



PLANNING AND BUDGET OFFICE
TRAVIS COUNTY, TEXAS

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

November 30, 2007

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 2008 Adopted Budget

Enclosed is the Travis County Adopted Budget for Fiscal Year 2008. It was adopted by the Commissioners Court on Tuesday, September 25, 2007, and will serve as the County's budget plan from October 1, 2007 through September 30, 2008.

Travis County is in 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. This bond rating has been awarded by both agencies since 2001. The County has managed its resources carefully and has established reasonable reserves and fund balances. These preparations, along with historically careful spending, relatively low reliance on fluctuating income sources, and careful adherence to a set of adopted "Financial and Budgeting Guidelines" have all paved the way for a fundamentally sound FY 08 budget. While the County still faces budgetary challenges for FY 08, it does so with officials prepared to control costs, make careful expenditures, and implement improved efficiencies while meeting the public's demand for services.

This Adopted Budget has first endeavored to meet the County's existing contractual and programmatic commitments, along with providing resources for compensation increases while maintaining the County's reserves infrastructure. There has been some opportunity for programmatic growth in areas that meet funding criteria established by the Commissioners Court. As in the past, departments have continued to be encouraged to: (a) look internally within their existing resources; (b) foster increased non-property tax revenue; and (c) not rely on increased property taxes.

The Chief Appraiser for the Travis Central Appraisal District has certified the total property value increase from \$74.2 billion in FY 07 to \$84.89 billion in FY 08. This includes \$3.261 billion in new property value that has not before been on the tax rolls. In addition, the average homestead value will increase from \$225,014 in FY 07 to \$243,800 in FY 08.

The Adopted Budget is balanced at a lower tax rate than the FY 07 Adopted Rate. The adopted tax rate is \$.4216, which is 2.83 cents lower than the current tax rate. This is the second year in a row where the tax rate has dropped substantially. It was \$.4993 in FY 06. It dropped to \$.4499 in FY 07 and will drop again to \$.4216 in FY 08. This represents a decrease in the tax rate of 7.77 cents over these two years. The adopted tax rate is 2.9% above the Effective Tax Rate. At this adopted tax rate, the average of all homesteads will see an increase in their County tax payments (from \$810 annually in FY 07 to \$822 in FY 08). This represents an increase of about \$12 per year or about \$1 per month.

To meet the County's capital needs, a total of \$74,113,213 is included in the Adopted Budget from the following basic sources: the General Fund Capital Acquisition Resources (CAR) account (\$23,018,732); debt from Certificates of Obligation (\$21,275,000), comprised of \$9.2 million in 20-year CO's for the Jail Project and the purchase of a building and \$12.1 million in five-year CO's for various capital requirements; capital projects in Other Funds (\$1,327,481); existing Certificates of Obligation (\$1,467,000); and debt from long-term bonds authorized by the voters in 2001 (\$950,000) and in 2005 (\$26,075,000).

This Adopted Budget represents a sound financial plan for FY 08. 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. 11th Street, Suite 540. It is also posted on Travis County's external web site, (www.co.travis.tx.us) and on Travis County's internal web site.

FY 2008 ADOPTED BUDGET
TRAVIS COUNTY, TEXAS

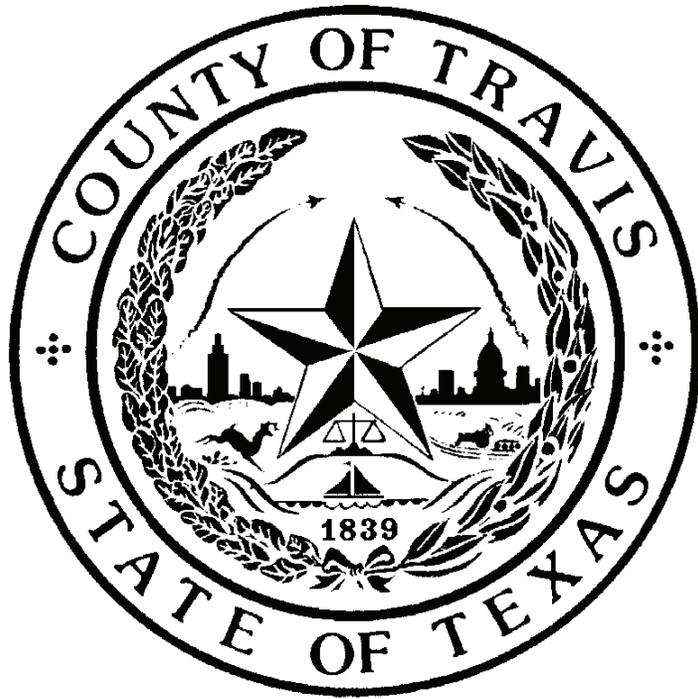


TABLE OF CONTENTS

	<u>Page Number</u>
<u>Introductory Letter</u>	-
<u>Table of Contents</u>	i
<u>List of Departments</u>	ii
<u>Preface</u>	iii
<u>Organizational Chart</u>	v
<u>Section I - Executive Summary</u>	1
<u>Section II - Appendix I - Financial Summaries & Charts</u>	50
• Table 1 - Recapitulation of the Adopted Budget	51-53
• Chart 1 - Where Does the Money Come From? – All Funds	54
• Chart 2 - Where Does the Money Go? - All Funds	55
• Chart 3 - Where Does the Money Come From? – General Fund	56
• Chart 4 - Where Does the Money Go? – General Fund	57
• Table 2 - FY 06 – FY 08 General Fund Department Budgets	58-59
• Table 3 - Position Changes List	60-62
• Table 4 - Staffing Comparison in FTE’s, General Fund and Special Funds	63
• Table 5 - Reserve Ratio of General Fund, Road & Bridge and Debt Service Combined	64
• Table 6 - Capital Funded Through CAR	65-68
• Table 7 - Computer and Telecommunication Items Budgeted Centrally in ITS	69-72
• Table 8 - Vehicles and Heavy Equipment Budgeted Centrally in TNR	73-74
• Table 9 - Projects Funded Through New Certificates of Obligation	75
• Table 10 - Projects Funded Through Existing Certificates of Obligation	76-77
• Table 11 - Projects Funded Through FY 08 Issued Voter Approved Bonds	78
• Table 12 - Items and Projects Funded from Other Funds	79-80
• Table 13 - Approved Earmarks on Allocated Reserve and CAR Reserve	81
• Table 14 - Combined Balance Sheet	82
• Table 15 - Combined Revenues and Expenditures Statement	83
• Table 16 - Tax Rate Comparison, FY 96 – FY 08	84
• Chart 5 - Travis County Taxes on the Average Homestead and Property Tax Revenue	85
• Chart 6 - Total Assessed Value of All Taxable Travis County Property, FY 88 – FY 08	86
• Chart 7 - Property Tax on Avg. Travis County Home vs. Median Family Income	87
• Chart 8 - Percent Increases in Property Taxes on Avg. Travis County Homestead	87
<u>Section III - Departmental Budgets</u>	88
• Justice and Public Safety	89-182
• Health, Human and Veterans Services	183-192
• Transportation and Natural Resources	193-205
• General Government and Support Services	206-271
<u>Section IV - Appendix II – Revenue Estimate and Other Material</u>	272
• Financial and Budgeting Guidelines	
• Debt Policy	
• Framing the FY 07 Planning and Budget Process	
• Fifth Revenue Estimate	

Departments by Number:

No.	Name	Page
01	County Judge	210
02	Commissioner - Precinct 1	212
03	Commissioner - Precinct 2	214
04	Commissioner - Precinct 3	216
05	Commissioner - Precinct 4	218
06	County Auditor	220
07	County Treasurer	223
08	Tax Assessor - Collector	225
09	Planning and Budget	227
10	General Administration	229
11	Human Resource Management	231
12	Information & Telecommunication Sys (ITS)	238
14	Facilities Management	244
15	Purchasing & Inventory Management	252
16	Veterans Services Office	186
17	Historical Commission	254
18	Cooperative Extension Service	187
19	County Attorney	93
20	County Clerk	255
21	District Clerk	97
22	Civil Courts	101
23	District Attorney	106
24	Criminal Courts	110
25	Probate Court	115
26	Justice of Peace - Precinct 1	125
27	Justice of Peace - Precinct 2	128
28	Justice of Peace - Precinct 3	130
29	Justice of Peace - Precinct 4	133
30	Justice of Peace - Precinct 5	136
31	Constable - Precinct 1	139
32	Constable - Precinct 2	141
33	Constable - Precinct 3	143
34	Constable - Precinct 4	145
35	Constable - Precinct 5	147
36	Dispute Resolution Center	149
37	Sheriff's Department	150
38	Medical Examiner	157
39	Community Supervision & Corrections	159
40	Counseling & Educations Svcs. (TCCES)	161
42	Pretrial Services	163
43	Juvenile Public Defender	165
45	Juvenile Probation	166
47	Emergency Services	173
49	Transportation & Natural Resources (TNR)	195
54	Civil Service Commission	177
55	Criminal Justice Planning	179
57	Records Mgmt. & Comm. Resources (RMCR)	264
58	Health and Human Services Dept. (HHS)	189
59	Emergency Medical Services	181
89	Hospitalization Contra	230
90	Centralized Computer Services (ITS)	241
91	Centralized Rent & Utilities (Facilities)	249
93	Civil Courts Legally Mandated Fees	104
94	Criminal Courts Legally Mandated Fees	113

Departments by Name:

Name	No.	Page
Centralized Computer Services (ITS)	90	241
Centralized Rent & Utilities (Facilities)	91	249
Civil Courts	22	101
Civil Courts Legally Mandated Fees	93	104
Civil Service Commission	54	177
Commissioner - Precinct 1	02	212
Commissioner - Precinct 2	03	214
Commissioner - Precinct 3	04	216
Commissioner - Precinct 4	05	218
Community Supervision & Corrections	39	159
Constable - Precinct 1	31	139
Constable - Precinct 2	32	141
Constable - Precinct 3	33	143
Constable - Precinct 4	34	145
Constable - Precinct 5	35	147
Cooperative Extension Service	18	187
Counseling & Educations Svcs. (TCCES)	40	161
County Attorney	19	93
County Auditor	06	220
County Clerk	20	255
County Judge	01	210
County Treasurer	07	223
Criminal Courts	24	110
Criminal Courts Legally Mandated Fees	94	113
Criminal Justice Planning	55	179
Dispute Resolution Center	36	149
District Attorney	23	106
District Clerk	21	97
Emergency Medical Services	59	181
Emergency Services	47	173
Facilities Management	14	244
General Administration	10	229
Health and Human Services Dept. (HHS)	58	189
Historical Commission	17	254
Hospitalization Contra	89	230
Human Resource Management	11	231
Information & Telecommunication Sys (ITS)	12	238
Justice of Peace - Precinct 1	26	125
Justice of Peace - Precinct 2	27	128
Justice of Peace - Precinct 3	28	130
Justice of Peace - Precinct 4	29	133
Justice of Peace - Precinct 5	30	136
Juvenile Probation	45	166
Juvenile Public Defender	43	165
Medical Examiner	38	157
Planning and Budget	09	227
Pretrial Services	42	163
Probate Court	25	115
Purchasing & Inventory Management	15	252
Records Mgmt. & Comm. Resources (RMCR)	57	264
Sheriff's Department	37	150
Tax Assessor - Collector	08	225
Transportation & Natural Resources (TNR)	49	195
Veterans Services Office	16	186

**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 08 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.

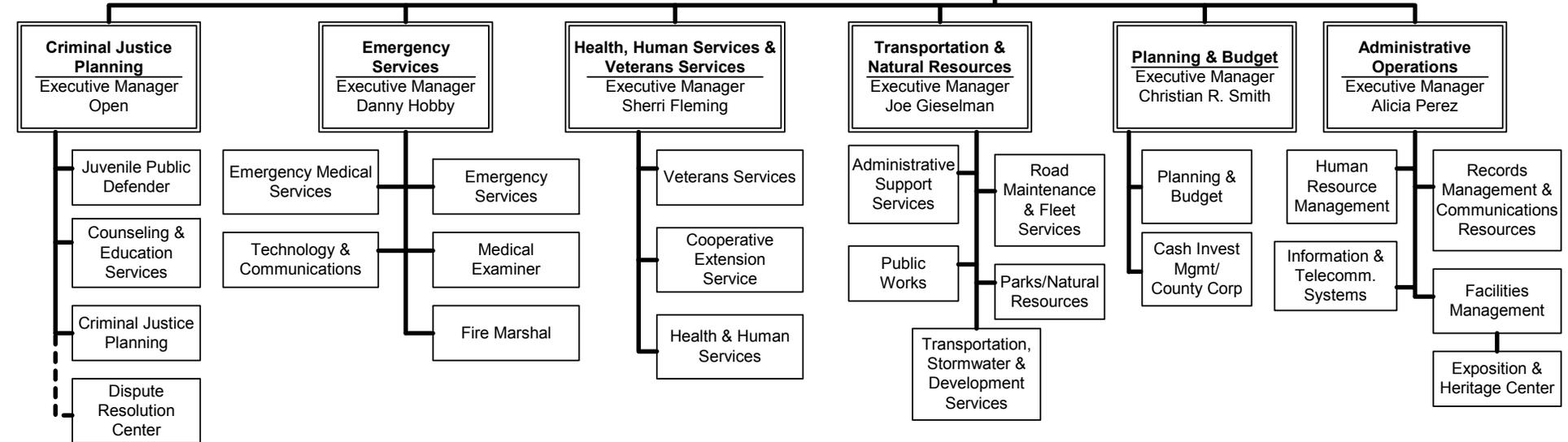
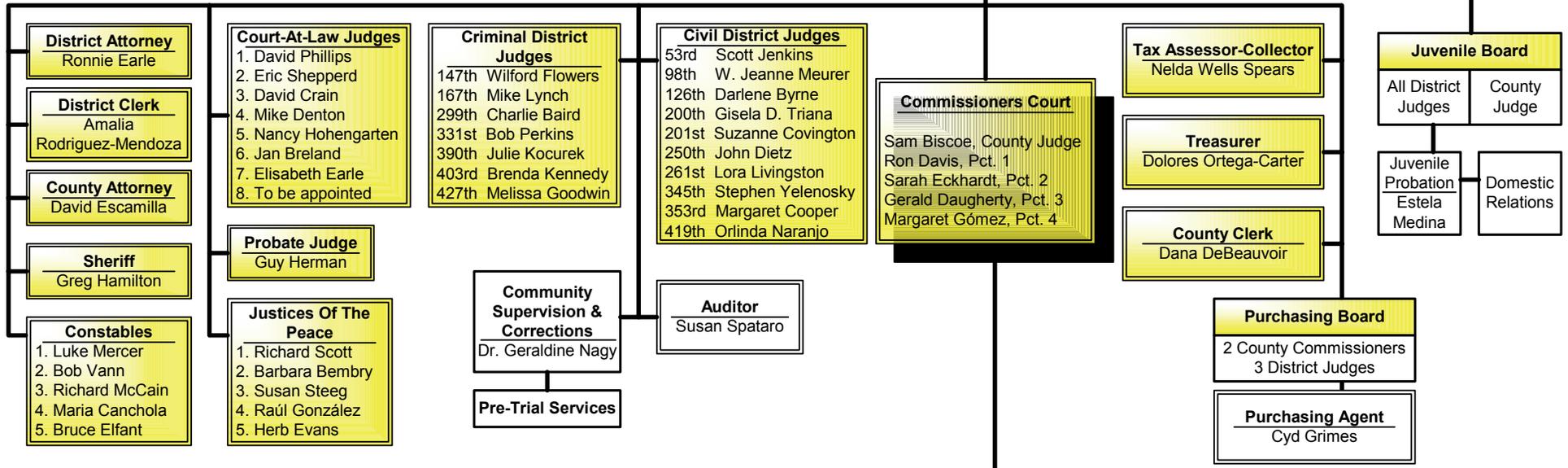
C. The Mission of Travis County

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, and 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. BASIC COMPONENTS OF THE FY 08 ADOPTED BUDGET

The basic approach taken in building this FY 08 Adopted Budget is to continue to use restraint and caution in:

- using existing resources to meet new needs;
- directing resources toward contractual, statutory or programmatic obligations;
- utilizing funds for previously identified priority areas;
- meeting needs that are clearly extraordinary and compelling, where harm would be done if not funded, and
- supporting programs where new non-tax revenue is available.

A recapitulation of the FY 08 Adopted Budget is found in Appendix I. The FY 08 Adopted Budget total for all funds is \$663,650,517, compared to the previous year's FY 07 Adopted Operating Budget for all funds of \$620,844,481. Below is a table summarizing the budgetary changes in key funds from FY 07 to FY 08.

FY 08 Adopted Budget – All Funds

	FY 07 Adopted Budget	FY 08 Adopted Budget	\$ Change	% Change
General Fund	\$400,764,006	\$436,800,165	\$36,036,159	9.0%
Road and Bridge Fund	23,371,619	23,589,476	217,857	.9%
Debt Service Fund	73,645,582	80,707,196	7,061,614	9.6%
Internal Service Funds:				
Risk Management Fund	15,570,607	18,491,123	2,920,516	18.8%
Employee Insurance Fund	64,424,670	70,683,196	6,258,526	9.7%
Other Funds	53,826,135	45,868,935	(7,957,200)	(14.8%)
Less Transfers	(10,758,138)	(12,489,574)	(1,731,436)	16.1%
Total	\$620,844,481	\$663,650,517	\$42,806,036	6.9%

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, and provides an overview of the Capital budget. The FY 08 Adopted Budget contains General Fund expenditures and reserves totaling \$436,800,165. This represents a \$36,036,159 or 9% increase above the FY 07 General Fund Adopted Budget of \$400,764,006. General Fund revenue is based on the County Auditor's Revenue Estimate.

II. PROPERTY TAX RATE

The total taxable value for all Travis County property has seen an increase from \$74.2 billion in the FY 07 Adopted Budget to \$84.89 billion certified for FY 08. The new property value totals \$3.26 billion, compared to new property value of \$2.6 billion in FY 07. The table on the following page depicts the impact of the adopted tax rate of \$.4216 per \$100 of taxable value on the average residential homeowner declaring his or

her house as a homestead. This rate is 2.83 cents below the current tax rate of \$.4499 and is 2.9% above the Effective Tax Rate (which is \$.4095).

Impact on Average Homestead
 (All homestead values per Travis Central Appraisal District)

	FY 07	FY 08	Difference
Average Appraised Value of all homesteads	\$225,014	\$243,800	\$18,786
Taxable Value after 20% exemption	\$180,011	\$195,040	\$15,029
Tax Rate	\$.4499	\$.4216	(\$.0283)
Average Tax	\$809.87	\$822.29	\$12.42

The figures in the table above were placed in a newspaper ad and represent the averages for all homesteads (which reflect an increase from \$225,014 to \$243,800). This means that the tax impact on this individual homestead at the lower tax rate of \$.4216 is an annual tax of \$822, which is about \$12 higher than the taxes paid in FY 07. This tax rate represents a decrease of 2.83 cents in the Tax Rate from the current \$.4499 per hundred of taxable value, equaling a 6.3% decrease.

The following is the breakdown in the tax rate between the operating portion and the debt service portion, which must be separately calculated and approved.

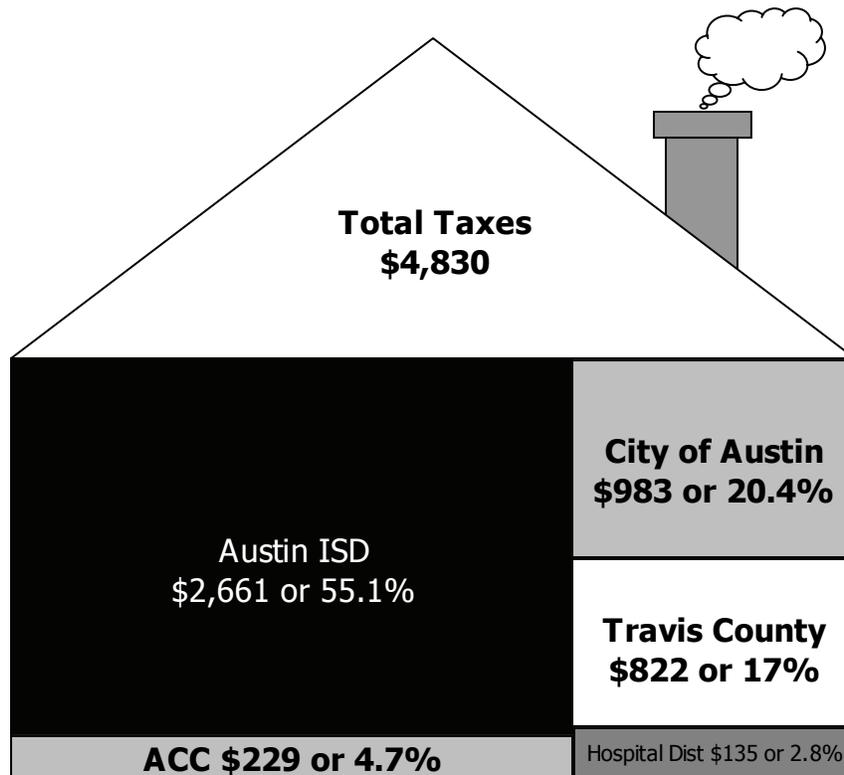
Adopted Budget Tax Rates For Travis County
 (Dollars per \$100 of Taxable Value)

	Adopted FY 07 Rate	Adopted FY 08 Rate	Difference	% Change
Operating Rate	\$.3623	.3405	(.0218)	(6.0%)
Debt Service Rate	\$.0876	.0811	(.0065)	(7.4%)
Total Tax Rate	\$.4499	.4216	(.0283)	(6.3%)

The graphic representation on the following page shows the relative impact of the various local taxing jurisdictions on the average homestead owner in FY 08. Travis County taxes in FY 08 totaled \$822 for the average homestead valued within Travis County at \$243,800. This is based on the adopted tax rate of \$.4216 per \$100 of taxable value and the 20% homestead exemption provided by the County. The City of Austin tax rate is \$.4034, but since the City does not provide a homestead exemption, the City taxes on this same value average homestead would be \$983. The Austin Independent School District tax rate is \$1.1630 and with their homestead exemption of \$15,000, their taxes on this homestead would be \$2,661. ACC has a \$.0958 tax rate and their homestead exemption is \$5,000, resulting in an average tax of \$229. The Healthcare District added a \$.0693 tax with a 20% homestead exemption, for a cost of

\$135. Travis County’s portion of the overall tax bill of \$4,830 (without reference to other taxing jurisdictions such as an Emergency Services District or a Water District) is 17% of the total.

FY 08 Property Tax for Average Travis County Homestead Valued at \$243,800



III. DEPARTMENTAL BUDGETS IN THE ADOPTED BUDGET

Appendix I contains a comparison of General Fund departmental budgets from FY 06 through the FY 08 Adopted Budget. The Adopted Budgets for all departments, excluding amounts in the Capital Acquisition Resources (CAR) accounts, increased from \$311,273,657 million in FY 06 to \$338,039,101 in FY 07. The FY 08 Adopted Budgets for all departments total \$367,130,970 excluding CAR amounts.

The following table summarizes the major components of the General Fund budget.

	Adopted Budget FY07	Adopted Budget FY 08
Beginning Fund Balance	\$63,121,271	\$72,063,810
Current Property Taxes	263,472,264	285,966,541
Other Revenue	74,170,471	78,769,814
Final Revenue Estimate	\$400,764,006	\$436,800,165
Unallocated Reserves	\$38,907,933	\$40,355,884
Capital Acquisition Resources (CAR), includes funds allocated to department and CAR reserve	16,592,262	23,018,732
Regular - Allocated Reserve	3,781,822	3,615,763
Annualization Reserve	894,569	653,176
Compensation Reserve - "Green Circle"	803,156	See Below
Mental Health Mobile Treatment Reserve	400,000	See Below
Sheriff's Jail Inmate Reserve	312,800	453,040
Imaging Division Reserve	309,874	
Anti-Poverty Reserve	300,000	
Inmate Pharmacy Reserve	248,000	
Senior and Disabled Reserve	100,000	
FACTS Reserve	74,489	
Juvenile Justice TYC Reserve		750,000
Reserve for Elections Runoff		639,170
Psychiatric Services Reserve		100,000
Rebudgeted Green Circle Reserve		83,430
Sub-Total	\$62,724,905	\$69,669,195
Departmental Base Budgets	\$311,962,968	\$339,126,380
Wage Requirements:		
Health Benefits (Life Insurance in '08)	\$2,496,290	\$157,810
Compensation increases, rank and file and Peace officer Pay Scale	6,950,444	18,592,001
Healthcare Contra Account for vacant positions		(2,424,166)
Career Ladders	260,582	311,444
Elected officials' compensation, includes longevity	103,529	99,344
Judicial salary increases	367,343	
STARFlight compensation		48,376
Retirement contribution increase	1,386,231	
Retiree 3% COLA	294,930	
School Crossing Guards		4,563
Parks Project Workers		66,156
Technical correction for FICA		117,729
Technical correction, Green Circled positions		95,406
Workers Compensation Insurance Savings		(333,824)
Sub-Total Wages and Benefits	\$11,859,349	\$16,734,839

	Adopted Budget FY07	Adopted Budget FY 08
Courts and Public Safety Related		
Additional Law Enforcement staff		\$817,960
Corrections Security Threat Unit (\$106,077), support (\$85,060), Corrections maintenance (\$32,695) and equipment (\$36,960)		260,792
Sheriff's Post Road security (\$55,396), Research & Planning (\$56,583), & Central Warrants (\$107,091)		219,070
Courthouse Security Fund transfer reduction		(122,217)
Sheriff's Nursing Assistant Slot reduction		(36,122)
Juvenile Justice new detention pod		498,176
Dom. Relations Kids Exch. (\$39,800) & Guardian ad litem (\$39,243)		79,043
Juvenile Court legal services		125,466
JP FACTS support – all five JP's		191,585
JP Collections (\$215,125), other revenue supported staff (\$126,820)		487,146
Criminal Clerks (\$53,181) & temporary staff (\$92,020)		
Counseling Center. instructor staff – 3 counselors		110,941
Expansion of SMART program		12,987
Day Treatment Center		6,266
Co-Location of CSCD and MHMR		12,687
Pre-Trial staff for Central Booking (\$37,107) & Case Mgt. (\$37,793)		74,900
Indigent Attorneys & Other Mandated Fees (civil)		128,764
Austin Police Dept. Drug Lab		69,600
Ex-Offender Workforce Development		67,719
Criminal Courts FTE conversion		50,802
Interlocal with Leander ISD (Constable 2 & TNR)		65,684
Reduce fund transfer to Drug Court Program Fund		(140,212)
Reentry Round Table		35,000
JSCC Senior Planner, net after internal reductions		37,597
Emergency Services CAPCOG funding rolled from FY 07		202,008
Health and Human Services Related		
Federal Minimum wage (\$24,940), Interlocal with City of Austin (\$184,422) & CDBG staff in HHS/Auditor(\$179,434)		388,796
HHS Workforce Development (\$100,000), Child Protective Services (\$100,000), Congregate Meals (\$20,880), Children's		605,880
Partnership/TRIAD (\$165,000), After School Expansion (\$220,000)		
HHS Mobile Crisis Outreach Team		420,000
HIV Minority Targeted Case Mgt. (\$134,670), Housing Carpenter (\$110,892), Council on At-Risk Youth (\$100,000), Emancipet (\$35,000), Early Education improvement (\$200,000) & Temp Deaf Services salaries (\$50,863)		631,425
Administrative Operations		
Computer maintenance agreements		433,800
Software or reports for Zenworks (\$36,800), Citrix remote access (\$96,957), Persysent (\$18,000) & Crystal Enterprise (\$69,306)		221,063
ITS temp FACTS staffing (\$36,690) & succession plan (\$95,168)		131,858

	Adopted Budget FY07	Adopted Budget FY 08
ITS FTE for Inmate phone contract		\$25,000
Additional ITS staff for Windows and Back-up/Restore		160,000
Medical Examiner's office computer support		82,634
ITS Central Telephone Exchange Upgrade		50,000
Facilities Mgt. Senior Project Inspector		60,009
Building Services Superintendent		53,089
Exposition Center Subsidy		125,000
New Civil Courthouse planning study		200,000
Civil Courts planning special project support		44,006
Utilities for general county facilities		307,956
Leases		(219,106)
Building maintenance		239,937
Postage, copy paper, offsite storage, copier rental and other records mgt. increases		276,813
Emergency Services Related		
CTECC and Regional Radio System		72,902
EMS interlocal		1,067,219
EMS Holiday Pay		14,000
Aircraft fuel		107,234
Medical Examiner's lab tech and service contract		79,585
Deputy Medical Examiner II for NAME accreditation		216,806
Other Changes		
Vehicle expenses, TNR - law enforcement vehicles		61,253
Tax office Voter registration		24,816
New Financial System Infrastructure		425,975
Attorney for Healthcare District (reimbursed)		87,324
Election maintenance agreements		92,246
Balcones Canyonland Preservation (BCP) transfer		967,423
US Army Corp of Eng. Flood Damage Reduction		144,800
Floodplain Buyout Software and Services		69,960
290 East Landfill		50,899
TCAD Fees		289,608
District Clerk Passport Office		42,969
District Clerk FACTS Data Management		86,701
Civil Courts Attorney II		61,110
Security-related increases outside capital (CAR)		250,915
Salary Savings adjustments		(1,049,216)
Other increases among various depts. – net		611,420
Total Increases	\$14,216,784	\$11,269,751
Total Expense	\$400,764,006	\$436,800,165
Net	\$0	\$0

IV. 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 "Position Changes List" Table 3.

General Fund Position Changes

General Fund	Added	Removed	Total
Sheriff	31		31
Juvenile Probation – new Detention Pod staffing	15		15
Juvenile Probation – other	5.2		5.2
Pretrial Services	4		4
Information Telecommunication Systems	4		4
Facilities Mgmt	3		3
Constable, Precinct 1	3		3
Other (Probate Court, Criminal Justice Planning, Civil and Criminal Courts, District Clerk, Health/Human Services, Medical Examiner)	8.2	(1)	7.2
Sub-Total - New Resources Needed	73.4	(1)	72.4
<u>Revenue Related:</u> (CES, ITS, County Attorney, TCSO, JP2 & 3)	13		13
<u>FY 07 Changes Approved Mid-year:</u> (HHS, TNR, Cnty Attorney TCSO, PBO, Civil Crts, ITS, Auditor)	16.1	(3.2)	12.9
<u>Internally Funded:</u> (Sheriff, TNR, HHS, Tax, Criminal Courts, Constable 5)	17	(4.1)	12.9
Sub-Total – Revenue Related, Mid-Year Changes, or Internally Funded	46.1	(7.3)	38.8
Technical Correction for Health/Human Services (1)		(25)	(25)
Grand Total	119.5	(33.3)	86.2

(1) Removal from the County FTE count of 25 City of Austin Reimbursed Positions related to various Public Health Interlocals. These positions will remain with the City of Austin and this is a technical correction related to implementation of a new Public Health Interlocal.

A total of 119.5 new regular FTE are added to the FY 08 General Fund, and 33.3 FTE are removed, for a net increase of 86.2 FTE. A little less than half of these positions (38.8) are either covered by new non-property tax revenue (13), already approved by the Commissioners Court mid-year (12.9), or else were internally funded within the existing departmental budgets (12.9). A total of 72.4 FTE required additional resources in the Adopted Budget. The majority of these are in the Sheriff’s Office with 31 FTE and Juvenile Probation with 20.2.

Fewer FTE are added in the FY 08 Adopted Budget compared to last year. The FY 07 Adopted Budget contained a total of 179.5 net new FTE, compared to this year's increase of 86.2 net new FTE.

The total number of FTE in the General Fund equals 3,914.65. The total number of FTE in all funds equals 4,532.2.

V. MAJOR FY 08 FUNDING ISSUES

The following section provides further details regarding major funding issues that are addressed in the FY 08 Adopted Budget. Aside from ensuring that the County's reserves are adequate and that compensation and benefits keep up with current market conditions, most of the remaining increases in the FY 08 budget:

- meet existing legal, contractual or programmatic obligations or keep existing service levels ("Maintenance of Current Effort");
- fund priority program areas established by the Commissioners Court to address the mentally ill in the jail, substance abuse, and workforce development;
- support workload increases that are extraordinary and compelling and where harm would be done if not funded; or
- are associated with revenue to support them.

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.

The remaining portion of this section of the Adopted Budget organizes the various changes to the budget related to the following functional areas:

- A. Courts and Public Safety
- B. Health and Human Services
- C. Administrative Operations
- D. Emergency Services
- E. Other Changes

A. COURTS AND PUBLIC SAFETY

1. Sheriff's Office Increases

The Sheriff's Office budget increased by \$12,145,572 in FY 08, increasing from \$106.4 million to \$118.5 million. The major components (outside of salary increases) include:

a. Law Enforcement Increases

The Adopted Budget includes the addition of 22 law enforcement positions to the Law Enforcement Bureau at a total FY 08 cost of \$1,999,664. This increase consists of \$817,960 in the General Fund and \$1,181,704 in capital, primarily

related to the purchase and outfitting of 22 patrol vehicles. Positions are to be phased in according to the following schedule during FY 08:

Law Enforcement (LE) Positions	Jan. 2008	June 2008	Totals
Deputy Sheriff	10	7	17
L E Sergeants	1	2	3
L E Detective	0	2	2
Totals	11	11	22

With this law enforcement staffing increase, the budgeted ratio of officers per 1,000 population served in Travis County will be 1.70 as compared to the 1.46 staffing ratio from a Texas Ten County Law Enforcement Study performed in 2007. Since these 22 positions are phased in during FY 08, there will be an added annualization cost to the General Fund in FY 09 of \$707,605. Another \$61,253 was added to the Transportation and Natural Resources budget to recognize the maintenance and fuel costs for the new law enforcement vehicles.

b. Inmate Population

Among the most important issues affecting the Sheriff's Office budget for FY 08 is the inmate average daily population growth along with the impact of the redevelopment and construction of various jail buildings. The number of inmates is not in the direct control of either the Sheriff or the Commissioners Court. The inmate population is the result of a complex set of conditions and decisions that exist within the entire criminal justice system, composed of the police, the prosecutors, the defense lawyers, and the courts, along with many interrelated economic and societal factors.

The Average Daily Population (ADP) of inmates has been an ongoing issue since FY 02, when the inmate population spiked. The annual ADP of inmates in the Travis County Jail System (TCJS) is as follows:

FY 2002	2,721 Actual with High Month ADP of 2,855
FY 2003	2,263 Actual with High Month ADP of 2,588
FY 2004	2,333 Actual with High Month ADP of 2,500
FY 2005	2,535 Actual with High Month ADP of 2,767
FY 2006	2,584 Actual with High Month ADP of 2,768
FY 2007	2,646 Actual with High Month ADP of 2,769

As can be seen from the above data, the ADP was unusually high in FY 02 and resulted in a wide variety of systemic and efficiency changes to get the number of inmates under greater control. The inmate count has gradually increased annually since FY 03, and is projected in FY 08 to be at about the same level as 6 years earlier.

Given the trends experienced this year through the end of August, the inmate ADP for FY 08 is projected to be 2,765, or approximately 120 more than last year. This inmate count along with the redevelopment of various jail buildings will require

housing inmates out of county during the peak summer period. To address this issue, a total of \$453,040 is included as a reserve in the Adopted Budget under the control of the Commissioners Court. This reserve consists of \$384,560 for housing inmates outside of Travis County and \$68,480 for possible overtime in the Sheriff's Office in the summer of 2008 to utilize 36 variance beds in the Work Release Building at the Travis County Corrections Complex.

c. Corrections Security Threat Unit

Two Corrections Officers were added to establish a Corrections Security Threat Unit by supplementing the existing Security Threat Officer. This represents a one-time pilot program at a cost of \$106,077 in the General Fund and \$14,534 in capital, for a total FY 08 cost of \$120,611. These positions are to address the increase in criminal activity involving inmates, ranging from assaults (inmate on inmate, inmate on staff), drug violations, and attempted escapes to gang activity and failure to return to work release.

d. Research and Planning

The Adopted Budget includes \$56,583 to continue a Senior Planner position in the Research and Planning Section. This position was added on a one-time basis in FY 07. It is continued due to the increased productivity of grant funding, along with its support toward efficiencies, cost controls and revenue enhancement efforts.

e. Corrections Support

The Adopted Budget contains \$85,060 to fund two Laundry Custody staff in response to Texas Commission on Jail Standards health standards and workload volume. (Another \$25,620 is placed in an Annualization Reserve for these two positions.) Currently, the TCCC Laundry is unable to complete the amount of inmate laundry on one shift and weekends. Jail Standards requires clothing be changed/laundered once a week unless other factors necessitate more frequent exchange/laundering to assure cleanliness. The Laundry has reached its maximum capacity for processing without adding a second shift.

Internal funding within the Sheriff's Office is also provided for three new Corrections Officers for a hospital post, offset by a reduction in overtime and related benefits of \$150,000.

f. Corrections Maintenance and Equipment

\$32,695 is included in the Adopted Budget for an Engineering Technician. (Funding for FY 08 for the Engineering Technician is effective in January for 9 months with an annualization reserve of \$9,998.) In addition, a Building Maintenance Division Manager is internally funded through the elimination of a Corrections Sergeant position effective January 1. A Senior Carpenter position is also internally funded through ongoing savings in appropriate operating line items for minor construction contracts. Another \$36,960 is included in the Adopted Budget for replacement office chairs in Corrections (outside the capital budget).

g. Courthouse Security

The Adopted Budget includes a reduction in the General Fund transfer to the Courthouse Security Fund of \$122,217. The Courthouse Security Fund is used to account for revenue and expenditures associated with security services in buildings housing a District or County Court or the Attorney General's IVD Masters Court. Revenue is collected as a part of the court cost fees. Expenses are budgeted to cover the cost of Sheriff's Officers and personnel assigned to these buildings. Revenue is not sufficient to cover the entire cost of these security services. A total of \$1,547,711 is the transfer from the General Fund as part of the \$2,325,262 total expenses for this fund.

h. Central Warrants

\$107,091 is included for three Records Analysts to assure availability of a Records Analyst position 24 hours a day every day of the year with a typical shift rotation. An FBI Criminal Justice Information Services audit of Central Warrants in March 2007 indicated that the entry of warrants was untimely and not current. (Funding for FY 08 is effective in January for 9 months with an annualization reserve of \$35,698.) Central Warrants is staffed 24 hours a day to provide service to law enforcement officers and agencies at all times.

i. Medical Records

The Adopted Budget includes a reduction of \$36,122 to eliminate a nursing assistant slot that has been vacant for over a year. This will generate funds internally that can be combined with \$33,878 in one-time capital resources to pay for needed medical records hardware costing \$70,000.

j. Other Sheriff's Office Related Changes

\$2,711,551 in various capital costs (including capital for new FTE) is included in the FY 08 Adopted Budget along with \$2,060,500 to replace 57 patrol cars and other vehicles and equipment. There is an additional \$808,500 in the Transportation and Natural Resources budget for 22 new patrol vehicles for the new law enforcement staff and \$71,150 for a new Corrections Box Truck and Forklift.

2. Juvenile Justice

Throughout the State, juvenile justice programs at both the local and state levels have been undergoing various transformations due to the well-publicized problems and challenges at the State's Texas Youth Commission (TYC) facilities. The Texas legislature passed a series of reforms and changes to the way in which TYC operates. This agency continues to be transformed and make news as events unfold. The State has provided funding for local governments which will be assuming a larger and different set of responsibilities for juvenile offenders. However, the full impact of these changes on Travis County is still somewhat unclear. Due to the changes that have occurred at TYC, Travis County Juvenile Probation leadership chose to avoid committing children to TYC. The cost of this change for FY 07 is expected to be funded with Title IV-E funds under the discretion of the County's Juvenile Probation Department. The department submitted a budget request for \$3,351,905 for FY 08 in

the event funding from the State or other resources was not available. It is within that backdrop that the Adopted Budget has been developed.

a. Detention Build-out

The Adopted Budget has added 15 positions to open the second of three detention pods that were recently completed at the Gardner Betts Juvenile Justice Center. The FY 07 Adopted Budget included 14 FTE for staffing for the first pod. These pods will expand the detention capacity by eight for each pod, for an eventual total capacity of 120 juveniles. Capacity once the second pod is fully staffed will be 112, with the capacity at 120 once the third pod is staffed. Juvenile Probation is currently projecting that the detention population will exceed the existing capacity in FY 08 with peak population spikes exceeding 114 juveniles.

This funding will allow the department to operate within its rated bed capacity and remain in compliance with American Correctional Association (ACA) and Texas Juvenile Probation Commission (TJPC) standards. The 15 FTE consist of 10 Juvenile Detention Officer III's, 1 Licensed Vocational Nurse, 2 Cooks, 1 Accreditation and Compliance Officer, and 1 Office Specialist. These staff would begin in April, 2008. \$498,176 is budgeted in Juvenile Probation for six months of operating expenses for the 2nd Pod. An additional \$357,976 will be included in an annualization reserve so the FY 09 full year costs will be fully budgeted. The annual on-going cost is \$856,152. There is an additional \$49,800 for 7 radios, 10 personal computers, and 3 phones included in capital.

b. Juvenile Justice TYC Reserve

The Adopted Budget contains \$750,000 in a Juvenile Justice TYC Reserve to address FY 08 issues related to the current TYC changes. This reserve recognizes the unsettled state of future TYC programs and facilities. The State's biennium budget includes \$58 million in resources for counties to respond to these issues. Of this amount, \$1,050,243 will be available to the Travis County Juvenile Probation Department in FY 08 and \$1,223,574 in FY 09. However, this will not be sufficient to meet the projected need resulting from the ongoing changes and transitional challenges at TYC. One change that will likely have an on-going impact is that misdemeanants will no longer be allowed to be sent to TYC. However, some of these misdemeanants may have greater needs for rehabilitation than felony offenders. It is not yet clear what the impact will be of this and other changes in FY 08 and beyond.

c. Legal Services

The Adopted Budget contains an additional \$125,466 for four clerk positions in Juvenile Probation. Three of the four positions were temporary positions that had not been made permanent and were partially internally funded by the department. These positions are necessary to support the increased number of court hearings and mandated changes in how court documents must be managed. There is also \$13,195 in capital for these positions. Three of the new permanent clerk positions

were previously filled as temporary employees and have been offset by a \$52,437 internal reallocation.

d. Kids Exchange

Travis County contracts with Kids Exchange/Lifeworks to provide neutral exchanges and supervised visitation services for parents in the Domestic Relations visitation enforcement program and low income parents in high conflict divorce litigation. The Adopted Budget includes \$39,800 to augment the existing contract based on projected FY 08 needs.

e. Guardian ad litem

The FY 08 Adopted Budget contains \$39,243 budgeted in Juvenile Probation for an additional Guardian ad litem position for the Domestic Relations program. Another \$16,776 is included in capital for the position and \$12,597 is placed in the annualization reserve. The total amount included in the FY 08 Adopted Budget for the position is \$68,616. The additional FTE will handle the increased number of Guardian ad litem appointments for custody evaluations in divorces, modifications, protective orders, and adoptions. The additional position will allow for a decrease in the number of cases to be handled by staff, allowing a greater ability to thoroughly focus on the various aspects of each assigned case.

3. Justices of the Peace

a. Central Collections

In FY 07, the Commissioners Court funded one Court Clerk in each Justice Court as a Special Project Temporary for one year to continue implementation of the Central Collections Program. For FY 08, the Adopted Budget includes funds to continue these positions. In the case of JP2 and JP3, the offices worked with the Auditor’s Office to have additional revenue certified to cover these positions. The positions in these two offices are funded on an ongoing basis. The JP1, JP4, and JP5 offices did not support their budget requests for the Collections positions with a revenue certification request. These positions are included in the Adopted Budget for funding again in FY 08 as one-year Special Project Temporaries.

Central Collections Staffing in Justice of the Peace Courts

JP1	\$43,945
JP2	42,545
JP3	43,545
JP4	42,545
JP5	42,545
Total	\$215,125

b. FACTS support

The implementation of the “Fully Automated Court Tracking System” (FACTS) has experienced delays and has required more full time staff to operate. This computer

system is intended to automate the administrative processes utilized by all the courts and clerks. Over the last three years (FY 05 through FY 07), this system has required the addition by the Commissioners Court of 19 permanent full time staff throughout various departments in the county, plus \$1.5 million for temporary support personnel or other one-time expenditures, since this computer system results in substantially increased workload. The current schedule calls for FACTS to be implemented in the five Justice Courts in early FY 08. A previous schedule called for it to be completed in these five offices by November 2002.

This system will impact the Justice Courts immediately preceding implementation and during the learning curve process immediately after implementation. The Adopted Budget includes one-time funding for two temporary employees in each precinct for 6 months as well as overtime in several of the offices. This is anticipated to alleviate the majority of workload pressures resulting from the implementation of FACTS. The Adopted Budget contains the following temporary one-time resources related to the implementation of this computer system:

Department	Description	Amount
JP 1	Temporary full time clerk for FACTS	\$34,960
JP 1	Overtime for FACTS	19,593
JP 2	Temporary clerk for FACTS	30,542
JP 3	Temporary clerk for FACTS	30,542
JP 4	Temporary clerk for FACTS	30,542
JP 4	Overtime for FACTS	14,864
JP 5	Temporary clerks for FACTS	30,542
Total	FACTS implementation for JP's	\$191,585

c. Other Revenue Related Support in JP3

Besides the Collections Clerks described above, Justice of the Peace, Pct. 3, has had revenue certified by the Auditor’s Office to cover the expense of an additional four FTE. The FTE will handle additional workload in the enforcement, trial, intake, and administration functions. The four FTE total \$126,820 in new expense.

d. Other Revenue Related Support in JP 2

JP 2 also received partial-year funding of \$53,181 for 3 new FTE to staff additional front counter windows. JP 2 is scheduled to move to expanded office space in May 2008.

e. Temporary Staffing Support

The Adopted Budget also includes a total of \$92,020 in Justice of the Peace, Pcts. 2 and 5, for additional temporary staffing support. The temporary staff will assist with a warrant backlog in JP5 (\$26,750) and with various special projects in JP2 (\$50,000). In addition, \$15,270 in additional temporary staffing funds are being included for the consolidated accounting division in JP2 that serve the ten JP and Constable offices.

f. Other One-time Increases

Information and telecommunications equipment totaling \$104,196 is being included for funding in the Justice Court Technology Fund for the five Justice Courts. Included in this amount is capital related to occupying the new second floor of the Precinct 2 Office Building totaling \$13,600 as well as replacement and new PC's and telephones.

4. Counseling and Education Services Staffing

The Counseling & Education Services (CES) Department provides intake, substance abuse and family violence assessments, case management and counseling and education classes for both adult and juvenile offenders referred from Travis County Courts and departments. The backlog for chemical dependency and family violence counseling has been increasing and this in turn has caused backlogs in the criminal justice system.

Three new positions are being included in the Adopted Budget that will be partially reimbursed by additional revenue. These positions are:

a. Two Alcohol and Drug Chemical Dependency Counselors

The 2 new counselors are funded to keep up with demand for assessments. There will be \$29,988 in certified revenue to partially cover the cost of these new FTE. \$77,435 is added within the department (\$73,960 in operating and \$3,475 in capital) and \$21,272 is placed in an annualization reserve representing three months of salary for these positions.

b. One Family Violence Counselor

This Counselor will handle the rising number of clients needing a Family Violence Assessment. This position is also partially reimbursed by \$20,825 in additional certified revenue. \$40,456 is added within the department (\$36,981 in operating and \$3,475 in capital) and \$10,636 is placed in an annualization reserve representing three months of salary for this position.

5. Day Treatment Center

The State is prepared to help fund a Day Treatment Center for high-risk felony offenders if Travis County provides a commitment to provide the space for such a program. The Commissioners Court has formally asked that such space be secured through a lease. The cost of such a lease is yet to be determined; however, a \$112,000 earmark against Allocated Reserves was established for this purpose. Travis County has historically experienced long waiting lists for all levels of substance abuse treatment. This has impacted jail over-crowding, as courts sometimes hold offenders in jail until treatment is available. It also has an impact on public safety, as offenders have difficulty maintaining abstinence waiting for a treatment slot.

In FY 06, an average of at least 500 offenders were on a waiting list for outpatient substance abuse treatment. The proposed non-residential treatment program would provide evidence-based treatment services to this offender population by addressing pre-treatment readiness, relapse prevention and intensive treatment. The Adopted

Budget contains \$63,386, with \$57,120 dedicated toward capital equipment, and \$6,266 included as operating expense. The results of this program to serve offenders will be evaluated during FY 08.

6. Expansion of the SMART Program

The Adopted Budget includes \$73,897 to expand State-funded residential treatment for substance abuse offenders at the Supervision and Monitoring for Addiction Related Treatment (SMART) program facility in Del Valle. 72 treatment beds are expected to be added and most of the funds are for one-time capital (\$60,910) along with one-time operating expenses (\$12,987). The program is intended to reduce recidivism by providing offenders with skills to maintain a substance abuse-free lifestyle and provide more offenders with skills to become gainfully employed. This provides an opportunity to access \$1.5 million in state funds to effectively double the current 76 bed capacity for this program operated by the Community Supervision and Corrections Department. Staff is funded through the State of Texas.

7. Co-Location of CSCD and MHMR

The Adopted Budget contains \$35,067 to co-locate the specialized CSCD Mental Health Unit (MHU) and staff from Austin Travis County Mental Health Mental Retardation (MHMR). \$12,687 of this amount is one-time operating budget expense for office equipment and \$22,380 is included in the capital budget. This will promote a collaboration and continuity of services for mental health offenders. There are currently 16 CSCD mental health officers supervising over 400 offenders diagnosed with a variety of mental health/mental retardation issues or who are developmentally disabled or have degenerative disorders which require close supervision. Co-locating these two services will promote a collaborative environment and service continuity. The Commissioners Court has formally asked that the co-location be secured through a lease. The budget for such a lease is \$83,707. An additional \$18,000 was added in Facilities Management for ITS-related telecommunications costs.

8. Pretrial Central Booking Staff

The Adopted Budget contains \$40,682 (\$37,107 in operating and \$3,575 in capital) for two additional Pretrial Services staff to accommodate the workload and to improve efficiency and reduce delays in the Central Booking bond review process. There is \$41,426 of additional revenue generated through the amended interlocal agreement with the City of Austin approved after adoption of the budget; however, this revenue was not included in the Revenue Estimate for the Adopted Budget. The funding is effective in May 2008 due to space availability, with an additional \$52,513 being placed in the annualization reserve in order to avoid an impact on the FY 09 budget. The two staff are a Senior Pretrial Officer and Office Specialist.

9. Mental Health Public Defender Grant Match

Travis County was awarded a grant from the State in FY 07 to establish a Mental Health Public Defender (MHPD) Office. This office will aid in the County's quest to provide continued legal representation and assistance to mental health defendants. The MHPD will represent clients in their criminal cases, while at the same time attempt to connect

them to available services and treatment options. The MHPD Office also will seek systemic solutions to get and keep defendants with mental illness or mental retardation out of the criminal justice system.

The annual budget for the program is \$625,000. In FY 07 (the first year) the state funded \$500,000 and the County provided \$125,000 for its 20% grant match requirement. The Adopted Budget includes \$250,000 for the FY 08 contribution to this program, as outlined in the grant match requirements. These funds reside in the Criminal Justice Planning department budget.

10. Pretrial Case Management Staff

The Adopted Budget includes \$44,943 (\$37,793 in operating and \$7,150 in capital) for two Pretrial Officer positions to handle the growth in caseload to address a significant increase in high risk defendant numbers assigned to various case management programs. These programs include family violence, electronic monitoring, intensive supervision, mental health, and ignition interlock as a condition of pretrial release from jail. With the growth in high risk defendants comes a corresponding possibility that incidents of non-compliance by defendants go undetected. This growth also results in a higher risk to the community and/or bond revocation along with added possible pretrial incarceration. Funding for FY 08 is effective in May 2008 due to space availability. An annualization reserve of \$53,743 has been established to fully fund the new positions in FY 09.

11. Indigent Attorneys' Fees

In 2001, the 77th Texas Legislature passed the Fair Defense Act (FDA) to reform the way that court appointed legal counsel is provided to indigent defendants. Based on FDA requirements the Criminal District and County Court-at-Law Judges adopted a new fee schedule in 2002 for attorneys representing indigents as well as standards to determine indigency of defendants. These changes, along with increased caseload and other factors, have resulted in increased expenditures for these mandated costs.

These expenditures are expected to require an additional \$125,000 in FY 08 for Civil District Court cases along with \$3,764 in legally mandated court costs, for a total of \$128,764 in the Civil Courts. A \$75,000 earmark is also included against the Allocated Reserve in the event additional resources are needed in FY 08 for civil cases.

In the Criminal Courts, two separate earmarks totaling \$500,000 are added to the Allocated Reserve for criminal indigent defense in FY 08 at the current fee schedule. The Adopted Budget also includes a further earmark of \$500,000 on Allocated Reserves for the Criminal Courts in the event there are additional capital murder cases tried. With this increase, a total of \$3,400,495 in on-going resources has been added to the Criminal and Civil Indigent Attorney Fee budgets since FY 02 (\$1,029,495 in FY 03, \$1,100,000 in FY 04, \$200,000 in FY 05, \$300,000 in FY 06, \$646,000 in FY 07, and \$125,000 in FY 08). The total budget for indigent attorneys fees in both the Civil and Criminal Courts is \$7,721,292.

12. Austin Police Department Drug Lab

Funding for an additional chemist in the Austin Police Department Drug Lab was approved by the Commissioners Court in May 2007. The "Rocket Docket" cases in the District Attorney's Office have experienced a backlog due to the long wait time for a drug test from the Drug Lab. The backlog results in court resets and additional days that offenders may remain in jail. Priority will be provided within the Drug Lab for those cases on the Rocket Docket and other cases where defendants remain in jail. The Adopted Budget contains \$69,600 of one-time funds for this chemist, so that the results and impact of adding this position can be revisited in FY 09.

13. Ex-Offender Workforce Development Planner

A Workforce Development Coordinator was hired in April 2007 to provide support toward securing jobs for ex-offenders. This position was funded in FY 07 with one-time monies. Unemployment and underemployment remain a problem for those recently out of jail, and an ex-offender who is unemployed is much more likely to re-offend and return to prison or jail than one who is employed. It was estimated in FY 07 that there were over 15,000 ex-offenders living in Travis County with 50% either unemployed or underemployed. The Adopted Budget contains \$67,719 in the Criminal Justice Planning Department to continue funding for this FTE.

14. Criminal Courts FTE Conversion from FACTS to Judicial Support

The Criminal Courts have received funding since FY 03 for a temporary employee to backfill other staff while the department was working on the implementation of the Fully Automated Courts Tracking System (FACTS). Funding for this position was eliminated in FY 07 when FACTS was implemented. While the FACTS conversion is now complete in this department, the new computer system requires additional staff time to operate. Removing the position will have a negative impact on the department's performance. In addition, the department has demonstrated that continuing this position will allow them to maintain their current standard of setting new criminal cases within three days. The Adopted Budget contains \$50,802 to convert their assigned Special Project Temporary to a full time position.

15. Reentry Round Table

Criminal Justice Planning has received \$35,000 in one time funding to continue the Re-Entry Roundtable for an additional year. The roundtable includes employees of the City of Austin, Travis County and outside agencies. They develop tools and programs that help ex-offenders find employment. They also research and overcome the barriers that employers have in hiring people who have come through the justice system.

16. Justice System Coordinating Committee (JSCC) Senior Planner

A total of \$63,759 was added for an additional FTE in Criminal Justice Planning to assist in researching the areas covered by the Justice System Coordinating Committee (JSCC). This FTE will monitor the jail population, facilitate monthly meetings, research and recommend process improvements and investigate specific cases bogged down in the justice system. The department's temporary employee funding is reduced by \$26,162 to offset the cost for this planner since this funding is no longer needed.

17. New Drug Court Fund

The Adopted Budget includes a new Special Revenue Fund entitled the Drug Court Program Fund, with certified revenue of \$169,762. The one-time revenue is \$21,637 and \$148,125 is ongoing revenue. This new fund is an outcome of the passage of HB 530 during the 80th legislative session. The ongoing revenue previously would have been part of the General Fund. Therefore, the Adopted Budget has moved \$140,212 of what was the Drug Court Division's operating budget from the General Fund to closely match this fund's ongoing revenue.

18. Constable Precinct Two Interlocal Agreement

Commissioners Court approved an interlocal agreement between Constable Precinct Two and the Leander Independent School District (LISD). Constable Two will provide LISD with a School Resource Officer for the school year. The Adopted Budget includes \$56,743 for one Deputy for 8 months plus operating expenses in the Constable's budget along with \$8,941 in TNR for vehicle maintenance. A new vehicle for this position is also included in the interlocal.

B. HEALTH AND HUMAN SERVICES (HHS)

The Adopted Budget includes new resources to support Health and Human Services (HHS) programs in two areas: its administrative infrastructure and a continuation of program enhancements, as outlined below.

1. HHS Administrative Infrastructure

There are three administrative modifications that have received resources within the Adopted Budget. These are funding the Federal minimum wage increase for the Summer Youth Program, resources for the City-County Interlocal agreement, and prior approved staff to support the CDBG block grant, as outlined below.

a. Federal Minimum Wage Increase for Summer Youth Program

A total of \$24,940 is included in the Adopted Budget to increase funding for youth stipends for the Summer Youth Employment Work-Based Learning (SYEP/WBL) Program. This amount is based on approved changes to the Federal minimum wage. The President has signed the wage bill and the minimum wage will be \$5.85 per hour for the majority of the FY 08 summer program, with a minimum wage of \$6.55 beginning at the end of July 2008.

b. Interlocal with City of Austin

\$219,422 (\$184,422 plus \$35,000 for a program called EmanciPET) is included within the Adopted Budget for the increased cost of the City/County Public Health Interlocal. City and County staff have been working on this agreement for several years in order to combine a number of existing agreements into an overarching agreement. The City of Austin submitted the FY 08 cost to be \$2,633,397, which is a \$219,422 increase over the FY 07 amount of \$2,413,975. The increase involves an additional \$35,000 contribution from the County for the EmanciPET program for low-cost or free sterilization of dogs and cats in order to help prevent animal

homelessness. The City and County will be reviewing the new interlocal again in FY 08 for potential changes in the second year of the agreement.

c. Community Development Block Grant Staff

The Adopted Budget includes \$96,281 within the HHS budget for continuation of two FTE in Health and Human Services to support the Community Development Block Grant (CDBG) program along with operating resources for advertising, office supplies, and travel and training. The Commissioners Court also approved \$88,727 for one FTE in TNR within the CDBG Grant Budget along with \$83,153 in the Auditor's Office for one accountant to track the expenditures against this grant. The total planning and administration budget within the General Fund and CDBG Fund is \$268,161 which includes four FTE. One of the two positions within HHS is approved for one year and is funded at \$64,833, but the cost for this position has been fully offset by a change in budgeted salary savings within the department, resulting in a net cost of zero for FY 08.

2. HHS Programmatic Changes

There are a variety of programmatic or inflationary increases within the Adopted Budget that are summarized as follows.

a. Workforce Development

The Adopted Budget includes \$100,000 of one-time funding to continue a workforce development pilot program into FY 08. This pilot is an expansion of existing County programs and includes \$60,000 to expand the Rapid Employment Model (REM), \$30,000 to increase capacity in Capital IDEA to establish a long-term approach (12-30 months) to lead participants from unemployment or under-employment to high wage careers, and \$10,000 to support outcome and impact evaluation of the REM pilot and other local workforce development services.

b. Child Protective Services

A total of \$100,000 is included to augment the budget of Child Protective Services-related expenses in HHS, resulting from increased children in the system. There has been a 46% increase in the number of children in care since FY 00, resulting in a strain on the CPS Board budget. Historically, Health and Human Services has been able to locate one-time funding to augment the budget over the last several fiscal years. But the steady rise in children is exceeding the department's budget capacity to internally fund this growth.

c. Mobile Crisis Outreach Team

A reserve of \$400,000 was established in the FY 07 Adopted Budget to fund a Mobile Crisis Outreach Team (MCOT). This team provides urgent crisis outreach and follow-up by traveling to locations and evaluating adults and youth who cannot or will not access traditional psychiatric emergency room care. The program works with those who do not warrant detention or before emergency detention becomes necessary. The goal is to reduce psychiatric hospitalization and detention of this

targeted population. This program is part of a larger plan currently being implemented by key mental health stakeholders to address emergency mental health services in the Austin-Travis County area. A balance of \$120,000 from the reserve will remain unspent in FY 07. The Adopted Budget includes this amount plus another \$300,000 of one-time funds to provide a total of \$420,000 in FY 08. A formal evaluation of the program in FY 08 will help to determine its impact and future funding.

d. Congregate Meals

\$20,880 is included to fund a \$1.16 increase per meal for the 18,000 meals served to the elderly population by the Congregate Meals Program funded through the City and County. This funding will maintain the current service level of 18,000 meals provided free of charge to the elderly at 21 locations in Austin and Travis County.

e. Flexible Funding, The Children's Partnership/TRIAD

A continuation of the \$165,000 of one-time funding in the FY 07 Adopted Budget is again included in the FY 08 Adopted Budget. These funds are used for wrap-around services and support a variety of residential services for youth who have significant mental health challenges. This funding is the payer of last resort and is utilized when no other funding source can be identified and/or accessed. These youth and their families are "high need". They have mental health challenges and needs that cannot be safely met in the community and thus requires residential treatment services. One-time funds have been included for this purpose since FY 05.

f. After School Expansion

\$220,000 has been included in one-time resources to expand the County's After School Program. This expansion will include 300 students attending Gus Garcia Middle School, opening Fall of 2007, and 50 students attending the Ann Richards School for Young Women Leaders. Many of the students attending these campuses will be transfers from After School Programs at Webb and Pierce.

g. HIV Minority Targeted Case Management

The FY 08 Adopted Budget includes \$134,670 in one-time resources to improve HIV+ clients' health status by providing wraparound services in the form of counsel and assistance in obtaining medical, social, community, legal, financial, and other essential services for disproportionately impacted minority residents in Travis County. HHS is reviewing the needs of the community and will present a detailed plan for the funding to the Commissioners Court in FY 08.

h. Housing Services Carpenters

An additional \$110,892 has been included in the FY 08 Adopted Budget for HHS to add two carpenter positions (1 work team) for Housing Services. This team will assist with grant and General Fund home weatherization repair programs for low income residents that are within 125% of the federal poverty guidelines.

i. Council on At-Risk Youth (CARY)

This FY 08 budget includes \$100,000 in one-time resources for the Council on At-Risk Youth (CARY), whose mission is “helping youth promote safe schools and safe communities”. The proposed Youth Violence Prevention Program will provide at-risk youth with a social cognitive skills training program including Positive Adolescent Choices Training (PACT) with individual counseling and behavioral coaching for a period of 12 months each. This is a \$50,000 increase for the program compared to the FY 07 Adopted Budget.

j. Early Education and Care: Quality Improvement

The FY 08 budget includes \$200,000 for quality improvement efforts in early education and care. This will expand a pilot project funded in FY 07 with \$118,000 of one-time funding. The \$200,000 budget also includes \$40,000 in resources to supplement the salaries of daycare teachers. The proposal seeks to improve the quality of education available in early childhood settings; including environmental quality improvements through the Child Care Quality Mentoring Consortium (CCQMC) and teacher retention through the Jeanette Watson Fellowship.

k. Deaf Services Temporary Salaries

\$50,863 has been added to the Deaf Services budget to meet the demand for interpreter services throughout the Travis County area.

C. ADMINISTRATIVE OPERATIONS**1. Information Technology**

The Adopted Budget contains additional resources in the Information and Telecommunications Systems department (ITS), as summarized below.

a. Information Systems Maintenance Agreements

A variety of professional service and maintenance agreement increases for existing hardware and software are included in the Information and Telecommunications Systems Department (ITS). These maintenance agreement increases total \$433,800. There are 90 contract items that are experiencing some level of increase or decrease for FY 08. The net increases of \$433,800 represents more than a 10% increase over the FY 07 maintenance contract budget of \$4,261,885.

b. Crystal Enterprise

Crystal Reports is the application that allows Integrated Justice System (IJS) user departments to access data and create their own unique reports. Today, each user department must have its own stand-alone version and accompanying individual user licenses. Crystal Enterprise allows for the creation of centralized Crystal Reports servers and will do away with the need for each department requiring their own stand-alone version and individual licenses. The Adopted Budget includes \$69,306 in operating expenses and \$160,000 in capital funding for this application and upgrade.

c. ZENWorks

A total of \$36,800 is included to add the Patch Management module to the currently deployed ZENWorks application. Novell ZENWorks is a system administration tool that allows system administrators to manage county workstations from a single location. Patch Management is an add-on product that will allow administrators to find and patch security holes on employee computers.

d. Medical Examiner's Computer Support

The Adopted Budget includes \$82,634 to continue funding an ITS technical position assigned to the Medical Examiner, originally approved mid-year 2007 by Commissioners Court. The position will be handling computer generated reporting requirements necessary for accreditation by the National Association of Medical Examiners (NAME).

e. FACTS Staff Succession Plan

The Adopted Budget includes \$95,168 in one-time operating and \$3,405 in associated computer equipment to backfill a critical FTE related to FACTS so that a smooth transition and knowledge transfer can take place between the incumbent FTE and their identified successors prior to retirement.

f. Citrix Remote Access

This initiative allows Travis County to more easily provide remote access to applications and data in a secure manner for its employees, partners and vendors. A total of \$96,957 for one-time operating costs for consulting fees and \$233,240 in required computer equipment is included in the Adopted Budget to begin this initiative.

g. Additional FTE to Support Windows and for Backup & Restore Functions

ITS received three additional System Engineers for back-up and recovery management and for Windows and VMWare administration. A total of \$160,000 was included to fund these three positions.

h. Inmate Phone Contract

The Adopted Budget includes \$25,000 for a Contract Compliance specialist that is part of the inmate phone contract. The vendor provides the funding for the contract compliance position in accordance with the terms of the agreement.

i. Persyent Enterprise Software

When software causes a computer failure, a process (called "reimaging") must be followed to clear the software on a computer's hard drive and reinstall everything from scratch. This is usually necessary if the computer's operating system becomes damaged, or if security on a system is compromised. By enabling remote review and repair of desktop and laptop operating environments, the Persyent Enterprise software will reduce reimaging costs, improve computer reliability, reduce Help Desk calls for software problems, and maintain a common authorized software

platform across the county. The Adopted Budget includes \$18,000 in the operating budget plus another \$80,000 in capital for this software.

j. Integrated Justice System (IJS) – Fully Automated Court Tracking System (FACTS) – temporary staffing

The implementation of the Fully Automated Court Tracking System (FACTS) in the Justices of the Peace and Probate Court continues into FY 08. The Adopted Budget contains funding for two full time temporary staff for six months in FY 08 who will backfill for employees that are assigned to the completion of FACTS according to the current schedule. Since the FACTS system has experienced a variety of delays and implementation challenges over its history, funding these positions is necessary under the circumstances. \$36,690 is included within the ITS operating budget for this purpose.

k. Central Telephone Exchange Upgrade

The Courthouse Central Telephone exchange is the central phone exchange for Travis County. It is five years old and its hardware and software are unsupported by the manufacturer. There is no option to extend warranties on the current equipment. Computer hardware and software are needed to upgrade the Travis County Enterprise phone systems to stay at the manufacturer's current release. The Adopted Budget includes \$50,000 for vendor installation and \$270,000 in telecom hardware.

l. Capital

An additional \$7,002,525 of one-time capital is included in ITS. This amount is comprised of \$2,286,300 for major computer system, file server replacements, software applications and cabling replacements, \$2,087,940 for the replacement of personal computers and printers, and \$2,628,285 for the upgrade to Tiburon Version 7 public safety and justice applications. This capital is outlined in the capital section of this Executive Summary and is also listed in detail in the Appendix.

2. Facilities Management

a. Senior Project Inspector

In February 2007, the Commissioners Court approved a new Sr. Project Inspector for the Design-Build Jail Expansion project, to be funded as a special project temporary. \$60,009 is included in the Adopted Budget for FY 08 and an additional three months of funding will be needed in FY 09 to complete the project.

b. Exposition Center

The Commissioners Court has continued its support over recent years for operating the Exposition Center at a financial loss. A subsidy from the General Fund has been necessary to offset this loss and resources have been approved for capital improvements to the facility over the last five years. The Adopted Budget includes a \$125,000 subsidy to the Exposition Center, which is the same amount as provided over the last several years.

c. Utilities

Utilities costs are budgeted in the Sheriff's Office for the Correctional Complex at Del Valle and in Facilities Management for all other county buildings. The Facilities Management FY 07 utilities budget totals \$3,659,791, an increase of \$307,956 from the previous year. This takes into account the energy cost increase Austin Energy announced it will implement in January 2008 as well as the impact of owning and occupying new county facilities in FY 08. The Sheriff's Office utilities budget totals \$2,326,113. No request for utilities relief was made by the Sheriff for FY 08, as the Sheriff's utility budget is at an appropriate level with the elimination of Building 4 within the footprint of the Jail Expansion Project.

d. Leases

The Commissioners Court and Facilities Management have had a multi-year strategy to increase the amount of County-owned space and decrease the amount of leased space for county programs. In FY 07 a variety of county departments moved out of leased space into new county-owned space. For FY 08, the total lease budget is \$488,880, representing seven parking leases and two buildings (Jonestown Clinic and Drug Court). This represents a reduction in the lease budget of \$219,106. This budget includes \$29,488 to cover an additional two months of lease costs due to delays in the relocation of Drug Court. There are also lease decisions that have been made for the new CSCD/MHMR co-location program totaling \$83,707, along with an earmark of \$112,000 for the Day Treatment Center.

e. Maintenance Line Items

There are more than 1.8 million square feet of building space maintained within Travis County. Recent additions of space have led to a need for additional maintenance resources. An analysis of spending patterns over the last four years suggests that funding for routine maintenance has ranged between \$.54 and \$.60 per square foot of space. Using this range as a standard results in adding \$239,937 in the Adopted Budget, bringing this budget to \$1,111,186, at \$.60 per square foot.

f. Civil Courthouse

The Adopted Budget includes \$200,000 for a professional consultant who will provide analytic and planning support for a new Civil Courthouse. In addition, a total of \$44,006 was budgeted in Facilities Management for staff support (Special Project Temporary) for the Civil Courthouse planning effort.

g. Building Services Superintendent

Facilities Management has reorganized, leading to the funding of a new Building Services Superintendent position. This FTE will oversee the custodial crews, movers, and grounds-keeping crews. A total of \$53,089 was added to the Adopted Budget for this reorganization cost.

3. Records Management and Communications Resources

The Adopted Budget includes a variety of increases in Records Management and Communications Resources. These primarily reflect an increased cost of doing

business and are related to copy paper, postage, copier replacements, offsite storage, voter confirmation notices and business cards, and a correction to the Imaging Division budget, as outlined below.

a. Copy Paper

Records Management and Communications Resources (RMCR) has seen the price of a case of copier paper rise from \$23.22 in February 2006 to \$29.22 in January 2007. In addition to price increases, there has been increased demand for paper. The department has been internally funding increases in copier paper costs since FY 05, when the cost of a case of paper was \$21.39. However, increases in both paper price and demand are too great to internally fund, and \$65,000 is included in the Adopted Budget for this purpose.

b. Postage for Voter Registration Mailings

The Adopted Budget includes \$133,000 to fund the State-mandated biennial voter registration renewal mailings scheduled for Fall 2007. The mailing is estimated to be in the neighborhood of 600,000 pieces. Routine county mail alone costs \$60,000 per month and the department does not have the resources to internally fund this request.

Other increases in RMCR are shown in the table below:

Copier Replacements (rentals)	\$29,523
Offsite Storage increases	\$20,000
Correction to operating budget for Imaging Division	\$15,290
Voter confirmation notices and business cards	\$14,000

D. EMERGENCY SERVICES

1. Emergency Services CTECC and Regional Radio System

The Adopted Budget includes \$72,902 for the annual operations and maintenance budgets for the Combined Transportation, Emergency and Communications Center (CTECC) and the Regional Radio System (RRS). These are ongoing, contractual obligations for Travis County, as defined by a cooperative interlocal agreement. For FY 08, the CTECC agreement is increasing by \$45,955, which is primarily due to a new back-up Public Safety Answering Point (where 911 emergency telephone calls are received and routed to the proper emergency services), computer life-cycle replacement, and warranty expiration of furniture, fixtures & equipment (FF&E). The Radio portion of the agreement is increasing by \$26,947 due to contractual escalations with Motorola system maintenance and system personnel costs.

There is also capital for CTECC of \$186,738. Items include \$148,245 for servers, telephone upgrades, software upgrades and licenses and \$38,493 for fence security items at the CTECC second entrance.

2. EMS Ground and Air Interlocals

The Adopted Budget includes \$1,067,219 for increases in the annual program budgets for both EMS Air (StarFlight) and EMS Ground. These are ongoing contractual obligations for Travis County as defined by two interlocal agreements between the County and the City of Austin. Service enhancements in this amount for STARFlight include FAA Communications training costs and maintenance contracts for biomedical equipment. Service enhancements for EMS Ground include new Communications Staffing (8 FTE), one Peak Load Unit (6 FTE), and a reduction for the transfer of four ITS positions back to the City of Austin Communications and Technology Management Department.

Additional increases for pilot performance/overtime/holiday pay, life insurance and workers comp, flight planning technology, operating expenses and an adjustment to the department's salary savings total \$219,458. Finally, the Adopted Budget also includes capital costs for two ambulances, one command vehicle, and one special response vehicle for Ground EMS along with patient monitors and an aircraft auxiliary power unit for STARFlight totaling \$559,438.

3. STARFlight Fuel

The Adopted Budget includes \$107,234 to increase the STARFlight fuel budget due to rising prices and greater usage over the past few years. For the past two fiscal years, the department has been using internal savings to cover these costs. The current budget for fuel in EMS has remained unchanged since FY 05. A rise in average fuel cost per gallon from \$1.24 to \$2.12, and an increase in flight time from 668 hours to 1,020 hours justify this budget increase.

4. Medical Examiner's Office

The Medical Examiner's Office has been undergoing a variety of major changes in its staffing patterns and operations, with a goal of being certified by the National Association of Medical Examiners (NAME). Among other things, this certification requires that the workload of the forensic pathologists and related staff be managed and staffing provided to ensure that the appropriate standards of quality are maintained. During FY 06, five FTE were added to the department to move the department toward meeting NAME certification. Another four FTE were added in FY 07, for a total increase of nine FTE to this office that had 23 FTE in FY 05. The total budget for the office went from \$2.17 million in FY 05 to \$3.35 million in FY 07.

The FY08 Budget contains \$226,006 (\$216,806 for personnel and operating and \$9,200 in capital) for a fifth Deputy Medical Examiner. In July 2007, the NAME reduced the allowable caseload for a forensic pathologist from 350 to 325 autopsies per year. This reduction required the office to have a fifth doctor in order to maintain compliance with NAME standards. The Office will apply for NAME Accreditation in FY08, and at this time the office will be fully staffed to the Associations' requirements.

In addition, the Medical Examiner's budget increased \$39,504 for a Forensic Toxicology Lab Technician (\$36,029 in operating plus \$3,475 in capital) and \$43,556 for a service

contract for a mass spectrometer, plus \$25,000 in capital for an electrolyte chemistry analyzer. \$11,900 is also included in the Annualization Reserve to provide full annual funding for the Lab Technician. Due to relatively tight space constraints, this position may be the last that can be appropriately added within the existing facility without changing the manner in which the office operates. An additional \$66,980 is included in the Facilities Management capital budget for space-related costs, including a new workstation, lighting improvements, and front gate widening.

5. Emergency Services Capital Area Council of Governments (CAPCOG)

Emergency Services received approval to rebudget into FY 08 a total of \$202,008 received in FY 07 from the Capital Area Council of Governments (CAPCOG). Emergency Services will use these funds to reimburse and fund eligible expenditures associated with the design of a 9-1-1 system and/or purchase and maintenance of equipment and personnel necessary to establish and operate answering points and related operations with Travis County. A portion of the funds may be allocated to other entities within Travis County that have qualifying expenditures.

E. OTHER CHANGES

1. Tax Office Voter Registration

The Adopted Budget includes \$24,816 that will be fully reimbursed by the State of Texas to purchase items or services that will enhance voter registration. (These are called Chapter 19 funds). This is in addition to a one-time transfer of \$81,100 approved in FY 07. Previously, the Tax Office purchased the items and sent the invoice directly to the State to be paid. However, due to a change in legislation and the outcome of a State audit, there has been a rule change. The new rules require the County to pay the vendor and then be reimbursed from the Secretary of State. Therefore, the Tax Office will need advance funding of Chapter 19-eligible expenditures until those expenditures can be reimbursed by the State. A Voter Registration Fund has been established to house these expenditures.

2. New Financial System

The Commissioners Court made an initial commitment in FY 07 to begin the necessary planning to replace the County's existing 17 year old financial system. The current system (called HTE) handles the County's general ledger, payroll, purchasing, human resources, accounts payable, accounts receivable and budget requirements. The technical and management leadership for this project will be centered in the County Auditor's Office. This is a multi-year project that will impact every county office in some way. Experiences with implementing prior computer systems in the County have led to a recognition that careful advanced planning with a core of highly competent personnel is an extremely important requirement to ensure success of such a project. With this in mind, the Adopted Budget includes the following:

- \$197,500 to hire a consultant for the development of an Identity Management Architecture (IMA) plan for Travis County information technology systems. An IMA creates a “single-stop shopping” point to manage employee access to applications, servers and employee sensitive information.
- \$188,885 to allow backfilling of existing management and technical positions and to allow the freedom of existing management staff to work on implementation of the new financial system.
- \$39,590 for additional funding for a Database Architect/Administrator and travel costs for reference visits to other counties and cities to learn other governmental agencies’ best practices.

3. Attorney for the HealthCare District

The County Attorney’s Office is obligated to provide legal services to the Healthcare District. The Healthcare District is prepared to pay the fees associated with an additional attorney. The Adopted Budget includes \$94,562 for this attorney that will be fully reimbursed by the Healthcare District (\$87,324 in operating plus \$7,238 in capital). In addition, \$20,289 will be placed in the Annualization Reserve, representing three months of this position’s salary.

4. County Clerk Elections Maintenance Agreements

The Adopted Budget includes \$92,246 for funding maintenance contract cost escalations for various hardware and software packages that are part of the Direct Recording Electronic (DRE) E-Slate Voting Equipment. The DRE contract was originally approved in FY 02. The current software agreement expires in January 2008 and the hardware package agreement expires in December 2007.

5. General Fund Transfer to Balcones Canyonland Preservation Fund

A total of \$967,423 has been added to the Transportation and Natural Resources (TNR) Adopted Budget for an increased transfer from the General Fund to the Balcones Canyonland Preservation (BCP) Fund. This amount represents the increased estimated tax revenue in FY 08 from new construction on BCP lands as compared to prior year tax revenues, along with other adjustments. The total FY 08 transfer from the General Fund is \$6,680,185.

6. US Army Corps of Engineers Flood Damage Reduction Study of Walnut Creek/Garfield

A total of \$144,800 is included as the FY 08 portion of a three year flood damage study that will involve evaluating channel modifications, buy-outs, flood proofing and elevation of structures to reduce property damage and loss of life in the unincorporated areas on Walnut Creek and the Colorado River.

7. New County Court-at-Law

Travis County has experienced a large increase in criminal caseloads, especially for Driving While Intoxicated offenses (3,004 cases in FY 95 to 7,278 in FY 06). The Commissioners Court gave its support toward the passage of a bill in the 80th Texas Legislature to create Travis County Court-at-Law #8. The bill passed the Legislature in

May and has been signed by the Governor. The new law authorized the new court to go into effect as early as January 1, 2008.

Several departments submitted budget requests related to the new County Court-at-Law #8. Below is a summary of those requests.

Dept.	Request	Operating	Capital	FTE
County Attorney	Paralegal, Victim Counselor, Legal Secretary & Office Specialist	\$188,507	\$17,320	4.0
County Clerk	Court Services Administrator, two Court Clerks, Court Clerk Assistant & Office Specialist	\$257,269	\$18,190	5.0
Criminal Courts	County Court at Law Judge, Judicial Aide, Court Reporter and two Office Specialists	\$432,075	\$101,455	5.0
Criminal Courts Mandated Fees	Additional Fees related to new court	\$456,100	\$0	0
Sheriff	Transportation and Court Security Officers	\$211,953	\$53,228	4.0
CSCD	Probation Officer & Office Specialist	\$83,224	\$9,810	2.0
CES	Counselor & part-time Office Specialist	\$66,697	\$6,950	1.5
Total		\$1,695,825	\$206,953	21.5

This information is provided as a recognition that funding for this new Court will be an obligation for FY 09. It will be difficult for space to be made available in FY 08, except possibly late in the fiscal year. No funds are included in the Adopted Budget for this reason. The Adopted Budget does contain a \$250,000 earmark against Allocated Reserves in the event that the space for this new Court can be expedited and is indeed completed before the end of FY 08. More should be known once the design drawings are approved, the construction costs are budgeted, and a contract is let for construction. If appropriate Court space can be feasibly and appropriately secured sometime in July or August, then this earmark should provide resources to get the Court initiated, with full funding provided in FY 09.

8. Floodplain Buyout Software and Services

A total of \$69,960 will be used to purchase and modify custom software to manage FEMA grants and property buyouts. Consulting services will be used to perform benefit cost analyses required by FEMA in grant proposals and to prepare grant applications.

9. 290 East Landfill

The Adopted Budget contains \$50,899 in Transportation and Natural Resources (TNR) for increased funding to address the closed US 290 East Landfill operations and maintenance. In FY 96 and again in FY 97, the Commissioners Court approved one-time funding for environmental remediation of this landfill. Again, in 2001, the Commissioners Court approved maintenance and operations funding to ensure that this landfill was in compliance with various state and federal regulations. Since then,

additional ongoing contract costs and lab tests have been necessary to meet a variety of landfill obligations.

10. Travis Central Appraisal District Fees

The Travis Central Appraisal District (TCAD) recovers its cost of doing business from fees charged to over 78 participating governments. The FY 08 Adopted Budget charge for services provided by the Travis Central Appraisal District will increase by \$289,608. The Appraisal District fee for Travis County is calculated as a percentage of the tax levy.

Several factors have contributed to the increase. First, TCAD increased their budget from \$9,929,291 to \$10,774,750, an increase of 8.5%. Second, the FY 07 line item for TCAD fees was underbudgeted due to the fact that an increase was not known until after the FY 07 Budget was adopted. The FY 07 budget was the same as the FY 06 budget. Third, the Legislature reduced all school tax rates with an ensuing reduction in their tax levies, which means that Travis County's share of the TCAD budget has gone up relative to other jurisdictions. Fourth, the increase could have been greater but for the expectation of a rebate of \$163,205 (the county's portion of an anticipated fund balance in the TCAD budget) and the fact that the City of Austin increased its tax rate at a higher rate than the County, thus adding to the City's share of the TCAD budget and reducing the County's share. The total budget for the Appraisal District fees for FY08 will be \$1,829,994 in the General Administration budget.

11. District Clerk Jury Office Passport Service

The Adopted Budget includes \$42,969 in the District Clerk's operating budget and \$7,075 in capital for a special project temporary position in the Clerk's passport operation. This position is funded by increased revenue generated by passport fees. The demand for passports has increased substantially in the last year and revenue is sufficient to cover this new position. This position will be re-evaluated during the FY 09 budget process in relation to passport application demand.

12. District Clerk FACTS Data Management

A total of \$86,701 was added for a new position to assist with FACTS reporting and data extraction requests in the District Clerk's Office. This Business Systems position is intended to be moved to the ITS Department in FY 09 to work on county-wide FACTS issues.

13. Civil Court Attorney II

The Civil County Courts will have a new Attorney, at a cost of \$61,110 to assist both County Courts with legal research and with each Judge's litigation docket. The Civil Courts internally reallocated a position towards this allowing the addition to be FTE neutral.

14. Security-Related Increases

A variety of security-related increases were included in the Adopted Budget as the result of the County's Security Committee recommendations on the highest priority

projects to address in FY 08. Such increases total \$250,915 and include building attendants in Facilities Management and security personnel from the Constable Precinct One office, along with various security equipment and facility modifications.

15. Office Space

It has been several years since major renovations or substantial improvements have been made to the buildings in the downtown campus. As increases in county staff have been approved over recent years, expansion space internal to departments has been utilized to support the new FTE, and such internal flexibility is now more limited. The Commissioners Court should anticipate the need to make major shifts in building configurations in the downtown complex over the next several years in order to appropriately accommodate the growth that is occurring in the departments housed there. In addition, as the Commissioners Court considers the acquisition of properties in the Downtown Campus area, it will have an impact on the potential development of a General Government Campus in the central Austin area. It is critical that the decisions regarding the allocation of new and existing building assets be considered in the context of the longer range objectives related to not only accommodating future growth in FTE, but the future redevelopment of county owned sites in the Downtown Campus.

The following is a list of facilities that will need office reassignments or space improvements in order to accommodate new FTE and that are directly impacted by plans to redevelop any site in the Downtown Campus.

- Ned Granger Administration Building
- Blackwell-Thurman Criminal Justice Center (including the N.L. Gault Building)
- Hemann Sweatt Courthouse
- Executive Office Building
- University Savings Building
- Holt Building
- Forensic Center
- Rusk Building

In addition, planning efforts for projects to improve the Precinct Offices that are experiencing occupancy issues will need continued focus so that any major initiatives necessary for these offices will be executed in a timely fashion.

16. Salary Savings

The Adopted Budget includes a variety of modifications to departmental salary savings budgets. These were not adjusted in FY 07 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 along with expectations for FY 07. From this history came a variety of adjustments that set salary savings to the minimum levels that have actually occurred historically in a number of departments. A net total of \$1,049,216 in General Fund resources was saved 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 budgets for all departments is (\$3,839,297) in the FY 08 Adopted Budget, including related benefits savings.

17. Other Increases in the Adopted Budget (each less than \$50,000)

Department	Purpose	Amount
EMS	StarFlight Overtime (\$37,593), & Skyconnect/Meteorlogix (\$10,000)	\$47,593
Auditor	Systems maintenance (\$25,098) & increased training (\$20,051)	45,149
Probate Court	Increased court costs & percentage of Mental Health Public Def.	39,919
TNR	Various vehicle fuel /maintenance increases (\$20,821) & school crossing guard project workers (\$13,675)	34,496
Constable 2	Pay grade changes (\$17,817) & temp for warrant recall (\$15,851)	33,668
District Attorney	Net change from Family Protection Fund transfer, Downtown Business DA interlocal contract, and Organized Crime interlocal	31,584
County Clerk	Operating budget costs for new electronic voter qualifying stations	29,500
Juvenile Probation	Protective Order Guardian Ad Litem previously funded by grant (\$14,862) & transfer to JJAEP Fund (\$14,601)	29,463
Dist. Attny.	Lease to move the Child Protection Team (\$28,856) & balance of CCP contract (-\$823)	28,033
County Clerk	Elections Division technical error	27,659
Sheriff's Office	Austin Ridge Lease for TCSO Child Abuse Unit	27,000
Cnty. Attorney	Transfer from CAPSO for grant match (\$18,115) & to Professional Prosecutor Fund (\$5,824)	23,939
Civil Courts	Maintenance of E Docket (\$14,400) & Court officer (\$8,945)	23,345
Facilities Mgt.	Renovation of 910 Lavaca (\$10,000) & Drug Court move (\$5,000)	15,000
Constable 1	Vests and operating expense	19,316
Facilities Mgt.	ITS-related costs for CSCD-MHMR co-location	18,000
Dist. Attny.	Family Violence Protection Team Attorney	16,103
Gen'l. Admin.	Dues for National Association of Counties	14,000
Constable 5	Benefits for temporary clerks	13,115
District Clerk	Records tracking and printing	12,500
Fire Marshal	Technical correction for Court approved salary	8,898
Counsel. Cntr.	Increase for Crime Victims Fund	8,724
Commiss. 1	Temporary Office Specialist	7,430
Various	Executive Managers performance based pay allocation	5,455
ITS	Inmate phone contract Comp Specialist increase	3,500
Various	Technical corrections for rank and file pay grade increases for positions added during Budget Mark-up	22,161
Various	Technical corrections for POPS pay grade increases for positions added during Budget Mark-up	15,127
Various	Other changes of less than \$5,000 in Tax Office, ITS, Probate Court, Facilities Mgt., Constable 2, JP 3 and HHS	12,218
Various	Technical corrections for benefits for FTE added during Mark-up	(1,475)
Total		\$611,420

VI. 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 five 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 07 allowed for compensation increases and the Commissioners Court adopted a 4% Cost of Living Adjustment (COLA) for all rank and file employees. The Court appropriated another 1% for performance-based awards and other compensation needs, for a total 5% increase in FY 07. In addition to rank and file increases, the Court approved in FY 07 compensation increases for annual step increases for those employees on the Peace Officer Pay Scale (POPS) equal to \$665,000.

B. FY 08 Compensation Increases

The Adopted Budget includes resources to address various salary issues facing departments and employees.

1. Rank and File

Rank and File employees received a 3.5% Cost of Living Adjustment (COLA). Those making less than \$30,000 were guaranteed a \$1,050 minimum increase (equal to 3.5% times \$30,000). This Cost of Living Adjustment cost \$4,971,888. In addition, departments were provided resources equal to 2% of salaries for other adjustments, including performance based pay, market adjustments, salary compression issues and other compensation issues. This 2% increase cost \$2,788,613 with benefits.

In addition to the 5.5% increases outlined above, a total of \$2,516,810 was included in the FY 08 budget to address certain specialized compensation challenges. The first was to fund salary increases resulting from a market study that revealed these positions were classified less than the current labor market. A large percentage of the funding is for positions in the attorney job family. A total of \$1,384,261 was funded to bring these positions to the minimum of their classification (called "Green-Circled Slots"). In addition, a total of \$1,132,549 was funded to increase salaries beyond their minimum pay grades resulting from market salary studies conducted in FY 06 and FY 07.

The table below summarizes these compensation increases for Rank and File employees, which total \$10,291,105 and include the cost of salaries and benefits.

3.5% Cost of Living Adjustment	\$4,971,888
2% Department Flexibility Allocation	2,788,613
Bringing Green Circled Slots to minimum of pay grade	1,384,261
General Market Adjustment and Compression – FY 06 & FY 07 Studies	1,132,549
Compensation increases within Courthouse Security Fund	13,794
TOTAL – RANK AND FILE	\$10,291,105

2. Peace Officer Pay Scale (POPS)

Travis County maintains a Peace Officer Pay Scale (POPS) for all peace officers in the Sheriff’s Office and Constables’ offices, as well as Investigators and Park Rangers in the District and County Attorney’s Offices and in TNR. The Commissioners Court heard a wide variety of testimony from various representatives of these offices during the FY 08 budget process. The Court decided to fund various proposals to bring the compensation of these peace officers closer to market conditions. An important feature of the TCSO plan was an agreement by the Court and the Sheriff’s Officers Associations that these compensation increases would be held stable for a three year period, through September 30, 2010. The next time that the Court will address the Sheriff’s Peace Officer Pay Scale will be for the FY 11 budget.

The various component parts of these increases are summarized in the table below, which total \$8,300,896.

11.5% average increase to POPS, including anniversary step increases, as proposed by Sheriff’s Officers Associations	\$7,829,658
Civil Process Proficiency Pay (in Constables’ offices)	28,728
Park Rangers and Investigators - 5.5% increase	145,526
Constables - 7.5% increase	296,984
TOTAL	\$8,300,896

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 maintain more control over increasing health premiums for the County. Despite this control, self-insurance does not necessarily reduce overall health care expenses.

During spring 2007, an Employee Benefits Committee, in close coordination with the County’s external actuary, reviewed various options, costs, and affordability of different plans for FY 08. For the first time in many years, Travis County’s health costs have begun to stabilize, although health costs for retirees under 65 years of age continue to be a concern for FY 08 and beyond. The Commissioners Court voted to continue the current 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 Commissioners Court approved in May 2007 the health insurance rates for FY 08. The rates for regular employees are unchanged from FY 08. The rates for under-65 retirees-only are the same as the FY 07 rates, whereas the rates were reduced for retirees with dependents.

For FY 08, the proposed County composite contribution rate will again be \$629 per month per regular employee, \$1,120 per month per retiree under age 65, and \$327 per month per retiree over 65. These are the same as FY 07. The actuarially determined county contribution for retirees under 65 is \$1,170 per month and \$339 per month for those over 65. The Allocated Reserve of the Employee Health Benefits Fund will absorb this difference.

As can be seen below, the Employee Health Benefits Fund was first established in FY 02 at \$18.3 million and rose to \$64.4 million by FY 07. The FY 08 size of this fund is \$70.7 million.

Employee Health Benefits Fund – FY 02 to FY 08

Fiscal Year	Size of Employee Health Benefits Fund
FY 02	\$18,334,435
FY 03	\$22,162,255
FY 04	\$31,585,857
FY 05	\$38,342,713
FY 06	\$48,807,721
FY 07	\$64,424,670
FY 08	\$70,683,196

The Allocated Reserve within the Employee Health Benefits Fund has grown to \$30,247,604 in the FY 08 Adopted Budget. This reserve was only \$542,000 in FY 02. This Reserve is larger than it needs to be from an actuarial, risk and programmatic standpoint. The current size of this Reserve provided an opportunity for the Commissioners Court to cease making a transfer from the General Fund to the Employee Health Benefits Fund that was expected to be \$2,424,166 for vacant General Fund positions for FY 08. The projected savings was set up as a negative budget in what is called a "Contra Account" within the General Fund Hospitalization Contra Budget, which essentially allows the General Fund to utilize those resources for other purposes. It is intended to help to reduce the Allocated Reserve for this Fund.

In addition, during FY 07, the relatively large size of this reserve led to a deferral of transferring further General Fund resources to the Employee Health Benefits Fund for the county's full contribution for retiree health care. There are resources within the Employee Health Benefits Fund for the remaining expenses. This action resulted in the projected ending fund balance for the General Fund to be higher by approximately \$1

million. These one-time resources have been added to what otherwise would have been a lower General Fund County-wide Allocated Reserve.

The Employee Health Insurance Fund increases from \$64,424,670 in FY 07 to \$70,683,196 in FY 08. This represents a \$6,258,526 increase.

D. Other Benefits Changes

1. Increased Life Insurance

The General Fund budget contains an additional \$157,810 for increased life insurance benefits for employees. The basic life insurance coverage provided to employees is increasing from \$25,000 to \$50,000 per employee. This is the first change in basic life insurance coverage in over twenty years.

2. Workers Compensation Insurance

The County has been able to reduce the employer contributions toward workers compensation. This is based on a beneficial claims record in recent years and actuarial projections. Each major class of employee has its own workers compensation rate based on relative risk (for example, road workers and law enforcement personnel have a higher rate than office workers and engineers). A total of \$333,824 will be reduced from the General Fund contribution toward the workers compensation program in the Risk Management Fund as a result of these new reduced rates.

3. Retirement Benefits

According to the Texas County & District Retirement System (TCDRS), improved investment earnings and a one-time allocation of an additional 6% to the County's retirement plan eliminated the need for any retirement contribution rate increase. This allowed the County to continue with the same contribution rate of 10.71% that was in effect for FY 07, with only 10.15% required to maintain the same level of benefits.

In addition, the Commissioner's Court took action to reduce the County's basic benefit from 120% to 100%, a change that has no effect on County benefits unless the County ceases to exist. This change further reduced the County's required contribution rate from 10.15% to 9.82%. The net effect of these changes was that the County had \$1,719,249 in extra retirement contributions going to fund its TCDRS retirement plan. The court decided to use \$444,300 of this savings to fund a 3% flat rate COLA for County retirees. The remaining \$1,274,949 will be paid into the plan to help reduce the County's unfunded liability. This should improve the County's funding ratio to over 92%, well above the funding level of most plans nationally. Changes made by TCDRS this year will mean that the County will reach 100% funding for its plan within 15 years.

E. Elected Officials' Salaries

A Compensation increase for Elected Officials is included in the Adopted Budget totaling \$99,344. This amount is sufficient to fund a 4.5% increase for elected officials, including

a newly created judicial longevity pay. These resources do not include increases for Justices of the Peace as outlined below.

F. Judicial Salaries

Judicial salaries are linked to District Judges' salaries. These salaries will be held the same in FY 08. As a result, the Adopted Budget does not contain resources for salary increases for the Judiciary (District and County Court-at-Law Judges, Probate Judge, Associate Judges and the Justices of the Peace).

G. STARFlight Personnel Compensation

As part of the FY 04 budget process, Commissioners Court approved a policy that STARFlight personnel would receive compensation changes as though they were City of Austin (COA) EMS employees. The Adopted Budget includes \$48,376 for a 5.8% increase for STARFlight personnel salaries, keeping them in line with the City for EMS employees.

H. School Crossing Guards and Parks Project Workers

Additional funds were added to TNR to handle retirement increases associated with HB 633 and to increase temporary Park Project Workers (\$66,156) and School Crossing Guards' salaries \$1 per hour (\$4,563).

I. Technical Correction, Green Circled Positions

In December 2006 and January 2007, the Commissioners Court approved bringing a variety of positions up to the minimum of their pay grade. These positions were part of a FY 06 Market Salary Survey for certain job families and included the Administrative job family, among other types of positions. The cost for bringing these positions to minimum was funded out of a special FY 07 reserve and was included in the various departments' FY 08 Budget Targets. However, there were 19 positions in six departments that were approved by the Court in the February through August time frame after the FY 08 base budgets were established. This technical correction totals \$95,406 in the Adopted Budget.

J. Technical Correction for Social Security Costs

The Planning and Budget Office discovered a benefits formula error related to the income limit on Social Security calculations (also called FICA – OASDI, which stands for Federal Insurance Contributions Act and Old-Age Survivors Disability Insurance). This error resulted in a shortfall in required FICA benefits of \$117,729. Due to the nature of this problem, the departments were not asked to find resources internally to correct the problem. The total cost in the FY 08 Adopted Budget is \$117,729 among the following three departments: County Clerk (\$79,871), Counseling and Education Services (\$13,680), and Transportation and Natural Resources (\$24,178).

VII. DEBT AND CAPITAL**A. 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 issuance 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.

B. CAPITAL

To meet the County's capital needs, a total of \$74,113,213 is included in the Adopted Budget from the following basic sources - the General Fund Capital Acquisition Resources (CAR) account (\$23,018,732), debt from new Certificates of Obligation (\$21,275,000) comprised of \$9.2 million in 20 year CO's for the jail project and the purchase of a building and \$12.1 million in 5 year CO's for various capital requirements, other funds (\$1,327,481), debt from long-term bonds authorized by the voters in 2001 (\$950,000) and in 2005 (\$26,075,000), and existing Certificates of Obligations (\$1,467,000).

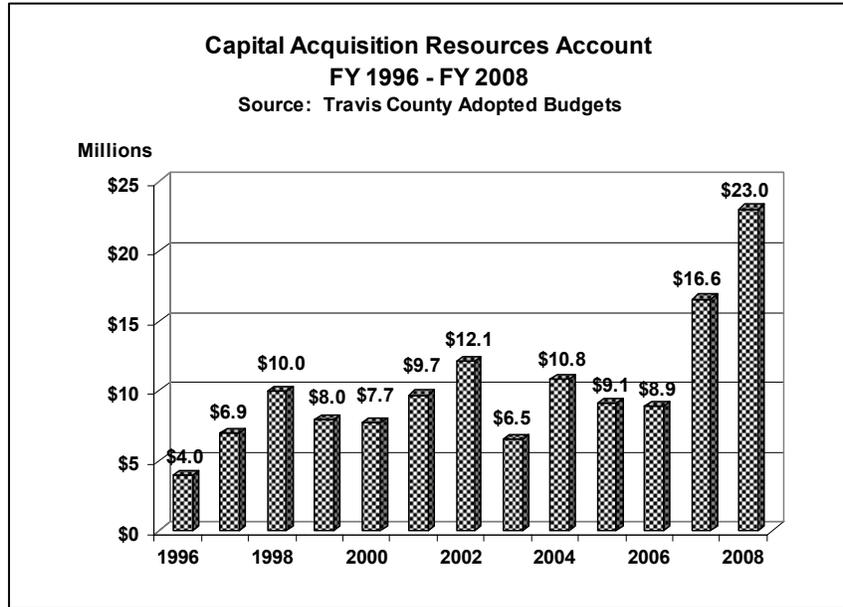
As is the case with on-going expenditures, the County is facing financial constraints on the availability of resources for capital expenditures. The Adopted Budget has addressed these limitations by including those capital projects and equipment for funding that meet the following criteria:

- Projects either in the middle or end of their multi-year phased implementation;
- 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 the replacement of the smoke detection system at the jail or the upgrade to the fire alarm system at the USB);
- 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;
- Projects which have already been partially funded by the Commissioners Court or have a contractual obligation to implement (Eastside Service Center);
- Projects which have revenue certified to cover their cost; or
- Projects that the Court has already provided directions to include for funding.

1. General Fund (CAR)

The General Fund Capital Acquisition Resources (CAR) accounts are used for the purpose of funding capital equipment and facilities with cash rather than the issuance of debt. These accounts have 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 \$6.5 million in FY 03 to a high of \$23.0 million in FY 08.

The FY 08 Adopted Budget establishes the CAR accounts at \$23,018,732, which is \$6.4 million higher than in FY 07. This amount includes CAR resources appropriated in FY 07 and rebudgeted in FY 08.



A summary of the equipment and facility projects funded from CAR is shown on the following page. The detailed list of individual equipment items or facility projects for FY 08 is located in Appendix I.

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

Type of Project/Department	Amount
Technology and Computers (\$5,645,899):	
Replacement Computers and Printers and Phone Systems	\$2,100,955
New Centrally Budgeted IT equipment and software upgrades	1,691,103
Other replacement servers, hardware, and software	1,546,320
Tiburon Version 7 and Oracle	307,521
Vehicles and Equipment (\$4,285,681):	
Replacement Sheriff's Office vehicles	2,060,500
New Sheriff's Office Patrol Vehicles	808,500
Road & Bridge Vehicles and Heavy Equipment	772,543
Other Vehicles and Heavy Equipment	644,138
Sheriff's Office Projects (\$2,711,551):	
Correction Facilities Repairs, Equipment and Infrastructure	2,343,282
Various Law Enforcement Equipment	231,019
Other Sheriff's Office Capital Items	137,250
Facilities Modifications (\$3,942,025):	
Eastside Service Center	863,730
Various Renovation Projects	772,633
Various Elevator, Roof and Fire Alarm Upgrades and Refurbishments	597,888
HVAC Replacements and Upgrades	346,161
Expanded parking at STARFlight and Ray Martinez Bldg.	210,000
County-Wide Space Costs	207,584
Planning for Pct. 1 Office Bldg and CJC 3 rd Floor	197,796
Canopy at 5501 Airport Blvd.	189,750
Security Improvements at Various Locations	155,718
IT infrastructure and Equipment for CSCD Day Treatment Center	116,160
Various Other Facilities Equipment and Improvements to County Facilities	284,605
Emergency Medical Services (\$559,538):	
Replacement Vehicles for EMS Fleet	532,438
Other Emergency Medical Services Capital Items	27,100
Emergency Services (\$209,538)	
CTECC Computer Equipment and Second Fence and Security	186,738
Other Equipment	22,800
TNR Projects (\$705,840):	
Tuscany Way South Design	350,000
HMAC and Alternative Paving Projects	230,840
Gilleland Creek Hike and Bike Trail – Phase III	125,000
Other equipment and projects among 12 other departments (\$751,723)	751,723
Sub-total	\$18,811,795
CAR Reserve*	4,206,937
Total	\$23,018,732

*CAR Reserve higher than usual due to sale of property in September of 2007. The one-time increase was included in CAR in recognition of outstanding FY 08 capital projects.

2. Other Funds

In addition to the resources provided through the General Fund Capital Acquisition Resources (CAR) account, other special funds have a total of \$1,327,481 for various capital needs. These funds include the Road & Bridge Fund and the Lower Colorado River Authority-Travis County (LCRA-TC) Capital Improvement Project Fund in TNR, the County Clerk Records Management Fund, and the Justice Court Technology Fund that supports JP technology maintenance and improvements. These funds are supported by non-tax revenue and the capital expenditures are funded from cash rather than debt issuance. Projects funded in these funds are summarized in the table below.

Projects and Equipment Funded from Other Funds

Type of Project/Department	Amount
Road & Bridge Fund 099 (\$952,825):	
Hot Mix Asphaltic Concrete (HMAC) & Alternative Paving (remainder in CO)	\$507,825
Traffic Signals	200,000
Turn Lane at Wells Branch Parkway and Summit Way	150,000
Guardrails	95,000
LCRA-TC CIP Fund 029 (\$159,210):	
Park roads and parking lot maintenance	159,210
County Clerk Records Management & Preservation Fund 028 (\$111,250):	
Computer hardware, software and reader/printers	111,250
Justice Court Technology Fund 050 (\$52,266)	
New and replacement IT equipment	104,196
Total	\$1,327,481

C. DEBT FINANCING

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

1. Previous Bond Authorizations

Since 2000, there have been three separate bond authorizations that voters have approved, as outlined below.

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 - '07	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 08.

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 07.

Project	Original Authorization	Issued Through FY 07	Proposed Issuance in FY 08	Remaining Authorization
Prop. 1: Local roads, drainage, bridges and pedestrian access	\$57,430,000	\$54,290,000	\$950,000	\$2,190,000*
Prop. 2: County park projects	28,600,000	28,400,000	0	200,000**
Prop. 3: State Hwy 45N and FM 1826 Right of Way	32,725,000	32,725,000	0	0
Prop. 4: State Highway 130	66,200,000	66,200,000	0	0
Total for November '01 Bonds	\$184,955,000	\$181,615,000	\$950,000	\$2,390,000

* \$2,190,000 of projected savings due to a CO issuance in 2006 in lieu of road bonds for the Flint Rock project.
 ** The remaining authorization will not be issued. Instead, savings from an existing CO was 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 08.

Project	Original Authorization	Issued Through 07	Proposed Issuance in 08	Remaining Authorization
Prop. 1: Roads, road-related drainage, right-of-way	\$65,225,000	\$28,590,000	\$22,280,000	\$14,355,000
Prop. 2: Parks and open space parkland	62,150,000	38,480,000	3,795,000	\$19,875,000
Prop. 3: Jail facility replacement beds and renovations	23,500,000	23,500,000	0	0
Total - November 2005 Bonds	\$150,875,000	\$90,570,000	26,075,000	\$34,230,000

2. FY 08 Certificates of Obligation

The amount of total debt proposed to be issued through Certificates of Obligation in FY 08 is \$21,275,000 (as of November 20th). This includes long-term CO's related to the Jail Project of \$6.8 million as well as \$2.3 million for the purchase of property in Central Austin. Short-term CO's total \$12.1 million for various projects. The details of funding from Certificates of Obligation in FY 08 are summarized in the following table.

Projects Funded from FY 08 Certificates of Obligation

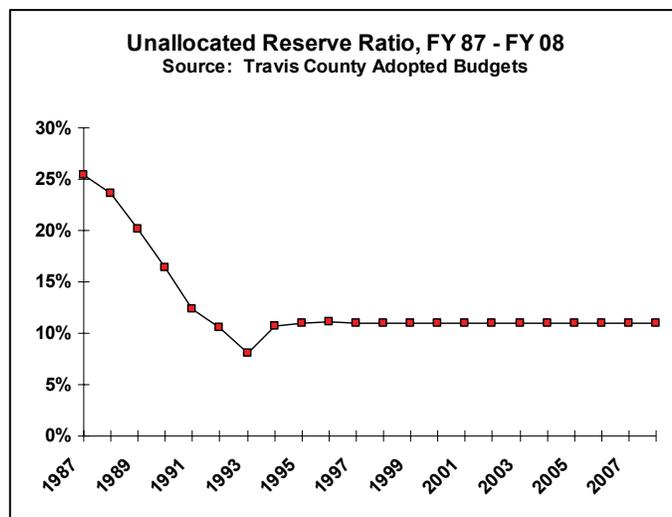
Long Term Certificates of Obligation	
Long Term CO's related to Jail Project	\$6,808,351
Purchase of 910 Lavaca	2,325,000
Sub-Total (Long-Term)	\$9,133,351
Short Term Certificates of Obligation	
CJC/Gault Renovations	3,121,188
Eastside Service Center	2,747,539
New CSCD 72 Bed Smart Building	2,723,515
Information & Telecomm. Systems (ITS) upgrades and projects	1,942,798
Floodplain Buy-Out	1,000,000
Frate Barker Road Improvements	500,000
Sub-Total (Short-Term)	\$12,035,040
Issuance costs for entire CO	\$106,609
Total CO	\$21,275,000

XIII. RESERVES

There are three types of regularly budgeted reserves: (A) Unallocated Reserve, (B) Allocated Reserve, and (C) the Capital Acquisition Resources 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 started to draw down its Unallocated Reserve beginning in 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 to a low of 8.12% in FY 93.

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%). During the last twelve years, the Commissioners Court maintained the Unallocated Reserve ratio at 11.0%. The total FY 08 General Fund Unallocated Reserve in the Adopted Budget is \$40,355,884.

The County's Unallocated Reserve calculations are based on budgeted expenditures (excluding transfers) in three funds: the General Fund, the Debt Service Fund, and the Road and Bridge Fund. As has been done since FY 00, the General Fund Unallocated Reserve in the Adopted Budget for FY 08 carries the majority of the reserve requirements for the Road and Bridge Fund. In addition, the transfers from the General Fund to the BCP Fund and the transfer from the Road and Bridge to the General Fund have been removed from the base for calculating the Unallocated Reserve.

The historical reserve calculations (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. 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 \$2,038,744. (Over 60% of these earmarks are comprised of the following three items - \$500,000 for additional possible expenditures related to capital murder cases, \$500,000 for indigent attorneys' fees and \$250,000 for the new County Court-at-Law). A listing of these Earmarks against the Allocated Reserve is provided in Appendix I.

The FY 08 Adopted Budget includes an Allocated Reserve of \$3,615,763, which is very similar to the reserve level in FY 07 of \$3,781,822. The total of this reserve represents 0.8% of the General Fund.

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 CAR reserve of \$4,206,937, which is contained within the total CAR account of \$23,018,732. The size of this reserve is established to provide flexibility for future capital

projects that would otherwise require borrowing for funding. The Earmarks against this reserve total \$303,620, as outlined in Appendix I.

D. Special Purpose Reserves

There are six Special Purpose Reserves in the Adopted Budget. Two of these reserves have been discussed earlier in this Executive Summary. These are the Sheriff’s Jail Inmate Reserve (\$453,040) and the Juvenile Justice Reserve (\$750,000). In addition, there are four other special purpose reserves that are summarized below.

1. Annualization Reserve

An Annualization Reserve totaling \$653,176 is included in the Adopted Budget. It contains the resources necessary to fund programs or initiatives that will be operational for less than 12 months in FY 08. This budget technique will avoid a “ratchet” of expenses in FY 09 when a full twelve months of funding will be necessary. Sometimes new positions begin after the beginning of the fiscal year, whether for programmatic reasons or due to space constraints. In addition, departments that receive a new position typically do not fill it for a few months, since posting, recruiting and selection processes take some time. In order to recognize this phenomenon, whenever a new position has been added in this Adopted Budget, then nine months of funding is provided inside the department and three months of funding is established in this Annualization Reserve. The resources in this reserve will be available in the event that departments are able to fill positions more quickly and their budgets cannot absorb the difference.

There are eleven parts to this reserve, as shown in the following table.

Department	Purpose	Amount
Juvenile Probation	Detention Build-out – 15 FTE	\$357,976
Pretrial Services	Case Management staff	53,743
Pretrial Services	Central Booking staff	52,513
JP Precinct 3	Revenue Supported – 5 FTE	40,934
Sheriff’s Office	Central Warrants	35,698
CES	Three counselors	31,908
Sheriff’s Office	Corrections Support staff	25,620
County Attorney	Healthcare District Attorney	20,289
Juvenile Probation	Guardian ad litem	12,597
Medical Examiner	Lab Tech	11,900
Sheriff’s Office	Engineering Technician	9,998
Total		\$653,176

2. Continuation of Remaining Balance in FY 07 Green Circle Reserve

The FY 07 Adopted Budget contained \$1,070,874 in total resources for the implementation of an FY 06 Market Salary Survey for certain job families to bring positions impacted by the study to the minimum of their respective pay grades. This funding was divided between a \$803,156 Green Circled Reserve and \$267,718 placed

in an Annualization Reserve to reflect the full year cost in FY 08 since the earliest increases could be effective was January 1, 2007.

\$83,430 of the FY 07 funded amount has been continued into FY 08. These funds are for positions that are filled but remain below the minimum of their pay grade. Of this amount, \$43,759 was committed to the District Clerk to bring an additional 11 positions to the minimum of the pay scale in late September. These resources have yet to be allocated to the department for FY 08 due to timing of the approved increases and the finalization of the budget.

3. Elections Runoff Reserve

Historically, many March Primary Elections have required a subsequent April runoff election. In order to be prepared, and in conjunction with the County Clerk's Office, the Adopted Budget includes \$639,170 in a dedicated reserve in case a runoff election is required. This is a maximum amount to cover election-day workers, polling locations, printing and mailing costs and equipment rental, and is related to historical costs of previous runoff elections.

4. Psychiatric Services Reserve

\$100,000 was placed in a Psychiatric Services Reserve to address the critical need and rising cost for psychiatric services for the jail inmate population as required by the Texas Commission on Jail Standards (TCJS). There is an added \$100,000 earmark against the Allocated Reserve for this same requirement. In late August the Court authorized the creation of a Psychiatrist position for a period of 6 months to determine the market availability of a full-time person or persons to supplement the current contract psychiatrist. Currently it is estimated that there as many as 400 inmates on any given day requiring some level of psychiatric services.

SECTION III
DEPARTMENTAL BUDGETS

SECTION IV - APPENDIX II
REVENUE ESTIMATE & OTHER MATERIAL

Appendix II – Revenue Estimate & Other Material

- ❖ Financial & Budgeting Guidelines
- ❖ Debt Policy
- ❖ Framing the FY 08 Planning & Budget Process
- ❖ Fifth Revenue Estimate