General Purpose Financial Statements
February 29, 2012

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

The Woodlands Township
Combined Balance Sheet
As of February 29, 2012

					Component Units		Account Groups		
	General Fund	Debt Service Fund	Debt Service Reserve Fund	Capital Project Funds	Economic Development Zone	Convention & Visitors Bureau	General Fixed Assets	General Long-term Debt	Total
Assets and Other Debits									
Cash and Current Investments	73,916,781	1,253,824	3,176,953	19,059,294	455,355	265,289	-	-	$98,127,495
Tax/Assessment Receivables	5,065,970	86,853	-	-	3,458,194	(26,100)	-	-	8,584,917
Interest Receivable	5,913	-	55,821	-	-	-	-	-	61,734
Other Receivables	708,823	-	-	-	-	291,388	-	-	1,000,211
Due from Other Funds	2,437,402	188,936	-	19,698,023	-	49,806	-	-	22,374,167
Prepaids	936,833	-	-	-	-	87,445	-	-	1,024,278
Notes Receivable	6,562,561	-	-	-	(6,562,561)	-	-	-	-
Capital Assets, net of accum dep	-	-	-	-	-	-	164,604,239	-	164,604,239
Amount Provided to Retire Debt	-	-	-	-	-	-	-	102,930,000	102,930,000
Total Assets and Other Debits	**$89,634,282**	**$1,529,613**	**$3,232,773**	**$38,757,317**	**($2,649,012)**	**$667,829**	**$164,604,239**	**$102,930,000**	**$398,707,042**
Liabilities and Other Credits									
Accounts Payable	227,483	-	-	-	-	35,383	-	-	262,866
Other Accrued Liabilities	3,722,601	-	-	-	1,036,622	104,809	-	-	4,864,032
Refundable Deposits	200,500	-	-	-	-	-	-	-	200,500
Due to Other Funds	13,856,304	15,014	35,328	5,400,175	3,067,677	3,978	-	-	22,378,476
Deferred Revenue	1,341,522	83,041	-	-	-	-	-	-	1,424,563
Notes Payable	-	-	-	-	-	-	-		-
Bonds Payable	-	-	-	-	-	-	-	102,930,000	102,930,000
Investment in General Fixed Assets	-	-	-	-	-	-	164,604,239	-	164,604,239
Fund Balance									
Undesignated	63,723,312	-	-	-	-	-	-	-	63,723,312
Designated	6,562,561	-	27,689	33,357,143	(6,753,311)	523,658	-	-	33,717,739
Reserved	-	1,431,558	3,169,757	-	-	-	-	-	4,601,315
Total Liabilities, Fund Balance, and Other Credits	**$89,634,282**	**$1,529,613**	**$3,232,773**	**$38,757,317**	**($2,649,012)**	**$667,829**	**$164,604,239**	**$102,930,000**	**$398,707,042**

The Woodlands Township
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Two Months Ended February 29, 2012

	General Fund	Debt Service Fund	Debt Service Reserve Fund	Capital Projects Fund	Economic Development Zone	Convention & Visitors Bureau	Total
REVENUES							
Property Tax	$ 37,463,398	$ 2,509,568	$ -	$ -	$ -	$ -	$ 39,972,966
Sales and Use Tax	3,989,590	-	-	-	3,984,791	-	7,974,381
Hotel Occupancy Tax	-	697,114	-	-	-	149,369	846,483
Event Admissions Tax	57,610	-	-	-	-	-	57,610
Program Revenues	476,006	-	-	-	-	78,606	554,612
Administrative Fees	51,736	-	-	-	-	-	51,736
Grants and Contributions	-	-	-	-	-	-	-
Interest Income	14,324	108	19,794	2,890	-	50	37,165
Other Income	661,501	-	-	-	-	-	661,501
Bond Proceeds	-	-	-	4,232,117	-	-	4,232,117
TOTAL REVENUES	**$ 42,714,166**	**$ 3,206,790**	**$ 19,794**	**$ 4,235,007**	**$ 3,984,791**	**$ 228,025**	**$ 54,388,572**
EXPENDITURES							
General Government	964,165	-	-	-	-	-	964,165
Law Enforc/Neighborhood Svcs	1,503,430	-	-	-	-	-	1,503,430
Parks and Recreation	1,375,341	-	-	-	-	-	1,375,341
Community Services	1,840,862	-	-	-	-	-	1,840,862
Community Relations	140,393	-	-	-	-	-	140,393
Transportation	69,462	-	-	-	-	-	69,462
Economic Development	48,820	-	-	-	-	-	48,820
Transition	141	-	-	-	-	-	141
Regional Participation	249,349	-	-	-	-	-	249,349
Other Expenditures	105,016	-	-	-	-	-	105,016
Fire Department	2,278,898	-	-	-	-	-	2,278,898
Convention & Visitors Bureau	-	-	-	-	-	242,265	242,265
Capital Outlay	-	-	-	780,657	-	-	780,657
Debt Service	-	6,598,921	-	-	-	-	6,598,921
TOTAL EXPENDITURES	**$ 8,575,877**	**$ 6,598,921**	**$ -**	**$ 780,657**	**$ -**	**$ 242,265**	**$ 16,197,720**
REV OVER/(UNDER) EXP (before tfrs)	**34,138,289**	**(3,392,131)**	**19,794**	**3,454,350**	**3,984,791**	**(14,240)**	**38,190,852**
NET TRANSFERS IN/(OUT)	**2,519,802**	**730,622**	**(1,247)**	**77,933**	**(3,529,436)**	**202,326**	**(0)**
REV OVER/(UNDER) EXP (after tfrs)	**36,658,091**	**(2,661,509)**	**18,546**	**3,532,283**	**455,355**	**188,086**	**38,190,852**
BEGINNING FUND BALANCE	**33,627,782**	**4,093,067**	**3,178,899**	**29,824,860**	**(7,208,666)**	**335,572**	**63,851,514**
ENDING FUND BALANCE	**$ 70,285,873**	**$ 1,431,558**	**$ 3,197,445**	**$ 33,357,143**	**$ (6,753,311)**	**$ 523,658**	**$ 102,042,366**

The Woodlands Township
General Fund Budget vs Actual
For the Two Months Ended February 29, 2012

	YTD Budget	YTD Actual	YTD Variance	
REVENUES				
Tax Revenue				
Sales and Use Tax	$ 3,660,107	$ 3,989,590	$ 329,483	
Sales Tax Transfers (EDZ)	3,077,423	3,529,436	452,013	
Subtotal	**6,737,530**	**7,519,026**	**781,497**	
Property Tax	36,805,100	37,463,398	658,298	
Events Admission Tax	2,567	57,610	55,043	
	43,545,197	**45,040,034**	**1,494,837**	
Other Sources				
Program Revenues	350,920	476,006	125,086	
Administrative Fees	52,350	51,736	(614)	
Grants and Contributions	-	-	-	
Interest Income	25,000	14,324	(10,676)	
Other Income	456,286	661,501	205,215	
TOTAL REVENUES	**44,429,753**	**46,243,602**	**1,813,849**	**A)**
OPERATING EXPENDITURES				
General Government				
Board of Directors	22,700	7,447	15,253	
President's Office	83,644	77,540	6,104	
Intergovernmental Relations	39,101	19,479	19,622	
Human Resources	90,620	76,452	14,168	
Finance	198,602	175,377	23,225	
Information Technology	164,625	117,724	46,901	
Records/Database Mgmt	87,499	85,200	2,299	
Non-Departmental	416,189	404,947	11,242	
	1,102,980	**964,165**	**138,815**	**B)**
Law Enforc/Neighborhood Svcs				
Law Enforcement Services	1,595,542	1,462,702	132,840	
Neighborhood Services	62,870	40,728	22,142	
	1,658,412	**1,503,430**	**154,982**	**C)**
Parks and Recreation				
Parks Admin/Planning	245,951	198,692	47,259	
Parks Operations	885,182	643,460	241,722	
Aquatics	140,720	115,035	25,685	
Recreation	201,046	193,959	7,087	
Waterway Operations	252,045	224,195	27,850	
	1,724,944	**1,375,341**	**349,603**	**D)**
Community Services				
Community Services Admin	68,741	61,159	7,582	
Covenant Administration	308,716	303,445	5,271	
Environmental Services	69,633	39,133	30,500	
Streetlighting	180,000	133,193	46,807	
Streetscape Maintenance	408,066	450,000	(41,934)	
Solid Waste Services	822,606	850,075	(27,469)	
Other Community Services	1,550	3,857	(2,307)	
	1,859,312	**1,840,862**	**18,450**	**E)**
Community Relations				
Community Relations	152,400	80,895	71,505	
CVB Staff Services	61,990	59,498	2,492	
	214,390	**140,393**	**73,997**	**F)**

The Woodlands Township
General Fund Budget vs Actual
For the Two Months Ended February 29, 2012

	YTD Budget	YTD Actual	YTD Variance	
Fire Department				
Fire & EMS Management	301,009	255,477	45,532	
Fire Protection	2,055,045	1,879,330	175,715	
Fire Dispatch	154,907	144,092	10,815	
	2,510,961	**2,278,898**	**232,063**	**G)**
Other Expenditures				
Transportation	51,398	69,462	(18,064)	
Economic Development	43,250	48,820	(5,570)	
Governance	25,000	141	24,859	
Regional Participation	236,570	249,349	(12,779)	
Other Expenditures	57,916	105,016	(47,100)	
	414,134	**472,788**	**(58,654)**	**H)**
EXPENDITURE SUBTOTAL	**9,485,133**	**8,575,877**	**909,256**	
TRANSFERS				
Convention & Visitors Bureau	202,325	202,326	(1)	
Capital Projects	1,149,751	77,933	1,071,818	
Debt Service	1,830,053	729,375	1,100,678	
	3,182,129	**1,009,634**	**2,172,495**	**I)**
TOTAL EXPENDITURES	**12,667,262**	**9,585,511**	**3,081,751**	
REV OVER/(UNDER) EXP	**31,762,491**	**36,658,091**	**4,895,600**	
BEGINNING FUND BALANCE	**33,627,782**	**33,627,782**	**-**	
ENDING FUND BALANCE	**$ 65,390,273**	**$ 70,285,873**	**$ 4,895,600**	

The Woodlands Township
General Fund – Operating Budget Variances
For the Two Months Ended February 29, 2012

A) Revenues

- Sales Tax – Actual sales tax collections through February exceeded the collections through the same period last year by 13.6% and are higher than the budgeted year-to-date amount for 2012 by 11.6%.
- Property Tax – 97.48% collection rate for Tax Year 2011 through February 29, 2012.
- Events Admission Tax – The favorable variance is partially offset by the expense in event tax for the Cynthia Woods Pavilion as only 10% of this revenue is retained by the Township.
- Program Revenues – The favorable variance is due to higher than budgeted revenue received for athletic programs, races, and field rental.
- Interest Income – The unfavorable variance is due to the average 0.29% APY for general fund cash balances versus 1% APY budgeted.
- Other Income – The favorable variance is the result of the Shenandoah Fire Services Agreement.

B) General Government

- Board of Directors - The favorable variance is due to lower than budgeted meeting and program expenses.
- President's Office - The favorable variance is due to lower than budgeted employee benefit and subscription expenses.
- Intergovernmental Relations – The favorable variance is due to lower than budgeted legal and consulting expenses.
- Human Resources – The favorable variance is due to lower than budgeted employee benefit, training, and advertising expenses.
- Finance – The favorable variance is due to lower than budgeted employee benefit, legal, payroll processing, and contract labor expenses.
- Information Technology – The favorable variance is due to lower than budgeted salary, employee benefit, telephone, equipment, and contracted service expenses.
- Non-Departmental – The favorable variance is due to lower than budgeted legal expense.

C) Law Enforcement/Neighborhood Services

- Law Enforcement Services – The favorable variance is due to lower than budgeted equipment and contracted services expenses.
- Neighborhood Services – The favorable variance is due to lower than budgeted salary, employee benefit, and program expenses.

D) Parks and Recreation

- Parks Admin/Planning – The favorable variance is due to lower than budgeted salary, employee benefit, facility, equipment, and legal expenses.
- Parks Operations – The favorable variance is due to lower than budgeted employee benefit, utility, contracted service, and mainteneance expenses.
- Aquatics – The favorable variance is due to lower than budgeted employee benefit, training, uniform, and facility expenses.
- Recreation – The favorable variance is due lower than budgeted salary expense.
- Waterway Operations – The favorable variance is due lower than budgeted operations maintenance and program expenses.

E) Community Services

- Community Services Admin – The favorable variance is due to lower than budgeted salary and employee benefit expenses.
- Environmental Services – The favorable variance is due to lower than budgeted employee benefit, contract labor, and program expenses.
- Streetlight Maintenance – The favorable variance is due to lower than budgeted utility expense and fewer than budgeted streetlights.
- Streetscape Maintenance – The unfavorable variance is primarily due to higher than budgeted utility expense.
- Solid Waste Services – The unfavorable variance is due to a timing difference based on the monthly accrual of expenses.

F) Community Relations

- Community Relations – The favorable variance is due tolower than budgeted program and contracted service expenses.

The Woodlands Township
General Fund – Operating Budget Variances
For the Two Months Ended February 29, 2012

G) Fire Department

- Fire & EMS Management - The favorable variance is due to lower than budgeted equipment, computer support, legal, and contracted service expenses.
- Fire Protection - The favorable variance is due to lower than budgeted salaries, employee benefit, training,and equipment expenses.
- Fire Dispatch - The favorable variance is due to lower than budgeted employee benefit expense.

H) Other Expenditures

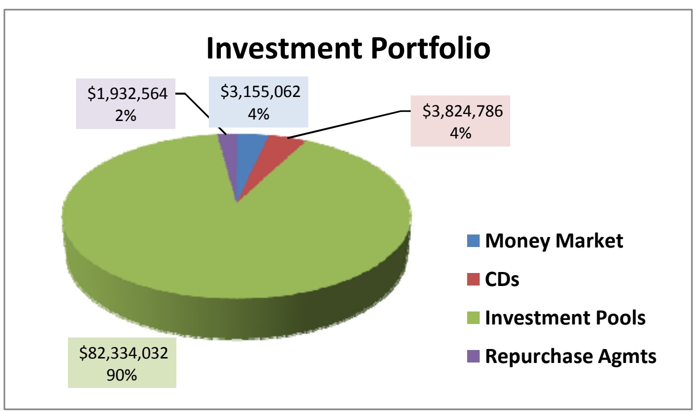
- Transportation - The unfavorable variance is due to a timing difference between when expenses are budgeted versus incurred.
- Governance – The favorable variance is due to no budgeted expense being incurred thus far in 2012.
- Regional Participation – The variance will fluctuate throughout the year based on actual sales tax collections as the amount represents 1/16th of sales and use tax collections paid to the City of Conroe and the City of Houston.
- Other Expenditures – The unfavorable variance is due to event tax proceeds being paid to the Cynthia Woods Pavilion which is offset by revenues received.

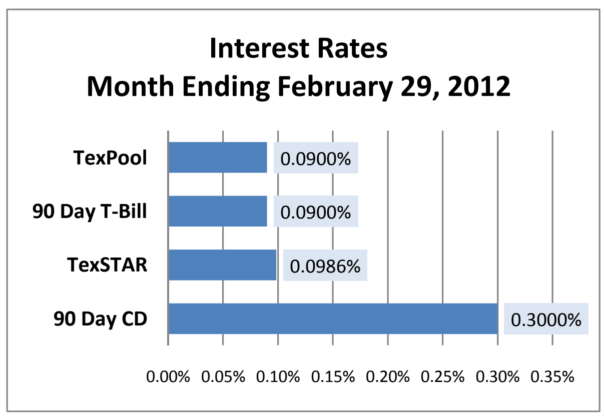
I) Transfers

- Capital Projects – The favorable variance is due to the timing of the completion of the capital projects budgeted.
- Debt Service – The favorable variance is due to the timing of transfers to others funds for debt service expenses.

The Woodlands Township
Monthly Investment Report
Febuary 29, 2012

Fund	Investment Type	Account Description	Maturity	Beginning Balance	Monthly Activity	Monthly Earnings	Ending Balance	Average % Yield
General	Certificate of Deposit	Encore Bank-3179	12/2012	$ 3,085,810	$ 0	$ 2,450	$ 3,088,260	1.00%
General	Money Market	Encore Bank-1061	Open	$ 3,154,686	$ 0	$ 376	$ 3,155,062	0.15%
General	Texas Local Govt Investment Pool	TexSTAR Health Ins. Self Funding	Open	$ 684,996	$ (80,435)	$ 49	$ 604,611	0.10%
General	Texas Local Govt Investment Pool	TexSTAR General	Open	$ 3,263,595	$ 0	$ 256	$ 3,263,851	0.10%
General	Texas Local Govt Investment Pool	TexPOOL Property Tax (M & O)	Open	$ 55,774,703	$ 2,335,160	$ 4,222	$ 58,114,085	0.09%
Debt Service	Texas Local Govt Investment Pool	TexSTAR Series 2010 Refinancing	Open	$ 402,886	$ (0)	$ 32	$ 402,918	0.10%
Debt Service Reserve	Flex-Repo Money Market	Hypo-Vereins Bank of Austria	03/2027	$ 1,923,335	$ -	$ 9,230	$ 1,932,564	5.90%
Debt Service Reserve	Certificate of Deposit	Encore Bank-1967	02/2012	$ 735,934	$ (0)	$ 592	$ 736,526	1.00%
Debt Service Reserve	Texas Local Govt Investment Pool	TexSTAR 2010 Reserve-Office Bldg	Open	$ 563,639	$ 0	$ 44	$ 563,683	0.10%
Debt Service Reserve	Texas Local Govt Investment Pool	TexPOOL Property Tax (I & S)	Open	$ -	$ 325,545	$ 45	$ 325,590	0.09%
Capital Projects	Texas Local Govt Investment Pool	TexSTAR Series 2010-Office Bldg	Open	$ 1,350,783	$ (880,749)	$ 98	$ 470,132	0.10%
Capital Projects	Texas Local Govt Investment Pool	TexSTAR Series 2010 -Parks/Pathways	Open	$ 3,110,380	$ (359,030)	$ 240	$ 2,751,590	0.10%
Capital Projects	Texas Local Govt Investment Pool	TexSTAR Series 2012 -Parks/Pathways	Open	$ -	$ 4,132,190	$ 247	$ 4,132,437	0.10%
Capital Projects	Texas Local Govt Investment Pool	TexSTAR Series 2010-Fire	Open	$ 2,923,822	$ (1,003,413)	$ 223	$ 1,920,631	0.10%
Capital Projects	Texas Local Govt Investment Pool	TexSTAR Series 2011-Fire	Open	$ 9,783,738	$ (0)	$ 766	$ 9,784,504	0.10%
			Totals	**$ 86,758,307**	**$ 4,469,268**	**$ 18,869**	**$ 91,246,443**	**0.61%**
					Year To Date	**$ 37,115**		





Statement of Compliance: All investment transactions meet the requirements set forth in Chaptaer 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: February 29, 2012

					Variances: Actual 2012 vs. Actual 2011		Variances: Actual 2012 vs. Budget 2012	
	[1]Actual 2010	Actual 2011	Budget 2012	Actual 2012	$ Change	% Change	$ Change	% Change
JAN	$ 2,203,164	$ 2,151,058	$ 2,195,116	$ 2,752,514	$ 598,788	27.8%	$ 557,398	25.4%
FEB	4,018,452	4,456,766	4,542,414	4,766,512	304,255	6.8%	224,098	4.9%
MAR	1,915,115	2,080,302	2,120,603					
APR	1,714,814	2,223,150	2,158,399					
MAY	2,741,877	2,979,951	2,993,341					
JUN	2,147,129	2,263,300	2,311,643					
JUL	2,184,308	2,349,790	2,402,513					
AUG	2,854,796	3,062,604	3,103,497					
SEP	2,118,866	2,367,868	2,414,696					
OCT	2,208,302	2,528,381	2,239,849					
NOV	2,776,625	3,016,058	2,760,276					
DEC	2,232,636	2,547,778	2,275,320					
TOTAL	$ 29,199,094	$ 32,108,275	$ 31,517,667					
YTD	$ 6,243,200	$ 6,615,984	$ 6,737,530	$ 7,519,026	$ 903,043	13.6%	$ 781,496	11.6%

2012 Deposits as % of Budget 23.9%

[1]Sales tax deposits for Project No. 1 and Project No. 4 included for comparison purposes.

The Woodlands Township
Hotel Occupancy Tax Deposits
Report Date: February 29, 2012

					Variances			
					Actual 2012 vs.	Actual 2011	Actual 2012 vs.	Budget 2012
	[1]Actual 2010	[2]Actual 2011	[3]Budget 2012	[3]Actual 2012	$ Change	% Change	$ Change	% Change
JAN	$ 185,041	$ 215,781	$ 227,235	$ 398,449	$ 182,668	84.7%	$ 171,214	75.3%
FEB	260,358	346,528	382,213	448,034	101,506	29.3%	65,821	17.2%
MAR	279,858	392,773	423,337					
APR	335,635	418,456	457,851					
MAY	280,824	432,215	445,333					
JUN	366,290	502,785	474,272					
JUL	312,476	399,003	438,778					
AUG	263,316	343,156	362,360					
SEP	348,762	331,547	474,947					
OCT	307,202	378,884	451,769					
NOV	351,514	469,582	512,423					
DEC	285,281	394,313	403,136					
TOTAL	$ 3,576,557	$ 4,625,025	$ 5,053,654					
YTD	$ 445,400	$ 562,310	$ 609,448	$ 846,483	$ 284,174	50.5%	$ 237,035	38.9%
For prior year to date comparison purposes, the same local hotel tax rate (8%) is used.			$ 566,980	$ 796,702	$ 234,392	41.7%		

2012 Deposits as % of Budget 16.7%

[1]Actual 2010 deposits do not include the 1% supplemental local hotel tax.
[2]Actual 2011 deposits includes the 1% supplemental local hotel tax.
[3]Budget and Actual 2012 deposits include the 2% supplemental local hotel tax.

The Woodlands Township
Property Tax Deposits
Tax Years 2009/2010/2011
Report Date: February 29, 2012

Fiscal Year	Tax Year	Collection Period	Current Collections	(+) Current Penalties & Interest	(+) Rendition Penalty Collections	(-) 2% Collection Fee	(-) 5% Collection Fee	(-) Refunds	(-) Misc Witholding	(=) Net Deposits
2012	2011	Jan 2012	13,855,239	2,301	1,136	-	-	70,082	97,130	13,691,464
2012	2011	Feb 2012	2,662,923	10,370	1,289	-	-	39,163	121,584	2,513,836
Fiscal Year-to-Date			$ 16,518,162	$ 12,671	$ 2,425	$ -	$ -	$ 109,245	$ 218,713	$ 16,205,300

Comparison of Tax Years

2012 Budget
Tax Year Oct 2011 - Sep 2012

	Tax Year 2011	% of Levy
As of Oct 2011 Adjusted Levy	**$ 41,096,670**	
CC* - FY11	23,677,136	57.61%
CC* - FY12	16,518,162	40.19%
P&I*	26,918	0.07%
Adj* - FY11	(52,465)	-0.13%
Adj* - FY12	(109,245)	-0.27%
Net Collections	$ 40,060,506	97.48%

2011 Budget
Tax Year Oct 2010 - Sep 2011

	Tax Year 2010	% of Levy
As of Sept 2011 Adjusted Levy	**$ 39,535,100**	
CC - FY10	22,772,991	57.60%
CC - FY11	17,006,090	43.02%
P&I	143,013	0.36%
Adj - FY10	-	0.00%
Adj - FY11	(303,242)	-0.77%
Net Collections	$ 39,618,852	100.21%

2010 Budget
Tax Year Oct 2009 - Sep 2010

	Tax Year 2009	% of Levy
As of Sept 2010 Adjusted Levy	**$ 38,136,495**	
CC - FY09	$ 20,465,363	53.66%
CC - FY10	17,729,605	46.49%
P&I	144,849	0.38%
Adj - FY09	(7,032)	-0.02%
Adj - FY10	(153,823)	-0.40%
Net Collections	$ 38,178,962	100.11%

*CC = Current Collections
*P&I = Penalties & Interest
*Adj = Adjustments

Note: The Fiscal Year is January - December, but the tax year is October - September. The fiscal year will include two tax years as shown above. Data summarized by tax year is inclusive of collections received in the prior fiscal year.