City of Conroe
City Council

Webb Melder
Mayor

Marsha Porter
Place 1

Toby Powell
Place 2

Jim Gentry
Place 3

Jay Ross Martin
Place 5

Jerry Streater
Mayor Pro Tem
Place 4

Appointed Officials

Jerry McGuire
City Administrator

Marcus Winberry
City Attorney

Marla Porter
City Secretary

Paul Virgadamo, Jr.
Asst. City Administrator

Steve Williams
Finance Director

Ken Kreger
Fire Chief

Philip Dupuis
Police Chief

Mike Riggins
Parks Director

Dean Towery
Public Works Director

Guy Andrews
Community Development Director

Lee Ann Espinola
Human Resources Director

CITY OF CONROE, TEXAS
MISSION STATEMENT

"Protect and Serve the Citizens of Conroe and Exceed Their Expectations."
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October 1, 2009

The City of Conroe is pleased to present the fiscal year 2009-2010 "Budget-In-Brief." This document summarizes the annual budget for the fiscal year beginning October 1, 2009 and ending September 30, 2010.

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 2009-2010 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 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,

Webb Melder

Mayor
Organization of the Total Budget

General Fund
- $42,129,130 (46%)
- $39,812,234 (51%)\(^1\)

Enterprise Funds
- $14,669,558 (16%)
- $13,037,364 (17%)\(^1\)

Debt Service Funds
- $13,526,367 (15%)
- $13,526,367 (17%)\(^1\)

Other Funds
- $20,627,987 (23%)
- $11,055,195 (14%)\(^1\)

Total Budget
- $90,953,042 (100%)
- $77,431,160 (100%)\(^1\)

1. These figures represent the budgeted expenditures net of interfund transfers.
FY 2009-2010 Budget Summary

On August 27, 2009, the Conroe City Council approved a $90,953,042 budget with a 3% contingent appropriation for FY 2009-2010. Net of interfund transfers, the total budget is $77,431,160. The approved budget consists of the General, Enterprise, and Special Revenue Funds, as well as three Debt Service Funds.

General Fund

The General Fund accounts for 46 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.

Enterprise Funds

The City has two Enterprise Funds, the Water and Sewer Operating Fund and the Water and Sewer Construction Fund, which together comprise 16 percent of the budget. Enterprise Funds are those that fully support their own administration, acquisition of facilities, operation, and maintenance through the collection of user charges such as water sales, sewer treatment sales, and associated fees.

Debt Service Funds

The Debt Service Funds category is composed of three funds: General Obligation Debt Service Fund, Water and Sewer Debt Service Fund, and Conroe Industrial Development Corporation (CIDC) Debt Service Fund. These three funds account for 15 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 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 is repaid with a portion of the ½-cent sales tax charged within the City.

Other 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. They make up 23 percent of the budget and include such funds as the Conroe Industrial Development Corporation (CIDC) Revenue Clearing Fund, CIDC General Fund, Hotel Occupancy Tax (HOT) Fund, Community Development Block Grant (CDBG) Entitlement Fund, Conroe Tower Fund, Oscar Johnson, Jr. Community Center (OJCC) Fund, Vehicle and Equipment Replacement Fund, Water & Sewer Vehicle and Equipment Replacement Fund, Service Center Fund, and the Self-Funded Insurance Fund.
General Fund Expenditures
$42,129,130
($39,812,234)

General Fund Services

General Government
$6,406,129

The General Government category is comprised of the Administration, Mayor & Council, Arts & Communication, Downtown Development, Legal, Municipal Court, Finance, Community Development Block Grant Administration, Warehouse-Purchasing, 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; handling downtown development issues; 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.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Administration</td>
<td>$ 628,203</td>
</tr>
<tr>
<td>Mayor &amp; Council</td>
<td>500,600</td>
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<tr>
<td>Arts &amp; Communication</td>
<td>226,242</td>
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<td>Downtown Development</td>
<td>267,135</td>
</tr>
<tr>
<td>Legal</td>
<td>522,089</td>
</tr>
<tr>
<td>Municipal Court</td>
<td>689,802</td>
</tr>
<tr>
<td>Finance</td>
<td>1,335,743</td>
</tr>
<tr>
<td>CDBG Administration</td>
<td>188,145</td>
</tr>
<tr>
<td>Warehouse-Purchasing</td>
<td>446,771</td>
</tr>
<tr>
<td>Information Technology</td>
<td>952,681</td>
</tr>
<tr>
<td>Human Resources</td>
<td>648,718</td>
</tr>
<tr>
<td><strong>General Government Total</strong></td>
<td><strong>$ 6,406,129</strong></td>
</tr>
</tbody>
</table>

**Public Safety**  

$21,649,923

The Public Safety category includes the Police Department and Fire Department. The Police Department is separated into five divisions based on areas of responsibility: Police Administration, Support Services, Patrol, Criminal Investigations, and Professional Services. The Fire Department is responsible for preparing for and responding to fire, rescue, medical, and environmental emergencies.

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Police Administration</td>
<td>$ 866,327</td>
</tr>
<tr>
<td>Police Support Services</td>
<td>1,994,426</td>
</tr>
<tr>
<td>Police Patrol</td>
<td>5,874,065</td>
</tr>
<tr>
<td>Criminal Investigations</td>
<td>2,747,625</td>
</tr>
<tr>
<td>Police Professional Services</td>
<td>1,608,586</td>
</tr>
<tr>
<td>Fire</td>
<td>8,558,894</td>
</tr>
<tr>
<td><strong>Public Safety Total</strong></td>
<td><strong>$ 21,649,923</strong></td>
</tr>
</tbody>
</table>
Culture and Recreation $3,831,541

The Culture and Recreation category covers parks and recreation expenditures. Parks Administration is 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. Finally, the Swim Center provides safe, quality, and state of the art pools for the citizens of Conroe.

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks Administration</td>
<td>$1,512,504</td>
</tr>
<tr>
<td>Recreation Center</td>
<td>$1,120,770</td>
</tr>
<tr>
<td>Swim Center</td>
<td>$1,198,267</td>
</tr>
<tr>
<td><strong>Culture and Recreation Total</strong></td>
<td><strong>$3,831,541</strong></td>
</tr>
</tbody>
</table>

Community Development $2,370,629

The Community Development Department provides efficient, professional assistance to ensure responsible development practices that respect the natural landscape, cross timbers, bottomland, and floodplains. The department assists in completion of many ongoing projects and development relative to the City’s building and permitting processes. The Building Permits team provides review and inspections to ensure life, health, safety, and welfare by verifying compliance with the plumbing and City ordinances that protect the citizens of Conroe.

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Community Development</td>
<td>$2,370,629</td>
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<tr>
<td><strong>Community Development Total</strong></td>
<td><strong>$2,370,629</strong></td>
</tr>
</tbody>
</table>

CITY OF CONROE, TEXAS
Public Works $3,524,517

The Public Works category includes the Drainage Construction and Streets Departments. The Drainage Construction 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 rights-of-way, repairs curbs and gutters, installs and replaces directional marking, and maintains street signage.

Drainage Construction $ 752,566
Streets 2,771,951
Public Works Total $3,524,517

General Fund Non-Departmental $4,346,391

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.

General Fund Non-Departmental $4,346,391
General Fund Non-Departmental Total $4,346,391
General Fund Revenue Sources
$42,182,684
($40,735,852)

*Other Revenues
Interest on Investments: 0.6%
Penalty & Interest: 0.2%
Lease Income: 0.0%
Recreational: 1.0%
Parks Programs: 1.2%
Unanticipated Revenues: 0.2%
Total Other Revenues: 3.2%

CITY OF CONROE, TEXAS
General Fund Revenue Sources

The General Fund has a number of revenue sources, the largest of which is Sales Tax. It constitutes 54 percent of all General Fund revenues. Additional sources of revenue include Property Taxes, Gross Receipts Taxes, Other Taxes, Licenses and Permits, Charges For Current Services, Traffic and Criminal Fines, Intergovernmental Revenue, and Other Revenue.

The tax roll of the City of Conroe continues to grow, increasing by 7.7 percent from FY 2008-2009. The July 25, 2009, Certified Tax Roll of $3,427,354,014 marks an increase of $243,664,035 over the previous year’s certified roll on July 25.

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>$ 8,346,292</td>
</tr>
<tr>
<td>Gross Receipts Taxes</td>
<td>3,942,205</td>
</tr>
<tr>
<td>Sales Tax Collections</td>
<td>22,801,898</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>627,180</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>1,329,864</td>
</tr>
<tr>
<td>Charges for Current Services</td>
<td>572,523</td>
</tr>
<tr>
<td>Traffic and Criminal Fines</td>
<td>1,316,562</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>1,373,577</td>
</tr>
<tr>
<td>Intergovernmental Revenue</td>
<td>425,751</td>
</tr>
<tr>
<td>Transfers In</td>
<td>1,446,832</td>
</tr>
<tr>
<td><strong>General Fund Revenues Total</strong></td>
<td><strong>$ 42,182,684</strong></td>
</tr>
</tbody>
</table>

In FY 2009-2010, budgeted General Fund revenues exceed General Fund expenditures by $53,554. Additionally, this fund will maintain a reserve amount equal to 144.9 days (or 39.7%) of the fund’s total expenditures.
Enterprise Funds Expenditures
$14,669,558
($13,037,364)

Enterprise Funds Services

Public Works $8,974,737

The Utilities/Meter Readers Department’s mission is to ensure accuracy in the assessment of user charges; maintain professional and responsive service; answer inquiries for customers; 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, 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 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 Waste Water Treatment Plant treats and discharges up to 10 million gallons of raw sewage daily. 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, traffic signals, and downtown lighting. This department was previously named “Building Maintenance” in the General Fund. It was renamed “Pump & Motor Maintenance” and moved to the Water & Sewer Operating Fund in FY 2006-2007.
The Project Engineering Department was established to design major improvements to the city's infrastructure; specifically, to increase the capacity of the water and sewer systems and better manage storm water run-off. The improvements are designed in-house and constructed by either a division of Public Works or by a private contractor.

The Project Construction Department is responsible for the major construction of water and sewer lines that provide safe distribution of water and wastewater service to the citizens of Conroe by utilizing resources dedicated to the preventive maintenance and repair of utility infrastructure.

Utilities/Meter Reading $ 755,894
Public Works Administration 797,101
Water 3,298,791
Waste Water Treatment Plant 1,642,426
Sewer 1,654,853
Pump & Motor Maintenance 825,672
Public Works Total $ 8,974,737

W&S Operating Fund Non-Departmental $5,694,821

The Water & Sewer Non-Departmental Department provides for transfers to the General Fund, Revenue Debt Service Fund, Conroe Tower Fund, and the Vehicle and Equipment Replacement Fund. 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 Operating Fund Non-Departmental $ 5,694,821
W&S Operating Fund Non-Departmental Total $ 5,694,821
Enterprise Funds Revenues
$14,669,558
($14,669,558)

*Other Revenues
  Interest on Investments  0.5%
  Penalty & Interest  1.3%
  Unanticipated Revenues  0.2%
  Short & Over  0.0%
  Recovery of Bad Debts  0.0%

  _______________  __________
  1.9%            1.9%

CITY OF CONROE, TEXAS
Enterprise Funds Revenue Sources

The Enterprise Funds have a variety of revenue sources, the most notable of which are Water Sales and Sewer Charges. Water Sales constitute 50 percent of all Enterprise Funds revenues, while Sewer Charges constitute 43 percent. Other sources of revenue that support the Enterprise Funds are Water and Sewer Tap Fees, Groundwater Conservation Fee, Reconnection Charges, Pretreatment Fees, Interest Income, and Other Revenues.

Enterprise Funds revenues are anticipated to increase as a result of the continuing growth of the City. The FY 2009-2010 budget includes a water and sewer rate increase of 5.25%. Additionally, water bills will reflect a pass through of a fee charged to the City by the Lone Star Ground Water Conservation District. Proposed revenues for FY 2009-2010 assume an overall growth of 1.6 percent over FY 2008-2009 projections.

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Water Sales</td>
<td>$ 7,274,592</td>
</tr>
<tr>
<td>Groundwater Conservation Fee</td>
<td>199,160</td>
</tr>
<tr>
<td>Sewer Charges</td>
<td>6,287,143</td>
</tr>
<tr>
<td>Water Taps</td>
<td>350,000</td>
</tr>
<tr>
<td>Sewer Taps</td>
<td>40,000</td>
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<tr>
<td>Reconnects</td>
<td>69,040</td>
</tr>
<tr>
<td>Service Charges</td>
<td>59,307</td>
</tr>
<tr>
<td>Pretreatment Fees</td>
<td>105,141</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>285,175</td>
</tr>
<tr>
<td><strong>Enterprise Funds Revenue Total</strong></td>
<td><strong>$ 14,669,558</strong></td>
</tr>
</tbody>
</table>
General Obligation Debt Service Fund
$8,554,659

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 in 2003, 2006, 2007, 2008, & 2009 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, Ed Kharbat Drive, Crighton Road, and Gladstell Road. As additional growth occurs in the TIRZ, more bonds will be sold for additional improvements.

An additional transfer in will be made this year from the Conroe Industrial Development Corporation (CIDC) Fund. This transfer will cover 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 1/2-cent sales tax for economic development. These park improvements qualify as permissible projects for this particular sales tax.

2009-2010 G.O. Debt Service Expenditures: $ 8,554,659

2009-2010 G.O. Debt Service Revenues:
Property Taxes
Transfer In
Interest Revenue
G.O. Debt Services Revenues Total $ 9,208,979

CITY OF CONROE, TEXAS
Water & Sewer Debt Service Fund
$2,209,972

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.

There are three outstanding bond series that 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 an annual transfer of money from the Water & Sewer Operating Fund.

2009-2010 Utility Debt Service Expenditures: $ 2,209,972

2009-2010 Utility Debt Service Revenues: $ 2,092,943
Transfer In $ 117,029
Interest Revenue
Utility Debt Service Revenues Total $ 2,209,972

CITY OF CONROE, TEXAS
CIDC Debt Service Fund
$2,761,736

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

There are three bond issues in the CIDC Debt Service Fund. Bonds issued in 1997 are for the construction of the west side sewer trunk main, additional sewer projects, and a police station. The bond series issued in 1999 was used to acquire and improve property to be used for the development of an industrial park important to the economic growth and development of the City. The bond series issued in 2008 was used to acquire and improve property in the Conroe Park North Industrial Park. The payments on these bonds are accounted for in this fund. Its main source of revenue is a transfer from the CIDC Revenue Clearing Fund.

2009-2010 CIDC Debt Service Expenditures: $ 2,761,736

2009-2010 CIDC Debt Service Revenues:
Transfer In $ 2,761,736

CIDC Debt Service Revenues Total $ 2,761,736
Other Funds Expenditures
$20,627,987
($11,055,195)

Other Funds

Vehicle & Equipment Replacement Fund $1,279,500

The Vehicle and Equipment Replacement Fund accounts for revenues and expenses that are used to purchase replacement City vehicles and equipment for the City's general government funds. Revenue to the fund includes a transfer in from the General Fund.

Vehicle & Equipment Replacement Fund $1,279,500

CITY OF CONROE, TEXAS
W&S Vehicle & Equipment Replacement Fund  $307,800

The Water & Sewer (W&S) Vehicle and Equipment Replacement Fund accounts for revenues and expenses that are used to purchase replacement City vehicles and equipment that are used in the water and sewer enterprise funds. Revenue to the fund includes a transfer in from the Water & Sewer Construction Fund.

W&S Vehicle & Equipment Replacement Fund  $ 307,800
W&S Vehicle & Equipment Replacement Total  $ 307,800

CIDC General Fund  $3,287,939

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, as well as a transfer out to the General Obligation Debt Service Fund for the payment of principal and interest costs for bonds issued to benefit the parks system.

CIDC General Fund  $ 3,287,939
CIDC General Fund Total  $ 3,287,939

CITY OF CONROE, TEXAS
CIDC Revenue Clearing Fund $7,600,633

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 Fund $7,600,633
CIDC Revenue Clearing Fund Total $7,600,633

Hotel Occupancy Tax (HOT) Fund $517,542

The HOT Fund accounts for revenues and expenses that are derived from a 7% hotel occupancy tax that must be used to promote the tourism and convention industry.

Hotel Occupancy Tax (HOT) Fund $517,542
Hotel Occupancy Tax (HOT) Fund Total $517,542

CDBG Entitlement Fund $579,949

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 Fund $579,949
CDBG Entitlement Fund Total $579,949

CITY OF CONROE, TEXAS
Conroe Tower Fund $494,927

The Conroe Tower Fund was established to account for the rental income and expenses of operating the Conroe Tower. Approximately 15,000 square feet of excess space in the Tower is leased to private businesses. The fund also receives transfers from the General Fund and the Water and Sewer Operating Fund in lieu of rental payments.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conroe Tower Fund</td>
<td>$494,927</td>
</tr>
<tr>
<td>Conroe Tower Fund Total</td>
<td>$494,927</td>
</tr>
</tbody>
</table>

Service Center Fund $693,138

The Service Center Fund was established to account for revenues and expenditures associated with the City of Conroe Service Center. The Service Center manages the service and maintenance of the City of Conroe’s fleet, including vehicle and equipment acquisition and disposal. The Service Center performs vehicle and equipment repairs in addition to maintenance.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Service Center Fund</td>
<td>$693,138</td>
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<tr>
<td>Service Center Fund Total</td>
<td>$693,138</td>
</tr>
</tbody>
</table>

OJCC Fund $963,339

The Oscar Johnson, Jr. Community Center (OJCC) Fund was established to account for revenues and expenditures associated with the Oscar Johnson, Jr. Community Center. The center, which is located on 2.5 acres just south of downtown, offers recognized 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.

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
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<tbody>
<tr>
<td>OJCC Fund</td>
<td>$963,339</td>
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<tr>
<td>OJCC Fund Total</td>
<td>$963,339</td>
</tr>
</tbody>
</table>

CITY OF CONROE, TEXAS
Self-Funded Insurance Fund $4,903,220

The Self-Funded Insurance Fund was established to account for revenues and expenses related to employee health, dental, and vision insurance coverage. Revenues include employee health, dental, and vision premiums, and expenses include health, dental, and vision claims as well as administration costs.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-Funded Insurance Fund</td>
<td>$4,903,220</td>
</tr>
<tr>
<td>Self-Funded Insurance Fund Total</td>
<td>$4,903,220</td>
</tr>
</tbody>
</table>
Capital Improvement Program

Expenditures
$64,856,303

Capital Improvement Program

The Capital Improvement Program (CIP) provides funding for streets, signals, facilities, parks, and drainage 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 have a useful life of twenty years or more.
The 2009-2010 Capital Improvement Program is $64,856,303, which includes several projects that are currently in progress. Of this amount, 45% are for General Government improvements, 34% are for Water & Sewer improvements, 19% are for CIDC Conroe Park North Industrial Park projects, and 2% are for other expenditures such as TIRZ #3 payments.

Major projects in these programs include:

**Streets**
- Crighton Road
- League Line Phase II
- Drennan Road – West
- Plantation Drive – North
- Wilson Road Widening – IH-45 to Longmire
- Frazier Street Sidewalk Rehabilitation
- Davis Street Sidewalk Rehabilitation
- Dallas Street Rehabilitation
- Plantation Drive Rehabilitation
- North 7th Street Rehabilitation
- Industrial/Tyler Lane Area Rehabilitation
- Dugan Area Rehabilitation
- Southwind Ridge Area Rehabilitation
- Downtown Phase X-B

**Signals**
- Signal – S. Loop 336 at Ed Kharbat Drive

**Facilities**
- Signal Maintenance Building
- Fire Station #4 (FM 1488)

**Parks**
- Carl Barton Park Phases IV & V
- Candy Cane Park
- McDade Park
- MLK Sports Park
- Welcome Sign South
- Texian Monument & Flag Park
- Shadow Lakes Park
FY 2009-2010 BUDGET-IN-BRIEF

- IH-45 Detention Pond Enhancements
- Park Land Acquisition
- Kasmiersky Park Renovations (Master Plan)
- Park Restrooms (Master Plan)
- Drinking Fountains (Master Plan)
- Hike & Bike Trails (Master Plan)

Drainage
- Storm Sewer – Local Problem No. 310
- Airport Road at Semands Street
- Camelot at Creek
- South First/Foster Oaks
- Decker Street to Phillips
- Northwood Street Area
- Flint/Hancock Area
- Wilson/Oddfellow Area
- Post Oak/Bowman/Austin Area
- Rigby Owen/Hereford
- White Oak/Oaklawn Area
- East Forest Way Bridge
- Lewis Street
- Southern Oaks
- Defor/Presswood
- South Magnolia/Wooldridge
- North Magnolia Road Area
- Piney Point

Water
- Pine Springs Water Line
- Shadow Lakes Water Line
- Crighton Ridge Water System Acquisition
- Water Well No. 21 and Storage Tank
- Water Well No. 22 and Storage Tank
- Southwind Ridge Water System Acquisition
- FM 830 Water Line
- Delta/Clinton (Pitts) Water Line Rehab
- Reeves/6th/Avenue I/J/Wells/7th Waterline Rehab

CITY OF CONROE, TEXAS
Sewer
- Pine Springs Sewer Line
- Longmire Annexation Sewer Line
- Shadow Lakes Sewer Line
- Crighton Ridge Sewer System Acquisition
- LaSalle to League Line Sewer Line
- White Oak Phase IV Sewer Line
- SCADA for Lift Stations
- Teaswood Sewer Lift Station Rebuild
- Alligator Creek Sewer Rehabilitation
- Live Oak Creek Sewer Line (SSOI)
- White Oak Creek Sewer Line (SSOI)
- Sanitary Sewer Overflow Initiative (SSOI) Program
- Sewer Treatment Plant Expansion (Engineering Only)

Other
- CIDC Conroe Park North Industrial Park
- Tax Increment Reinvestment Zone #3
FY 2009-2010 Budget Preparation Calendar

March
- Budget Kickoff

April
- Operating & CIP Budget submissions due to Finance
- Technical reviews of budget submissions

May
- Budget submittal meetings with City Administrator
- Preliminary Appraisal Roll due from Montgomery County Central Appraisal District (MCAD)

June
- Budget meetings with City Administrator
- Mayor, City Administrator, and Director of Finance meet to discuss proposed budget
- Council Retreat

July
- Proposed Budget submitted to the City Council, placed on file with the City Secretary, & posted on City website

CITY OF CONROE, TEXAS
FY 2009-2010 Budget Preparation Calendar

July (continued)

- Chief Appraiser certifies the appraisal roll

August

- Submission of Effective and Rollback Tax Rates
- Vote to consider a tax increase (if needed)
- Submission of Certified Collection Rate
- First public hearing on a tax increase (if needed)
- Public hearing on the budget
- Second public hearing on a tax increase (if needed)
- Vote to ratify the property tax increase
- City Council adopts the FY 2009-2010 Annual Budget
- City Council adopts the FY 2009-2010 Annual Tax Rate
- City Council adopts the FY 2009-2010 Capital Improvement Program

October

- Fiscal year 2009-2010 begins
City of Conroe Profile

2009 Population

55,129

Source: City of Conroe

Square Miles

49.9

Source: City of Conroe

City Government Information

Form of Government
Council-Administrator

Number of Full-time City Employees
472

Citizens Per Employee
116.8

Source: City of Conroe

Taxation Information

Property Tax Rate
$0.4200 per $100 Assessed Value

Total Taxable Value
$3,427,354,014

Taxable Value Per Capita
$62,170

Percent Increase in Property Tax Roll
From FY 2008-2009 to FY 2009-2010
7.7%

Source: Montgomery Central Appraisal District

Sales Tax Revenue (FY 2007-2008)
$30,332,698

Source: Texas Comptroller of Public Accounts

City Debt Information

FY 2009-2010:

Bonded Debt
$87,735,000

Debt Per Capita
$1,520

Debt as a Percent of Tax Base
2.6%

Source: City of Conroe

Climatological Summary

Annual Average Temperature (Daily Mean)
67.1°F

Average Annual Rainfall
51 Inches

Source: Lake Conroe Area Convention and Visitor Bureau

CITY OF CONROE, TEXAS
City of Conroe Profile

Transportation
Lone Star Executive Airport
Distance: 0.0 miles (located inside city limits)
Address: 10260 Carl Pickering Memorial Drive
Building 11A
Conroe, TX 77303
Website: www.lonestarexecutiveairport.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

Greater Conroe Economic Development Council
505 West Davis
Conroe, TX 77301
Phone: (936) 538-7118
www.gcedc.org

CITY OF CONROE, TEXAS
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