



**PLANNING AND BUDGET OFFICE**  
**TRAVIS COUNTY, TEXAS**

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

December 6, 2008

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

From: Rodney D. Rhoades, Executive Manager, Planning and Budget  
Leroy Nellis, Budget Director

Re: Fiscal Year 2009 Adopted Budget

We are pleased to present the Travis County Adopted Budget for Fiscal Year 2009. While this past year has seen the introduction of a new Executive Manager for the Planning and Budget Office, the sound financial policies and practices implemented by the Commissioners Court and supported throughout our department remain unchanged. Travis County continues to maintain a good financial position in the face of difficult economic conditions. County finances are stable and the County has had its AAA bond rating reconfirmed by the two national credit rating agencies. This bond rating has been awarded by both agencies since 2001. It should be noted that we are one of a handful of counties in the State of Texas who has received such an honor. This is a result of historically careful spending, relatively low reliance on fluctuating income sources, and careful adherence to a set of adopted "Financial and Budgeting Guidelines".

Travis County, like most governmental agencies, has felt the effects of the current economic downturn. In the FY 09 Adopted Budget, the Commissioners Court has first endeavored to meet the County's existing contractual and programmatic commitments, along with providing some resources for compensation increases while maintaining the County's reserves at a level consistent with its financial policies. Beyond these areas, the Adopted Budget contains few increases.

While the County faces economic challenges for FY 09 and beyond, it does so with officials prepared to control costs, make careful expenditures, and implement improved efficiencies while meeting the public's demand for services.

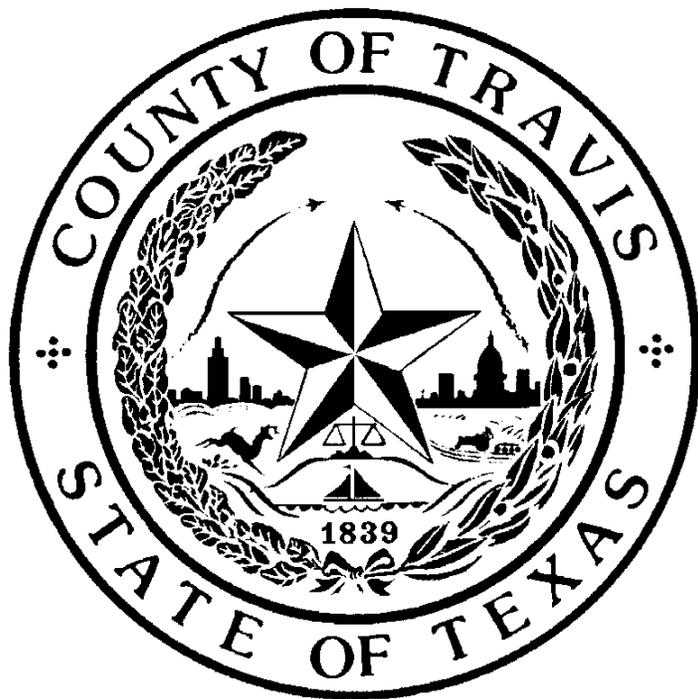
The FY09 Adopted Budget is balanced at a lower tax rate than the FY 08 Adopted Budget. The FY 09 adopted tax rate is \$.4122, which is \$0.0094 lower than the FY 08 tax rate of \$.4216. This is the third year in a row that the tax rate has dropped from the prior year. It was \$.4993 in FY 06. It dropped to \$.4499 in FY 07, then again to \$.4216 in FY 08. This represents a decrease in the tax rate of 8.71 cents since FY 06. At the

adopted tax rate, the average of all homesteads will see an increase in the county tax bill of \$49.05 or \$4.09 per month. This represents a 5.97% annual increase in the tax bill due to higher average home values.

To meet the County's capital needs, a total of \$43,603,480 is included in the Adopted Budget from the following basic sources: the General Fund Capital Acquisition Resources (CAR) account (\$13,489,669 including a \$2.9 million Reserve), debt from Certificates of Obligation (\$15,730,000), capital projects in Other Funds (\$698,811), and debt from long-term bonds authorized by the voters in 2005 (\$13,685,000).

This Adopted Budget represents a sound financial plan for FY 09. The budget has been filed with the County Clerk for the public's review. It is also posted and easily accessible on the Travis County web site, ([www.co.travis.tx.us](http://www.co.travis.tx.us)). Additional copies are available in the Planning and Budget Office in the Ned Granger Administration Building, 314 W. 11<sup>th</sup> Street, Suite 540

FY 2009 ADOPTED BUDGET  
VOLUME I - OVERVIEW



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

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

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

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

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

**THE ORGANIZATIONAL STRUCTURE OF TRAVIS COUNTY**

This Fiscal Year 09 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.

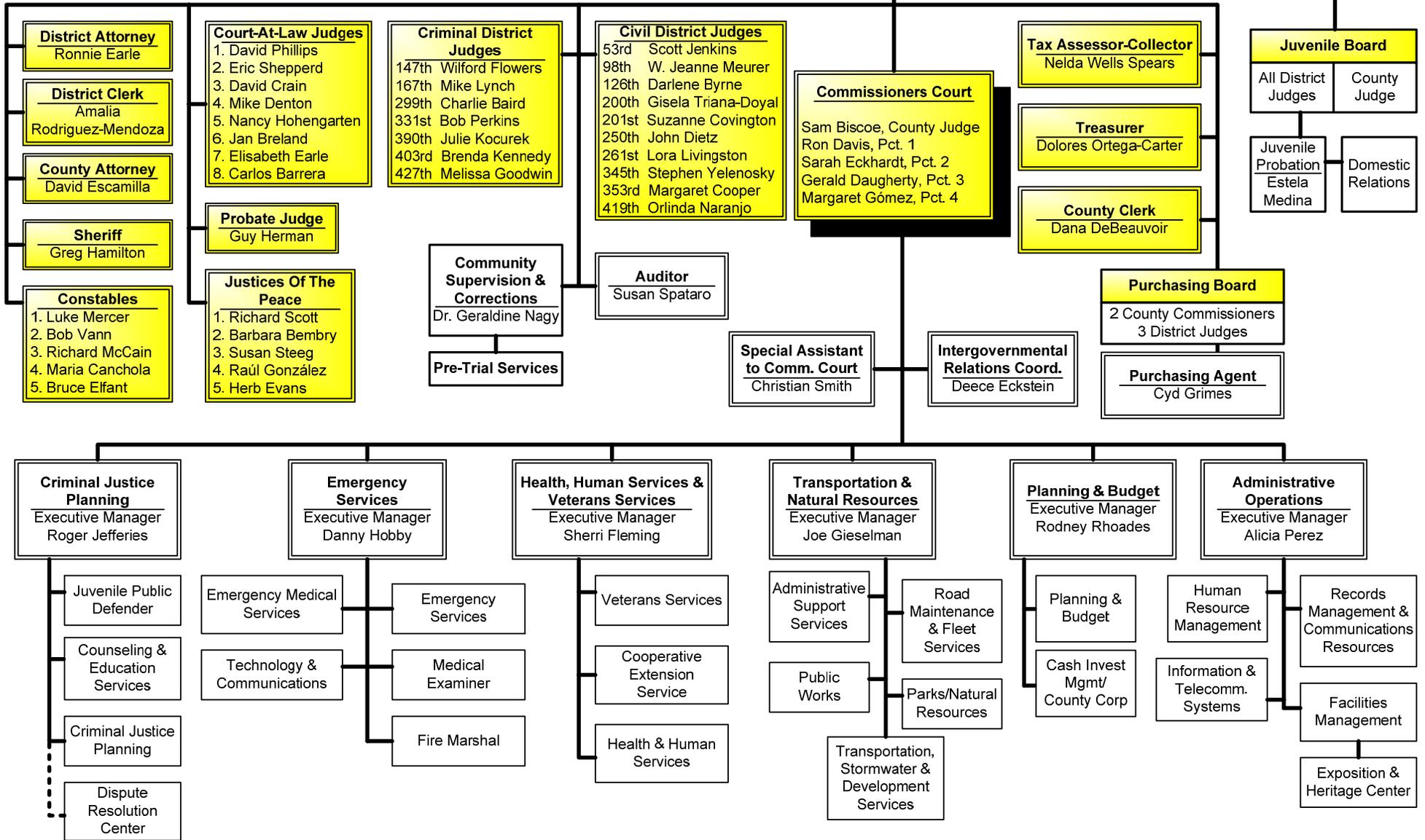
**C. The Mission of Travis County**

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.

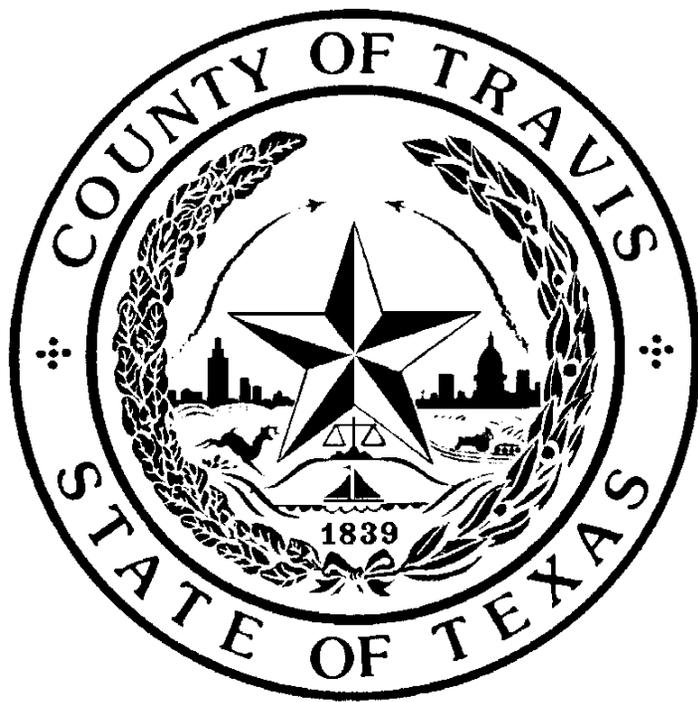


# TRAVIS COUNTY

## Travis County Voters



Elected Officials



**FY 2009 ADOPTED BUDGET  
SECTION I - EXECUTIVE SUMMARY**

**I. SHAPING THE FY 09 ADOPTED BUDGET**

The FY 09 Adopted Budget is shaped by prevailing economic conditions that are affecting local governments and citizens across the country. Large increases in utilities and fuel prices over the summer of 2008 have redirected resources that otherwise may have gone to needed programmatic enhancements. In addition, FY 08 budgeting of one-time resources to fund the Capital Acquisition Resources (CAR) Account at \$23 million and other pilot programs dropped the projected FY 09 beginning fund balance by \$18 million.

Likewise, on the revenue side of the equation, the continued plunge of interest rates has resulted in interest income dropping by almost \$3.8 million from the FY 08 Adopted Budget to the Auditor’s Fifth Revenue Estimate for FY 09. A recapitulation of the FY 09 Adopted Budget is found in Section II. The FY 09 Adopted Budget total for all funds is \$661,330,320, compared to the FY 08 Adopted Budget for all funds of \$663,650,517. This is a 0.35% decrease from the FY 08 Adopted Budget. Key changes are summarized below.

**FY 09 Adopted Budget – All Funds**

	<b>FY 08 Adopted Budget</b>	<b>FY 09 Adopted Budget</b>	<b>\$ Change</b>	<b>% Change</b>
General Fund (1)	\$ 436,800,165	\$450,754,725	\$13,954,560	3.19%
Road and Bridge Fund	23,589,476	24,565,251	975,775	4.14%
Debt Service Fund	80,707,196	81,828,429	1,121,233	1.39%
Internal Service Funds:				
Risk Management Fund	18,491,123	18,678,472	187,349	1.01%
Employee Insurance Fund	70,683,196	68,982,664	(1,700,532)	(2.41%)
Other Funds (2)	45,868,935	30,990,215	(14,878,720)	(32.44%)
Less Transfers	(12,489,574)	(14,469,436)	(1,979,862)	(15.85%)
<b>Total</b>	<b>\$663,650,517</b>	<b>\$661,330,320</b>	<b>(\$2,320,197)</b>	<b>(0.35%)</b>

(1) From the Auditor’s Fifth Revenue Estimate for FY 09.

(2) Excludes the two internal service funds (Risk Management Fund and Employee's Insurance Fund) but includes Other Funds not approved by Commissioners Court. Almost \$16 million of the decrease in the Other Funds total is related to a decrease in the Balcones Canyonland Preservation Fund.

**II. PROPERTY TAX RATE**

The total taxable value for all Travis County property has seen an increase from \$85.10 billion in the FY 08 Adopted Budget to \$95.27 billion for FY 09. This is the final amount certified by the Travis Central Appraisal District (TCAD). The following data, as well as the overall Adopted Budget, is based on TCAD certified values.

The new property value totals \$3.9 billion compared to new property value of \$3.26 billion in FY 08. The table below depicts the impact of the tax rate of \$.4122 per \$100 of taxable value on the average residential homeowner declaring his or her house as a homestead. This rate is 0.94 cents below the FY 08 tax rate of \$.4216 and is 5.48% above the Effective Tax Rate. This results in an increase in the county tax bill of the average homestead owner of \$49.05.

**Impact on Average Homestead**

(All homestead values per Travis Central Appraisal District as of August 1, 2008)

	FY 08	FY 09	Difference
<b>Average Appraised Value of All Homesteads</b>	\$257,222	\$282,894	\$25,672
<b>Taxable Value of Average Homestead</b>	\$195,040	\$211,388	\$16,348
<b>Tax Rate</b>	\$.4216	\$.4122	(\$.0094)
<b>Average Tax</b>	\$822.29	\$871.34	\$49.05

**Adopted Budget Tax Rates for Travis County**

(Per \$100 of Appraised Value)

	Adopted FY 08 Rate	Adopted FY 09 Rate	Difference	% Change
<b>Operating Rate</b>	\$.3405	\$.3394	(\$.0011)	(0.32%)
<b>Debt Service Rate</b>	\$.0811	\$.0728	(\$.0083)	(10.23%)
<b>Total Tax Rate</b>	\$.4216	\$.4122	(\$.0094)	(2.23%)

**III. DEPARTMENTAL BUDGETS IN THE ADOPTED BUDGET**

Section II contains a comparison of General Fund departmental budgets from FY 07 through the FY 09 Adopted Budget. The Adopted Budgets for all departments, excluding capital amounts, increased from \$367,130,970 in FY 08 to \$394,310,638 in the FY 09 Adopted Budget. Section II also includes a table, "FY 09 Summary of Budget Requests" that lists the 471 individual requests for additional resources and indicates their funding status.

FY 09 Adopted Budget - General Fund				
Revenue, Reserves and Wages				
	FY 08 Adopted Budget	FY 09 Adopted Budget		
		One-Time Expenses	Ongoing Expenses	Total
Beginning Fund Balance	\$ 72,063,810	\$ 57,653,212	\$ -	\$ 57,653,212
Current Property Taxes	285,966,541	-	313,728,852	\$ 313,728,852
Other Revenue	78,769,814	-	79,372,661	\$ 79,372,661
<b>5th Revenue Estimate</b>	<b>\$ 436,800,165</b>	<b>\$ 57,653,212</b>	<b>\$ 393,101,513</b>	<b>\$ 450,754,725</b>
<b>Reserves:</b>				
Unallocated Reserve	\$ 40,355,884	\$ 41,384,029	\$ -	\$ 41,384,029
Capital Acquisition Resources (CAR) Reserve	4,206,937	2,865,553	-	2,865,553
Regular - Allocated Reserve	3,615,763	3,477,924	3,054,533	6,532,457
Annualization Reserve	653,176	-	2,347,947	2,347,947
Central Campus Redevelopment Planning Reserve	-	700,000	-	700,000
Fuel & Utilities Reserve	-	-	1,108,121	1,108,121
Waller Creek Reserve	-	100,000	-	100,000
Health & Human Services Reserve	-	400,000	-	400,000
New Financial System Reserve	-	-	1,000,000	1,000,000
Compensation Reserve	83,430	-	5,980	5,980
Sheriff's Jail Inmate Reserve	453,040	-	-	-
Juvenile Justice TYC Reserve	750,000	-	-	-
Elections Runoff Reserve	639,170	-	-	-
Psychiatric Services Reserve	100,000	-	-	-
<b>Subtotal Reserves</b>	<b>\$ 50,857,400</b>	<b>\$ 48,927,506</b>	<b>\$ 7,516,581</b>	<b>\$ 56,444,087</b>
FY 09 Adopted Budget - General Fund				
<b>Departmental Target Budgets</b>	<b>\$ 339,126,380</b>	<b>\$ -</b>	<b>\$ 365,256,049</b>	<b>\$ 365,256,049</b>
FY 09 Preliminary Budget - General Fund				
Hospitalization Savings Reduction	\$ -	\$ -	\$ 477,358	\$ 477,358
Midyear \$2/Hour Wage Increase for Maintenance Job Titles	-	-	849,370	849,370
Compensation Adjustments (incl. Rank & File and POPS)	18,592,001	-	7,086,098	7,086,098
Other Compensation Changes	-	-	340,933	340,933
Career Ladders	incl. above	-	312,322	312,322
Savings from Risk Fund	-	(1,000,000)	-	(1,000,000)
Savings from Employee Health Fund	-	(4,892,724)	-	(4,892,724)
Elected Officials' Compensation (non-judiciary)	99,344	-	54,893	54,893
Health and Other Benefits Increases	157,810	-	-	-
Healthcare contra account for vacant positions	(2,424,166)	-	-	-
<b>Subtotal Wages and Benefits</b>	<b>\$ 16,424,989</b>	<b>\$ (5,892,724)</b>	<b>\$ 9,120,974</b>	<b>\$ 3,228,250</b>

Other Expenses				
Transfer to Balcones Canyonland Preserve Fund	\$ 967,423		\$ 1,275,285	\$ 1,275,285
County Court-at-Law #8		79,385	1,147,261	1,226,646
Countywide Fuel			930,724	930,724
Utilities			809,141	809,141
Maintenance of Current Effort		341,232	3,465,543	3,806,775
New Facilities		157,600	899,380	1,056,980
Revenue Related Packages		410,186	1,369,000	1,779,186
Justice of the Peace Records Cleanup		285,421		285,421
Pilot Programs		1,556,369	-	1,556,369
Interlocal Agreements		421,236	490,020	911,256
Security		1,880	328,785	330,665
New Social Service Funding			450,000	450,000
Office of Parental Representation & Office of Child Representation		500,640		500,640
Felony Mental Health Prosecution Team			104,498	104,498
Asst. District Attorney for Civil Unit			105,974	105,974
PBO Changes		(99,400)	(834,555)	(933,955)
Other		339,765	666,853	1,006,618
Capital Acquisition Resources (CAR) Account	18,811,795	10,624,116		10,624,116
<b>Total Other Expenses</b>	<b>\$ 11,269,751</b>	<b>\$ 14,618,430</b>	<b>\$ 11,207,909</b>	<b>\$ 25,826,339</b>
<b>Total All Expenses</b>	<b>\$ 436,800,165</b>	<b>\$ 57,653,212</b>	<b>\$ 393,101,513</b>	<b>\$ 450,754,725</b>
<b>Available Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

#### IV. PERSONNEL CHANGES

A total of 114.40 new FTE have been added to the Adopted Budget. Of those, eight are added for one year only. The remaining FTE are added on an ongoing basis. Approximately three-quarters of the staffing increases are related to the new County Court-at-Law #8, the opening of the new Building 12 at the Travis County Correctional Complex, the authorization of positions for the New Financial System project, the cost neutral transfer of Star Flight personnel from the City of Austin to Travis County, and the staffing for the final detention pod in the Juvenile Probation Department.

The other changes are spread among various departments and offices and are covered by additional revenue or needed due to the start of new programs or an increase in ongoing workload.

<b>General Fund Position Changes</b>	
<b>Department/Description</b>	<b>Change</b>
Sheriff's Office - Building 12 Staffing	31.50
County Court-at-Law #8 (Criminal Courts, Sheriff's Office, County Clerk's Office, CSCD, Counseling & Education Services, County Attorney's Office)	13.00
New Financial System (Auditor's Office, Purchasing Office, HRMD and ITS)	11.00
Juvenile Probation - Final detention pod staffing	11.00
General Administration - Addition of Special Asst., Intergovernmental Relations	2.50
Custodial and Maintenance Staff (FMD)	4.00
Felony Mental Health Team & Civil Attorney (District Attorney's Office)	3.00
Constable, Pct. 5 Warrant Workload (one-time)	2.00
Unfunded State Mandate (Tax Office)	1.00
Identity Management Staff (ITS)	1.00
Attorney (Criminal Courts)	1.00
Stormwater Management Program Inspector (TNR)	1.00
Automotive Mechanic (TNR)	1.00
Building security (Facilities Management)	1.00
Financial Analyst (Criminal Justice Planning)	1.00
Elections Business Analyst (County Clerk)	1.00
<b>Subtotal - FTE Funded with New Resources</b>	<b>86.00</b>
Revenue Related (Justice of the Peace, Pct. 5, Tax Office, Sheriff's Office, Counseling & Education Center, District Attorney's Office, Constable, Pct. 3)	4.50
Revenue Related - Star Flight Business Plan	9.00
Revenue Related Star Flight Personnel (Emergency Medical Services)	13.00
FY 08 changes approved mid-year (RMCR, HHS, Facilities Management)	(4.40)
Internally Funded (District Attorney's Office, Juvenile Probation, Pre-Trial Services, RMCR, Civil Courts, Tax Office, Emergency Services, Sheriff's Office)	6.30
<b>Subtotal - Revenue Related, Midyear Changes, or Internally Funded</b>	<b>28.40</b>
<b>Total FTE Change</b>	<b>114.40</b>

## V. MAJOR FUNDING ISSUES

### A. Economic Development

The FY 09 Adopted Budget includes a \$1,275,285 increase to the Transportation and Natural Resources (TNR) Department to fund the transfer from the General Fund to the Balcones Canyonland Preservation (BCP) Fund (Fund 038). This amount represents the increased estimated tax revenue in FY 09 from total new value on BCP lands as compared to prior year tax revenues, along with other adjustments. The total FY 09 transfer from the General Fund to the BCP Fund is \$7,955,470 as per the Auditor's Fifth Revenue Estimate.

**B. County Court-at-Law #8**

The 80<sup>th</sup> Texas Legislature created a new County Court-at-Law in Travis County to address increased workload, especially related to increased Driving While Intoxicated cases. County Court-at-Law #8 began operations in November 2008. Capital funding for the courtroom was appropriated during FY 08. FY 09 funding for the court's operations totals \$1,220,831 in operating expense, \$22,875 in IT equipment, and \$124,288 in capital across seven departments and offices. An earmark of \$100,000 in Allocated Reserve is also established for legally mandated fees. The chart that follows summarizes the various budget and FTE increases per department/office.

Department	Operating	FTE	Description
Criminal Courts	\$397,778	4	County Court at Law Judge, Judicial Aide, Court Reporter & Office Specialist with associated operating budget.
Legally Mandated Fees	373,697	0	Mandated fees include attorney fees, interpreters, court reporting charges, jury expense, psychiatrist/psychologist, special assignment judges, and investigator fees.
County Clerk's Office	162,805	3	1 Court Services Management Administrative Coordinator (Grade 15), 1 Court Clerk II (Grade 13), and 1 Court Clerk Assistant (Grade 11) with associated operating budget.
County Attorney's Office	102,454	2	A legal secretary and victim counselor for prosecution support and related operating costs.
Sheriff's Office*	92,601	2	Two Certified Peace Officers and one-time equipment expense.
CSCD	48,434	1	One-time funding for 1 Probation Officer II plus related operating expense. It is expected that CSCD will obtain state funding for this position in FY 10.
Counseling & Education Services	48,877	1	1 Counselor to handle increased caseload as well as DWI court caseload.
<b>TOTAL</b>	<b>\$1,226,646</b>	<b>13</b>	

\* These two Sheriff's Office positions are for Inmate Transportation and are funded in the General Fund. Another two Sheriff's Office positions not listed in the table above will also support the added workload from the new County Court-at-Law #8 related to Courthouse Security. Funding for these additional two Certified Peace Officers totals \$85,753 and is in the Courthouse Security Fund supported by a General Fund transfer.

**C. Countywide Fuel**

The countywide fuel budget is driven by changes in the cost of fuel as well as changes in fuel usage. Given projections by the Energy Information Agency as of the summer of

2008, it is projected that the average price of fuel in Travis County in FY 09 will be \$3.70 for unleaded fuel and \$4.08 for diesel. These price assumptions would require an increase of \$1,329,605 to stay at the same consumption level as FY 08. However, recent reductions in the price of fuel due to economic conditions make it unclear if fuel prices will go back to these high levels in the near term.

The FY 09 Adopted Budget includes an increase of \$930,724 to the countywide fuel budget in TNR as well as a Fuel Reserve of \$493,121 (37% of the projected price increase). The Fuel Reserve is intended to provide the Commissioners Court flexibility to encourage operational changes that result in decreased fuel consumption. However, these funds may be redirected by the Commissioners Court if fuel prices do not dramatically increase from fall 2008 prices during FY 09. In addition, an Earmark of \$300,000 on the Allocated Reserve is included in the Adopted Budget for possible price increases beyond what is currently projected. This Earmark may be released if prices stabilize at a price below the summer projections.

The Commissioners Court has established an Efficiency Committee to identify county operations that can be improved and where efficiencies may be gained that will result in either cost decreases or avoided costs. One major goal is to decrease county fuel consumption. The Travis County Sheriff's Office has already implemented a pilot program where every Deputy Sheriff assigned a county vehicle has a goal of reducing fuel consumption by one gallon a day. The Sheriff's Gallon-a-Day Program is a good example of the type of leadership and creativity that is needed in this type of endeavor.

#### **D. Utilities**

A total of \$809,141 is included in the Adopted Budget for increased utilities costs. The county's utility budget is located in three departments – the Transportation and Natural Resources Department for parks facilities, the Sheriff's Office for the Travis County Correctional Complex, and the Centralized Utilities Department for all remaining county facilities. The FY 09 Adopted Budget includes an additional \$400,000 in the Centralized Utilities Department and \$409,141 in the Sheriff's Office for maintenance of current effort. These increases are based on a projected annual fuel charge increase in FY 09 in addition to the 20% fuel charge increase of January 2008. There is a special Utilities Reserve for Building 12 at the Travis County Correctional Complex described under Heading IX, Reserves, later in this document.

The newly established Efficiency Committee is also seeking to identify improvements to county operations that may result in decreased utility costs. Facilities Management Department has been researching energy efficiency best practices as well as implementing some changes over the past several years that result in greater energy efficiency in county facilities.

## **E. Maintenance of Current Effort (MCE)**

### **1. Court Mandated Fees**

The FY 09 Adopted Budget includes an ongoing increase of \$800,000 for Criminal Courts Legally Mandated Attorney's Fees. This increase is related to volume increases in the number of defendants qualifying for court-appointed counsel as well as increases related to approved fee schedule changes. In addition, earmarks were established on the Allocated Reserve totaling \$600,000 for legally mandated attorney's fees related to pending capital cases.

The Adopted Budget also includes a \$200,000 increase for Civil Courts Legally Mandated Attorney's Fees. This amount is the projected cost related to the increased hourly rate approved for private attorneys representing indigent defendants. This increase takes into consideration a projected lower volume caseload due to the establishment of the two new public defender offices described under Heading M, Office of Parental Representation and Office of Child Representation, later in this document.

### **2. ITS Maintenance Agreements**

The Adopted Budget includes funding of \$219,082 for contract increases relating to maintenance coverage for existing software and hardware, including existing systems upon expiration of the warranty. The \$219,082 is a net amount, based on decreases for some maintenance contracts where new capital expenditures are funded. These capital expenditures include the purchase of a Digital Video Transport package for Records Management & Communication Resources (RMCR) that results in the elimination of \$43,977 for I-NET contract costs in FY 09 and the purchase of a replacement Unisys server and software that eliminates \$270,973 in ongoing maintenance agreement costs. The Unisys server will be sold on the used market when no longer needed.

### **3. Half-time Psychiatrist in Sheriff's Office**

The FY 09 Adopted Budget includes \$114,630 in ongoing funding for a second half-time Psychiatrist position in TCSO. This position, when filled, will provide psychiatric services to an inmate population of approximately 400 persons with severe to chronic psychiatric illnesses.

### **4. Corrections Operating Costs**

The cost of many commodities (e.g., food and groceries, drugs and pharmaceuticals) and medical services have increased over the past several years and the budget for these line items have not been changed since FY 07. The Adopted Budget includes the following funding increases to ensure sufficient resources for an estimated inmate Average Daily Population (ADP) of 2,650. The funding is for cost increases in commodities only, rather than for any increase in ADP. The FY 09 projected ADP is 115 less than last year, or a 4.3% decrease.

Description	Funded
Food & Grocery Supplies (Inmates)	\$382,558
Drugs & Pharmaceutical Supplies	470,959
Medical Services	(14,749)
<b>Total</b>	<b>\$838,768</b>

**5. Copy/Print Shop-Related Expenses**

The FY 09 Adopted Budget includes ongoing funding of \$121,522 for Records Management and Communication Resources (RMCR) Department for various copy and print shop-related expenses. These include copier replacement, copy charges and contract increases, and copy and print shop paper. These are maintenance of current effort requests related to price increases.

**6. Special Fees**

The General Administration budget increased in FY 09 due to the following increases.

Arbitrage fees	\$20,000
Auditing fee (estimate)	50,300
Membership fees (Capital Area Council of Governments, National Association of Counties, Conference of Urban Counties)	4,413
Travis Central Appraisal District fee (estimate)	59,939
<b>Total</b>	<b>\$134,652</b>

**7. Chapter 72 Revisions for Emergency Assistance**

The Commissioners Court approved \$397,876 in ongoing resources to fund revisions to Travis County’s Chapter 72 Emergency Assistance Program. Chapter 72 is the Travis County civil code that outlines the rules for emergency assistance for rent/mortgage, utilities, food vouchers, prescriptions, and emergency transportation. The payment amounts have been unchanged since they were last revised in 1997. Health and Human Services conducted an extensive review of the current policy and found that assistance levels were below national standards and income requirements were out of sync with other programs. The approved levels increased benefit amounts for food vouchers and rent/mortgage, utility, and prescription assistance. The policy was also updated to address community conditions and streamline the language. The changes are approved for implementation in January 2009.

**8. Facilities Maintenance and Custodial Staffing**

The FY 09 Adopted Budget includes funding for two additional Building Maintenance Workers and two additional Custodians to meet current maintenance and cleaning

standards at Travis County facilities. The Facilities Management Department budget was increased by \$158,368 in ongoing resources and \$2,000 in one-time resources.

**9. Other MCE Requests**

There are a variety of other Maintenance of Current Effort increases and decreases throughout county departments in the FY 09 Adopted Budget that are less than \$100,000 each and are summarized in the following table.

Department	Purpose	One-Time	Ongoing	Total
County Auditor	Continuation of Electronic Legal Research Identity and Access Management	-	8,000	8,000
ITS	Infrastructure Expansion	91,902	-	91,902
County Attorney's Office	Green circled employee adjustment	-	364	364
County Clerk's Office	Electronic Voter Qualifying Stations	29,500	-	29,500
District Clerk's Office	Green circled employee adjustment	-	2,259	2,259
Civil Courts	Audio System Repairs	7,500	-	7,500
Criminal Courts	Assisted Listening and Interpreter System repairs (with an additional \$36,000 in capital funding)	6,000	-	6,000
Criminal Courts	New Staff Attorney for research	-	75,490	75,490
Criminal Courts	Additional Drug Court treatment funding	-	83,800	83,800
Constable, Pcts. 2, 3, 5	Civil Process Certification Pay	-	68,284	68,284
Constable, Pct. 2	Safety Vest Replacements	5,850	-	5,850
Constable, Pct. 2	Accurint fee increase	-	2,000	2,000
Constable, Pct. 3	Law Enforcement Equipment & Uniform Replacement	35,800	-	35,800
TCSO	Law Enforcement Equipment & Services	-	9,100	9,100
TCSO	Student Resource Officer interlocal agreements with one FTE net decrease	-	(30,519)	(30,519)
Medical Examiner's Office	Specimen send-outs	-	25,000	25,000
CSCD	Mental Health Medication and Transitional Services (funded through TCSO savings)	-	5,472	5,472
Juvenile Probation	Progressive Sanctions	-	63,796	63,796
TNR	New Equipment Mechanic for Fleet Svcs.	-	43,851	43,851
Civil Service Commission	Scantron software	2,205	1,576	3,781
Criminal Justice Planning	APD Drug Lab Chemist	69,600	-	69,600
Criminal Justice Planning	New Financial Analyst position	-	53,446	53,446
RMCR	Digital Video equipment and systems	47,000	-	47,000
RMCR	Secure Shredding contract	15,000	-	15,000
HHS	Congregate Meal Program	-	20,880	20,880
HHS	Summer Youth Program	-	37,013	37,013
EMS	Aircraft maintenance, enhancement and training	28,875	6,230	35,105
Civil Courts Legally Mandated Fees	Increase for Third Administrative District fees	-	4,603	4,603
<b>Total Other MCE</b>		<b>339,232</b>	<b>480,645</b>	<b>819,877</b>

**F. New Facilities**

**1. Travis County Correctional Complex Building 12 Staffing**

The new jail building (Building 12) at the Travis County Correctional Complex (TCCC) at Del Valle will be substantially complete by March 2009 and is expected to open June 1, 2009. Based on those dates, with an Inmate ADP of 2,650 for 2009 and an inmate bed capacity of 3,095 after June 2009, the Preliminary Budget includes funding for 31.5 new positions for Building 12 along with the redeployment of 158.5 positions as follows:

<b>Position</b>	<b>Redeployed Positions</b>	<b>New Positions</b>
Lieutenant	2.0	1.0
Sergeant	6.0	1.0
Corrections Officer	150.0	21.0
Security Coordinator	0.0	6.0
Building Maintenance Worker Sr.	0.0	2.0
Office Specialist Sr.	0.5	0.5
<b>TOTALS</b>	<b>158.5</b>	<b>31.5</b>

The Adopted Budget includes \$486,497 in salaries and benefits, \$24,800 for clothing and uniforms, and capital outlay of \$19,514 for a maintenance truckster and two hand-held radios.

The Adopted Budget also includes an annualization reserve for FY 10 of a net \$1,160,708 for these 31.5 positions due to their mid-year start dates. In addition, a reserve of \$468,000 is included in the Adopted Budget for FY 10 utility costs. An additional \$615,000 is in the Utility Reserve for Building 12 utility costs in FY 09. Annual utility costs for Building 12, which will have 1,336 of the county’s 3,095 inmate bed capacity as of June 2009, are estimated at \$1,083,000.

**2. Juvenile Probation Detention Build-Out Phase 3 (Final)**

The FY 09 Adopted Budget includes \$406,683 in funding for 11 new staff and operating expenses for the remaining eight newly constructed detention beds with a start date of April 1, 2009. Additional one-time funding for IT equipment (\$27,620) and other capital equipment (\$21,000) is also included in the Adopted Budget. The annualized ongoing cost is \$813,368. Funding will be provided in the department for the six months of operation for FY 09 with the remaining funds included in an annualization reserve to fully budget these costs for FY 10. This will increase the detention capacity of the Juvenile Justice Facility from 112 to 120 beds. The juvenile Average Daily Population is expected to be around 90 in FY 09 with projected spikes at capacity occurring more frequently.

Since it is still unclear how the various interrelated Texas Youth Commission (TYC) issues will impact these figures, these resources will also provide the department

flexibility with staffing and resources to manage its FY 09 budget. It is also important to note that there are no plans to continue a Juvenile Justice TYC Reserve into FY 09.

### **3. 5335 Airport Blvd. Preliminary Design**

The FY 09 Adopted Budget includes \$125,000 in one-time resources to fund initial surveying, geotechnical, an environmental work at 5335 Airport Blvd. Commissioners Court is still reviewing building options for the site and no final decisions have been made.

### **4. Other New Facilities Move Costs**

A total of \$14,000 in one-time costs is budgeted in Facilities Management Department to fund move costs associated with the following three capital projects: design and construction of the New Precinct 1 Office Building, renovation of the first floor of the Precinct 2 Office Building, and security upgrades for the 4<sup>th</sup> Floor of the Granger Building.

## **G. Revenue Related Packages**

A small number of budget requests are included in the Adopted Budget because they are expected to result in additional revenue to support the added expense. These packages total \$410,186 in one-time resources and \$1,369,000 in ongoing resources. In certain cases the projected revenue increase is sufficiently documented that the expense is added on an ongoing basis. In other cases, the projected revenue is not sufficiently documented so those requests are funded with one-time resources and will be re-evaluated for FY 10.

### **1. Warrant Workload Staffing in Justice of the Peace, Precinct 5**

Justice of the Peace, Pct. 5 submitted a proposal to improve warrant issuance and execution rates through the hiring of additional staff. Historically, the Precinct 5 Justice Court has seen most of its workload focused in other areas. The FY 09 Adopted Budget includes ongoing funding of \$43,604 and one-time funding of \$1,000 for one Warrant Court Clerk that is supported by additional revenue.

### **2. Tax Office Motor Vehicle Clerk & Chapter 19 Reimbursable Funding**

The Adopted Budget includes \$40,318 in one-time resources to fund one Tax Specialist for the Motor Vehicle Division of the Tax Office. The Tax Specialist will handle the increase in motor vehicle registrations and titles and new mandates from TxDOT. The motor vehicle division is expected to increase revenue from FY 08 to FY 09 by \$125,000. Currently the Tax Office is experiencing a 3% annual growth rate. This new FTE will allow the office to maintain the current level of service when processing motor vehicle transactions.

The Chapter 19 Reimbursable funding is related to expenses incurred as part of a state voter registration program. Under this program, the state reimburses the county for certain types of expenses made in support of county voter registration. The Adopted Budget includes \$15,782 in one-time funding to allow the Tax Office to make the qualifying expenditures. These funds will be reimbursed to the General Fund upon receipt of the state funding.

### **3. District Clerk's Passport Clerk**

The Adopted Budget includes \$42,754 in one-time resources to fund a second year of operation of the District Clerk's Passport Office. The position is funded by increased revenue generated by passport fees. It is funded using one-time resources to allow time to evaluate whether the passport demand will continue into the future or if it drop after the recent increased activity due to new federal requirements related to international travel.

### **4. Justice Courts Collections**

The FY 09 Adopted Budget includes \$130,060 in one-time funding for the continuation of three Special Project Temporary Court Clerks in Justice of the Peace, Precincts 1, 4, and 5. These Clerks prepare, maintain, and update cases for transfer to the Central Collections Office. No new additional revenue was certified for these packages for FY 09 although there is a reasonable expectation that withdrawing these resources would result in a decrease in revenue.

### **5. Counseling and Education Services Administrative Staffing**

The Adopted Budget includes ongoing funding of \$36,175 for one new Office Specialist and \$26,349 in additional funds for a temporary, part-time Office Specialist. These positions will allow the office to reorganize their Alcohol and Drug Assessment Program. Currently the counselors handle many administrative functions such as scheduling. This will now be handled by office specialists. By allowing the counselors more time to perform assessments, the addition of this administrative support is expected to generate \$62,524 in new revenue.

In addition, Commissioners Court approved a \$2 surcharge to all of CES' education classes. The additional revenue generated of \$7,885 will be added to the Crime Victims Fund. The department expects that this addition can help 240 more victims of crime by increasing the department's victim service contracts with outside organizations.

### **6. Star Flight Business Plan**

The Adopted Budget includes \$1,251,074 in one-time and ongoing operating funding to support the Star Flight Business Plan, approved by Commissioners Court on July 1, 2008. This initiative is a pilot program meant to verify the department's strategic plans to go forward with a third helicopter and accompanying staff to manage the program's

growth in Central Texas. The business plan requests comprise: \$507,734 for three additional Pilots, one Mechanic and one Administrative Associate; a \$16,807 reduction in associated pilot overtime; \$439,334 for two Flight Nurses and two Flight Paramedics; \$302,160 for Aircraft Fuel; \$16,553 for medical equipment; and \$2,100 for information technology expenses. The Auditor's Fifth Revenue Estimate includes FY 09 revenues of \$2,306,529 associated with this pilot program.

In an effort to consolidate all Star Flight operations within Travis County government, the Executive Manager for Emergency Services, along with the City of Austin, agreed to terminate the EMS Air Interlocal and transition over to Travis County the six flight nurses, five flight paramedics, one division commander and one district commander supporting air ambulance operations (13 FTE, \$1,492,806). This consolidation is cost neutral as the funds used to pay the City of Austin for these staff within the city's budget will now be used to fund the staff directly in the county.

### **7. Underage Drinking Prevention Program Grant Match**

The Adopted Budget includes \$18,115 in one-time funding for a cash match for a long-standing Travis County grant program. The Underage Drinking Prevention Program is an education and outreach program aimed at junior high and high school kids. The program is administered by the County Attorney's Office.

### **8. Warrant Team for Constable, Pct. 3**

The Adopted Budget includes \$162,110 in ongoing and \$3,960 in one-time resources for two Deputy Constables and one Court Clerk to serve as a Warrant Team. Additional revenue of \$184,963 is included in the Auditor's Fifth Revenue Estimate, which covers the cost of the team.

### **H. Justice of the Peace Records Cleanup**

The Adopted Budget includes \$285,421 in one-time resources for the continuation of electronic case data in Justice of the Peace Precincts 1, 4, and 5. The case cleanup is needed to: (1) continue to prepare cases to be sent to Central Collections and from there to the Third Party Vendor, if necessary; and (2) to ensure that a future conversion to a new system can occur with as few computer glitches as possible. For FY 09, the conversion to the Fully Automated Court Tracking System (FACTS) for the JPs has been reprioritized. Instead, ITS will focus on replacing the Unisys servers and transferring the case data to new servers to avoid a catastrophic system failure in the existing legacy system.

### **I. Pilot Programs**

The Commissioners Court has established three priority program areas towards which it wishes to direct resources: (1) reducing adult jail and juvenile detention populations, with special attention toward inmates with mental illness, (2) substance abuse, and (3)

workforce development (adult training and new jobs). The first five programs listed below are funded in the Preliminary Budget and address these three program areas.

### **1. The Children's Partnership/TRIAD**

The continuation of one-time funding of \$165,000 is included in the FY 09 Adopted Budget to support youth with significant mental health challenges and their families. The Children's Partnership/TRIAD programs have been funded with one-time resources since FY 05. These services include residential services, traditional mental health services such as assessments/evaluations, therapy, medication and non-traditional services such as respite, parent coaching, mentoring, enrichment and basic needs. These programs serve as the payer of last resort and are used when no other funding source can be identified and/or accessed. Travis County continues to see an increase in the number of youth served by these programs. These combined programs served 354 children in FY 07 and are projected to serve 470 in FY 08 with similar projected needs for FY 09.

### **2. Workforce Investment Programs**

The FY 09 Adopted Budget includes the continuation of \$100,000 in one-time funding for a pilot project first begun in FY 07. This pilot has been an expansion of the existing County Workforce Development (WFD) program and includes:

- \$60,000 to expand the Rapid Employment Model
- \$30,000 to increase capacity in Capital Investing in the Development and Employment of Adults (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 an REM pilot and other local WFD services.

The \$100,000 investment serves 25 clients. An independent evaluation of the WFD program is in place and the results of the evaluation will help assist the Commissioners Court in its funding decision for FY 10.

### **3. HHS Mobile Crisis Outreach Team**

The Mobile Crisis Outreach Team (MCOT) provides emergency and urgent psychiatric 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, first funded as a pilot project in FY 07, works with this targeted population as well as those for whom detention is not warranted or for whom emergency detention has not become necessary. The FY 09 Adopted Budget includes the continuation of \$400,000 in one-time funding for another year of operation. Other Texas Counties have implemented similar programs and have found that this type of mental health outreach has reduced psychiatric hospitalization and detention of the 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. The program was originally solely funded by Travis County to operate 10 hours per day, four days per week. The State has awarded the Mental Health and Mental Retardation (MHMR) Department funding so the program can now operate 24 hours a day, seven days a week.

#### **4. Travis County After-School Program**

The Adopted Budget includes \$220,000 in one-time funds to continue the pilot After School programs at Gus Garcia Middle School and the Ann Richards School for Young Women Leaders. These two pilot programs have been added to the Travis County Collaborative After-School Project (TCCAP) that also provides ongoing after-school education opportunities at Webb and Pierce Middle Schools. The program serves students that are considered low income and high need. The lead agency is the Austin Independent School District.

#### **5. Cash Match for Parenting in Recovery Program**

Travis County was awarded a federal grant by the US Department of Health and Human Services - Administration for Family and Children in FY 08. The grant award is \$500,000 per year for five years, totaling \$2.5 million. The grant project, Parenting in Recovery (PIR), will provide a flexible, comprehensive continuum of services for children and parents who are involved in the child welfare system as a result of parental substance dependence. Objectives of Parenting in Recovery (PIR) are to:

- (1) provide cross-systems training for child welfare and substance abuse counselors to promote more effective collaboration and treatment planning and increase ability to serve families with substance dependency and child welfare involvement;
- (2) preclude/decrease the number of out-of-home placements for children of mothers with substance dependency; and
- (3) increase the safety and well-being of children of substance dependent mothers by reducing risks factors and increasing protective factors for child maltreatment.

FY 09 will be the second year of the grant and will require a grant match of \$88,000 through a combination of cash and in-kind matches. The Adopted Budget includes \$75,030 in new resources and \$2,696 in internally reallocated existing resources for the \$77,726 FY 09 cash match for the Parenting in Recovery Grant, with the remaining \$16,713 of the match to be covered by in-kind services from grant partners.

#### **6. Pretrial Services Electronic Monitoring Programs**

The Adopted Budget includes one-time funding of \$80,783 plus \$6,920 in associated IT equipment for the addition of two FTE to support the Pretrial Services Electronic Monitoring (EM) Unit. The two FTE will allow the department to monitor defendants assigned to comply with pretrial release conditions of three electronic monitoring

programs. The programs include the Secure Continuous Remote Alcohol Monitor (SCRAM) and Mitsubishi Electronic Monitoring System (MEMS) programs used to monitor defendants who are prohibited from consuming alcohol during their pretrial release and Global Positioning System (GPS) monitoring program used to monitor defendants with serious offenses, sometimes involving violence against persons on a real-time basis. This program is projected to produce savings from avoided out of county jail housing costs in FY 09 estimated at \$93,136.

An additional \$9,433 in one-time funding is included in the FY 09 Adopted Budget for a pilot project to provide on-call coverage of all Electronic Monitoring Programs four days per week.

### **7. Community Development Block Grant (CDBG) Planner**

The Adopted Budget includes \$36,064 in one-time resources to continue the second CDBG Planner for FY 09. The first CDBG Planner position has been funded on an ongoing basis since FY 08 and both have been authorized since FY 06 to administer the grant program. The additional cost of the second Planner is \$61,065 less a \$25,000 internal reallocation from CDBG General Fund operating budget. The operating expenses for CDBG for next year will be budgeted directly in the grant budget, which has allowed the reallocation of the General Fund resources toward the FTE request. Since the position was included in the FY 08 budget, continuing the position for FY 09 will not impact the FTE count for the department.

### **8. Civil Court Clerk for Justice of the Peace, Pct. 5**

The Adopted Budget includes \$43,604 in one-time resources for a special project temporary Civil Court Clerk for the Justice of the Peace, Pct. 5. In 2008, Justice Courts' civil jurisdiction was increased from a \$5,000 maximum to a \$10,000 maximum. This office is projecting an increase in civil case filings of almost 100% from FY 06 to FY 08. The one-time resources will provide the office temporary help to deal with the increased workload and time to evaluate whether the increased workload is a one-time spike or whether it represents a higher baseline.

### **9. Warrant Workload Deputies for Constable, Pct. 5**

The Adopted Budget includes one-time funding of \$126,455 for two new Deputy Constables in the Constable, Precinct 5 Office to support the warrant workload that will result from the Warrant Court Clerk in the Justice of the Peace, Precinct 5. While this package is anticipated to result in additional revenue being collected, however, it is unclear how much. This program will be re-evaluated for FY 10.

### **10. Early Education & Care: Quality Improvement**

The FY 09 Adopted Budget includes \$200,000 in one-time resources for quality improvement efforts in early education and care. This is the continuation of FY 08

funding levels that expanded a pilot project first 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 program 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.

## **11. Council on At-Risk Youth**

The FY 09 Adopted Budget includes the continuation of \$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.

## **J. Interlocal Agreements**

### **1. Emergency Medical Services (EMS) Ground Contract**

The FY 09 Adopted Budget for the EMS Ground (Ambulance) Interlocal with the City of Austin includes \$367,020 in ongoing operating expense and \$450,000 for emergency vehicles. These increases center on escalations in fuel costs, capital replacement, health and other personnel benefits.

The EMS Air (Star Flight) Interlocal was allowed to lapse as Travis County absorbed the 13 City of Austin employees related to the program. No additional resources were required over FY 08 as the budget for the interlocal was reallocated to directly funding the staff.

### **2. City of Austin (COA) Public Health Interlocal**

The City of Austin has proposed the interlocal cost for FY 09 to be \$2,967,883, which is a \$336,413 increase compared to the current budget. The City has stated the increase is the result of increases such as gasoline and health insurance and an increase in the Travis County population outside of the City from 25.95% to 26.93%. The FY 09 Adopted Budget includes \$42,330 in additional resources for the FY 09 Public Health Interlocal. This consists of \$36,871 for the contract and \$5,459 for compensation increases for County staff under the agreement. The remaining \$294,083 of the full request is earmarked against the Allocated Reserve. The City and County are in the process of finalizing the FY 09 contract details.

### **3. Texas Mutual Interlocal**

The District Attorney’s Office has an Interlocal agreement with Texas Mutual Insurance Company to provide funding for the Workers Compensation Fraud Unit. The agreement

covers the cost of the team which consists of two attorneys, a legal secretary and full-time office specialist. The interlocal agreement totals \$370,400 and is included in the FY 09 Adopted Budget.

#### **4. Downtown District Attorney Interlocal**

The District Attorney's Office has an interlocal agreement with the City of Austin and the Downtown Austin Alliance to provide funds to dedicate a full-time Assistant District Attorney to prosecute crimes in the Downtown Austin Area. The \$20,000 in one-time funding is used to hire temporary employees to assist this ADA position.

#### **5. Other Interlocal Agreement Increases**

The Adopted Budget includes an additional \$18,943 in ongoing resources for the Texas AgriLife Extension Interlocal in the Cooperative Extension Services. This increase is for the county's portion of the program's Extension Agent salaries. In addition, the District Attorney's Office interlocal agreement with the Center for Child Protection includes a one-time increase of \$30,836 to cover expenditures formerly included in the Family Protection Fund (Fund 058) which saw a decrease in resources for FY 09 of this same amount. Finally, the Adopted Budget includes \$61,727 in ongoing resources for the Emergency Services Department's Combined Transportation, Emergency and Communications Center (CTECC) and Regional Radio System (RRS) Cooperative Program. These funds will pay for escalation costs in a Motorola contract.

### **K. Security**

#### **1. General Fund Transfer to Courthouse Security Fund for Sheriff's Office Security Staffing**

The FY 09 Adopted Budget includes an increase to the General Fund transfer to the Courthouse Security Fund of \$294,043 to fund expenditure increases for the Central Command Security Sergeant at \$67,689 and two Certified Peace Officers for the new County Court-at-Law #8 at \$85,753 discussed under Heading B, County Court-at-Law #8, earlier in this document. The remainder of the transfer of \$140,601 from the General Fund was necessary to balance the revenues in the Courthouse Security Fund to the expenditures.

The County Security Committee recommended the Central Command Security Sergeant be funded to improve the Sergeant to Officer supervisory ratio from 1:30 to 1:16 after the addition of Officers for the County Court-at-Law #8 (described above). A small portion of the cost of this position, \$1,880 in one-time resources and \$1,037 in ongoing resources, is funded in the General Fund.

## **2. Building Security Guard for Post Road**

One new Building Security Guard was added to the Facilities Management Department budget for a total of \$33,705 in ongoing personnel costs. This position will provide security services at the HHS offices at the county's Post Road facility. This position was recommended by the County Security Committee.

## **L. New Social Service Funding**

The FY 09 Adopted Budget includes \$450,000 of new funding for social services in the Health & Human Services (HHS) Department. The department has presented expenditure options for Commissioners Court consideration. A final proposal will be presented later in the year. The department has proposed that an independent evaluation component be included to measure the impact of any proposed new programs or program enhancements.

## **M. Office of Parental Representation & Office of Child Representation**

Travis County is establishing two separate public defender's offices for Child Protective Services (CPS) cases in order to provide quality, efficient legal representation for primary parents (Office of Parental Representation) and children (Office of Child Representation) in child abuse and neglect cases pending in Travis County. The County will seek to receive partial grant funding for three years from the Supreme Court of Texas, Task Force on Foster Care to start this new program. The goal of these two offices is to create better legal representation for children and parents involved in child abuse cases as well as reduce the amount of funds used for Civil Indigent Attorney's Fees. The Adopted Budget includes \$500,640 in one-time funding for the county grant match, lease space, and indigent attorney's fees during the transition period and \$157,150 in capital for 16 grant-funded FTE.

## **N. Felony Mental Health Prosecution Team**

The District Attorney's Office created a Mental Health Prosecution Team. The Team consists of a prosecutor specializing in mental health, a paralegal and a legal secretary to provide specialized legal assistance in the prosecution of the criminal cases of mentally ill or mentally retarded felony inmates. Mentally ill inmates have historically spent more time in jail and a specialized prosecution staff should help reduce overall jail bed days for these defendants. This program is modeled on a similar and successful program in the County Attorney's Office for misdemeanor defendants. The department internally funded the Attorney position. An additional \$104,498 is budgeted in the District Attorney's Office for the two support FTE and operating expenditures.

## **O. Asst. District Attorney for Civil Unit**

Funding for one full-time Assistant District Attorney for the Civil Unit of the District Attorney's Office is included in the FY 09 Adopted Budget. The Civil Unit of the District

Attorney's Office represents the Texas Department of Family and Protective Services in civil cases relating to the protection of abused children. The division required additional help due to an increasing caseload and the expected increase in the number of hearings due to efficiencies expected to be gained with the addition of the Office of Child Representation and the Office of Parental Representation. The District Attorney's Office includes an additional \$105,974 in ongoing General Fund resources for this new position.

## **P. Planning & Budget Office Recommended Changes**

The Adopted Budget includes a net decrease of \$933,955 for a variety of changes to departmental budgets that were recommended by the Planning & Budget Office and approved by the Commissioners Court. Three changes totaling \$870,593 merit further discussion.

### **1. Fund Switches for HHS Programs**

A total of \$173,040 was moved from the Health and Human Services General Fund budget to the Health Food Permits Fund (Fund 068) and the Corporations budgets. A total of \$73,040 of General Fund expense related to the public health interlocal was moved to a special revenue fund established per statutory requirement to connect these expenditures with the related revenue. Funding for a Southwest Key construction project totaling \$100,000 was moved to a Travis County Corporation budget.

### **2. District Clerk's Jury Pay Budget**

The Preliminary Budget includes a decrease of \$41,600 to the jury pay line items in the District Clerk's budget. The jury pay line items pay jurors for jury service. With the continued success of I-Jury, a web-based jury summoning and impanelment program, fewer potential jurors have to report to the Courthouse for the impanelment process. This results in a reduction in the amount of pay needed for jury impanelment. This decrease is an effort to right size this budget.

### **3. Salary Savings**

The Preliminary Budget includes a variety of modifications to departmental salary savings budgets. The salary savings budget for a department is a negative (contra) account that is established to allow the county to capture the personnel savings related to vacancies that occur throughout the year. In FY 09, the salary savings accounts of several departments are modified based on an analysis of historical salary savings in those departments. The contra account is being increased by \$655,953 in FY 09. This increase to the departments' negative accounts reduced the General Fund budget and freed up resources that were then used in other areas of the Adopted Budget.

#### **4. Other PBO Changes**

A net decrease of \$63,362 in other PBO Changes is included in the Adopted Budget. These include decreases to the budget due to various departments submitting their proposed budgets below the target budget level, corrections for changes in longevity pay, changes to the General Fund transfers to other funds, and other minor PBO-recommended corrections to department's proposed budgets. All PBO-recommended changes were approved by Commissioners Court and are included in the Adopted Budget.

### **Q. Other**

#### **1 Intergovernmental Relations Staffing**

In July 2008, Commissioners Court approved the creation of a new position to serve as an Intergovernmental Relations Coordinator for the Court. The FY 09 Adopted Budget includes \$91,901 for salaries and benefits. The new staff member will collaborate with other governmental (local, state and federal) and quasi-governmental organizations to pursue various goals and initiative of Travis County. An earmark on the Allocated Reserve of \$62,203 is included for a support position, operating, and related capital. In addition, Commissioners Court approved \$11,856 for salaries and \$2,800 for operating expenses for the continuation of a part-time Special Assistant to Commissioners Court position that was approved mid-year in FY 08.

#### **2. New Financial System**

The FY 09 Adopted Budget includes \$231,040 in one-time funding for expenses related to the Request For Proposal (RFP) process for the New Financial System. The project is currently in the needs analysis and requirements gathering phase but will move into the RFP and vendor selection phase in FY 2009.

The funding will be used to acquire outside expert advice and services related to the RFP process as well as the subsequent contracting with selected vendor(s). In addition, the funding will cover travel expenses during the vendor selection portion of the RFP process and services related to setting up a new chart of accounts. A special reserve of \$1,000,000 in the General Fund and \$71,000 in the Employee Health Benefits Fund was created by the Commissioners Court that will allow the hiring of a team of 12 FTE to work on the New Financial System during FY 09.

#### **3. Salary Adjustment Funding for Auditor's Office**

The Adopted Budget includes \$298,287 in additional funding for partial market adjustments for staff in the Auditor's Office.

**4. Tax Office Voter Registration Staffing**

The Adopted Budget includes \$47,657 in one-time resources to fund a Data Specialist position for the Voter Registration Division. A new mandate from the Secretary of State's Office requires data imports from the Department of Public Safety to be verified on a daily basis. This position will handle these daily downloads to be compliant with state mandates and allow current employees to return to their original duties.

**5. Stormwater Management Plan (SWMP) Staffing**

The Preliminary Budget includes \$43,199 in ongoing resources and \$1,070 in one-time resources for one Engineering Inspector Specialist to help implement the County's SWMP mandated by the Texas Pollutant Discharge Elimination System (TPDES) General Permit TXR040000 for stormwater discharges from Small Municipal Separate Storm Sewer Systems (MS4s) issued by the Texas Commission on Environmental Quality (TCEQ) in 2007.

**6. American Youth Works**

The Commissioners Court approved \$135,847 to expand job training and education services purchased from American Youthworks (AYW) that will be funded for two years. This investment is part of a three way partnership among Health and Human Services (HHS), Transportation and Natural Resources (TNR) and AYW. This increase supports expanded education, job training and certification opportunities for young people in work-based learning projects for the Travis County Parks Department. The investment includes \$85,847 for youth involved in Casa Verde Builders for constructing new Park Ranger Residences and \$50,000 for youth in E-Corps program working with parks and green space development and maintenance.

**7. Open Space Management – Phase I – Timber Creek and Walnut Creek**

The FY 09 Adopted Budget includes \$53,700 in ongoing General Fund resources for outsourced maintenance of floodplain buyout properties such as Timber Creek and Walnut Creek. This maintenance will include mowing as well as tree and brush clearing as needed.

**8. Other Increases**

The Adopted Budget includes funding spread among three departments totaling \$89,261 for a historical survey, the restoration of operating funding, web development services for the Civil Courts, and to complete the implementation of a court operations officers plan in the Civil Courts.

## **VI. WORKFORCE INVESTMENT**

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### **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 only two years when no compensation increases were available and one year when 1.5% was available. Every other year, at least a 3% compensation increase has been funded. In addition to performance based pay awards, the Commissioners Court has also funded scheduled increases to employees within the Peace Officer Pay Scale (POPS), along with increases to POPS itself, special augmentations for skill based pay and targeted increases for Sheriff's Law Enforcement employees over multiple years.

The economic circumstances in FY 08 allowed for relatively substantial compensation increases and the Commissioners Court adopted a 3.5% Cost of Living Adjustment (COLA) for all rank and file employees. Those employees earning less than \$30,000 per year were guaranteed a \$1,050 minimum increase (equal to 3.5% of \$30,000). The Court appropriated another 2% for performance-based awards, market adjustments, salary compression issues, and other compensation needs. In addition to the amounts listed above, Commissioners Court funded a market salary study for certain job titles that were paid below market (e.g., attorney, public safety and emergency management, social services, engineering and support services, planning, management and research, and purchasing job titles). The total county increase in investment in rank and file employees was \$10,291,105 in FY 08. In addition, Commissioners Court funded an additional \$8,300,896 for various peace officer pay increases including an 11.5% average increase for the Sheriff's Office POPS employees, a 7.5% increase for Deputy Constables, and a 5.5% increase for Park Rangers and Investigators.

### **B. FY 09 Compensation Increases**

The Adopted Budget includes \$8,633,970 in resources to address various compensation issues facing departments and employees.

#### **1. Rank and File**

Rank and File employees received a 3% Cost of Living Adjustment (COLA). Those making less than \$30,000 were guaranteed a \$900 minimum increase (equal to 3% times \$30,000). This Cost of Living Adjustment cost \$4,664,790. In addition, the Commissioners Court approved a 3% flat rate COLA for retirees that was funded within the existing contribution rate at no additional cost to the County. In addition to the COLA increases outlined above, a total of \$2,516,810 was included in the FY 09 budget to address certain specialized compensation challenges. The first was to fund salary increases resulting from a market study for Court positions, Senior and Middle Management, Professional Support, Training, Education, and Instruction, Reproduction, Public Information, Human Resources, Information Technology, and Special

Projects/Elections that revealed these positions were classified less than the current labor market. A total of \$657,068 was funded to bring these positions to the minimum of their classification (called “Green-Circled Slots”). In addition, \$515,473 was funded to provide market adjustments for employees under the job study to move their salaries closer to the pay grade midpoint and prevent the clustering of employees at the minimum level of the new pay grades.

The following table summarizes these compensation increases for Rank and File employees, which total \$5,837,331 and include the cost of salaries and benefits.

3% Cost of Living Adjustment	\$4,664,790
Bringing Green Circled Slots to minimum of pay grade	657,068
Market Adjustments	515,473
<b>TOTAL – RANK AND FILE</b>	<b>\$5,837,331</b>

**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 approved significant increases to the Peace Officer Pay Scale for Travis County Sherriff’s Office in FY 08. 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.

For FY 09, the Commissioners Court made the policy decision to establish internal equity relationships between law enforcement job classifications within Travis County Sheriff’s Office (TCSO) and Non-TCSO POPS employees in Constables, District and County Attorney’s Offices, and TNR. Law enforcement positions in Constable, Precinct Two are on the Non-POPS Rank and File Pay Scale at the time of the adoption of the budget. The Commissioners Court also approved an additional \$125 monthly increase for Park Rangers in TNR with Emergency Medical Technician certification. Both of these increases are effective January 16, 2009. The full year cost for both is \$912,095, an average 13.3% increase from the FY 08 non-TCSO POPS payroll. The amount needed for FY 09 as a result of the January start date is \$648,626 and has been budgeted in each of the applicable departments. The remaining \$263,469 has been budgeted in the Annualization Reserve so the full year cost can be budgeted for FY 10. The FY 09 Adopted Budget also includes funding for the annual step increase for all positions on POPS.

The summary below includes the approved POPS increases for FY 09.

Increases to Non-TCSO POPS for Constables, Park Rangers, and Investigators	\$884,565*
Park Ranger Emergency Medical Technician (EMT) B Pay	27,530*
Annual Step Increase	590,495
<b>TOTAL - POPS</b>	<b>\$1,502,590</b>

\* These are the annualized full year costs for these increases that are effective January 16, 2009. The amounts needed for FY 09 are budgeted directly in the applicable departments and total \$1,239,121 as compared to the annual amount of \$1,502,590 listed above. The Annualization Reserve includes the remaining amount needed for the full year cost in preparation of the FY 10 budget process.

**C. Elected Officials’ Salaries**

Commissioners Court awarded a 3% salary increase to elected officials (except the judiciary) in FY 09. The FY 09 Adopted Budget includes \$54,893 among the various elected officials’ budgets. Judicial salaries have been indexed to District Judges’ salaries. The state will hold these salaries at the same amount FY 09. As a result, the FY 09 Adopted Budget does not contain resources for salary increases for the Judiciary (District and County Court-at-Law Judges, Probate Judge, Associate Judges, and Justices of the Peace).

**D. Midyear Increase in Maintenance Worker Compensation (\$2/Hour)**

Midyear in FY 08, Commissioners Court approved a \$2 per hour increase in the salaries of all Maintenance Worker job titles. This affected staff in four departments: Facilities Management, Sheriff’s Office, Juvenile Probation, and Transportation and Natural Resources. The FY 09 cost of this increase to the General Fund is \$849,370.

**E. Career Ladders**

A total of \$312,322 is included in the FY 09 Adopted Budget for career ladder increases for staff in Juvenile Probation Department, Pretrial Services, the Counseling Center, the County Attorney’s Office, and the Auditor’s Office. Career ladders serve as a tool for employee retention and career advancement and are used for limited job titles.

**F. Other Compensation Changes**

The FY 09 Adopted Budget includes an additional \$340,933 for other compensation changes. This includes:

- \$268,518 for Seasonal/ Temporary Relief positions for Election Workers, Interpreters for the Deaf, School Crossing Guards and Park Technicians.
- \$9,567 for an increase to the livable wage from \$10 per hour to \$11 for regular employees

- \$28,860 for salary increases for the Executive Managers and the Purchasing Agent.
- \$33,988 for pay grade changes were also implemented for a System Architect position in ITS, two Pretrial Officer II positions in Pretrial services, and ten Juvenile Probation Officer III positions in Juvenile Probation.

In addition, a special reserve of \$5,980 was established for Bilingual Supplemental Testing fees while this program is being further developed.

## **G. 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 2008, an Employee Benefits Committee, in close coordination with the County's external actuary, reviewed various options, costs, and affordability of different plans for FY 09. Travis County's health costs have begun to stabilize, although health costs for retirees continue to be a concern for FY 09 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 2008 the health insurance rates for FY 09. The rates for regular employees and retirees are the same as in FY 08. This is the second year in a row the rate did not increase. The County composite contribution rate will again be \$629 per month per regular employee, \$1,170 per month per retiree under age 65, and \$339 per month per retiree over 65. This is the monthly amount the County budgets for each regular employee and retiree. The actual amount contributed per individual employee and retiree varies according to the plan selected and the number of dependents covered. The County's retiree contribution will be funded from the Allocated Reserve of the Employee Health Fund.

PBO has worked with HRMD and the Auditor's Office concerning the size of the Allocated Reserve of the Employee Health Fund. The outside auditor and the County's actuary have both expressed that the reserve is larger than needed. Two actions that have been implemented to reduce the size of the Employee Health Benefits Fund Allocated Reserve include stopping the transfer of General Fund vacant positions hospitalization savings to the Employee Health Benefits Fund in FY 06 and the deferral of further General Fund transfers for the full County contribution for retiree health for the majority of FY 07 and all FY 08 and FY 09. The \$4,892,724 budgeted for the County's

contribution for retirees in the HRMD General Fund Budget will not be needed in FY 09 as the reserve will cover this contribution.

**Employee Health Benefits Fund – FY 02 to FY 09**

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
FY 09	\$68,982,664

As summarized above, the Employee Health Benefits Fund was established in FY 02 at \$18.3 million and has grown to \$68.9 million for the FY 09 Adopted Budget. The FY 09 total is a \$1,700,532 decrease in total funds compared to FY 08. The Allocated Reserve for the fund is \$25,817,760, which is \$4,429,844 less than the FY 08 Allocated Reserve, primarily the result of actions taken to reduce the Reserve in a planned manner discussed earlier.

**H. Decrease in General Fund Contribution to Risk Management Fund**

As a part of the FY 07 budget process, PBO worked with HRMD and the Auditor’s Office to reduce the ongoing revenue being transferred from the General Fund to the Risk Management Fund by \$1.2 million per year for four years. This was done in an attempt to reduce the Allocated Reserve of the Risk Management Fund by \$4.8 million since the fund’s balance continued to increase. FY 09 is the third year of this four-year planned reduction. These departments again reviewed resources within the fund for FY 09 and recommended that an additional \$1.0 million be reduced from the transfer on a one-time basis. Based on this review, the FY 09 Adopted Budget includes such a one-time decrease.

**VII. DEBT POLICY**

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

1. The expenditure is legally required of the County, where penalties or fines could be imposed on the County if the expenditure is not made. Or,

2. When a financial analysis demonstrates that during a stipulated term Travis County would spend significantly less. Or,
3. The voters have previously approved the issuance of general obligation bonds but, for valid reasons, certificates of obligation must be substituted for such bonds in order to carry out the voters' authorization. Or,
4. When the expense is for necessary planning services or acquiring options for a future capital project that will be submitted to the voters.

## VIII. CAPITAL RECOMMENDATIONS

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A total of \$43,603,480 in capital funding is included in the FY 09 Adopted Budget as of the publication of this document from the following basic sources - the General Fund Capital Acquisition Resources (CAR) account totals \$13,489,669 (including a \$2,865,553 Reserve amount), debt from new Certificates of Obligation of \$15,730,000 (including issuance costs of \$78,564), other funds capital of \$698,811, and debt from long-term bonds authorized by the voters in 2005 of \$13,685,000. As of the publication of this document, Commissioners Court has not finalized the list of projects to be debt funded through issuance of Certificates of Obligation. If the list is expanded later in the fiscal year, an Addendum to the Adopted Budget will be posted on the Travis County website.

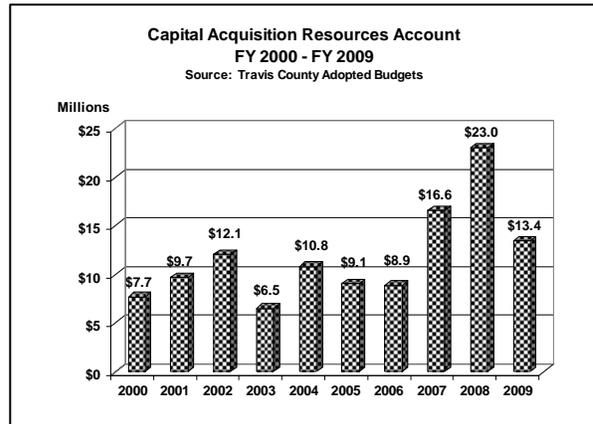
As is the case with ongoing expenditures, the County is facing financial constraints on the availability of resources for capital expenditures. The Adopted Budget addresses these limitations by including those capital projects and equipment for funding that meet the following criteria:

- Projects either in the middle or end of their multi-year phased implementation (Precinct 2 Office Building 1<sup>st</sup> Floor Renovation, Design and Construction of Pct. 1 Office Building);
- Projects where there is little choice but to fund them for health and safety purposes or to avoid future expenses that would be greater (e.g., roof replacement at the Travis County Jail or the upgrade to the fire alarm system at the Executive Office Building);
- 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;
- Projects which have revenue certified to cover their cost; or
- Projects that the Court has already provided directions to include for funding.

This year, PBO has asked departments to prioritize equipment which needs replacement and is part of a replacement plan, (such as personal computers or vehicles). As such, not all personal computers or vehicles that met the replacement guidelines are included in the FY 09 Adopted Budget. Those that could reasonably be deferred have been.

**A. General Fund Capital Acquisition Resources (CAR) Account**

The General Fund Capital Acquisition Resources (CAR) account is used to fund capital equipment and facilities. This account has been quite variable over the years, driven by economic circumstances, capital needs, and other sources and constraints on debt financing. In the last 10 years, it has ranged from a low of \$6.5 million in FY 03 to a high of \$23.0 million in FY 08.



The FY 09 Adopted Budget establishes the CAR account at \$13,489,669. This amount is determined based on the remaining one-time funds available after other one-time funding requests have been addressed. A drop in one-time funds reduced the CAR account by \$9.5 million. This amount includes a Reserve of \$2,865,553 and an expenditure budget of \$10,624,116.

Of the \$10.6 million of CAR expenditures budgeted in FY 09, \$1,476,973 is rebudgeted from FY 08. Rebudgeted CAR projects represent capital that was approved and funded in FY 08 but is not anticipated to be encumbered or expended prior to the end of the fiscal year and yet will still be needed in FY 09.

The list of new and rebudgeted CAR-funded items or facility projects included in the FY 09 Adopted Budget is located in Section II, Table 6.

**B. Other Funds**

In addition to the resources provided through the General Fund Capital Acquisition Resources (CAR) account, other special funds have a total of \$698,811 for various capital needs. These funds include the Road & Bridge Fund, County Clerk Records Management Fund and Archival Fund, the Law Library Fund, the Justice Court Technology Fund and others. The list of projects and equipment budgeted in these funds is located in Section II, Table 11.

**C. Debt Financing**

The last of the three funding sources for capital equipment and projects is debt, either issued in the form of Bonds or 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. Only \$2 million of authorization remains. The remaining authorization for the US Highway 290 West road project is not scheduled to be issued in FY 09. The county’s Transportation and Natural Resources Department is closely coordinating with the state on this project.

**b. November 2001 Bond Authorization**

In November 2001, voters authorized the Commissioners Court to issue \$184,955,000 in General Obligation bonds. Through FY 08, \$182,565,000 of the authorization has been issued for approved projects. Of the \$2,390,000 in remaining authorization:

- \$200,000 (Proposition 2: County park projects) – this amount will not be issued as savings from an existing Certificate of Obligation were used instead of this authorization.
- \$2,190,000 (Proposition 1: Local roads, drainage, bridges and pedestrian access) – this amount is considered projected savings due to the issuance of a Certificate of Obligation in 2006 in lieu of the road bonds for the implementation of the Flint Rock road project.

**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 09.

Project	Original Authorization	Issued Through 08	Proposed Issuance in 09	Remaining Authorization
Prop. 1: Roads, road-related drainage, right-of-way	\$65,225,000	\$50,870,000	\$6,980,000	\$7,375,000
Prop. 2: Parks and open space parkland	62,150,000	42,275,000	6,705,000	13,170,000
Prop. 3: Jail facility replacement beds and renovations	23,500,000	23,500,000	0	0
<b>Total - November 2005 Bonds</b>	<b>\$150,875,000</b>	<b>\$116,645,000</b>	<b>\$13,685,000</b>	<b>\$20,545,000</b>

**2. FY 09 Certificates of Obligation**

The amount of total debt proposed to be issued through Certificates of Obligation (COs) in FY 09 is \$15,730,000. This includes \$15.6 million in projects and equipment appropriate for short-term debt financing. Issuance costs are also included in the total at an estimated amount of \$87,564. The projects and equipment funded from Certificates of Obligation are listed in Section II, Table 9.

## IX. RESERVES

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There are three types of regularly budgeted reserves: (A) Unallocated Reserve, (B) Allocated Reserve, and (C) Capital Acquisition Resources (CAR) Account Reserve. There are also special departmental and countywide reserves established for a special purpose that do not necessarily remain in the budget from year-to-year.

### A. Unallocated Reserve

The Unallocated Reserve is established as a buffer in case of a disaster or dire emergency. It is not dedicated for any specific expenditure and is sometimes called “the untouchable reserve.” The level of this reserve demonstrates the county’s fiscal soundness and influences the county’s bond rating.

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 the county’s goal for this reserve as between 10% and 12%. Since 1989 the Commissioners Court has maintained the Unallocated Reserve ratio at 11%. The total FY 09 General Fund Unallocated Reserve in the Adopted Budget is \$41,384,029.

The Unallocated Reserve ratio calculation is based on budgeted expenditures (excluding transfers) in three funds: the General Fund, Debt Service Fund, and Road and Bridge Fund. Since FY 00, the General Fund Unallocated Reserve carries the majority of the unallocated 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 Fund to the General Fund have been removed from the base for calculating the Unallocated Reserve. The total Unallocated Reserve in the three funds is \$54,103,905.

The historical reserve ratios (per Standard and Poor’s formula) showing the relationship between the Unallocated Reserve for the General Fund, Road and Bridge Fund, and Debt Service Fund and the adjusted expenses for these funds are contained in tables in Section 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 approved by the Commissioners Court during the budget process to indicate the possibility 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 \$3,590,001. A listing and summary of these proposed Earmarks against the Allocated Reserve is provided in Section II, Table 13.

The FY 09 Adopted Budget includes an Allocated Reserve of \$6,532,457 which is greater than the reserve level in FY 08 of \$3,615,763. The total of this reserve represents 1.5% of the General Fund.

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

The Capital Acquisition Resources (CAR) Account Reserve is similar to the Allocated Reserve, but is instead used for one-time expenditures for capital items. It funds additional capital purchases or projects that are developed during the year or pays for cost increases in already approved capital projects. The Adopted Budget includes a CAR reserve of \$2,865,553. The Earmarks against this reserve total \$125,000, as outlined in Section II, Table 13.

**D. Special Purpose Reserves**

**1. Annualization Reserve**

An Annualization Reserve totaling \$2,347,947 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 09. Although many governments do not budget an annualization reserve, this budget technique will avoid a “ratchet” of expenses in FY 10 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.

To recognize this phenomenon, most new positions added in this Adopted Budget include nine months of funding provided inside the department and three months of funding in this Annualization Reserve, with the exception of 31.5 new positions related to opening Building 12 at the Travis County Correctional Complex (TCCC) that will be filled midyear instead. 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.

<b>Department</b>	<b>FY 10 Purpose</b>	<b>Amount</b>
Sheriff's Office	31.5 positions for TCCC Building 12	\$1,160,708
Sheriff's Office	Utilities for Building 12	468,000
Sheriff's Office	County Court-at-Law #8 Staff	36,468
Juvenile Probation	Detention Buildout	406,685
TNR	Stormwater Management Plan Staffing	12,617
Constables, TNR, County Attorney's Office and District Attorney's Office	Non-TCSO POPS increase Year 1 implementation effective January 16, 2009	255,483
TNR	Add Pay for Park Rangers with Active EMT B Certification effective January 16, 2009	7,986
<b>Total</b>		<b>\$2,347,947</b>

## **2. Fuel and Utilities Reserve**

A Reserve for expected fuel and utilities increases in the amount of \$1,108,121 in ongoing resources is included in the Adopted Budget. This Reserve includes \$493,121 for expected fuel cost increases as described earlier in this document and \$615,000 for the projected opening of Building 12 at the Travis County Correctional Complex in June 2009. The building will be substantially complete in March 2009. This utility reserve includes utility costs for the period from March to June when the Building 12 systems will be tested.

## **3. Central Campus Redevelopment Planning Reserve**

The Commissioners Court has committed to develop a comprehensive plan for the redevelopment of the central government campus. The FY 09 Adopted Budget includes a \$700,000 Planning Reserve that will be used to hire a consultant to develop such a plan. Because the ITS Data Center is located in the downtown redevelopment area and its future will be an important part of any redevelopment plan, consulting services to plan for the data center's near-term/long-term requirements are included in the Planning Reserve.

## **4. Health & Human Services Reserve**

A Reserve of \$400,000 was established for HHS programs in the FY 09 Adopted Budget. This reserve was funded by HHS making a commitment to let \$400,000 in resources budgeted in FY 08 fall to ending fund balance. This reserve will be accessed to fund new or expanded programs due to the economic downturn.

## **5. Waller Creek Reserve**

A Reserve of \$100,000 was established for the Waller Creek Tax Increment Finance (TIF) project. The \$100,000 is set aside to ensure the appropriate level of funding is available for the expected payment due May 2009.

## **6. New Financial System Reserve**

The FY 09 Adopted Budget includes a Reserve created by the Commissioners Court of \$1,000,000 in ongoing General Fund resources and a \$71,000 Reserve in the Employees Health Benefit Fund. The Reserves will serve to fund 11 FTE in the General Fund and 1 FTE in the Employees Health Benefit Fund. The FTE will comprise the beginning of the core team that will develop the county's new financial system (including human resources, purchasing, budgeting, and other possible components).

## **7. Compensation Reserve**

A small ongoing reserve of \$5,980 is included in the FY 09 Adopted Budget for Bilingual Supplemental Testing fees while this program is being further developed.