



## **PLANNING AND BUDGET OFFICE**

### **TRAVIS COUNTY, TEXAS**

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314 W. 11th Street  
P.O. Box 1748  
Austin, Texas 78767

December 15, 2005

To: Members of the Commissioners Court, Travis County  
Elected Officials, Appointed Officials, Employees and Constituents

From: Christian R. Smith, Executive Manager, Planning and Budget  
Leroy Nellis, Budget Manager

Re: Fiscal Year 2006 Adopted Budget

Enclosed is the Travis County Adopted Budget for Fiscal Year 2006. It was adopted by the Commissioners Court on Thursday, September 29, 2005, and will serve as the County's budget plan from October 1, 2005 through September 30, 2006.

Travis County is in reasonably good financial shape. Its finances are relatively stable and the County has recently had its AAA bond rating reconfirmed by the two national credit rating agencies. The County has managed its resources carefully to navigate through some recently difficult economic times. This relatively positive situation is due to increased reserves and fund balances established during better economic times in anticipation of an eventual economic downturn. These preparations, along with historically careful spending, relatively low reliance on fluctuating income sources, careful adherence to a set of adopted "Financial and Budgeting Guidelines," and avoiding the use of one-time revenue for ongoing costs have all paved the way for a fundamentally sound FY 06 budget. While the County still faces budgetary challenges for FY 06, it does so with officials prepared to control costs and implement improved efficiencies while meeting the public's demand for services.

This Adopted Budget includes additional resources in the Sheriff's Office to accommodate increased inmates and in other departments to address critical priority areas previously identified by the Commissioners Court. Other resources were directed toward compensation and health benefits increases, along with maintaining the County's existing commitments and infrastructure. In general, departments were encouraged to: (a) look internally within their existing resources; (b) foster increased non-property tax revenue; and (c) not rely on relief from increased property taxes.

The Chief Appraiser for the Travis Central Appraisal District has indicated that the total property value will increase from \$61 billion certified in FY 05 to \$63.5 billion in FY 06.

This includes \$1.9 billion in new property value that has not before been on the tax rolls. In addition, the average homestead value will increase from \$197,874 in FY 05 to \$203,526.

The Adopted Budget is balanced at a tax rate of \$.4993, which is 1.21 cents (2.5%) higher than the FY 05 tax rate of \$.4872. This rate is equal to 2.29 cents (4.8%) above the Effective Tax Rate (\$.4764). At the adopted tax rate of \$.4993, the average of all homesteads will see a \$42 per year increase in their County tax payments (from \$771 to \$813 annually).

To meet the County's capital needs, a total of \$96,370,488 is included in the Adopted Budget from five basic sources: the General Fund Capital Acquisitions Resources (CAR) account (\$8,891,219), debt from short-term and long-term Certificates of Obligation (\$23,925,000), Other Funds (\$3,434,269), debt from long-term bonds authorized by the voters in 2001 (\$6,380,000), and debt from long-term bonds authorized by the voters on November 8, 2005 (\$53,740,000).

This Adopted Budget represents a sound financial plan for FY 06. The budget has been filed with the County Clerk for the public's review. Additional copies are available in the Planning and Budget Office in the Ned Granger Administration Building, 314 W 11<sup>th</sup> Street, Suite 540. It is also posted on Travis County's external web site, ([www.co.travis.tx.us](http://www.co.travis.tx.us)) and on Travis County's internal web site.

FY 2006 ADOPTED BUDGET  
TRAVIS COUNTY, TEXAS

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**PREFACE FOR READERS UNFAMILIAR WITH THE STRUCTURE AND ROLE OF TEXAS  
COUNTY GOVERNMENT**

Texas County government focuses primarily on the judicial system, health and social service delivery, law enforcement, and upkeep of County maintained roads. In contrast to other parts of the country, Texas counties seldom have responsibility for schools, water and sewer systems, electric utilities, and commercial airports. County governments in Texas have no ordinance-making powers other than those explicitly granted by state legislative action.

The state's 254 counties have similar organizational features: a governing body (the Commissioners Court) consisting of one member elected County-wide (the County Judge), and four Commissioners elected from geographically unique precincts. The County Judge is so named because he or she often has actual judicial responsibility. In urban counties, the County Judge is primarily an executive and administrator, in addition to being the presiding officer of the Commissioners Court. Other elected officials in each county are the County and District Clerks, the County Tax Assessor-Collector, the County Sheriff, a District and/or a County Attorney, the County Treasurer, and one or more Constables. All judges (District Judges, County Court-at-Law Judges, and Justices of the Peace) are also elected. The State District Judges in each county select the County Auditor, who serves as the chief financial officer for the County.

The Commissioners Court serves as both the legislative and executive branch of county government, and exercises budgetary authority over virtually all county departments, including those headed by other elected officials. The high number of elected officials, including many with judicial authority, creates an organizational structure unlike more familiar public sector designs, which usually contain a Chief Executive or Operating Officer and a Board that focus on broad policy matters.

County services in Texas are financed primarily by (a) an ad valorem tax on real property and business inventory, and (b) a complex array of fees, fines, service charges and state payments. The County Commissioners Court sets the property tax rate annually, subject to a public hearing. Most of the other revenue sources are established in state law and may be changed only through legislative action.

**THE ORGANIZATIONAL STRUCTURE OF TRAVIS COUNTY**

This Fiscal Year 06 Adopted Budget is organized around the following four basic program areas:

- Justice and Public Safety
- Health, Human and Veterans Services
- Transportation and Natural Resources
- General Government and Support Services

The next page shows the approved organization chart for Travis County as of the adoption of this budget.

**THE VISION, VALUES AND MISSION OF TRAVIS COUNTY**

The following statements have been developed by the Commissioners Court in an effort to describe Travis County's vision, values and mission.

**A. The Vision for Travis County**

We envision an open, diverse community where all people are safe and healthy and can fulfill their hopes and dreams; one which provides a good quality of life and protects our natural resources for ourselves and future generations.

**B. The Values that Guide Travis County Government**

- taking responsibility
- public trust and accountability
- good customer service
- excellence in performance
- sound fiscal policy
- respect for the individual
- honesty and openness
- caring, collaboration and cooperation

**C. The Mission of Travis County**

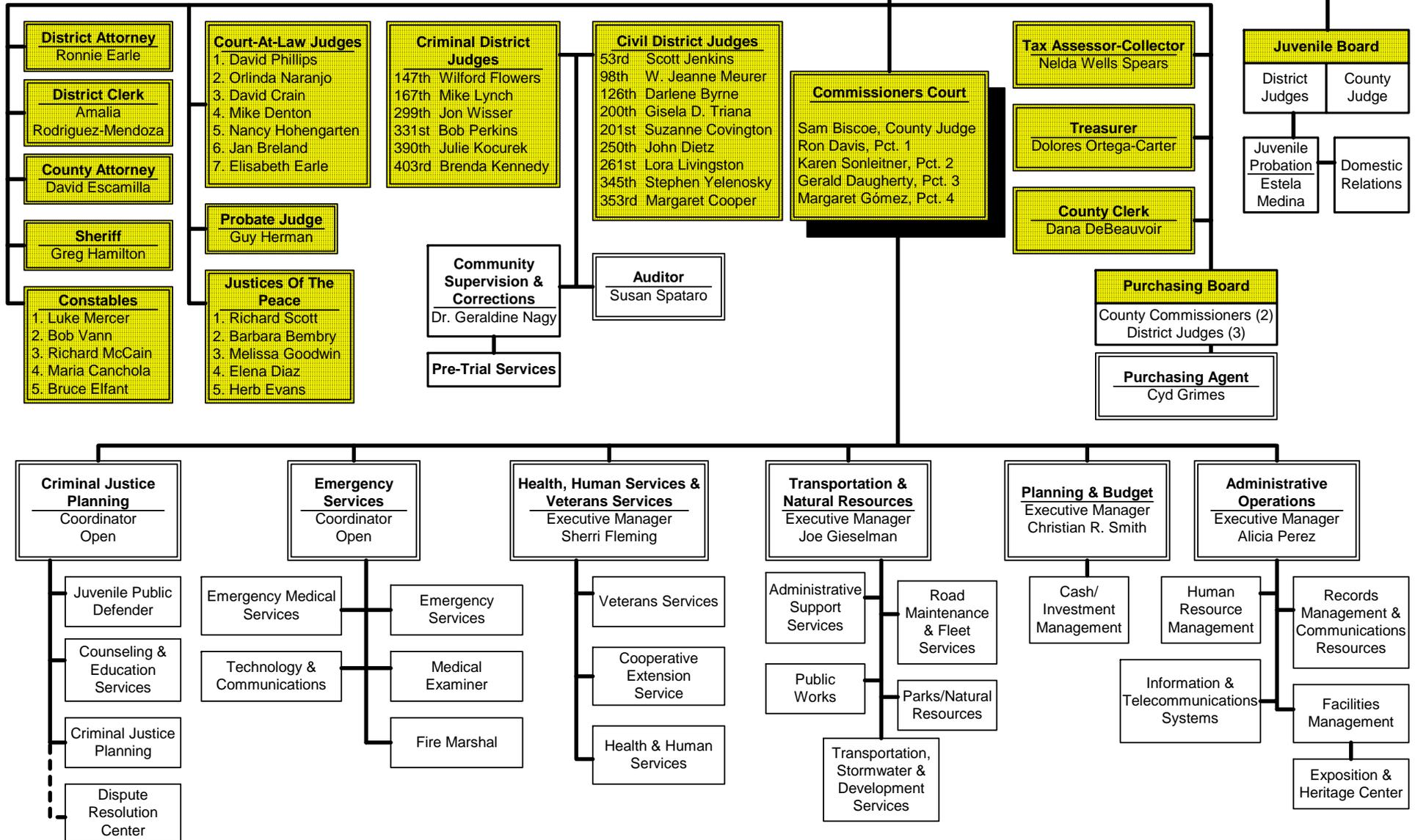
For the people of Travis County, our mission is to:

- preserve health
- provide a safety net for the needy
- ensure the public safety
- facilitate the resolution of disputes
- foster an efficient transportation system
- promote recreational opportunities
- manage county resources in order to meet the changing needs of the community in an effective manner



# TRAVIS COUNTY

## Travis County Voters

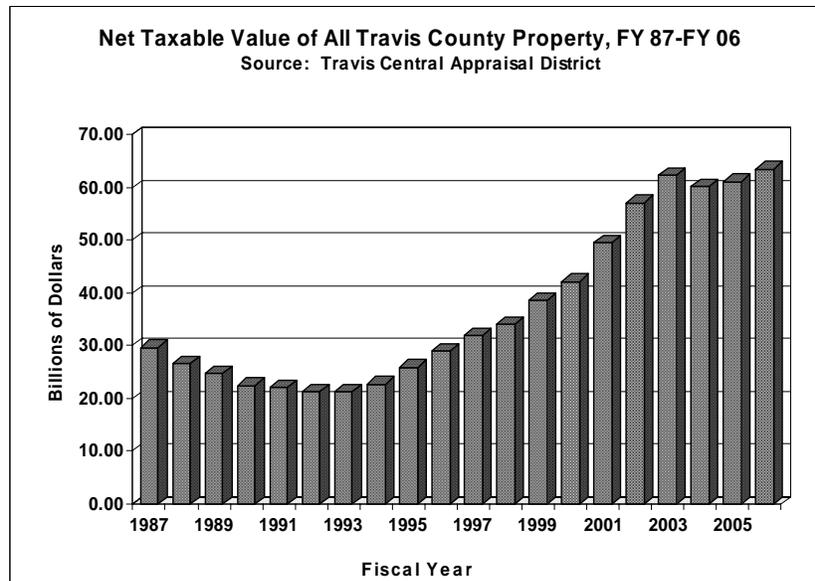


Elected Officials

SECTION I  
EXECUTIVE SUMMARY

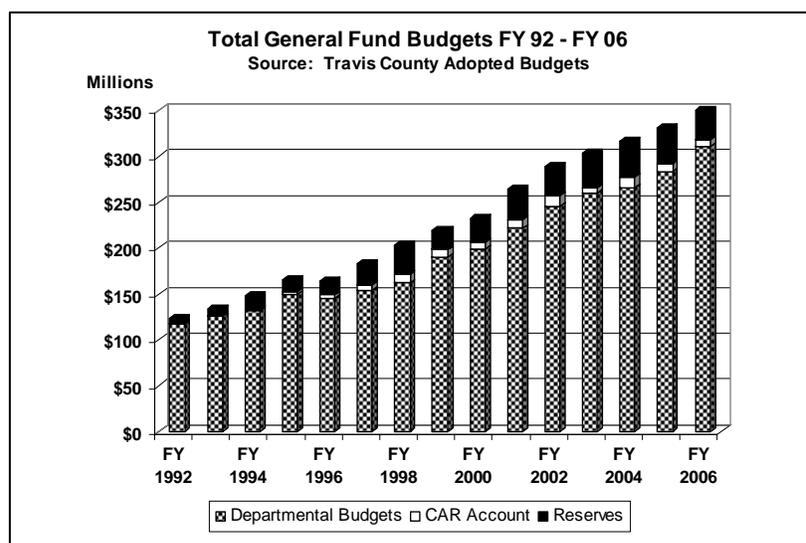
**I. BACKGROUND TO THE BUDGET SETTING PROCESS**

Between FY 92 and FY 03, Travis County experienced substantial annual growth in its property tax base. The certified property tax base steadily increased from \$21.2 billion in FY 92 to \$62.4 billion in FY 03, as reflected in the chart below. However, this chart

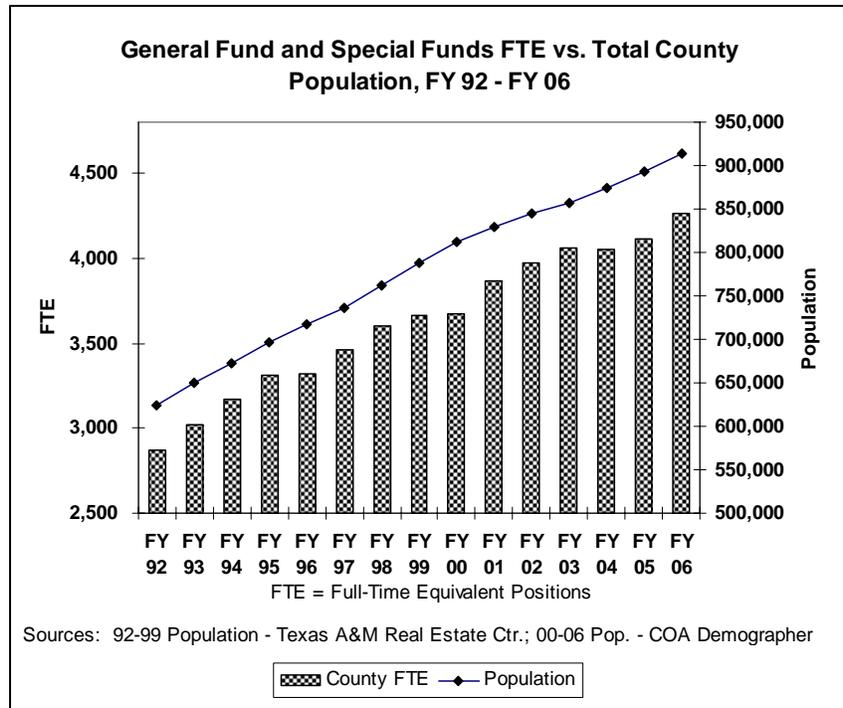


also shows that this trend of an increasing tax base stopped briefly in FY 04, with a decrease from \$62.4 billion to \$60.2 billion in FY 04. Total property values including new construction increased only slightly in FY 05 (going to \$61 billion) and are projected in FY 06 to be just slightly higher than they were three years ago, at \$63.5 billion. This includes \$1.9 billion in new property value that has not before been on the tax rolls. In addition, the average homestead value will increase from \$197,874 in FY 05 to \$203,526.

The following comparisons use FY 92 as a baseline, as this is the year when overall property values began their increases after the value losses of the late 1980's. The chart on the right shows that in the last 14 years the General Fund has increased over \$238.5 million (from \$123.4 million in FY 92 to \$361.9 million in FY 06). This represents an increase of 193%. The next chart shows the changes since FY 92 in total Full Time Equivalent employees (FTE), and County population.



Since FY 92, the County's workforce has increased from 2,870 FTE to 4,257 FTE in FY 06, or about 48%. This is a 2.9% annual increase, and essentially matches the annual increase in the County's population since that time. While County staffing levels have increased proportionately with population growth, County budgets have increased at a much higher percentage. This reflects increases in both personnel costs and programmatic growth.



**II. BASIC COMPONENTS OF THE FY 06 ADOPTED BUDGET**

It should come as no surprise that the key themes of this FY 06 Adopted Budget are:

- continued restraint and caution;
- the use of existing resources to meet new needs; and
- limitations on funding for new expenditures except for those that are either necessary to meet contractual, statutory or programmatic obligations, have new non-tax revenue tied to them, or are consistent with critical priority areas of the Commissioners Court.

A prudent approach has been taken toward both funding increases and decreases. This approach has been necessary within the context of sudden and unexpected increases in the jail population. While the County is not in a fiscal crisis, this Adopted Budget is predicated on the belief that it is in the County's best interest to ensure that there are appropriate "shock absorbers" to provide flexibility for future conditions.

A recapitulation of the FY 06 Adopted Budget is found in Appendix I. The FY 06 Adopted Budget total for all funds is \$542,395,332 compared to the previous year's FY 05 Adopted Operating Budget for all funds of \$494,380,840. On the next page is a table summarizing the budgetary changes in key funds from FY 05 to FY 06.

**FY 06 ADOPTED BUDGET - ALL FUNDS**

	<b>Adopted FY 05 Budget</b>	<b>Adopted FY06 Budget</b>	<b>\$ Change</b>	<b>% Change</b>
General Fund	\$336,887,005	\$361,882,212	24,995,207	7.4%
Road and Bridge Fund	24,325,261	23,528,220	(797,041)	(3.3%)
Debt Service Fund	68,730,293	70,017,033	1,286,740	1.9%
Internal Service Funds:				
Risk Management Fund	12,809,739	13,595,388	785,649	6.1%
Employee Insurance Fund	38,342,713	48,807,721	10,465,008	27.3%
Other Funds (1)	23,829,436	34,720,588	10,891,152	45.7%
Less Transfers	(10,543,607)	(10,155,830)	387,777	3.7%
<b>Total</b>	<b>\$494,380,840</b>	<b>\$542,395,332</b>	<b>\$48,014,492</b>	<b>9.7%</b>

(1) Excludes the two internal service funds (Risk Management Fund and Employee's Insurance Fund) but includes Other Funds Not Approved by Commissioners Court. Also, the FY 05 Adopted Budget did not include the Capital Projects Fund 475, which totals \$8,375,780 in the FY 06 Adopted Budget.

**General Fund**

The remainder of this Executive Summary focuses on the General Fund budget, which is the primary platform for operational and policy decision making in the County. The FY 06 Adopted Budget contains General Fund expenditures and reserves totaling \$361,882,212. This represents a \$24,995,207 increase, or 7.4% above the FY 05 General Fund Adopted Budget of \$336,887,005. General Fund revenue is based on the Auditor's Fifth Revenue Estimate, which assumed a projected appraised value of \$63.5 billion and a tax rate of \$.4993. This tax rate represents an increase of \$0.0121 from the current tax rate of \$0.4872.

**1. Departmental Budgets in the Adopted Budget**

Appendix I contains a comparison of General Fund departmental budgets from FY 05 to the FY 06 Adopted Budget. The Adopted Budgets for all departments, excluding Capital Acquisition Resources (CAR) amounts, increased from \$271.9 million in FY 04 to \$277.0 million in FY 05. The FY 06 Adopted Budgets for all departments total \$311,371,357, excluding CAR amounts. The following table summarizes the major components of the General Fund budget.

	FY 05 Adopted	FY 06 Adopted
Beginning Fund Balance	50,435,953	49,005,848
Current Property Taxes	230,596,831	248,444,473
Other Revenue	55,854,221	64,431,891
<b>5th Revenue Estimate</b>	<b>336,887,005</b>	<b>\$361,882,212</b>
Unallocated Reserves	34,757,304	37,082,419
Capital Acquisition Resources (CAR) Account	9,132,960	8,891,219
Regular - Allocated Reserve	2,209,943	3,244,139
FACTS Reserve- operating & capital	976,992	850,000
Emergency Reserve, Sheriff's Jail Overcrowding	200,000	307,040
Other Reserves - Southwest Metro Park Reserve in '06	734,877	233,738
<b>Sub-Total</b>	<b>\$48,012,076</b>	<b>50,608,555</b>
<b>Departmental Base Budgets</b>	<b>\$269,805,020</b>	<b>286,143,962</b>
<b>Wage Requirements:</b>		
Health Benefits Increases	3,212,077	\$2,386,550
Compensation – Rank and File – 5%	5,920,125	5,607,808
Compensation – Peace Officers – 5% and anniversary raise	2,844,366	3,918,608
Career Ladders	272,677	210,145
Elected officials' salaries	512,687	136,823
Retirement contribution & retiree COLA – net	(258,107)	161,835
Savings from offset to State support for Judges' salaries	0	(364,535)
Other comp (Skill-based pay/\$10 min. wage)	226,668	-----
<b>Sub-Total Wages and Benefits</b>	<b>12,730,493</b>	<b>12,057,234</b>
<b>Budget Reduction due to Hospital District</b>	<b>(7,723,400)</b>	<b>-----</b>
Sheriff's Office increases, primarily Corrections & Traffic Control		\$4,133,289
Health/Human Services initiatives		1,192,216
Initiatives to reduce jail populations		813,579
Juvenile Justice initiatives	826,409	703,360
Workforce development initiatives		400,000
Mental Health initiatives		346,764
Substance Abuse initiatives		139,704
<b>Other Changes:</b>		
EMS interlocal	1,616,957	1,157,180
Balcones Canyonland TIF increase	857,068	898,996
Justices of the Peace and Constables		710,898
ITS Maintenance of Current Effort	723,360	690,214
Medical Examiner		380,860
Indigent Attorneys' Fees	200,000	300,000
New Civil Court		273,333
Systems support for courts		271,962
Fuel increases	352,050	266,908
Postage		193,000
Utilities		175,000
Offset from new Fire Code Fund		(145,724)
Increased Dept. Salary Savings		(384,685)
Hospital District Reserves Transfer	2,500,000	0
Other increases among various depts. – net	7,758,741	555,607
<b>Total Increases</b>	<b>6,339,416</b>	<b>13,072,461</b>
<b>Total Expense</b>	<b>336,887,005</b>	<b>\$361,882,212</b>
<b>Net</b>	<b>0</b>	<b>0</b>

**2. Personnel Changes**

The following table reflects a summary of position changes in the General Fund. The details on each position are contained in the Appendix under “Positions Changes List,” Table 3.

**General Fund Position Changes**

General Fund	Added	Removed	Total
Sheriff’s Corrections Staff	73	(31)	42
DA Intake Team & County Attorney Jail Overcrowding/Mental Health initiatives	11	0	11
New Program Staff	9	0	9
New 419 <sup>th</sup> Civil District Court	5	0	5
FACTS – added mid-year to County Clerk	13	0	13
Increased Workload	15	0	15
Fund Switch – Juvenile Court	6.84	(.86)	5.98
Sheriff’s Position conversions	5	(6)	(1)
Probate Court Mental Health Pub. Defender	.5	0	.5
Other	2.2	(1)	1.2
<b>Sub-Total – New Resources Needed</b>	<b>140.54</b>	<b>(38.86)</b>	<b>101.68</b>
Revenue Related	32	0	32
Internally Funded	16.27	(9.28)	6.99
ITS mid-year slot transfers	7	(6.87)	0.13
TNR added mid-year	3	0	3
<b>Total</b>	<b>198.81</b>	<b>(55.01)</b>	<b>143.8</b>

A total of 198.8 new regular FTE are added to the FY 06 General Fund, and 55 are removed, for a net increase of 143.8 FTE. The largest number of these net new FTE (42) are additional Corrections Officers in the Sheriff’s Office to manage the increased inmate population. The large number of positions added and subtracted in the Sheriff’s Office is due to various slot conversions, most of which are converting Security Coordinators to Corrections Officers. The District Attorney’s Office and County Attorney’s Office added 11 FTE intended to reduce the jail population or work on cases for inmates with mental health issues. Five FTE will support the new Civil District Court (1 FTE is in the District Clerk’s Office and 4 are in the Civil Courts). A total of 13 FTE were added mid-year in the County Clerk’s Office to support the new FACTS computer system. Nine positions were added to staff a variety of new programs and 15 positions were added due to increased workload requirements throughout the County. Of the net new FTE, a total of 32 FTE are associated with new revenue, 6 FTE in Juvenile Probation are a switch in funding from grant funds to the General Fund (due to a loss in grant funds), and 7 FTE are internally funded within the departments’ budgets.

It should be noted that the \$850,000 reserve for the Fully Automated Court Tracking System (FACTS) established in this Adopted Budget will likely result in additional FTE being authorized during FY 06. It is premature at this time to know precisely the number and type of FTE to be authorized for this purpose. In addition, a Southwest

Metropolitan Park Reserve has been established with funding for 4 FTE to be allocated with the purchase of parkland in FY 06.

**III. MAJOR FY 06 FUNDING ISSUES**

The following section provides further details regarding major funding issues that are addressed in the FY 06 Adopted Budget. Clearly, the predominant theme in this budget is the obligation to fund the dramatic increase in the jail population. A total of \$7,908,066 has been added to the Sheriff’s Office General Fund budget for all pay and benefits increases, along with all programmatic expansions. Of that amount, \$4,133,289 is related to program expansions as outlined below.

Most of the remaining increases in the FY 06 budget are:

- further efforts in other departments to reduce the jail population;
- associated with revenue to support them;
- related to certain critical priority areas of the Commissioners Court; or
- "Maintenance of Current Effort" requirements.

The Maintenance of Current Effort increases address prior commitments of the Commissioners Court, such as various interlocal agreements, unit cost increases in critical operating expenses, and other contractual and programmatic obligations. The largest of these increases are outlined in the following sections of this Executive Summary.

**A. Summary of Public Safety Increases**

An analysis of the various increases contained in the Adopted Budget shows that over \$12 million are dedicated to fund various direct public safety increases for FY 06. The table below summarizes the various increases directly related to the County’s ongoing public safety obligations.

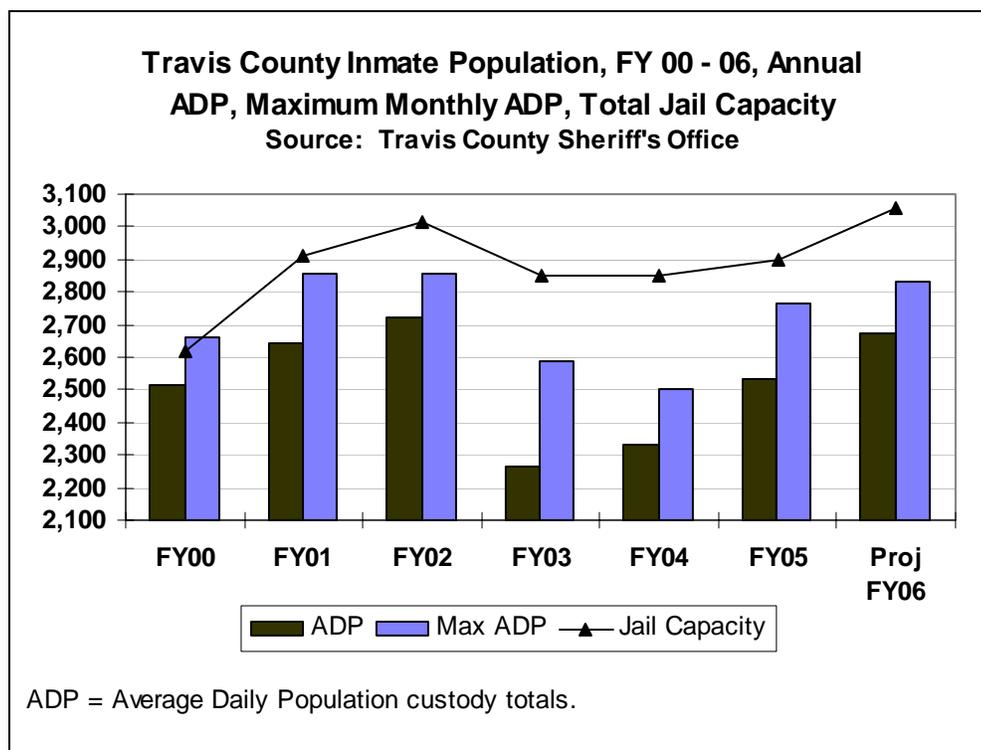
**Public Safety Increases in the FY 06 Adopted Budget**

Peace Officer Pay Scale increases	\$3,918,608
Sheriff’s Office program changes, mostly related to inmates	3,607,803
EMS Interlocal	1,157,180
Health Benefits for Peace Officers (30% of General Fund workforce)	575,326
Juvenile Probation increases	551,523
Sheriff’s Traffic Officers	525,486
Medical Examiner staff support	380,860
District Attorney – jail overcrowding and prosecution initiative	322,289
Justice of the Peace /TNR costs associated with new Traffic Officers	318,546
Pretrial Services Central Booking Staff	231,869
Fuel Increases (approximately 66% of fuel increase for Sheriff)	175,159
County Attorney jail overcrowding team	158,581
Juvenile Prosecutor and Juvenile Defender	151,837
State Jail programming for confines	115,263
Pretrial Services Electronic Monitoring Pilot project	100,840
<b>TOTAL</b>	<b>\$12,291,170</b>

**B. Sheriff’s Office Management of the Inmate Population and Other Increases**

**1. The Current Situation**

This FY 06 Adopted Budget is predicated on an assumption that the Average Daily Population (ADP) in the jail complex will be 2,675 inmates. The following graph shows the average daily population in the jail complex since FY 2000. This data reveals that there has been an increase of 202 inmates in the Average Daily Population for the year as a whole, from 2,333 in FY 04 to 2,535 in FY 05. More importantly, during the four summer months (June – September) 2005, there has been a year-to-year increase of 329 inmates. Further, it should be noted that the ADP for June 2005 of 2,750 was 5 more than the June 2002 ADP of 2,745.



In order to provide some increased flexibility, the Commissioners Court authorized the Sheriff to seek 149 additional variance beds from the Texas Commission on Jail Standards (TCJS). These beds have been approved by TCJS for calendar year 2006, and this action has resulted in an interim jail capacity of 3,056. The Commissioners Court also released funds to send inmates to another county in FY 05 and recognized that the Sheriff’s Office budget would be in a deficit position in FY 05 due to this unanticipated inmate population increase.

**2. Inmate Population Projections for FY 06**

An analysis of monthly variations in jail population over the last 4 years was developed to establish a reasonable prediction of jail population in FY 06. In the absence of any further direct interventions to reduce this population it was necessary

to answer the question, "At what inmate level should the Corrections Bureau be staffed if current trends stay the same?" This analysis revealed that the predicted average jail population throughout all of FY 06 would be 2,760. The Sheriff's Office Corrections Bureau was budgeted in FY 05 to handle an average daily population of 2,400 without stringent limitations on normal operating expenditures.

However, the predicted average daily population of 2,760 has been reduced by 85 inmates. This is in anticipation that the District Attorney's new Intake Team will work more intensively with Grand Juries, allowing the Court Prosecution Teams to present more cases at trial and thereby reduce the jail population by 65 in FY 06. In addition, there is an assumption that the electronic monitoring pilot project in Pretrial Services will result in another reduction of 20 inmates, for a total reduction of 85 inmates. This means that the predicted average daily population for the FY 06 Adopted Budget has been established at 2,675 inmates, or 85 lower than it otherwise would be. Naturally, the additional staff and operating resources in this budget are predicated on the accuracy of this projection.

### **3. Additional Resources in FY 06**

#### **(a) Corrections Staffing and Out-of-County Inmates**

Assuming an Average Daily Population of 2,675, the FY 06 Adopted Budget has included 36 new Corrections Officers (7 posts at a standard relief factor of 1.72) and 6 Security Coordinators for a net General Fund cost of \$1,803,583. The total net increase in Corrections Bureau staffing is 42 FTE. (31 of the Corrections Officers will come from converting existing Security Coordinator slots to entry-level Corrections Officers slots and replacing them with 31 new entry-level Security Coordinator slots). In addition, because of seasonal fluctuations and limits on capacity, it was necessary to provide funding for sending inmates to jails in other counties. The Adopted Budget assumes that an average of 68 inmates will be sent out-of-county for a total of 123 days at an average cost of \$40 per day through interlocal agreements with other counties. This assumption is based on predictions of seasonal variations in the inmate population.

#### **(b) Jail Overcrowding Reserve and Out-of-County Expenditures**

The resources for out-of-county expenditures are divided into two parts. The first part is a direct appropriation to the Sheriff's Office for the first month of FY 06 (October) and totals \$28,520. The remainder has been placed in a Jail Overcrowding Reserve under the control of the Commissioners Court and totals \$307,040. This reserve allows the Sheriff's Office and the Commissioners Court to continue to monitor the jail population as it did in FY 02.

#### **(c) Corrections Operating Expenditures**

In addition to extra Corrections staff and resources for out-of-county expenditures, the increased inmate population will result in additional operating expenditures for food, utilities, pharmaceuticals and medical expenses. A total of \$766,124 has been added to the Adopted Budget for this purpose.

**(d) Nursing Staff**

The Sheriff's Office has historically had a difficult time filling vacant nursing positions in the Corrections Bureau. Throughout 2005, the vacancy rate has averaged 32%, with 11 vacancies out of 34 positions. These vacancies mean that the Corrections Bureau must rely on much more expensive outside nursing contracts to provide the same level of nursing support. It appears rather clear that the market for nurses has become much tighter and that these positions require additional pay for the Sheriff's Office to attract and retain these critical staff. Reducing the nursing vacancy rate will eventually result in avoiding the increased costs from relying on outside contracts for more expensive independent nursing staff. A net total of \$426,887 is added to the Adopted Budget for this purpose with the expectation that nurses' pay will be increased.

**(e) Security Officer for the Combined Transportation and Emergency Communication Center (CTECC)**

The Combined Transportation and Emergency Communication Center (CTECC) houses the emergency communications network for Travis County, the City of Austin and other local public safety agencies. The Sheriff's Office provides the security staff for this operation. Seventy-five percent of the cost for this staff comes from other agencies, with the balance coming from Travis County. The CTECC partners have requested additional security for this facility in FY 06 and the Adopted Budget includes \$54,563 for this purpose.

**(f) Increased Transfer to Courthouse Security Fund**

The Courthouse Security Fund is a Special Revenue Fund that receives revenue from various court fees. These resources are used to provide security services to the Historic Courthouse, the Criminal Justice Center, Gardner Betts Juvenile Justice Center, and the Attorney General IV-D Child Support Court, including the staffing necessary for metal detectors at the entrances to these buildings. This Special Revenue Fund has not been large enough to pay for all of the Courthouse security expenditures and has been augmented by a transfer from the General Fund. The Auditor's Fifth Revenue Estimate has indicated that the Courthouse Security Fund is lower primarily due to a fund balance draw-down. This has meant that an additional \$254,409 from the General Fund will be necessary to maintain the same level of support, after the addition of costs totaling \$97,683 related to pay and health benefits increases.

**(g) Internal Restructuring**

An internal restructuring within the Sheriff's Office was authorized at a net savings of (\$33,323). A total of 10 FTE were reallocated between the Administration, Law Enforcement, and Corrections Bureaus, and 1 FTE was added to Administration (a Human Resources position). The most significant result of this restructuring was the conversion of the Criminal Justice Information Systems (CJIS) team of 5 FTE's to civilian positions.

**(h) Additional Traffic Officers**

The Sheriff’s Office received approval in the Adopted Budget to hire ten additional Traffic Officers to patrol the County. They will specialize in traffic control and have an additional General Fund cost in FY 06 of \$525,486. These Traffic Officers will have an impact on the Justices of the Peace workload due to the writing of additional traffic tickets, requiring another 8 FTE in four JP offices totaling \$281,421. Another \$37,125 was appropriated to TNR Vehicle Services for the maintenance of the patrol cars. The total ongoing General Fund support to this effort is \$844,032. An additional \$482,127 of one-time capital was also approved, to purchase 8 patrol cars, 2 motorcycles, radios, radars, space, and capital equipment for the Sheriff’s Office and Justices of the Peace. In addition, \$45,730 in computer and telephone equipment was budgeted for the Justice Courts in the Justice Court Technology Fund (Fund 050). Sufficient revenue was certified in the FY 06 budget to accommodate these expenses from the Technology Fund.

**(i) Summary of Increases Related to the Sheriff’s Office**

The following is a summary of the ongoing programmatic increases (totaling \$4,133,289) related to the Sheriff’s Office budget. These exclude the pay and benefits increases for existing positions, which are outlined elsewhere in this Executive Summary.

Corrections Staffing	\$1,803,583
Out of County Expenditures (October 2005 increase)	28,520
Jail Overcrowding Reserve	307,040
Corrections Operating Expenditures	766,124
Nursing Staff Retention and Hiring (net)	426,887
Security Officer for the CTECC	54,563
Increased Transfer to Courthouse Security Fund	254,409
Internal Restructuring	(33,323)
Additional Traffic Officers	525,486
<b>TOTAL</b>	<b>\$4,133,289</b>

**C. New Initiatives to Impact Jail Population**

A number of initiatives have been included in the Adopted Budget that should have a positive impact on the number of inmates in the jail. These total \$813,579 (plus \$32,601 in capital) and are outlined below.

**1. District Attorney Program to Reduce Jail Overcrowding**

In order to help reduce felony inmates, the District Attorney proposed to decrease the time between arrest and disposition of felony cases through the addition of a new five-FTE intake team to focus on preparing cases for presentation to the Grand Jury. The current process has an Assistant District Attorney presenting a case to the Grand Jury and later prosecuting the case. The new process should not only expedite the time between when the case is filed and presented to the Grand Jury but also allow more time for the trial teams to prepare their cases so they can be ready for a trial or plea sooner. An estimate was made that this effort could reduce

the average daily inmate count by 65 inmates and this assumption has been built into the Sheriff's Office budget, resulting in an avoided FY 06 cost estimated at \$694,970.

The Commissioners Court approved the District Attorney's Intake Team and it began in late FY 05. The FY 05 personnel expenses and \$21,674 in one-time capital costs associated with this proposal will be paid by one-time savings in the FY 05 District Attorney's budget. A total of \$322,289 has been added to the District Attorney's FY 06 General Fund budget.

## **2. Pretrial Services Electronic Monitoring Pilot Project**

An electronic monitoring pilot program was added to Pretrial Services. This pilot program is designed to place an increased number of Pretrial Class A and B misdemeanants and lower level State Jail felons on electronic monitoring. The program is designed to average an ADP reduction of 25 inmates over an entire year. However, in FY 06 the average daily inmate count assumption was reduced by only 20 due to the timing of implementation. The pilot program was budgeted at \$100,840 in the General Fund and \$12,650 in CAR. Two additional FTE positions were added. The drop in the inmate average daily population resulted in FY 06 avoided costs of \$187,190 primarily due to out-of-county inmate housing costs along with reduced internal Sheriff's Office costs.

## **3. County Attorney Jail Overcrowding Team**

The Adopted Budget includes \$170,102 (\$158,581 General Fund plus \$11,521 in capital) for one Attorney III, one Paralegal, and one Legal Secretary to assist in the County Attorney's efforts to reduce the time between arrest and disposition of Class A and/or B misdemeanor cases. The team will provide additional resources towards the office's efforts on daily misdemeanor jail call cases.

## **4. Central Booking Pretrial Officers**

Pretrial Services was authorized to hire an additional 5 FTEs to permanently increase their after-hours coverage of Central Booking until 1 AM, and from 3 days to 7 days a week. This increased staffing coverage was budgeted at \$231,869 in the General Fund and another \$8,430 in CAR. This program should have some impact on inmate counts, and should improve the efficiency of the Central booking process.

## **D. Mental Health Initiatives**

The Commissioners Court approved a number of mental health initiatives in the FY 06 Adopted Budget, totaling \$346,764 (plus \$46,351 in capital). These direct particular attention toward inmates with mental illness, are consistent with the Court's established priorities, and are outlined below.

### **1. Mental Health Pilot in Pretrial Services**

The Pretrial Services Office was approved to add two Senior Pretrial Officers to specialize and focus on the release and supervision of mentally ill offenders pending case disposition. (This office determines a defendant's eligibility for release on personal bond, recommends any condition of release, and monitors those individuals

who are only marginally eligible for personal bond.) The Senior Officers would specialize in the area of mentally ill defendants and have credentials and experience working with this population. The Adopted Budget includes two FTEs and \$124,024 (including capital of \$31,760) as a pilot program during FY 06. The pilot will need to be monitored and evaluated through the year to determine its continuation or expansion in FY 07.

## **2. Mental Health Diversion Program in County Attorney's Office**

The Adopted Budget includes \$173,172 (\$158,581 General Fund plus \$14,591 in capital) for one Attorney III, one Paralegal, and one Legal Secretary to allow the approved County Attorney staff to concentrate their efforts on mental health cases, which require specialized attention.

## **3. Contract Services for Mental Health Court in Criminal Courts**

The Adopted Budget includes \$95,919 for a contract with Austin Travis County Mental Health Mental Retardation (ATCMHMR) to provide two mental health/ jail liaisons. These positions are licensed professional health administrators (LPHA) that would provide an additional 50 - 60 statutorily required mental health assessments on inmates in the Travis County Jail per month.

## **E. Substance Abuse-Related Initiatives**

The Commissioners Court approved a number of initiatives related to substance abuse in the FY 06 Adopted Budget, totaling \$139,704. These are consistent with the Court's established priorities, and are outlined below.

### **1. Community Justice Center Programming for Confinees**

The Commissioners Court approved \$115,263 for a new substance abuse, cognitive skills, and aftercare pilot program for Travis County confinees released from the Community Justice Center (State Jail). Travis County currently provides services for confinees at the Community Justice Center; however, the existing services did not include a substance abuse component. These funds provide 3 FTE to add new services to those currently provided.

### **2. Drug Court Magistrate**

The Adopted Budget includes a net increase of \$24,441 to change the contract Drug Court Judge to a part-time .5 FTE Magistrate Judge. The Drug Court program provides an outpatient treatment alternative for individuals in the criminal justice system addicted to drugs.

## **F. Workforce Development Initiative**

The Commissioners Court approved \$400,000 to increase the County's investment in workforce development programs. The majority of these funds are being invested to expand existing workforce development programs, focusing on developing increased connectivity among the services currently offered. These funds include \$50,000 to Opportunity Austin to promote job opportunities among at-risk youth. Also included is \$16,500 to provide half the funding for a contract position to assist individuals in

workforce development programs with child care issues and assist child care providers to solve client issues and keep children in child care.

### **G. Juvenile Justice Related Initiatives**

A variety of juvenile justice related initiatives were approved for funding within the Adopted Budget, totaling \$703,360 (plus \$84,138 in capital). These are summarized below.

#### **1. Replace Lost Grant Resources**

The Adopted Budget includes \$359,700 to replace lost grant funding in Juvenile Probation. In FY 05, Commissioners Court approved the replacement of lost grant funding for the Juvenile Probation Intermediate Sanctions Center (ISC). For FY 06, the erosion of funding from the state is continuing and the Adopted Budget includes \$214,622 in additional funding to continue the residential treatment and substance abuse programs of the ISC. Another \$106,063 is included to provide the match requirements of the long-standing progressive sanctions grant program. This grant has salary and benefit caps that have traditionally been augmented by Travis County to maintain parity within Juvenile Probation. A further \$39,015 is included in grant matches for grants approved during FY 05.

#### **2. Additional Juvenile Attorneys & Court Needs**

The Adopted Budget includes \$90,923 (\$86,685 General Fund and \$4,238 in capital) for one full-time Attorney VI position for the Juvenile Prosecution Unit in the Family Justice Division of the District Attorney's Office. This position will focus on juvenile system cases that primarily involve sexual abuse of a child and family violence. Because of the unique circumstances associated with these cases, they are more effectively handled by a specially trained prosecutor dedicated to this caseload.

Also included in the Adopted Budget is \$65,152 for an additional attorney for the Juvenile Public Defender's Office. The case load of the office has risen to the point where the existing staff cannot manage the expected increase of clients in FY 06. The addition of another attorney allows the department to manage the workload, without a larger increase in indigent defense costs, which would otherwise be used to meet the increased workload.

The workload increases in the District Attorney and the Juvenile Public Defender's offices manifest themselves in the Juvenile Court system which is primarily housed in Juvenile Probation. The Juvenile Probation department received \$67,384 to fund two positions to manage the increased volume of cases in the Juvenile Courts.

#### **3. Alternatives to Juvenile Detention Increases**

In an attempt to keep overall expenses down, the Commissioners Court approved an additional \$55,000 to increase the electronic monitoring program in Juvenile Probation. These funds will allow more juveniles to be released from detention, while still allowing the status of the juvenile to be tracked to ensure compliance with Court directions.

**4. Counselor for CHOICES – Juvenile Probation Substance Abuse Program**

Juvenile Probation experienced an increase in the costs for contracted substance abuse services. Rather than add additional funding to the contracted substance abuse services, the in-house substance abuse treatment program in Juvenile Probation received \$47,289 to add an additional counselor to the CHOICES program. This additional position will allow the department to maintain its current level of substance abuse treatment services and reduce the need for outside placements.

**5. Health Realization Training**

The Commissioners Court approved \$22,150 to develop trainers to teach improved conflict resolution skills to Juvenile Detention staff (and provide the training to the adult detention staff as well). This training is expected to reduce the impact of conflict in Detention, which will reduce workers compensation issues and reduce the need for physical restraint of detainees.

**6. New Vehicle Needs in Juvenile Probation**

Juvenile Probation is required to transport juveniles for an increasing variety of reasons. To meet this increased workload the Court approved \$79,900 to purchase three eight-passenger vans and one 15-passenger van.

**H. Health And Human Service Initiatives**

There were a variety of social service initiatives that were approved in the FY 06 Adopted Budget, totaling \$1,192,216. These are outlined below.

**1. Children's Partnership**

The Commissioners Court added \$130,000 to purchase services for the Children's Partnership program. This program provides a system of care model of services for children with complex mental health needs and their families. These funds resulted from unexpected one-time savings in Health and Human Services (HHS) in FY 05.

**2. Best Single Source**

A total of \$250,000 was approved for Basic Needs services such as rent, mortgage, utility, and food assistance for County residents. This program targets a combined approach which addresses the underlying causes requiring assistance and targets additional programmatic resources to attempt to eliminate the need for future assistance. This program is continued from FY 05, where one-time resources were added to start the program as a pilot.

**3. After School Program**

The Court approved a total of \$431,686 for an After School Program. This increase consists of \$122,852 for three Instructional Specialist positions and associated operating costs in Cooperative Extension and \$308,834 in contractual services in the Health and Human Services Department. This program will provide academic assistance, recreational opportunities, and community involvement for at-risk middle school students. This funding extends a pilot program begun in FY 04.

**4. Council for At-Risk Youth**

The Council for At-Risk Youth is a local non-profit agency which, as the agency name suggests, targets services to children who are in a higher risk group for future criminal behavior. The agency provides youth with violence prevention skills and works to improve youths' attitudes and behaviors. The agency lost grant funds for FY 06 and the Court approved \$50,000 of one-time resources to allow the agency to continue to provide services in FY 06.

**5. Cost of Living Adjustment for Social Service Agencies**

Travis County contracts with many social service agencies for a wide variety of health and human services. The funding for these contracts has remained relatively stable over recent years, while the cost to provide the services has increased. The Commissioners Court approved \$150,909 to provide these agencies with a "cost of living" increase to maintain current service levels.

**6. Health and Human Services Contract Obligations**

There are a series of interlocal agreements between the County HHS and the City of Austin. These agreements outline the various services and costs related to health and human service programs. A total of \$114,640 is included in the Adopted Budget to fund increased HHS costs from the City of Austin. These costs primarily comprise performance based pay, a 2% lump sum award, and market salary changes. In addition, but unrelated to the City of Austin, another \$64,981 is included to continue a Wildlife Management Coordinator contract approved in FY 05.

**I. Emergency Medical Services Base Contract with the City of Austin**

Travis County partners with the City of Austin for the provision of EMS services in the County. The County's cost to continue to provide this service is increasing by \$1,157,180 in FY 06. This increase is largely due to an increase in the compensation levels for City of Austin employees. This increase is consistent with the obligations contained in the current interlocal agreement between the City and the County. It includes a net 5.5% increase for staff pay, an increase due to settling a pay dispute, increased funds for overtime, additional City EMS staff and operating costs, increased personnel costs for Starflight, along with the opening of two new EMS stations.

**J. Transfer to Balcones Canyonland Preservation Fund**

A total of \$898,996 has been added to the Transportation and Natural Resources (TNR) Adopted Budget for an increased transfer to the Balcones Canyonland Preservation (BCP) Fund from the General Fund. This amount represents the increased estimated tax revenue in FY 06 from new construction on BCP lands as compared to prior year tax revenues. The total FY 06 transfer from the General Fund is \$4,855,940.

**K. Reduction to Bank Contract**

Travis County's depository bank contract with JPMorgan Chase, effective July 1, 2005, includes a provision to roll forward earnings credits of \$268,579. These earnings credits (related to interest) are used to offset banking fees. There will be no banking fees in FY

06 that are not covered by the earnings credit. Therefore, the current budget of \$67,870 for banking fees has been removed from the FY 06 Adopted Budget.

**L. Transfer of Expenditures to New Fire Code Fund**

In FY 05 Commissioners Court approved a new Fire Code for Travis County and expenditures were added to the budget to manage the additional costs of enforcement. The Fire Code had estimated revenue associated with it. At the time of the adoption of the FY 05 Budget it was believed that this revenue would be General Fund Revenue; however, the revenue was actually required to be tracked separately in a special revenue fund. For FY 06 this special revenue fund is budgeted to have approximately \$145,982 of revenue. The Adopted Budget reflects a commensurate amount of General Fund expenditures moved to the Fire Code Fund. These expenses are to be charged against the fund as they are actually incurred. This has the effect of lowering the General Fund budget for the Fire Marshal by \$145,982.

**M. New Park Opening**

In 2001 voters approved the acquisition of a new Metro park in the South West region of Travis County. The Adopted Budget includes \$233,738 in a General Fund Reserve for the maintenance and operation for such a park in the event it is acquired in FY 06. This amount could support 4 FTE (a Park Ranger and three Maintenance Technicians) along with seasonal personnel and operating equipment. In addition, an earmark on the CAR Reserve of \$68,245 is included for capital needs. In addition, a total of \$91,000 in Certificates of Obligation for vehicles to support this park is included in this budget.

**N. Information Systems Support**

A variety of professional service and maintenance agreement increases are included for information systems support requirements in the Information and Telecommunications System Department (ITS). These total \$690,214 and are summarized in the table below.

Various maintenance-related contract increases and upgrades for existing hardware, software and voice communications	\$388,789
Continuing maintenance contracts through September 2006 for Unisys, a legacy system that will be replaced by FACTS	270,000
Tiburon FACTS increases provided in the maximum contract amount and project change orders	31,425
<b>TOTAL</b>	<b>\$690,214</b>

An additional \$3,870,691 of one-time capital is included in ITS. This amount is comprised of \$2,664,768 for computer and technological upgrades and \$1,205,923 for scheduled hardware and software replacements. This capital is outlined in the capital section of this Executive Summary and is also listed in detail in the Appendix.

**O. Reserve for IJS/FACTS**

The County has been in the process of installing the Fully Automated Court Tracking System (FACTS) since FY 01. This system is a part of the Integrated Justice System

(IJS) and will provide the basic data management support and computerized infrastructure for the court-related offices in the Criminal Justice System, including the County Clerk, the District Clerk, all the Justices of the Peace, and the Criminal and Civil Courts. FACTS has experienced a number of delays and implementation challenges over the last few years. Several offices have expressed concerns about the impact of the system on their staffing and operations, and have made budget requests for additional staff. However, it is still too early to know with precision how many additional staff will be required.

A total of \$922,131 in operating expense was requested by the five Justices of the Peace and the District Clerk for additional staff to support FACTS. The County Attorney has also requested staff related to requirements that IJS has placed on the office, totaling \$72,297. A total of 21 FTE (along with some overtime funds) was requested by these seven offices for the initial implementation phase of this new computer system. Another \$85,141 in General Fund computer-related capital and \$40,835 in Justice Court Technology Fund equipment needs were also requested. Thirteen FTE have already been added to the County Clerk's Office (in FY 05) due to the requirements of this new computer system. A \$850,000 FACTS/IJS Implementation Reserve has been established to provide operating resources in FY 06 as more becomes known about the operational requirements of the system, along with the degree to which additional staff and new protocols may be needed in various offices. Detailed time and motion studies conducted by the affected departments with the assistance of the ITS staff will be critical in determining the appropriate resources required for these new systems.

**P. Fuel Cost Increases**

Increases in the price of gasoline have been widely publicized throughout the country. This affects the County's fleet of automobiles and trucks in a similar fashion as it affects all who purchase gasoline for private use. While Travis County has a special contract for fuels, it too has been affected by recent price increases. A total of \$266,908 is included in the Adopted Budget for Transportation and Natural Resources in order to fund these projected price increases, along with a projected increase in the annual number of gallons used. Due to the potential that this appropriation will not be sufficient for the entire fiscal year, an additional \$400,000 was added to the Allocated Reserve to allow for an earmark of \$543,606 that has been included for further fuel price or additional usage increases if needed.

**Q. Justice of the Peace Increases**

The total ongoing General Fund increases to all Justices of the Peace is \$499,893 (plus \$14,972 in capital) as outlined below. The Adopted Budget includes funding for two new FTEs in the office of the Justice of the Peace Precinct Two (JP 2) based on additional revenue certified by the Auditor's Office. These two new Court Clerks will handle additional criminal workload that is expected to generate an additional \$91,503 across four funds and cost \$68,886 in ongoing expense and \$5,900 in one-time capital. (Additional one-time equipment totaling \$6,082 and ongoing operating expenses of \$700 are spread among three other Justice of the Peace offices.)

The Adopted Budget includes funding of \$68,886 (plus \$2,990 for equipment in Fund 050) for two new FTEs in JP 4 based on additional revenue certified by the Auditor's Office. The two FTEs will serve as Warrant Clerks. The package also includes temporary salary funds in Constable Precinct 4, totaling \$8,612.

An additional \$80,000 has been added to the Justice of the Peace Precinct 3 budget to cover the fees of a private court costs collections vendor. The vendor's fees are covered by revenue. This is the continuation of a pilot project started in FY 05 to increase the collection of court fines and fees in this Justice Court.

In addition, please see the Sheriff's Office summary on additional traffic officers for a description of 8 FTEs added to four Justice of the Peace offices to accommodate the additional workload caused by further traffic citations. The total General Fund support to the JP's for this traffic control program is \$281,421.

#### **R. Constable Increases**

The total General Fund increases to all Constables is \$211,005 (plus \$32,601 in capital) as outlined below. The Adopted Budget includes funds for two new Deputy Constables in the office of Constable Precinct 1 based on additional revenue certified by the Auditor's Office. The Deputies will serve civil papers and criminal warrants that are expected to generate an additional \$159,411 in revenue across four funds and cost \$103,173 in ongoing expenses (including \$2,275 in TNR for fuel and maintenance) and \$30,060 in one-time capital.

The Adopted Budget includes \$8,612 in temporary salary funds for Constable Precinct 4 to handle the additional warrant workload that will be generated by the new Warrant Clerks in Justice of the Peace Precinct 4. In addition, Constable Precinct 4 received a budget increase of \$14,418 to allow for the recommended reclassification of a clerical position to an Office Manager job title. For Constable Precinct 5, the Adopted Budget includes \$84,802 in one-time funds for a pilot program to enforce laws related to parking in spots set aside for disabled citizens. The Adopted Budget also includes \$2,541 for Constable Precinct 2 one-time, office-related capital.

#### **S. Indigent Attorneys' Fees**

In 2001, the 77th Texas Legislature passed the Fair Defense Act (FDA) to reform the way court appointed legal counsel is provided to indigent defendants. Based on FDA requirements, the Criminal District and County Court-at-Law Judges adopted new fee schedules for attorneys representing indigents as well as standards to determine indigency of defendants effective January 1, 2002. These changes standardized the way defendants are assigned County-paid defense, but have resulted in increased Indigent Attorney Fee expenditures.

These expenditures required an additional \$300,000 in FY 06 based on recent expenditure growth. With this increase, a total of \$2,629,495 (\$1,029,495 in FY 03, \$1,100,000 in FY 04, \$200,000 in FY 05, and \$300,000 in FY 06) in on-going resources have been added to the Criminal and Civil Indigent Attorney Fee budgets since FY 02.

Due to the potential for considerable fluctuations in these expenditures, an earmark of \$325,000 (\$225,000 in the Criminal Courts and \$100,000 in the Civil Courts) against Allocated Reserves has been included in the FY 06 budget. A portion of these increases has been offset by State funding. Travis County has been awarded \$462,334 for FY 06 from the State Indigent Defense Formula Grant.

**T. The 419<sup>th</sup> Civil District Court**

The Adopted Budget anticipates the future operation of the 419<sup>th</sup> Civil District Court. This Court was created by the 78<sup>th</sup> Legislature and is effective September 1, 2005. It is expected that the Judge for the new 419<sup>th</sup> District Court will be appointed and the courtroom fully operational in FY 06. The Adopted Budget includes \$273,333 for this purpose in the budgets of the Civil Courts and the District Clerk: \$226,659 for 4 FTE and related operating expense in the Civil Courts (District Judge, Court Reporter, Attorney III and a Bailiff); \$39,674 for one FTE in the District Clerk's Office (Court Clerk II); and \$7,000 for additional court-related fees budgeted in the Civil Courts Legally Mandated Fees Department.

**U. Hospital District Reserves Transfer**

On May 15, 2004 voters approved the creation of a Hospital District as a new taxing authority in Travis County. This means that certain health-related expenditures that were previously incurred by the City of Austin and by Travis County became the responsibility of the Hospital District. FY 05 was the first full fiscal year of the Hospital District's existence, and the budgets for both the County and the City for certain health-related expenses were reduced accordingly. In addition to reducing its tax rate, the Commissioners Court made a commitment to transfer \$2.5 million in one-time resources as part of an effort to ensure the Hospital District budget began with sufficient reserves. The two transfers occurred in FY 05 and totaled \$2,500,000.

**V. Utilities**

The Facilities Management Department FY 05 utilities budget totaled \$2,807,345, and faced increased utilities expenditures (primarily due to increased fuel costs and increased temperatures compared to earlier years). The FY 06 Adopted Budget includes a \$175,000 augmentation to the Facilities Management utilities budget. In addition, the Allocated Reserve was increased by \$200,000 to allow for a \$225,000 earmark that was established against this reserve for increased FY 06 utility costs.

**W. Postage**

The Adopted Budget includes \$48,000 in ongoing resources for postage increases, primarily due to increases in countywide mail volume. In addition, the Tax Office will be distributing its voter registration certificate renewals, which occurs every two years. A total of \$145,000 in one-time resources is included in the Adopted Budget for this purpose. An earmark of \$115,000 in the Allocated Reserve is also included to cover possible new state mandates relating to new formats for voter registration cards and the property tax notices.

**X. Offsite Storage**

Travis County has a contract with a vendor for the offsite storage of records from all County departments. The total budgeted cost of this contract in FY 05 was \$392,948 across three funds. It was expected that an augmentation would be necessary in FY 05 due to a new pricing schedule in the County's contract. A special reserve of \$145,000 was established for this purpose in the FY 05 Adopted Budget. A similar situation exists in FY 06, and the Adopted Budget includes \$85,000 in the Records Management and Communications Resources Department for this purpose. An earmark against Allocated Reserves of \$60,000 is also included in the event offsite storage costs continue to rise beyond the increased resources budgeted in the department.

#### **Y. Tax Office Positions**

A change in the Texas Department of Transportation registration and titling system has resulted in the closure of vehicle registration at places such as local grocery stores, including Albertson's and Randall's. This has resulted in the transfer of that work to the Tax Office. The department has reallocated funds internally to fund two positions and requested two additional positions to manage the increased workload. The Tax Office receives revenue from the state to perform motor vehicle registration work. Currently the state provides \$2.7 million to pay the County for doing the work, which exceeds the cost of the Motor Vehicle unit of about \$2 million. These title fees also generate a total of \$11.6 million for the Road and Bridge Fund. The additional cost of the two positions is \$70,946 and the Adopted Budget dedicates a portion of the revenue from the State toward this increased cost.

#### **Z. Domestic Relations Office Community Supervision Contract**

Commissioners Court has approved an agreement with the Attorney General's Office for Travis County to assist with the supervision of probationers who fail to comply with child support orders. Domestic Relations began receiving its first cases in FY 05. For FY 06, the department has requested three positions to manage the workload of cases. One position would start in October and two in April. All the anticipated FY 06 costs are supported by revenue from the Attorney General's Office. For FY 06 the cost of staff and equipment is budgeted at \$92,460 and \$5,780 in capital costs.

#### **AA. Increased Salary Savings**

The Adopted Budget includes a variety of modifications to departmental salary saving budgets. These have not been widely adjusted for a number of years, and a review was made to determine the appropriateness of the salary savings level for each department. The last three years' salary savings history was examined (FY 02 through FY 04) along with expectations for FY 05. From this history, the three-year minimum salary savings was determined as well as the three-year average. This value was compared to the existing salary saving budgets. When the current salary savings allocation fell between the three-year minimum and the average value, no changes were made. When the existing value was less than the minimum, then the salary savings was adjusted to the minimum value. When the existing value was higher than the three-year average, then the salary savings allocation was adjusted to the value of the three-year average.

A total of \$384,685 in General Fund resources was reduced as a result of this exercise, which is intended to more accurately predict the amount of savings created through vacancies throughout the county. The total salary savings budget for all departments is \$2,745,799 in FY 06, including benefits savings.

**BB. Criminal and Civil Courts Substitute Court Reporter Increases**

The FY 06 Adopted Budget includes an additional \$54,512 for substitute court reporting resources for the Criminal and Civil Courts. The Criminal Courts will receive an additional \$34,112 and the Civil Courts will receive an additional \$20,400 to increase the daily rate for substitute Court Reporters based on statute requirements.

**CC. Medical Examiner Increases**

An internal and external assessment of the Medical Examiner's Office resulted in a series of recommendations to improve the operations of the office. A portion of these recommendations were staff related, and to address these needs the Commissioners Court provided \$380,860 to add five positions to the office. Two Investigators were added to ensure that two Investigators would be on duty at all times. A Pathology Technician was added to ensure that sufficient staff would be available to assist the pathologists and perform the routine requirements of the office. A Forensic Nurse was added to perform a variety of administrative and operational functions. Finally a Chief Operating Officer was added to supervise the administrative requirements of the department.

**DD. Systems Support for Courts**

The Adopted Budget includes \$271,962 and three FTEs to address information technology issues in the Criminal and Civil Courts. This will allow an increased concentration of systems support efforts on the Courts. Half of the FTE and associated budget is included in the Civil Court and the remaining half is in the Criminal Courts.

**EE. Family Eldercare**

The Adopted Budget includes an additional \$105,900 budgeted in the Probate Court for the contract with Family Eldercare. Family Eldercare is a non-profit agency that provides guardianship services to the residents of Travis County and the Travis County Probate Court. The program is funded through Travis County resources, state resources, grants, fees, and other program income. The Travis County contribution to the program will be \$428,794 for FY 06. The program has not received an increase in funding from the County since FY 02. One of the purposes of the program is to reduce abuse, neglect and exploitation of older adults and adults with disabilities. This is accomplished by recruiting, matching, supervising, and training volunteer advocates to serve as guardian agents for impoverished mentally and/or physically incapacitated adults who have no appropriate family or friends to act in that capacity.

**FF. Exposition Center Subsidy**

Over the last few years, the Exposition Center has received year-to-year General Fund support in the form of one-time subsidies or reserves established in the General Fund to cover its operating costs. This practice is continued in FY 06, with a one-time subsidy of

\$125,000 provided directly to the program since revenue from events is not sufficient for the operation to break even.

**GG. Other Maintenance of Current Effort Requests**

There are a variety of other Maintenance of Current Effort Requests funded within the Adopted Budget. Those over \$15,000 are outlined in the following table.

**Other Increases Over \$15,000**

<b>Department</b>	<b>Program or Function</b>	<b>Cost</b>
Facilities Mgt.	Travel and training	\$57,500
County Attorney	Grant match for Underage Drinking Prevention Program, partially covered by CAPSO revenue	35,715
Facilities Mgt.	One Groundskeeper	32,144
Planning and Budget	Establish half-time position for Corporations, covered by new certified revenue	30,558
Fire Marshal	On-call overtime for Fire Marshal staff	26,041
Planning and Budget	Convert existing part time temporary position to permanent half time, covered by new certified revenue	21,358
Probate Court	Additional court costs	15,000

**IV. WORKFORCE INVESTMENT**

**A. Background and History**

Each year, the Commissioners Court determines whether there are resources to fund a variety of employee pay adjustments. Since FY 97, there have been three years of compensation increases in the 3% to 4% range and three years in the 5% to 6% range. There were two years when no compensation increases were available and one year when 1.5% was available. In addition to performance based pay awards, the Commissioners Court was also able to fund scheduled increases to employees within the Peace Officer Pay Scale (POPS), along with increases to the POPS scale itself, special augmentations for skill based pay and targeted increases for Sheriff’s Law Enforcement employees over multiple years.

The economic circumstances in FY 05 allowed for compensation increases and the Commissioners Court adopted a 4.0% Cost of Living Adjustment (COLA) for all rank and file employees. The Court appropriated another 1.75% for performance-based awards and other compensation needs, for a total 5.75% increase in FY 05. In addition to rank and file increases, the Court approved a set of compensation increases for those employees on the Peace Officer Pay Scale (POPS). Corrections Officers received a 5% increase and all others (Sheriff’s Law Enforcement, Constables, Investigators and Park Rangers) received 4%. Additional increases were made to Corrections Sergeants and Lieutenants to bring them closer to their counterparts within Sheriff’s Law Enforcement.

Due to a variety of questions and controversies over multiple years about the Peace Officer Pay Scale, the Commissioners Court commissioned an independent expert study of this compensation program in FY 05. An extensive series of consultations occurred during FY 05 with representatives of POPS employees and the results of that study were formally presented at a Commissioners Court Work Session on May 12, 2005. Further public discussions with the Commissioners Court about the various findings occurred on May 26 and June 14, 2005.

**B. Compensation Increases**

In FY 06, the Adopted Budget includes a 5% compensation increase for rank and file employees. This is composed of 3% for a Cost of Living Adjustment (COLA), and 2% for performance based pay and other compensation needs. The total cost of this compensation increase is \$5,607,808 that was distributed to each County department and office.

The Peace Officer Pay Scale (POPS) also received increases, totaling \$3,918,608. Each person on the POPS scale received 5% (plus other adjustments to a small number of non-Sheriff’s Office staff), totaling \$3,283,444. In addition, the POPS anniversary increase was reinstated, which provides a salary increase for POPS employees on their hiring anniversary date, at a total FY 06 cost of \$635,164.

**C. Health Benefits**

Travis County began a self-insured health benefits plan in FY 02. Under a self-insured program, the actual insurance claims made by employees are paid directly from County resources with an insurance carrier hired to administer claims processing. The primary benefits from being self-insured are that the plan can provide a better level of benefits for employees and provide more control over increasing health premiums for the County. Despite this control, self-insurance does not necessarily reduce overall health care expenses. Due to rising medical and pharmaceutical costs being experienced nationally, along with the demographics of an aging population, the County began to see its employee health care costs rise well beyond historical trends. As can be seen below, the Employee Health Insurance Fund was first established in FY 02 at \$18.3 million and rose to \$38.3 million by FY 05. The Auditor’s Fifth Revenue Estimate has established this fund at \$48.8 million.

	FY 02	FY 03	FY 04	FY 05	FY 06
<b>Employee Health Insurance Fund</b>	<b>\$18,334,435</b>	<b>\$22,162,255</b>	<b>\$31,585,857</b>	<b>\$38,342,713</b>	<b>\$48,807,721</b>

As mentioned above, these cost increases were so substantial that they affected the ability to award pay increases during both FY 03 and FY 04. During spring 2005, an Employee Benefits Committee spent several intense months in close coordination with the County’s external actuary reviewing options, costs, and debating the affordability of different plans for FY 06. The work of this Committee was presented to the Commissioners Court in June. After further debate and discussion, the Commissioners Court voted to continue a three-option plan, which allows employees to choose medical

benefits in accordance with their medical needs, financial means and family situations. However, the basic benefits level of the various health plans was not modified.

The Court approved across-the-board increases for health care premiums for employees and retirees under 65 for the majority of plan options, with higher increases in the Exclusive Provider Organization (EPO) option. This plan has experienced higher cost growth relative to the other two plans. Since Medicare is the primary payer of benefits for retirees over 65, the rates for these plan participants have been adjusted accordingly. These participants will receive across the board premium decreases with the exception the Pharmacy only Plan.

The Adopted Budget contains \$2,386,550 in the General Fund for the increased cost of health benefits. The Employee Health Insurance Fund increases from \$38,342,713 in FY 05 to \$48,807,721 in FY 06. This represents a \$10,465,008 increase, composed of a \$1,311,677 increase from the General Fund for increased health care costs for regular employees, \$1,074,873 for increased health care costs for retiree coverage, \$1,578,458 from contributions from employees, dependents, retirees, interest earnings, and a \$6,500,000 increase in the beginning fund balance due to lower than anticipated claims in FY 05.

#### **D. Retirement Benefits**

According to the Texas County and District Retirement System (TCDRS), Travis County's contribution rate per employee for retirement benefits will decrease from 9.64% of salary to 9.58% of salary to maintain the same level of retirement benefits. This decrease is mainly due to significantly improved investment returns on TCDRS funds.

Historically Travis County has awarded to retirees what TCDRS refers to as a "Flat Rate Benefit Increase." The County has called this increase a "Cost of Living Adjustment" or COLA. The figures above do not include any COLA for retirees. Retirees were approved a cost of living increase of 3% in both FY 02 and FY 03, but did not receive any cost of living increase in FY 04. Retirees received a 3% COLA in FY 05. For FY 06 \$161,835 is appropriated in the General Fund for a 3% cost of living adjustment for retirees. The Countywide retirement contribution rate went to 9.74% as a result.

#### **E. Elected Officials' Salaries**

Compensation for Elected Officials is included in the Adopted Budget totaling \$136,823. This amount is sufficient to fund a 2% increase for most elected officials, plus additional increases for certain officials as a result of recommendations from a Citizens Committee. One change at the state level resulted in county savings for the cost of District Judges' salaries. The 79<sup>th</sup> Legislature approved HB 11, which provided state salary increases for District Judges and other state judges and reinstated a maximum cap on the combined state and county salary of a District Judge. This allowed Travis County to decrease the county paid supplement to a District Judge, which resulted in \$364,535 in county savings that would have been used for the county portion of a District Judge's salary had HB 11 not been signed into law.

**V. DEBT POLICY**

The Commissioners Court has established a debt limitation policy that is intended to maintain a prudent approach toward the issuance of debt. Among other things, this policy indicates that the Commissioners Court will not issue long-term debt (i.e., with a repayment period in excess of five years) without the approval of such a bond issue by the voters through an election, except under the following circumstances:

1. The expenditure is legally required of the County, where penalties or fines could be imposed on the County if the expenditure is not made. Or,
2. When a financial analysis demonstrates that during a stipulated term Travis County would spend significantly less. Or,
3. The voters have previously approved the issuance of general obligation bonds but, for valid reasons, certificates of obligation must be substituted for such bonds in order to carry out the voters' authorization. Or,
4. When the expense is for necessary planning services or acquiring options for a future capital project that will be submitted to the voters.

**VI. CAPITAL FUNDING**

To meet the County's capital needs, a total of \$96,370,488 is included in the Adopted Budget from the following basic sources - the General Fund Capital Acquisition Resources (CAR) account (\$8,891,219), debt from new short-term and long-term Certificates of Obligation (\$23,925,000), other funds (\$3,434,269), debt from long-term bonds authorized by the voters in 2001 (\$6,380,000), and long-term debt recently authorized by voters in an election on November 8, 2005 (\$53,740,000).

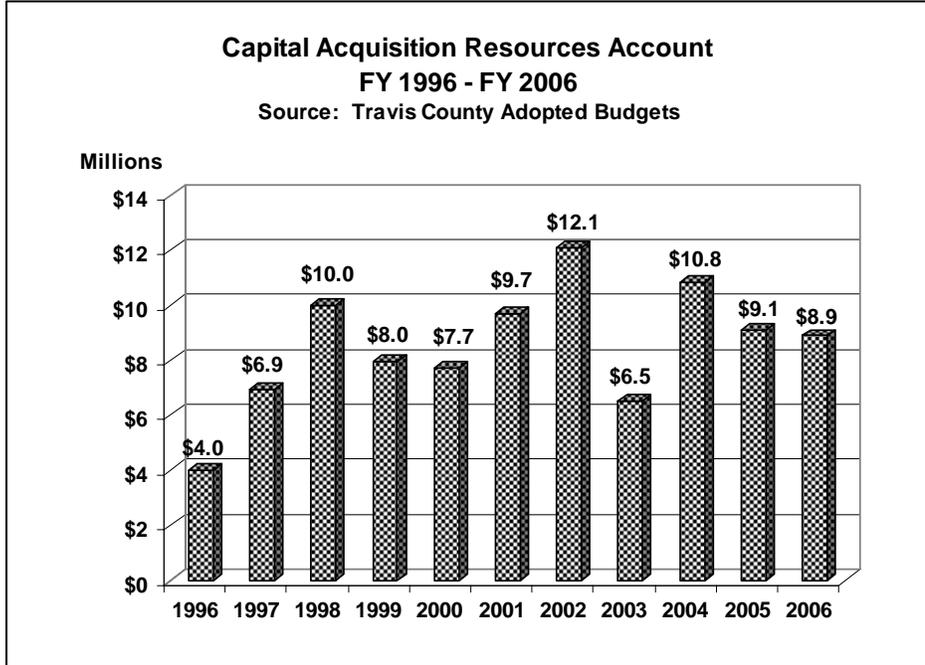
As is the case with on-going expenditures, the County is facing financial constraints on the availability of resources for capital expenditures. The Adopted Budget has addressed these limitations by including those capital projects and equipment for funding that meet the following criteria:

- Projects either in the middle or end of their multi-year phased implementation (such as FACTS or the E-Courtroom improvements);
- Projects where there is little choice but to fund them for health and safety purposes or to avoid future expenses that would be greater (such as roof and HVAC replacements);
- Equipment which needs replacement and is part of a replacement plan, (such as personal computers or vehicles);
- Equipment that continues the maintenance of County wide information systems infrastructure (such as file server upgrades, license renewals and major computer system upgrades);
- Projects which have already been partially funded by the Commissioners Court or have a contractual obligation to implement;
- Projects which have revenue certified to cover their cost; or
- Projects that the Court has already provided directions to include for funding (such as the Sheriff's Firing Range).

**A. General Fund (CAR)**

The General Fund Capital Acquisition Resources (CAR) account is used for the purpose of funding capital equipment and facilities. This account has been quite variable over the years, driven by economic circumstances, capital needs, and other sources and constraints on debt financing. In the last 10 years, it has ranged from a low of \$4.0 million in FY 96 to a high of \$12.1 million in FY 02.

The FY 06 Adopted Budget establishes the CAR account at \$8,891,219, which is \$241,741 lower than in FY 05. This amount includes \$2,143,360 in CAR resources appropriated in FY 05 and rebudgeted in FY 06. Rebudgeted CAR projects represent capital that was approved and funded in FY 05 but is not anticipated to be encumbered or expended prior to the end of the fiscal year and yet will still be needed in FY 06.



A summary of the equipment and facility projects funded from CAR is shown below. The detailed list of individual equipment items or facility projects for FY 06 is located in Appendix I.

**Capital Items Funded by the Capital Acquisition Resources (CAR) Account**

Type of Project/Department	Amount
<b>Technology and Computers (\$2,334,280):</b>	
Replacement of personal & notebook computers, equipment & printers	\$1,205,923
Migration of existing programs	383,000
Other technology upgrades and programs	282,768
New personal & notebook computers, equipment and printers	179,589
Major computer systems upgrades	156,000
FACTS licenses	127,000
<b>Facilities Modifications (\$2,688,703):</b>	
HVAC and air conditioning replacements in Courthouse, USB & Gault Bldg.	\$1,537,003
Medical Examiner's Forensic Center repairs & improvements	274,946
Security-related improvements	164,875
ADA corrections, Heat Pumps, and roofs	152,184
Airport Boulevard Building Phase 1	124,525
Precinct 1 Tax Office Substation	115,025
Other facilities projects (including \$90,151 for a Disaster Recovery site)	320,145
<b>Sheriff's Office Projects (\$1,158,325):</b>	
Firing Range	250,000
Building 2 HVAC replacement	187,500
Kitchen return air modifications	85,000
Radios	70,990
Evidence coding and shelving systems	70,000
Various jail facilities repairs	276,000
Other capital	218,835
<b>Other (\$1,400,768):</b>	
Vehicles	503,450
Capital for Combined Communications Center and related radios	142,769
E-courtroom related improvements	83,676
Television video equipment	75,000
Additional helicopter cost	380,804
Other equipment and projects among 9 other departments	215,069
<b>Sub-total</b>	<b>7,582,076</b>
CAR Reserve	1,250,416
JP Traffic Enforcement Package Reserve (related to space issues)	58,727
<b>Total</b>	<b>\$8,891,219</b>

A total of approximately \$2.1 million of the above projects were rebudgeted from FY 05.

**B. Other Funds**

In addition to the resources provided through the General Fund Capital Acquisition Resources (CAR) account, other special funds have a total of \$3,434,269 for various capital needs. These funds include the Road & Bridge Fund, the BCP Fund, and the Lower Colorado River Authority-Travis County (LCRA-TC) Capital Improvement Project

Fund in TNR as well as the Law Library Fund in RMCR and the Justice Center Technology Fund that supports JP technology maintenance and improvements. Projects funded in these funds are summarized in the table below.

**Projects and Equipment Funded from Other Funds**

Type of Project/Department	Amount
<b>Road &amp; Bridge Fund 099 (\$2,926,665):</b>	
Centrally budgeted R & B vehicles and heavy equipment	\$1,439,250
R & B Funded F-Mix and HMAC	704,333
Traffic signals – new installations	300,000
Rebudgeted projects from FY 05	483,082
<b>BCP Fund (\$132,285)</b>	
Fencing and demolition of structure	\$132,285
<b>LCRA-TC CIP Fund 029 (\$285,277):</b>	
Park roads and parking lot maintenance	\$200,000
Rebudgeted projects from FY 05	85,277
<b>Law Library Fund 011 (\$11,290):</b>	
Computer equipment	\$11,290
<b>Justice Court Technology Fund 050 (\$78,752):</b>	
Computer equipment	\$78,752
<b>Total</b>	<b>\$3,434,269</b>

**C. Debt Financing**

The final funding source for capital equipment and projects is using debt, either in the form of Bonds or Certificates of Obligation.

**1. Previous Bond Authorizations**

**a. November 2000 Bond Authorization**

In November 2000, voters authorized the Commissioners Court to issue \$28 million in General Obligation bonds for the following projects:

Project	Original Authorization	Issued in '01	Issued in '02	Issued in '03 – '05	Remaining Authorization
State Highway 130	\$20,000,000	\$0	\$20,000,000	\$0	\$0
Loop 1 (MoPac) North	4,000,000	4,000,000	0	0	0
US 290 West *	2,000,000	0	0	0	2,000,000*
State Highway 45 North	2,000,000	0	2,000,000	0	0
Total Nov. 2000 Bonds	\$28,000,000	\$4,000,000	\$22,000,000	\$0	\$2,000,000

\*Remaining authorization not scheduled to be issued in FY 06.

**b. November 2001 Bond Authorization**

A citizens committee was established during FY 01 by the Commissioners Court to provide advice and counsel on a roads and parks bond election in November, 2001. A total of \$184,955,000 in projects was submitted to the voters in four

separate propositions and every ballot proposition passed. The table below shows the amount of the original authorization and how much was issued through FY 05.

Project	Original Authorization	Issued Through FY 04	Issued in FY 05	Proposed Issuance in FY 06	Remaining Authorization
Prop. 1: Local roads, drainage, bridges and pedestrian access	\$57,430,000	\$30,620,000	\$13,765,000 (12,615,000) \$1,150,000	\$3,345,000	\$9,700,000
Prop. 2: County park projects	28,600,000	21,425,000	3,940,000	3,035,000*	200,000**
Prop. 3: State Hwy 45N and FM 1826 Right of Way*	32,725,000	32,000,000	(12,615,000)	0	13,340,000
Prop. 4: State Highway 130	66,200,000	66,200,000	0	0	0
Total for November 2001 Bonds	\$184,955,000	\$150,245,000	\$5,090,000	\$6,380,000	\$23,240,000

\*Based on current requirements from the State for Proposition Three (State Hwy 45N), Travis County did not need to pay \$12,615,000 in FY 05. Since the County has already received these proceeds, the money will be used instead for funding the majority of the Proposition One projects (local roads). This means that only \$1,150,000 was issued for Proposition One projects in FY 05. This action did not change the overall authorization approved by the voters.

\*\* The remaining authorization will not be issued. Instead, savings from an existing CO will be used in FY 06.

**c. November 2005 Bond Authorization**

A citizens committee was established during FY 05 by the Commissioners Court to provide advice and counsel on a bond election in November, 2005. A total of \$150,875,000 in roads, parks, and jail projects was submitted to the voters in three separate propositions, with all three passing. The table below shows the amount of the original authorization and how much is scheduled to be issued in FY 06.

Project	Original Authorization	Issued Through FY 05	Proposed Issuance in FY 06	Remaining Authorization
Prop. 1: Roads, road-related drainage, right-of-way	\$65,225,000	0	\$12,765,000	\$52,460,000
Prop. 2: Parks and open space parkland	62,150,000	0	31,550,000	30,600,000
Prop. 3: Jail facility replacement beds and renovations	23,500,000	0	9,425,000	14,075,000
<b>Total - November 2005 Bonds</b>	<b>\$150,875,000</b>	<b>0</b>	<b>\$53,740,000</b>	<b>\$97,135,000</b>

**2. FY 06 Certificates of Obligation**

The amount of total debt proposed to be issued through short-term Certificates of Obligation in FY 06 is \$11,468,397. This debt supports projects eligible for Certificate of Obligation (CO) funding that are reasonable and logical for 5 year CO financing. In addition, certain projects that are appropriate for 20 year financing are included. The details of \$12,329,101 in funding from five-year and twenty-year Certificates of Obligation in FY 06 are summarized in the following table.

**Projects Funded from FY 05 Certificates of Obligation**

<b>Short-Term, 5 Year CO's:</b>	
Hot Mix Asphaltic Concrete (HMAC) and F-Mix (remaining funding in the R & B Fund)	\$2,677,101
Other FM Renovation Projects	2,248,195
Pct. 2 Building Renovation Project	1,963,500
Parking Lot Projects	739,457
So. Austin Bldg., ADA Improvements	675,000
Airport Boulevard Phase II	675,000
Ambulances	518,340
Drainage Study	500,000
Mobile Data Computers for Constables	455,091
Other Park/Transportation related Projects	439,750
Gardner-Betts Juvenile Justice Ctr. Renovation	346,963
Arterials and Collectors	230,000
<b>Long-Term, 20 Year CO's:</b>	
Purchase of other buildings in Austin	6,800,000
Flint Rock Rd. Extension	2,189,000
Purchase of So. Austin Building	2,160,000
Eastside Service Center	1,180,101
<b>Sub-Total</b>	<b>\$23,797,498</b>
Issuance costs	\$127,502
<b>Total CO</b>	<b>\$23,925,000</b>

**VII. RESERVES**

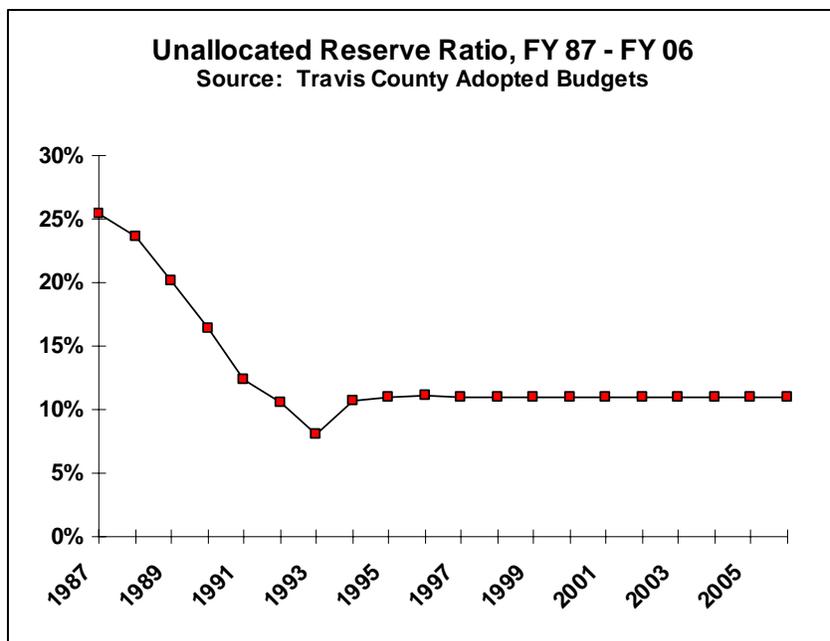
There are three types of regularly budgeted reserves: (A) Unallocated Reserve, (B) Allocated Reserve, and (C) the Capital Acquisition Resources account Reserve (CAR Reserve). There are also special Departmental and County-wide Reserves established for a special purpose and do not necessarily remain in the budget from year-to-year. Each of these reserves is summarized below.

**A. Unallocated Reserve**

The Unallocated Reserve is not dedicated for any specific expenditure and is not intended to be spent except in the case of a disaster or dire emergency. It sometimes is called "The Untouchable Reserve" and makes up much of the budgeted ending fund

balance. The level of this reserve demonstrates the County's fiscal soundness, which in turn influences the County's bond rating. The County drew down its Unallocated Reserve during the late 1980's as a cushion to accommodate necessary programmatic requirements and economic conditions and to more closely match taxation with the timing of expenditures. Unallocated Reserve ratios declined significantly during that period.

The County's bond and financial advisors have recommended that the County maintain an Unallocated Reserve level of between 8% and 12% for sound financial management. (The Commissioners Court's Financial and Budgeting Guidelines state a goal for this reserve to be between 10% and 12%). In FY 93, the reserve ratio was 8.12%. During the last eleven years, the Commissioners Court maintained the Unallocated Reserve ratio at 11.0%. The total FY 06 General Fund Unallocated Reserve in the Adopted Budget is \$37,082,419. As has been done since FY 00, the General Fund Unallocated Reserve in the Adopted Budget for FY 06 carries the majority of reserve requirements for the Road and Bridge Fund. The County's Unallocated Reserve calculations are based on budgeted expenditures in three funds: the General Fund, the Debt Service Fund, and the Road and Bridge Fund.



The historical reserve ratios (per Standard and Poor's formula) showing the relationship between the Unallocated Reserve for the General Fund, Road and Bridge Fund, and the Debt Service Funds and the adjusted expenses for these funds are contained in Appendix I.

**B. Allocated Reserve**

The Allocated Reserve is dedicated to known or potential expenditures, and some or all of the reserve is likely to be spent during the year. The FY 06 Adopted Budget includes an Allocated Reserve of \$3,244,139, which is \$1,034,196 higher than the Allocated Reserve of \$2,209,943 in the FY 05 Adopted Budget. The total of this reserve represents 0.9% of the General Fund.

There are potential claims against this Allocated Reserve. These potential claims are called "Earmarks" and are signals to the Commissioners Court that a department may have a justified need for a mid-year transfer of resources to their budget for a specific purpose. The Earmarks are not appropriations and departments should not consider

them as departmental resources. These Earmarks total \$1,475,406. A listing and summary of these proposed Earmarks against the Allocated Reserve is contained in Appendix I.

**C. Capital Acquisition Resources (CAR) Account Reserve**

The Capital Acquisition Resources account Reserve (CAR Reserve) is similar to the Allocated Reserve, but is instead used for one-time expenditures for capital items. It is for additional capital purchases or projects that are developed during the year or to pay for cost increases in already approved capital projects. The Adopted Budget includes a total CAR reserve of \$1,309,143. The Earmarks against this reserve total \$338,081, as outlined in Appendix I.

**D. Special Purpose Reserves**

There are three Special Purpose Reserves in the Adopted Budget that have been discussed earlier in this Executive Summary. These reserves are the Jail Overcrowding Reserve (\$307,040), the FACTS/IJS Reserve (\$850,000), and the Southwest Metro Park Operations Reserve (\$233,738).

**VIII. PROPERTY TAX RATE**

The total taxable value for all Travis County property has seen an increase from \$60.979 billion in the FY 05 Adopted Budget to \$63.485 billion for FY 06. The new property value totals \$1.9 billion, compared to new property value of \$1.875 billion in FY 05. The table below depicts the impact of the adopted tax rate of \$.4993 per \$100 of taxable value on the average residential homeowner declaring his or her house as a homestead.

**Impact on Average Homestead**  
**(All homestead values per Travis Central Appraisal District values of 7/20/05)**

	<b>FY 05</b>	<b>FY 06</b>	<b>Difference</b>	
Average Appraised Value of all homesteads	\$197,874	\$203,526	\$5,652	2.9%
Taxable Value after 20% exemption	\$158,299	\$162,821	\$4,522	2.9%
<b>Tax Rate</b>	<b>\$.4872</b>	<b>\$.4993</b>	<b>\$.0121</b>	<b>2.5%</b>
Average Tax	\$771.23	\$812.97	\$41.74	5.4%

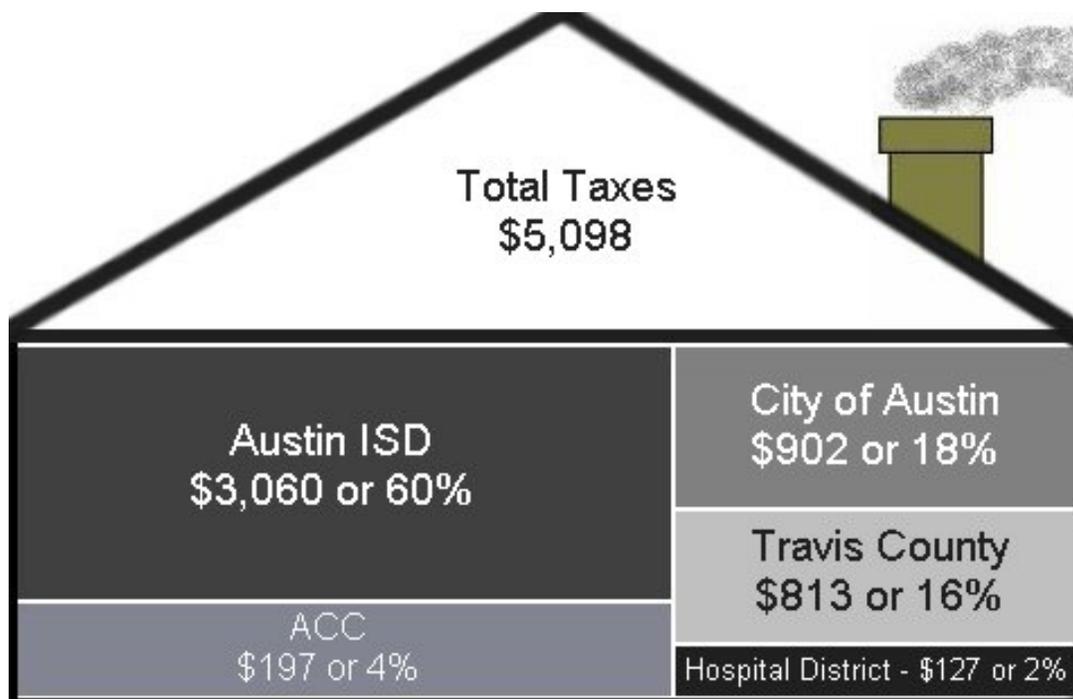
The figures in the table above are those that would be required to be placed in a newspaper ad and represent the averages for all homesteads (which reflect an increase from \$197,874 to \$203,526). This means that the tax impact on this individual homestead at the tax rate of \$.4993 is an annual tax of \$813, versus \$771 the year before. This is an increase of \$42 (a 5.4% increase).

The FY 06 Adopted Budget is balanced at a \$.4993 tax rate. This is 2.29 cents above the Effective Tax Rate.

**ADOPTED BUDGET TAX RATES FOR TRAVIS COUNTY**  
(Cents per \$100 of Appraised Value)

	Adopted FY 05 Rate	Adopted FY 06 Rate	Difference	% Change
Operating Rate	\$.3850	\$.3994	\$.0144	3.7%
Debt Service Rate	\$.1022	\$.0999	(\$0.0023)	(2.3%)
Total Tax Rate	\$.4872	\$.4993	\$.0121	2.5%

**FY 06 Property Tax for Average Travis County Homestead Valued at \$203,526**



Travis County taxes in FY 06 totaled \$813 for the average homestead valued within Travis County at \$203,526. This is based on the adopted tax rate of \$.4993 per \$100 of appraised value and the 20% homestead exemption provided by the County. The City of Austin tax rate is \$.4430, but since the City does not provide a homestead exemption, the City taxes on this same value average homestead would be \$902. The Austin Independent School District tax rate is \$1.623 and with their homestead exemption of \$15,000, their taxes on this homestead would be \$3,060. ACC has a \$.0991 tax rate and their homestead exemption is \$5,000, resulting in an average tax of \$197. The new Hospital District added a \$.0779 tax with a 20% homestead exemption, for a cost of \$127. Travis County's portion of the overall tax bill of \$5,098 (without reference to other taxing jurisdictions such as an Emergency Services District or a Water District) is 16% of the total.