

**Notice of City Council Public Hearing and Regular Meeting  
AGENDA**

**September 14, 2021 at 6:00 PM**

**NOTICE TO THE PUBLIC IS HEREBY** the Montgomery City Council will conduct its City Council Public Hearing and Regular Meeting scheduled for **6:00 PM on Tuesday, September 14, 2021**, at the City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas.

Members of the public may view the meeting live on the City's website [www.montgomerytexas.gov](http://www.montgomerytexas.gov) under Agenda/Minutes and then select **Live Stream Page (located at the top of the page)**. The Meeting Agenda Pack will be posted online at [www.montgomerytexas.gov](http://www.montgomerytexas.gov). The meeting will be recorded and uploaded to the City's website.

**CALL TO ORDER**

**INVOCATION**

**PLEDGE OF ALLEGIANCE TO FLAGS**

**VISITOR/CITIZENS FORUM:**

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

**PUBLIC HEARING:** For the purpose of giving all interested persons the right to appear and be heard regarding the following:

**1. Convene into Public Hearing**

**Budget Public Hearing:** for the purpose of hearing public comments regarding the proposed 2021-2022 City of Montgomery Fiscal Year Operating Budget:

**THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$159,689 OR 13.15%, AND OF THAT AMOUNT, \$66,839 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.**

**Adjourn Public Hearing**

**Reconvene into Regular Meeting**

**CONSENT AGENDA:**

- 2.** Matters related to the approval of minutes of August 24, 2021 Regular Meeting and September 7, 2021 Public Hearing Meeting.
- 3.** Consideration and possible action regarding an Escrow Agreement by and between the City of Montgomery and BETC Realty, LLC for the 2.35-ac Shipley Donuts Tract located on the northwest corner of SH 105 / Eva Street and C.B. Stewart Drive (Dev. No. 2009).

4. Consideration and possible action regarding adoption of an Escrow Agreement by and between the City of Montgomery, Texas and Cheatham Management, LLC regarding Hills of Town Creek Sec. 5 (Dev. No. 2102).
5. Consideration and possible action regarding authorizing WGA to prepare a Utility and Economic Feasibility Study for Cheatham Management, LLC for the Hills of Town Creek Sec. 5 Development (Dev. No. 2102).
6. Consideration and possible action regarding an Escrow Agreement by and between the City of Montgomery and Waterstone Development Group, LLC for the 26.07-ac Porter Farms Tract located northeast of FM 1097 & FM 149 (Dev. No. 2101).
7. Consideration and possible action regarding authoring WGA to prepare a Utility and Economic Feasibility Study for Waterstone Development Group, LLC for the Porter Farms Tract Development (Dev. No. 2101).

**CONSIDERATION AND POSSIBLE ACTION:**

8. Consideration and possible action regarding adoption, by record vote, of the following Ordinance: AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS ADOPTING AN OPERATING BUDGET FOR THE FISCAL YEAR 2021-2022.

**THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$159,689 OR 13.15%, AND OF THAT AMOUNT, \$66,839 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.**

9. Consider, Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate for Maintenance and Operations, \$.2588/\$100.
10. Consider, Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate for Debt Service, \$.1412/\$100.
11. Consideration and possible action regarding adoption of the following Ordinance: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, SETTING THE AD VALOREM TAX RATE OF THE CITY OF MONTGOMERY, FOR THE YEAR 2021 AT A RATE OF \$0.4000 PER ONE HUNDRED DOLLARS (\$100.00) VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF MONTGOMERY AS OF JANUARY 1, 2021 SPECIFYING SEPARATE COMPONENTS OF SUCH RATE FOR OPERATIONS AND MAINTENANCE AND FOR DEBT SERVICE; LEVYING AN AD VALOREM TAX FOR THE YEAR 2021 PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING FOR COLLECTION AND ORDAINING OTHER RELATED MATTERS.
12. Consideration and possible action regarding approval of Change Order No. 1 to the Water Plant No. 3 Improvements project.
13. Consideration and possible action regarding approval of Change Order No. 1 for the Downtown Waterline Replacement project.

14. Consideration and possible action regarding adoption of the following Ordinance: AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS (“CITY”) DENYING THE DISTRIBUTION COST RECOVERY FACTOR RATE INCREASE REQUEST OF ENTERGY TEXAS, INC. FILED ON OR ABOUT AUGUST 31, 2021; SETTING JUST AND REASONABLE RATES FOR ENTERGY TEXAS, INC. FOR SERVICE WITHIN THE MUNICIPAL LIMITS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS.
15. Consideration and possible action regarding the relocation of a Kohler 60kw generator to Lift Station 6.
16. Consideration and possible action regarding the replacement of 522 meter endpoints through Beacon's upgrade program.

**EXECUTIVE SESSION:**

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

**POSSIBLE ACTION FROM EXECUTIVE SESSION:**

**COUNCIL INQUIRY:**

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

**ADJOURNMENT**

/s/Susan Hensley

Susan Hensley, City Secretary

I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on September 10, 2021 at 2:35 p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

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

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Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: September 14, 2021</b>	<b>Budgeted Amount: N/A</b>
<b>Prepared By: Richard Tramm</b>	<b>Exhibits: N/A</b>

**Subject**

Convene into a Public Hearing to receive public comments regarding the proposed 2021-2022 City of Montgomery Budget.

**Description**

This is the opportunity for City Council to receive public comment on the proposed budget. An action item for the proposed budget is later on the agenda.

**Recommendation**

Receive comments from the public on the proposed budget.

**Approved By**

City Administrator	Richard Tramm	Date: September 9, 2021
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# FY 2021-2022 Budget Overview



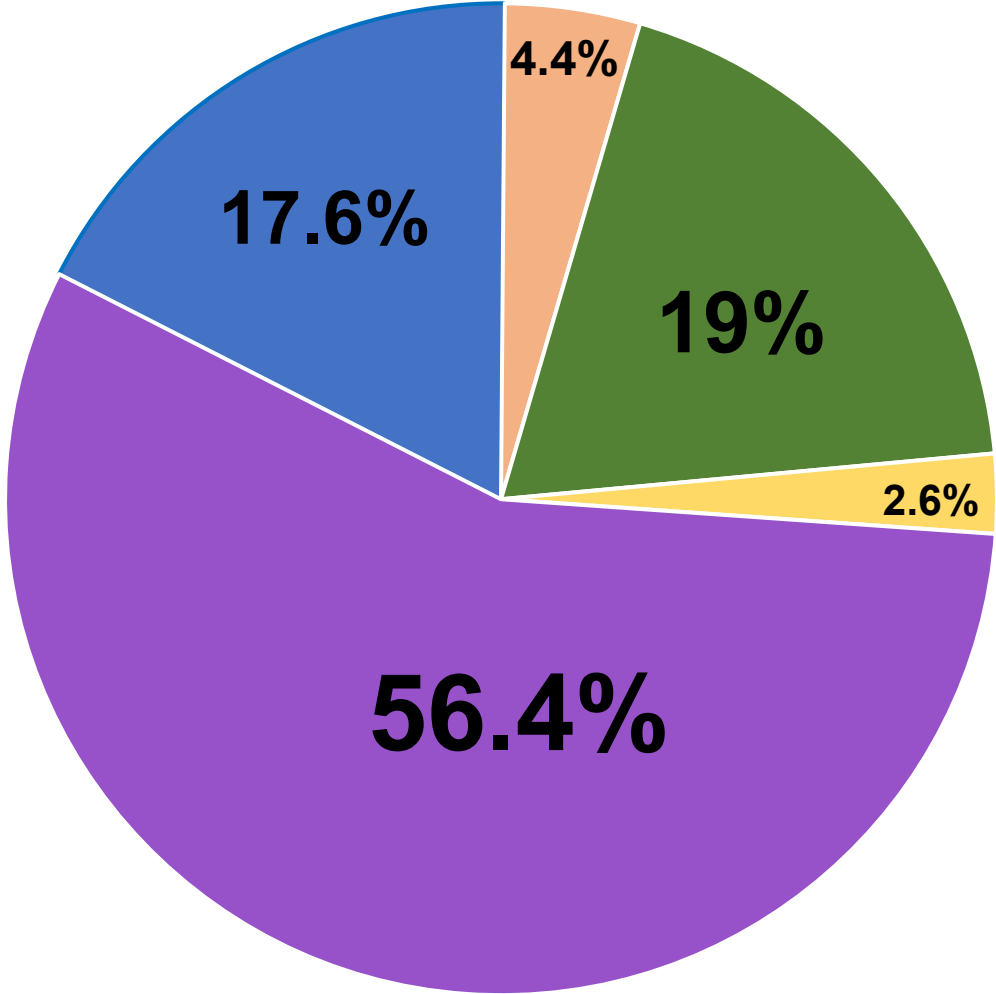
# FY 2021-2022 Budget & Taxes

## Quick facts:

-  No tax rate increase
-  No water & sewer rate increase for FY 2021-2022
-  City tax exemptions:
  - 20% Homestead Exemption  
(New for City in 2021 and maximum allowed by state law)
  - \$70,000 Deduction for disabled homeowners
  - \$50,000 Deduction for homeowners over age 65

# FY 2021-2022 Property Taxes

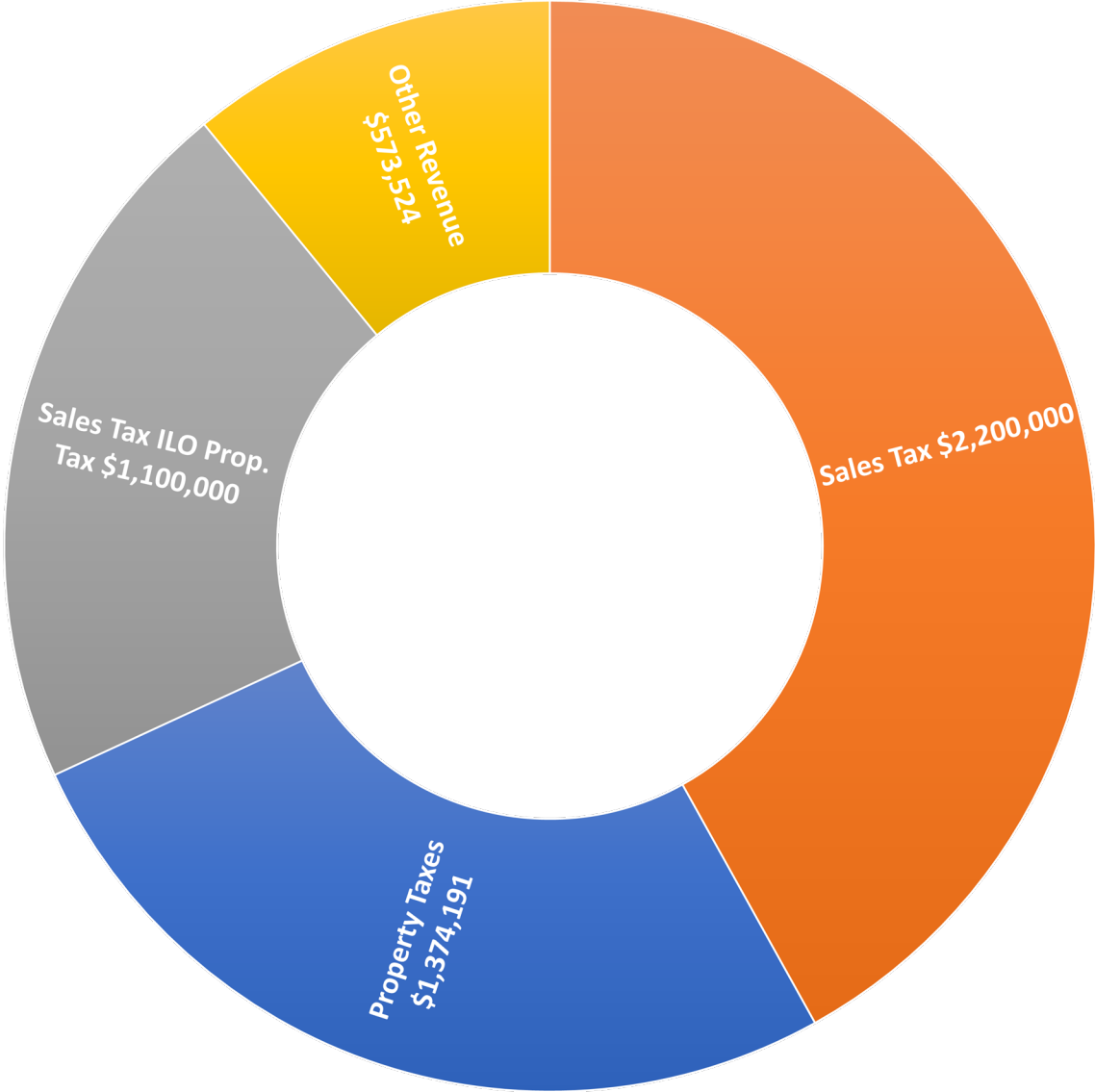
Entity	Rate per \$100 of Valuation	% of Total
City of Montgomery	\$0.4000	17.6%
ESD #2	\$0.1000	4.4%
Mont. County	\$0.4312	19.0%
MCHD	\$0.0588	2.6%
MISD	\$1.2798	56.4%



- City
- ESD #2
- Mont. County
- MCHD
- MISD

Your local tax dollars

# FY 2021-2022 General Fund Revenue



**\$5,247,715 Total Revenue**

- **\$1,374,191 Property Tax**
- **\$2,200,000 Sales Tax**
- **\$1,100,000 Sales Tax ILO Property Tax**
- **\$573,524 Other Revenue**

# Economy, Growth, and City Services

- Following pandemic shutdowns, businesses have reopened with strong activity and more new businesses building in the City.
- Housing construction and home sales are strong: Montgomery is a safe desirable place to live with new residential opportunities.
- City Utilities: New budget has \$2,193,650 for water and sewer system improvements to accommodate coming commercial and residential growth.
- Mobility: New budget has \$761,500 for road & sidewalk repairs and construction.

# Economy, Growth, and City Services

- Parks & Recreation: New budget has \$160,050 to maintain and improve facilities at City parks.
- Organizational excellence: The City is committed to attracting and retaining high-quality staff to keep Montgomery city government working for its residents. The new budget funds programs designed to aid in staff retention.
- Staffing: adding a part-time position in Public Works and in the Municipal Court to keep these departments running efficiently.
- Police: Replacing an older patrol vehicle to keep officers on the street and serving the residents of the City.

# Emergency Preparedness & Response

Being able to properly respond to emergencies is woven into every City department budget.

- COVID-19 Pandemic continues to affect daily lives of City residents; local effects first felt around March 2020
- Winter Storm Uri In February 2021, a week of sub-freezing temperatures causing power outages in the City and throughout Texas

## Resulting steps from response evaluations moving into FY 2021-2022:

1. Strengthened cooperative response efforts with MISD & ESD #2
2. CERT Training programs for volunteers in 2021 & 2022 to assist City personnel during emergencies
3. Purchased portable digital signs to aid in emergency communication

**MINUTES OF REGULAR MEETING**

**August 24, 2021**

**MONTGOMERY CITY COUNCIL**

**CALL TO ORDER**

Mayor Pro Tem Wilkerson declared a quorum was present and called the meeting to order at 6:00 p.m.

Present:	Kevin Lacy	City Council Place # 2
	T.J. Wilkerson	City Council Place # 3
	Julie Davis	City Council Place # 4
	Byron Sanford	City Council Place # 5

Absent:	Sara Countryman	Mayor
	Carol Langley	City Council Place #1

Also Present:	Richard Tramm	City Administrator
	Dave McCorquodale	Assistant City Administrator
	Susan Hensley	City Secretary
	Caleb Villarreal	City Attorney

**INVOCATION**

Byron Sanford gave the Invocation.

**PLEDGE OF ALLEGIANCE TO FLAGS**

**VISITOR/CITIZENS FORUM:**

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Mayor Pro Tem Wilkerson stated for the record Mayor Countryman and Councilmember Carol Langley were not present this evening, however, they do have a quorum.

Mr. Christopher Ward with the local Boy Scouts troop from Willis said he was attending the meeting to listen and receive information to obtain his merit badge with the Boy Scouts.

Mr. Kade Jenkins of 14809 Lake Mt. Pleasant Road, Montgomery, Texas said someone mentioned at a previous City Council meeting about the revitalization of Montgomery and how it is really about what they do referencing new shrubs and lighting and how that is going to bring people to the area. Mr. Jenkins said he thinks it is businesses that will bring people to the area. Mr. Jenkins said we need to see the value of the businesses and what they can bring to the City. Mr. Jenkins said every day they have people coming from out of town asking where the good restaurants and shops are and what events are taking place. Mr. Jenkins said they get to meet these people and share great things about the City.

#### **CONSENT AGENDA:**

1. Matters related to the approval of the August 10, 2021 Regular Meeting Minutes.

Julie Davis moved to accept the Consent Agenda as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (4-0)

#### **CONSIDERATION AND POSSIBLE ACTION:**

2. Consideration and Acceptance of the 2021 No-New-Revenue Tax Rate and Voter-Approval Tax Rate.

Mr. Tramm said this item is to properly acknowledge the No-New-Revenue Tax Rate and Voter-Approval Tax Rate for 2021. Mr. Tramm said the No-New-Revenue Tax Rate is \$.3587/\$100 and the Voter-Approval Tax Rate is \$.5231/\$100.

Ms. Tammy McRae, Montgomery County Tax Assessor/Collector said for 2021 the average home taxable value after the 20 percent homestead that was granted is \$207,411. Ms. McRae said the total taxable value for the City this year is \$343,547,833. Ms. McRae said the City gained \$60.7 million in the improvement value this year over last year. Ms. McRae said the No-New-Revenue Tax Rate is \$.3587/\$100 and based on the No-New-Revenue Rate with this year's taxable value would generate \$1.2. Ms. McRae said it is a revenue increase of \$13,974 over 2020, which is a 1.14 percent increase. Ms. McRae said the current rate of \$.4000 would

generate \$1.3 million in revenue which is a revenue increase of \$155,859, a 12.79 percent increase.

Ms. McRae said for reference she showed the homestead exemption that was approved from the 2021 tax year and depending on how you want to look at it, the value lost to the City or the value savings to the taxpayer within the City was \$21,618,042. Ms. McRae said if you convert that over into dollars that is a savings to the taxpayers of \$86,417.

Julie Davis said in theory they are not losing any money even though they gave a 20 percent homestead exemption because they have seen such an increase in property value or construction in the City. Ms. McRae said that is correct. Ms. McRae said just to note the City has granted the maximum homestead exemption which is the 20 percent.

Kevin Lacy moved to accept the 2021 No-New-Revenue Tax Rate and Voter-Approval Tax Rate as presented. Julie Davis seconded the motion, the motion carried unanimously. (4-0)

3. Consider and discuss the Tax Rates needed to Fund the 2021-2022 Budget for Maintenance and Operations and Debt Service.

Mr. Tramm said items 3, 4, and 5 are all interconnected. Mr. Tramm said the procedures related to the Tax Rate adoption have changed in recent years. Mr. Tramm said the City's Draft Budget has been prepared to keep the Tax Rate at \$.4000/\$100, which is the same tax rate the City has had for several years and is consistent with discussions from the past year. Mr. Tramm said this rate does cause the City to receive additional revenue related to property value increases, which is then available for the infrastructure work needed for our growing community.

Mr. Tramm said this proposed split for property taxes is \$.2588 for Maintenance and Operations (M&O) and \$.1412 for Interest and Sinking (I&S.) Mr. Tramm said this is a decrease of \$.0217 for M&O with that same amount added to I&S due to the increased need for property tax revenue to pay towards I&S costs this coming year. Mr. Tramm said last year City Council decided to use \$361,000 in surplus funds that were available in the Debt Service Fund to pay towards annual debt service. Mr. Tramm said this year's budget proposes to use

\$136,000 of the remaining \$196,000 in surplus debt service funds to help offset the need for property taxes to pay those costs this year. Mr. Tramm said this is similar to what City Council chose to do last year when it used surplus debt service to offset the I&S rate.

Kevin Lacy asked if whatever rate is decided tonight, could this change based on the Budget Workshop meeting on Thursday. Mr. Tramm said yes. Mr. Tramm said the way the tax setting and the budget creation work is they are connected although, in theory, they are different processes that work closely together. Mr. Tramm said you must, by law, adopt the budget first and then adopt the tax rate.

Julie Davis said it seems counterintuitive to her to just throw a percentage out there and then spend all of this so they can rationalize keeping the percentage. Julie Davis said she would rather set a budget first and then say they need this amount to fund that budget.

Mr. Tramm said this is a proposed amount. Mr. Tramm said whatever City Council selects for a proposed number for this item, you cannot go higher than that number, but you can go lower. Mr. Tramm said it is a working number that will be determined at the Budget Workshop as City Council works through the budget line items to determine the tax rate to set to fund those budget line items.

Byron Sanford said they already anticipate a conservative budget with the uncertainty of the times. Byron Sanford said they have plenty of wiggle room in setting a rate and can only go down from there and it is not something that is going to concern taxpayers.

4. Consider and Vote on the Proposed Tax Rate for 2021.

Kevin Lacy moved to adopt the proposed tax rate of \$.4000/\$100 with the \$.2588 for M&O and \$.1412 for I&S. Byron Sanford seconded the motion.

Discussion: Julie Davis moved to amend the motion to say this is not just proposed but that it is pending the budget reviews later this week. Mr. Tramm said it has already been determined this will come back on the September 14, 2021 Agenda for actual official action.

Mayor Pro Tem Wilkerson said the motion has been adjusted to read it is pending.

Kevin Lacy moved to adopt the proposed tax rate of \$.4000/\$100 with the \$.2588 for M&O and \$.1412 for I&S. Byron Sanford seconded the motion, the motion carried unanimously. (4-0)

Mayor Pro Tem Wilkerson called for a record vote. Kevin Lacy Aye, Julie Davis Aye, Byron Sanford Aye, and T.J. Wilkerson Aye.

5. Consideration and determine the Tax Rate needed to fund the City of Montgomery 2021-2022 FY Budget. If it exceeds the year's No-New-Revenue Tax Rate, Schedule a Public Hearing to be held on September 7, 2021 at 6:00 p.m. at City Hall.

Mr. Tramm said since the proposed tax rate approved is above the No-New-Revenue Rate there will be a Public Hearing held on September 7, 2021, at 6 p.m. at City Hall. Julie Davis asked to clarify that because the tax rate is \$.4000 which is above the \$.2588 No-New-Revenue Rate we must have a Public Hearing. Mr. Tramm said yes.

Kevin Lacy moved to schedule a Public Hearing to be held on September 7, 2021, at 6:00 p.m. at City Hall. Byron Sanford seconded the motion, the motion carried unanimously. (4-0)

6. Consideration and possible action regarding approval of Change Order No. 2 and Certificate of Acceptance for the Stewart Creek Wastewater Treatment Plant Lift Station Relocation project.

Mr. Chris Roznovsky, City Engineer said the project extension was complete in September 2020. Mr. Roznovsky said this is the project where the contract was substantially late. Mr. Roznovsky said this is to adjust the contract amount based on the settlement for damages, deductions of unused contract items, quantity adjustments, and a final accounting of the settlement for liquidated damages. Mr. Roznovsky said the total decrease in the contract amount is \$52,367.72, which takes the total contract from \$1,094,300.00 to \$1,041,932.28. Mr. Roznovsky said the timeline on this is different since the completion was in September of 2020, and typically this would come right after the completion. Mr. Roznovsky said Change

Order No. 2 and Certificate of Acceptance states you are accepting the project and restates the one you were comparing which is the completion of September 2020. Mr. Roznovsky said within the next few weeks a one-year inspection warranty will be done.

Julie Davis asked if they received the money they wanted because of the delays. Mr. Tramm said yes, it was just less than the amount they originally wanted.

Julie Davis moved to accept this agenda item as presented. Kevin Lacy seconded the motion, the motion carried unanimously. (4-0)

7. Consideration and possible action regarding an Engagement Letter from Belt Harris Pechacek for the Annual Audit for fiscal years ending September 30, 2021, and September 30, 2022.

Mr. Tramm said Belt Harris Pechacek has done the City's audits for the past four years. Mr. Tramm said Belt Harris Pechacek provided an updated Engagement Letter for the next two annual audits, and given the significant increase of costs of over 35 percent from the last audit, he recommends City Council not approve the new Engagement Letter and direct him to begin a Request for Qualifications for auditing services.

Julie Davis asked if there is a reason why they are so much higher this year. Mr. Tramm said they stated they were losing money and needed the increase based on changes. Mr. Tramm said it did not sound right to him, especially since this last audit was done almost entirely remotely with them emailing documents and records rather than them coming to City Hall to conduct the audit. Mr. Tramm said also the amount they said they needed to break even last year was a greater amount than what the Engagement Letter stated. Mr. Tramm said sometimes it is good to see what else is in the market for consultants. Mr. Tramm said given the 35 percent price increase he thinks now is the time for it.

Byron Sanford asked if now is the time with meeting deadlines to find a new auditor. Mr. Tramm said it would press them a little but there is enough time to get it done.

Julie Davis asked if Mr. Tramm will bring back one person he recommends and how long would they be going out for bids. Mr. Tramm said the process for RFQ's would be done the

same way as in the past and they will bring people back to City Council for a selection to be made.

Kevin Lacy moved to direct the City Administrator to begin the RFQ process and bring three bid proposals back to the next City Council meeting. T.J. Wilkerson seconded the motion.

Discussion: Julie Davis asked if they need to have some language in there to deny this or not because we are sending out for bids. Mr. Tramm said it can be considered denied because it has not been accepted.

The motion carried unanimously. (4-0)

8. Presentation and discussion on a development concept for Porter Farms, a 23-acre single-family residential development by Waterstone Development Group, LLC.

Mr. Tramm said Waterstone Development Group, LLC, which is not connected or related to the Waterstone subdivision in the City, is proposing a residential development on the north side of the City. Mr. Tramm said the developer has experience with both affordable and high-end housing and would like input from City Council on what they feel best serves the needs of the City.

Mr. Tramm said additionally the developer intends to create a Public Improvement District (PID) to serve as a reimbursement vehicle for infrastructure costs. Mr. Tramm said the City has one existing PID for Summit Business Park on FM 1097. Mr. Tramm said PID's are a special purpose district similar to MUD's with several notable differences. Mr. Tramm said both can sell bonds to finance infrastructure and similar improvements, PID's levy special assessments and end when the bonds are repaid, and MUD's levy property taxes and are political entities that can continue to issue bonds in the future.

Mr. Charles Von Schmidt, President of Waterstone Development Group said they build communities from as far south as Angleton up to Huntsville and from the College Station area over to Dayton and Liberty.

Mr. Von Schmidt said they have purchased a 23-acre parcel that is much smaller than what they originally wanted. Mr. Von Schmidt said there is an additional 43-acres to the north that may become available for them to purchase soon.

Mr. Von Schmidt said one of the keys to affordable housing is reducing the lot width from 70-80 feet to 50-feet. Mr. Von Schmidt said homes would range from 1,400 to 2,200 square feet and deed restrictions would allow, but not require, the City to enforce them. Mr. Von Schmidt said they would be 55x130 lots in order to provide affordable housing. Mr. Von Schmidt said the reason for a PID is because the public bond money is a lot cheaper than his interest as a developer commercially and payments can spread out over 30 years for the homeowner. Mr. Von Schmidt said a PID is for a set number of days, hours, years, and a set amount of money which is fixed as opposed to a MUD.

Mr. Von Schmidt said he is looking for feedback and direction from City Council regarding the affordable homes with the smaller size lots.

Byron Sanford said Mr. Von Schmidt has his full support and the PID makes far more sense than a MUD. Byron Sanford said the homes are very similar to those around Cedar Brake Park and are very attractive looking and maintained and that is what he is concerned with.

Julie Davis asked Mr. McCorquodale what he sees as the biggest hurdle for getting around the lot width variance because clearly they have a City Ordinance for 70-foot lot width variance and that has always been a hurdle to getting starter homes inside the City limits. Mr. McCorquodale said a variance should be a minimum set of standards but not obstacles. Mr. McCorquodale said a variance if it makes sense is not a bad thing. Mr. McCorquodale said the biggest hurdle in this layout is when you build less than a 9,000 square foot lot because our ordinance requires a one-to-one offset of compensating green space. Mr. McCorquodale said they would need to request from City Council a variance on the lot width, lot size, and compensating green space.

Julie Davis said the biggest deficit they have as a City is they do not have starter homes. Julie Davis said they pay employees left and right from every store in town and these people cannot afford to live here so they take money that is paid here and leave the City with it. Julie Davis

said they do not spend it here and they do not live here and it is a huge issue. Julie Davis said she is a huge advocate that they incorporate starter homes and do away with the big \$500,000 homes and feels there are enough of them. Julie Davis said a PID is a great idea because it does end at a point.

Byron Sanford said they have discussed this before regarding getting too many rental units stacked on top of each other which is great for the investor. Bryon Sanford said we have people we need to take care of here in the City that need to live, work, and play in the City.

Kevin Lacy said the reality is they do not have control over when investors want to come in and buy up the houses. Kevin Lacy said that is how it is in Town Creek as half the homes were bought by investors and turned into rental homes. Kevin Lacy said his concern is some investor coming in and buying up half the neighborhood and then you have renters everywhere. Kevin Lacy asked how do you control that.

Mr. Von Schmidt said they have not had the problem in the past that we are seeing in the last 12 months and in trying to resolve it they changed some of the language in their deed restrictions. Mr. Von Schmidt said they now prohibit any form of short-term rental and require a minimum of one year which gets them out from the person that wants to open an Airbnb. Mr. Von Schmidt said another thing they changed is no landowner, regardless of if they own one or ten units, can put a sign on the property. Mr. Von Schmidt said the reason that becomes effective is that a lot of landlords look at those restrictions and see the fact they cannot Airbnb it, there is a minimum of a one-year and not a six-month lease, they cannot advertise it onsite, there is a \$150 rental application, and they have to do a criminal background check to ensure the person has never had a sex offender or drug dealer charge. Mr. Von Schmidt said most of the commercial landlords do not want to go through those steps and feel that could trip them up legally. Mr. Von Schmidt said these are the items listed in their deed restrictions to discourage investors from coming in and buying the houses and they still have not accomplished anything because the person who they want to be taking care of a house is still renting, they are just renting a house instead of an apartment.

Mr. Von Schmidt said regarding the compensation space issue they had originally had the additional acreage and there was a large creek on the east side of the property. Mr. Von



Schmidt said they had always anticipated that creek would compensate them for whatever kind of space such as walking trails. Kevin Lacy said in the presentation it talks about the amenities that list walking trails which is what they want. Kevin Lacy asked if there is any room for amenities on the 23-acres. Mr. Von Schmidt said they are going to have community gardens and they will be putting in sidewalks. Mr. Von Schmidt said since they keep the cars off the streets people will also be able to walk on the streets as well. Kevin Lacy asked if as of right now the walking trails would be the sidewalks. Mr. Von Schmidt said yes. Kevin Lacy asked how can blocked sidewalks be controlled since they could be blocked with cars. Mr. Von Schmidt said they have not had that problem. Mr. Von Schmidt said generally speaking when they put in a 25-foot setback and place the garage slightly compressed in the front there is generally enough room. Mr. Von Schmidt said in the future they may need to look at additional deed restrictions.

Kevin Lacy asked if they know what the status is with the additional 40-acres. Mr. Von Schmidt said they originally did this five months ago and they were trying to sign both contracts at the same time. Mr. Von Schmidt said the broker was unable to get in touch with the owner of the property and a month and a half ago the broker said as far as he is concerned he has lost complete contact with the owner and had no idea what was wrong.

T.J. Wilkerson asked if the main entrance would be off of FM 1097. Mr. Von Schmidt said they are proposing that but have not talked with the City or TxDOT about it. Mr. Von Schmidt said if it is a problem they would certainly withdraw that. Mr. Von Schmidt said they originally wanted to go straight east to Summit Business Park but they do not have a right-of-way through there. Mr. Von Schmidt said they wanted to have multiple entrances but if it turns out to be more of a detriment than an asset they would not want to do it.

9. Presentation and discussion on relocating a historic home to The Oaks of Montgomery property located at 202 Prairie Street by Miles Marks.

Mr. Tramm said Mr. Miles Marks, owner of The Oaks of Montgomery contacted the City to discuss the relocation of a historic home to his property at 202 Prairie Street. Mr. Tramm said this is also not an action item but it is something that if City Council or staff want to look into then they will do that.

Mr. Marks said the new owner of the property the historic home is sitting on does not want the home. Mr. Marks said he has room on his property to relocate the home. Mr. Marks stated this historic home is just under 2,000 square feet and it would be a challenge for him. Mr. Marks said he thinks it would behoove the City of Montgomery to help in the effort since it is a historic home and is part of the history of Montgomery.

Mr. Tramm said one of the issues is that Mr. Marks currently has a Planned Development (PD) District with the City which only allows the current structure to be there. Mr. Tramm said the Development Agreement would need to be amended to move the historic home onto his property.

Kevin Lacy asked what proof is there this was the original house. Mr. Marks said it was registered with the historic site based on the registration and the history from the family who owns it.

Kevin Lacy asked how much it would cost to move the house. Mr. Marks said first he would need to get City Council's permission and he is anticipating the cost being between \$20,000 and \$50,000. Kevin Lacy said that was a lot of money. Mr. Marks said they would probably need to remove some trees to accommodate relocating the home to his property.

Mr. Tramm said this is just a gauge of whether City Council would be interested in looking further into this. Mr. Tramm said this would need to go through the Planning and Zoning Commission for their approval and they would also have to modify the Planned Development District.

Julie Davis said personally she would be opposed to spending the money because there are so many infrastructure needs right now, but as far as history goes she feels this is outside of her pay grade.

Mr. Tramm said as Mr. Marks finds out more about costs, he can come back to City Council with more information.

10. Consideration and possible action regarding purchase of three (3) mobile traffic control and messaging signs from All Traffic Solutions.

Mr. Tramm said this item was tabled at the meeting of August 10, 2021, to be brought back with greater detail to City Council.

Mr. Tramm said these items are a recommended purchase following the City's review of its emergency response procedures. Mr. Tramm said one of the items identified was the need for portable and controllable signs for traffic direction and messaging during emergencies. Mr. Tramm said to fill this need the three trailers in this item were identified. Mr. Tramm said after the purchase they would be available for normal daily use of the Police and Public Works Departments for traffic control on an as-needed basis. Mr. Tramm said this regular use would also ensure they are kept in proper operating condition on a regular basis and that staff is familiar with their operation. Mr. Tramm said each of these includes solar charging capability to maximize their ability to be used in remote locations. Mr. Tramm said the items to be purchased under this approval were identified by the Police Department as being appropriate for traffic control and messaging for multiple uses. Mr. Tramm said the cost for three signs, trailers, and all accompanying accessories is \$44,947.00.

Mr. Tramm said as these signs would also be used for traffic direction use during in-City festivals and events, the MEDC had previously set aside funds to reimburse the City for up to half the purchase amount, which it could consider following the next MEDC meeting scheduled for September 20, 2021.

Byron Sanford said the first trailer has a unit price of \$17,491 and asked if it was speed only. Chief Solomon said no, it has a GPS system, camera system, and infrared lights. Chief Solomon said the other two for \$27,000 are \$13,000 each. Chief Solomon said the other one is for higher traffic areas where it gives the radar alert which is why it is \$3,000 higher.

Byron Sanford said the trailers work for him and you have data that shows this does cut the number of speeders down in an area where the trailers are displayed. Chief Solomon said they now have trailers on SH 105 and other streets including the FM 1097 area where people are slowing down and they definitely do the job.

Kevin Lacy asked if all three of these messaging signs are good or is one good and two are ok. Chief Solomon said the one is more expensive because it is for high-end traffic. Kevin Lacy asked why didn't they just spend the money and get all three of the same. Chief Solomon said they did not need them because where the other message signs will be located the traffic flow is not as high in those areas.

Julie Davis asked where does this come from in the budget. Mr. Tramm said there is no budget item for this. Mr. Tramm said City Council is allowed to approve it and then it will be assigned to a police line item. Mr. Tramm said at the end of every fiscal year City Council does a reconciliation process where it amends the budget so it matches what happened and it would be adjusted at that time. Mr. Tramm said there is a police category for signage. Mr. Tramm said that is one reason this comes to City Council for a line item because there were no funds previously appropriated.

Kevin Lacy said since the last City Council meeting he reached out to 40 people where 23 responded and 16 people were for it. Kevin Lacy said he is for it and thinks they need to spend the money now. Kevin Lacy said this is a big piece of the infrastructure that needs to be worked on.

Julie Davis said at the last meeting she commented on only purchasing two police cars instead of four. Julie Davis said this has nothing to do with not funding the police, but she would rather give \$50,000, \$100,000, \$200,000 if it covers the police officers healthcare and we can maintain our men in uniform staying with the department rather than turning over and rotating and would prefer to give money to that before giving money toward messaging signs.

Chief Solomon said when we are talking about supporting our police officers we are talking about supporting our community. Chief Solomon said when they had the snowstorm in February people asked him what are they going to do next, why was there not a sign displayed, why didn't someone know where this was at. Chief Solomon said that is what these signs are for. Kevin Lacy said it also keeps an officer out of harm's way in some instances too.

Kevin Lacy moved to approve the purchase of the traffic control messaging signs from All Traffic Solutions for a total price of \$44,947. Byron Sanford seconded the motion, the motion carried with 3-Aye votes and 1-Nay vote by Julie Davis. (3-1)

**DEPARTMENTAL REPORTS:**

11. City Administrator's Reports for July 2021 – Mr. Tramm said one item tabled from the last City Council meeting was the purchase of a generator for the Community Center. Mr. Tramm said they are looking into exploring some grant opportunities not just for the generator but also improvements for the City Community Center.

Mr. Tramm said the mobile vendor food truck workshop schedule is as follows:

- Staff and City Attorney complete work on draft ordinance – August 31, 2021
- City releases public survey on these items – week of September 6, 2021
- Begin acceptance of written comments – week of September 6, 2021
- Workshop Meeting – September 21-23, 2021 (exact date subject to Council availability)
- End acceptance of written comments – the day following the workshop
- Summary report to City Council – September 28, 2021
- Staff and City Attorney complete revised draft ordinance before the October 12, 2021, City Council meeting

Kevin Lacy said he wanted to make sure the workshop scheduled somewhere between September 21-23, 2021 will involve residents in discussions and not just reading written comments. Mr. Tramm said that is his understanding of what City Council wants.

Kevin Lacy asked why aren't they accepting written comments before the City Attorney and staff work on it so they have more of an idea of what the citizens are looking for. Mr. Tramm said if anyone wants to provide comments they are going to him and Mr. McCorquodale.

Mr. Tramm said he previously mentioned the American Rescue Plan funds which was the last announced federal program to help provide COVID-19 type related funds. Mr. Tramm said their funds because they are a smaller city go through the Texas Department of Emergency Management (TDEM) where the City is due to accept approximately \$337,000 in two

payments. Mr. Tramm said for the last week they have been told that the first payment is in process. Mr. Tramm said these funds do come with several requirements for their use. Mr. Tramm said the primary use would be for infrastructure but those details will be discussed at the workshop. Mr. Tramm said the City Bookkeeper has been instructed to segregate those funds.

Mr. Tramm said also last month he attended a meeting with the State Attorney General's Office regarding the State's opioid settlement which is supposed to result in money going to various levels of government. Mr. Tramm said it appears the share that would be given to the City of Montgomery is \$1,884. Kevin Lacy asked how is the amount determined. Mr. Tramm said the amount was based largely on population and it also identified hot spot areas with opioid problems.

Mr. Tramm said residential and commercial construction continues to occur throughout the City. Mr. Tramm said the primary residential construction areas are Hills of Town Creek and Town Creek Crossing. Mr. Tramm said Panda Express is moving forward, AutoZone recently opened, Wendy's was recently issued their permits, and 33 new homes were completed.

Mr. Tramm said they are waiting to hear back on the extension that was filed for the GLO Drainage Project and also for them to approve the first phase of project work.

Mr. Tramm said he does not have a timeline for when the actual construction will begin for the FM 149 turn lane, but it is moving forward. Mr. Tramm said the FM 1097 speed and signal studies have been sent to TxDOT.

Kevin Lacy asked if Dairy Queen has ever approached the City about coming to Montgomery. Mr. Tramm said he has not heard anything regarding Dairy Queen. Julie Davis said the Dairy Queen in Willis told her they are looking at the property on the corner of Emma's Way and SH 105 next to the high school.

Julie Davis asked if there is an estimated time for Panda Express to open. Mr. Tramm said he did not know.

12. Public Works Report for July 2021 – Mr. Muckleroy, Public Works Director said on the water side they replaced an air relief valve on Buffalo Springs bridge water line and completed five work orders for water leaks.

Mr. Muckleroy said on the wastewater side they repaired the manhole lid and ring on Clepper Street and raised a manhole that was covered at 916 College Street.

Mr. Muckleroy said on streets and drains they replaced several faded “Reserve Parking” signs at the park facilities and repaired two potholes.

Mr. Muckleroy said on building, facility, vehicle, and equipment maintenance they replaced the damaged sink in the women’s restroom at the Community Center. Mr. Muckleroy said the facilities are cleaned every Monday, Wednesday, and Friday each week and before an event, they try and get them cleaned on Friday afternoon. Mr. Muckleroy said it appeared someone jumped on the sink and broke it off the wall on a Saturday afternoon so it was not that one of his crew members did not catch this as no one is here on Saturdays. Mr. Muckleroy said they also adjusted the brakes on one of their trailers.

Mr. Muckleroy said on the park side they repaired sidewalk lighting at Cedar Brake Park and completed 14 work orders for maintenance-park issues. Mr. Muckleroy said Fernland Park reported 654 visitors and provided 55 tours for the month.

Mr. Muckleroy said they attended a meeting with MEDC Events Coordinator and Events Committee meeting and hosted the 2021 Water Party at the Community Center.

Julie Davis asked if one of the leaks was at Heritage House. Mr. Muckleroy said no because this is the report from July. Mr. Muckleroy said they have addressed that spot before around a year ago and looked at it today because they noticed it was still wet and it has not rained, but typically when it rains it comes down that hill and that is the point it comes out of which is not uncommon to happen. Mr. Muckleroy said it does not appear to be a water leak but they are going to dig it up again.

13. Police Report for July 2021 – Chief Solomon said in Montgomery they have been trying to get a (Community Emergency Response Team) CERT team and even a training class since 2019 and they held the first CERT training class on August 18, 2021. Chief Solomon said in the private sector there are 15 citizens in training. Julie Davis said she has heard great things about CERT training.
14. Court Report for July 2021 – Mrs. Kimberly Duckett, Court Administrator said for the Court Report for July they collected \$33,874.84 in revenue and the total amount of citations was 163. Mrs. Duckett said for the upcoming months the City of Montgomery will be participating in the Fall Warrant Resolution with the collections department.
15. Utility Report for July 2021 – Mr. Tramm said revenue item \$15,619.44 was the Montgomery County payment under the CARES Act reimbursement. Mr. Tramm said it was originally in the process that started in November 2020. Mr. Tramm said the total revenue in permits was \$12,961 and represents 27 permits. Mr. Tramm said the City's water usage at the Parks has increased significantly due to drier, hotter periods.
16. Water Operations Report for July 2021 – Mr. Mike Williams, Vice President of H2O Innovation, said there was a fire hydrant leak on Baja Road that was repaired. Mr. Williams said on Lift Station 2 they had to call out for Variable Frequency Drive (VFD) failure and needed to replace VFD 3.

Mr. Williams said they have had several power issues which they have had a resolution from Entergy. Mr. Williams said Entergy found a hole that would start to lean over during wind events and a repair was made. Mr. Williams said they have not had any power callouts since July 18, 2021. Kevin Lacy asked if that was after the repair. Mr. Williams said yes. Mr. Tramm said after they made the repair they were literally in a meeting with Entergy at City Hall and the power went out during that meeting right after they told them it was repaired. Mr. Tramm said what happened was a car had run into a pole and since then they have not had a problem.

Mr. Williams said the wastewater plant flow for July was 5,611,000 gallons, daily peak flow on July 4, 2021, was 443,000 gallons, and average daily flow was 187,000 gallons with 47 percent permitted capacity.



Mr. Williams said all samples were in compliance with the effluent monitor report in July and reported 6.25 inches of rain at the plants.

Mr. Williams said they pumped a total of 10,538,000 gallons, flushed 101,000 gallons, and sold 9,803,000 which is a 94 percent accountability with a total connection count of 1,031.

Mr. Williams said they also installed the Panda Express tap.

Kevin Lacy asked if going from 84 percent to 94 percent is as far as accountability percent and does that count as no more rain between 90-95 percent? Mr. Williams said typically with a good rain you will see 93, 94 to 100 percent which can fluctuate due to leaks or flushing and activity going on in the City. Julie Davis said she is sure the hydrant leak had a lot to do with the drop in the accountability. Mr. Williams said yes.

17. Finance Report for July 2021 – Mr. Anthony Lasky, Senior Accounting Clerk presented his report to City Council. Mr. Lasky said the account balance for the operating general fund has a total of just under seven months reserve, MEDC has over two years reserve, and the utility fund has 11 months reserve.

Mr. Lasky said there were a couple of disbursements made to the Montgomery County Elections Administrators and the reason for that is because there were two elections this fiscal year.

Mr. Lasky said for the budget report they collected \$288,879 in sales tax, \$216,000 into the general fund, and the rest into MEDC. Mr. Lasky said the August sales tax total was \$466,000 they received which is the highest he has seen.

Mr. Lasky said the City was 38 percent over on revenues for July and currently 12 percent total of budget revenues for fiscal year 10 months complete. Mr. Lasky said for the expenditures it was 12 percent over for July and 93 percent for total expenses for the fiscal year this far.

Mr. Lasky said on pages 29 and 30 he knows they are still the same totals for the grants but he did get confirmation from the City Engineer that those projects were complete and on the next month's report the other funds will be transferred back to the general fund and there will be \$10.00 in both of those accounts. Mr. Lasky said they can keep those accounts open for any future grants that may come in such as the GLO that is coming up and that way they can track those funds whenever they do get deposited.

Mr. Lasky said the bond payments are coming due and he will be making those payments at the end of this week.

18. Sales tax Report for August 2021 – Ms. Kathryn Wheeler, President, Secretary, and Treasurer for Sales Revenue Inc. (SRI) introduced Mr. Derrick Michael who is one of her consultants with SRI and is the coordinator for the City’s jurisdiction.

Mr. Michael said there are 5,339 active sales taxpayers and as of August 2021 the City has received 2,194 sales tax filers which is a 9.5 percent increase in taxpayers over August 2020. Mr. Michael said for the 12 months there is an average of 2,039 taxpayers filing each month.

Mr. Michael said sales tax receipts for the calendar year 2021 are \$2,692.64 and for the average the City had 2,039 taxpayers filing local tax returns each month with February 2021 reflecting the highest taxpayer count of 2,277.

Mr. Michael said the top 25 sales tax filers for August 2021 show Kroger, McCoy’s, and Macsouth as the top three.

Mr. Michael said 97 percent of all sales tax receipts received came from service providers that are charging the local sales tax to individuals within the County boundary, but whose physical tax office is located either in the City limits or, in most cases, out of the State. Mr. Michael said in August 2021, a total of 75 businesses filed sales tax receipts from locations that are physically located within the City, the remaining 2,119 filings came from our district goods and service providers.

Mr. Michael said the City of Montgomery has received \$35,964,650.49 in sales tax receipts since January 1, 1995. Mr. Michael said the August 2021 allocation to be allocated to the City totals \$466,305.61. Mr. Michael said the \$466,305.61 is a 24 percent increase over the August 2020 total.

Mr. Michael said for the fiscal year there is \$3,566,863.42 of total sales tax allocations received.

Mr. Michael said the total allocations from 2012 to the present are \$21,882,535.97.

Mr. Michael said the average payment in 2021 is \$336,576.83 and last year the average payment was \$263,594.45 which is a considerable increase in the average.

Mr. Michael said the monthly allocations are also shown going back to 2015 with the month-to-month variance which shows 61 percent over July.

Mr. Michael said for the previous year by month variance, the City is 24 percent over the previous August.

Mr. Michael said the yearly allocations and yearly variance are shown from 2015 to the present.

Mr. Michael said Panda Express is going to contribute a lot of money in sales tax because there is no other Panda Express around. Ms. Wheeler said a Dairy Queen by the high school also would be fantastic.

Kevin Lacy said it was mentioned that some things were missing. Ms. Wheeler said out here it will probably be a two-day tour in which they can schedule back to back or coordinate other times.

Mr. Tramm said he is able to review the total list with SRI, and it may be that a company thinks it is doing its job right but for one reason or another they misreported the City maybe because they are reporting from a different zip code. Mr. Tramm said part of the service is to go out and then see what is here and verify that.

Julie Davis asked if there is a way to get an annual allocation of sales tax by dollar amounts. Julie Davis said of the three percent that is inside the City limits what dollar amount are they generating in comparison to the 97 percent that is not. Mr. Michael said it should be included in the confidential report. Mr. Tramm said he will be sending that out tomorrow and was trying to avoid getting confused with this because being a confidential report if introduced to the public the information is no longer confidential. Julie Davis said Kroger and McCoy's are constantly at the top. Ms. Wheeler said you will be able to see that on the confidential report.

19. City Engineer's Report for July 2021 – Mr. Chris Roznovsky, City Engineer presented his report to City Council.

Mr. Roznovsky said the Downtown Waterline Replacement Project is in the process of final testing. Mr. Roznovsky said the contractor plans to complete service lead tie-ins this week and they received Pay Estimate No. 7 for \$60,786.00 from Jones|Carter. Mr. Roznovsky said as of July 23, 2021, construction was approximately 85 percent complete.

Mr. Roznovsky said Water Plant No. 3 Improvements contract will be mobilized and on-site any day. Mr. Roznovsky said the ground storage tank is being replaced and work will begin in September.

Mr. Roznovsky said the Ander's Branch Drainage Improvements project is underway.

Mr. Roznovsky said the Dr. Martin Luther King Jr. Drive Ditch Regrading and Sanitary Sewer Rehabilitation Project plans were received yesterday from Jones|Carter and they are reviewing them.

Mr. Roznovsky said the Water Plant No. 3 Generator Project will begin once costs for the previous two projects have been finalized.

Mr. Roznovsky said the FM 1097 Speed Study was revised to 45 mph and the FM 1097 and Buffalo Springs Drive Traffic Signal Warrant Analysis was finalized as well. Mr. Roznovsky said they are coordinating with TxDOT to consider the possibility of installing a traffic signal at the intersection of FM 1097 and Buffalo Springs Drive.

Mr. Roznovsky said at the last meeting it was asked what the timeline was for the FM 1097 improvements. Mr. Roznovsky said they will follow up and have an update for next month's City Council meeting.

Mr. Roznovsky said the Shoppes at Montgomery access drive to Buffalo Springs plans were approved. Mr. Roznovsky said that access is from Star Bucks to Buffalo Springs behind Panda Express where they will complete that road.

Mr. Roznovsky said the Hills of Town Creek, Section 4 Amending Plat was signed this month and the Shoppes at Montgomery Amending Plat 3 was recorded.

Mr. Roznovsky said Town Creek Crossing, Section 1 is continuing with ongoing construction.

Mr. Roznovsky said the Hills of Town Creek, Section 3 was reinspected on August 19, 2021, but there is still a handful of items that need to be addressed. Mr. Roznovsky said they repaired the pavement, but it is not yet complete.

Mr. Roznovsky said the Kammerer Tract developer is getting their plans ready but they have not heard back from them. Julie Davis asked if they have heard of any kind of change of their

development plans with the construction costs changing. Mr. Roznovsky said he has not heard anything official.

Mr. Roznovsky said they are coordinating with TxDOT to provide the documentation necessary to determine and prepare the easement area for the FM 1097 & Atkins Creek Drainage Improvements Project.

Mr. Roznovsky said the FM 149 & SH-105 North Bound Right Turn Lane Project is expected to be complete in October 2021.

Mr. Roznovsky said regarding the City Engineer transition they are continuing to go through the provided files to determine if any additional documents are needed.

Kevin Lacy asked if the Right Turn Lane Project is a month ahead of what was originally thought. Mr. Roznovsky said they originally projected a September start date and started a little early, but thinks the overall timeline is still correct. Julie Davis said it is amazing how it has taken nearly 20 years to get a right turn lane but will take less than 60 days to complete.

Byron Sanford said the water issues with the Hills of Town Creek were due to the water pressure and Mr. Muckleroy has done a good job in keeping them informed. Byron Sanford asked if when they get to 100 percent are they confident it will be a 100 percent completion of the project. Mr. Roznovsky said right now it is a six-inch pipe however when the project is complete there will be a 12-inch pipe in its place.

Byron Sanford said in anticipation of 30 more homes in Phase 4 the City should be good for the near future. Mr. Roznovsky said yes it should. Mr. Roznovsky said the biggest driver is they have a lot of capacity but it is down to the physical distance between the plant and where they are going and what is the most cost-effective way. Mr. Roznovsky said any future development will have to be looked at in detail to see what is going to be needed to provide service so they do not create issues. Bryon Sanford asked if they would have a better idea of the process from the Budget Workshop as to how quickly they may be going for the water to the Kammerer Project and the water tower. Mr. Roznovsky said yes and they will go over all of that in the Budget Workshop and they will know whether to develop and how these improvements need to go forward.

Byron Sanford asked how big of a priority is put on the lights at FM 1097 and Buffalo Springs and SH-105 with 199 homes being built in that area. Mr. Roznovsky said ongoing is a single work analysis for SH-105 and Buffalo Springs and then you already have the one completed at FM 1097. Mr. Roznovsky said part of what they will discuss on Thursday is the cost of that. Julie Davis asked if there is a way to get a light at Buffalo Springs and SH-105 if they just simply ask the Kroger Development or we as the City put in a cut-through road from Buffalo Springs to Kroger. Mr. Roznovsky said he had a conversation with that developer a few weeks ago and they have plans for a development to be on that corner and part of that is they will complete that driveway right there where it just stops. Mr. Roznovsky said he believes the timeline for that is the first of next year.

Julie Davis moved to accept the Departmental Reports as presented. Kevin Lacy seconded the motion. The motion carried unanimously. (4-0)

**EXECUTIVE SESSION:**

The City Council reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071(consultation with attorney), 551.072 (deliberation regarding real property),551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.

There was no Executive Session held.

**POSSIBLE ACTION FROM EXECUTIVE SESSION:**

**COUNCIL INQUIRY:**

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

Kevin Lacy said he wanted to mention to everyone that Kelvin Arnsworth owner of Yo' Mama's BBQ is going through a very big fight for his life right now with various stages of cancer. Kevin Lacy said he had the chance to see Kelvin on Sunday and his spirits are up but said he definitely needs our prayers.

Kevin Lacy said there is also a GoFundMe account set up for Kelvin to help out with some of the expenses for what he is going through so if you can help it would be greatly appreciated. Kevin Lacy said as sick as he was on Sunday he insisted his friend drive him around downtown Montgomery so he could see all of his friends. Kevin Lacy said he thinks that says a lot about this man and his character and how much he loves this town and how much he has done for us.

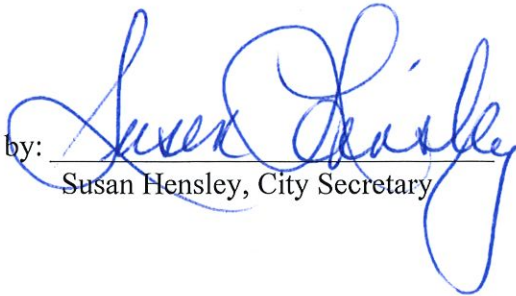
Julie Davis said she wanted to clarify Commissioner Walker has repaved Spring Branch or Old Plantersville from SH-105 by the high school and is working on the second half south of the railroad tracks, but isn't north of the railroad tracks inside the City limits. Mr. Roznovsky said no it is outside the City. Julie Davis asked if they know of a timeline or who is going to paint the lines on the road. Mr. Roznovsky said he does not know but will certainly find out. Julie Davis said her issue was he was consistently shutting down traffic in both directions that did not allow 911 traffic through and it impedes all 911 traffic to the high school. Julie Davis said when she called him he said that was not happening. Julie Davis said she is glad the front end is done but hopes he will restripe it but not during school hours.

Julie Davis said there are issues of furniture being dumped on Old Plantersville, which she has noticed is being picked up but she does not know if that was Commissioner Walker. Julie Davis said there is a lot that has been happening on Old Plantersville in the last couple of weeks.

Byron Sanford said it is good reason for optimism that at this point we have three months and well over \$400,000 in taxes and when you go back there are only two months and seven years prior that we ever hit anywhere close to that so that is a reason for what we call cautious optimism moving forward because of the price of everything and we have already noted that every decision we make now is with the understanding it is going to cost more by the time it gets built and so all of that is relative, but he sees a lot of optimism for the City.

## ADJOURNMENT

Kevin Lacy moved to adjourn at 7:56 p.m. Julie Davis seconded the motion, the motion carried unanimously. (4-0)

Submitted by:  Date Approved: \_\_\_\_\_  
Susan Hensley, City Secretary

\_\_\_\_\_  
Mayor Sara Countryman



**MINUTES OF PUBLIC HEARING**  
**September 7, 2021**  
**MONTGOMERY CITY COUNCIL**

**CALL TO ORDER**

Mayor Pro Tem Wilkerson declared a quorum was present and called the meeting to order at 6:00 p.m.

Present: Carol Langley City Council Place # 1  
T.J. Wilkerson City Council Place # 3  
Julie Davis City Council Place # 4

Absent: Sara Countryman Mayor  
Kevin Lacy City Council Place # 2  
Byron Sanford City Council Place # 5

Also Present: Dave McCorquodale Assistant City Administrator  
Susan Hensley City Secretary

**INVOCATION**

Mayor Pro Tem Wilkerson gave the Invocation.

**PLEDGE OF ALLEGIANCE TO FLAGS**

**PUBLIC HEARING(S):**

**Convene into Public Hearings for the purpose of giving all interested persons the right to appear and be heard regarding the following:**

1. **Convene into Public Hearing** – Regarding the 2021 tax rate of \$.4000 per \$100 valuation as proposed by the governing body of the City of Montgomery as the 2021 City Tax Rate.

Mayor Pro Tem Wilkerson convened into the Public Hearing at 6:05 p.m.

Mr. McCorquodale said on August 24, 2021, City Council approved the Proposed Tax Rate of \$.4000/\$100 of property valuation for the 2021-2022 fiscal year. Mr. McCorquodale said this

amount will generate \$1,374,191 in ad valorem taxes, which is an increase in revenue of \$155,859. Mr. McCorquodale said this amount is after the 20 percent Homestead Exemption that was approved by City Council. Mr. McCorquodale said this is the first year for the Homestead Exemption in Montgomery, which will lower the taxes received by the City by \$86,472 and allow that money to remain with the owners of those homesteaded properties in the City. Mr. McCorquodale said the draft budget is partly funded by \$889,101 in income for the General Fund and \$485,090 in income for the Debt Service Fund from ad valorem property tax revenue.

There were no other comments.

**Adjourn Public Hearing.**

Mayor Pro Tem Wilkerson adjourned the Public Hearing at 6:07 p.m.

2. Announcement of the date, time, and location that City Council will adopt the 2021 Tax Rate for the City of Montgomery, which will be on September 14, 2021, at 6:00 p.m. at Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas.

Mayor Pro Tem Wilkerson read the announcement as stated on the Agenda for the record.

**VISITOR/CITIZENS FORUM:**

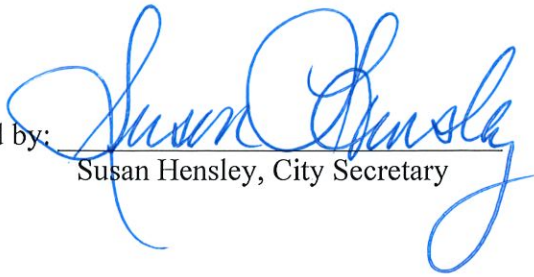
Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must be recognized by the Mayor. Council may not discuss or take any action on an item, but may place the issue on a future agenda. The number of speakers along with the time allowed per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

There were no comments made.

**ADJOURNMENT**

Julie Davis moved to adjourn the meeting at 6:07 p.m. Carol Langley seconded the motion, the motion carried unanimously. (4-0)

Submitted by:



Susan Hensley, City Secretary

Date Approved: \_\_\_\_\_

\_\_\_\_\_  
Mayor Sara Countryman

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding an Escrow Agreement by and between the City of Montgomery and BETC Realty, LLC for the 2.35-ac Shipley Donuts Tract located on the northwest corner of SH 105 / Eva Street and C.B. Stewart Drive (Dev. No. 2009).

**Recommendation**

Approve the Escrow Agreement by and between the City of Montgomery and BETC Realty, LLC for the 2.35-ac Shipley Donuts Tract located on the northwest corner of SH 105 / Eva Street and C.B. Stewart Drive (Dev. No. 2009) as presented.

**Discussion**

Escrow Agreements are standard form agreements used by the City to ensure engineering, legal and related costs incurred during the development review process are covered by the developer. Escrow Agreements also simplify the billing process by eliminating monthly invoicing to developers and instead drawing on a pre-estimated sum for project costs. Once approved and the developer deposits funds into their escrow account, the City begins the development review process.

**Approved By**

Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021

**ESCROW AGREEMENT**

**BY AND BETWEEN**

**THE CITY OF MONTGOMERY, TEXAS,**

**AND**

**BETC Realty, LLC**

**Dev. No. 2009**

THE STATE OF TEXAS            ⊃

COUNTY OF MONTGOMERY    ⊃

This Escrow Agreement, is made and entered into as of the 20 day August, 2021 by and between the CITY OF MONTGOMERY, TEXAS, a body politic, and a municipal corporation created and operating under the general laws of the State of Texas (hereinafter called the "City"), and BETC Realty, LLC, (hereinafter called the "Developer").

**RECITALS**

WHEREAS, the Developer desires to acquire and develop all or part of a 2.35-acre tract, being comprised of Reserve E, Buffalo Run Sec. 1, sometimes referred to as the Shipley's Donuts Tract, and being more particularly described in Exhibit "A" attached hereto and incorporated herein by reference for all purposes.

WHEREAS, the City policy requires the Developer to establish an Escrow Fund with the City to reimburse the City for engineering costs, legal fees, consulting fees and administrative expenses incurred for plan reviews, developer coordination, construction management, inspection services to be provided for during the construction phase, and one-year warranty services.

AGREEMENT

ARTICLE I

SERVICES REQUIRED

Section 1.01 The development of the Shipley’s Donuts Tract will require the City to utilize its own personnel, its professionals and consultants; and the Escrow Fund will be used to reimburse the City its costs associated with these services.

Section 1.02 In the event other contract services are required related to the development from third parties, payment for such services will be made by the City and reimbursed by the Developer or paid directly by the Developer as the parties may agree.

ARTICLE II

FINANCING AND SERVICES

Section 2.01 All estimated costs and professional fees needed by City shall be financed by Developer. Developer agrees to advance funds to City for the purpose of funding such costs as herein set out:

Administrative	\$ 1,000
City Engineer	\$ 4,000
Legal	\$ 1,000
<hr/>	
TOTAL	\$ 6,000

Section 2.02 Developer agrees to submit payment of the Escrow Fund no later than ten (10) days after the execution of this Escrow Agreement. No work will begin by or on behalf of the City until funds have been received.

Section 2.03 The total amount shown above for the Escrow Fund is intended to be a “Not to Exceed” amount unless extenuating, unexpected fees are needed. Examples of extenuating

circumstances created by the developer that may cause additional fees include, but are not limited to, greater than three plan reviews or drainage analysis reviews; revisions to approved plans; extraordinary number of comments on plans; additional meetings at the request of the developer; variance requests; encroachment agreement requests; construction delays and/or issues; failure to coordinate construction with City; failed testing during construction; failing to address punch list items; and/or excessive warranty repair items. If extenuating circumstances arise, the Developer will be informed, in writing by the City, of the additional deposit amount and explanation of extenuating circumstance. The Developer agrees to tender additional sums within 10 days of receipt of request to cover such costs and expenses. If additional funds are not deposited within 10 days all work by or on behalf of the City will stop until funds are deposited. Any funds which may remain after the completion of the development described in this Escrow Agreement will be refunded to Developer.

### ARTICLE III,

#### MISCELLANEOUS

Section 3.01 City reserves the right to enter into additional contracts with other persons, corporations, or political subdivisions of the State of Texas; provided, however, that City covenants and agrees that it will not so contract with others to an extent as to impair City's ability to perform fully and punctually its obligations under this Escrow Agreement.

Section 3.02 If either party is rendered unable, wholly or in part, by *force majeure* to carry out any of its obligations under this Escrow Agreement, then the obligations of such party, to the extent affected by such *force majeure* and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of

any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the *force majeure* relied upon, the party whose contractual obligations are affected thereby shall give notice and full particulars of such *force majeure* relied upon to the other party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "*force majeure*," as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage, or accidents to machinery, which are not within the control of the party claiming such inability, which such party could not have avoided by the exercise of due diligence and care.

Section 3.03 This Escrow Agreement is subject to all rules, regulations and laws which may be applicable by the United States, the State of Texas or any regulatory agency having jurisdiction.

Section 3.04 No waiver or waivers of any breach or default (or any breaches or defaults) by either party hereto of any term, covenant, condition, or liability hereunder, or of performance by the other party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstance.

Section 3.05 Any notice, communication, request, reply or advice (hereafter referred to as "notice") herein provided or permitted to be given, made, or accepted by either party to the other (except bills) must be in writing and may be given or be served by depositing the same in the



United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail in the manner herein above described shall be conclusively deemed to be effective, unless otherwise stated in this Escrow Agreement, from and after the expiration of seven (7) days after it is so deposited. Notice given in any other manner shall be effective only when received by the party to be notified. For the purpose of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to City, to:	City Administrator City of Montgomery 101 Old Plantersville Rd. Montgomery, Texas 77356
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If to Developer, to:	BETC Realty, LLC 1107 Granite Pass Conroe, Texas 77304
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The parties shall have the right from time to time and at any time to change their respective addresses, and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other party.

Section 3.06 This Escrow Agreement shall be subject to change or modification only in writing and with the mutual consent of the governing body of City and the management of Developer.

Section 3.07 This Escrow Agreement shall bind and benefit City and its legal successors and Developer and its legal successors but shall not otherwise be assignable, in whole or in part, by either party except as specifically provided herein between the parties or by supplemental agreement.

Section 3.08 This Escrow Agreement shall be for the sole and exclusive benefit of City and Developer and is not for the benefit of any third party. Nothing herein shall be construed to confer standing to sue upon any party who did not otherwise have such standing.

Section 3.09 The provisions of this Escrow Agreement are severable, and if any provision or part of this Escrow Agreement or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Escrow Agreement and the application of such provision or part of this Escrow Agreement to other person circumstances shall not be affected thereby.

Section 3.10 This Escrow Agreement and any amendments thereto, constitute all the agreements between the parties relative to the subject matter thereof, and may be executed in multiple counterparts, each of which when so executed shall be deemed to be an original.

Section 3.11 This Agreement shall be governed by, construed and enforced in accordance with, and subject to, the laws of the State of Texas without regard to the principles of conflict of laws. This Agreement is performable in Montgomery County, Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement in three (3) copies, each of which shall be deemed to be an original, as of the date and year first written in this Escrow Agreement.

CITY OF MONTGOMERY, TEXAS

By: \_\_\_\_\_  
Sara Countryman, Mayor

ATTEST:

By: \_\_\_\_\_  
Susan Hensley, City Secretary

BETC Realty, LLC  
Developer

By:  \_\_\_\_\_  
Signature

Title:  \_\_\_\_\_

STATE OF TEXAS {

COUNTY OF MONTGOMERY {

BEFORE ME, the undersigned authority, on this day personally appeared Sara Countryman, Mayor of the City of Montgomery, Texas, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

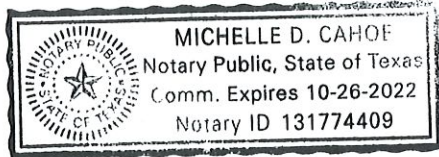
THE STATE OF TEXAS {

COUNTY OF \_\_\_\_\_ {

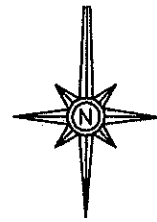
BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Pamela Tang, \_\_\_\_\_ of BETC, a President, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed and in the capacity therein stated and as the act and deed of said organization.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 20 day of August, 2021.

Michelle D. Cahoe  
Notary Public, State of Texas



BEING A SUBDIVISION OF 19.97 ACRES OF  
LAND SITUATED IN THE JOHN CORNER  
SURVEY, A-8, MONTGOMERY COUNTY,  
TEXAS, AND BEING OUT OF A PORTION OF  
A CALLED 84.10 ACRE TRACT RECORDED  
UNDER CLERK'S FILE No. 2004-110206,  
OF THE REAL PROPERTY RECORDS,  
MONTGOMERY COUNTY, TEXAS.



Item 3.

CONTAINING 10 RESERVES

Owner / Developer  
MARA MOJA HOLDINGS LTD.  
Philip Lefevre, President  
15001 WALDEN RD. STE 203  
MONTGOMERY TX. 11356  
(936) 582-1088

CLEPPER STREET

RESTRICTED  
RESERVE "A"

RESTRICTED  
RESERVE "B"

RESTRICTED  
RESERVE "C"

RESTRICTED  
RESERVE "K"

RESTRICTED  
RESERVE "H"

RESTRICTED  
RESERVE "D"

C.B. STEWART DR..

RESTRICTED  
RESERVE "G"

RESTRICTED  
RESERVE "F"

RESTRICTED  
RESERVE "E"

LEAS, AND BEING ONE OF A PORTION OF  
 A CALLED 84.10 ACRE TRACT RECORDED  
 UNDER CLERK'S FILE No. 2004-110206, OF  
 THE REAL PROPERTY RECORDS,  
 MONTGOMERY COUNTY, TEXAS.  
 CONTAINING 10 RESERVES

26' G.S.D. Co. East  
 M.C.C.F. No. 9837970,

R=690.0  
 CB=N 09  
 CL=88.25' Item 3.

S 82°09'28" W  
 94.28'

S 87°28'01" W 773.56'

ROD  
 CLEPPER STREET (ROW VARIES)

S 87°39'31" W 923.01'

BENCHMARK  
 SEE DETAIL

N 87°28'01" E 772.19'

250.00'

250.00'

272.19'

N 86°23'11" W  
 86.01'

RESTRICTED  
 RESERVE "A"

(RESTRICTED TO COMMERCIAL USE)  
 1.60 ACRES  
 69540.86 SQ. FT.

25' BL & UE

RESTRICTED  
 RESERVE "B"

(RESTRICTED TO COMMERCIAL USE ONLY)  
 1.68 ACRES  
 73168.9 SQ. FT.

N 02°31'58" W 294.26'

RESTRICTED  
 RESERVE "C"

(RESTRICTED TO COMMERCIAL USE)  
 2.35 ACRES  
 102491.4 SQ. FT.

N 03°38'07" W  
 86.41'

156.89'

N 87°39'31" E 202.36'

RESTRICTED  
 RESERVE "D"

(RESTRICTED TO)  
 (COMMERCIAL USE)  
 1.01 ACRES  
 44041.4 SQ. FT.

36.03'

245.07'

400.50'

35.59'

119.84'

S 05°11'23" W  
 400.50'

N 02°19'38" E 152.13'

N 88°44'22" W  
 128.97'

RESTRICTED  
 RESERVE "K"

RESTRICTED  
 RESERVE "H"  
 (RESTRICTED TO DETENTION)  
 (AND GREENBELT USE)  
 1.95 ACRES  
 84829.15 SQ. FT.

S 84°13'18" W  
 157.73'

RESTRICTED  
 RESERVE "G"

(RESTRICTED TO COMMERCIAL USE)  
 2.15 ACRES  
 93737.2 SQ. FT.

N 02°01'43" W 381.73'

RESTRICTED  
 RESERVE "F"

(RESTRICTED TO COMMERCIAL USE)  
 2.11 ACRES  
 91782.6 SQ. FT.

N 02°01'43" W 377.70'

10' DE

RESTRICTED  
 RESERVE "E"

(RESTRICTED TO COMMERCIAL USE)  
 2.35 ACRES  
 102528.4 SQ. FT.

25' BL & UE

26' UE MCCF# 2004-110202  
 250.00'

205.67'

33.44'

286.05'

S 87°58'17" W 455.77'

TX DOT  
 MONUM

N 87°22'26" W 439.39'

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding adoption of an Escrow Agreement by and between the City of Montgomery, Texas and Cheatham Management, LLC regarding Hills of Town Creek Sec. 5 (Dev. No. 2102).

**Recommendation**

Approve the Escrow Agreement by and between the City of Montgomery, Texas and Cheatham Management, LLC regarding Hills of Town Creek Sec. 5 (Dev. No. 2102) as presented.

**Discussion**

Escrow Agreements are standard form agreements used by the City to ensure engineering, legal and related costs incurred during the development review process are covered by the developer. Escrow Agreements also simplify the billing process by eliminating monthly invoicing to developers and instead drawing on a pre-estimated sum for project costs. Once approved and the developer deposits funds into their escrow account, the City begins the development review process.

<b>Approved By</b>		
Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021

**ESCROW AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF MONTGOMERY, TEXAS,**  
**AND**  
**Cheatham Management, LLC**  
**Dev. No. 2102**

THE STATE OF TEXAS            ⤵  
COUNTY OF MONTGOMERY    ⤵

This Escrow Agreement, is made and entered into as of the 7<sup>th</sup> day SEPTEMBER, 2021 by and between the CITY OF MONTGOMERY, TEXAS, a body politic, and a municipal corporation created and operating under the general laws of the State of Texas (hereinafter called the "City"), and Cheatham Management, LLC, a Limited Liability Corporation, (hereinafter called the "Developer").

**RECITALS**

WHEREAS, the Developer desires to acquire and develop all or part of a 16-Acre Tract sometimes referred to as the Hills of Town Creek Sec. 5 Tract, and being more particularly described in Exhibit "A" attached hereto and incorporated herein by reference for all purposes.

WHEREAS, the City policy requires the Developer to establish an Escrow Fund with the City to reimburse the City for engineering costs, legal fees, consulting fees and administrative expenses incurred for feasibility study, plan reviews, developer coordination, construction management, inspection services to be provided for during the construction phase, and one-year warranty services.



AGREEMENT

ARTICLE I

SERVICES REQUIRED

Section 1.01 The development of the Hills of Town Creek Sec. 5 Tract will require the City to utilize its own personnel, its professionals and consultants; and the Escrow Fund will be used to reimburse the City its costs associated with these services.

Section 1.02 In the event other contract services are required related to the development from third parties, payment for such services will be made by the City and reimbursed by the Developer or paid directly by the Developer as the parties may agree.

ARTICLE II

FINANCING AND SERVICES

Section 2.01 All estimated costs and professional fees needed by City shall be financed by Developer. Developer agrees to advance funds to City for the purpose of funding such costs as herein set out:

Administrative	\$1,000
City Engineer	\$6,000
Legal	\$1,000
<hr/>	
TOTAL	\$8,000

Section 2.02 Developer agrees to submit payment of the funds for the Utility and Economic Feasibility Study to City no later than ten (10) days after the execution of this Escrow Agreement. No work will begin on the Study until funds have been received and the Study has been authorized by City Council.

Section 2.03 As part of the Study, the estimated additional Escrow Amount will be determined for plan reviews, developer coordination, construction coordination, construction inspection, warranty services, legal expenses, and administrative costs. Developer agrees to submit payment of the Escrow Amount to City no later than thirty (30) days after the acceptance of the Study by City Council. No work outside of the Study will be performed by or on behalf of the City until the Escrow Amount has been deposited.

Section 2.04 The total amount shown above for the Utility and Economic Feasibility Study and the Escrow Amount determined in the Study is intended to be a “Not to Exceed” amount unless extenuating, unexpected fees are needed. Examples of extenuating circumstances created by the developer that may cause additional fees include, but are not limited to, greater than three plan reviews or drainage analysis reviews; revisions to approved plans; extraordinary number of comments on plans; additional meetings at the request of the developer; variance requests; encroachment agreement requests; construction delays and/or issues; failure to coordinate construction with City; failed testing during construction; failing to address punch list items; and/or excessive warranty repair items. If extenuating circumstances arise, the Developer will be informed, in writing by the City, of the additional deposit amount and explanation of extenuating circumstance. The Developer agrees to tender additional sums within 10 days of receipt of request to cover such costs and expenses. If additional funds are not deposited within 10 days all work by or on behalf of the City will stop until funds are deposited. Any funds which may remain after the completion of the development described in this Escrow Agreement will be refunded to Developer.

ARTICLE III,  
MISCELLANEOUS

Section 3.01 City reserves the right to enter into additional contracts with other persons, corporations, or political subdivisions of the State of Texas; provided, however, that City covenants and agrees that it will not so contract with others to an extent as to impair City's ability to perform fully and punctually its obligations under this Escrow Agreement.

Section 3.02 If either party is rendered unable, wholly or in part, by *force majeure* to carry out any of its obligations under this Escrow Agreement, then the obligations of such party, to the extent affected by such *force majeure* and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the *force majeure* relied upon, the party whose contractual obligations are affected thereby shall give notice and full particulars of such *force majeure* relied upon to the other party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "*force majeure*," as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage, or accidents to machinery, which are not within the control of the party claiming such inability, which such party could not have avoided by the exercise of due diligence and care.

Section 3.03 This Escrow Agreement is subject to all rules, regulations and laws which may be applicable by the United States, the State of Texas or any regulatory agency having jurisdiction.

Section 3.04 No waiver or waivers of any breach or default (or any breaches or defaults) by either party hereto of any term, covenant, condition, or liability hereunder, or of performance by the other party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstance.

Section 3.05 Any notice, communication, request, reply or advice (hereafter referred to as "notice") herein provided or permitted to be given, made, or accepted by either party to the other (except bills) must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail in the manner herein above described shall be conclusively deemed to be effective, unless otherwise stated in this Escrow Agreement, from and after the expiration of seven (7) days after it is so deposited. Notice given in any other manner shall be effective only when received by the party to be notified. For the purpose of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to City, to: City Administrator  
City of Montgomery  
101 Old Plantersville Rd.  
Montgomery, Texas 77356

If to Developer, to: Chris Cheatham  
Cheatham Management, LLC  
PO Box 234  
Montgomery, Texas 77356



The parties shall have the right from time to time and at any time to change their respective addresses, and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other party.

Section 3.06 This Escrow Agreement shall be subject to change or modification only in writing and with the mutual consent of the governing body of City and the management of Developer.

Section 3.07 This Escrow Agreement shall bind and benefit City and its legal successors and Developer and its legal successors but shall not otherwise be assignable, in whole or in part, by either party except as specifically provided herein between the parties or by supplemental agreement.

Section 3.08 This Escrow Agreement shall be for the sole and exclusive benefit of City and Developer and is not for the benefit of any third party. Nothing herein shall be construed to confer standing to sue upon any party who did not otherwise have such standing.

Section 3.09 The provisions of this Escrow Agreement are severable, and if any provision or part of this Escrow Agreement or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Escrow Agreement and the application of such provision or part of this Escrow Agreement to other person circumstances shall not be affected thereby.

Section 3.10 This Escrow Agreement and any amendments thereto, constitute all the agreements between the parties relative to the subject matter thereof, and may be executed in multiple counterparts, each of which when so executed shall be deemed to be an original.

Section 3.11 This Agreement shall be governed by, construed and enforced in accordance with, and subject to, the laws of the State of Texas without regard to the principles of conflict of laws. This Agreement is performable in Montgomery County, Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement in three (3) copies, each of which shall be deemed to be an original, as of the date and year first written in this Escrow Agreement.

CITY OF MONTGOMERY, TEXAS

By: \_\_\_\_\_  
Sara Countryman, Mayor

ATTEST:

By: \_\_\_\_\_  
Susan Hensley, City Secretary

Cheatham Management, LLC  
Developer

By: Chris Cheatham  
Signature

Title: PRESIDENT

STATE OF TEXAS {

COUNTY OF MONTGOMERY {

BEFORE ME, the undersigned authority, on this day personally appeared Sara Countryman, Mayor of the City of Montgomery, Texas, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

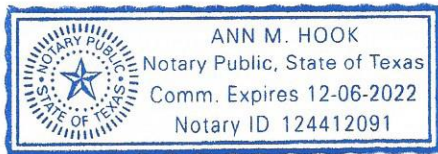
\_\_\_\_\_  
Notary Public, State of Texas

THE STATE OF TEXAS {

COUNTY OF Montgomery {

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Chris Cheatham, \_\_\_\_\_ of \_\_\_\_\_, a \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed and in the capacity therein stated and as the act and deed of said organization.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 7<sup>th</sup> day of September, 2021.



Ann M. Hook  
Notary Public, State of Texas

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding authorizing WGA to prepare a Utility and Economic Feasibility Study for Cheatham Management, LLC for the Hills of Town Creek Sec. 5 Development (Dev. No. 2102).

**Recommendation**

Approve the proposal as presented.

**Discussion**

Feasibility studies are conducted to allow the City and developer to better determine the impacts proposed developments will have on City infrastructure systems. The Study Report will be presented to City Council and sent to the developer when complete. Further details are included in the City Engineer’s proposal memo.

It is important to note that authorizing the study does not provide an endorsement of a proposed development or bind the City Council to any particular future action. Feasibility studies are the formal next step after a developer proposes a project to the City, and the data City Council needs to make an informed decision about a proposed development comes from the feasibility study.

**Approved By**

Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021



# Hills of Town Creek Section 5 (Dev. No. 2102)

## Utility and Economic Feasibility Study

### City of Montgomery

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**Request:** Council Authorization on August 14, 2021

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This proposal is submitted pursuant to and in accordance with that certain Professional Services Agreement dated May 25, 2021, by and between Ward, Getz & Associates, PLLC and the City of Montgomery.

#### **SCOPE OF WORK**

Utility and Economic Feasibility Study - Preparation of a feasibility study report to analyze the feasibility to serve the 13.5-acre tract located east of Lone Star Parkway and north of the existing Hills of Town Creek Sections 3 & 4. WGA will analyze the City's water, wastewater, and drainage system and note whether any upgrades need to be made or if any utility extensions will be required to serve the 13.5-acre tract. If any upgrades to the City's facilities are needed or any utility extensions are required, WGA will prepare a cost estimate to be included in this feasibility study. A preliminary site exhibit showing the extent of the 13.5-acre tract, and any utility extensions/upgrades necessary to serve the tract will be prepared by WGA to be included in this feasibility study.

#### **Construction Cost**

There are no construction costs for this report.

#### **ENGINEERING COST**

The cost to perform the Hills of Town Creek Section 5 Development Utility and Economic Feasibility Study described above is \$5,000 to be billed lump sum.

#### **SCHEDULE**

The study will take approximately 30-45 days to complete starting after council authorization and receipt of all deposits and development information from the developer. The study will be presented at the next council meeting following completion. For this study, we expect to present the results at the October 26<sup>th</sup> council meeting assuming all documents, deposits, etc. received by September 15<sup>th</sup>.

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding an Escrow Agreement by and between the City of Montgomery and Waterstone Development Group, LLC for the 26.07-ac Porter Farms Tract located northeast of FM 1097 & FM 149 (Dev. No. 2101).

**Recommendation**

Approve the Escrow Agreement by and between the City of Montgomery and Waterstone Development Group, LLC for the 26.07-ac Porter Farms Tract located northeast of FM 1097 & FM 149 (Dev. No. 2101) as presented.

**Discussion**

Escrow Agreements are standard form agreements used by the City to ensure engineering, legal and related costs incurred during the development review process are covered by the developer. Escrow Agreements also simplify the billing process by eliminating monthly invoicing to developers and instead drawing on a pre-estimated sum for project costs. Once approved and the developer deposits funds into their escrow account, the City begins the development review process.

<b>Approved By</b>		
Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021

**ESCROW AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF MONTGOMERY, TEXAS,**  
**AND**  
**Waterstone Development Group, LLC**

**Dev. No. 2101**

THE STATE OF TEXAS                    ⓓ

COUNTY OF MONTGOMERY            ⓓ

This Escrow Agreement, is made and entered into as of the \_\_\_\_\_ day \_\_\_\_\_, 2021 by and between the CITY OF MONTGOMERY, TEXAS, a body politic, and a municipal corporation created and operating under the general laws of the State of Texas (hereinafter called the "City"), and Waterstone Development Group, LLC, a Limited Liability Corporation, (hereinafter called the "Developer").

**RECITALS**

WHEREAS, the Developer desires to acquire and develop all or part of a 26.07-Acre Tract sometimes referred to as the Porter Farms Tract, and being more particularly described in Exhibit "A" attached hereto and incorporated herein by reference for all purposes.

WHEREAS, the City policy requires the Developer to establish an Escrow Fund with the City to reimburse the City for engineering costs, legal fees, consulting fees and administrative expenses incurred for feasibility study, plan reviews, developer coordination, construction management, inspection services to be provided for during the construction phase, and one-year warranty services.



AGREEMENT

ARTICLE I

SERVICES REQUIRED

Section 1.01 The development of the Porter Farms Tract will require the City to utilize its own personnel, its professionals and consultants; and the Escrow Fund will be used to reimburse the City its costs associated with these services.

Section 1.02 In the event other contract services are required related to the development from third parties, payment for such services will be made by the City and reimbursed by the Developer or paid directly by the Developer as the parties may agree.

ARTICLE II

FINANCING AND SERVICES

Section 2.01 All estimated costs and professional fees needed by City shall be financed by Developer. Developer agrees to advance funds to City for the purpose of funding such costs as herein set out:

Administrative	\$1,000
City Engineer	\$6,000
Legal	\$1,000
<hr/>	
TOTAL	\$8,000

Section 2.02 Developer agrees to submit payment of the funds for the Utility and Economic Feasibility Study to City no later than ten (10) days after the execution of this Escrow Agreement. No work will begin on the Study until funds have been received and the Study has been authorized by City Council.



Section 2.03 As part of the Study, the estimated additional Escrow Amount will be determined for plan reviews, developer coordination, construction coordination, construction inspection, warranty services, legal expenses, and administrative costs. Developer agrees to submit payment of the Escrow Amount to City no later than thirty (30) days after the acceptance of the Study by City Council. No work outside of the Study will be performed by or on behalf of the City until the Escrow Amount has been deposited.

Section 2.04 The total amount shown above for the Utility and Economic Feasibility Study and the Escrow Amount determined in the Study is intended to be a "Not to Exceed" amount unless extenuating, unexpected fees are needed. Examples of extenuating circumstances created by the developer that may cause additional fees include, but are not limited to, greater than three plan reviews or drainage analysis reviews; revisions to approved plans; extraordinary number of comments on plans; additional meetings at the request of the developer; variance requests; encroachment agreement requests; construction delays and/or issues; failure to coordinate construction with City; failed testing during construction; failing to address punch list items; and/or excessive warranty repair items. If extenuating circumstances arise, the Developer will be informed, in writing by the City, of the additional deposit amount and explanation of extenuating circumstance. The Developer agrees to tender additional sums within 10 days of receipt of request to cover such costs and expenses. If additional funds are not deposited within 10 days all work by or on behalf of the City will stop until funds are deposited. Any funds which may remain after the completion of the development described in this Escrow Agreement will be refunded to Developer.



ARTICLE III,  
MISCELLANEOUS

Section 3.01 City reserves the right to enter into additional contracts with other persons, corporations, or political subdivisions of the State of Texas; provided, however, that City covenants and agrees that it will not so contract with others to an extent as to impair City's ability to perform fully and punctually its obligations under this Escrow Agreement.

Section 3.02 If either party is rendered unable, wholly or in part, by *force majeure* to carry out any of its obligations under this Escrow Agreement, then the obligations of such party, to the extent affected by such *force majeure* and to the extent that due diligence is being used to resume performance at the earliest practicable time, shall be suspended during the continuance of any inability so caused to the extent provided but for no longer period. As soon as reasonably possible after the occurrence of the *force majeure* relied upon, the party whose contractual obligations are affected thereby shall give notice and full particulars of such *force majeure* relied upon to the other party. Such cause, as far as possible, shall be remedied with all reasonable diligence. The term "*force majeure*," as used herein, shall include without limitation of the generality thereof, acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage, or accidents to machinery, which are not within the control of the party claiming such inability, which such party could not have avoided by the exercise of due diligence and care.



Section 3.03 This Escrow Agreement is subject to all rules, regulations and laws which may be applicable by the United States, the State of Texas or any regulatory agency having jurisdiction.

Section 3.04 No waiver or waivers of any breach or default (or any breaches or defaults) by either party hereto of any term, covenant, condition, or liability hereunder, or of performance by the other party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind, under any circumstance.

Section 3.05 Any notice, communication, request, reply or advice (hereafter referred to as "notice") herein provided or permitted to be given, made, or accepted by either party to the other (except bills) must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail in the manner herein above described shall be conclusively deemed to be effective, unless otherwise stated in this Escrow Agreement, from and after the expiration of seven (7) days after it is so deposited. Notice given in any other manner shall be effective only when received by the party to be notified. For the purpose of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to City, to: City Administrator  
City of Montgomery  
101 Old Plantersville Rd.  
Montgomery, Texas 77356

If to Developer, to: Charles Von Schmidt  
Waterstone Development Group, LLC  
185 Cedar Point Drive  
Livingston, Texas 77351



The parties shall have the right from time to time and at any time to change their respective addresses, and each shall have the right to specify as its address any other address by at least fifteen (15) days written notice to the other party.

Section 3.06 This Escrow Agreement shall be subject to change or modification only in writing and with the mutual consent of the governing body of City and the management of Developer.

Section 3.07 This Escrow Agreement shall bind and benefit City and its legal successors and Developer and its legal successors but shall not otherwise be assignable, in whole or in part, by either party except as specifically provided herein between the parties or by supplemental agreement.

Section 3.08 This Escrow Agreement shall be for the sole and exclusive benefit of City and Developer and is not for the benefit of any third party. Nothing herein shall be construed to confer standing to sue upon any party who did not otherwise have such standing.

Section 3.09 The provisions of this Escrow Agreement are severable, and if any provision or part of this Escrow Agreement or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Escrow Agreement and the application of such provision or part of this Escrow Agreement to other person circumstances shall not be affected thereby.

Section 3.10 This Escrow Agreement and any amendments thereto, constitute all the agreements between the parties relative to the subject matter thereof, and may be executed in multiple counterparts, each of which when so executed shall be deemed to be an original.





Section 3.11 This Agreement shall be governed by, construed and enforced in accordance with, and subject to, the laws of the State of Texas without regard to the principles of conflict of laws. This Agreement is performable in Montgomery County, Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement in three (3) copies, each of which shall be deemed to be an original, as of the date and year first written in this Escrow Agreement.

CITY OF MONTGOMERY, TEXAS

By: \_\_\_\_\_  
Sara Countryman, Mayor

ATTEST:

By: \_\_\_\_\_  
Susan Hensley, City Secretary

Waterstone Development Group, LLC  
Developer

By: \_\_\_\_\_  
Signature

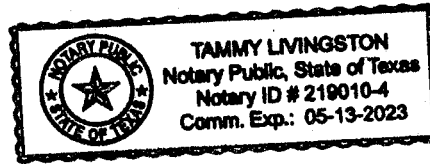
Title: President Marise Meade

STATE OF TEXAS {  
COUNTY OF MONTGOMERY {

BEFORE ME, the undersigned authority, on this day personally appeared Sara Countryman, Mayor of the City of Montgomery, Texas, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 8th day of September, 2021.

Tammy Livingston  
Notary Public, State of Texas



THE STATE OF TEXAS {  
COUNTY OF \_\_\_\_\_ {

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Charles Von Schul, President Munge Marbu of Water-Site Develop Group, LLC a Texas LLC, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration therein expressed and in the capacity therein stated and as the act and deed of said organization.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public, State of Texas

[Signature]



**Montgomery City Council  
AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding authoring WGA to prepare a Utility and Economic Feasibility Study for Waterstone Development Group, LLC for the Porter Farms Tract Development (Dev. No. 2101).

**Recommendation**

Approve the proposal as presented.

**Discussion**

Feasibility studies are conducted to allow the City and developer to better determine the impacts proposed developments will have on City infrastructure systems. The Study Report will be presented to City Council and sent to the developer when complete. Further details are included in the City Engineer’s proposal memo.

It is important to note that authorizing the study does not provide an endorsement of a proposed development or bind the City Council to any particular future action. Feasibility studies are the formal next step after a developer proposes a project to the City, and the data City Council needs to make an informed decision about a proposed development comes from the feasibility study.

<b>Approved By</b>		
Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021

# Porter Farms Development (Dev. No. 2101)

## Utility and Economic Feasibility Study

### City of Montgomery

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**Request:** Council Authorization on August 14, 2021

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This proposal is submitted pursuant to and in accordance with that certain Professional Services Agreement dated May 25, 2021, by and between Ward, Getz & Associates, PLLC and the City of Montgomery.

#### **SCOPE OF WORK**

Utility and Economic Feasibility Study - Preparation of a feasibility study report to analyze the feasibility to serve the 23-acre tract located north of W FM 1097 and east of Liberty Street. WGA will analyze the City's water, wastewater, and drainage system and note whether any upgrades need to be made or if any utility extensions will be required to serve the 23-acre tract. If any upgrades to the City's facilities are needed or any utility extensions are required, WGA will prepare a cost estimate to be included in this feasibility study. A preliminary site exhibit showing the extent of the 23-acre tract, and any utility extensions/upgrades necessary to serve the tract will be prepared by WGA to be included in this feasibility study.

#### **Construction Cost**

There are no construction costs for this report.

#### **ENGINEERING COST**

The cost to perform the Porter Farms Development Utility and Economic Feasibility Study described above is \$5,000 to be billed lump sum.

#### **SCHEDULE**

The study will take approximately 30-45 days to complete starting after council authorization and receipt of all deposits and development information from the developer. The study will be presented at the next council meeting following completion. For this study, we expect to present the results at the October 26<sup>th</sup> council meeting assuming all documents, deposits, etc. received by September 15<sup>th</sup>.

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date: September 14, 2021</b>	<b>Budgeted Amount: N/A</b>
<b>Prepared By: Richard Tramm</b>	<b>Exhibits: FY 2021-2022 Proposed Budget</b>

**Subject**  
 Consideration and possible action to adopt an ordinance to approve the Fiscal Year 2021-2022 Annual Operating Budget for the City of Montgomery.

**Description**  
 The City Council held a Budget Workshop on August 26, 2021, to review, discuss and make changes to the proposed budget for the Fiscal Year 2021-2022. Following that workshop, staff made the changes discussed by City Council and those changes are in the attached updated draft version for review and consideration.  
  
 Also attached is a short narrative describing several notable budget items.

**Recommendation**  
 Consider approval of the ordinance to adopt the Annual Budget for the City of Montgomery for the Fiscal Year 2021-2022.

**Approved By**

City Administrator	Richard Tramm	Date: September 9, 2021
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ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF MONTGOMERY, TEXAS ADOPTING AN OPERATING BUDGET FOR THE FISCAL YEAR 2021-2022.

**THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$159,689 OR 13.15%, AND OF THAT AMOUNT, \$66,839 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.**

WHEREAS, applicable law requires the City of Montgomery, Texas to adopt a budget for the fiscal year 2021-2022; and

WHEREAS, a budget has been prepared for the fiscal year 2021-2022 as set forth in Exhibit "A" hereto and

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

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

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

Section 1. That the budget, including estimated revenues and proposed expenditures within the General Fund and each Special Fund is hereby approved and adopted as the Municipal Budget for the Fiscal Year beginning October 1, 2021, and ending September 30, 2022 by the following record vote:

<u>City Council</u>	<u>Place Number</u>	<u>Record Vote</u>
Carol Langley	City Council Place # 1	
Kevin Lacy	City Council Place # 2	
T.J. Wilkerson	City Council Place # 3	
Julie Davis	City Council Place # 4	
Byron Sanford	City Council Place # 5	
Sara Countryman	Mayor ( <i>Only Votes to break a tie</i> )	Present but not voting.

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

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

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

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

**PASSED, APPROVED AND ADOPTED** this the 14th day of September 2021.

CITY OF MONTGOMERY, TEXAS

\_\_\_\_\_  
Mayor Sara Countryman

ATTEST:

\_\_\_\_\_  
Susan Hensley, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Alan P. Petrov, City Attorney



# City of Montgomery



## FY 2021-2022 *Proposed Annual Operating Budget*

### Notice

**THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$159,689 OR 13.15%, AND OF THAT AMOUNT, \$66,839 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.**

*Proposed Budget Filed with City Secretary on August 13, 2021 at 5:00 p.m.  
Revised Proposed Budget Filed with City Secretary on August 24, 2021 at 9:00 a.m.  
Revised Proposed Budget Filed with City Secretary on September 9, 2021 at 5:00 p.m.*

*City File Copy*

**City of Montgomery  
Fiscal Year 2021-22  
Summary of All Funds**

	<b>Proj. Balance 9/30/2021</b>	<b>Proj. Expense FY 2021-22</b>	<b>Proj. Transfers FY 2021-22</b>	<b>Proj. Revenue FY 2021-22</b>	<b>Proj. Balance 9/30/2022</b>
<b>Governmental Funds</b>					
General Fund	\$ 2,402,391	\$ 5,247,009	57,500	\$ 5,190,215	\$ 2,403,097
Debt Service Fund	195,555	625,750	135,660	490,090	\$ 59,895
Capital Projects Fund (Grants/ Etc)	1,394,242	4,532,975	1,307,421	3,225,554	\$ 86,821
Court Security Fund	5,305	-	(2,500)	3,500	\$ 6,305
Court Technology Fund	40,642	12,710	7,710	5,000	\$ 32,932
Hotel Occupancy Tax Fund	16,943	12,500	-	12,503	\$ 16,946
Police Asset Forfeiture Fund	12,087	-	-	-	\$ 12,087
<b>Total Governmental Funds</b>	<b>\$ 4,067,165</b>	<b>\$ 10,430,944</b>	<b>\$ 1,505,791</b>	<b>\$ 8,926,862</b>	<b>\$ 2,618,083</b>
<b>Non-Governmental Funds</b>					
Water & Sewer Fund	2,909,004	1,857,831	(628,469)	2,486,300	\$ 2,909,004
<b>Total Non-Governmental Funds</b>	<b>\$ 2,909,004</b>	<b>\$ 1,857,831</b>	<b>\$ (628,469)</b>	<b>\$ 2,486,300</b>	<b>\$ 2,909,004</b>
<b>Total All Funds</b>	<b>\$ 6,976,169</b>	<b>\$ 12,288,775</b>	<b>\$ 877,322</b>	<b>\$ 11,413,162</b>	<b>\$ 5,527,087</b>

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

*These are use of surplus to zero out 2021-22 budget categories per GASB 54. These numbers reduce the ending balance.*

City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary

General Fund  
Budget at a Glance

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	<b>\$1,617,196</b>	<b>\$1,811,598</b>	<b>\$1,811,598</b>	<b>\$1,811,598</b>	<b>\$2,402,391</b>	<b>32.6%</b>
<b>Revenue</b>						
14000.1 Taxes and Franchise Fees	\$3,069,398	\$3,043,719	\$3,840,129	\$3,265,985	\$4,364,201	33.6%
14000.2 Permits and Licenses	\$250,729	\$156,338	\$208,134	\$256,600	\$257,500	0.4%
14000.4 Fees For Service	\$14,453	\$12,736	\$15,759	\$11,000	\$21,000	90.9%
14000.5 Court Fines and Forfeitures	\$273,031	\$297,076	\$396,062	\$292,450	\$318,450	8.9%
14000.6 Other Revenues	\$436,945	\$531,030	\$702,849	\$25,700	\$229,064	791.3%
<b>Revenue</b>	<b>\$4,044,556</b>	<b>\$4,040,899</b>	<b>\$5,162,933</b>	<b>\$3,851,735</b>	<b>\$5,190,215</b>	<b>34.8%</b>
<b>Expenditures</b>						
16000 Personnel	\$1,736,287	\$1,588,261	\$2,238,404	\$2,026,340	\$2,573,388	27.0%
16001 Communications	\$15,687	\$6,723	\$8,793	\$18,065	\$22,400	24.0%
16002 Contract Services	\$905,593	\$710,304	\$895,748	\$983,207	\$1,174,100	19.4%
16003 Supplies and Equipment	\$103,433	\$74,273	\$92,888	\$92,262	\$138,702	50.3%
16004 Staff Development	\$32,755	\$21,481	\$28,997	\$49,390	\$57,850	17.1%
16005 Maintenance	\$24,302	\$14,280	\$16,230	\$16,000	\$90,000	462.5%
16006 Insurance	\$31,755	\$29,983	\$39,513	\$36,735	\$39,760	8.2%
16007 Utilities	\$45,371	\$31,992	\$40,918	\$45,000	\$49,700	10.4%
16008 Capital Outlay	\$274,057	\$54,907	\$72,237	\$85,433	\$292,300	242.1%
17075 Sales Tax Rebatement	\$290,775	\$278,880	\$359,052	\$359,503	\$403,815	12.3%
16010 Miscellaneous/ Contingency	\$144,909	\$495,980	\$829,360	\$189,800	\$404,994	113.4%
<b>Expenditures</b>	<b>\$3,604,924</b>	<b>\$3,307,063</b>	<b>\$4,622,140</b>	<b>\$3,901,735</b>	<b>\$5,247,009</b>	<b>34.5%</b>
<b>Net Ordinary Income</b>	<b>\$439,632</b>	<b>\$733,836</b>	<b>\$540,793</b>	<b>-\$50,000</b>	<b>-\$56,794</b>	<b>13.6%</b>
<b>Interfund Transfers</b>						
Transfers In	\$67,160	\$35,625	\$50,000	\$50,000	\$57,500	15.0%
Transfers Out - Use of Surplus	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Net Transfers</b>	<b>\$67,160</b>	<b>\$35,625</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$57,500</b>	<b>15.0%</b>
<b>Net Income</b>	<b>\$506,792</b>	<b>\$769,461</b>	<b>\$590,793</b>	<b>\$0</b>	<b>\$706</b>	
<b>Ending Fund Balance*</b>	<b>\$2,123,988</b>	<b>\$2,581,059</b>	<b>\$2,402,391</b>	<b>\$1,811,598</b>	<b>\$2,403,097</b>	<b>32.7%</b>

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual columns due to Audit Entries

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Revenues  
Statement of Revenues**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Ordinary Revenue</b>						
<b>Taxes and Franchise Fees</b>						
14103 Beverage Tax	\$19,208	\$21,224	\$28,299	\$31,000	\$31,000	0.0%
14111 Franchise Tax	\$94,497	\$9,324	\$92,432	\$94,000	\$95,000	1.1%
14320 Ad Valorem Tax	\$555,746	\$855,839	\$858,839	\$847,070	\$889,101	5.0%
14320.1 Ad Valorem Tax - PID	\$35,772	\$38,807	\$38,807	\$38,815	\$39,000	0.5%
14330 AdValorem Tax Penalty and Int	\$3,459	\$9,743	\$10,043	\$5,000	\$10,000	100.0%
14331 Rendition Penalties	\$5	\$23	\$30	\$100	\$100	0.0%
14600 Sales Tax	\$1,435,174	\$1,405,839	\$1,874,452	\$1,500,000	\$2,200,000	46.7%
14600.2 Sales Tax ILO Property Tax	\$925,537	\$702,920	\$937,227	\$750,000	\$1,100,000	46.7%
<b>14000.1 Total Taxes and Franchise</b>	<b>\$3,069,398</b>	<b>\$3,043,719</b>	<b>\$3,840,129</b>	<b>\$3,265,985</b>	<b>\$4,364,201</b>	<b>33.6%</b>
<b>Permits and Licenses</b>						
14105 Building Permits	\$241,170	\$149,882	\$199,843	\$245,000	\$250,000	2.0%
14146 Vendor Permits	\$345	\$1,143	\$1,343	\$600	\$1,500	150.0%
14611 Sign Fee	\$2,210	\$500	\$600	\$2,000	\$1,000	-50.0%
14612 Miscellaneous Permit Fee	\$7,004	\$2,805	\$3,840	\$9,000	\$5,000	-44.4%
14614 Culverts	\$0	\$2,008	\$2,508	\$0	\$0	0.0%
<b>14000.2 Permits and Licenses</b>	<b>\$250,729</b>	<b>\$156,338</b>	<b>\$208,134</b>	<b>\$256,600</b>	<b>\$257,500</b>	<b>0.4%</b>
<b>Fees for Service</b>						
14380 Community Building Rental	\$6,270	\$9,370	\$10,893	\$3,000	\$16,000	433.3%
14385 Right of Way Use Fees	\$8,183	\$3,366	\$4,866	\$8,000	\$5,000	-37.5%
<b>14000.4 Fees for Service</b>	<b>\$14,453</b>	<b>\$12,736</b>	<b>\$15,759</b>	<b>\$11,000</b>	<b>\$21,000</b>	<b>90.9%</b>
<b>Court Fines and Forfeitures</b>						
14101 Collection Fees	\$15,290	\$9,960	\$13,280	\$14,000	\$15,000	7.1%
14102 Asset Forfeitures	\$0	\$0	\$0	\$100	\$100	0.0%
14106 Child Belt Fees	\$23	\$50	\$50	\$500	\$500	0.0%
14110 Fines	\$255,589	\$285,990	\$381,320	\$275,000	\$300,000	9.1%
14118 OMNI	\$1,116	\$821	\$1,060	\$1,600	\$1,600	0.0%
14125 Warrant Fees	\$0	\$0	\$0	\$50	\$50	0.0%
14126 Judicial Efficiency Court (Ded)	\$424	\$87	\$112	\$700	\$700	0.0%
14130 Accident Reports	\$589	\$168	\$240	\$500	\$500	0.0%
<b>14000.5 Court Fines and Forfeitures</b>	<b>\$273,031</b>	<b>\$297,076</b>	<b>\$396,062</b>	<b>\$292,450</b>	<b>\$318,450</b>	<b>8.9%</b>
<b>Other Revenues</b>						
14003 Wrecker Service Fees	\$0	\$245	\$245	\$0	\$245	100.0%
14119 Leose Funds - PD	\$1,172	\$1,225	\$1,225	\$1,200	\$1,300	8.3%
15380 Unanticipated Income	\$17,453	\$19,437	\$21,937	\$13,000	\$15,000	0.0%
15391 Interest Income	\$397	\$554	\$724	\$500	\$750	0.0%
15392 Interest On Investments	\$9,823	\$471	\$1,126	\$5,000	\$1,200	-76.0%
15395 FEMA Reimb - Atkins Creek	\$365,060	\$30,367	\$30,367	\$0	\$0	0.0%
15393 Grant Revenue - Police	\$3,463	\$0	\$0	\$6,000	\$42,075	601.3%
15396 American Rescue Plan Funds	\$0	\$0	\$168,494	\$0	\$168,494	100.0%
15351 Proceeds from Insurance Reimb	\$39,577	\$0	\$0	\$0	\$0	0.0%
14114 HOME Grant Revenue	\$0	\$478,731	\$478,731	\$0	\$0	0.0%
<b>14000.6 Other Revenues</b>	<b>\$436,945</b>	<b>\$531,030</b>	<b>\$702,849</b>	<b>\$25,700</b>	<b>\$229,064</b>	<b>791.3%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Revenues  
Statement of Revenues**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Net Income</b>	<b>\$4,044,556</b>	<b>\$4,040,899</b>	<b>\$5,162,933</b>	<b>\$3,851,735</b>	<b>\$5,190,215</b>	<b>34.8%</b>
<b>Grants/ Transfers/Other</b>						
14620.2 MEDC Contributions	\$65,000	\$35,625	\$47,500	\$47,500	\$55,000	15.8%
14620.4 Court Security Contributions	\$2,160	\$0	\$2,500	\$2,500	\$2,500	0.0%
<b>Subtotal</b>	<b>\$67,160</b>	<b>\$35,625</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$57,500</b>	<b>15.0%</b>
<b>Total Income</b>	<b>\$4,111,716</b>	<b>\$4,076,524</b>	<b>\$5,212,933</b>	<b>\$3,901,735</b>	<b>\$5,247,715</b>	<b>34.5%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Admin Class  
Statement of Expenditures**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Ordinary Expense</b>						
<b>Personnel</b>						
16353.1 Health Insurance	\$31,977	\$28,212	\$36,656	\$45,000	\$45,000	0.0%
16353.4 Unemployment Insurance	\$75	\$54	\$54	\$1,000	\$1,000	0.0%
16353.5 Workers Comp.	\$1,602	\$2,753	\$3,211	\$2,000	\$3,500	75.0%
16353.6 Dental Insurance	\$3,905	\$2,857	\$3,809	\$4,500	\$4,500	0.0%
16353.7 Life & AD&D Insurance	\$548	\$504	\$707	\$700	\$700	0.0%
16560 Payroll Taxes	\$33,480	\$23,386	\$31,035	\$35,000	\$35,000	0.0%
16600 Wages	\$354,754	\$298,498	\$411,807	\$448,050	\$465,500	3.9%
16600.1 Overtime	\$2,197	\$295	\$475	\$1,000	\$1,000	0.0%
16600.2 COLA	\$0	\$0	\$0	\$0	\$8,961	100.0%
16620 Retirement	\$23,038	\$25,311	\$40,480	\$28,000	\$45,000	60.7%
16621 MASA	\$0	\$224	\$308	\$0	\$400	100.0%
16622 Dependent Coverage	\$0	\$0	\$0	\$0	\$26,000	100.0%
16353.A Employee Assistance Program	\$0	\$413	\$413	\$0	\$500	100.0%
<b>16000 Total Personnel</b>	<b>\$451,576</b>	<b>\$382,507</b>	<b>\$528,955</b>	<b>\$565,250</b>	<b>\$637,061</b>	<b>12.7%</b>
<b>Communications</b>						
16338.1 Legal Notices and Publication	\$5,137	\$1,543	\$2,143	\$5,000	\$5,000	0.0%
16338.2 Recording Fees	\$836	\$54	\$54	\$2,500	\$2,500	0.0%
16338 Advertising/Promotion Other	\$1,823	\$1,073	\$2,000	\$2,000	\$2,000	0.0%
16341 Community Relations	\$4,870	\$478	\$598	\$4,000	\$4,000	0.0%
<b>16001 Total Communications</b>	<b>\$12,666</b>	<b>\$3,148</b>	<b>\$4,795</b>	<b>\$13,500</b>	<b>\$13,500</b>	<b>0.0%</b>
<b>Contract Services</b>						
16102 General Consultant Fees	\$0	\$0	\$0	\$5,000	\$20,000	300.0%
16102.1 Sales Tax Tracking	\$16,800	\$12,600	\$16,800	\$7,000	\$8,000	14.3%
16281 Records Shredding	\$149	\$59	\$115	\$400	\$400	0.0%
16299 Inspections/Permits	\$0	\$0	\$0	\$0	\$195,000	100.0%
16299.1 Code Enforcement	\$0	\$0	\$0	\$0	\$30,000	100.0%
16320 Legal	\$20,815	\$24,748	\$37,112	\$30,000	\$40,000	33.3%
16321 Audit	\$21,762	\$11,859	\$11,859	\$25,000	\$25,000	0.0%
16322 Engineering	\$1,794	\$2,250	\$2,250	\$2,000	\$2,000	0.0%
16333 Accounting	\$42,224	\$41,255	\$56,612	\$50,000	\$35,000	-30.0%
16335 Repairs and Maintenance	\$13,137	\$0	\$0	\$1,000	\$1,000	0.0%
16340 Printing and Office Supplies	\$4,226	\$3,554	\$4,432	\$4,500	\$5,000	11.1%
16340.1 COVID-19 Supplies	\$295	\$0	\$0	\$0	\$0	0.0%
17071.4 Laser Fiche Software Equip	\$0	\$7,133	\$7,133	\$6,503	\$7,200	10.7%
16342 City Website	\$1,970	\$690	\$690	\$2,500	\$2,500	0.0%
16350 Postage and Delivery	\$1,848	\$697	\$897	\$2,000	\$2,000	0.0%
16351 Telephone	\$11,724	\$6,425	\$8,267	\$12,000	\$12,000	0.0%
16360 Tax Assessor Fee	\$9,617	\$7,713	\$9,469	\$7,500	\$10,000	33.3%
16370 Election	\$335	\$11,082	\$11,082	\$16,000	\$14,500	-9.4%
17040 Computer Technology	\$40,692	\$12,617	\$15,190	\$19,500	\$19,500	0.0%
17040.1 COVID-19 Computer Tech	\$2,731	\$0	\$0	\$2,400	\$0	-100.0%
17040.2 Audio Visual	\$0	\$27,054	\$27,054	\$0	\$0	0.0%
17040.3 Software Upgrades	\$0	\$0	\$0	\$0	\$78,500	100.0%
16002 Contract Services Other	\$7,634	\$0	\$0	\$500	\$0	-100.0%
<b>16002 Contract Services</b>	<b>\$197,753</b>	<b>\$169,736</b>	<b>\$208,962</b>	<b>\$193,803</b>	<b>\$507,600</b>	<b>161.9%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Admin Class  
Statement of Expenditures**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Supplies and Equipment</b>						
16328 Uniforms & Safety Equip	\$32	\$0	\$0	\$0	\$0	0.0%
16358 Copier/Fax	\$9,279	\$7,325	\$9,645	\$9,000	\$10,000	11.1%
16460 Operating Supplies	\$3,289	\$882	\$1,046	\$6,000	\$4,000	-33.3%
17100 Furniture	\$1,055	\$2,048	\$2,048	\$1,000	\$1,500	50.0%
<b>16003 Supplies and Equipment</b>	<b>\$13,655</b>	<b>\$10,255</b>	<b>\$12,739</b>	<b>\$16,000</b>	<b>\$15,500</b>	<b>-3.1%</b>
<b>Staff Development</b>						
16339 Dues/ Subscriptions	\$2,766	\$1,785	\$2,285	\$5,000	\$5,000	0.0%
16354 Travel and Training - Staff	\$3,489	\$2,797	\$4,083	\$12,500	\$10,000	-20.0%
16354.1 Travel and Training - Council	\$0	\$0	\$0	\$0	\$5,000	0.0%
<b>16004 Staff Development</b>	<b>\$6,255</b>	<b>\$4,582</b>	<b>\$6,368</b>	<b>\$17,500</b>	<b>\$20,000</b>	<b>14.3%</b>
<b>Insurance</b>						
16353.2 Liability Insurance	\$5,358	\$5,237	\$6,704	\$5,400	\$7,000	29.6%
16353.3 Property Insurance	\$4,298	\$3,319	\$4,425	\$5,300	\$5,300	0.0%
16353.9 Insurance Bond	\$305	\$170	\$170	\$500	\$500	0.0%
<b>16006 Insurance</b>	<b>\$9,961</b>	<b>\$8,726</b>	<b>\$11,299</b>	<b>\$11,200</b>	<b>\$12,800</b>	<b>14.3%</b>
<b>Capital Outlay</b>						
17071 Cap Purchase - Comp / Equip	\$3,393	\$0	\$0	\$0	\$0	0.0%
<b>16008 Capital Outlay</b>	<b>\$3,393</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Miscellaneous</b>						
16361.4 Transfer to CPF	\$58,000	\$0	\$0	\$0	\$0	0.0%
16504 Adams Park Lease	\$5,331	\$5,277	\$5,277	\$6,000	\$8,000	33.3%
16590.4 Tsf to CPF - Infr Inv (43949.3)	\$0	\$0	\$215,494	\$46,700	\$168,494	260.8%
16590.6 Transfer to Surplus	\$0	\$0	\$34,100	\$34,100	\$0	-100.0%
16590.7 Tsf to CPF - Mob Inv (43949.4)	\$0	\$0	\$10,000	\$10,000	\$0	-100.0%
16550 HOME Grant Expense	\$0	\$453,000	\$453,000	\$0	\$0	0.0%
16590 Miscellaneous	\$456	\$15,257	\$17,989	\$1,000	\$1,000	0.0%
<b>16009 Total Miscellaneous</b>	<b>\$63,787</b>	<b>\$473,534</b>	<b>\$735,860</b>	<b>\$97,800</b>	<b>\$177,494</b>	<b>81.5%</b>
<b>Sales Tax Rebatement</b>						
17500.1 Sales Tax Rebatement	\$171,989	\$155,194	\$206,925	\$206,925	\$250,000	20.8%
17500.2 380 Ad Valorem Tax Rebate	\$83,408	\$85,322	\$113,763	\$113,763	\$115,000	1.1%
17500.3 PID Prop Tax Reimbursement	\$35,378	\$38,364	\$38,364	\$38,815	\$38,815	0.0%
<b>17500 Total Sales Tax Rebatement</b>	<b>\$290,775</b>	<b>\$278,880</b>	<b>\$359,052</b>	<b>\$359,503</b>	<b>\$403,815</b>	<b>12.3%</b>
<b>Total Expense</b>	<b>\$1,049,821</b>	<b>\$1,331,367</b>	<b>\$1,868,030</b>	<b>\$1,274,556</b>	<b>\$1,787,770</b>	<b>40.3%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Police Class  
Statement of Expenditures**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Ordinary Expense</b>						
<b>Personnel</b>						
16353 Health Insurance	\$71,719	\$84,080	\$116,680	\$94,000	\$123,000	30.9%
16353 Unemployment Insurance	\$125	\$126	\$126	\$2,000	\$2,260	13.0%
16354 Workers Comp.	\$20,301	\$19,555	\$23,149	\$27,000	\$27,000	0.0%
16354 Dental Insurance	\$8,534	\$7,481	\$10,285	\$9,000	\$12,000	33.3%
16354 Life & AD&D Insurance	\$2,001	\$2,602	\$3,714	\$2,500	\$4,200	68.0%
16560 Payroll Taxes	\$61,989	\$63,056	\$99,362	\$73,000	\$105,000	43.8%
16600 Wages	\$759,798	\$654,505	\$942,491	\$788,250	\$965,000	22.4%
16600 Overtime	\$39,172	\$42,057	\$52,057	\$38,000	\$50,000	31.6%
16600 COLA	\$0	\$0	\$0	\$0	\$18,850	100.0%
16620 Retirement	\$48,842	\$58,207	\$83,967	\$52,000	\$90,000	73.1%
16221 MASA	\$0	\$616	\$826	\$0	\$850	100.0%
16622 Dependent Coverage	\$0	\$0	\$0	\$0	\$62,000	100.0%
16353.A Employee Assistance Program	\$0	\$1,035	\$1,035	\$0	\$1,050	100.0%
<b>16000 Personnel</b>	<b>\$1,012,481</b>	<b>\$933,320</b>	<b>\$1,333,692</b>	<b>\$1,085,750</b>	<b>\$1,461,210</b>	<b>34.6%</b>
<b>Communications</b>						
16341 Community Relations	\$1,589	\$3,177	\$3,500	\$2,000	\$5,500	175.0%
<b>16001 Communications</b>	<b>\$1,589</b>	<b>\$3,177</b>	<b>\$3,500</b>	<b>\$2,000</b>	<b>\$5,500</b>	<b>175.0%</b>
<b>Contract Services</b>						
<b>Repairs and Maintenance</b>						
16281 Records Shredding	\$148	\$56	\$112	\$500	\$500	0.0%
16320 Legal	\$261	\$0	\$0	\$0	\$0	0.0%
16334 Gas/Oil	\$26,260	\$24,662	\$35,112	\$32,500	\$40,000	23.1%
16335 Repairs and Maintenance Other	\$50	\$0	\$0	\$0	\$0	0.0%
16357 Auto Repairs	\$15,474	\$15,187	\$25,626	\$18,000	\$27,000	50.0%
16373 Equipment Repairs	\$13,307	\$0	\$0	\$3,000	\$5,000	66.7%
16374 Bldg Repairs-City Hall/Comm	\$0	\$0	\$0	\$0	\$0	0.0%
16335 Maint-Vehicles & Equip	\$48	\$0	\$0	\$0	\$0	0.0%
<b>16335 Repairs and Maintenance</b>	<b>\$55,548</b>	<b>\$39,905</b>	<b>\$60,850</b>	<b>\$54,000</b>	<b>\$72,500</b>	<b>34.3%</b>
16340 Printing/ Office Supplies	\$2,408	\$2,598	\$3,831	\$2,000	\$4,000	100.0%
16340 COVID-19 Supplies	\$26	\$0	\$0	\$0	\$0	0.0%
16342 City Website	\$7,083	\$690	\$690	\$8,000	\$8,000	0.0%
16350 Postage/ Delivery	\$457	\$464	\$614	\$500	\$500	0.0%
16351 Telephone	\$7,859	\$7,411	\$9,811	\$3,000	\$10,000	233.3%
17030 Mobile Data Terminal	\$5,728	\$3,761	\$2,901	\$12,000	\$12,000	0.0%
17040 COVID-19 Computer Tech	\$37	\$0	\$0	\$0	\$0	0.0%
17040 Computer Technology	\$39,213	\$24,592	\$31,328	\$3,000	\$10,000	233.3%
<b>16002 Contract Services</b>	<b>\$118,359</b>	<b>\$79,421</b>	<b>\$110,025</b>	<b>\$82,500</b>	<b>\$117,000</b>	<b>41.8%</b>



**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Supplies and Equipment</b>						
16244 Radio Fees	\$4,542	\$3,780	\$3,780	\$5,200	\$5,200	0.0%
16328 Uniforms	\$9,136	\$8,282	\$8,664	\$8,500	\$9,000	5.9%
16328 Protective Gear	\$184	\$1,744	\$1,744	\$7,000	\$7,000	0.0%
16358 Copier/Fax	\$6,657	\$4,744	\$6,244	\$5,500	\$5,500	0.0%
16460 Operating Supplies - Other	\$5,417	\$10,277	\$15,415	\$8,100	\$7,000	-13.6%
16461 Tools, Etc	\$170	\$153	\$153	\$300	\$300	0.0%
17010 Emergency Equipment	\$4,874	\$10,309	\$15,218	\$13,500	\$15,000	11.1%
17050 Radios	\$10,815	\$0	\$0	\$0	\$21,902	100.0%
17100 Capital Purchase Furniture	\$1,158	\$1,110	\$1,110	\$1,500	\$1,500	0.0%
16003 Supplies and Equipment	<b>\$42,953</b>	<b>\$40,399</b>	<b>\$52,328</b>	<b>\$49,600</b>	<b>\$72,402</b>	<b>46.0%</b>
<b>Staff Development</b>						
16241 Training/ Education	\$4,314	\$0	\$0	\$0	\$0	0.0%
16339 Dues/ Subscriptions	\$832	\$2,138	\$2,523	\$2,000	\$2,500	25.0%
16354 Travel and Training	\$11,997	\$13,086	\$17,771	\$20,500	\$21,000	2.4%
16004 Staff Development	<b>\$17,143</b>	<b>\$15,224</b>	<b>\$20,294</b>	<b>\$22,500</b>	<b>\$23,500</b>	<b>4.4%</b>
<b>Insurance</b>						
16353 Liability Insurance	\$16,156	\$15,647	\$20,577	\$16,180	\$17,000	5.1%
16353 Property Insurance	\$3,282	\$3,184	\$4,368	\$4,745	\$5,000	5.4%
16006 Subtotal Insurance	<b>\$19,438</b>	<b>\$18,831</b>	<b>\$24,945</b>	<b>\$20,925</b>	<b>\$22,000</b>	<b>5.1%</b>
<b>Capital Outlay</b>						
17070 Capital Outlay - Police Cars	\$155,796	\$0	\$0	\$0	\$40,000	0.0%
17070 Emergency Lights, Decals	\$4,317	\$4,594	\$4,554	\$6,000	\$7,500	25.0%
17070 Watch Guard	\$38,547	\$0	\$0	\$0	\$0	0.0%
17070 Tsf To CPF - Vehicle Rep.	\$0	\$0	\$15,000	\$15,000	\$15,000	0.0%
17071 Computers/Equipment	\$23,880	\$2,742	\$3,242	\$18,000	\$18,000	0.0%
17071 Copsync	\$9,196	\$13,852	\$13,852	\$14,933	\$7,000	-53.1%
17071 Radar	\$4,002	\$3,840	\$4,440	\$5,000	\$12,500	150.0%
17071 Speed Trailer	\$15,585	\$0	\$0	\$0	\$0	0.0%
17072 Investigative and Testing Equip	\$3,921	\$4,034	\$4,034	\$4,000	\$6,500	62.5%
17072 Ballistic Helmets and Shields	\$2,497	\$4,233	\$4,233	\$3,000	\$14,000	366.7%
17072 Patrol Weapons	\$4,754	\$9,412	\$11,912	\$7,000	\$12,000	71.4%
17072 Capital Outlay - Miscellaneous	\$4,225	\$0	\$0	\$0	\$0	0.0%
17071.A Traffic Equipment	\$0	\$0	\$0	\$0	\$27,000	100.0%
17071.B Office Equipment	\$0	\$3,725	\$2,495	\$8,000	\$11,800	0.0%
16008 Capital Outlay	<b>\$266,720</b>	<b>\$46,432</b>	<b>\$63,762</b>	<b>\$80,933</b>	<b>\$171,300</b>	<b>111.7%</b>
<b>Other/ Miscellaneous</b>						
16590 National Night Out	\$306	\$0	\$0	\$0	\$0	0.0%
16590 Miscellaneous	\$666	\$3,673	\$4,000	\$0	\$2,500	100.0%
16009 Miscellaneous/Other	<b>\$972</b>	<b>\$3,673</b>	<b>\$4,000</b>	<b>\$0</b>	<b>\$2,500</b>	<b>100.0%</b>
<b>Total Expense</b>	<b>\$1,479,655</b>	<b>\$1,140,477</b>	<b>\$1,673,396</b>	<b>\$1,398,208</b>	<b>\$1,875,412</b>	<b>34.1%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Court Class  
Statement of Expenditures**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Ordinary Expense</b>						
<b>Personnel</b>						
16353.1 Health Insurance	\$17,687	\$16,751	\$22,350	\$23,000	\$25,500	10.9%
16353.4 Unemployment Insurance	\$30	\$27	\$27	\$500	\$500	0.0%
16353.5 Workers Comp.	\$1,345	\$2,190	\$1,648	\$1,800	\$1,800	0.0%
16353.6 Dental Insurance	\$1,834	\$1,358	\$1,811	\$2,000	\$2,000	0.0%
16353.7 Life & AD&D Insurance	\$110	\$84	\$112	\$200	\$200	0.0%
16353.8 Crime Insurance	\$489	\$366	\$489	\$600	\$600	0.0%
16560 Payroll Taxes	\$10,802	\$9,188	\$13,385	\$11,000	\$14,500	31.8%
16600 Wages	\$131,228	\$96,334	\$134,801	\$128,750	\$162,300	26.1%
16600.1 Overtime	\$335	\$2,541	\$3,741	\$1,000	\$3,750	275.0%
16600.2 COLA	\$0	\$0	\$0	\$0	\$2,696	100.0%
16620 Retirement	\$5,976	\$10,101	\$17,177	\$7,000	\$17,850	155.0%
16621 MASA	\$0	\$252	\$336	\$0	\$350	100.0%
16622 Dependent Coverage	\$0	\$0	\$0	\$0	\$15,700	100.0%
16353.A Employee Assistance Program	\$0	\$138	\$138	\$0	\$150	100.0%
<b>16000 Personnel</b>	<b>\$169,836</b>	<b>\$139,330</b>	<b>\$196,015</b>	<b>\$175,850</b>	<b>\$247,896</b>	<b>41.0%</b>
<b>Communications</b>						
16341 Community Relations	\$33	\$0	\$0	\$365	\$400	9.6%
<b>16001 Communications</b>	<b>\$33</b>	<b>\$0</b>	<b>\$0</b>	<b>\$365</b>	<b>\$400</b>	<b>9.6%</b>
<b>Contract Services</b>						
16102 General Consultant	\$3,991	\$5,733	\$6,883	\$8,000	\$8,000	0.0%
16220 Omni Expense	\$1,674	\$1,488	\$2,088	\$2,500	\$2,500	0.0%
16242 Prosecutor	\$8,100	\$9,900	\$12,600	\$10,000	\$14,000	40.0%
16281 Record Shredding	\$148	\$56	\$112	\$200	\$200	0.0%
16310 Judge	\$14,500	\$9,000	\$12,000	\$12,000	\$12,000	0.0%
16326 Collection Agent	\$9,822	\$15,523	\$17,525	\$15,000	\$15,000	0.0%
16340 Printing/ Office Supplies	\$574	\$539	\$789	\$1,000	\$1,000	0.0%
16340.1 COVID-19 Supplies	\$27	\$0	\$0	\$0	\$0	0.0%
16342 City Website	\$5,267	\$690	\$690	\$5,500	\$5,500	0.0%
16350 Postage/ Delivery	\$1,729	\$1,417	\$1,788	\$2,000	\$2,000	0.0%
16351 Telephone	\$3,666	\$2,911	\$3,882	\$3,000	\$4,000	33.3%
17040.1 COVID-19 Comp Tech	\$37	\$0	\$0	\$0	\$0	0.0%
17040 Computer/Technology	\$6,303	\$9,927	\$12,063	\$3,500	\$5,000	42.9%

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

General Fund Court Class Statement of Expenditures	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
17510 State Portion of Fines	\$88,585	\$120,127	\$155,721	\$137,500	\$160,000	16.4%
<b>16002 Contract Services</b>	<b>\$144,423</b>	<b>\$177,311</b>	<b>\$226,141</b>	<b>\$200,200</b>	<b>\$229,200</b>	<b>14.5%</b>
<b>Supplies and Equipment</b>						
16328 Uniforms & Protective Gear	\$0	\$97	\$100	\$100	\$100	0.0%
16358 Copier/Fax Machine Lease	\$7,739	\$6,529	\$8,679	\$6,000	\$8,800	46.7%
16003 Supplies and Equipment - Other	\$0	\$0	\$0	\$500	\$500	0.0%
16460 Operating Supplies	\$1,836	\$880	\$1,080	\$2,500	\$2,500	0.0%
17100 Furniture	\$199	0	0	\$500	\$500	0.0%
<b>16003 Supplies and Equipment</b>	<b>\$9,774</b>	<b>\$7,506</b>	<b>\$9,859</b>	<b>\$9,600</b>	<b>\$12,400</b>	<b>29.2%</b>
<b>Staff Development</b>						
16339 Dues/ Subscriptions	\$110	\$201	\$201	\$750	\$750	0.0%
16354 Travel and Training - Staff	\$6,267	\$445	\$745	\$6,500	\$6,500	0.0%
<b>16004 Staff Development</b>	<b>\$6,377</b>	<b>\$646</b>	<b>\$946</b>	<b>\$7,250</b>	<b>\$7,250</b>	<b>0.0%</b>
<b>Insurance</b>						
16353.2 Liability Insurance	\$0	\$0	\$0	\$50	\$50	0.0%
16353.3 Property Insurance	\$0	\$0	\$0	\$1,170	\$1,170	0.0%
<b>16006 Insurance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,220</b>	<b>\$1,220</b>	<b>0.0%</b>
<b>Capital Outlay</b>						
17071 Computers/Equipment	\$1,263	\$0	\$0	\$1,500	\$0	-100.0%
<b>16008 Capital Outlay</b>	<b>\$1,263</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$0</b>	<b>-100.0%</b>
<b>Miscellaneous</b>						
16590 Miscellaneous	\$281	\$0	\$0	\$1,000	\$1,000	0.0%
<b>Total Expense</b>	<b>\$331,987</b>	<b>\$324,793</b>	<b>\$432,961</b>	<b>\$396,985</b>	<b>\$499,366</b>	<b>25.8%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**General Fund Public Works Class  
Statement of Expenses**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Ordinary Expense</b>						
<b>Personnel</b>						
16353.1 Health Insurance	\$30,082	\$14,124	\$18,751	\$23,000	\$23,000	0.0%
16353.4 Unemployment Insurance	\$70	\$63	\$67	\$400	\$400	0.0%
16353.5 Workers Comp.	\$4,294	\$5,331	\$5,434	\$4,700	\$6,000	27.7%
16353.6 Dental/Vision Insurance	\$3,226	\$1,251	\$1,660	\$1,800	\$1,800	0.0%
16353.7 Life & AD&D Insurance	\$412	\$108	\$143	\$300	\$300	0.0%
16560 Payroll Taxes	\$23,080	\$8,931	\$12,049	\$16,000	\$12,900	-19.4%
16600 Wages	\$20,429	\$94,011	\$129,011	\$140,290	\$155,800	11.1%
16600.1 Overtime	\$7,303	\$1,668	\$1,818	\$5,000	\$2,000	-60.0%
16000.2 COLA	\$0	\$0	\$0	\$0	\$2,806	100.0%
16620 Retirement	\$13,498	\$7,203	\$10,395	\$8,000	\$10,915	36.4%
16622 Dependent Coverage	\$0	\$0	\$0	\$0	\$10,800	100.0%
16353.A Employee Assistance Program	\$0	\$414	\$414	\$0	\$500	100.0%
<b>16000 Personnel</b>	<b>\$102,394</b>	<b>\$133,104</b>	<b>\$179,742</b>	<b>\$199,490</b>	<b>\$227,221</b>	<b>13.9%</b>
<b>Communications</b>						
16338.1 Legal Notices & Publications	\$939	\$0	\$0	\$1,500	\$1,500	0.0%
16341 Community Relations	\$460	\$323	\$423	\$200	\$1,000	400.0%
16338 Advertising/Promotion	\$0	\$75	\$75	\$500	\$500	0.0%
<b>16001 Communications</b>	<b>\$1,399</b>	<b>\$398</b>	<b>\$498</b>	<b>\$2,200</b>	<b>\$3,000</b>	<b>36.4%</b>
<b>Contract Services</b>						
16102 General Consultant Fees	\$103	\$0	\$0	\$1,000	\$0	-100.0%
16280 Mowing	\$93,728	\$62,437	\$83,249	\$112,000	\$116,000	3.6%
16281 Record Shredding	\$116	\$56	\$112	\$150	\$150	0.0%
16299 Inspections/ Permits	\$157,403	\$85,809	\$114,412	\$192,500	\$0	-100.0%
16320 Legal	\$0	\$0	\$0	\$2,500	\$2,500	0.0%
16322 Engineering	\$83,013	\$80,201	\$84,117	\$100,000	\$85,000	-15.0%
16337 Street Signs	\$5,952	\$574	\$724	\$1,725	\$3,000	73.9%
16340 Printing and Office Supplies	\$825	\$348	\$498	\$1,200	\$1,200	0.0%
16340.1 COVID-19 Supplies	\$11,420	\$0	\$0	\$0	\$0	0.0%
16342 City Website	\$10,308	\$690	\$690	\$720	\$750	4.2%
16350 Postage/ Delivery	\$408	\$277	\$367	\$750	\$750	0.0%
16351 Telephone	\$9,593	\$5,386	\$7,181	\$9,500	\$8,400	-11.6%
17040 Computer Technology	\$7,022	\$13,418	\$17,331	\$9,700	\$18,000	85.6%

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
17040.1 COVID-19 Computer Tech	\$37	\$0	\$0	\$0	\$0	0.0%
16334 Gas/Oil	\$5,910	\$3,821	\$5,501	\$7,750	\$7,750	0.0%
16335 Maint. and Rep. - City Hall Cleaning	\$13,968	\$6,975	\$9,300	\$9,300	\$9,300	0.0%
16335.1 Maintenance -Vehicles & Equip	\$1,472	\$971	\$1,253	\$3,000	\$3,000	0.0%
16335.2 Mosquito Spraying	\$819	\$3,190	\$5,075	\$5,500	\$5,500	0.0%
16335.3 City Hall Cleaning - COVID 19	\$950	\$1,450	\$1,450	\$0	\$2,000	0.0%
16343 Tractor & Mower	\$0	\$0	\$0	\$500	\$0	0.0%
16357 Auto Repairs	\$3,968	\$2,661	\$2,488	\$5,000	\$5,000	0.0%
16373 Equipment Repairs	\$3,028	\$1,048	\$1,248	\$3,761	\$5,500	46.2%
16374 Building Repairs-City Hall/Comm	\$13,867	\$5,517	\$6,517	\$16,648	\$18,000	8.1%
16375 Street Repairs	\$21,148	\$957	\$1,057	\$18,000	\$20,000	11.1%
16375.1 Streets-Preventive Maint	\$0	\$6,430	\$6,430	\$5,000	\$7,000	40.0%
16332 Downtown Repairs	\$0	\$1,620	\$1,620	\$500	\$1,500	200.0%
<b>16002 Total Contract Services</b>	<b>\$445,058</b>	<b>\$283,836</b>	<b>\$350,620</b>	<b>\$506,704</b>	<b>\$320,300</b>	<b>-36.8%</b>
<b>Supplies and Equipment</b>						
16328 Uniforms/ Safety Equip	\$4,241	\$2,436	\$3,248	\$3,900	\$3,900	0.0%
16358 Copier/Fax Machine Lease	\$2,236	\$0	\$0	\$0	\$0	0.0%
16460 Operating Supplies	\$7,765	\$8,719	\$9,019	\$5,000	\$9,000	80.0%
16460.1 Streets and drainage	\$10,516	\$656	\$656	\$2,283	\$3,500	53.3%
16460.2 Cedar Brake Park	\$1,532	\$127	\$227	\$795	\$6,500	717.6%
16460.3 Homecoming Park	\$1,430	\$64	\$100	\$95	\$2,000	2005.3%
16460.4 Fernland Park	\$1,690	\$252	\$352	\$399	\$2,750	589.2%
16460.5 Community Building	\$2,029	\$64	\$100	\$1,295	\$2,000	54.4%
16460.6 Tools, Etc	\$2,955	\$1,131	\$1,250	\$1,000	\$2,750	175.0%
16460.7 Memory Park	\$2,657	\$59	\$75	\$1,295	\$2,000	54.4%
16460.8 Culvert Expense	\$0	\$2,605	\$2,935	\$0	\$3,000	100.0%
16503 Code Enforcement Expense	\$0	\$0	\$0	\$1,000	\$1,000	0.0%
<b>16003 Supplies and Equipment</b>	<b>\$37,051</b>	<b>\$16,113</b>	<b>\$17,962</b>	<b>\$17,062</b>	<b>\$38,400</b>	<b>125.1%</b>
<b>Staff Development</b>						
16339 Dues/ Subscriptions	\$621	\$869	\$1,069	\$1,000	\$2,000	100.0%
16354 Travel and Training - Staff	\$2,359	\$160	\$320	\$1,040	\$5,000	380.8%
16004 Staff Development Other	\$0	\$0	\$0	\$100	\$100	0.0%
<b>16004 Staff Development</b>	<b>\$2,980</b>	<b>\$1,029</b>	<b>\$1,389</b>	<b>\$2,140</b>	<b>\$7,100</b>	<b>231.8%</b>
<b>Maintenance</b>						
16228 Memory Park Maintenance	\$3,438	\$4,660	\$5,160	\$5,000	\$25,000	400.0%
16229 Fernland Park Maintenance	\$3,249	\$2,354	\$2,854	\$4,000	\$20,000	400.0%

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
16230 Cedar Brake Park Maintenance	\$11,168	\$6,227	\$6,977	\$6,000	\$25,000	316.7%
16231 Homecoming Park Maintenance	\$6,447	\$1,039	\$1,239	\$1,000	\$20,000	1900.0%
<b>16005 Park Maintenance</b>	<b>\$24,302</b>	<b>\$14,280</b>	<b>\$16,230</b>	<b>\$16,000</b>	<b>\$90,000</b>	<b>462.5%</b>
<b>Insurance</b>						
16353.2 Liability Insurance	\$1,653	\$1,744	\$2,333	\$2,050	\$2,400	17.1%
16353.3 Property Insurance	\$703	\$682	\$936	\$1,340	\$1,340	0.0%
<b>16006 Insurance</b>	<b>\$2,356</b>	<b>\$2,426</b>	<b>\$3,269</b>	<b>\$3,390</b>	<b>\$3,740</b>	<b>10.3%</b>
<b>Utilities</b>						
16352 Electronic Sign-City	\$745	\$528	\$704	\$1,000	\$1,000	0.0%
16352.1 Street Lights	\$12,411	\$7,714	\$10,285	\$12,000	\$12,000	0.0%
16352.2 Downtown Utilities	\$1,245	\$1,017	\$1,324	\$1,200	\$1,200	0.0%
16352.3 Cedar Brake Park	\$2,442	\$1,382	\$1,765	\$2,200	\$2,200	0.0%
16352.4 Homecoming Park	\$1,271	\$1,085	\$1,392	\$1,300	\$1,500	15.4%
16352.5 Fernland Park	\$4,731	\$4,233	\$5,401	\$4,500	\$5,800	28.9%
16352.6 City Hall Utilities	\$10,689	\$9,500	\$12,240	\$10,500	\$13,000	23.8%
16352.8 Community Center Utilities	\$4,691	\$3,619	\$4,643	\$4,300	\$5,000	16.3%
16352.9 Memory Park	\$7,146	\$2,914	\$3,164	\$8,000	\$8,000	0.0%
<b>16007 Utilities</b>	<b>\$45,371</b>	<b>\$31,992</b>	<b>\$40,918</b>	<b>\$45,000</b>	<b>\$49,700</b>	<b>10.4%</b>
<b>Capital Outlay</b>						
17071 Computers/Equipment	\$1,263	\$35	\$35	\$0	\$4,000	100.0%
17071.8 Capital Outlay - Misc	\$175	\$0	\$0	\$0	\$0	0.0%
17072 Public Works Items	\$823	\$8,440	\$8,440	\$0	\$7,000	100.0%
17080 Improvements	\$0	\$0	\$0	\$0	\$100,000	100.0%
17081 Drainage Improvements	\$420	\$0	\$0	\$3,000	\$10,000	233.3%
<b>16008 Capital Outlay</b>	<b>\$2,681</b>	<b>\$8,475</b>	<b>\$8,475</b>	<b>\$3,000</b>	<b>\$121,000</b>	<b>3933.3%</b>
<b>Miscellaneous</b>						
16356 Contract Labor-Streets	\$79,563	\$17,489	\$88,000	\$90,000	\$220,000	144.4%
16590 Miscellaneous	\$306	\$1,284	\$1,500	\$1,000	\$4,000	300.0%
<b>Miscellaneous/Other</b>	<b>\$79,869</b>	<b>\$18,773</b>	<b>\$89,500</b>	<b>\$91,000</b>	<b>\$224,000</b>	<b>146.2%</b>
<b>Total Expense</b>	<b>\$743,461</b>	<b>\$510,426</b>	<b>\$708,603</b>	<b>\$885,986</b>	<b>\$1,084,461</b>	<b>22.4%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary**

**Debt Service Fund**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	\$420,056	\$423,795	\$423,795	\$423,795	\$195,555	-53.9%
<b>Revenues</b>						
Ad Valorem Tax	\$514,346	\$373,551	\$378,051	\$360,873	\$485,090	34.4%
Series 2021 Refunding Revenues	\$0	\$5,100,566	\$5,100,566	\$0	\$0	0.0%
All Other Revenues	\$2,598	\$6,793	\$7,250	\$5,000	\$5,000	0.0%
<b>Total Revenues</b>	<b>\$516,944</b>	<b>\$5,480,910</b>	<b>\$5,485,867</b>	<b>\$365,873</b>	<b>\$490,090</b>	<b>34.0%</b>
<b>Interfund Transfers</b>						
Transfers In	\$160,000	\$0	\$0	\$0	\$0	0.0%
Transfers Out - Use of Surplus	\$0	\$0	\$0	\$300,627	\$135,660	0.0%
<b>Net Interfund Transfers</b>	<b>\$160,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,627</b>	<b>\$135,660</b>	<b>-54.9%</b>
<b>Expenditures</b>						
Debt Service	\$671,576	\$561,266	\$615,891	\$664,000	\$623,250	-6.1%
Contract Services	\$1,480	\$650	\$1,500	\$2,500	\$2,500	0.0%
Series 2021 Refunding Expenditures	\$0	\$5,096,716	\$5,096,716	\$0	\$0	0.0%
All Other Operating Expenditures	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$673,056</b>	<b>\$5,658,632</b>	<b>\$5,714,107</b>	<b>\$666,500</b>	<b>\$625,750</b>	<b>-6.1%</b>
<b>Net Income</b>	<b>\$3,888</b>	<b>-\$177,722</b>	<b>-\$228,240</b>	<b>\$0</b>	<b>\$0</b>	
<b>Ending Fund Balance*</b>	<b>\$423,944</b>	<b>\$246,073</b>	<b>\$195,555</b>	<b>\$423,795</b>	<b>\$59,895</b>	<b>-85.9%</b>

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual columns due to Audit Entries

**City of Montgomery**  
**Fiscal Year 2021-22**  
**Proposed Budget Summary**

**Water & Sewer Fund**  
**Budget at a Glance**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	<b>\$1,257,767</b>	<b>\$1,672,855</b>	<b>\$1,672,855</b>	<b>\$1,672,855</b>	<b>\$2,909,004</b>	<b>73.9%</b>
<b>Revenues</b>						
Fees for Service	\$1,896,108	\$1,492,672	\$1,922,437	\$1,726,850	\$2,162,850	25.2%
Taxes	\$7,862	\$10,771	\$14,362	\$12,000	\$15,000	25.0%
Groundwater Reduction Rev.	\$187,784	\$139,653	\$186,204	\$171,000	\$195,000	14.0%
All Other Revenues	\$15,609	\$18,038	\$22,528	\$97,400	\$113,450	16.5%
<b>Total Revenues</b>	<b>\$2,107,363</b>	<b>\$1,661,134</b>	<b>\$2,145,531</b>	<b>\$2,007,250</b>	<b>\$2,486,300</b>	<b>23.9%</b>
<b>Interfund Transfers</b>						
Transfers In	\$0	\$0	\$0	\$0	\$0	0.0%
Transfers Out	\$154,800	\$243,286	\$536,039	\$536,039	\$628,469	17.2%
<b>Net Interfund Transfers</b>	<b>\$154,800</b>	<b>\$243,286</b>	<b>\$536,039</b>	<b>\$536,039</b>	<b>\$628,469</b>	<b>17.2%</b>
<b>Expenditures</b>						
Personnel	\$367,719	\$269,058	\$375,085	\$320,700	\$439,200	37.0%
Contract Services	\$848,586	\$363,599	\$453,325	\$486,780	\$645,100	32.5%
All Other Operating Exp.	\$794,710	\$457,552	\$617,011	\$663,731	\$773,531	16.5%
Capital Outlay	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$2,011,015</b>	<b>\$1,090,209</b>	<b>\$1,445,421</b>	<b>\$1,471,211</b>	<b>\$1,857,831</b>	<b>26.3%</b>
<b>Net Ordinary Income</b>	<b>-\$58,452</b>	<b>\$327,639</b>	<b>\$164,071</b>	<b>\$0</b>	<b>\$0</b>	
<b>Ending Fund Balance*</b>	<b>\$1,199,315</b>	<b>\$2,487,066</b>	<b>\$2,909,004</b>	<b>\$1,672,855</b>	<b>\$2,909,004</b>	<b>73.9%</b>

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual columns due to Audit Entries



**City of Montgomery**  
**Fiscal Year 2021-22**  
**Proposed Budget**

**Water & Sewer Fund**  
**Statement of Revenues**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	%
						Change
<b>Charges for Service</b>						
23956 Contributed Capital	\$46,673	\$0	\$0	\$0	\$0	0.0%
24100 Water Fees	\$702,190	\$534,051	\$712,058	\$620,000	\$812,000	31.0%
24118 Surface Water Rev	\$7,943	\$5,925	\$7,900	\$6,400	\$8,200	28.1%
24119 Application Fee	\$0	\$0	\$0	\$1,500	\$0	-100.0%
24120 Disconnect Reconnect	\$2,039	\$7,641	\$10,641	\$4,750	\$11,000	131.6%
24200 Sewer Fees	\$666,050	\$520,908	\$694,544	\$630,000	\$787,700	25.0%
24310 Tap Fees/ Insp	\$279,371	\$264,434	\$284,434	\$270,000	\$300,000	11.1%
24319 Grease Trap Inspections	\$18,000	\$14,800	\$19,300	\$18,000	\$19,300	7.2%
24330 Late Fees	\$16,863	\$12,522	\$17,022	\$15,000	\$17,500	16.7%
24333 Returned/Miscellaneous Fees	\$100	\$850	\$1,150	\$200	\$1,150	475.0%
24334 Backflow Device	\$924	\$0	\$0	\$16,000	\$16,000	0.0%
25403 Solid Waste Fees	\$155,955	\$131,541	\$175,388	\$145,000	\$190,000	31.0%
<b>Total Charges for Service</b>	<b>\$1,896,108</b>	<b>\$1,492,672</b>	<b>\$1,922,437</b>	<b>\$1,726,850</b>	<b>\$2,162,850</b>	<b>25.2%</b>
<b>Taxes</b>						
24110 Sales Tax on Solid Wast Fees	\$7,862	\$10,771	\$14,362	\$12,000	\$15,000	25.0%
<b>Total Taxes</b>	<b>\$7,862</b>	<b>\$10,771</b>	<b>\$14,362</b>	<b>\$12,000</b>	<b>\$15,000</b>	<b>25.0%</b>
24121 Groundwater Reduction Rev	\$187,784	\$139,653	\$186,204	\$171,000	\$195,000	14.0%
<b>Other Revenue</b>						
25000.1 Impact Fees - Other	\$0	\$7,278	\$7,278	\$90,000	\$100,000	11.1%
25391 Interest Income	\$451	\$332	\$450	\$400	\$450	12.5%
25392 Interest on Investments	\$7,075	\$330	\$500	\$3,000	\$500	-83.3%
25395 Meter Box Replacement	\$0	\$1,200	\$1,500	\$0	\$1,500	0.0%
25396 EndPoint Charge	\$0	\$185	\$200	\$0	\$500	0.0%
25399 Misc Revenue	\$6,347	\$6,894	\$10,500	\$4,000	\$10,500	162.5%
25500 Utility Contracts	\$1,736	\$1,819	\$2,100	\$0	\$0	0.0%
<b>Total Other Revenue</b>	<b>\$15,609</b>	<b>\$18,038</b>	<b>\$22,528</b>	<b>\$97,400</b>	<b>\$113,450</b>	<b>16.5%</b>
<b>Grand Total Revenues</b>	<b>\$2,107,363</b>	<b>\$1,661,134</b>	<b>\$2,145,531</b>	<b>\$2,007,250</b>	<b>\$2,486,300</b>	<b>23.9%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**Water & Sewer Fund**

**Statement of Expenses**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>26001 Personnel</b>						
26353.1 Group Health Insurance	\$13,682	\$31,224	\$41,632	\$39,000	\$43,000	10.3%
26353.4 Unemployment Insurance	\$0	\$0	\$451	\$450	\$500	11.1%
26353.5 Workers Comp	\$4,003	\$3,442	\$4,589	\$4,800	\$5,200	8.3%
26353.6 Dental Insurance	\$1,088	\$2,195	\$2,927	\$3,200	\$3,200	0.0%
26353.7 Life AD&D Insurance	\$662	\$598	\$797	\$1,000	\$1,000	0.0%
26353.8 Crime Insurance	\$456	\$366	\$488	\$500	\$500	0.0%
26501 Retirement	\$7,802	\$16,705	\$22,273	\$15,000	\$24,000	60.0%
26502 TMRS Pension Exp	-\$566	\$0	\$0	\$0	\$0	0.0%
26600.1 Overtime	\$0	\$1,679	\$2,179	\$5,000	\$5,000	0.0%
26560 Payroll Taxes	\$9,795	\$14,754	\$19,672	\$20,000	\$21,000	5.0%
26600 Wages	\$321,792	\$198,095	\$280,077	\$231,750	\$314,000	35.5%
26601 Compensated Benefits	\$9,005	\$0	\$0	\$0	\$0	0.0%
26610 Dependent Coverage	\$0	\$0	\$0	\$0	\$16,200	100.0%
26600.2 COLA	\$0	\$0	\$0	\$0	\$5,600	100.0%
<b>26001 Total Personnel</b>	<b>\$367,719</b>	<b>\$269,058</b>	<b>\$375,085</b>	<b>\$320,700</b>	<b>\$439,200</b>	<b>37.0%</b>
<b>26400.1 Supplies</b>						
26342 Chemicals	\$35,273	\$20,831	\$27,641	\$28,000	\$34,000	21.4%
26358 Copier/Fax Equipment	\$226	\$1,669	\$2,074	\$1,620	\$2,000	23.5%
26400.1 Office Supplies	\$514	\$74	\$74	\$600	\$600	0.0%
26460 Operating Supplies	\$50,549	\$23,085	\$30,779	\$80,000	\$80,000	0.0%
26485 Uniforms & Protective Gear	\$3,652	\$2,736	\$3,648	\$4,500	\$4,500	0.0%
27040 Computer Technology & Equip	\$8,743	\$8,340	\$11,120	\$8,400	\$28,000	233.3%
<b>Total Supplies &amp; Equipment</b>	<b>\$98,957</b>	<b>\$56,735</b>	<b>\$75,336</b>	<b>\$123,120</b>	<b>\$149,100</b>	<b>21.1%</b>
<b>26300 Communications</b>						
26338 Advertising/Promotion	\$1,095	\$0	\$0	\$1,500	\$1,500	0.0%
<b>26300 Total Communications</b>	<b>\$1,095</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500</b>	<b>\$1,500</b>	<b>0.0%</b>
26401 Groundwater Reduct Exp	\$0	\$0	\$0	\$100	\$100	0.0%
<b>26200 Contract Services</b>						
26102 General Consultant Fees	\$7,643	\$0	\$0	\$15,000	\$10,000	-33.3%

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**Water & Sewer Fund**

**Statement of Expenses**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
26320 Legal Fees	\$920	\$0	\$0	\$18,000	\$15,000	-16.7%
26322 Engineering	\$84,355	\$63,792	\$72,248	\$75,000	\$75,000	0.0%
26323 Operator	\$39,600	\$29,700	\$39,600	\$40,380	\$115,000	184.8%
26324 Billing Collecting	\$27,559	\$23,072	\$30,763	\$23,900	\$33,000	38.1%
26325 Backflow Testing	\$0	\$1,945	\$2,500	\$16,000	\$16,000	0.0%
26326 Licenses & Permits	\$17,516	\$19,440	\$20,500	\$46,000	\$46,000	0.0%
26328 Testing	\$13,078	\$9,005	\$11,005	\$15,000	\$15,000	0.0%
26331 Sales Tax for Solid Waste	\$13,146	\$10,803	\$14,404	\$12,000	\$15,000	25.0%
26333 Accounting Fees	\$42,224	\$0	\$0	\$0	\$0	0.0%
26336 Sludge Hauling	\$23,586	\$20,704	\$27,334	\$24,000	\$34,000	41.7%
26340 Printing	\$659	\$470	\$600	\$400	\$600	50.0%
26350 Postage	\$2,890	\$532	\$750	\$5,000	\$1,000	-80.0%
26351 Telephone	\$7,545	\$6,789	\$9,052	\$5,700	\$9,500	66.7%
26364 Depreciation Expense	\$361,712	\$0	\$0	\$0	\$0	0.0%
26370 Taps & Insp	\$49,668	\$50,680	\$55,680	\$50,000	\$75,000	50.0%
26380 Disconnect/Reconnect Exp	\$331	\$0	\$0	\$400	\$0	0.0%
26399 Garbage	\$154,557	\$126,667	\$168,889	\$140,000	\$185,000	32.1%
26200 Contract Serv - Other	\$1,597	\$0	\$0	\$0	\$0	0.0%
<b>26200 Total Contract Services</b>	<b>\$848,586</b>	<b>\$363,599</b>	<b>\$453,325</b>	<b>\$486,780</b>	<b>\$645,100</b>	<b>32.5%</b>
<b>26600.2 Maintenance</b>						
26335 Maint. & Repairs	\$207,021	\$125,704	\$167,605	\$225,750	\$175,000	-22.5%
26335.1 Maint. & Repairs - Vehicles	\$1,257	\$1,325	\$1,767	\$3,000	\$3,000	0.0%
26335.3 W&S Maint. Items	\$2,234	\$0	\$0	\$0	\$10,000	100.0%
26349 Gas and Oil	\$6,115	\$3,202	\$4,269	\$7,750	\$7,750	0.0%
<b>Total Vehicles &amp; Equipment</b>	<b>\$216,627</b>	<b>\$130,231</b>	<b>\$173,641</b>	<b>\$236,500</b>	<b>\$195,750</b>	<b>-17.2%</b>
<b>26500 Staff Development</b>						
26374 Dues & Subscriptions	\$1,423	\$683	\$800	\$2,000	\$2,000	0.0%
26355 Employee Relations/Education	\$439	\$263	\$263	\$500	\$1,000	100.0%
26354 Travel & Training	\$4,130	\$982	\$1,482	\$5,500	\$5,500	0.0%
<b>Total Staff Development</b>	<b>\$5,992</b>	<b>\$1,928</b>	<b>\$2,545</b>	<b>\$8,000</b>	<b>\$8,500</b>	<b>6.3%</b>
<b>26700 Insurance Expense</b>						

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**Water & Sewer Fund**

**Statement of Expenses**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
26353.2 Liability	\$2,121	\$2,687	\$3,583	\$3,200	\$3,800	18.8%
26353.3 Property	\$25,524	\$21,532	\$28,709	\$28,000	\$30,000	7.1%
<b>Total Insurance Expenses</b>	<b>\$27,645</b>	<b>\$24,219</b>	<b>\$32,292</b>	<b>\$31,200</b>	<b>\$33,800</b>	<b>8.3%</b>
<b>26800 Utilities Expense</b>						
26352.1 Utilities - Gas for Gen	\$907	\$979	\$1,305	\$1,000	\$1,200	20.0%
26352.2 Water Plants	\$77,089	\$58,359	\$77,812	\$68,000	\$82,000	20.6%
26352.3 WW Treatment Plants	\$23,553	\$40,146	\$53,528	\$30,000	\$60,000	100.0%
26352.4 Lift Stations	\$13,987	\$13,802	\$18,403	\$16,000	\$20,000	25.0%
<b>Total Utilities</b>	<b>\$115,536</b>	<b>\$113,286</b>	<b>\$151,048</b>	<b>\$115,000</b>	<b>\$163,200</b>	<b>41.9%</b>
<b>26900 Capital Outlay -STP Plant Imp</b>	<b>\$5,526</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000</b>	<b>0.0%</b>
26901 Utilities Proj Prev Maint -Other	\$119,981	\$104,850	\$139,800	\$46,311	\$76,581	65.4%
26901.1 Utilities Prev Maint - Tsf to CPF	\$91,400	\$0	\$0	\$0	\$0	0.0%
26901.2 Capital Costs-Tsf to CPF	\$91,400	\$0	\$0	\$0	\$0	0.0%
26901.3 Impact Fees - Tsf to CPF	\$0	\$0	\$7,278	\$90,000	\$100,000	11.1%
<b>Total Util Projects/Prev Maint</b>	<b>\$302,781</b>	<b>\$104,850</b>	<b>\$147,078</b>	<b>\$136,311</b>	<b>\$176,581</b>	<b>29.5%</b>
<b>27000 Miscellaneous</b>						
26359 Miscellaneous Exp	\$240	\$0	\$0	\$0	\$0	0.0%
26361 Bank Charges/ETS Fees	\$20,311	\$26,303	\$35,071	\$12,000	\$35,000	191.7%
	<b>\$20,551</b>	<b>\$26,303</b>	<b>\$35,071</b>	<b>\$12,000</b>	<b>\$35,000</b>	<b>191.7%</b>
27002 Transfer out-Construction Fund	\$154,800	\$243,286	\$536,039	\$536,039	\$628,469	17.2%
<b>Total Transfers Out</b>	<b>\$154,800</b>	<b>\$243,286</b>	<b>\$536,039</b>	<b>\$536,039</b>	<b>\$628,469</b>	<b>17.2%</b>
<b>Grand Total Expenditures</b>	<b>\$2,165,815</b>	<b>\$1,333,495</b>	<b>\$1,981,460</b>	<b>\$2,007,250</b>	<b>\$2,486,300</b>	<b>23.9%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary**

**Capital Projects Fund  
Budget at a Glance**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	\$3,188,683	\$1,651,628	\$1,651,628	\$1,651,628	\$1,394,242	-15.6%
<b>Revenues</b>						
43952.3 Proceeds-GLO	\$0	\$0	\$0	\$2,280,000	\$2,280,000	0.0%
43947 Total Transfers In	\$337,600	\$403,286	\$696,039	\$696,039	\$788,469	13.3%
43961 CDBG Grant Funds	\$239,180	\$0	\$0	\$56,985	\$56,985	0.0%
43959 FEMA Grant Revenue	\$0	\$0	\$0	\$0	\$0	0.0%
43952 Other Source Revenue	\$4,647	\$0	\$7,278	\$90,000	\$100,000	11.1%
45391 Interest	\$17,262	\$73	\$100	\$1,000	\$100	-90.0%
<b>Total Revenues</b>	<b>\$598,689</b>	<b>\$403,359</b>	<b>\$703,417</b>	<b>\$3,124,024</b>	<b>\$3,225,554</b>	<b>3.2%</b>
<b>Interfund Transfers</b>						
45392 Transfers In (43947/43949)	\$58,000	\$0	\$215,194	\$71,700	\$183,494	0.0%
45900 Transfers Out - Use of Surplus	\$0	\$0	\$0	\$1,382,989	\$1,123,927	0.0%
<b>Net Interfund Transfers</b>	<b>\$58,000</b>	<b>\$0</b>	<b>\$215,194</b>	<b>\$1,454,689</b>	<b>\$1,307,421</b>	<b>0.0%</b>
<b>Expenditures</b>						
43889 Grant Administrative Services	\$9,975	\$0	\$0	\$111,685	\$111,685	0.0%
43890 Engineering	\$231,276	\$118,443	\$96,524	\$368,000	\$274,000	-25.5%
44000-Wastewater System	\$1,058,730	\$14,210	\$14,210	\$114,000	\$0	-100.0%
45000-Water System Cap Projects	\$368,086	\$589,379	\$850,069	\$2,449,388	\$1,937,850	-20.9%
46000 Roadway Projects	\$16,351	\$0	\$0	\$0	\$508,000	0.0%
43995-Const Cost-Contingencies	\$0	\$0	\$0	\$90,000	\$0	-100.0%
48000-Cap Outlay-Fac, Equip, Etc	\$332,012	\$0	\$0	\$1,445,640	\$1,701,440	17.7%
<b>Total Expenditures</b>	<b>\$2,016,430</b>	<b>\$722,032</b>	<b>\$960,803</b>	<b>\$4,578,713</b>	<b>\$4,532,975</b>	<b>-1.0%</b>
<b>Net Income</b>	<b>-\$1,359,741</b>	<b>-\$318,673</b>	<b>-\$42,192</b>	<b>\$0</b>	<b>\$0</b>	
<b>Ending Fund Balance*</b>	<b>\$1,828,942</b>	<b>\$1,332,955</b>	<b>\$1,394,242</b>	<b>\$1,651,628</b>	<b>\$86,821</b>	<b>-94.7%</b>

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual columns due to Audit Entries

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**Capital Projects Fund  
Statement of Revenues**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Sources of Funding</b>						
43956/43964 Series 2017A&B						
43952.3 Proceeds GLO	\$0	\$0	\$0	\$2,280,000	\$2,280,000	0.0%
Total Proceeds - GLO	\$0	\$0	\$0	\$2,280,000	\$2,280,000	0.0%
43911 - Trs from MEDC	\$0	\$160,000	\$160,000	\$160,000	\$160,000	0.0%
43947A-Tsf Fr Util-GRP	\$139,000	\$243,286	\$536,039	\$536,039	\$628,469	17.2%
43947B-Tsf From Util-Maint	\$91,400	\$0	\$0	\$0	\$0	0.0%
43947C-Tsf from Util-Cap Costs Proj	\$107,200	\$0	\$0	\$0	\$0	0.0%
43947 Total Transfers In	\$337,600	\$403,286	\$696,039	\$696,039	\$788,469	13.3%
43961 Grant Funds CDBG						
43961.2 CDBG Block Grant-Baja	\$239,180	\$0	\$0	\$56,985	\$56,985	100.0%
43959 FEMA Grant Revenue						
43956.1 FEMA Buff Sp Bridge	-\$5,065	\$0	\$0	\$0	\$0	0.0%
43956.3 Impact Fees	\$9,712	\$0	\$7,278	\$90,000	\$100,000	0.0%
43956.4 FEMA Hurricane Harvey	\$0	\$0	\$0	\$0	\$0	0.0%
Total Grants	\$243,827	\$0	\$7,278	\$146,985	\$156,985	6.8%
43949.2 Tsf from Gen-Streets/Sidewalks	\$58,000	\$0	\$0	\$0	\$0	0.0%
43949.1 Tsf from Gen-Pol Veh (17070)	\$0	\$0	\$0	\$15,000	\$15,000	0.0%
43949.3 Tsf from Gen - Inf Inv (16590.4)	\$0	\$0	\$215,194	\$46,700	\$168,494	260.8%
43949.4 Tsf from Gen- Mob Inv (16590.7)	\$0	\$0	\$0	\$10,000	\$0	-100.0%
43949/43952 Other Source Revenue	\$58,000	\$0	\$215,194	\$71,700	\$183,494	155.9%
<b>Total Transfers, Bonds, Grants</b>	<b>\$639,427</b>	<b>\$403,286</b>	<b>\$918,511</b>	<b>\$914,724</b>	<b>\$1,128,948</b>	<b>23.4%</b>
<b>Other Revenue</b>						
45391-Interest Income	\$17,262	\$73	\$100	\$1,000	\$100	-90.0%
45900-Use of Surplus	\$0	\$0	\$0	\$1,382,989	\$1,123,927	-18.7%
<b>Total Other Revenue</b>	<b>\$17,262</b>	<b>\$73</b>	<b>\$100</b>	<b>\$1,383,989</b>	<b>\$1,124,027</b>	<b>-18.8%</b>
<b>Grand Total Revenues</b>	<b>\$656,689</b>	<b>\$403,359</b>	<b>\$918,611</b>	<b>\$4,578,713</b>	<b>\$4,532,975</b>	<b>-1.0%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**Capital Projects Fund**

**Statement of Expenditures**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	%
						Change
<b>43889-Grant Admin Services</b>						
43889.2 - Baja Proj - CDBG	\$9,975	\$0	\$0	\$3,325	\$3,325	0.0%
43889.3 - GLO - All Projects	\$0	\$0	\$0	\$108,360	\$108,360	0.0%
<b>Total Grant Administrative</b>	<b>\$9,975</b>	<b>\$0</b>	<b>\$0</b>	<b>\$111,685</b>	<b>\$111,685</b>	<b>0.0%</b>
<b>43890-Engineering</b>						
43890.2 - WP #3 Imp	\$20,270	\$43,696	\$38,528	\$65,000	\$34,000	-47.7%
43890.3 - Lift St #1 Expansion	\$60,063	\$9,348	\$9,348	\$1,000	\$0	-100.0%
43890.4 - WL Replace/HouSt	\$34,149	\$45,319	\$42,946	\$0	\$0	0.0%
43890.5-L St #3 Forcemain Re-route	\$0	\$0	\$0	\$0	\$0	0.0%
43890.7-Downtown/SH105 Imp	\$0	\$0	\$0	\$75,000	\$15,000	-80.0%
43890.8 - 18" SS Gravity Line	\$6,725	\$1,135	\$1,135	\$2,000	\$0	-100.0%
43890.A-Baja Project-CDBG	\$48,151	\$0	\$0	\$0	\$0	0.0%
43890.C-MLK Dr-Waterline	\$22,395	\$0	\$0	\$0	\$0	0.0%
43890.E-Eng All GLO	\$39,523	\$18,945	\$4,567	\$225,000	\$175,000	-22.2%
43890.H-WP Bleach Conv 2&3	\$0	\$0	\$0	\$0	\$50,000	100.0%
<b>Total Engineering</b>	<b>\$231,276</b>	<b>\$118,443</b>	<b>\$96,524</b>	<b>\$368,000</b>	<b>\$274,000</b>	<b>-25.5%</b>
<b>43995-Const Cost Contingencies</b>						
43995.3-WP #3 Imp	\$0	\$0	\$0	\$45,000	\$0	-100.0%
43995.4-Downtown/SH105 Imp	\$0	\$0	\$0	\$45,000	\$0	-100.0%
<b>Total Const Cost Contingencies</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$90,000</b>	<b>\$0</b>	<b>-100.0%</b>
<b>44000-Wastewater System</b>						
44006-LS #1 Replacement/Expansion	\$1,058,730	\$0	\$0	\$100,000	\$0	-100.0%
44007-LS #3 Forcemain Re-route	\$0	\$0	\$0	\$0	\$0	0.0%
44008-18" Gravity SS Line Const	\$0	\$14,210	\$14,210	\$14,000	\$0	-100.0%
<b>Total Wastewater System</b>	<b>\$1,058,730</b>	<b>\$14,210</b>	<b>\$14,210</b>	<b>\$114,000</b>	<b>\$0</b>	<b>-100.0%</b>
<b>45000-Water System</b>						
43975-WP #3 Generator-GLO	\$0	\$0	\$0	\$501,000	\$501,000	0.0%
43976.1-Dwntn/SH105 Water Line Imp	\$874	\$589,379	\$850,069	\$913,838	\$91,300	-90.0%
43992.1-Water P #3 - Imp	\$0	\$0	\$0	\$996,550	\$996,550	0.0%
43992.5-CDBG - Baja	\$367,212	\$0	\$0	\$38,000	\$38,000	0.0%
43992.6-WP Bleach Conv 2&3	\$0	\$0	\$0	\$0	\$311,000	100.0%
<b>Total Water System</b>	<b>\$368,086</b>	<b>\$589,379</b>	<b>\$850,069</b>	<b>\$2,449,388</b>	<b>\$1,937,850</b>	<b>-20.9%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget**

**Capital Projects Fund**

**Statement of Expenditures**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	%
						Change
<b>46000-Roadway System Imp</b>						
46700-Roadway Construction	\$16,351	\$0	\$0	\$0	\$0	0.0%
46000.1-Streets/Sidewalks	\$0	\$0	\$0	\$0	\$508,000	100.0%
<b>Total Roadway System</b>	<b>\$16,351</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$508,000</b>	<b>100.0%</b>
<b>48000-Facility Equipment and Planning</b>						
48002-Utility Proj/Prev Maint	\$10,420	\$0	\$0	\$0	\$255,800	100.0%
48004-Police Vehicle Replacement	\$0	\$0	\$0	\$0	\$0	0.0%
48005.A-Baja/MLK -GLO	\$0	\$0	\$0	\$722,600	\$722,600	0.0%
48005-C-Atkins Creek W&S Line-FEMA	\$321,592	\$0	\$0	\$0	\$0	0.0%
48008-Anders Branch - GLO	\$0	\$0	\$0	\$668,040	\$668,040	0.0%
48009-GLO Environmental	\$0	\$0	\$0	\$15,000	\$15,000	0.0%
48010-GLO Acquisition Land	\$0	\$0	\$0	\$40,000	\$40,000	0.0%
<b>Total Facilities, Equip, etc</b>	<b>\$332,012</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,445,640</b>	<b>\$1,701,440</b>	<b>17.7%</b>
<b>Grand Total Expenditures</b>	<b>\$2,016,430</b>	<b>\$722,032</b>	<b>\$960,803</b>	<b>\$4,578,713</b>	<b>\$4,532,975</b>	<b>-1.0%</b>



**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary**

**Court Security Fund**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	\$5,587	\$7,155	\$7,155	\$7,155	\$5,305	-25.9%
<b>Revenues</b>						
Court Security Fees	\$3,327	\$436	\$650	\$4,000	\$3,500	-12.5%
All Other Revenues	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Revenues</b>	<b>\$3,327</b>	<b>\$436</b>	<b>\$650</b>	<b>\$4,000</b>	<b>\$3,500</b>	<b>-26.0%</b>
<b>Interfund Transfers</b>						
Transfers In	\$0	\$0	\$0	\$0	\$0	0.0%
Transfers Out	\$2,160	\$0	\$0	\$0	\$0	0.0%
<b>Net Interfund Transfers</b>	<b>\$2,160</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>-35.9%</b>
<b>Expenditures</b>						
Contract Services	\$32	\$0	\$2,500	\$2,500	\$2,500	0.0%
All Other Operating Expenses	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$32</b>	<b>\$0</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>0.0%</b>
<b>Net Income</b>	<b>\$1,135</b>	<b>\$436</b>	<b>-\$1,850</b>	<b>\$1,500</b>	<b>\$1,000</b>	
<b>Ending Fund Balance*</b>	<b>\$6,722</b>	<b>\$7,591</b>	<b>\$5,305</b>	<b>\$8,655</b>	<b>\$6,305</b>	<b>-27.2%</b>

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual columns due to Audit Entries

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary**

**Court Technology Fund**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	\$36,285	\$39,730	\$39,730	\$39,730	\$40,642	2.3%
<b>Revenues</b>						
Court Technology Fees	\$2,848	\$600	\$900	\$3,500	\$5,000	42.9%
All Other Revenues	\$11	\$0	\$12	\$0	\$0	0.0%
<b>Total Revenues</b>	\$2,859	\$600	\$912	\$3,500	\$5,000	42.9%
<b>Interfund Transfers</b>						
Transfers In	\$0	\$0	\$0	\$0	\$0	0.0%
Transfers Out - Use of Surplus	\$0	\$0	\$0	\$0	\$7,710	100.0%
<b>Net Interfund Transfers</b>	\$0	\$0	\$0	\$0	\$7,710	100.0%
<b>Expenditures</b>						
Supplies & Equipment	\$0	\$0	\$0	\$0	\$0	0.0%
Contract Services	\$0	\$0	\$0	\$2,000	\$12,710	535.5%
All Other Operating Expenditures	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	\$0	\$0	\$0	\$2,000	\$12,710	535.5%
<b>Net Income</b>	\$2,859	\$600	\$912	\$1,500	\$0	
<b>Ending Fund Balance*</b>	\$39,144	\$40,330	\$40,642	\$41,230	\$32,932	-20.1%

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual columns due to Audit Entries

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary**

**Hotel Occupancy Tax Fund**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	<b>\$13,117</b>	<b>\$15,039</b>	<b>\$15,039</b>	<b>\$15,039</b>	<b>\$16,943</b>	<b>12.7%</b>
<b>Revenues</b>						
44330 Hotel Occupancy Tax	\$1,918	\$1,424	\$1,900	\$2,000	\$12,500	525.0%
All Other Revenues	\$4	\$3	\$4	\$3	\$3	0.0%
<b>Total Revenues</b>	<b>\$1,922</b>	<b>\$1,427</b>	<b>\$1,904</b>	<b>\$2,003</b>	<b>\$12,503</b>	<b>524.2%</b>
<b>Interfund Transfers</b>						
Transfers In	\$0	\$0	\$0	\$0	\$0	0.0%
Transfers Out	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Net Interfund Transfers</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>
<b>Expenditures</b>						
Contract Services	\$0	\$0	\$0	\$1,000	\$4,700	0.0%
Tourism Expenditures	\$0	\$0	\$0	\$0	\$7,800	100.0%
All Other Operating Expenditures	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$12,500</b>	<b>1150.0%</b>
<b>Net Income</b>	<b>\$1,922</b>	<b>\$1,427</b>	<b>\$1,904</b>	<b>\$1,003</b>	<b>\$3</b>	
<b>Ending Fund Balance</b>	<b>\$15,039</b>	<b>\$16,466</b>	<b>\$16,943</b>	<b>\$16,042</b>	<b>\$16,946</b>	<b>5.6%</b>

**City of Montgomery  
Fiscal Year 2021-22  
Proposed Budget Summary**

**Police Asset Forfeiture Fund**

	Actual 2019-20	Actual 2020-21	Estimate 2020-21	Adopted 2020-21	Proposed 2021-22	% Change
<b>Beginning Fund Balance</b>	\$6,222	\$8,592	\$8,592	\$8,592	\$12,087	40.7%
<b>Court Fines and Fees</b>						
Asset Forfeitures	\$4,747	\$3,495	\$3,495	\$0	\$0	0.0%
All Other Revenues	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Revenues</b>	\$4,747	\$3,495	\$3,495	\$0	\$0	0.0%
<b>Interfund Transfers</b>						
Transfers In	\$0	\$0	\$0	\$0	\$0	0.0%
Transfers Out	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Net Interfund Transfers</b>	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Expenditures</b>						
Supplies & Equipment	\$2,377	\$0	\$0	\$0	\$0	0.0%
Contract Services	\$0	\$0	\$0	\$0	\$0	0.0%
Capital Outlay	\$0	\$0	\$0	\$0	\$0	0.0%
All Other Operating Expenditures	\$0	\$0	\$0	\$0	\$0	0.0%
<b>Total Expenditures</b>	\$2,377	\$0	\$0	\$0	\$0	0.0%
<b>Net Income</b>	\$2,370	\$3,495	\$3,495	\$0	\$0	
<b>Ending Fund Balance</b>	\$8,592	\$12,087	\$12,087	\$8,592	\$12,087	40.7%

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION  
Proposed Budget  
2021-2022

	2019-20 Actual Budget	2020-21 Actual Budget	2020-21 Estimated Budget	2020-21 Amended Budget #2	2021-22 Proposed Budget
Beginning Net Assets (Fund Balance)	\$ 1,049,626	\$ 1,534,752	\$ 1,534,752	\$ 1,534,752	\$ 1,909,941
<b>Income</b>					
<b>55000 · Taxes &amp; Franchise Fees</b>					
55400 · Sales Tax	\$786,904	\$702,920	\$917,176	\$927,940	\$1,000,000
<b>Total 55000 · Taxes &amp; Franchise Fees</b>	<b>\$786,904</b>	<b>\$702,920</b>	<b>\$917,176</b>	<b>\$927,940</b>	<b>\$1,000,000</b>
<b>55300 · Other Revenues</b>					
55391 · Interest Income	\$10,036	\$5,075	\$5,775	\$5,000	\$4,000
55399 · Misc. Income	\$1,251	\$410	\$410	\$160	\$250
<b>Total 55300 · Other Revenues</b>	<b>\$11,287</b>	<b>\$5,485</b>	<b>\$6,185</b>	<b>\$5,160</b>	<b>\$4,250</b>
<b>Total Income</b>	<b>\$798,191</b>	<b>\$708,405</b>	<b>\$923,361</b>	<b>\$933,100</b>	<b>\$1,004,250</b>
<b>Expense</b>					
<b>56000 · Pub Infrastructure - Category I</b>					
56000.6 · Downtown Dev Improvements	\$0	\$56,848	\$92,500	\$112,000	\$172,250
56000.7 · Streets & Sidewalks	\$0	\$0	\$0	\$10,000	\$40,000
56000.8 · Utility Extensions	\$0	\$0	\$0	\$50,000	\$50,000
56000.A · Tsf to Debt Service	\$160,000	\$0	\$0	\$0	\$0
56000.B · City Capital Projects	\$0	\$160,000	\$160,000	\$160,000	\$160,000
56000.C · Future Downtown Dev. Project	\$0	\$0	\$0	\$200,000	\$0
<b>Total 56000 · Pub Infrastructure - Category I</b>	<b>\$160,000</b>	<b>\$216,848</b>	<b>\$252,500</b>	<b>\$532,000</b>	<b>\$422,250</b>
<b>56001 · Business Dev &amp; Ret - Category II</b>					
56001.8 · Sales Tax Reimbursement	\$80,455	\$86,250	\$125,000	\$125,000	\$250,000
56001.9 · Economic Development Grant Prog	\$750	\$9,500	\$20,000	\$20,000	\$20,000
<b>Total 56001 · Business Dev &amp; Ret - Category II</b>	<b>\$81,205</b>	<b>\$95,750</b>	<b>\$145,000</b>	<b>\$145,000</b>	<b>\$270,000</b>
<b>56002 · Quality of Life - Category III</b>					
56002.2 · Removal of Blight	\$3,959	\$0	\$1,500	\$15,000	\$15,000
56002.3 · Events	\$14,633	\$515	\$1,515	\$2,265	\$40,000
56100.1 · Neighborhood Water Party	\$38	\$0	\$2,360	\$2,360	\$2,500
56100.5 · Lighting Up Montgomery	\$931	\$2,000	\$2,000	\$2,000	\$4,000
56100.6 · Southern Rum Runners Festival	\$0	\$0	\$100	\$100	\$0
56100.7 · Mudbugs and Music	\$0	\$6,350	\$6,350	\$6,350	\$0
56100.8 · Christmas Parade	\$0	\$1,258	\$1,260	\$2,000	\$10,000
56100.9 · Contests/Prizes	\$0	\$0	\$4,000	\$4,000	\$4,000
56100.A · Events/Equipment	\$0	\$590	\$24,000	\$24,000	\$10,000
56100.B · Montgomery Quilt Walk	\$0	\$0	\$3,000	\$3,000	\$10,000
56100.C · Montgomery Antiques Festival	\$0	\$4,511	\$4,512	\$4,600	\$10,000
56100.D · Movie Night	\$0	\$730	\$1,925	\$1,925	\$2,500
56100.E · Fernland Dedication	\$0	\$0	\$2,000	\$2,000	\$0
56100.F · Pet Parade	\$0	\$0	\$1,000	\$1,000	\$5,000
56100.G · Montgomery Fall Festival	\$0	\$0	\$9,500	\$9,500	\$0
56100.H · Snow in Historic Montgomery TX	\$0	\$0	\$2,000	\$20,000	\$20,000
56100.J · Fall Heritage Festival	\$0	\$0	\$0	\$0	\$10,000
56100.K · Trick or Treat Historic Montgomery	\$0	\$0	\$0	\$0	\$5,000
56100.L · Ruck For Veterans	\$0	\$0	\$0	\$0	\$0
56434A · Lone Star Flag Fest	\$0	\$0	\$0	\$0	\$10,000
56002.4 · Downtown Enhancement Projects	\$0	\$135	\$1,000	\$30,000	\$30,000
<b>Total 56002 · Quality of Life - Category III</b>	<b>\$19,561</b>	<b>\$16,089</b>	<b>\$68,022</b>	<b>\$130,100</b>	<b>\$188,000</b>
<b>56003 · Marketing &amp; Tourism - Category IV</b>					
56003.5 · Brochures/Printed Literature	\$548	\$0	\$0	\$4,000	\$4,000
56003.C · Website	\$183	\$335	\$500	\$6,500	\$6,500
56003.F · Social Media Advertising	\$466	\$564	\$950	\$3,000	\$3,000
56003.G · Historical Signage	\$0	\$150	\$550	\$2,000	\$5,000
<b>Total 56003 · Marketing &amp; Tourism - Category IV</b>	<b>\$1,197</b>	<b>\$1,049</b>	<b>\$2,000</b>	<b>\$15,500</b>	<b>\$18,500</b>
<b>56004 · Administration - Category V</b>					
56004.1 · Admin Transfers to Gen Fund	\$65,000	\$35,625	\$47,500	\$47,500	\$55,000
56004.3 · Miscellaneous Expenses	\$72	\$99	\$150	\$500	\$500
56004.6 · Consulting (Professional Services)	\$371	\$9,709	\$15,000	\$34,000	\$40,000
56014.1 · Prof Serv - Reflective Life	\$0	\$0	\$9,500	\$9,500	\$0
56014.2 · Goat Costume	\$0	\$0	\$7,000	\$7,000	\$0
56004.7 · Travel & Training Expenses	\$1,279	\$724	\$1,500	\$10,000	\$10,000
56004.9 · Technology	\$0	\$0	\$0	\$2,000	\$0
<b>Total 56004 · Administration - Category V</b>	<b>\$66,918</b>	<b>\$46,157</b>	<b>\$80,650</b>	<b>\$110,500</b>	<b>\$105,500</b>
<b>Total Expense</b>	<b>\$328,881</b>	<b>\$375,893</b>	<b>\$548,172</b>	<b>\$933,100</b>	<b>\$1,004,250</b>
<b>Net Income</b>	<b>\$469,310</b>	<b>\$332,512</b>	<b>\$375,189</b>	<b>\$0</b>	<b>\$0</b>
<b>Ending Net Assets (Fund Balance)</b>	<b>\$1,518,936</b>	<b>\$1,867,264</b>	<b>\$1,909,941</b>	<b>\$1,534,752</b>	<b>\$1,909,941</b>

\*The 2019-20 Ending Fund Balance will differ from the 2020-21 Beginning Fund Balance on the actual column due to Audit Entries

## Notable Items on the FY 2021 – 2022 Draft Budget

1. **General Fund, Net Income, Page 2 – Net Income** of \$706 is identified in the draft budget. The City Council must adopt a budget that has no net loss.
2. **General Fund, Taxes and Franchise Fees, Page 3 – Account 14320 Ad Valorem Tax** \$889,101 in income for the General Fund and \$485,090 in income for the Debt Service Fund was identified as the amount of ad valorem tax needed to fund the draft budget (\$1,374,191 total in ad valorem taxes). This is funded by the property tax rate of \$.4000 per \$100 of property valuation after the 20% Homestead Exemption was approved for the coming year. This is the first year for the Homestead Exemption, which will lower the taxes received by the City by \$86,472 and allow that money to remain with the owners of those homesteaded properties in the City.
3. **General Fund, Taxes and Franchise Fees, Page 3 – 14600.2 Sales Tax in Lieu of Property Tax.** Montgomery voters approved the additional ½ cent of property tax in 1995. A property tax rate of \$.7204 per \$100 valuation would be necessary to fund this budget if the City did not receive this additional sales tax. This additional sales tax represents \$.3204 per \$100 valuation of additional property tax for the coming year.
4. **General Fund; Admin, Police, Court, and Public Works Class – 16622 Dependent Coverage** was added to this year’s budget following previous requests from City Council members that the budget identify a way to assist staff members with the cost of medical coverage to serve as an additional benefit to assist in retention of staff. This benefit would fund 50% of an employee’s costs for dependent medical coverages (family, spouse, or child as appropriate). Staff members not electing to use this benefit may elect to receive \$150 per month contributed to a Health Reimbursement Account or similar medical reimbursement account (which will require separate approval by City Council to authorize) each month to help defray the cost of direct medical expenses. City staff is working with our health insurance provider on their version of this account. This item is also included in **26610 Water and Sewer Fund, Personnel, Page 17** During the fiscal year Dependent Coverage and HRA contributions will be tracked separately in subcategories.
5. **General Fund, Admin Class, Contract Services, Page 5 – 16299 Inspections/Permits** moves this item out of Public Works Class and into the Admin Class.



6. **General Fund, Police Class, Capital Outlay, Page 8 – 17070 Police Cars** added funds for one additional police car purchase.
7. **General Fund, Court Class, Personnel, Page 9 – 16600 Wages** added funds for part time staff member in addition to current staff.
8. **General Fund, Public Works Class, Personnel, Page 11 – 16600 Wages Water and Sewer Fund – 26600 Wages on page 17** each include half the funds for a part time administrative assistant for Public Works.
9. **General Fund, Public Works Class, Capital Outlay, Page 13 – 17080 Improvements** is funding additional working space for public works staff.
10. **General Fund, Public Works Class, Miscellaneous, Page 13 – 16356 Contract Labor – Streets** includes funds for both the coming fiscal year street repairs plus the repairs for the current year that are carrying over from the current fiscal year.
11. **Debt Service Fund, Interfund Transfers, Page 14 – Transfers Out - Use of Surplus** is using \$135,660 of surplus funds in the Debt Service Fund to reduce the property tax needed to fund debt service for this budget.
12. **Water and Sewer Fund, Contract Services, Page 18 – 26323 Operator** The new utility operations contract was designed to include more of the maintenance services under the base contract cost than it had in past years. These services include necessary maintenance cost being done with in the budget in this category. Ensuring appropriate preventive maintenance being completed serves to lower future operating and repair costs.
13. **Capital Projects Fund, Roadway System Improvement, Page 23 – 46000.1 Streets/Sidewalks** has \$508,000 for sidewalks connecting Martin Luther King, Jr. and Bessie Price Owen to the Historic Downtown area. This is a project for which grant funds have been applied. If these grant funds are awarded then approximately \$400,000 would return to the City for additional future work, but this would likely be received by the City in the next fiscal year.

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Administration	<b>Prepared By:</b> Richard Tramm

**Subject**

Consider, Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate for Maintenance and Operations, \$.2588/\$100.

**Recommendation**

Motion to Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate for Maintenance and Operations, \$.2588/\$100.

**Discussion**

The Ad Valorem tax rate of \$.2588/\$100 for Maintenance and Operations generates the revenue that is included in the draft budget from the City Council Budget Workshop.

This item will be formally adopted with the approval of Agenda Item 11.

**Approved By**

City Administrator	Richard Tramm	Date: September 9, 2021



Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Administration	<b>Prepared By:</b> Richard Tramm

**Subject**

Consider, Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate for Debt Service, **\$.1412/\$100.**

**Recommendation**

Motion to Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate for Debt Service, **\$.1412/\$100.**

**Discussion**

The Ad Valorem tax rate of \$.1412/\$100 for Debt Service generate the revenue that is included in the draft budget from the City Council Budget Workshop.

This item will be formally adopted with the approval of Agenda Item 11.

**Approved By**

City Administrator	Richard Tramm	Date: September 9, 2021

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Administration	<b>Prepared By:</b> Richard Tramm

**Subject**

Consider, Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate of **\$.4000/\$100.**

**Recommendation**

Adopt and Set by Ordinance the 2021 Ad Valorem Tax Rate of **\$.4000/\$100** using the legally required wording below:

**I move that the property tax rate be increased by the adoption of a tax rate of \$.4000/\$100, which is effectively a 11.51 percent increase in the tax rate.**

**Discussion**

The Ad Valorem Tax Rate for 2021 of \$.4000 includes \$.2588 for Maintenance and Operations and \$.1412 for Debt Service. It must be noted by law that this rate exceeds the No-New-Revenue Tax Rate.

This item must be approved with a record vote with at least 60% of the City Council voting in favor of the adoption of the tax rate.

**Approved By**

City Administrator	Richard Tramm	Date: September 9, 2021

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, SETTING THE AD VALOREM TAX RATE OF THE CITY OF MONTGOMERY, FOR THE YEAR 2021 AT A RATE OF \$0.4000 PER ONE HUNDRED DOLLARS (\$100.00) VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF MONTGOMERY AS OF JANUARY 1, 2021 SPECIFYING SEPARATE COMPONENTS OF SUCH RATE FOR OPERATIONS AND MAINTENANCE AND FOR DEBT SERVICE; LEVYING AN AD VALOREM TAX FOR THE YEAR 2021 PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; PROVIDING FOR COLLECTION AND ORDAINING OTHER RELATED MATTERS.**

WHEREAS, the appraisal roll of the City of Montgomery, Texas (the City) for 2021 has been prepared and certified by the Central Appraisal District and submitted to the City's tax assessor/collector; and

WHEREAS, the City's tax assessor/collector has submitted the appraisal roll for the City showing \$343,547,833 total appraised, assessed and taxable value of all property and the total taxable value of new property to the City; and

WHEREAS, following notice and hearing in accordance with applicable legal requirements and based upon said appraisal roll, the City Council has determined a tax rate to be levied for 2021 sufficient to provide the tax revenues required by the City;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS:**

Section 1. That an ad valorem tax rate of \$0.4000 per one hundred dollars (\$100.00) assessed valuation is hereby adopted for the 2021 calendar year, such rate consisting of the following specified components:

- a) For maintenance and operations, \$0.2588 per one hundred dollars (\$100.00) assessed valuation.
- b) For debt service \$0.1412 per one hundred dollars (\$100.00) assessed valuation.

Section 2. That an ad valorem tax for the 2021 calendar year in the amount established by the rate hereinabove provided is hereby levied and assessed on all taxable property, real, personal and mixed, situated within the corporate limits of the City of Montgomery, Texas and not otherwise exempt under the Constitution and laws of the State of Texas.

Section 3. That all taxes levied by virtue of this Ordinance shall be due and payable not later than the 31st day of January 2022, and if then not paid, shall be subject to penalties and interest in the manner provided by law.

Section 4. That the Montgomery County tax assessor-collector is hereby authorized to assess and collect the taxes of the City of Montgomery, Texas, employing the above tax rate.

Section 5. That all ordinances and parts of ordinances in conflict with this Ordinance be and the same are hereby repealed to the extent of said conflict.

Section 6. That this ordinance shall take effect immediately of and from the date of adoption.

**THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.**

Those Members Present Were:

- |          |          |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

Those Members Voting For:

- |          |          |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

Those Members Voting Against:

- |          |          |
|----------|----------|
| 1. _____ | 4. _____ |
| 2. _____ | 5. _____ |
| 3. _____ | 6. _____ |

Those Members Present, but Not Voting:

1. \_\_\_\_\_
2. \_\_\_\_\_

Those Members Absent:

\_\_\_\_\_

PASSED AND ADOPTED this the 14th day of September, 2021.

\_\_\_\_\_  
Sara Countryman, Mayor

ATTEST:

\_\_\_\_\_  
Susan Hensley, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Alan P. Petrov, City Attorney

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding approval of Change Order No. 1 to the Water Plant No. 3 Improvements project.

**Recommendation**

Consider the Change Order No. 1 request along with the engineer’s recommendation and act as you see fit.

**Discussion**

The City Engineer’s memo is attached and will be at the meeting to discuss and answer questions. To help clarify why we see two engineering firm names on this item, Jones|Carter is still the project engineer for this project. WGA is advising the City Council as Consulting Engineer and keeping up to date with the project on behalf of the City, but Jones|Carter is responsible for project activities.

WGA concurs with Jones|Carter’s recommendation on approving Change Order No. 1. City staff agrees and offers no objections to the request.

**Approved By**

Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021



September 9, 2021

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

Re: Construction of Water Plant No. 3 Improvements  
Change Order No. 1  
City of Montgomery

Dear Mayor and Council:

We received and concur with Jones|Carter's recommendation of approval of Change Order No. 1 to the Water Plant No. 3 Improvements contract. This change order includes additional cost for the ground storage tank materials and 73 additional days to the contract period of performance.

The contractor has requested an additional \$23,895.23 to cover increased material cost for the ground storage tank. Due to the amount of time since the project was bid (August 2020) to the Notice to Proceed (May 2021), and due to the freeze and other factors causing volatility in the steel market, the tank supplier is unable to hold his original price. We have reviewed the supporting documentation showing the increase in material cost and offer no objection.

Additionally, the contractor has requested an additional 73 calendar days be added to the contract period of performance to account for additional delays from the Notice to Proceed to receiving additional approval to proceed with construction from the TWDB.

Approval of the change order will result in a \$23,895.23 increase to the contract amount, from \$996,550.00 to \$1,020,445.23. This is an increase of 2.4%. Approval will also change the contract period of performance from 270 to 343 calendar days (27.04%) and revise the substantial completion date from February 20, 2022 to May 4, 2022.

If you have any questions or comments, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Chris Roznovsky". The signature is written in a cursive, flowing style.

Chris Roznovsky, PE  
Engineer for the City

Water Plant No. 3 Improvements  
Honorable Mayor and City Council  
City of Montgomery  
Page 2 of 2  
September 9, 2021

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CVR

Z:\00574 (City of Montgomery)\\_900 General Consultation\Correspondence\Letters\2021.09.09 MEMO to Council RE WP No. 3  
Change Order No. 1.docx

Enclosures: Change Order No. 1 – Water Plant No. 3 Improvements

Cc (via email): Mr. Richard Tramm – City of Montgomery, City Administrator

Ms. Susan Hensley – City of Montgomery, City Secretary

Mr. Dave McCorquodale – City of Montgomery, Director of Planning & Development

Mr. Alan Petrov – Johnson Petrov, LLP, City Attorney





6330 West Loop South, Suite 150  
Bellaire, Texas 77401  
Tel: 713.777.5337  
Fax: 713.777.5976  
www.jonescarter.com

**CHANGE ORDER NO. 001**

**DATE:** September 8, 2021

<b>Project:</b> Water Plant No. 3 Improvements	<b>J&amp;C Job No.:</b> W5841-0030-00
<b>Owner:</b> City of Montgomery	<b>Contractor:</b> R+B Group, Inc.

**Description of Changes:** Adjust the total cost of the bolted steel ground storage tank. Adjust the substantial completion date as per the revised NTP dated July 28, 2021.

**Reason for Changes:** The contract cost is being increased due to the increase in steel prices for the bolted steel ground storage tank. The substantial completion date is being adjusted to account for the construction start delays from the City of Montgomery and the Texas Water Development Board (TWDB). The TWDB needed additional information from the City of Montgomery before granting NTP approval.

<u>Change in Contract price and time summary:</u>	<u>COST</u>	<u>TIME</u>
		Calendar Days to Substantial Completion
<b>Original Contract:</b>	<u>\$996,550.00</u>	<u>270</u> Calendar Days
<b>Net previous change(s):</b>	<u>\$0.00</u>	<u>0</u> Calendar Days
<b>Contract prior to this change order:</b>	<u>\$996,550.00</u>	<u>270</u> Calendar Days
<b>Net increase from this change order:</b>	<u>\$23,895.23</u>	<u>73</u> Calendar Days
<b>Revised Contract Amount:</b>	<u>\$1,020,445.23</u>	<u>343</u> Calendar Days
<b>Cumulative % Change in Contract:</b>	<u>2.40 %</u>	<u>27.04 %</u>
<b>Substantial Completion Date:</b>	<b>Original:</b> <u>February 20, 2022</u>	<b>Revised:</b> <u>May 4, 2022</u>
<b>Final Completion Date:</b>	<b>Original:</b> <u>30 Days from Substantial Completion</u>	

<b>APPROVED BY:</b> City of Montgomery	<b>RECOMMENDED BY:</b> Jones & Carter, Inc.
_____	
Representative	Toby W. McQueary, PE
_____	<u>September 9, 2021</u>
Date	Date
<b>ACCEPTED BY:</b> R+B Group, Inc.	
_____	
Representative	<u>9/9/21</u>
	Date

**Enclosures:** Attachment No. 001

**CHANGE ORDER 001  
ATTACHMENT NO. 001**

**Water Plant No. 3 Improvements**

**City of Montgomery**

The Contractor is directed to furnish all materials, labor and equipment to adjust the contract cost due to the increase in steel prices for the bolted steel ground storage tank and to adjust substantial completion date to account for the construction start delays from the City of Montgomery and the Texas Water Development Board (TWDB). The TWDB needed additional information from the City of Montgomery before granting NTP approval.

To implement payment for this work, the following revision is made to the Item/Quantity Sheets:

<u>Item No.</u>	<u>Description</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Revised Unit Price</u>	<u>Bid Quantity</u>	<u>Revised Quantity</u>	<u>Previous Amount</u>	<u>Revised Amount</u>	<u>Net Change</u>
13	Additional cost for the bolted steel GST pricing.	0	\$0.00	\$23,895.23	0	1	\$0.00	\$23,895.23	\$23,895.23
								NET INCREASE IN CONTRACT PRICE	\$23,895.23

**Seventy-three (73) calendars days will be added to the Contract Period of Performance.**



Texas Board of Professional Engineers Registration No. F-439 | Texas Board of Professional Land Surveying Registration No. 10046100

**CERTIFICATE OF INTERESTED PARTIES**

**FORM 1295**

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.  
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

**OFFICE USE ONLY  
CERTIFICATION OF FILING**

Certificate Number:  
2021-800071

Date Filed:  
09/09/2021

Date Acknowledged:

**1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**

R & B Group, Inc.  
HOUSTON , TEXAS, TX United States

**2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.**

City of Montgomery

**3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.**

W5841-0030-00  
Water Plant No. 3 Change Order No. 1

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Morrison , Brian	Houston, TX United States	X	

5 Check only if there is NO Interested Party.

**6 UNSWORN DECLARATION**

My name is Brian D. Morrison, and my date of birth is 7-28-1957.

My address is 1213 N. Durham Dr., Houston, Texas 77008, USA.  
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Harris County, State of Texas, on the 9 day of September 20 21.  
(month) (year)



Signature of authorized agent of contracting business entity  
(Declarant)

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Admin	<b>Prepared By:</b> Dave McCorquodale

**Subject**

Consideration and possible action regarding approval of Change Order No. 1 for the Downtown Waterline Replacement project.

**Recommendation**

Consider the Change Order No. 1 request along with the engineer’s recommendation and act as you see fit.

**Discussion**

The City Engineer’s memo is attached and will be at the meeting to discuss and answer questions. To help clarify why we see two engineering firm names on this item, Jones|Carter is still the project engineer for this project. WGA is advising the City Council as Consulting Engineer and keeping up to date with the project on behalf of the City, but Jones|Carter is responsible for project activities.

WGA concurs with Jones|Carter’s recommendation on approving Change Order No. 1. City staff agrees and offers no objections to the request.

**Approved By**

Asst. City Administrator	Dave McCorquodale	Date: 09/09/2021
City Administrator	Richard Tramm	Date: 09/09/2021



September 9, 2021

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

Re: Construction of Downtown Waterline Replacement  
Change Order No. 1  
City of Montgomery

Dear Mayor and Council:

We received and concur with Jones|Carter's recommendation of approval of Change Order No. 1 to the Downtown Waterline Replacement contract. This change order includes changes due to TxDOT requirements, delays due to TxDOT permitting, and an additional waterline connection.

The contractor has requested an additional \$18,595.30 to cover changes caused by TxDOT including changes to the crossing of FM 149, delays and additional mobilizations caused by TxDOT, and changes to fire hydrant connections as a result of TxDOT comments. Additionally, there was an additional required waterline connection not included in the original bid. We have reviewed the requested additional pay items and offer no objection.

Additionally, the contractor has requested 50 calendar days be added to the contract period of performance due to delays caused by TxDOT and inclement weather. We have reviewed the requested days and offer no objection to this request.

Approval of the change order will result in a \$18,595.30 increase to the contract amount, from \$913,838.00 to \$932,433.30. This is an increase of 2.03%. Approval will also increase the contractor period of performance from 160 to 210 calendar days. This is an increase of 31.25%.

If you have any questions or comments, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads "Chris Roznovsky". The signature is fluid and cursive.

Chris Roznovsky, PE  
Engineer for the City

CVR

Z:\00574 (City of Montgomery)\\_900 General Consultation\Correspondence\Letters\2021.09.09 MEMO to Council RE WP No. 3

Downtown Waterline Replacement  
Honorable Mayor and City Council  
City of Montgomery  
Page 2 of 2  
September 9, 2021

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Change Order No. 1.docx

Enclosures: Change Order No. 1 – Downtown Waterline Replacement

Cc (via email): Mr. Richard Tramm – City of Montgomery, City Administrator

Ms. Susan Hensley – City of Montgomery, City Secretary

Mr. Dave McCorquodale – City of Montgomery, Director of Planning & Development

Mr. Alan Petrov – Johnson Petrov, LLP, City Attorney





1575 Sawdust Road, Suite 400  
 The Woodlands, Texas 77380  
 Tel: 281.363.4039  
 Fax: 281.363.3459  
[www.jonescarter.com](http://www.jonescarter.com)


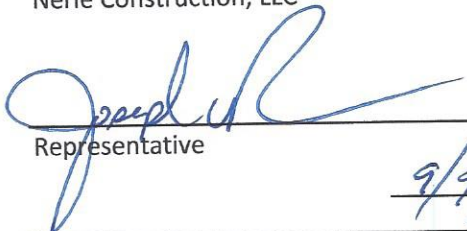
**CHANGE ORDER NO. 001**  
**DATE:** September 8, 2021

<b>Project:</b> Construction of Downtown Waterline Replacement - Rebid	<b>JC Job No.:</b> W5841-0028-00
<b>Owner:</b> City of Montgomery	<b>Contractor:</b> Nerie Construction, LLC

**Description of Changes:** Back taps in TXDOT ROW, Additional mobilizations (2) for project delays related to TXDOT permits, offset of waterline at FM 149 per TXDOT Changes, One additional wet connection at FM 149 and Clepper Street.

**Reason for Changes:** TXDOT requests for Flush Valve locations to be in TXDOT ROW, TXDOT request waterline at FM 149 to be an additional 1' deeper, additional wet connection not called for in the plans on Clepper Street.

<u>Change in Contract price and time summary:</u>	<u>COST</u>	<u>TIME</u>
Original Contract:	\$913,838.00	160 Calendar Days
Net previous change(s):	\$0.00	0 Calendar Days
Contract prior to this change order:	\$913,838.00	160 Calendar Days
Net Adjustment from this change order:	\$18,595.30	50 Calendar Days
Revised Contract Amount:	\$932,433.30	210 Calendar Days
Cumulative % Change in Contract:	2.03 %	31.25 %
Revised Project Completion Date:	August 2, 2021	

<p><b>APPROVED BY:</b>                  City of Montgomery</p>  <p>_____</p> <p>Representative</p>  <p>_____</p> <p style="text-align: right;">Date</p>	<p><b>RECOMMENDED BY:</b>                  Jones &amp; Carter, Inc.</p> <p style="text-align: center;"></p> <p>_____</p> <p>Don Durgin, PE</p>  <p style="text-align: right;"><u>9-8-2021</u></p> <p style="text-align: right;">Date</p>
<p><b>ACCEPTED BY:</b>                  Nerie Construction, LLC</p> <p style="text-align: center;"></p> <p>_____</p> <p>Representative</p>  <p style="text-align: right;"><u>9/9/21</u></p> <p style="text-align: right;">Date</p>	

**Enclosures:** Attachment No. 001

K:\W5841\W5841-0028-00 SH - 105 Waterline Replacement\3 Construction Phase\5. Pay Estimates & Change Orders\Change Order No. 1\CO Spreadsheet.xls

Construction of Downtown Waterline Replacement - Rebid

City of Montgomery

**Description of Changes:** Back taps in TXDOT ROW, Additional mobilizations (2) for project delays related to TXDOT permits, offset of waterline at FM 149 per TXDOT Changes, One additional wet connection at FM 149 and Clepper Street.

Item No.	Description	Unit	Unit Price	Current Quantity	Revised Quantity	Previous Amount	Revised Amount	Net Change
33	Additional Back Taps	EA	\$2,560.00	0	2	\$0.00	\$5,120.00	\$5,120.00
34	Additional Mobilizations	EA	\$3,000.00	0	2	\$0.00	\$6,000.00	\$6,000.00
35	Waterline Offset	LS	\$3,475.30	0	1	\$0.00	\$3,475.30	\$3,475.30
36	12X6 Wet Connection	EA	\$4,000.00	0	1	\$0.00	\$4,000.00	\$4,000.00
<b>NET INCREASE IN CONTRACT PRICE</b>								<b>\$18,595.30</b>

Increase the Contract Period of Performance by 50 Calendar Days.



Texas Board of Professional Engineers Registration No. F-439 | Texas Board of Professional Land Surveying Registration No. 10046106



Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 14, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Administration	<b>Prepared By:</b> Richard Tramm

**Subject**

Consideration and possible action regarding adoption of the following Ordinance: AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS (“CITY”) DENYING THE DISTRIBUTION COST RECOVERY FACTOR RATE INCREASE REQUEST OF ENTERGY TEXAS, INC. FILED ON OR ABOUT AUGUST 31, 2021; SETTING JUST AND REASONABLE RATES FOR ENTERGY TEXAS, INC. FOR SERVICE WITHIN THE MUNICIPAL LIMITS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS.

**Recommendation**

Staff recommendation is to adopt the ordinance as presented.

**Discussion**

Entergy recently filed to increase its for Distribution Cost Recovery Factor (DCRF) from \$26.3 million to \$40.2 million in the state. Costs would rise approximately 52% for residential customer in the DCRF with this increase, as requested.

The Lawton Law Firm, P.C. regularly monitors these rate cases and represents the interests of cities to have this item reviewed by, and possible action taken by, the Public Utilities Commission. Similar action in previous cases has resulted in such approval being provided by the PUC at a lower level than originally desired by Entergy.

**Approved By**

City Administrator	Richard Tramm	Date: September 9, 2021

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE BY THE CITY OF MONTGOMERY, TEXAS (“CITY”) DENYING THE DISTRIBUTION COST RECOVERY FACTOR RATE INCREASE REQUEST OF ENTERGY TEXAS, INC. FILED ON OR ABOUT AUGUST 31, 2021; SETTING JUST AND REASONABLE RATES FOR ENTERGY TEXAS, INC. FOR SERVICE WITHIN THE MUNICIPAL LIMITS; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS**

WHEREAS, on or about August 31, 2021, Entergy Texas, Inc. (“Entergy”) filed an Application to Amend its Distribution Cost Recovery Factor (“DCRF”) with the City to increase electric rates by amending its DCRF rider pursuant to Public Utility Regulatory Act (“PURA”) Section 36.210;

WHEREAS, City has exclusive original jurisdiction over the rates, operations and services of an electric utility within its municipal limits pursuant to PURA Section 33.001(a);

WHEREAS, the jurisdictional deadline for the City to act in this rate matter is October 30, 2021;

WHEREAS, Entergy’s existing DCRF rider is set to collect approximately \$26.3 million per year;

WHEREAS, Entergy’s proposed amended Distribution Cost Recovery Factor rider would increase customer rates in the Entergy Service Area by approximately \$13.9 million per year, for a total of \$40.2 million per year;

WHEREAS, the City retained the Lawton Law Firm, P.C. to review the Company’s rate request and make necessary rate recommendations to the City; and

WHEREAS, the Lawton Law Firm has recommended that the City deny the Company’s request to amend its Distribution Cost Recovery Factor.

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

Section 1. That the statement and findings set out in the preamble to this ordinance are hereby in all things approved and adopted.

Section 2. The City of Montgomery hereby denies Entergy’s request to amend its Distribution Cost Recovery Factor in total.

Section 3. The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

Section 4. This ordinance shall become effective from and after its passage.

PASSED AND APPROVED this 14th day of September 2021.

\_\_\_\_\_  
Mayor Sara Countryman

ATTEST:

\_\_\_\_\_  
Susan Hensley, City Secretary

Montgomery City Council  
AGENDA REPORT

<b>Meeting Date: September 14, 2021</b>	<b>Budgeted Amount: N/A</b>
<b>Prepared By: Mike Muckleroy</b>	<b>Exhibits: Quote</b>

**Subject**

Consideration and possible action regarding the relocation of a Kohler 60KW generator to Lift Station 6.

**Description**

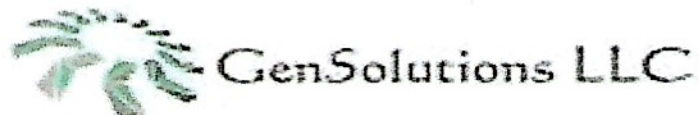
The city owns a Kohler 60KW generator that was previously onsite at the former location of Lift Station 1 (Chick-fil-A site). The generator was stored with the intent of placing it at another Lift Station in the future. We have determined that Lift Station 6 has the greatest need for permanent backup power. This is an all-inclusive quote that includes all work needed to move it onsite and hard wire it in place. The quote to move and wire it in is \$14,150.00 They also provided a quote of \$4,431.00 for replacement of the automatic transfer switch if it is needed which is a high probability.

**Recommendation**

Recommend approval of the proposals from GenSolutions, LLC.

**Approved By**

Director of Public Works	Mike Muckleroy	Date: 09/08/2021
City Administrator	Richard Tramm	Date: 09/08/2021



**COM LS06**  
**22628 SH-105**

14519 East Freeway Houston, TX 77015.		Q-4262101 Phone: 281-614-9448	Date: 4/26/2021	
<b>CUSTOMER:</b> Gulf Utilities		<b>CONTACT PERSON:</b> Anthony		<b>EMAIL:</b>
		<b>PHONE:</b> 346-300-5282		
<b>MAKE/MODEL</b> Kohler/60REOJC	<b>SERIAL NUMBER</b> 2338529	<b>GENERATOR KW RATING/Model/SN</b> 60KW		
<b>SCOPE OF WORK TO BE PERFORMED</b>			<b>PRICE</b>	<b>TOTAL</b>
QTY	DESCRIPTION			
1	PROVIDE CONNECTION FOR CUSTOMER PROVIDED 60 KW DIESEL GENERATOR AND CUSTOMER PROVIDED 480V 200 AMP 3-PHASE ATS. INCLUDED GENERATOR PAD, CRANE, BLOCK BLOCK HEATER AND BATTERY CHARGER CIRCUITS, EXCAVATION AND BACK FILL FOR GENERATOR CONDUCTORS.			\$13,900.00
	GENERATOR NOT TO EXCEED 40' FROM ATS			\$0.00
	Sub-Total			\$13,900.00
	Environmental Fee (3%)			\$150.00
	Supply Charge (2%)			\$100.00
	Sub Total			\$14,150.00
			<b>TX Sales Tax (8.25%)</b>	
			<b>Total</b>	<b>\$14,150.00</b>
<b>Visit Schedule:</b>				

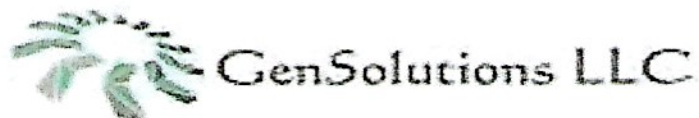
**Approval**

Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_





COM LS06  
22628 SH-105

14519 East Freeway Houston, TX 77015		Q-912104 Phone: 281-614-9448	Date: 9/1/2021
<b>CUSTOMER:</b> Gulf Utilities		<b>CONTACT PERSON:</b> Anthony	<b>EMAIL:</b>
		<b>PHONE:</b> 346-300-5282	
<b>MAKE/MODEL</b> Kohler/60REOJC	<b>SERIAL NUMBER</b> 2338529	<b>GENERATOR KW RATING/Model/SN</b> 60KW	

<b>SCOPE OF WORK TO BE PERFORMED</b>		<b>PRICE</b>	<b>TOTAL</b>
<b>QTY</b>	<b>DESCRIPTION</b>		
1	NEMA 4X 200 AMP ATS	\$4,220.00	\$4,220.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
	<b>Sub-Total</b>		\$4,220.00
	<b>Environmental Fee (3%)</b>		\$126.60
	<b>Supply Charge (2%)</b>		\$84.40
	<b>Sub Total</b>		\$4,431.00
		<b>TX Sales Tax (8.25%)</b>	
		<b>Total</b>	\$4,431.00

<b>Visit Schedule:</b>
------------------------

**Approval**  
Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Montgomery City Council  
AGENDA REPORT

<b>Meeting Date: September 14, 2021</b>	<b>Budgeted Amount: N/A</b>
<b>Prepared By: Mike Muckleroy</b>	<b>Exhibits: Estimate and Program Summary</b>

**Subject**  
 Consideration and possible action regarding the replacement of 522 meter endpoints through Beacon's upgrade program.

**Description**  
 The City's water system has 522 meter endpoints that are utilizing the older CDMA technology. These particular endpoints will not be able to communicate after January 31, 2023. Badger Meter is offering customers with these endpoints an upgrade cost of \$50.00 each. We normally pay \$135.00 for new endpoints so this is a significant savings. The total for the estimate provided is \$26,100.00

**Recommendation**  
 Recommend approval of the estimate provided by Accurate Utility Supply.

<b>Approved By</b>		
Director of Public Works	Mike Muckleroy	Date: 09/08/2021
City Administrator	Richard Tramm	Date: 09/08/2021

**Accurate**  
 UTILITY SUPPLY, LLC  
 5445 Stockdick School Road  
 Katy, TX 77449  
 281-391-8100

# Estimate

Date	Estimate #
8/19/2021	216028

Name / Address
City of Montgomery 101 Old Plattersville Road Montgomery, TX 77316

Description	Qty	U/M	Rate	Total
Beacon Endpoint Upgrade Program- Orion Cellular LTE-M, Nicor	522.0	ea	50.00	26,100.00
			<b>Sales Tax (8.25%)</b>	\$0.00
			<b>Total</b>	\$26,100.00
Phone #	(281) 391-8100	Fax #	(281) 391-8110	www.accuratemeteter.com





**Badger Meter**

# ORION® Cellular Endpoint Upgrade

## Program Overview

For utility customers who contributed to the early success of the ORION® Cellular endpoint, Badger Meter is offering you the opportunity to leverage your investment and upgrade to the latest generation of the ORION Cellular endpoint, which offers these benefits:

- **More Frequent Communication, Tailored to Your Business Needs:** The current generation of cellular endpoint offers 15-minute data communicated four times per weekday and allows you to configure three of those communication times to suit your needs.
- **Enhanced Future-Proofing:** The latest generation of cellular endpoints communicates on a network built into 5G standards and adds a redundant communication path in the form of a mobile back-up message.
- **Support for the latest Metering Innovations:** The current endpoint supports the latest functionalities added to our E-Series product family including communication of pressure and temperature data and remote actuation of the integrated valve in the E-Series Ultrasonic Plus meter.

## Program Qualifications

Qualifying PO: End Utility Customer ("Utility") must submit a single PO identifying "ORION Cellular Endpoint Upgrade Marketing Program (ORI-MP-03322-EN)" with the total number of eligible endpoints for trade in clearly noted, and a 1:1 quantity of the latest generation of cellular endpoints for order. Qualification will be verified by Badger Meter. Program is limited to one per Utility.

## Program Terms & Conditions

- **Eligible Trade-in Endpoints:** ORION Cellular endpoints purchased prior to July 1, 2017 or earlier.
- All product ordered must drop ship to the end utility customer and must ship within 90 days of order, pending product availability and confirmation of cellular coverage by Badger Meter.
- **RMA Return of Trade-in endpoints:** The Utility must contact Badger Meter to obtain an RMA for the return of trade-in endpoints. Badger Meter assumes responsibility for these return freight charges and disposal costs. Returned endpoints must be received by Badger Meter within 180 calendar days



of receipt of shipment of the new ORION Cellular endpoints. Utility may be invoiced for the full list price of the new endpoint if trade-in endpoints are not received on this timeline.

- Endpoints are non-transferable.

**For each legacy cellular endpoint returned, Badger Meter is offering the latest cellular endpoint at a special promotional price.**

**Program Valid Through: 09/31/2022**

**For More Information or to Obtain a Quote, Please Contact:**

Toby Sledge  
tsledge@badgermeter.com  
979-571-3183

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**ORION<sup>®</sup> CELLULAR  
ENDPOINT  
TECHNOLOGY**

**Customer Loyalty  
Upgrade Program**



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1



## 3G NETWORK STATUS IN CELLULAR INDUSTRY

- 1 CDMA endpoints operate on 3G networks still in use by cellular carriers
- 2 Cellular carriers plan to sunset these 3G networks
- 3 An endpoint upgrade is required to move to current cellular networks



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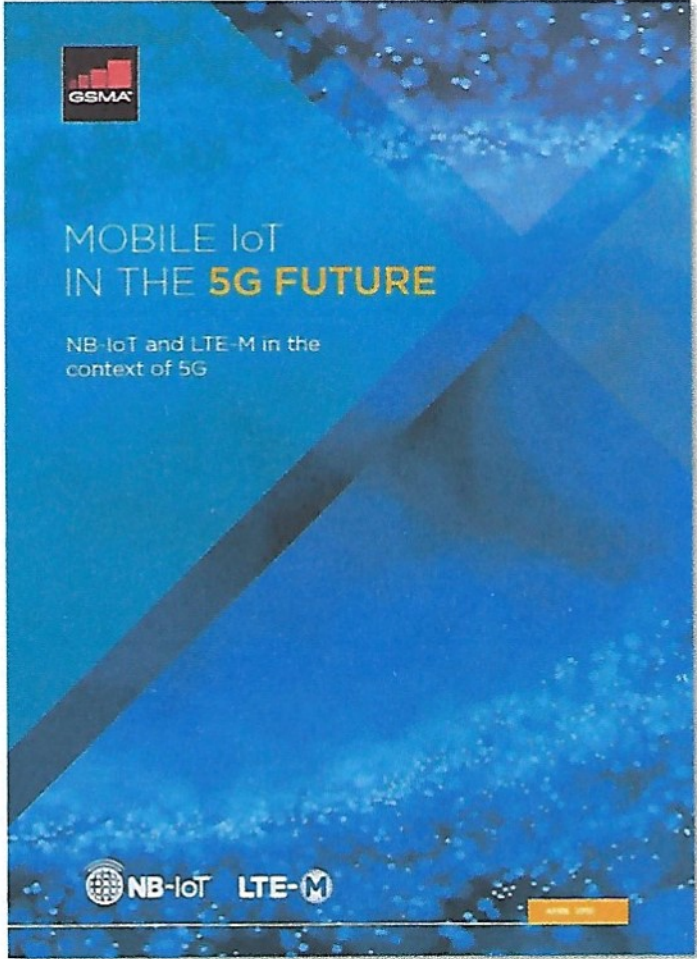
## TRENDS IN CELLULAR

- 1 Carriers are investing in 5G networks to support consumer demands for speed
- 2 Carriers need to re-purpose the bandwidth of legacy networks to meet that demand
- 3 Carriers will sunset 3G to make limited capacity and bandwidth available for 5G buildout
- 4 T-Mobile acquired Sprint in April and later signaled it would sunset the Sprint CDMA network at the end of 2021, far earlier than previously expected



## M2M NETWORK LONGEVITY

- 1 Cellular network evolution is supported by 3GPP™ standards body to assure forward and backward compatibility
- 2 Legacy networks were subject to consumer demands, but current approach supports communication on dedicated M2M networks
- 3 LTE-M and NB-IoT networks meet 5G standard per 3GPP standards body
- 4 Industry experts consider these foundational networks to the 5G future, as outlined in this [white paper](#) by the GSMA

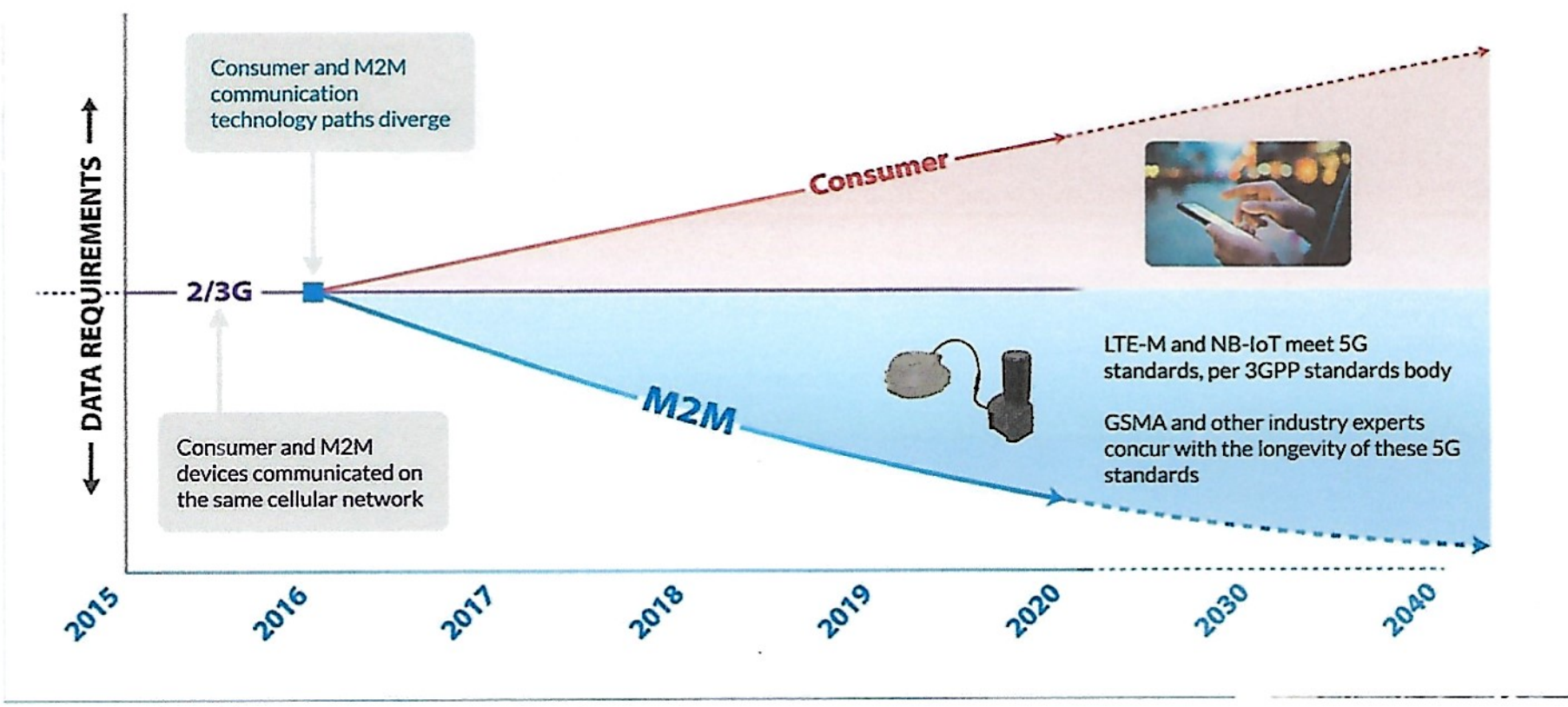


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4

# DIVERSION OF M2M AND CONSUMER NETWORKS



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5



## CUSTOMER LOYALTY UPGRADE PROGRAM

Upgrade your system to current technology for the longevity of a network meeting 5G standards and these added benefits:

- 1 Support of new sensor offerings, including pressure, temperature, and water quality
- 2 Higher-resolution, 15-minute data intervals to support leak and nonrevenue water reduction goals
- 3 More frequent communication to provide enhanced actionable data to drive informed decision-making for you and your customers



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6