



**General Purpose Financial Statements
July 31, 2010**

These financial statements are unaudited and intended for informational and internal discussion purposes only.

**The Woodlands Township
Combined Balance Sheet
As of July 31, 2010**

	Component Units							Account Groups		
	General Fund	Debt Service Fund	Debt Service Reserve Fund	Capital Project Funds	Economic Development Zone	The Woodlands Fire Dept	The Woodlands CVB	General Fixed Assets	General Long-term Debt	Total
Assets and Other Debits										
Cash and Current Investments	\$ 38,392,830	\$ 4,885,848	\$ 2,598,155	\$ 15,528,055	\$ 1,372,264	\$ 2,719,669	\$ 690,742	\$ -	\$ -	\$ 66,187,563
Tax/Assessment Receivables	192,434	-	-	-	-	-	-	-	-	192,434
Interest Receivable	9,868	-	47,182	-	10	-	-	-	-	57,060
Other Receivables	215,750	-	-	-	-	157,142	29,803	-	-	402,695
Due from Other Funds	1,183,060	25,531	-	4,948,083	-	257	-	-	-	6,156,930
Prepays	160,183	-	-	-	-	25,226	57,924	-	-	243,333
Notes Receivable	6,761,885	-	-	-	(6,761,885)	-	-	-	-	-
Capital Assets, net of accum deprec	-	-	-	-	-	-	-	155,142,008	-	155,142,008
Amount to be Provided to Retire Debt	-	-	-	-	-	-	-	-	94,030,000	94,030,000
Total Assets and Other Debits	\$ 46,916,009	\$ 4,911,379	\$ 2,645,337	\$ 20,476,137	\$ (5,389,611)	\$ 2,902,295	\$ 778,469	\$ 155,142,008	\$ 94,030,000	\$ 322,412,022
Liabilities and Other Credits										
Accounts Payable	62,070	-	-	-	-	(375)	576	-	-	62,271
Other Accrued Liabilities	2,723,694	-	-	-	19	33,370	25,557	-	-	2,782,640
Refundable Deposits	238,900	-	-	-	-	-	-	-	-	238,900
Due to Other Funds	4,954,100	-	19,770	1,042,054	-	131,315	524	-	-	6,147,764
Deferred Revenue	15,897,401	-	-	-	-	-	3,000	-	-	15,900,401
Notes Payable	-	-	-	-	-	-	-	-	-	-
Bonds Payable	-	-	-	-	-	-	-	-	94,030,000	94,030,000
Investment in General Fixed Assets	-	-	-	-	-	-	-	155,142,008	-	155,142,008
Fund Balance										
Undesignated	16,277,958	-	-	-	-	-	-	-	-	16,277,958
Designated	6,761,885	-	-	19,434,083	(5,389,631)	2,737,986	748,812	-	-	24,293,135
Reserved	-	4,911,379	2,625,567	-	-	-	-	-	-	7,536,946
Total Liabilities, Fund Balance, and Other Credits	\$ 46,916,009	\$ 4,911,379	\$ 2,645,337	\$ 20,476,137	\$ (5,389,611)	\$ 2,902,295	\$ 778,469	\$ 155,142,008	\$ 94,030,000	\$ 322,412,022

**The Woodlands Township
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Seven Months Ended July 31, 2010**

	General Fund		Debt Service Fund		Debt Service Reserve Fund		Capital Projects Fund		Economic Development Zone		The Woodlands Fire Dept		The Woodlands CVB		Total	
REVENUES																
Property Tax	\$ 22,238,060	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,238,060
Sales and Use Tax	9,067,188	-	-	-	-	-	-	-	8,914,808	-	-	-	-	-	-	17,981,995
Hotel Occupancy Tax	2,020,483	-	-	-	-	-	-	-	-	-	-	-	-	-	2,020,483	
Program Revenues	2,036,830	-	-	-	-	-	-	-	-	-	-	138,764	-	-	2,175,594	
Administrative Fees	340,943	-	-	-	-	-	-	-	-	-	-	-	-	-	340,943	
Grants and Contributions	2,215,545	2,825,822	-	-	-	-	-	-	-	(2,717,416)	-	-	-	-	2,323,950	
Interest Income	103,555	4,946	71,885	8,055	41	-	-	-	-	-	168	-	-	-	188,650	
Other Income	142,466	-	-	-	-	-	-	-	-	343,982	-	-	-	-	486,448	
Bond Proceeds	-	19,347,434	-	-	-	-	15,738,064	-	-	-	-	-	-	-	35,085,498	
TOTAL REVENUES	\$ 38,165,070	\$ 22,178,202	\$ 71,885	\$ 15,746,118	\$ 8,914,848	\$ (2,373,435)	\$ 138,932	\$ 82,841,621								
EXPENDITURES																
General Government	3,812,040	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,812,040
Law Enforc/Neighborhood Svcs	5,012,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,012,335
Parks and Recreation	6,804,635	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,804,635
Community Services	6,501,198	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,501,198
Community Relations	551,126	-	-	-	-	-	-	-	-	-	-	-	-	-	-	551,126
Transportation	217,814	-	-	-	-	-	-	-	-	-	-	-	-	-	-	217,814
Economic Development	104,375	-	-	-	-	-	-	-	-	-	-	-	-	-	-	104,375
Transition	46,157	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,157
Regional Participation	566,698	-	-	-	-	-	-	-	-	-	-	-	-	-	-	566,698
Other Expenditures	427,378	-	-	-	-	-	-	-	346,360	-	-	-	-	-	-	773,738
Fire Department	-	-	-	-	-	-	-	-	-	8,059,564	-	-	-	-	-	8,059,564
Convention & Visitors Bureau	-	-	-	-	-	-	-	-	-	-	-	924,423	-	-	-	924,423
Capital Outlay	-	-	-	-	-	-	-	1,827,570	-	-	-	-	-	-	-	1,827,570
Debt Issuance Costs	-	-	261,523	212,735	-	-	-	-	-	-	-	-	-	-	-	474,258
Debt Service	-	23,589,582	-	-	-	-	-	-	-	-	-	-	-	-	-	23,589,582
TOTAL EXPENDITURES	\$ 24,043,758	\$ 23,851,105	\$ (1,672,903)	\$ 2,040,305	\$ 346,360	\$ 8,059,564	\$ 924,423	\$ 59,265,515								
REV OVER/(UNDER) EXP (before transfers)	14,121,312	(1,672,903)	71,885	13,705,813	8,568,488	(10,432,999)	(785,491)	23,576,106								
NET TRANSFERS IN/(OUT)	(13,402,279)	4,255,917	(61,621)	4,416,346	(7,196,234)	10,453,568	1,534,303	-								
REV OVER/(UNDER) EXP (after transfers)	719,033	2,583,014	10,264	18,122,160	1,372,254	20,569	748,812	23,576,106								
BEGINNING FUND BALANCE	22,320,810	2,328,365	2,615,303	1,311,923	(6,761,885)	2,717,416	-	24,531,933								
ENDING FUND BALANCE	\$ 23,039,843	\$ 4,911,379	\$ 2,625,567	\$ 19,434,083	\$ (5,389,631)	\$ 2,737,986	\$ 748,812	\$ 48,108,039								

**The Woodlands Township
General Fund Budget vs Actual
For the Seven Months Ended July 31, 2010**

	YTD Budget	YTD Actual	YTD Variance
REVENUES			
Tax Revenue			
Sales and Use Tax	\$ 8,636,762	\$ 9,067,188	\$ 430,426
Sales Tax Transfers (EDZ)	7,247,631	7,196,234	(51,397)
Subtotal	15,884,393	16,263,422	379,029
Property Tax	22,145,513	22,238,060	92,546
Hotel Occupancy Tax	1,982,595	2,020,483	37,888
	<u>40,012,501</u>	<u>40,521,964</u>	<u>509,463</u>
Other Sources			
Program Revenues	1,806,982	2,036,830	229,848
Administrative Fees	297,225	340,943	43,718
Grants and Contributions	2,258,422	2,215,545	(42,878)
Interest Income	563,010	103,555	(459,455)
Other Income	102,374	142,466	40,092
	<u>45,040,515</u>	<u>45,361,304</u>	<u>320,789 A)</u>
OPERATING EXPENDITURES			
General Government			
Board of Directors	30,550	13,961	16,589
President's Office	449,301	440,722	8,579
Legislative Affairs	124,970	73,880	51,090
Human Resources	370,306	330,158	40,148
Finance	1,057,085	861,159	195,926
Information Technology	576,714	466,549	110,165
Records/Database Mgmt	335,572	320,875	14,697
Non-Departmental	1,370,459	1,304,736	65,723
	<u>4,314,957</u>	<u>3,812,040</u>	<u>502,917 B)</u>
Law Enforc/Neighborhood Svcs			
Law Enforcement Services	5,327,980	4,644,540	683,440
Ambassador Program	175,925	124,755	51,170
Neighborhood Services	252,031	243,040	8,991
	<u>5,755,936</u>	<u>5,012,335</u>	<u>743,601 C)</u>
Parks and Recreation			
Parks Admin/Planning	927,244	931,811	(4,567)
Parks Operations	3,000,110	3,153,474	(153,364)
Aquatics	1,114,381	1,092,607	21,774
Recreation	1,120,003	1,054,656	65,347
Waterway Operations	600,416	572,087	28,329
	<u>6,762,154</u>	<u>6,804,635</u>	<u>(42,481) D)</u>
Community Services			
Community Services Admin	252,344	204,721	47,623
Covenant Administration	1,232,500	1,166,363	66,137
Environmental Services	234,302	197,658	36,644
Streetlighting	605,000	727,462	(122,462)
Streetscape Maintenance	1,312,000	1,297,084	14,916
Solid Waste Services	3,015,900	2,903,394	112,506
Other Community Services	7,156	4,517	2,639
	<u>6,659,202</u>	<u>6,501,198</u>	<u>158,004 E)</u>
Community Relations			
Community Relations	406,441	316,624	89,817
CVB Staff Services	232,522	234,502	(1,980)
	<u>638,963</u>	<u>551,126</u>	<u>87,837 F)</u>
Other Expenditures			
Transportation	307,533	217,814	89,719
Economic Development	273,950	104,375	169,575
Transition	350,000	46,157	303,843
Regional Participation	569,534	566,698	2,836
Other Expenditures	530,542	427,378	103,164
	<u>2,031,559</u>	<u>1,362,423</u>	<u>669,136 G)</u>
EXPENDITURE SUBTOTAL	26,162,771	24,043,758	2,119,013
TRANSFERS			
Fire Department	10,453,572	10,453,568	4
Convention & Visitors Bureau	1,534,303	1,534,303	-
Capital Projects	5,264,230	4,416,346	847,884
Debt Service	4,275,722	4,194,296	81,426
	<u>21,527,827</u>	<u>20,598,513</u>	<u>929,313 H)</u>
TOTAL EXPENDITURES	47,690,598	44,642,271	3,048,327
REV OVER/(UNDER) EXP	(2,650,083)	719,033	3,369,116
BEGINNING FUND BALANCE	22,320,810	22,320,810	-
ENDING FUND BALANCE	\$ 19,670,727	\$ 23,039,843	\$ 3,369,116

The Woodlands Township

General Fund – Operating Budget Variances

For the Seven Months Ended July 31, 2010

Generally, variances not explained below are due to the payment or non-payment of actual expenses versus when those expenses were budgeted, and at this time are expected to be fully utilized by year end.

A) Revenues

- Sales Tax – Includes conservative projections for first 6 months of the year with growth projections in latter 6 months of the year, construction and corporate sales tax collections continue to lag prior year collections.
- Property Tax – 99% collection rate through July 31, 2010
- Hotel Occupancy Tax – Full service hotels continue to lag YTD projections by 6.0% while limited service hotels and new Avia hotel are outperforming conservative budget projections.
- Program Revenues – Relates to the timing of YTD revenues versus budgeted revenues for pool memberships, pool guest fees, aquatics programs, day camps, tennis, Ten for Texas and Muddy Fest programs.
- Grants and Contributions – YTD actual reflects contributions provided by the former Community Associations of the Woodlands and The Woodlands Fire Department as of January 1, 2010 to The Woodlands Township for capital carryovers. Also includes HGAC grant funding for trolley services for first 6 months of the year.
- Interest Income – Variance reflects 0.5% APY for general fund cash balances versus 1.5% budgeted APY.
- Other Income – YTD actual reflects income from the Convention Center lease along with contract payments from LWPOA and Carlton Woods reimbursement contracts.

B) General Government

- Legislative Affairs – Variance primarily relates to lower than budgeted consulting and legal expenses.
- Human Resources – Variance relates to lower than budgeted benefits and recruiting expenses.
- Finance – Favorable variances relate to staffing vacancies and lower than budgeted contracted services.
- Information Technology – Variance relates to an open position during the first quarter and lower than budgeted expenditures for telephone and IT contracted services.
- Non-Departmental – Favorable variances relate to lower than budgeted expenditures for facilities, election, postage, and insurance expenses which primarily relate to the timing of vendor payments.

C) Law Enforcement/Neighborhood Services

- Salaries and Wages - Ambassador salaries are favorable for the first quarter due to an open position.
- Contracted Services – Favorable variances relate to lower than budgeted expenditures for Montgomery County Sheriff's Department personnel and related fuel costs due primarily to the ramp up of the enhanced law enforcement program.

D) Parks and Recreation

- Salaries and Wages – Unfavorable variances primarily relate to higher than budgeted overtime and insurance costs for certain employee benefit elections which are subject to change throughout the year.
- Contracted Services – Expenditures for parks and pathway maintenance, restroom cleaning, forest management and sign maintenance are lower than budgeted and are partially offset by unfavorable variances in lake maintenance, pest control, tree removal, and electrical repairs.
- Facility Expense – YTD expenditures for parks, recreation, and aquatics facility utilities along with pool chemicals are lower than projected.
- Maintenance Expense – YTD expenditures for pathway maintenance, lake maintenance and sign maintenance are lower than projected and are partially offset by unfavorable variances in park maintenance and turf maintenance and irrigation.
- Program Expenses – YTD expenditures for I-45 Beautification, Waterway Square song programming, seasonal lighting, aquatic and recreation programs are lower than budgeted.

E) Community Services

- Salaries and Wages – Favorable variances primarily relate to open positions in the Community Services and Covenant Administration departments.
- Contracted Services – Favorable variances in streetscape maintenance and solid waste services are partially offset by unfavorable variance in streetlighting. In addition, consulting expenses are lower than budgeted in the Environmental Services department.

- Program Expenses – Favorable YTD variances relate to lower than budgeted expenses for Community Revitalization and Environmental Services programs.

F) Community Relations

- Contracted Services – YTD expenditures for video production and other contracted services are lower than budgeted.
- Program Expenses – Expenditures for the Public Safety Heroes Banquet are expected to be approximately \$10,000 less than the original budget for this event.
- Public Education/Relations – YTD expenditures for advertising, specialty/promotional supplies and community/public relations are lower than budgeted.

G) Other Expenditures

- Transition – YTD actual expenditures largely relate to the relocation and reorganization of staff and administrative offices following the consolidation.
- Regional Participation – Variance will fluctuate throughout the year based on actual sales tax collections, amount represents 1/16th of sales and use tax collections paid to the City of Conroe and the City of Houston.
- Other Expenditures – Variance relates to timing of payments for Carlton Woods and Carlton Woods Creekside contract payments and unspent contingency and Lake Woodlands user fee funds.

H) Transfers

- Transfers – Variances relate to timing of transfers to other funds for capital project and debt service expenditures. See General Fund Operating Forecast for projected savings.

The Woodlands Township Monthly Investment Report July 31, 2010

Fund	Investment Type	Description	Maturity	Beginning Balance	Monthly Activity	Earnings	Ending Balance	Beginning Market	Ending Market	Avg. % Yield
GF	Public Funds Liquidity Money Market	Woodforest National Bank Checking Account	Open	\$ (1,725,416)	\$ 13,792,861 (14,168,701)	\$ 25	\$ (2,101,231)	\$ (1,725,416)	\$ (2,101,231)	0.22%
GF	Liquid Assets Portfolio Money Market	Invesco AIM Sweep Account	Open	5,638,042	5,788,689 (7,528,880)	91	3,897,942	5,638,042	3,897,942	0.02%
GF	Texas Local Govt Investment Pool	TexPool Investment Pool	Open	30,498,709	(3,381,683)	5,325	27,122,351	30,498,709	27,122,351	0.23%
GF	Texas Local Govt Investment Pool	TexSTAR General Fund	Open	3,240,573	-	548	3,241,122	3,240,573	3,241,122	0.20%
GF	Certificate of Deposit	Encore Bank	9/30/2010	3,126,624	-	5,523	3,132,148	3,126,624	3,132,148	2.08%
GF	Certificate of Deposit	Encore Bank	12/22/2010	3,026,595	-	4,344	3,030,939	3,026,595	3,030,939	1.70%
GF	Commercial Checking	Comerica (WCSC)	Open	34,101	(100)	-	34,001	34,101	34,001	0.00%
CPF	Texas Local Govt Investment Pool	TexSTAR Parks & Path, Series 2010	Open	6,602,308	-	1,117	6,603,425	6,602,308	6,603,425	0.20%
CPF	Texas Local Govt Investment Pool	TexSTAR Fire, Series 2010	Open	8,923,120	-	1,510	8,924,629	8,923,120	8,924,629	0.20%
DSF	Superior Interest Liquidity Money Market	Woodforest National Bank Hotel Tax Account	Open	4,139,865	316,728 (4,252)	966	4,453,307	4,139,865	4,453,307	0.27%
DSF	Texas Local Govt Investment Pool	TexSTAR Refinancing, Series 2010	Open	432,468	-	73	432,541	432,468	432,541	0.20%
DSRF	Certificate of Deposit	Encore Bank	2/1/2011	720,967	-	1,035	722,002	720,967	722,002	1.70%
DSRF	Flex Repo Money Market	HypoVereinsBank of Austria	3/1/2027	1,914,106	-	9,230	1,923,335	1,914,106	1,923,335	5.90%
Total				\$ 66,572,064	\$ (5,185,338)	\$ 29,786	\$ 61,416,512	\$ 66,572,064	\$ 61,416,512	0.54%

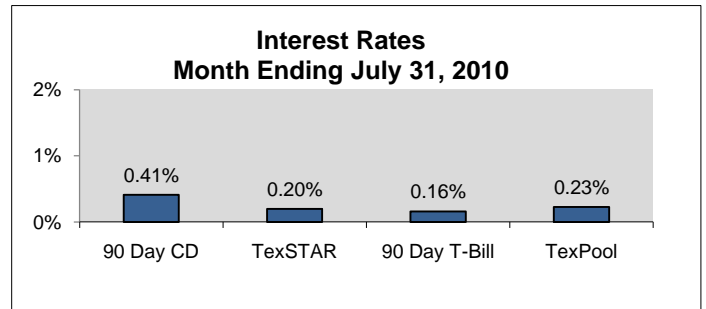
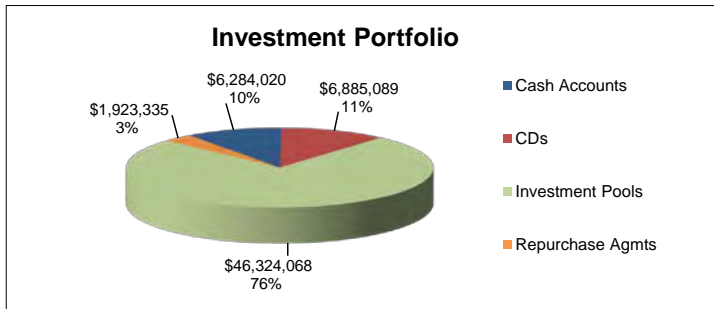
YTD

\$ 188,440

Weighted Average Maturity	
Consolidated WAM	202 days
General Fund WAM	16 days
Capital Project Funds WAM	- days
Debt Service Fund WAM	- days
Debt Service Reserve Fund WAM	4454 days

Collateral Adequacy - All time and demand deposits are fully collateralized and/or FDIC insured.

Statement of Compliance - All investment transactions meet the requirements set forth in Chapter 2256, Texas Govt. Code, as amended and are in compliance with the Township's Investment Policy.



Dr. Ed Robb, Treasurer

Claude Hunter, Secretary

Don Norrell, President/General Manager

**THE WOODLANDS TOWNSHIP
SALES TAX DEPOSITS
REPORT DATE: JULY 31, 2010**

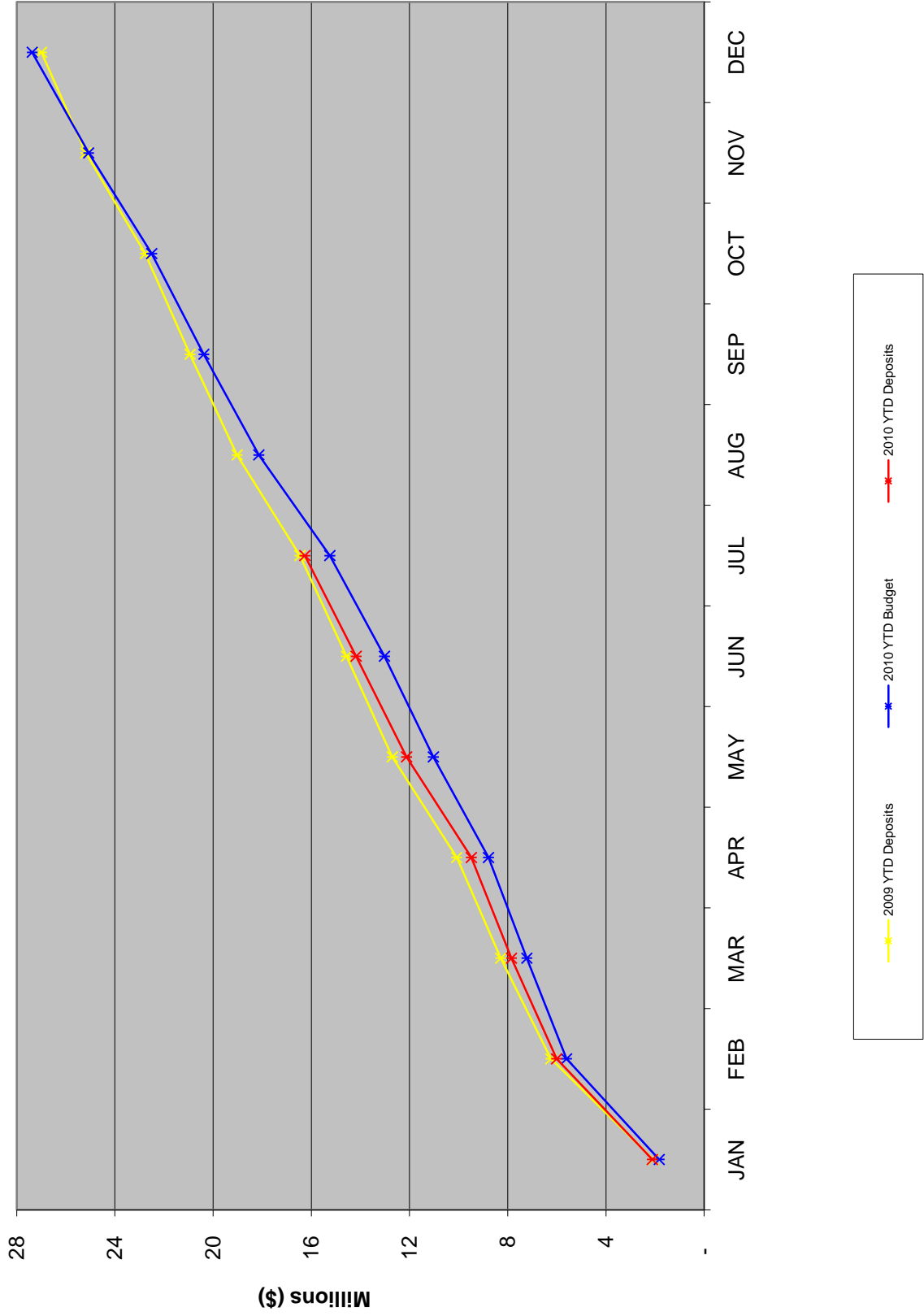
Variances

	Actual 2008	Actual 2009	Budget 2010	Actual 2010	2009 to 2010 \$ Change	2009 to 2010 % Change	\$ Over/(Under) 2010 Budget	% Over/(Under) 2010 Budget
JAN	\$ 1,025,658	\$ 2,080,812	\$ 1,832,014	\$ 2,108,639	\$ 27,828	1.3%	\$ 276,625	15.1%
FEB	1,733,025	4,158,408	3,775,241	3,898,271	(260,136)	-6.3%	123,030	3.3%
MAR	783,382	2,044,030	1,615,427	1,839,582	(204,448)	-10.0%	224,155	13.9%
APR	784,494	1,796,625	1,560,238	1,639,625	(157,000)	-8.7%	79,387	5.1%
MAY	1,063,832	2,622,075	2,246,709	2,633,999	11,923	0.5%	387,290	17.2%
JUN	1,750,766	1,866,910	1,992,991	2,052,697	185,787	10.0%	59,706	3.0%
JUL	2,094,914	1,891,653	2,221,827	2,090,609	198,956	10.5%	(131,219)	-5.9%
AUG	2,510,943	2,560,798	2,892,102					
SEP	2,208,496	1,917,948	2,240,281					
OCT	1,900,997	1,820,574	2,119,951					
NOV	2,204,928	2,423,231	2,570,878					
DEC	2,183,393	1,804,841	2,299,783					
TOTAL	\$ 20,244,828	\$ 26,987,906	\$ 27,367,442	\$ 16,263,422				
YTD	\$ 9,236,071	\$ 16,460,513	\$ 15,244,447	\$ 16,263,422	\$ (197,091)	-1.2%	\$ 1,018,975	6.7%

% of 2010 Budget Collected

59.4%

SALES TAX DEPOSITS



CITY SALES AND USE TAX COMPARISON SUMMARY
JULY, 2010

COUNTY/CITY	CURRENT RATE	NET PAYMENT THIS PERIOD	COMPARABLE PAYMENT PRIOR YEAR	% CHANGE	2010 PAYMENTS TO DATE	2009 PAYMENTS TO DATE	% CHANGE
Montgomery/Conroe	2.0%	2,181,832.70	2,063,476.23	5.74%	15,755,686.92	17,433,062.80	-9.62%
Cut and Shoot	1.5%	12,120.91	13,287.81	-8.78%	78,664.29	95,091.09	-17.27%
Magnolia	2.0%	141,731.98	133,800.11	5.93%	1,017,760.84	1,117,526.76	-8.93%
Montgomery	2.0%	81,412.16	107,616.96	-24.35%	731,963.59	785,045.98	-6.76%
Oak Ridge North	2.0%	125,638.50	160,409.49	-21.68%	937,200.19	969,119.23	-3.29%
Panorama Village	1.25%	2,790.56	0.00	U/C	4,901.25	0.00	U/C
Patton Village	1.0%	1,045.11	872.19	19.83%	10,221.99	9,830.39	3.98%
Shenandoah	2.0%	326,167.27	430,889.42	-24.30%	2,344,226.77	3,322,307.48	-29.44%
Splendora	1.0%	14,065.83	14,614.33	-3.62%	99,558.44	119,951.54	-17.00%
Stagecoach	1.0%	611.76	741.94	-17.55%	9,188.26	6,541.46	40.46%
Willis	2.0%	85,831.25	87,562.28	-1.98%	721,646.97	851,003.37	-15.20%
County Total		\$ 2,973,268.03	\$ 3,013,270.76	-1.33%	\$ 21,711,019.51	\$ 24,709,480.10	-12.13%

OTHER CITIES
 Houston 2.0% \$ 37,452,453.26 \$ 37,108,337.06 0.93% \$ 273,881,608.82 \$ 294,955,730.73 -7.14%

THE WOODLANDS TOWNSHIP	CURRENT RATE	CURRENT PERIOD	PRIOR YEAR PAYMENT	% CHANGE	2010 YTD PAYMENTS	2009 YTD PAYMENTS	% CHANGE
The Woodlands Township	1.0%	1,157,954.68	1,083,544.44	6.87%	9,067,187.56	9,254,046.58	-2.02%
The Woodlands Tnshp EDZ	1.0%	932,653.82	808,108.17	15.41%	7,196,234.05	7,206,466.20	-0.14%
Township Total		\$ 2,090,608.50	\$ 1,891,652.61	10.52%	\$ 16,263,421.61	\$ 16,460,512.78	-1.20%
Town Center Ec Dev Zone 1	1.0%	19,178.75	0.00	U/C	61,611.93	76,913.43	-19.89%
Town Center Ec Dev Zone 2	1.0%	80,592.64	74,969.10	7.50%	559,181.58	529,592.73	5.59%
Town Center Ec Dev Zone 3	1.0%	61,018.27	63,510.99	-3.92%	436,342.29	484,365.71	-9.91%
Town Center Ec Dev Zone 4	1.0%	93,699.62	98,181.09	-4.56%	661,437.66	770,990.28	-14.21%
EDZ No. 1 - 4 Total		\$ 254,489.28	\$ 236,661.18	7.53%	\$ 1,718,573.46	\$ 1,861,862.15	-7.70%

OTHER SPECIAL PURPOSE DIST
 E. Montgomery Co Imp Dist 1.0% \$ 25,211.48 \$ 233,980.61 -89.22% \$ 1,396,631.16 \$ 1,909,430.62 -26.86%

SOURCE: STATE OF TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
 = Existing financial partnership

STATEWIDE	NET PAYMENT THIS PERIOD (in millions)	THIS PERIOD % CHANGE	YTD % CHANGE
Local Governments - All	\$ 442.80	3.8%	-3.2%
Texas Citres	\$ 297.20	4.5%	-2.9%
Texas Counties	\$ 27.00	3.9%	-6.4%
Special Purpose Districts	\$ 18.30	10.6%	-1.2%

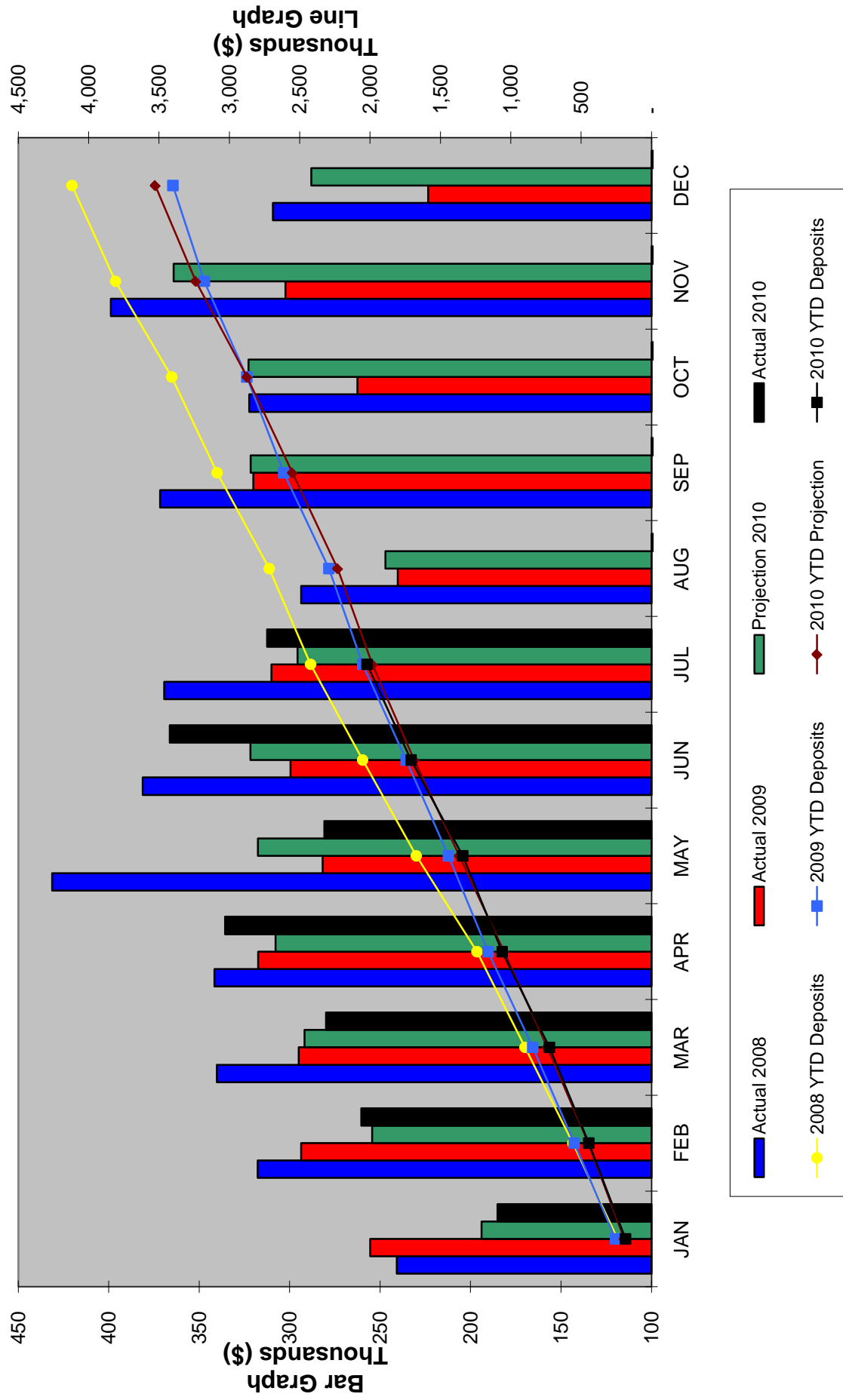
SALES TAX INDICATORS	YTD 2009	YTD 2010	YTD % CHANGE
¹ Same Store	3,343,168	3,476,019	4.0%
² Restaurants	297,057	284,244	-4.3%
³ Non-Retail	1,231,231	907,596	-26.3%

¹Includes 30 fixed taxpayers representing a cross section of large discount retailers, mall department stores, clothing stores, consumer electronics, jewelry stores, and grocery stores.
²Includes 15 fixed taxpayers representing full service and quick service restaurants.
³Includes corporate capital expenditures, construction, utilities, and hospitality services.

**THE WOODLANDS TOWNSHIP
HOTEL OCCUPANCY TAX DEPOSITS
REPORT DATE: JULY 31, 2010**

		Variances						
	Actual 2008	Actual 2009	Budget 2010	Actual 2010	2009 to 2010 \$ Change	2009 to 2010 % Change	2010 Budget \$ Over/(Under)	2010 Budget % Over/(Under)
JAN	\$ 240,745	\$ 255,409	\$ 193,957	\$ 185,041	\$ (70,367)	-27.6%	\$ (8,916)	-4.6%
FEB	317,704	293,695	254,352	260,358	(33,337)	-11.4%	6,006	2.4%
MAR	340,247	294,912	291,695	279,858	(15,054)	-5.1%	(11,837)	-4.1%
APR	341,551	317,413	307,752	335,635	18,222	5.7%	27,883	9.1%
MAY	431,274	281,691	317,519	280,824	(867)	-0.3%	(36,695)	-11.6%
JUN	381,214	299,516	321,714	366,290	66,774	22.3%	44,576	13.9%
JUL	369,354	310,028	295,606	312,476	2,448	0.8%	16,870	5.7%
AUG	293,587	240,214	246,987					
SEP	371,623	320,048	321,485					
OCT	322,366	262,491	322,713					
NOV	398,833	302,335	364,092					
DEC	309,235	223,434	288,024					
TOTAL	\$ 4,117,733	\$ 3,401,187	\$ 3,525,896	\$ 2,020,483				
YTD	\$ 2,422,088	\$ 2,052,664	\$ 1,982,595	\$ 2,020,483	\$ (32,181)	-1.6%	\$ 37,888	1.9%
<p>% of 2010 Projections Collected</p>				57.3%				

HOTEL TAX DEPOSITS



**THE WOODLANDS TOWNSHIP
PROPERTY TAX DEPOSITS
REPORT DATE: JULY 31, 2010**

Collection Period	Current Collections	Current Penalties & Interest	Rendition Penalty Collections	2% Collection Fee	5% Collection Fee	Refunds	Misc Withholding	Net Deposits
		(+)	(+)	(-)	(-)	(-)	(-)	(=)
OCT 2009	\$ 910,841	\$ -	\$ 306	\$ 5,955	\$ 15	\$ 8	\$ 85,412	\$ 819,757
NOV 2009	3,093,971	-	487	-	24	3,172	306,688	2,784,574
DEC 2009	16,460,551	-	227	-	11	3,852	160,969	16,295,946
JAN 2010	14,308,809	-	1,740	-	87	24,177	120,564	14,165,721
FEB 2010	2,198,556	19,718	199	-	10	38,303	183,714	1,996,447
MAR 2010	442,532	31,928	47	-	2	36,448	27,043	411,014
APR 2010	274,882	26,700	383	-	19	23,156	8,867	269,924
MAY 2010	144,535	16,532	686	-	34	4,935	11,824	144,961
JUN 2010	177,313	22,394	23	-	1	9,935	11,057	178,736
JUL 2010	96,298	13,473	28	-	1	2,404	8,599	98,793
AUG 2010	-	-	-	-	-	-	-	-
SEP 2010	-	-	-	-	-	-	-	-
Cumulative	\$ 38,108,288	\$ 130,744	\$ 4,126	\$ 5,955	\$ 206	\$ 146,391	\$ 924,734	\$ 37,165,873

Adjusted Levy

Current Collections	\$ 38,108,288	99.93%
Penalties & Interest	130,744	0.34%
(-) Adjustments	(146,391)	-0.38%
Net Collections	\$ 38,092,642	99.89%
Tax Balance Due	43,853	0.11%
	38,136,495	100.00%

**The Woodlands Township
Consolidated Budget
(in whole dollars)**

	2010 Budget	2010 Forecast	2011 Budget	2010 Budget to 2011 Budget	
				\$ Inc/(Dec)	% Inc/(Dec)
REVENUES					
Property Tax	\$ 37,963,737	\$ 37,963,737	\$ 39,721,794	\$ 1,758,057	4.6%
Sales and Use Tax	30,718,730	30,142,102	31,155,662	436,932	1.4%
Hotel Occupancy Tax	3,525,896	3,366,557	3,501,219	(24,677)	-0.7%
Supplemental HOT	-	-	500,000	500,000	
Event Admissions Tax	-	-	75,000	75,000	
Program Revenues	3,167,720	3,076,127	3,383,300	215,580	6.8%
Administrative Fees	531,100	337,100	346,100	(185,000)	-34.8%
Grants and Contributions	2,447,828	2,447,828	194,400	(2,253,428)	-92.1%
Interest Income	1,115,914	1,109,114	1,116,416	502	0.0%
Other Income	577,127	579,027	1,052,665	475,538	82.4%
Bond Proceeds	-	35,085,498	-	-	
TOTAL REVENUES	\$ 80,048,052	\$ 114,107,090	\$ 81,046,556	\$ 998,504	1.2%
OPERATING EXPENDITURES					
General Government	7,641,125	7,523,196	8,188,603	547,478	7.2%
Law Enforc/Neighborhood Svcs	9,831,872	9,734,893	10,085,915	254,043	2.6%
Parks and Recreation	11,626,275	11,876,668	12,274,824	648,549	5.6%
Community Services	11,552,434	11,381,183	12,088,787	536,353	4.6%
Community Relations	1,061,437	1,067,671	1,082,895	21,458	2.0%
Transportation	498,620	498,620	548,620	50,000	10.0%
Economic Development	436,300	336,300	381,300	(55,000)	-12.6%
Fire Department	14,336,291	14,568,569	15,273,637	937,346	6.5%
Convention & Visitors Bureau	2,445,737	2,434,737	2,559,837	114,100	4.7%
Transition/Governance	350,000	350,000	200,000	(150,000)	-42.9%
Regional Participation	976,353	931,314	968,566	(7,787)	-0.8%
Other Expenditures (Operating)	799,819	653,119	1,091,213	291,394	36.4%
OPERATING EXPENDITURES	\$ 61,656,263	\$ 61,356,270	\$ 64,744,198	\$ 3,187,935	5.2%
OTHER EXPENDITURES					
Other Expenditures (EDZ)	2,073,100	2,073,100	2,070,893	(2,207)	-0.1%
Capital Outlay	3,570,078	6,565,078	9,260,600	5,690,522	159.4%
New Development Capital	4,400,633	3,507,079	2,925,500	(1,475,133)	-33.5%
Debt Service	10,290,424	25,063,228	7,796,632	(2,493,792)	-24.2%
Debt Issuance Costs	-	474,258	-	-	
OTHER EXPENDITURES	\$ 20,334,235	\$ 37,682,743	\$ 22,053,625	\$ 1,719,390	8.5%
TOTAL EXPENDITURES	\$ 81,890,498	\$ 99,039,013	\$ 86,797,823	\$ 4,907,325	6.0%
REVENUE OVER/(UNDER) EXPENDITURES	(1,842,446)	15,068,077	(5,751,267)	(3,908,821)	-212.2%
BEGINNING FUND BALANCE	24,531,932	24,531,932	39,600,009	15,068,077	61.4%
ENDING FUND BALANCE	\$ 22,689,486	\$ 39,600,009	\$ 33,848,742	\$ 11,159,256	49.2%

The Woodlands Township
Consolidated Budget Summary by Fund
(FY 2011)

	General Fund	Debt Service Fund	Debt Service Reserve Fund	Capital Projects Fund	Special Revenue Fund	The Woodlands Fire Dept	The Woodlands CVB	Total
REVENUES								
Property Tax	\$ 39,721,794	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,721,794
Sales and Use Tax	15,596,344	-	-	-	15,559,318	-	-	31,155,662
Hotel Occupancy Tax	3,501,219	-	-	-	-	-	-	3,501,219
Supplemental HOT	500,000	-	-	-	-	-	-	500,000
Event Admissions Tax	75,000	-	-	-	-	-	-	75,000
Program Revenues	2,973,300	-	-	-	-	-	410,000	3,383,300
Administrative Fees	346,100	-	-	-	-	-	-	346,100
Grants and Contributions	194,400	-	-	-	-	-	-	194,400
Interest Income	965,662	26,000	124,754	-	-	-	-	1,116,416
Other Income	671,340	-	-	-	-	381,325	-	1,052,665
Bond Proceeds	-	-	-	-	-	-	-	-
TOTAL REVENUES	\$ 64,545,159	\$ 26,000	\$ 124,754	\$ -	\$ 15,559,318	\$ 381,325	\$ 410,000	\$ 81,046,556
EXPENDITURES								
General Government	8,188,603	-	-	-	-	-	-	8,188,603
Law Enforc/Neighborhood Svcs	10,085,915	-	-	-	-	-	-	10,085,915
Parks and Recreation	12,274,824	-	-	-	-	-	-	12,274,824
Community Services	12,088,787	-	-	-	-	-	-	12,088,787
Community Relations	1,082,895	-	-	-	-	-	-	1,082,895
Transportation	548,620	-	-	-	-	-	-	548,620
Economic Development	381,300	-	-	-	-	-	-	381,300
Transition/Governance	200,000	-	-	-	-	-	-	200,000
Regional Participation	968,566	-	-	-	-	-	-	968,566
Other Expenditures	1,091,213	-	-	-	2,070,893	-	-	3,162,106
Fire Department	-	-	-	-	-	15,273,637	-	15,273,637
Convention & Visitors Bureau	-	-	-	-	-	-	2,559,837	2,559,837
Capital Outlay	-	-	-	9,260,600	-	-	-	9,260,600
New Development Capital	-	-	-	2,925,500	-	-	-	2,925,500
Debt Service	-	7,796,632	-	-	-	-	-	7,796,632
TOTAL EXPENDITURES	\$ 46,910,724	\$ 7,796,632	\$ -	\$ 12,186,100	\$ 2,070,893	\$ 15,273,637	\$ 2,559,837	\$ 86,797,823
REV OVER/(UNDER) EXP (before transfers)	17,634,435	(7,770,632)	124,754	(12,186,100)	13,488,425	(14,892,312)	(2,149,837)	(5,751,267)
NET TRANSFERS IN/(OUT)	(23,646,796)	7,921,386	(124,754)	11,943,279	(13,385,264)	14,892,312	2,399,837	-
REV OVER/(UNDER) EXP (after transfers)	(6,012,361)	150,754	-	(242,821)	103,161	-	250,000	(5,751,267)
BEGINNING FUND BALANCE	29,584,233	2,919,953	2,615,303	11,146,242	(6,665,722)	-	-	39,600,009
ENDING FUND BALANCE	\$ 23,571,872	\$ 3,070,707	\$ 2,615,303	\$ 10,903,421	\$ (6,562,561)	\$ -	\$ 250,000	\$ 33,848,742



THE WOODLANDS TOWNSHIP

The Woodlands, TX

EXECUTIVE SUMMARY

MEETING DATE: August 25, 2010

SUBJECT MATTER: Adoption of 2011 Consolidated Budget

BUDGET IMPACT: Consolidated Expenditures = \$86.8 million

FACTS/HISTORY:

The Board of Directors held five budget workshops to review and discuss The Woodlands Township Consolidated Budget for 2011. Those workshops were held on July 22, 2010; July 27, 2010; July 29, 2010; July 30, 2010; and August 2, 2010. Additionally, the budget was presented and discussed at a Town Hall meeting on July 28, 2010, and at public hearings on August 12, 2010 and August 17, 2010.

Attached are documents summarizing the 2011 Consolidated Budget for the Township, which includes all revisions authorized by the Board during its workshop meetings. Additional materials and detailed workpapers supporting all components of the 2011 budget are posted on the Township's website and are available in the Finance Department.

RECOMMENDED BOARD ACTION:

Adopt the 2011 Consolidated Budget as presented.



THE WOODLANDS TOWNSHIP

The Woodlands, TX

EXECUTIVE SUMMARY

MEETING DATE: August 25, 2010

SUBJECT MATTER: Authorization for Payment of Directors & Officers Liability "Tail" Insurance Premiums for Dissolved Community Associations

BUDGET IMPACT: \$145,248, funded from Transition budget line item

FACTS/HISTORY:

Pursuant to Section VI.C. of the Transition Agreement executed on February 29, 2008, "tail" insurance coverage must be procured by The Woodlands Township "in order to provide reasonable coverage for the Community Associations and the respective members of their Boards, officers, and directors with regard to any potential insurable risks beyond the term of coverage of prior [comparable Directors & Officers liability policies]". The Transition Agreement states that such coverage shall remain in effect for five years from the transition date.

The current Directors & Officers policies held by the Associations will terminate on August 31, 2010; therefore it is necessary to secure the required tail insurance. Staff has received the following quotes from the current insurance provider, Travelers Insurance Company.

The Woodlands Community Association - \$74,829
The Woodlands Association - \$54,924
The Woodlands Commercial Owners Association - \$15,495
Total = \$145,248

Please note that competitive quotes are not applicable to tail insurance as tail coverage is simply a condition of the expiring directors & officers policy, meaning the terms for providing the tail coverage are already included in the existing policy. However, staff has compared the quotes provided for tail insurance with premiums previously charged to the Associations for similar directors & officers coverage and found the quotes to be similar in price.

RECOMMENDED BOARD ACTION:

Authorize the President/General Manager to execute contracts for "tail" insurance coverage for The Woodlands Community Association, The Woodlands Association, and The Woodlands Commercial Owners Associations as outlined in Section VI.C. of the Transition Agreement in the total aggregate amount of \$145,248.



THE WOODLANDS TOWNSHIP

The Woodlands, TX

EXECUTIVE SUMMARY

MEETING DATE: August 19, 2010

SUBJECT MATTER: **Town Center Transit Terminal and Parking Facility**

BUDGET IMPACT: N/A

ANALYSIS/CONSIDERATIONS:

The Woodlands Township owns the parking garage located on Six Pines Drive. This facility has approximately 935 spaces of which 500 are committed to use by the Convention Center / Marriott Hotel with the remaining spaces committed to use by the Cynthia Woods Pavilion. A small plot of land adjacent to the existing facility is owned by The Township and has been considered for placement of an additional parking structure.

In 2009, a request for federal grant funding consideration was submitted to build a 596 space multi-modal transit terminal and parking garage in the Town Center. The proposed garage and transportation terminal would accommodate parking spaces for park and ride commuter services as well as for special events at the nearby convention center and pavilion. The estimated cost of constructing the parking garage was \$12 million and the cost of constructing the streetscape / pedestrian improvements in the Town Center was \$ 3.2 million.

Very recently, The Township learned through the Goodman Corporation, that the Houston-Galveston Area Council (H-GAC) has uncommitted grant funding available for transportation projects. Potentially, \$4 – 5 million is available for a “shovel ready” project such as a Transit Terminal and Parking facility in The Township Town Center. Funding of the project would be 20% local match (proposed to be covered by the value of the land) and 80% federal funding through H-GAC.

The proposed Woodlands Town Center Transit Terminal and Parking facility would be used for the Brazos Transit District’s (The District) future fixed route commute services to Houston employment centers from The Woodlands area. The transit terminal would serve as a hub for a new park and ride service, provide a terminal for existing and proposed trolley service and provide both pedestrian and waterway transportation linkages for Town Center residents. The facility would be strategically located to service the growing number of residents in The Woodlands Town Center. In addition, the parking spaces could be used for event parking for the pavilion and convention center, as well as for adjacent retail stores.

The preferred site for this facility would be located adjacent to the parking garage located on Six Pines Drive, adjacent to the Cynthia Woods Pavilion. This site is just under one acre and is owned by The Woodlands Township. The proposal would be to build a transit terminal and four story parking garage on The Township land .

The proposed project developed by the Goodman Corporation in 2009 planning documents included the District operating a park and ride facility from the Six Pines Drive site with 7 to 11 round trips on weekdays. The primary run times would be from approximately 6 am to 9 am in the morning and from 4 pm to 8 pm in the evenings. The original proposal (in 2009) included a 596 space parking facility. However, recent projections indicate that an approximate 350 space parking garage would be the most efficient facility based on the size of the available surface lot and restrictions created by an adjacent pipeline easement.

When the proposed project was brought forward in 2009, some Board members raised concern regarding placing a park and ride facility at a busy location in the Town Center with the ingress and egress of large buses from this site during concert event times. However, the facility would serve as a much needed transportation hub for the Town Center (including trolley service) and allow The Township to better serve residents and visitors to the area. The facility would provide much needed parking for this area on weekends and late evening hours.

Staff proposes to work with the Goodman Corporation to develop a proposal for consideration by the Board of Directors at the Board meeting on August 25th. The key points for Board action to support the grant application for the project would be as follows:

- ✓ Board support of a Town Center Transit Terminal and Parking facility to be located adjacent to the existing Six Pines Drive parking garage on Township property.
- ✓ The Township's willingness to contribute the Township land as the local match for federal funding of the project.
- ✓ Seek funding commitment from H-GAC to pursue the project.

There are a number of contractual use and design issues that would have to be resolved with Brazos and others, but these issues can be developed if the project and grant funding progress. The purpose of the Board action is to commit to seek grant funding for the project and then to work through the details prior to starting the project.



PROCLAMATION

The Woodlands, Texas

BE IT PROCLAIMED:

WHEREAS, with 50,000 students and 6,000 employees, including 3,300 teachers, spread throughout 348 square miles of Montgomery County, Conroe Independent School District has achieved the highest rating possible by the Texas Education Agency; and

WHEREAS, Conroe Independent School District has been rated Exemplary for the first time in the history of the District; and

WHEREAS, Conroe Independent School District is the only district of the largest twenty-five districts in the State of Texas to be rated Exemplary; and

WHEREAS, Conroe Independent School District's completion rate of 97.7 percent is the highest of the largest twenty-five districts in the State of Texas; and

WHEREAS, Ninety-six percent of Conroe Independent School District schools earned the ratings of either Exemplary or Recognized; and

WHEREAS, Conroe Independent School District students improved in all twenty- five categories of student performance measures; and

NOW THEREFORE, BE IT PROCLAIMED, that the Board of Directors of The Woodlands Township of Montgomery and Harris Counties, Texas, commends Conroe Independent School District and its outstanding directors, administrators, teachers, employees and students achieving Exemplary Status, the highest status given by the Texas Education Agency.

PASSED, APPROVED AND ADOPTED this, the 25th day of August, 2010.

IN WITNESS WHEREOF:

I have hereunto set my hand and caused this Seal of The Woodlands Township to be affixed hereto this 25th day of August in the year Two Thousand and Ten.

Bruce Tough, Chairman of the Board, The Woodlands Township
The Woodlands, Texas