & Recreation	Mike Riggins
Executive Director of Conroe Industrial Development Corporation	Danielle Scheiner

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## FY 2023-2024 BUDGET-IN-BRIEF

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# FY 2023-2024 BUDGET-IN-BRIEF

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October 1, 2023

The City of Conroe is pleased to present the fiscal year 2023-2024 “Budget-In-Brief.” This document summarizes the annual budget for the fiscal year beginning October 1, 2023, and ending September 30, 2024.

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 FY 2023-2024 budget 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 exemplary City employees. We are indeed focused on our mission statement:

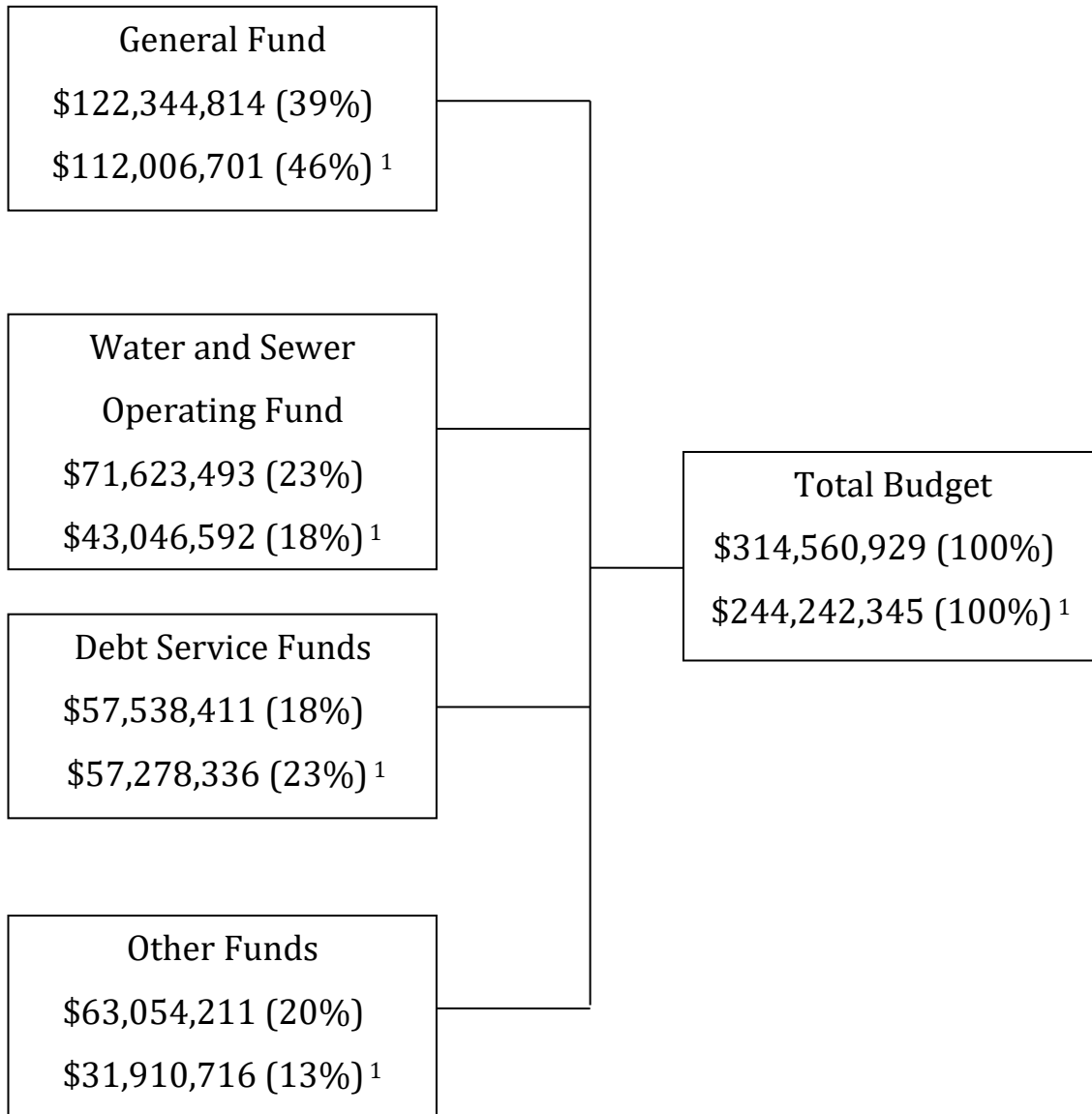
“To protect and serve the citizens of Conroe and exceed their expectations.”

Sincerely,

*Jody Czajkoski*

Jody Czajkoski  
Mayor

## Organization of the Total Budget



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

## **FY 2023-2024 Budget Summary**

On September 14, 2023, the Conroe City Council approved a \$314,560,929 budget with a 3 % contingent appropriation for FY 2023-2024. Net of interfund transfers, the total budget is \$244,242,345. The approved budget comprises the General, Water, and Sewer Operating, Debt Service, and Other Operating Funds.

### **General Fund**

The General Fund accounts for 39% of the budget and supports essential services such as police, fire, parks, recreation, streets, and other community services. It is the City's general operating fund 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 accounts for transactions financed from taxes or other general revenues.

### **Water and Sewer Operating Fund**

The Water and Sewer Operating Fund comprises 23% of the budget. This fund accounts 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 funded through user charges (water and sewer bills). However, there is no profit margin, unlike private businesses.

### **Debt Service Funds**

The Debt Service Funds category comprises four funds: General Obligation Debt Service Fund, Water and Sewer Debt Service Fund, Conroe Industrial Development Corporation (CIDC) Debt Service Fund, and the Convention Center Debt Service Fund. These four funds account for 18% of the budget and pay for the City's debt's annual interest and principal costs.

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 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 provides

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## FY 2023-2024 BUDGET-IN-BRIEF

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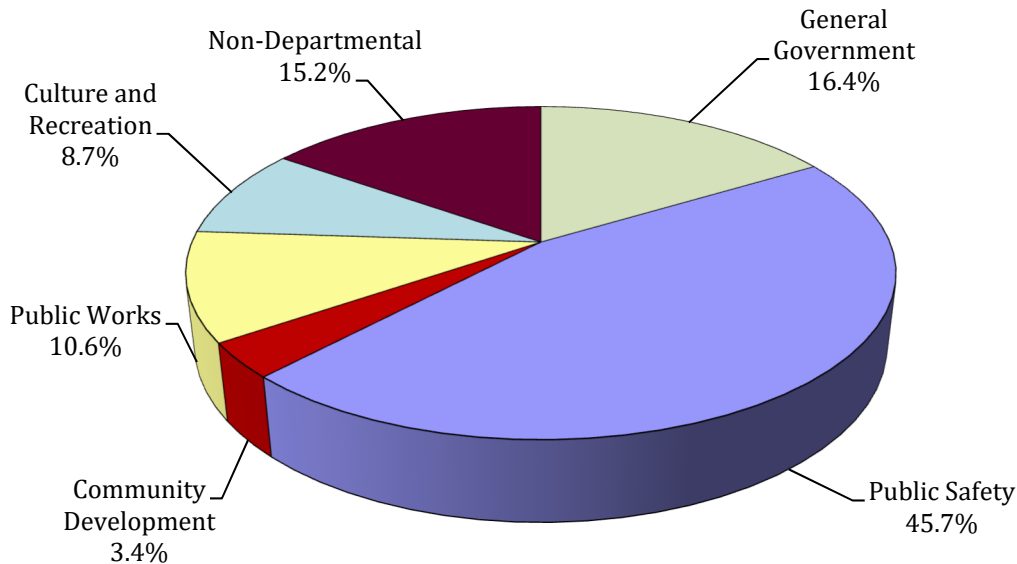
the funds necessary to retire the City's outstanding sales tax revenue-supported debt. This debt consists of revenue-supported bonds used for economic development purposes and repaid with a portion of the ½-cent sales tax charged within the City. The Convention Center Debt Service Fund provides the funds 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 make up 20% 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, Transportation Grants Funds, 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, Firearms Training Facility, Self-Funded Insurance Fund, Public Improvement District (PID) Funds, Animal Shelter Reserve Fund, Technology Replacement Fund, and Disaster Recovery Grants Fund.

## General Fund Expenditures

**\$122,344,814**  
**(\$112,006,701)**



## General Fund Services

### General Government

**\$20,068,204**

The General Government category is comprised of the Administration, Mayor & City Council, Communications, Transportation, Downtown Development, Legal, Municipal Court, Facilities Management, 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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**CITY OF CONROE, TEXAS**

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## FY 2023-2024 BUDGET-IN-BRIEF

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Administration	\$	842,706
Mayor & City Council		1,233,498
Communications		144,063
Transportation		3,268,622
Downtown Development		765,806
Legal		956,707
Municipal Court		1,502,960
Facilities Management		1,523,714
Finance		2,823,178
CDBG Administration		263,208
Purchasing - Warehouse		451,592
Information Technology		5,065,317
Human Resources		1,226,831
		<hr/>
	\$	20,068,204

### **Public Safety** **\$55,859,334**

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 prepares for and responds to fire, rescue, medical, and environmental emergencies.

Police Administration	\$	2,219,243
Police Support Services		1,958,623
Police Patrol		18,621,443
Police Investigative Services		5,862,625
Police Animal Services		846,912
Police Commercial Vehicle Enforcement Program		168,389
Fire		26,182,099
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	\$	55,859,334

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## CITY OF CONROE, TEXAS

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## FY 2023-2024 BUDGET-IN-BRIEF

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### Culture and Recreation

**\$10,635,133**

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 C. K. Ray Recreation Center and the Westside Recreation Center provide 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 Oscar Johnson, Jr. Community Center provides after-school activities. The Aquatic Center provides safe, quality, and state-of-the-art pools for the citizens of Conroe.

Parks & Recreation Administration	\$	1,145,182
CK Ray Recreation Center		1,247,516
Oscar Johnson, Jr. Community Center		1,700,564
Senior Center		204,810
Aquatic Center		1,598,278
Parks Operations		3,618,529
Westside Recreation Center		<u>1,120,253</u>
	\$	<b>10,635,133</b>

### Community Development

**\$4,183,549**

The Community Development category includes the Code Enforcement and the Building Inspections & Permits departments. The Code Enforcement 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 completing many ongoing projects and development relative to the City's Building Inspections & Permits processes. The Building Permits team provides reviews 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.

Community Development	\$	2,016,693
Building Inspections & Permits		<u>2,166,856</u>
	\$	<b>4,183,549</b>

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**CITY OF CONROE, TEXAS**

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## FY 2023-2024 BUDGET-IN-BRIEF

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### Public Works

**\$12,943,576**

The Public Works category includes Drainage Maintenance, Streets Maintenance, Signal Maintenance, Sign Maintenance, and Engineering. The Drainage Maintenance Department provides stormwater control to the City by utilizing the resources dedicated to maintaining drainage ways. The Streets Department maintains streets, controls traffic, trims trees in the City rights-of-way, repairs curbs, and gutters, installs and replaces directional marking, and maintains street signage. The Signal Maintenance Department efficiently maintains and operates the city's traffic signals and illumination lighting. The Engineering Department establishes policies and procedures for addressing traffic issues, maintains and enforces the city's floodplain and floodway ordinances, and designs major roadway and infrastructure improvements.

Drainage Maintenance	\$ 1,386,075
Streets Maintenance	4,756,859
Signal Maintenance	1,653,381
Sign Maintenance	912,339
Engineering	4,234,922
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	\$ 12,943,576

### General Fund Non-Departmental

**\$18,655,018**

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, payments of the principal, and interest for lease-purchase agreements.

GF Non-Departmental	\$ 18,655,018
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	\$ 18,655,018

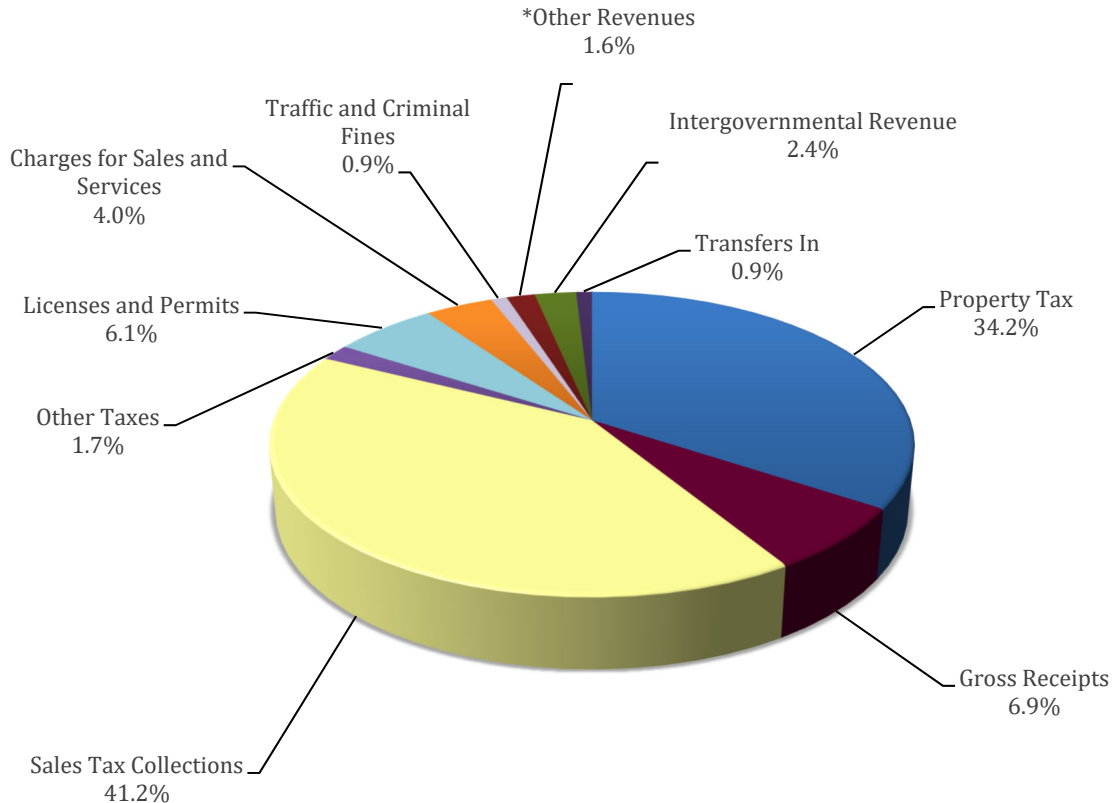
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## FY 2023-2024 BUDGET-IN-BRIEF

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### General Fund Revenue Sources

**\$124,587,415**  
**(\$123,428,898)**



#### \*Other Revenues

Investment Income	0.9%
Lease Income	0.2%
Penalties & Interest	0.1%
Miscellaneous Revenue	<u>0.5%</u>
	1.6%

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CITY OF CONROE, TEXAS

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## FY 2023-2024 BUDGET-IN-BRIEF

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### General Fund Revenue Sources

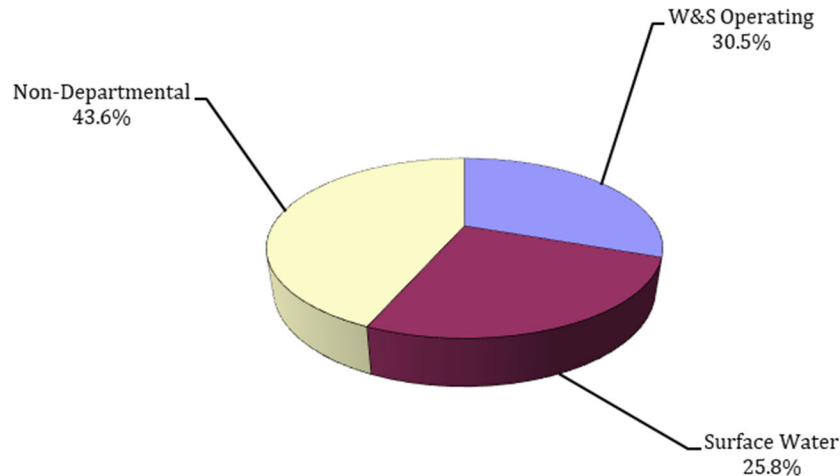
The General Fund has a number of revenue sources, the largest of which is Sales Tax. It constitutes 41.2 % of all General Fund revenues. Additional sources of revenue include Property Taxes, Gross Receipts Taxes, Other Taxes, Licenses and Permits, Charges for Sales and Services, Traffic and Criminal Fines, Intergovernmental, and Other Revenues.

The tax roll of the City of Conroe continues to grow, increasing by 9.9% from FY 2022-2023. The July 25, 2023, Certified Tax Roll of \$14,358,166,956 marks an increase of \$1,293,750,720 over the previous year's certified roll on August 5, 2022.

Property Tax	\$	42,622,358
Gross Receipts		8,620,611
Sales Tax Collections		51,329,552
Other Taxes		2,122,032
Licenses and Permits		7,595,448
Charges for Sales and Services		4,923,896
Traffic and Criminal Fines		1,157,052
*Other Revenues		2,054,277
Intergovernmental		3,003,672
Transfers In		1,158,517
<b>General Fund Revenues Total</b>	<b>\$</b>	<b>124,587,415</b>

In FY 2023-2024, budgeted General Fund revenues will exceed the General Fund expenditures by \$2,242,601. Additionally, this fund will maintain a reserve amount equal to 148.1 days (or 40.6% of the fund's total expenditures.)

## Water & Sewer Operating Fund Expenses \$71,623,493 (\$43,046,592)



## W & S Operating Fund Services

### Public Works \$21,880,377

The Public Works category comprises of seven departments: Utility Billing, Public Works Administration, Water, Southwest Wastewater Plant, Conroe Central Wastewater Plant, Sewer Maintenance, and Pump and Motor Maintenance.

The Utility Billing Department's mission is to assess user charges accurately, 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 water and sewer usage and provide timely water meter installations and repairs.

The Public Works Administration manages resources dedicated to providing water and wastewater utilities and maintaining streets and drainage. This department assists in the engineering design standards and construction criteria for many



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## FY 2023-2024 BUDGET-IN-BRIEF

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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 Southwest Wastewater Plant and the Conroe Central Wastewater Plant treat and discharge 3.4 billion gallons of treated wastewater annually. 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	\$ 2,829,747
Utility Billing	2,841,956
Water	6,201,922
Southwest Wastewater Plant	3,336,458
Conroe Central Wastewater Plant	2,121,045
Sewer	3,073,460
Pump & Motor Maintenance	1,475,788
<b>Public Works Total</b>	<b>\$ 21,880,377</b>

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## FY 2023-2024 BUDGET-IN-BRIEF

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### **Surface Water** **\$18,507,265**

The City participates 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 City and the SJRA agreement, 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 pass-through cost is charged to customers in the Surface Water Conversion Fee. The proposed cost is based on the SJRA rate and historical water usage.

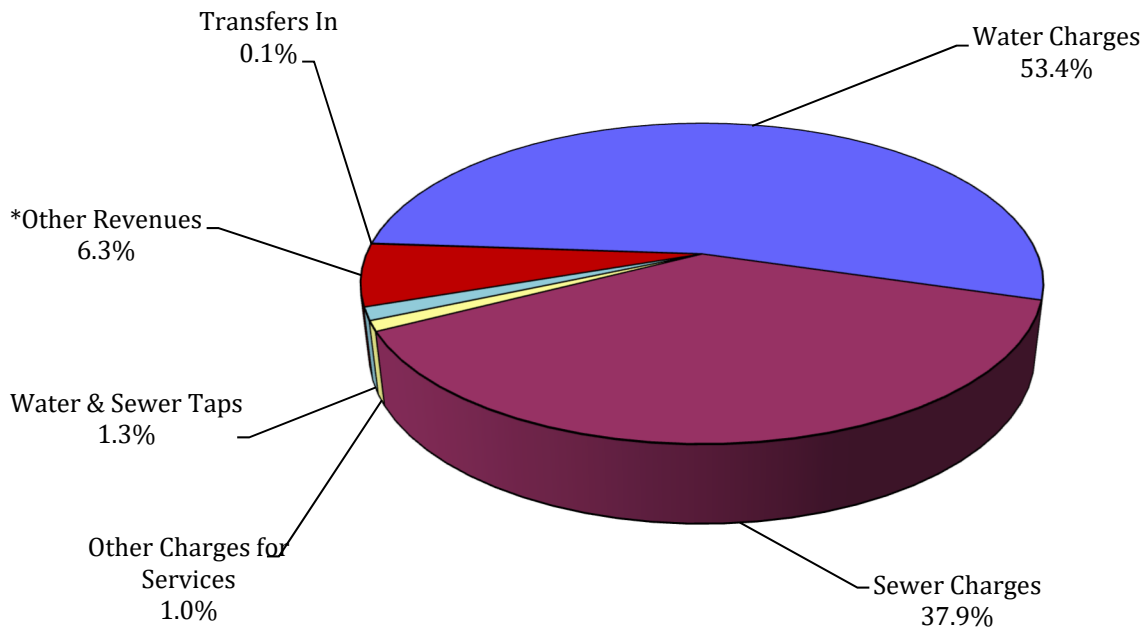
Surface Water	<u>\$ 18,507,265</u>
<b>Surface Water Department Total</b>	<b>\$ 18,507,265</b>

### **Water & Sewer Fund Non-Departmental** **\$31,235,851**

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>\$ 31,235,851</u>
<b>W&amp;S Operating Fund Non-Departmental Total</b>	<b>\$ 31,235,851</b>

**Water & Sewer Operating  
Fund Revenues  
\$65,357,394  
(\$65,316,601)**



**\*Other Revenues**

Discharged Water Sales	0.0%
Special Revenue/Water & Sewer	0.0%
Intergovernmental	4.0%
Interest on Investments	1.0%
Miscellaneous Revenue	1.2%
	<hr/>
	6.3%

## 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 28.1 % of fund revenues, while Sewer Charges constitute 37.9%. 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 24.5% 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 over the prior year budget. In FY 2023-2024, the water and sewer rates were increased by 3.25% for residential customers and 6.75% for commercial customers. Water and sewer “Lifeline Rate” provide a discount for customers age 65 and over and/or disabled customers. This rate was increased for the FY 2023-2024 budget year. Additionally, water bills include a pass-through fee charged to the City by the Lone Star Ground Water Conservation District. Proposed FY 2023-2024 revenues assume an overall decrease of 1.7% over FY 2022-2023 projections.

Water Charges	\$	18,366,345
Groundwater Conservation Fee		271,382
Sewer Charges		24,750,101
Surface Water Conversion Fee		16,011,081
Water Taps		785,919
Sewer Taps		70,895
Service Charges		680,711
Pretreatment Fees		281,383
*Other Revenues		4,098,784
Transfer In		40,793
<b>Water and Sewer Operating Fund Revenue Total</b>	<b>\$</b>	<b>65,357,394</b>

**General Obligation Debt  
Service Fund  
\$25,230,316**

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, Gladstell Road, and Old Conroe 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 industrial 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.

<b>General Obligation Debt Service Expenditures</b>	<b>\$ 25,230,316</b>
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Property Taxes	\$ 17,666,776
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Interest	208,407
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Penalties and Interest	96,902
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Transfer In	<u>7,116,534</u>
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<b>General Obligation Debt Service Revenues Total</b>	<b>\$ 25,088,619</b>
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**Water & Sewer Debt  
Service Fund  
\$25,104,831**

The Water & Sewer Debt Service Fund provides the funds necessary to retire the city's outstanding revenue-supported debt. 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 constructed water well in the Conroe Park North Industrial Park.

<b>Water &amp; Sewer Debt Service Expenditures</b>	<b>\$ 25,104,831</b>
Transfer In	<u>\$ 25,104,831</u>
<b>Water &amp; Sewer Debt Service Revenues Total</b>	<b>\$ 25,104,831</b>



**CIDC Debt  
Service Fund  
\$6,448,714**

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 issuances 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 and were refunded in 2020. 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.

<b>CIDC Debt Service Expenditures</b>	<b>\$ 6,448,714</b>
Transfer In	<u>\$ 6,448,714</u>
<b>CIDC Debt Service Revenues Total</b>	<b>\$ 6,448,714</b>

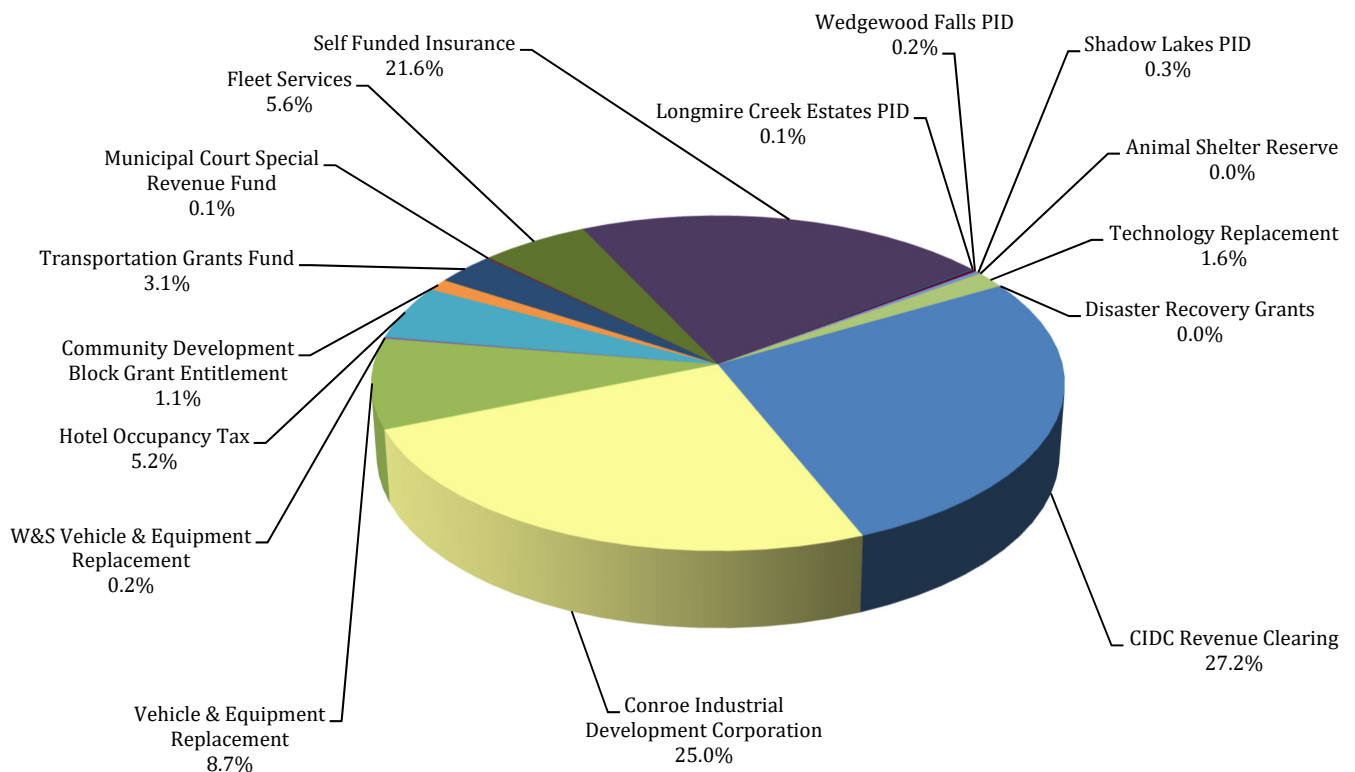
**Convention Center Debt  
Service Fund  
\$754,550**

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. Although property taxes were pledged as the primary revenue source for this fund, the City anticipates paying for this debt with local sales tax and hotel occupancy tax from the project when available.

<b>Convention Center Debt Service Expenditures</b>	<b>\$ 754,550</b>
Transfer In	<u>\$ 754,550</u>
<b>Convention Center Debt Service Revenues Total</b>	<b>\$ 754,550</b>

## Other Operating Funds Expenditures \$63,054,211 (\$57,615,785)



## Other Operating Funds

### Vehicle & Equipment Replacement Funds \$5,582,351

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.

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## FY 2023-2024 BUDGET-IN-BRIEF

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### Vehicle & Equipment Replacement Funds

GF Vehicle & Equipment Replacement	\$ 5,482,351
Water & Sewer Vehicle & Equipment Replacement	<u>100,000</u>
<b>Vehicle &amp; Equipment Replacement Funds Total</b>	<b>\$ 5,582,351</b>

### CIDC General Fund \$15,749,389

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 2023-2024, transfers are included for signal upgrades, 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 for the Oscar Johnson Jr. Community Center and 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	\$ <u>15,749,389</u>
<b>CIDC General Fund Total</b>	<b>\$ 15,749,389</b>

### CIDC Revenue Clearing Fund \$17,146,376

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

CIDC Revenue Clearing	\$ <u>17,146,376</u>
<b>CIDC Revenue Clearing Fund Total</b>	<b>\$ 17,146,376</b>

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## FY 2023-2024 BUDGET-IN-BRIEF

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### **Hotel Occupancy Tax (HOT) Fund** **\$3,287,252**

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>\$ 3,287,252</u>
<b>Hotel Occupancy Tax (HOT) Fund</b>	<b>\$ 3,287,252</b>

### **Community Development Block Grant Entitlement Fund** **\$719,914**

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>\$ 719,914</u>
<b>CDBG Entitlement Fund Total</b>	<b>\$ 719,914</b>

### **Transportation Grants Funds** **\$1,927,598**

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>\$ 1,927,598</u>
<b>Transportation Grants Fund Totals</b>	<b>\$ 1,927,598</b>

### **Fleet Services Fund** **\$3,555,120**

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.

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## FY 2023-2024 BUDGET-IN-BRIEF

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Fleet Services	\$ 3,555,120
<b>Fleet Services Fund Total</b>	<b>\$ 3,555,120</b>

### **Self-Funded Insurance Fund** **\$13,609,244**

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 and administration costs. Retiree insurance benefits are budgeted here as well.

Self Funded Insurance	\$ 13,609,244
<b>Self Funded Insurance Fund</b>	<b>\$ 13,609,244</b>

### **Municipal Court Funds** **\$86,596**

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

Municipal Court Technology	\$ 8,400
Municipal Court Building Security	33,696
Municipal Court Local Truancy Prevention & Diversion	35,500
Municipal Court Efficiency Fee	4,000
Municipal Court Truancy Prevention	5,000
Municipal Court Jury Fund	-
Municipal Court Time Payment Reimbursement Fee	-
<b>Municipal Court Funds Total</b>	<b>\$ 86,596</b>

### **PID Funds** **\$375,389**

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) established by the Ordinance. The City reimbursed the developers for infrastructure costs 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.



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## FY 2023-2024 BUDGET-IN-BRIEF

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Longmire Creek Estates PID	\$	64,912
Wedgewood Falls PID		130,668
Shadow Lakes PID		<u>179,809</u>
<b>PID Funds Total</b>	<b>\$</b>	<b>375,389</b>

### **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	\$	<u>13,250</u>
<b>Animal Shelter Reserve Fund Total</b>	<b>\$</b>	<b>13,250</b>

### **Technology Replacement Fund**

**\$1,001,732**

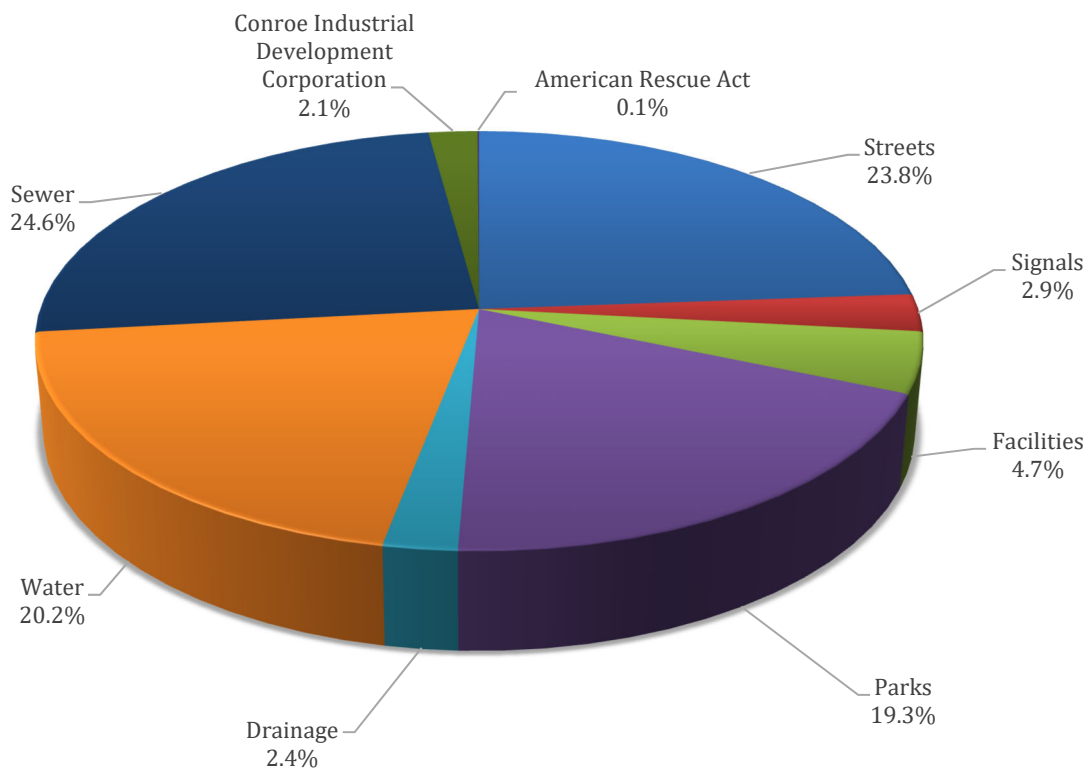
The Technology Replacement Fund accounts for revenues and expenses that are used to purchase replacement City computers, hardware, and equipment for the City's general government and water and sewer operating funds. Revenue to the general government Technology Fund includes a transfer in from the General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

Technology Replacement	\$	<u>1,001,732</u>
<b>Technology Replacement Fund Total</b>	<b>\$</b>	<b>1,001,732</b>

# Capital Improvement Program Expenditures \$184,955,000

## 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 2023-2024 Capital Improvement Program is \$184,955,000 which includes projects that are currently in progress. Of this amount, 53.0% are for General Government improvements, 44.9% are for Water & Sewer improvements, Conroe Industrial Development Corporation 2.1% and 0.1% are for other expenditures such as American Rescue Act.

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## FY 2023-2024 BUDGET-IN-BRIEF

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Major projects in these programs include:

### Streets

Street Rehab - Lake Conroe Forest Phase 2

Street Rehab - Tanglewood-Briarwood Phase 2B

Roadway Extension - Pacific Street

Street Rehab - Glenwood Park

Street Rehab - Valwood Area - Congressional Earmark

Street Rehab and Drainage Upgrades - FM 1488 Area - Congressional Earmark

### Signals

Signal Upgrades - Mast Arms - Phase 1

Fiber Connectivity - South Loop 336 - East - Congressional Earmark

Fiber Connectivity - South Loop 336 - West - Congressional Earmark

### Facilities

None

### Parks

Westside Recreation Center - HVAC Chiller

### Drainage

BRIC/FMA Grants

Drainage Improvements - Lilly Boulevard

### Transportation Grants

None

### Water

Water Line Rehab - Conroe Hospital Area

Water Plant - Moran Ranch - Developer Agreement

Water Extension - Old Montgomery Road - Developer Agreement

Water Well Re-Drilling - Plant #14

Water Well Re-Drilling - Plant #6

Water Line Rehab - Park Oak Drive

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## FY 2023-2024 BUDGET-IN-BRIEF

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### Sewer

Gravity Main Replacement – Silverdale

Gravity Sewer Trunk Line - FM 2854 - Developer Agreement - MUD 183

SSOI Program - Section 10

Gravity Main Replacement - Downtown Area Phase 2 - North of Highway 105 - Mit/MOD Grant

Sewer Line Rehab - Rivershire Subdivision

Sewer Line Extension - McCaleb Road

Lift Station & Force Main Upgrades - Crighton Road

Lift Station Expansion & Gravity Main Replacement - LaSalle

### CIDC

Water Plant – Conroe Industrial Park West - CIDC

### Convention Center

None

### American Rescue Act - Water

Water Line Rehab - East Semands Street

### American Rescue Act - Sewer

None

**City of Conroe**  
**FY 2023-2024**  
**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 Administrators CIP Budget Meeting with City Administrators
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 2023 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 Vote to Ratify the Property Tax Increase (if needed)
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

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## FY 2023-2024 BUDGET-IN-BRIEF

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### City of Conroe Profile

2023 Population 103,035

*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 695

Citizens Per Employee 135.4

*Source: City of Conroe*

#### Taxation Information

Property Tax Rate \$0.4272 per \$100 Assessed Value

Total Taxable Value \$14,358,166,956

Taxable Value Per Capita \$152,591

% Increase in Property Tax Roll

From FY 2022-2023 to FY 2023-2024 9.9%

*Source: Montgomery Central Appraisal District*

Sales Tax Revenue (FY 2022) \$66,305,274

*Source: Texas Comptroller of Public Accounts*

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

#### City Debt Information

FY 2023-2024:

Net Bonded Debt \$258,500,022

Debt Per Capita \$2,747

Debt as a % of Tax Base 1.9%

*Source: City of Conroe*

#### Climatological Summary

Annual Average Temperature (Daily Mean) 78°F

Annual Rainfall 48.77 Inches

*Source: United States Geography*

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

## 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](http://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](http://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](http://www.conroe.org)

### Conroe Convention & Visitors Bureau

300 West Davis, Suite 520

Conroe, TX 77301

Phone: (936) 522-3500

[www.visitconroe.com](http://www.visitconroe.com)

### For additional copies contact:

#### Finance & Administration Department

300 West Davis

Conroe, Texas 77301

(936) 522-3040

Or on the Internet at [www.cityofconroe.org](http://www.cityofconroe.org)



CITY OF CONROE