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Budget Letter & Summary

	Page
Budget Letter	1
<u>Budget Summary</u>	
Budget Process	3
General Fund Budget	7
Taxes	10
Revenues	13
Funds	14
Organization Chart.....	19
Ad Valorem Tax Rates	22
Economic Environment Report	27
Population Study	35
Population and the Economy	45
Organization Budgets.....	49
Precinct Proposed Budget Summary	53
Funds Appropriations	55
Policy Issues	62



HARRIS COUNTY, TEXAS

COMMISSIONERS COURT

1001 Preston, Suite 938 • Houston, Texas 77002-1817 • (713) 755-5113

Ed Emmett
County Judge

El Franco Lee
Commissioner, Precinct 1

Sylvia R. Garcia
Commissioner, Precinct 2

Steve Radack
Commissioner, Precinct 3

Jerry Eversole
Commissioner, Precinct 4

March 6, 2009

To: County Judge Emmett and
Commissioners Lee, Garcia,
Radack and Eversole

Re: **FY 2009-10 Budgets**

Enclosed are schedules and materials for the FY 2009-10 budgets which will be effective for the period of March 1, 2009 through February 28, 2010.

The county's general fund expenditures for the year ending February 28, 2009 are projected to be \$1,373,365,033, an increase of 10.17%, and \$11,000,829 transfers out, for a total of \$1,384,365,862 compared to the previous year's expenditures of \$1,246,496,533 and transfers out of \$8,626,956 for a total of \$1,255,123,489.

The available cash balance in the general fund at February 28, 2009 is projected at \$255.7 million with \$56.1 million encumbered and \$199.6 million of expenditures, or 14.53%, unreserved. The Auditor's Office will provide final adjustments at a later date for cash and modified accrual fund balances.

As shown in the table on the next page, the estimate by the Auditor of available resources for FY 2009-10, including the above balance, is \$1,605,686,875, which is \$37,065,922, or 2.3%, less than estimated actual resources for FY 2008-09 of \$1,642,752,797.

The following table shows the general fund resources by category based on the Auditor's revenue estimates.

<u>General Fund</u> ((\$millions))	FY 2008-09 Adjusted Estimate	FY 2008-09 Estimated Actual	FY 2009-10 Final Estimate
Beginning Cash	\$ 258.9	\$ 277.8	\$ 255.7
Taxes	889.6	919.0	919.7
Intergovernmental	37.1	40.3	36.8
Service Charges	200.3	198.8	204.6
Fines/Forfeitures	20.9	20.6	21.1
Reimbursements	32.2	30.9	29.6
Rentals/Concessions	4.1	4.5	4.1
Miscellaneous	10.8	17.5	8.3
Interest	9.8	9.0	4.8
Transfers/Property Sales	120.3	124.4	1.0
Revenues & Transfers	\$ 1,325.1	\$ 1,365.0	\$ 1,230.0
Total General Fund Resources	\$ 1,584.0	\$ 1,642.8	\$ 1,485.7
Mobility Fund	0.0	0.0	120.0
Total Available resources	\$ 1,584.0	\$ 1,642.8	\$ 1,605.7

Flood Control

The revenue estimate for the Flood Control operations and maintenance fund for FY 2009-10 is \$171.6 million, an increase of \$13.0 million compared to last year's estimated actual.

Debt Service

Funds will be available for bond debt service expenditures for the fiscal year in the amount of \$162.8 million for the county, \$198.0 million for the Toll Road Authority, \$41.4 million for Flood Control, and \$48.1 million for the Port of Houston.

Departments and Policy Issues

The tables that follow show budget amounts for departments. Adjustments have been made as necessary to accommodate decisions of the court and to balance against the Auditor's revenue estimate. A list of policy issues follows the budget materials.

#

Budget Summary

Budget Calendar

The county's budget preparation for FY 2009-10 began on November 3, 2008 when departments received revenue estimation forms which were required to be returned to the Auditor's Office by November 26, 2008. The departments received budget request forms and budget target amounts November 11, 2008. Officials were asked to review their responsibilities and to project financial requirements. They were required to return completed budget forms by December 16, 2008.

Preliminary hearings were held with department heads through the Budget Review Committee January 14-16, 2009 regarding plans and objectives for the fiscal year. Commissioners Court considered the budget and its policy issues at a public meeting on February 24, 2009. A public hearing was held and the budget was adopted on March 10, 2009. The approved budget covers the period of March 1, 2009 through February 28, 2010.

The chart that follows provides an outline of the steps that were taken to prepare and adopt the budget.

FY 2009-10 BUDGET PROCESS

	2008					2009																
	November				December				January			February		March								
	4	11	18	25	2	9	16	23	30	6	13	20	27	3	10	17	24	3	10	17	24	31
Access to revenue screens in BID module 11/03/2008	■																					
Budget request forms and target figures distributed 11/11/2008		■																				
Deadline for completion of revenue screens in BID module 11/26/2008				■																		
Deadline for submission of budget request forms 12/16/2008							■															
Budget Review Committee meets with department heads 01/14-16/2009												■										
Budget hearings before Commissioners Court 02/24/2009																	■					
Public hearing/Adoption of FY 2009-10 Budget 03/10/2009																						■

The county's budgetary process involves comprehensive analyses of the functions of the government. By state law, the budget is keyed to the Auditor's estimate of revenue. Amounts budgeted in a fiscal year for expenditures from the various funds of the county may not exceed the balances in those funds as of the first day of the fiscal year plus the anticipated revenue for the year as estimated by the Auditor. The budget must be considered and adopted before the end of the first month of the fiscal year. Accountability is then required for operations to remain within available resources.

County funds are maintained in the accounting system on a cash basis during the fiscal year to conform with the budget process, and are reported annually on the modified accrual basis of accounting.

Budget Process

For FY 2009-10 each department received a target figure to budget against and that total figure was adjusted with approval of the court in accordance with available resources. Each department head decided how their budgeted amount was to be divided into line item accounts. Encumbrances were part of the total budgeted amount.

The goal of the budget planning figure that is given to a department for use in preparation of the annual budget is to allow that department at least the same resources it had the previous year, including encumbrances, and, if possible, an amount for inflation, subject to the availability of funds. Once a final budget is ready for adoption, each department gives the Budget Office its line item allocations for placement in the Auditor's financial system.

During the year, the department head decides on the movement of funds between line items. Each department is encouraged to develop long-range plans and savings for future needs. The goal is for an amount of unexpended funds to be rebudgeted by the departments for their use.

Each department head is also encouraged to restructure his or her organization when necessary in order to control costs and meet their objectives. Salary and position changes can be requested through Commissioners Court, subject to appropriate justification as to the department's goals and availability of funds within the department's budget.

Revenue projections by the departments are provided to the Auditor for assistance in preparing the annual estimate of revenues.

The budget calendar allows the budget to be adopted at a regular court meeting at the beginning of each new fiscal year. This year the approval date was March 10, 2009.

Revenue and Expenditures

The total of available resources for all funds for FY 2009-10 is \$5,207,042,808. The comparative schedule for FY 2004-05 - FY 2009-10 on page 5 shows the division of these funds over the six-year period. The table and chart on page 6 show the breakdown as to the source of each dollar of the funds and where each dollar is going.

The general fund at \$1.49 billion is the largest of the funds and accounts for revenues and expenditures for the general operations of the county. The allocation of the general operating budget is shown in the table and chart on page 7.

COMPARATIVE SCHEDULE OF HARRIS COUNTY AND HARRIS COUNTY FLOOD CONTROL DISTRICT FUNDS FOR FY 2004-05 THROUGH FY 2009-10

Harris County Funds	FY 2004-05		FY 2005-06		FY 2006-07		FY 2007-08		FY 2008-09		FY 2009-10	
	Amount	%										
General Fund	1,175,799,826	35.35%	1,163,688,119	31.54%	1,228,100,653	35.51%	1,286,985,451	30.49%	1,575,236,937	33.89%	1,485,686,875	29.21%
Public Improvements Contingency Fund	-	0.00%	-	0.00%	-	0.00%	-	0.00%	43,351,743	0.93%	44,282,000	0.87%
Mobility Fund	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	-	120,000,000	2.36%
Debt Service Funds	225,400,153	6.78%	329,928,620	8.94%	318,993,938	9.21%	372,689,549	8.83%	378,646,146	8.15%	380,364,566	7.48%
Special Revenue, Trust, & Enterprise Funds	66,731,115	2.01%	67,812,760	1.84%	79,410,301	2.30%	290,764,455	6.89%	306,906,230	6.60%	353,816,259	6.96%
Hotel Occupancy Revenue Fund	16,705,000	0.50%	20,479,948	0.56%	20,085,941	0.58%	29,559,381	0.70%	26,717,623	0.57%	28,584,005	0.56%
Capital Projects Funds	534,584,416	16.07%	687,680,546	18.64%	509,127,823	14.72%	646,686,764	15.32%	478,220,004	10.29%	677,601,096	13.32%
Grant Funds	129,709,238	3.90%	102,071,730	2.77%	167,076,853	4.83%	149,134,156	3.53%	210,308,135	4.52%	240,151,846	4.72%
Toll Road System	756,927,704	22.76%	828,116,108	22.45%	730,009,232	21.11%	877,855,519	20.80%	1,100,983,034	23.69%	1,264,295,492	24.85%
Subtotal County Funds	\$2,905,857,452	87.37%	\$3,199,777,831	86.73%	\$3,052,204,741	88.25%	\$3,653,675,275	86.55%	\$4,120,369,851	88.64%	\$4,594,782,139	90.32%
Flood Control District Funds												
Construction & Maintenance Fund	\$141,411,194	4.25%	\$125,220,192	3.39%	\$136,530,164	3.95%	\$144,289,638	3.42%	\$157,522,573	3.39%	\$171,561,952	3.37%
Debt Service Funds	58,602,350	1.76%	55,516,578	1.50%	31,319,960	0.91%	58,856,774	1.39%	55,486,069	1.19%	54,646,008	1.07%
Capital Projects Funds	220,133,130	6.62%	308,659,350	8.37%	238,458,735	6.89%	364,452,169	8.63%	315,019,489	6.78%	266,052,707	5.23%
Subtotal Flood Control Funds	\$420,146,674	12.63%	\$489,396,120	13.27%	\$406,308,859	11.75%	\$567,598,581	13.45%	\$528,028,132	11.36%	\$492,260,667	9.68%
Total All Funds	\$3,326,004,126	100.00%	\$3,689,173,951	100.00%	\$3,458,513,600	100.00%	\$4,221,273,856	100.00%	\$4,648,397,983	100.00%	\$5,087,042,807	100.00%

**HARRIS COUNTY, TEXAS
AND
HARRIS COUNTY FLOOD CONTROL DISTRICT
FY 2009-10 BUDGET DOLLAR**

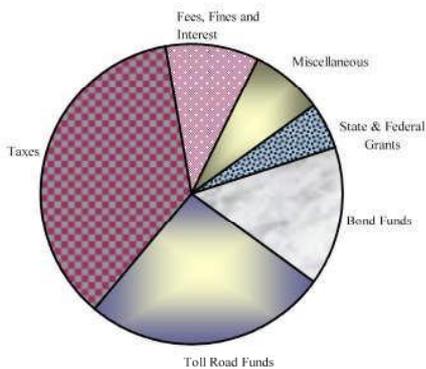
WHERE IT COMES FROM:

FY 2009-10

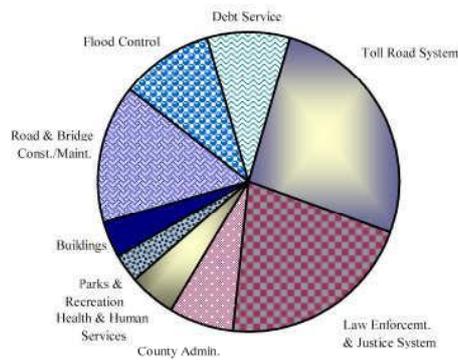
Taxes	\$.36
Fees, Fines and Interest	.10
Miscellaneous	.08
State and Federal Grants	.05
Bond Funds	.15
Toll Road Funds	<u>.26</u>
	<u>\$ 1.00</u>

WHERE IT GOES:

Law Enforcement and Justice System	\$.21
County Administration	.07
Health and Human Services	.05
Parks and Recreation	.03
Buildings	.04
Road and Bridge Construction/Maintenance	.15
Flood Control	.10
Debt Service	.09
Toll Road System	<u>.26</u>
	<u>\$ 1.00</u>



WHERE IT COMES FROM



WHERE IT GOES

General Fund Budget FY 2009-10		
Admin. of Justice	\$775,179,356	52.18%
Road & Bridge	242,000,819	16.29%
County Admin.	216,254,413	14.56%
Health/Human Services	115,551,618	7.78%
Parks	105,569,351	7.10%
Taxation	31,131,318	2.09%
Total	\$1,485,686,875	100.00%

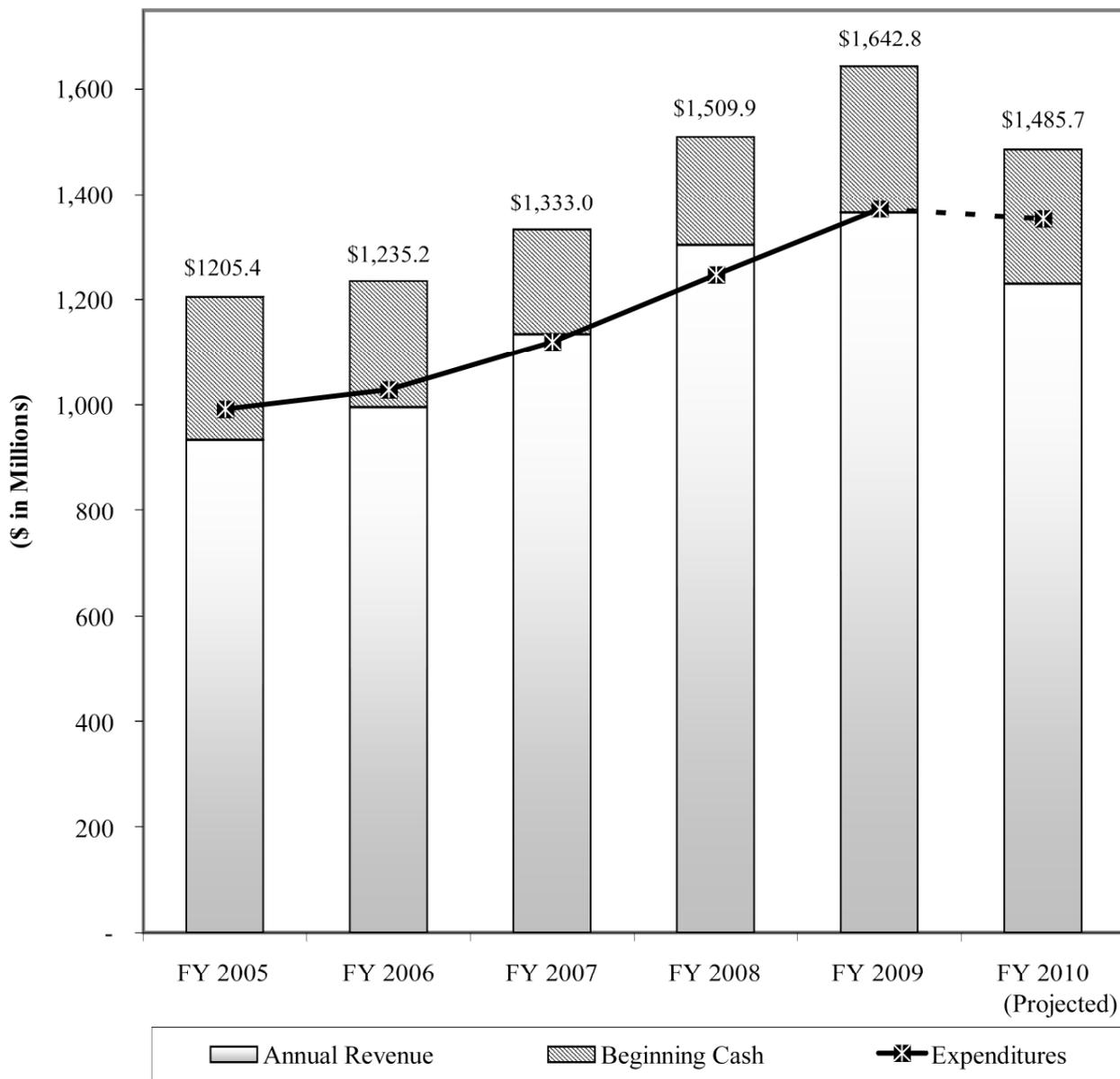
General fund revenues and expenditures for FY 2004-05 - FY 2008-09 and projected for this fiscal year, FY 2009-10 are shown in the following table.

	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	Projected FY 2009-2010
Revenues (millions)						
Taxes	\$ 643.0	\$ 683.2	\$ 763.6	\$ 852.3	\$ 919.0	\$ 919.7
State	17.7	20.3	24.2	24.6	23.9	24.3
Intergovernmental	10.5	12.5	10.2	16.1	16.4	12.5
Fees & Charges	175.2	187.1	228.2	197.7	198.8	204.6
Fines & Forfeitures	22.4	23.3	22.5	20.3	20.6	21.1
Rentals & Parks	3.8	4.5	4.6	4.9	4.5	4.1
Reimbursements & Refunds	24.8	20.2	23.7	29.5	30.9	29.6
Interest	5.0	7.1	11.7	14.3	9.0	4.8
Misc./transfers	31.4	36.8	45.1	143.9	141.9	9.3
Total revenues	<u>\$ 933.8</u>	<u>\$ 995.0</u>	<u>\$ 1,133.8</u>	<u>\$ 1,303.6</u>	<u>\$ 1,365.0</u>	<u>\$ 1,230.0</u>
Beginning Cash	<u>\$ 271.6</u>	<u>\$ 240.2</u>	<u>\$ 199.2</u>	<u>\$ 205.4</u>	<u>\$ 277.8</u>	<u>\$ 255.7</u>
Total Resources	<u>\$ 1,205.4</u>	<u>\$ 1,235.2</u>	<u>\$ 1,333.0</u>	<u>\$ 1,509.0</u>	<u>\$ 1,642.8</u>	<u>\$ 1,485.7</u>
Expenditures (millions)						
Admin. of Justice	\$ 541.0	\$ 567.7	\$ 635.4	\$ 729.4	\$ 824.2	\$ 856.2
County Admin.	180.5	187.9	204.1	226.2	234.0	243.0
Road & Bridge	89.3	86.2	86.4	93.5	103.4	39.8
Health & Human Services	99.7	107.6	112.5	111.9	115.2	116.6
Parks	47.8	49.6	50.6	54.5	60.8	62.4
Taxation	31.7	29.9	30.5	32.5	34.9	35.7
Total Expenditures	<u>\$ 990.0</u>	<u>\$ 1,028.9</u>	<u>\$ 1,119.5</u>	<u>\$ 1,248.0</u>	<u>\$ 1,372.5</u>	<u>\$ 1,353.7</u>
Percentage						
Expend./Revenues	106.0%	103.4%	98.7%	95.7%	100.5%	110.1%
Expend./Total Resources	82.1%	83.3%	84.0%	82.7%	83.5%	91.1%

The chart that follows shows a comparison of general operating budget totals for available resources, revenues, and expenditures during the period of FY 2004-05 - FY 2008-09. Total resources averaged \$1.4 billion per year, with an average for beginning cash of \$239 million and annual revenues of \$1.15 billion. Expenditures averaged \$1.13 billion per year during the period, or 98.26% of revenues and 80.71% of available resources.

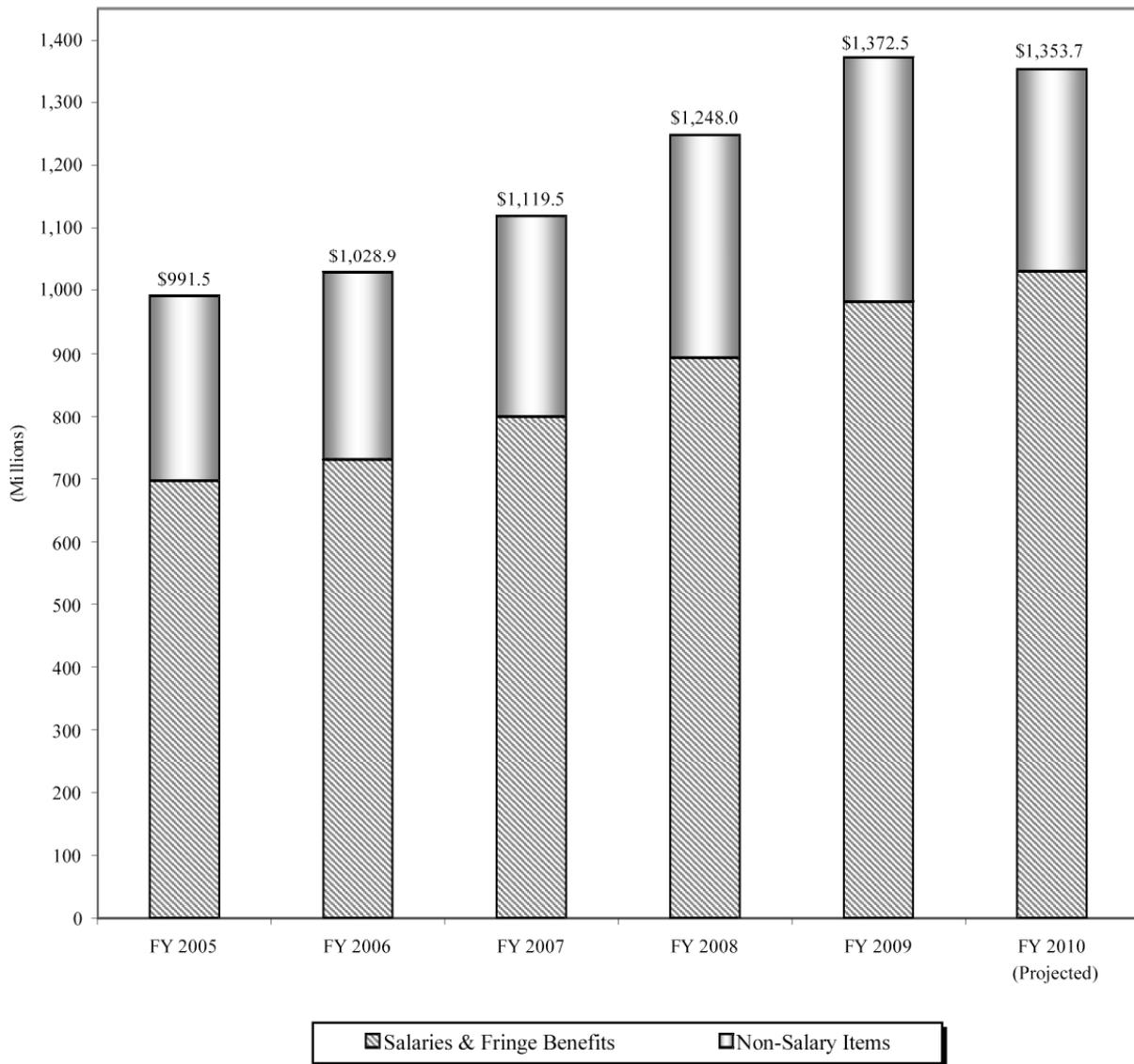
The table and chart that follow on page 9 show a comparison of the components of general operating budget expenditures for the FY 2004-05 - FY 2008-09 period and the FY 2009-10 forecast.

General Fund Operating Budget



**General Fund Operating Budget Expenditures
FY 2004-05 - FY 2008-09
and FY 2009-10 Forecast**

Category (\$Millions)	2004-05	%	2005-06	%	2006-07	%	2007-08	%	2008-09	%	2009-10 Projected	%
Salaries	\$515.6	52.0	\$536.3	52.1	\$587.2	52.5	\$653.0	52.3	\$720.3	52.5	\$749.6	55.4
Fringe Benefits	180.4	18.2	193.7	18.8	212.1	18.9	239.7	19.2	261.7	19.1	280.1	20.7
Subtotal Salaries & Benefits	\$696.0	70.2	\$730.0	70.9	\$799.3	71.4	\$892.7	71.5	\$982.0	71.5	\$1,029.7	76.1
Materials & Supplies	\$64.3	6.5	\$62.1	6.0	\$64.3	5.8	\$67.1	5.4	\$71.5	5.2	\$30.1	2.2
Buildings & Equipment	21.4	2.2	12.3	1.2	10.7	1.0	12.0	1.0	14.3	1.0	12.4	0.9
Fees & Other	144.3	14.5	157.0	15.3	176.0	15.7	202.1	16.2	230.0	16.8	211.2	15.6
Transportation & Travel	24.6	2.5	19.6	1.9	21.7	1.9	25.5	2.0	29.1	2.1	27.9	2.1
Financial Transactions	40.9	4.1	47.9	4.7	47.5	4.2	48.6	3.9	45.6	3.3	42.4	3.1
Subtotal Non-Salary Items	\$295.5	29.8	\$298.9	29.1	\$320.2	28.6	\$355.3	28.5	\$390.5	28.5	\$324.0	23.9
TOTALS	\$991.5	100.0	\$1,028.9	100.0	\$1,119.5	100.0	\$1,248.0	100.0	\$1,372.5	100.0	\$1,353.7	100.0



Taxes

The main revenue source for the general operating budget is taxes. The average for the six years in the table on page 5 is 68.26% of total revenues. For all resources for all funds, the total, as shown in the chart on page 6, is 37¢ for each dollar.

The taxes category for the general fund for the new fiscal year includes \$917.3 million in property taxes and \$2.4 million in occupational taxes. Property taxes include current taxes, delinquent taxes, and interest and penalties. The budget is based on a tax rate of \$.33221 per \$100 valuation for county maintenance and operations.

The Tax Assessor-Collector collects the property tax in accordance with the Texas Property Code. He also collects one-fourth of the occupational tax imposed by the state on coin-operated vending machines in the county.

Another tax collected is the hotel occupancy tax, which goes into a special revenue fund. That tax is imposed on a person who pays for use of a hotel or motel room. The county levy is 2% of the room price paid within a municipality and 7% for a room outside of a municipality. A table showing revenues and expenditures for this fund is on page 17.

Regarding the property tax, values are set by the Harris County Appraisal District. Commissioners Court sets the tax rates for the county, flood control, Port, and Hospital District each October after receipt of an updated tax roll. The total 2008 tax rate for all entities was \$.62998, which is the same as the rate adopted in 2007, but less than the rate of \$.63998 adopted in each year between 2001 and 2006. Previously, the rate of \$.64173 was set each year between 1996 and 2000.

The table and chart on pages 11 and 12 show the taxable values that occurred in Harris County for the period of 1985-2008 and projections for the future. The chart illustrates the economic decline that occurred in the late 1980's. There was a drop of over \$12 billion in taxable values from a peak in 1985 to the low point that occurred in 1989. The county had steady growth from 1990 through 2008. Recent developments in the financial, credit and real estate markets nationally, along with significant fluctuations in energy prices, have created a degree of uncertainty that could affect Harris County government through ad valorem taxable valuations. The Appraisal District has recommended that the tax years 2008 and 2009 taxable valuation remain at the same level. The valuations presented are conservative pending further review and discussions with the Appraisal District. Revised projections for 2009 will be provided to the county in August 2009 and for 2010 through 2013 when the Appraisal District has more reasonably determinable data.

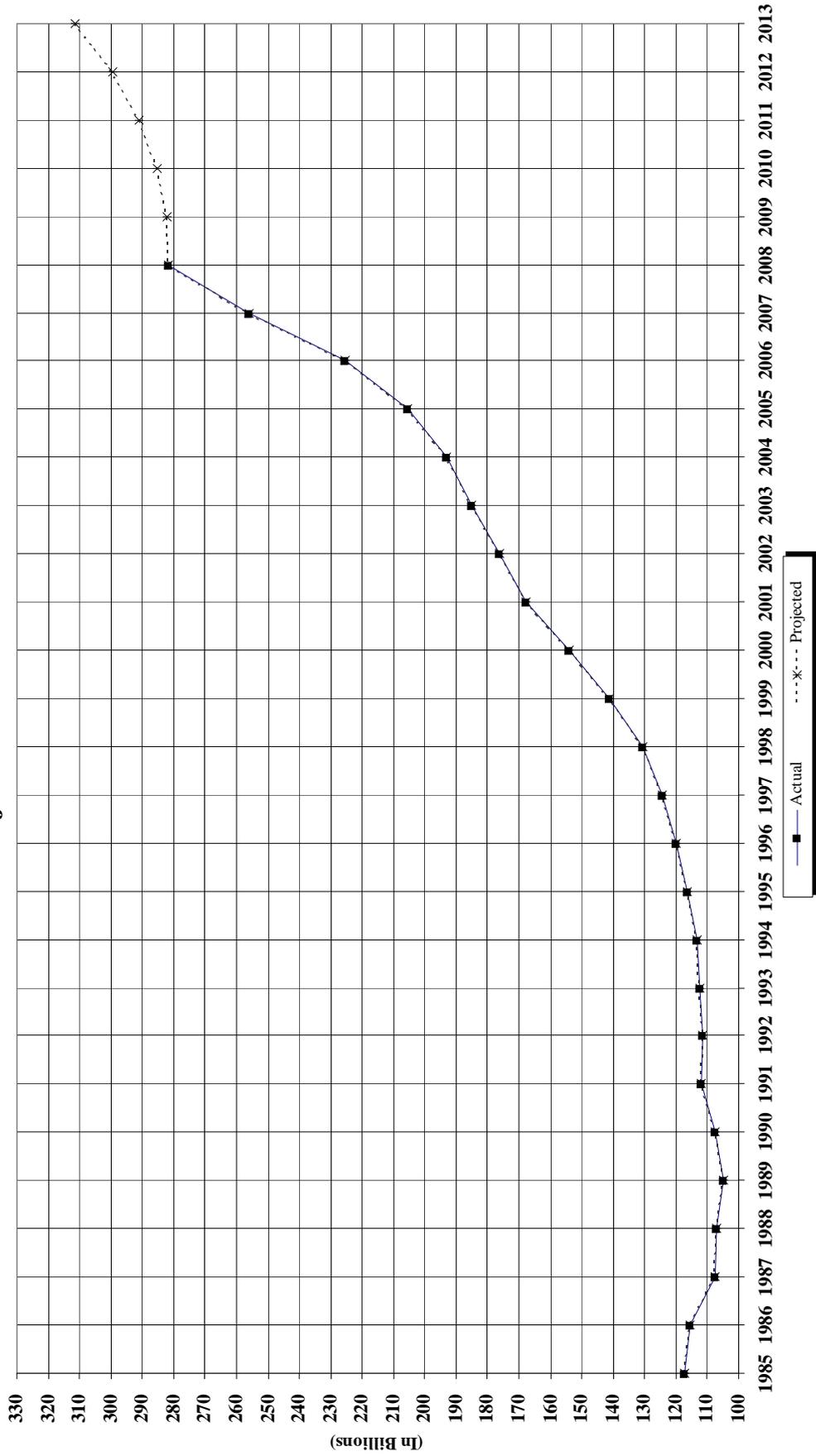
Commissioners Court has authorized an exemption from ad valorem taxation of \$5,000 or 20% of the appraised value of a residential homestead, whichever is greater. The county allows an additional amount of exemption for persons 65 and older or the disabled of \$160,000. The following table shows a breakdown of the county's tax roll for the 2008 tax year and projected for 2009.

Harris County Tax Roll Tax Year 2008 and Projected for 2009				
Category (\$ Billions)	2008		2009 (Projected)	
		%		%
Residential	\$118.05	41.6	\$118.18	41.8
Apartments	19.30	6.8	18.59	6.6
Commercial	64.98	22.9	64.89	22.9
Vacant land	10.20	3.6	10.22	3.6
Industrial	18.13	6.4	19.06	6.7
Utility	4.39	1.6	4.29	1.6
Commercial personal	24.67	8.7	24.38	8.6
Industrial personal	23.30	8.2	22.44	7.9
Other property	0.54	0.2	0.85	0.3
Totals	\$283.56	100.0	\$282.90	100.0

Source: Harris County
Appraisal District

Harris County Appraised and Taxable Values 1985-2008 and Projected for 2009-2013 (\$ Billions)		
Year	Appraised Value	Taxable Value
1985	132.6	117.2
1986	130.9	115.6
1987	121.7	107.4
1988	118.3	107.1
1989	116.7	104.9
1990	119.9	107.7
1991	125.8	111.9
1992	126.9	111.4
1993	129.5	112.3
1994	131.2	113.4
1995	134.7	116.5
1996	138.3	120.1
1997	142.9	124.3
1998	152.0	130.4
1999	163.3	141.0
2000	179.6	154.1
2001	198.2	167.7
2002	207.7	176.2
2003	218.6	185.2
2004	231.2	193.0
2005	267.7	205.4
2006	293.4	225.2
2007	328.4	256.1
2008	366.1	281.6
2009	367.0	282.3
2010	370.8	285.2
2011	378.2	290.9
2012	389.5	299.6
2013	405.1	311.6

Harris County Taxable Values 1985-2008 And Projected For 2009-2013



State and Intergovernmental Revenues

State revenues for the general fund are estimated at \$24.3 million for FY 2009-10 compared to \$23.9 million that was collected last year. The estimate for state revenues includes a percentage of the state mixed beverage tax collected by the county, \$14 million; a portion of the fee assessed by the state for hazardous waste management, \$750,000; a portion of civil case filing fees returned by the state, \$1.1 million; a commission from the state for bingo tax receipts, \$500,000; state reimbursement for nutrition service for children in institutions, \$1 million; indigent defense, \$2.4 million; and various other reimbursements, \$4.4 million.

Other intergovernmental revenues as projected should increase slightly to \$12.6 million this fiscal year, up from \$11 million last year. Receipts included in this portion of general fund revenues are payments from the U.S. Marshal's Service for housing of federal inmates, reimbursement from the Greater Harris County 911 Emergency Network for positions and space provided by the county, payments from school districts for law enforcement services, and payments received for federal land entitlements.

The major increase in intergovernmental revenues are for funds received as reimbursement from the U.S. Department of Justice for holding prisoners under the State Criminal Alien Assistance Program. The Sheriff's Department will continue to seek federal funding for the criminal alien program in the new fiscal year.

Fees and Service Charges

Fees and service charges are collected by various officials throughout county government. These funds are the largest source of revenue for the county operating budget other than taxes. They are expected to bring in \$204.6 million this fiscal year, which is approximately \$5.8 million more than last year, and as shown in the table on page 7, is \$29.4 million, or 16.78% more than was collected five years ago.

The largest item of fees is collected through the Tax Assessor-Collector for tax collection services for various entities in the county, motor vehicle certificates and registration renewals, boat sales, and vehicle emission certificates. The second largest item is from the road and bridge fee, \$31.5 million, which comes from an additional \$10 fee for each vehicle registration. That amount is divided equally among the four commissioners' precincts for road and bridge maintenance. Other items include filing fees collected by the County Clerk for property records, probate and county court cases, marriage licenses, and other records, motor vehicle sales tax fees retained by the Tax Assessor-Collector, fees by constables for subpoenas, writs, and citations, fees for copies of documents by the District Clerk, justices of the peace charges for court services and copies of writs and orders, charges for additional peace officers for subdivision patrol by service contracts, a courthouse security fee collected on filings of civil cases and criminal convictions, building permits and other permit fees through the Architecture & Engineering Division, and various other fees for services by departments.

By court policy, each department involved with a fee or service charge is to continually monitor the extent of their cost recovery and improvements in services for the benefit of the public.

Other Revenues

Other revenues for the general fund include criminal and other fines, bail bond forfeitures, rentals of county facilities and parks concessions, reimbursements and refunds from entities and programs for county services and cost recovery charges, interest earnings on county funds, and miscellaneous items such as receipts from contracts for public and inmate pay phones and long distance services, judgments favorable to the county, cancelled checks, vending machines, and sale of surplus property and materials.

Funds

Financial policies adopted by Commissioners Court as part of the annual budget process call for balanced operations with expenditures controlled so as not to exceed current revenues. The court in FY 1997-98 increased the minimum unencumbered balance requirement at year's end for the general operating fund from 8.3% of expenditures to 10%, and in FY 1998-99 the court increased the target figure to 15%.

The table that follows on page 16 shows comparative fund balances for the county's general fund on a cash or budget basis and the modified accrual accounting basis for the fiscal years 2004-05 through 2008-09.

Debt service funds are provided through property taxes and revenues associated with a bond project, such as from a parking or toll fee. Funded projects include building improvements, parks, jails, a psychiatric hospital, commercial paper issuance, and roads. Debt service funds for the county, excluding the Toll Road Authority and the Flood Control District, as shown on page 5, make up \$380.4 million, or 7.5% of total resources for FY 2009-10. Schedules showing debt service payments are on pages 25 and 644.

Special revenue, trust, and enterprise funds in the total amount of \$353.8 million include law library, appellate judicial, jail sanctions, storm water management, San Jacinto wetlands, state pollution control project, elections, alternative dispute resolution, seized assets, state law enforcement training, the county's subscriber access program, and parking facilities.

The amount for the hotel occupancy revenue fund is \$28.6 million. A table showing the status of the fund is on page 17. Tables showing expenditures and budgets for all special funds are shown on pages 55-61 and 605-620.

Internal service funds are provided through the departments for workers compensation, vehicle maintenance, storeroom supply, radio operations, health insurance, inmate industries, and risk management services.

Capital project funds for the county total \$677.6 million and include bond funds for building and road projects and commercial paper funds for road, parks, and library bond projects that were authorized by the voters in 1997, 1999, 2001, and 2007. The commercial paper will be repaid by issuance of refunding bonds.

The capital projects and debt issuance schedules will be reviewed by the court at the annual capital improvements meeting June 23, 2009 and again at the Mid-Year Review meeting September 29, 2009.

Grant funds total \$240.2 million, including projects of the U.S. Department of Housing and Urban Development, public health programs, and criminal justice projects for law enforcement agencies and the courts.

Another portion of county funds is \$1.4 billion for the toll road system for revenue collection, debt service, office buildings, and operations and maintenance. Debt service this fiscal year totals \$190 million and will be covered by revenues earned by the toll road system. Tables showing toll road expenditures and budget are on pages 49, 84, and 618-620.

The Flood Control District has funds in the total amount of \$492.3 million for FY 2009-10, including \$171.6 million for operations and maintenance, \$54.6 million for debt service, and \$266.1 million for capital projects.

Approximately 99% of the district's operations and maintenance revenues come from property tax funds and the balance comes from property rentals, interest earnings, and miscellaneous items such as the sale of surplus property or copies of documents. Debt service funds come from property taxes and interest earnings. Capital projects funds are provided by commercial paper issuance through the county and impact fees paid to the district for channel improvements or detention facilities in connection with subdivision developments.

Tables showing flood control expenditures and budget are on pages 49, 88, and 612-613. The table below shows comparative fund balances for the Flood Control District's operations and maintenance fund on a cash or budget basis and the modified accrual accounting basis for the fiscal years 2004-05 through 2008-09.

Analysis of Flood Control Operations and Maintenance Fund Cash and Fund Balances for the Years Ending February 28, 2009, February 29, 2008, February 28, 2007, February 28, 2006 and February 28, 2005					
	2009	2008	2007	2006	2005
Fund Balance					
Reserve for Encumbrances	\$25,648,741	\$24,974,017	\$23,270,002	\$23,277,350	\$18,952,494
Reserve for Debt Service	0	816,394	2,429,769	1,862,220	3,579
Reserved for Prepays	59,831	8,849	9,346	5,047	0
Unreserved	67,645,891	55,702,031	49,784,046	52,150,492	56,113,650
TOTAL FUND BALANCE	\$93,354,463	\$81,501,291	\$75,493,163	\$77,295,109	\$75,069,723
CASH BALANCE:					
	\$90,327,471	\$82,265,477	\$75,630,416	\$77,142,787	\$78,015,287

**Analysis of General Fund and Public Improvements Contingency
Cash and Fund Balances for the Five Years Ending
February 28, 2009 through February 28, 2005**

	2/28/09	2/29/08	2/28/07	2/28/06	2/29/05
Combined General Operating & Debt Service					
Reserved					
Encumbrances	\$45,947,340	\$29,978,754	\$31,321,971	\$34,233,941	\$56,536,412
Debt Service	118,258,973	112,188,248	110,851,120	109,773,914	52,809,845
Imprest Cash	460,580	458,939	473,550	459,939	1,482,463
Legislative	4,657,313	1,687,277	1,637,004	1,576,824	1,462,345
Inventory	1,595,091	781,176	0	0	0
Prepays	992,242	489,311	601,921	128,968	0
Advances	40,000	0	0	0	0
Notes receivable	30,369,199	30,372,750	30,414,989	41,869	0
Total Combined Reserved Balance	\$202,320,738	\$175,956,455	\$175,300,555	\$146,215,455	\$112,291,065
Unreserved					
General Operating Fund	\$137,532,957	\$168,374,248	\$128,418,296	\$175,580,869	\$204,852,123
Public Improvements Contingency Fund	29,193,123	24,241,230	0	0	0
Total Operating Unreserved Balance	\$166,726,080	\$192,615,478	\$128,418,296	\$175,580,869	\$204,852,123
Combined Fund Balance					
General Fund Operating and Debt Service	\$339,853,695	\$344,330,703	\$303,718,851	\$321,796,324	\$317,143,188
Public Improvements Contingency Fund	29,193,123	24,241,230	0	0	0
Total Combined Fund Balance	\$369,046,818	\$368,571,933	\$303,718,851	\$321,796,324	\$317,143,188

Cash Balance					
General Operating Fund	\$255,024,831	\$291,616,792	\$206,791,197	\$193,399,854	\$204,513,663
Public Improvements Contingency Fund	29,193,123	24,241,230	0	0	0
Total Operating Cash Balance	\$284,217,954	\$315,858,022	\$206,791,197	\$193,399,854	\$204,513,663

Unreserved to Actual Expenditures					
Operating Cash Basis					
General Operating Fund	14.743%	20.674%	15.468%	15.386%	14.622%
Public Improvements Contingency Fund	2.110%	1.931%	0.000%	0.000%	0.000%
Total Operating Cash Basis	16.853%	22.605%	15.468%	15.386%	14.622%
Modified Accrual Operating Expenditures					
General Operating Fund	10.022%	13.425%	11.380%	17.112%	20.712%
Public Improvements Contingency Fund	2.127%	1.931%	0.000%	0.000%	0.000%
Total Operating Basis	12.149%	15.358%	11.380%	17.112%	20.712%
Modified Accrual Combined Expenditures					
General Fund Operating and Debt Service	9.393%	12.452%	10.486%	15.756%	19.700%
Public Improvements Contingency Fund	1.994%	1.793%	0.000%	0.000%	0.000%
Total Combined Fund Basis	11.387%	14.245%	10.486%	15.756%	19.700%

Harris County, Texas
Historical Analysis of Hotel Occupancy Tax
February 28, 2009

	Fiscal Year Ended							TOTAL	
	1981-2002	2003	2004	2005	2006	2007	2008		2009
Beginning Cash Balance	\$ 0	13,844,648	7,461,780	1,111,652	11,161,403	2,314,811	8,326,752	4,790,318	\$ 0
Revenues:									
Hotel Occupancy Taxes	\$ 183,848,706	16,198,139	15,419,288	17,077,836	18,593,020	22,355,108	24,219,903	26,772,053	\$ 324,484,053
Ad Valorem Taxes	27,089,470	3,285	5,902	4,786	5,206	3,901	2,061	1,055	27,115,666
Bond Proceeds	86,216,091	200,250,365	0	202,681,779	0	0	0	21,765,464	510,913,699
Interest	13,726,618	110,114	98,348	124,399	233,656	230,259	365,273	145,970	15,034,637
Special Purpose Rentals	2,548,055	0	0	0	0	0	0	0	2,548,055
Miscellaneous	4,890,861	319,436	614,946	600,803	568,425	686,824	627,423	2,650,425	10,959,143
Total Revenue	\$318,319,801	216,881,339	16,138,484	220,489,603	19,400,307	23,276,092	25,214,660	51,334,967	\$ 891,055,253
Expenditures:									
Debt Service and Fees	\$ 191,304,524	14,932,143	16,789,953	8,945,315	16,468,016	16,980,037	19,324,309	17,675,047	\$ 302,419,344
Restricted Capital Outlays	13,238,245	15,000	15,000	16,015	10,000	11,016	48,300	32,407	13,385,983
Res. Astrodome, Inc. (Land acquisition)	10,510,376	0	0	0	0	0	0	0	10,510,376
Domed Stadium/Reliant Expenditures	6,998,852	3,659,803	10,553,103	7,497,856	8,351,119	11,801,468	12,682,162	12,145,499	73,689,862
Insurance	242,066	4,185,400	3,197,947	2,912,815	2,569,387	3,887,961	2,759,573	2,865,093	22,620,242
Tourism/Promotional	8,665,022	656,250	855,000	851,420	859,049	813,802	786,750	957,500	14,444,793
Total Expenditures	\$230,959,085	23,448,596	31,411,003	20,223,421	28,257,571	33,494,284	35,601,094	33,675,546	\$ 437,070,600
Domed Stadium Lease Buy-Out:	\$ 16,919,347	0	0	0	0	0	0	0	\$ 16,919,347
Trust/Agency Transfers:	\$ (56,596,721)	(199,815,611)	8,922,391	(190,216,431)	10,672	16,230,133	6,850,000	(16,537,219)	\$(431,152,786)
Ending Cash Balance	\$ 13,844,648	7,461,780	1,111,652	11,161,403	2,314,811	8,326,752	4,790,318	5,912,520	\$ 5,912,520

Organization and Services

The reorganization plan approved by Commissioners Court for FY 1998-99 continues to evolve as department directors seek to provide efficient services at the lowest cost over time. The reorganization plan reduced the number of departments reporting to the governing body and required more collaboration between directors. Additional changes can be expected in the future. The current organization chart is shown on page 19. The table on page 20 shows budget and expenditure amounts for the departments by functional areas along with the number of regular, full-time positions authorized for each. The position listing in the table shows a comparison of regular positions authorized at the beginning of FY 2007-08 with the number authorized at the beginning of FY 2008-09. A table showing the number of regular, full-time budgeted positions for the period of FY 2004-05 - FY 2009-10 begins on page 635.

Policy Directions

The policy directions given by the court, which are shown on pages 62-69, address major priorities and plans to improve management, human resources, and delivery of services, and to develop more effective use of technology.

A continuing goal for each new budget is to strengthen the county's financial structure in preparation for the future. The court, in adopting policies for FY 2008-09, stated that for financial operations expenditures are to be budgeted and controlled so they will not exceed current revenues and that balanced financial operations will be maintained. Department heads and business managers are to keep expenditures within allocated budget amounts. Target figures provided to the departments and amounts appropriated normally allow officials to pursue their top priorities for the fiscal period. The minimum undesignated fund balance for the general fund and other operating funds should be no less than 15% of fiscal year expenditures.

Ad valorem tax requirements for operations and debt service are to be analyzed for Mid-Year Review in conjunction with projections of taxable values by the Appraisal District. Conservative estimates are to be used.

During the fiscal year, full disclosure and open lines of communications are to be maintained with rating agencies. A continuing goal of the court is to retain the county's stable AA+ debt rating. Decisions on financial matters are to consider this goal.

The table on page 16 shows the comparative general fund balances for FY 2004-05 through FY 2008-09. The projection for FY 2009-10 is for the general fund to end the year at no less than 15% of expenditures. A five-year plan for revenues and expenditures will be available at the Mid-Year Review in September after receipt of an update of taxable value projections from the Appraisal District. The projections will include all four entities for which the court sets tax rates: Harris County, Harris County Flood Control District, Port of Houston Authority, and the Harris County Hospital District.

HARRIS COUNTY ORGANIZATION CHART

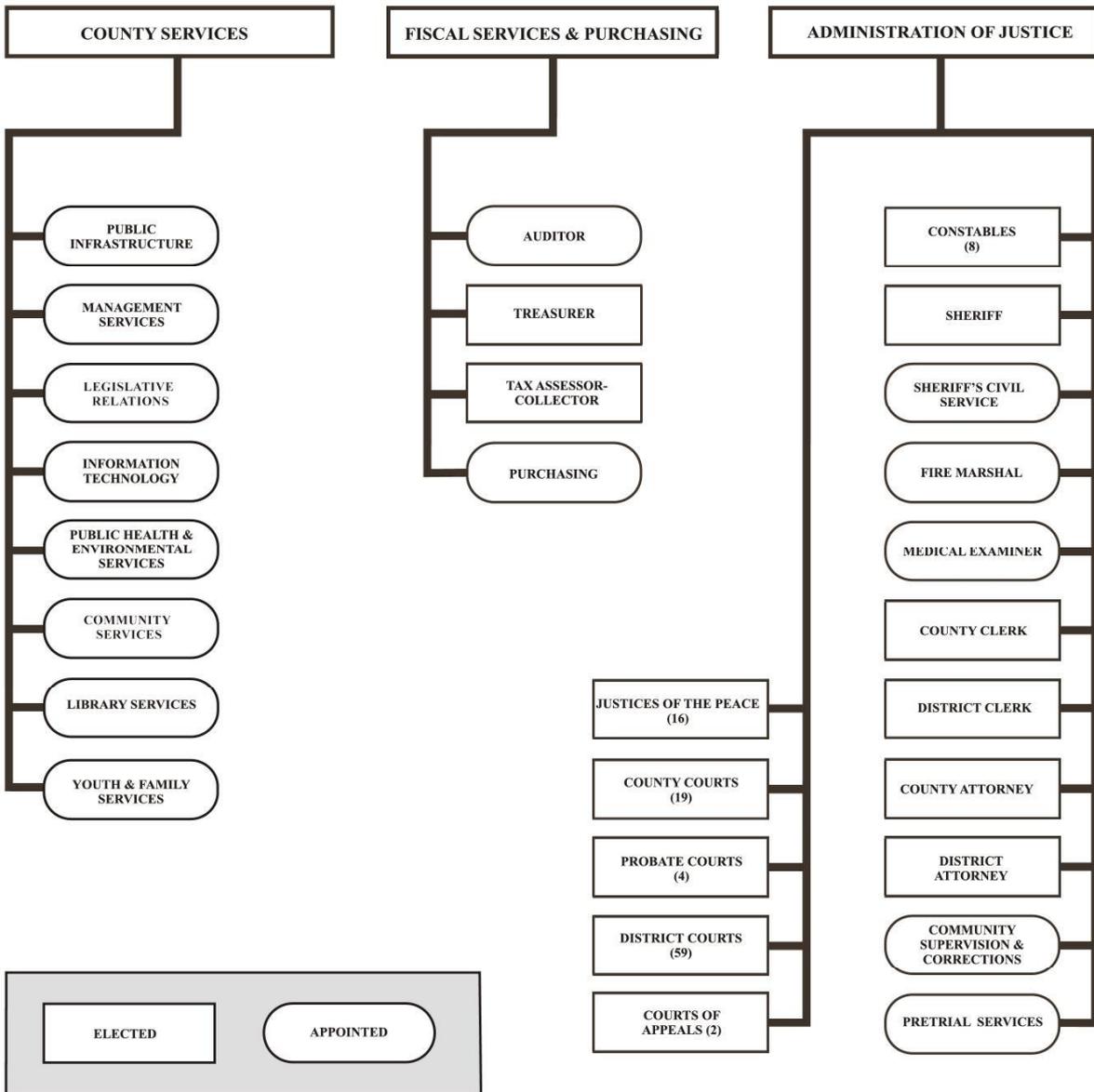
MARCH 2009

HARRIS COUNTY VOTERS

COMMISSIONERS COURT

COUNTY JUDGE

COUNTY COMMISSIONERS (4)



Departments By Functional Areas					
Department	FY 2008-09 Budget	FY 2008-09 Expenditures	FY 2009-10 Budget	Regular Positions FY 2008-09	Regular Positions FY 2009-10
<u>Commissioners Court</u>					
County Judge	\$ 4,907,113	\$ 5,172,151	\$ 4,999,250	55	58
Commissioners	419,844,337	147,034,209	330,381,573	1,434	1,443
	<u>\$ 424,751,450</u>	<u>\$ 152,206,360</u>	<u>\$ 335,380,823</u>	<u>1,489</u>	<u>1,501</u>
<u>Public Infrastructure</u>					
Public Infrastructure	\$ 13,402,458	\$ 5,839,827	\$ 6,400,561	114	47
Right of Way	2,335,345	1,990,601	2,214,495	21	22
Construction Programs	-	4,568,365	6,100,950	69	73
Toll Road Authority	1,100,983,034	314,862,863	1,264,295,492	1,017	1,030
Flood Control District	528,028,131	640,995,051	492,260,667	420	421
Architecture & Engineering	29,213,845	27,543,228	28,007,188	337	339
Facilities & Property Management	64,513,518	62,041,913	61,113,100	269	268
	<u>\$ 1,738,476,331</u>	<u>\$ 1,057,841,848</u>	<u>\$ 1,860,392,453</u>	<u>2,247</u>	<u>2,200</u>
<u>Management Services</u>					
	\$ 42,136,495	\$ 38,063,554	\$ 42,933,588	142	142
<u>Legislative Relations</u>					
	\$ 632,785	\$ 239,717	\$ 1,042,273	6	7
<u>Information Technology Center</u>					
	\$ 37,828,826	\$ 34,407,162	\$ 36,000,466	278	278
<u>Public Health & Environmental Services</u>					
	\$ 27,911,431	\$ 29,236,277	\$ 28,526,284	341	342
<u>Community Services</u>					
Community Services	\$ 10,827,446	\$ 10,634,779	\$ 11,103,021	223	228
<u>Library Services</u>					
County Library	\$ 25,155,549	\$ 25,326,697	\$ 25,301,914	432	432
Law Library	2,278,150	1,335,738	2,031,736	11	9
	<u>\$ 27,433,699</u>	<u>\$ 26,662,435</u>	<u>\$ 27,333,650</u>	<u>443</u>	<u>441</u>
<u>Youth & Family Services</u>					
Domestic Relations	\$ 2,888,969	\$ 2,583,075	\$ 2,815,969	55	56
AgriLife Extension	794,903	812,534	850,046	22	22
Juvenile Probation	70,001,782	74,429,364	72,901,066	1,471	1,483
Protective Services for Children & Adults	21,955,138	20,877,131	21,655,038	343	381
Children's Assessment Center	5,234,949	4,934,930	5,112,408	51	52
MHMRA	23,392,907	23,392,907	23,002,907	1,499	1,610
	<u>\$ 124,268,648</u>	<u>\$ 127,029,941</u>	<u>\$ 126,337,434</u>	<u>3,441</u>	<u>3,604</u>
<u>Administration of Justice</u>					
Constables	\$ 115,732,396	\$ 123,983,834	\$ 119,144,693	1,469	1,509
Sheriff	350,002,226	405,868,265	371,502,360	4,021	4,116
Sheriff's Civil Service	245,082	177,102	230,082	3	3
Fire Marshal	6,044,474	6,680,972	6,501,030	69	68
Medical Examiner	18,212,155	19,632,019	21,100,668	207	207
County Clerk	25,287,020	26,313,596	24,606,520	329	329
District Clerk	31,000,677	29,864,232	28,901,221	522	524
County Attorney	18,121,349	24,261,274	18,400,279	211	206
District Attorney	50,205,344	57,564,309	55,100,035	520	556
Comm. Supv. & Corrections	811,835	805,249	800,835	1,136	1,144
Pretrial Services	7,180,390	7,604,321	7,592,560	110	110
Justices of the Peace	20,449,283	20,079,539	20,730,945	347	346
County Courts	14,780,354	15,596,381	14,800,354	91	91
Probate Courts	6,170,678	6,082,086	5,601,789	55	55
District Courts	43,041,756	49,483,963	43,502,756	229	233
Courts of Appeals	789,924	700,074	800,865	18	18
	<u>\$ 708,074,943</u>	<u>\$ 794,697,216</u>	<u>\$ 739,316,992</u>	<u>9,337</u>	<u>9,515</u>
<u>Fiscal Services & Purchasing</u>					
County Auditor	\$ 13,802,023	\$ 12,541,447	\$ 14,422,512	175	177
County Treasurer	1,181,110	1,088,980	1,181,214	18	18
Tax Assessor-Collector	26,100,842	26,231,533	26,504,754	500	500
Purchasing Agent	6,657,278	6,306,949	7,139,499	78	79
	<u>\$ 47,741,253</u>	<u>\$ 46,168,909</u>	<u>\$ 49,247,979</u>	<u>771</u>	<u>774</u>

Capital Improvements

Commissioners Court considers its capital improvements program during the annual budget process each February and at a capital improvements review meeting each June, and again at the Mid-Year Review meeting each September. Adjustments are made as necessary as part of an evolutionary process. Financially, the county has built into the process more flexibility than in the past, with a mixture of pay-as-you-go funding and short-term commercial paper issuance along with traditional bonded debt.

The court will consider its capital improvements program on June 23, 2009. For the county, the court will consider the elements of its master plan for the downtown courthouse complex, parks, libraries, roads, flood control, and courthouse annex facilities. Decisions on these subjects will be converted to a financial timetable for continued development of the projects.

Major building projects have included a new Civil Courthouse, a plaza area and jury assembly facility, tunnel connections, conversion of the existing Criminal Courts Building for use by Juvenile Probation and the district juvenile courts, additions for juvenile and adult detention, renovations of the old Civil Courts Building, razing of the District Attorney's Building, and a possible new Family Law Center.

An important aspect of the county's capital improvements program is the impact of projects on the operating budget. The court has instructed that provisions must be made in financial plans for an assessment of requirements for maintenance and operation of facilities including necessary personnel, contract services, equipment, and supplies.

Another subject for consideration on June 23, 2009 will be the schedule for expansion of facilities for the Port of Houston Authority in accordance with its master plan. The Port Commission will be asking for authorization for bond funds to be issued to finance new container facilities at the Bayport Terminal complex. The plan is to provide capacity for growth in container traffic through the Ship Channel. Voters in November 1999 and 2007 authorized bonds for construction of Port improvements in the amount of \$387 and \$250 million, respectively. The court will also be asked to approve commercial paper issuance for interim financing of projects. The Port Commission also plans to continue its financing of a cooperative project with the U.S. government for dredging of the Ship Channel to increase its depth and width.

In other areas of capital improvements, the court will review the status of its bond programs for roads, parks, library, and building projects. The court will also review the status and projections of another part of the county's regional mobility program, the toll road system. Revenues from tolls have been sufficient to pay for debt service and operations and maintenance for the toll road system, and are expected to be adequate for the future. No tax for the toll roads has been levied since the system was authorized by voters in 1983, but a pledge of tax support remains as a continuing requirement for the county.

The county's outstanding total tax and revenue debt service at the close of FY 2008-09, including the Port and Flood Control, but excluding the Toll Road Authority, was \$5.14 billion, with \$4.64 billion in tax bonds and \$499.6 million in revenue bonds. The total for the Toll Road Authority was \$4.14 billion, with \$1.03 billion in tax bonds and \$3.11 billion in revenue bonds. As stated previously, toll revenues have been sufficient to pay all debt service on the toll roads. The toll road debt extends through 2048. The county's tax debt extends to 2039, and its revenue debt until 2033.

The Flood Control District has \$5.4 million of bond authorization remaining from the voter-approved 1987 program of \$250 million. The district is relying at this time on commercial paper issuance by the county to finance construction and major flood prevention work. Total general obligation debt for flood control is \$195.2 million through 2032, and \$670.3 million for refunded commercial paper debt through 2032.

The court will continue its review of the status of the debt and capital improvement program of the Harris County Hospital District. The court and the Hospital District board approved a restructuring and partial refunding of debt for hospital facilities. The district also has issued commercial paper to borrow short-term funds for certain capital needs and equipment. The county's Office of Financial Services has assisted the district with these issues.

The tables on pages 23-24 and 643-644 show the amount of bonds that have been authorized by voters but not issued for all entities as of February 28, 2009, and the amount of outstanding debt and debt service requirements.

Tax Rates

The table below and tables on pages 642-643 show the breakdown of total tax rates for Harris County, the Flood Control District, Port of Houston Authority, and the Hospital District. The estimate for current, non-delinquent collections from the 2008 tax levy was a net yield of \$25.9 million for each 1¢ of tax. The 2009 rates will be set by the court in October and will provide funding for each of the four entities. The Appraisal District will provide the county with an update of taxable values in August, after which the process of preparing annual tax rate schedules will begin.

Ad Valorem Tax Rates

Entity	2003	2004	2005	2006	2007	2008
Harris County	\$.38803	\$.39986	\$.39986	\$.40239	\$.39239	\$.38923
Flood Control	.04174	.03318	.03322	.03241	.03106	.03086
Port Authority	.02000	.01673	.01474	.01302	.01437	.01773
Hospital District	<u>.19021</u>	<u>.19021</u>	<u>.19216</u>	<u>.19216</u>	<u>.19216</u>	<u>.19216</u>
Total	\$.63998	\$.63998	\$.63998	\$.63998	\$.62998	\$.62998

The Harris County rate in 2008 of 38.923¢ included 33.221¢ for operations and maintenance, 5.108¢ for debt service, and .594¢ for the public improvement contingency fund.

The Flood Control District rate in 2008 included 2.754¢ for maintenance and operations and .332¢ for debt service. Tax requirements for the district's capital improvements through use of commercial paper funding are provided by the county.

The rate for the Port of Houston is for debt service only. The rate for the Hospital District provides for maintenance and operations and helps cover the district's debt service requirement which is funded by the district's operating budget.

The total debt service rate in the 2008 tax year was 7.213¢ for Harris County, the Flood Control District, and the Port of Houston. The actual requirement for the 2009 tax year will be set in October.

Harris County, Texas
Schedule of Bonds Authorized
but not issued as of February 28, 2009

Balance of authorized but unsold bonds:

	County and Flood Control	
1987	Flood Control	\$ 5,400,000
2001	Roads	221,860,000
2007	Roads	190,000,000
1999	Civil Justice Center	24,000,000
2001	Parks	871,000
2007	Parks	95,000,000
2007	Forensic Center	80,000,000
2007	Family Law Center	<u>70,000,000</u>
	Subtotal - County and Flood Control	<u>\$ 687,131,000</u>
1983	Toll Road	<u>\$ 17,673,000</u>
	Subtotal - Toll Road Authority	<u>\$ 17,673,000</u>
	Port of Houston	
1989	Deepening and Widening of Ship Channel	\$ 33,000
1999	Port Improvements	5,745,000
2007	Port Improvements, docks, security	<u>250,000,000</u>
	Subtotal - Port of Houston	<u>\$ 255,778,000</u>
Total Bonds Authorized but unissued as of February 28, 2009		<u><u>\$ 960,582,000</u></u>

**ANALYSIS OF OUTSTANDING DEBT
PRINCIPAL ONLY
FEBRUARY 28, 2009**

<u>Tax Supported Debt/Certificates of Obligation</u>	<u>OUTSTANDING</u>
Harris County Road Bonds	\$ 746,974,593
Harris County Permanent Improvement Bonds	\$ 827,204,584
Certificates of Obligation, Series 1998A *	25,720,000
Certificates of Obligation, Series 2001A *	<u>15,060,000</u>
Total Limited Tax Issues	\$ 867,984,584
Harris County Flood Control District Bonds	<u>530,155,834</u>
Total Bonds and Certificates of Obligation Payable - Tax	<u>\$ 2,145,115,011</u>
<u>Revenue Supported Debt</u>	
General Obligation and Revenue Refunding Bonds, Series 2002	\$ 62,622,044
General Obligation and Revenue Certificates, Series 2002 *	15,915,000
Tax & Subordinate Lien Revenue Refunding Bonds, Series 2004-A (AMT)	3,680,000
Tax & Subordinate Lien Revenue Refunding Bonds, Series 2004-B	176,800,000
Tax & Subordinate Lien Revenue Refunding Bonds, Series 2008-A	<u>21,275,000</u>
Total Bonds Payable - Revenue	<u>\$ 280,292,044</u>
TOTAL COUNTY PRINCIPAL PAYABLE	<u>\$ 2,425,407,055</u>
<u>Tax Supported Debt - Port of Houston</u>	
Unlimited Tax Port Improvement Bonds	<u>\$ 563,015,000</u>
<u>Harris County Toll Road Authority</u>	
Toll Road Tax Bonds	\$ 665,570,000
Toll Road Multi-Mode Senior Lien Revenue Bonds	<u>1,699,305,000</u>
Total Toll Road Bonds	<u>\$ 2,364,875,000</u>
TOTAL PRINCIPAL PAYABLE	<u>\$ 5,353,297,055</u>

* Certificates of Obligation

HARRIS COUNTY, TEXAS												
TOTAL TAX AND REVENUE PRINCIPAL REQUIREMENTS												
FEBRUARY 28, 2009												
FISCAL YEAR END FEBRUARY	COUNTY LIMITED TAX BONDS		COUNTY UNLIMITED TAX BONDS		TOLL ROAD UNLIMITED TAX BONDS		FLOOD CONTROL LIMITED TAX BONDS		PORT OF HOUSTON UNLIMITED TAX BONDS		TOTAL TAX PRINCIPAL REQUIREMENTS	
2010	\$ 37,935,000	26,244,593	41,540,000	11,572,889	15,600,000	13,289,248	\$ 28,120,000	8,005,000	36,125,000	\$ 169,017,482	\$ 36,125,000	\$ 169,017,482
2011	37,460,000	34,630,000	43,285,000	10,268,921	13,635,000	139,278,921	34,460,000	9,480,000	43,940,000	183,218,921	43,940,000	183,218,921
2012	44,225,000	30,690,000	44,740,000	10,109,024	12,790,000	142,554,024	37,140,000	10,535,000	47,675,000	190,229,024	47,675,000	190,229,024
2013	48,825,000	28,005,000	47,000,000	11,455,000	13,775,000	149,060,000	43,890,000	12,850,000	56,740,000	205,800,000	56,740,000	205,800,000
2014	44,265,584	18,502,902	57,050,000	11,805,000	14,440,000	146,063,486	47,085,000	6,464,438	53,549,438	199,612,924	53,549,438	199,612,924
2015	45,161,960	19,933,384	62,295,000	10,760,000	15,150,000	153,300,344	50,835,000	7,495,500	58,330,500	211,630,844	58,330,500	211,630,844
2016	47,375,277	19,647,743	40,575,000	9,785,000	15,905,000	133,288,020	54,605,000	7,036,510	61,641,510	194,929,530	61,641,510	194,929,530
2017	50,633,848	18,988,742	26,380,000	9,045,000	16,705,000	121,752,590	58,590,000	6,592,866	65,182,866	186,935,456	65,182,866	186,935,456
2018	52,517,915	19,357,229	26,610,000	9,450,000	19,735,000	127,670,144	62,875,000	6,633,370	69,508,370	197,178,514	69,508,370	197,178,514
2019	45,490,000	32,040,000	27,445,000	24,245,000	20,740,000	149,960,000	62,120,000	7,506,338	69,626,338	219,586,338	69,626,338	219,586,338
2020	32,950,000	33,685,000	28,345,000	40,100,000	22,495,000	157,575,000	65,275,000	7,195,898	72,470,898	230,045,898	72,470,898	230,045,898
2021	34,570,000	35,410,000	29,285,000	40,655,000	23,595,000	163,515,000	68,190,000	15,950,000	84,140,000	247,655,000	84,140,000	247,655,000
2022	34,730,000	37,785,000	19,445,000	45,170,000	24,745,000	161,875,000	71,095,000	16,525,000	87,620,000	249,495,000	87,620,000	249,495,000
2023	36,455,000	39,670,000	20,240,000	45,290,000	25,260,000	166,915,000	33,715,000	17,150,000	50,865,000	217,780,000	50,865,000	217,780,000
2024	38,380,000	41,670,000	20,700,000	46,605,000	17,455,000	164,810,000	38,015,000	6,150,806	44,165,806	208,975,806	44,165,806	208,975,806
2025	81,940,000	43,755,000	21,165,000	10,055,000	12,825,000	169,740,000	39,830,000	5,882,279	45,712,279	215,452,279	45,712,279	215,452,279
2026	33,255,000	38,140,000	12,070,000	26,255,000	13,500,000	123,220,000	42,630,000	5,659,303	48,289,303	171,509,303	48,289,303	171,509,303
2027	34,775,000	38,140,000	12,090,000	26,255,000	14,215,000	125,475,000	46,265,000	17,925,000	64,190,000	189,665,000	64,190,000	189,665,000
2028	36,365,000	38,140,000	12,115,000	26,255,000	14,970,000	127,845,000	50,025,000	18,600,000	68,625,000	196,470,000	68,625,000	196,470,000
2029	34,160,000	38,135,000	12,135,000	26,255,000	15,835,000	126,520,000	53,980,000	4,979,736	58,959,736	185,479,736	58,959,736	185,479,736
2030	5,505,000	38,135,000	12,160,000	26,255,000	16,770,000	98,825,000	58,120,000	19,325,000	77,445,000	176,270,000	77,445,000	176,270,000
2031	5,505,000	38,135,000	12,185,000	26,255,000	17,760,000	99,840,000	62,440,000	20,025,000	82,465,000	182,305,000	82,465,000	182,305,000
2032	5,505,000	38,135,000	12,210,000	26,255,000	18,795,000	100,900,000	65,770,000	20,775,000	86,545,000	187,445,000	86,545,000	187,445,000
2033	0	0	12,240,000	0	19,890,000	32,130,000	70,425,000	21,550,000	91,975,000	124,105,000	91,975,000	124,105,000
2034	0	0	12,265,000	0	21,105,000	33,370,000	76,325,000	0	76,325,000	109,695,000	76,325,000	109,695,000
2035	0	0	0	0	22,400,000	22,400,000	92,060,000	0	92,060,000	114,460,000	92,060,000	114,460,000
2036	0	0	0	0	23,660,000	23,660,000	97,050,000	0	97,050,000	120,710,000	97,050,000	120,710,000
2037	0	0	0	0	24,990,000	24,990,000	102,000,000	0	102,000,000	127,000,000	102,000,000	127,000,000
2038	0	0	0	0	26,395,000	26,395,000	107,400,000	0	107,400,000	133,295,000	107,400,000	133,295,000
2039	0	0	0	0	27,880,000	27,880,000	112,800,000	0	112,800,000	139,585,000	112,800,000	139,585,000
2040	0	0	0	0	29,375,000	29,375,000	118,200,000	0	118,200,000	145,880,000	118,200,000	145,880,000
2041	0	0	0	0	30,870,000	30,870,000	123,600,000	0	123,600,000	152,175,000	123,600,000	152,175,000
2042	0	0	0	0	32,365,000	32,365,000	128,900,000	0	128,900,000	158,470,000	128,900,000	158,470,000
2043	0	0	0	0	33,860,000	33,860,000	134,200,000	0	134,200,000	164,765,000	134,200,000	164,765,000
2044	0	0	0	0	35,355,000	35,355,000	139,500,000	0	139,500,000	171,060,000	139,500,000	171,060,000
2045	0	0	0	0	36,850,000	36,850,000	144,800,000	0	144,800,000	177,355,000	144,800,000	177,355,000
2046	0	0	0	0	38,345,000	38,345,000	150,100,000	0	150,100,000	183,650,000	150,100,000	183,650,000
2047	0	0	0	0	39,840,000	39,840,000	155,400,000	0	155,400,000	189,945,000	155,400,000	189,945,000
2048	0	0	0	0	41,335,000	41,335,000	160,700,000	0	160,700,000	196,240,000	160,700,000	196,240,000
TOTAL	\$ 867,984,584	746,974,593	665,570,000	530,155,834	563,015,000	3,373,700,011	\$ 1,699,305,000	280,292,044	\$ 1,979,597,044	\$ 5,353,297,055	\$ 1,979,597,044	\$ 5,353,297,055

(A) It is anticipated that Toll Road revenue will continue to be sufficient to meet debt requirements for both the revenue and tax bonds.

HARRIS COUNTY, TEXAS												
TOTAL TAX AND REVENUE DEBT SERVICE REQUIREMENTS												
JUNE 23, 2009												
FISCAL YEAR	COUNTY LIMITED TAX BONDS	COUNTY UNLIMITED TAX BONDS	TOLL ROAD UNLIMITED TAX BONDS (B)	FLOOD CONTROL LIMITED TAX BONDS	PORT OF HOUSTON UNLIMITED TAX BONDS	TOTAL TAX DEBT SERVICE REQUIREMENTS	TOLL ROAD REVENUE BONDS	HOTEL OCCUPANCY BONDS	TOTAL REVENUE DEBT SERVICE REQUIREMENTS	TOTAL DEBT SERVICE REQUIREMENTS		
2011	\$ 78,603,216	68,859,441	86,406,769	38,961,013	42,825,951	\$ 315,656,390	\$ 126,246,792	19,582,881	\$ 145,829,673	\$ 461,486,063		
2012	83,705,391	63,250,279	85,248,675	36,627,137	41,334,283	310,165,765	127,079,642	20,175,237	147,254,879	457,420,644		
2013	86,193,341	59,030,779	84,983,369	36,391,038	41,709,283	308,307,810	131,740,086	20,509,629	152,249,715	460,557,525		
2014	85,478,491	61,885,529	84,780,631	36,203,662	41,712,003	310,060,316	132,596,070	17,120,120	149,716,190	459,776,506		
2015	84,631,211	60,180,629	82,931,581	34,598,175	41,718,588	304,060,184	133,847,314	19,730,120	153,577,434	457,637,618		
2016	84,918,831	59,602,391	82,931,581	33,110,806	41,720,218	277,942,846	134,942,051	19,730,120	154,672,171	432,615,017		
2017	86,205,431	58,575,841	42,799,013	31,911,369	41,724,030	261,215,684	138,361,776	19,730,120	158,091,896	419,307,580		
2018	85,826,494	58,568,804	41,737,731	31,886,119	43,910,880	261,930,028	139,614,313	20,172,605	159,786,918	421,716,946		
2019	69,077,494	58,097,279	41,187,050	46,208,619	43,989,443	258,559,885	135,750,175	21,411,282	157,161,457	415,721,342		
2020	54,248,781	58,093,660	40,622,563	60,796,581	44,695,245	258,456,830	135,750,423	21,427,415	157,177,838	415,634,668		
2021	54,218,556	58,095,647	40,049,775	59,264,781	44,662,483	256,291,242	135,423,173	21,455,990	156,879,163	413,170,405		
2022	52,596,656	58,659,335	28,930,613	61,739,931	44,641,292	246,567,827	134,993,428	21,488,658	156,482,086	403,049,913		
2023	52,532,206	58,651,040	28,689,022	59,493,319	43,925,168	243,290,755	96,415,150	21,551,285	117,966,435	361,257,190		
2024	52,550,975	58,664,250	28,084,903	58,543,819	34,884,343	232,728,290	97,086,181	21,578,587	118,664,768	351,393,058		
2025	94,493,213	58,665,750	27,462,059	19,663,569	29,448,297	229,732,888	97,728,812	21,585,168	119,313,980	349,046,868		
2026	41,447,950	50,863,000	17,500,337	35,348,250	29,449,835	174,609,372	106,321,675	21,590,077	127,911,752	302,521,124		
2027	41,173,788	48,956,000	16,886,138	34,035,500	29,449,945	170,501,371	107,090,650	21,607,768	128,698,418	299,199,789		
2028	40,886,050	47,049,000	16,275,756	32,722,750	29,451,675	166,385,231	107,811,025	21,672,800	129,483,825	295,869,056		
2029	36,791,463	45,262,000	15,659,194	31,442,000	29,447,237	158,601,894	108,539,534	21,685,063	130,224,597	288,826,491		
2030	6,289,463	43,480,250	15,046,450	30,161,250	29,447,612	124,425,025	109,280,909	21,730,218	131,011,127	255,436,152		
2031	6,027,975	41,698,500	14,432,394	28,880,500	29,447,362	120,486,731	110,007,709	21,773,072	131,780,781	252,267,512		
2032	5,766,488	39,916,750	13,817,025	27,567,750	29,449,237	116,517,250	110,853,844	21,841,712	132,695,556	249,212,806		
2033	0	0	13,205,212	0	29,450,475	42,655,687	110,900,156	21,909,885	132,810,041	175,465,728		
2034	0	0	12,586,956	0	29,447,212	42,034,168	111,914,894	0	111,914,894	153,949,062		
2035	0	0	0	0	29,449,531	29,449,531	124,353,554	0	124,353,554	153,803,085		
2036	0	0	0	0	29,449,531	29,449,531	124,598,544	0	124,598,544	154,048,075		
2037	0	0	0	0	29,448,656	29,448,656	54,541,288	0	54,541,288	83,989,944		
2038	0	0	0	0	29,447,969	29,447,969	41,779,112	0	41,779,112	71,227,081		
2039	0	0	0	0	29,448,250	29,448,250	41,298,863	0	41,298,863	70,747,113		
2040	0	0	0	0	0	0	19,728,112	0	19,728,112	19,728,112		
2041	0	0	0	0	0	0	19,727,600	0	19,727,600	19,727,600		
2042	0	0	0	0	0	0	19,729,925	0	19,729,925	19,729,925		
2043	0	0	0	0	0	0	19,728,531	0	19,728,531	19,728,531		
2044	0	0	0	0	0	0	19,726,450	0	19,726,450	19,726,450		
2045	0	0	0	0	0	0	19,726,450	0	19,726,450	19,726,450		
2046	0	0	0	0	0	0	19,726,169	0	19,726,169	19,726,169		
2047	0	0	0	0	0	0	19,728,113	0	19,728,113	19,728,113		
2048	0	0	0	0	0	0	19,729,656	0	19,729,656	19,729,656		
2049	0	0	0	0	0	0	0	0	0	0		
2050	0	0	0	0	0	0	0	0	0	0		
2051	0	0	0	0	0	0	0	0	0	0		
TOTAL	\$ 1,283,663,464	1,216,106,154	937,913,816	865,557,938	1,035,186,034	\$ 5,338,427,406	\$ 3,444,418,149	481,059,812	\$ 3,925,477,961	\$ 9,263,905,367		

(A) It is anticipated that Toll Road revenue will continue to be sufficient to meet debt requirements for both the revenue and tax bonds.
(B) The Toll Road Revenue Bonds, Series 2004-B-2 are included above from the mandatory tender date of August 15, 2009 at an estimated interest rate of 4.91%.

Harris County Management Services Economic Environment - Update for CIP - June 2009

Introduction

The purpose of this report is to update our analysis of the current economic environment and how it might affect the capital improvements plan for Harris County as of June 2009.

State of the Economy

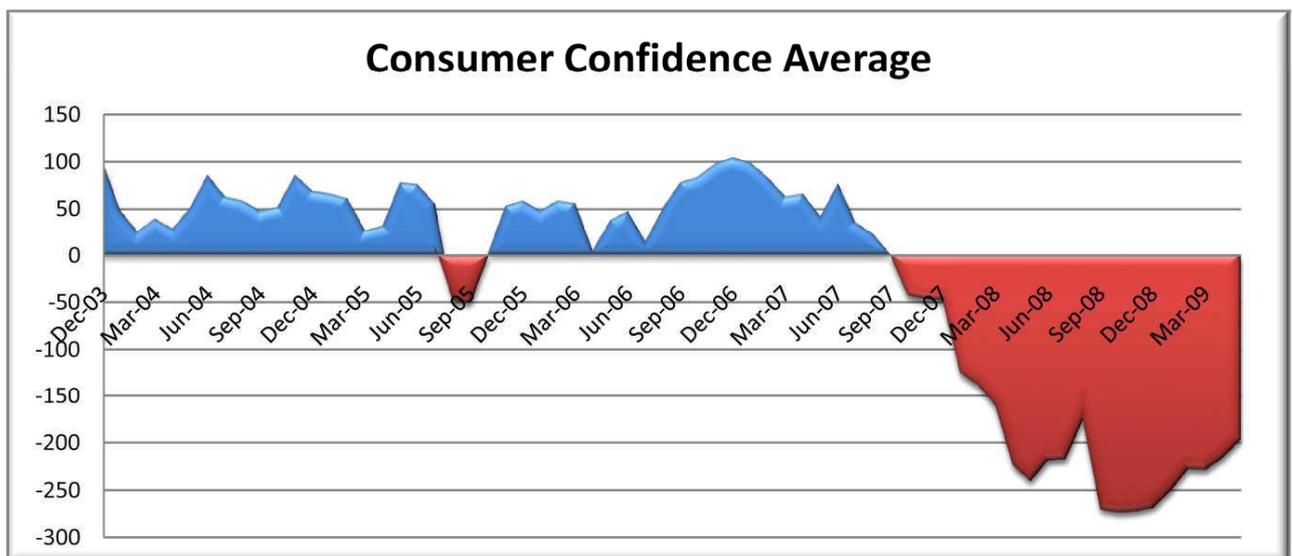
The United States economy is going through a period of uncertainty that started in 2007 and is expected to continue well into 2009. Significant fluctuations in energy prices combined with declines in stock market values and fundamental changes in the financial and credit markets have contributed to a high level of concern about where the economy is headed.

Problems in the housing industry resulting from some aggressive and questionable lending practices over the last few years have led to declining home prices and increased foreclosure rates in many parts of the country. Interest rates have declined significantly as the federal funds rate approaches zero and mortgage interest rates are at 50 year lows.

While there are some signs of improvement, it does not appear that the economy has reached the bottom of this current cycle and there are a number of ongoing concerns about major industries, local and state government funds and the potential impacts that inflation and historically high federal deficits could have on the economy over the next few years.

Consumer Confidence is Low

There are several organizations that have developed indicators to track consumer confidence. StateofEconomy.com takes three of these indexes and publishes a consumer confidence average. The following shows the average which has improved slightly over the last few months but remains very low.



Restoring consumer confidence in the economy is a key ingredient to re-establishing growth, reducing unemployment and improving the conditions of the financial markets in the US.

**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

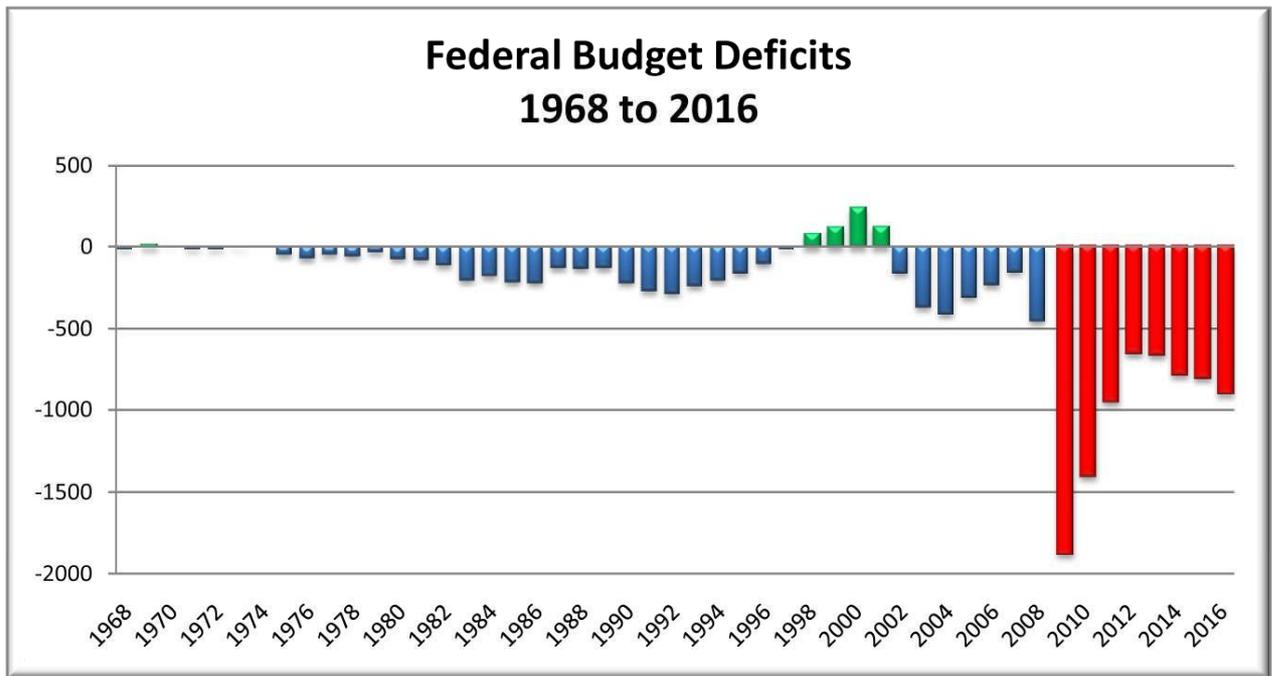
Challenges for Government at all Levels

According to the Center on Budget and Policy Priorities, at least 46 state governments are facing shortfalls in their budgets. The combination of a shrinking economy plus growing unemployment will further increase the pressure on state governments to cut costs or reduce services.

County governments rely on a combination of property taxes, fees and funding from federal and state governments to conduct operations. A prolonged recession could cause a decline in all sources of county revenue while the need to provide services is increasing.

The current economic downturn could force delays in capital spending programs and require reductions in staffing or discretionary spending that could affect all areas of county government.

The Federal Government is responding to this crisis by significantly increasing federal spending through stimulus programs and industry bailouts, which, coupled with war-related expenditures, are resulting in historic increases in the federal budget deficit using the Congressional Budget Office estimates for 2009 through 2016:



The impact that these deficits will have on interest rates, inflation, taxes and the value of the US dollar are uncertain since this really hasn't happened before in our history. These estimates do not reflect the potential impact of proposals to restructure the health care system which some estimate could add an additional \$1.6 trillion to the deficit.

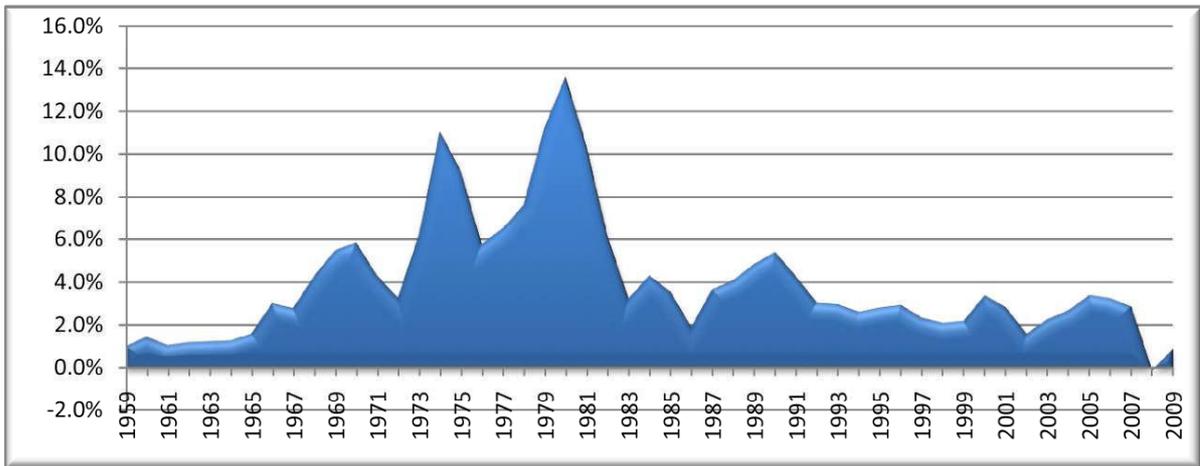
Harris County government could be affected by significant changes in the cost of living, the cost of borrowing as well as the potential impacts on the health care benefits and the retirement plans. Caution and flexibility will be important as the situation moves forward.

**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

Key Economic Indicators

Inflation and Growth

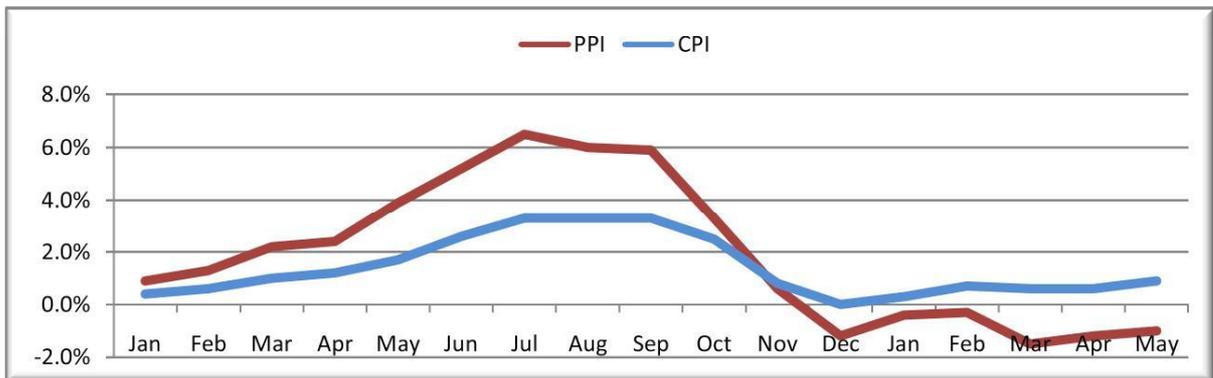
In 2008, the United States had its lowest rate of inflation since 1954. The Consumer Price Index (CPI) is up by 0.9% during 2009 through May.



The Houston-Baytown-Sugar Land Metropolitan Service Area is used by the U.S. Census Bureau and Department of Labor to identify the metropolitan area that includes Harris County and nine contiguous surrounding counties, often called the Greater Houston Area.

The cost of living for the Greater Houston Area from March 1, 2008 through February 28, 2009 was unchanged while the national average showed a 0.1% decline for the same period.

Looking at the inflation rate on a monthly basis for 2008, there was a clear turning point at the end of the summer. The following graph shows both the Consumer Price Index and the Producers Price Index for 2008 and the first five months of 2009.

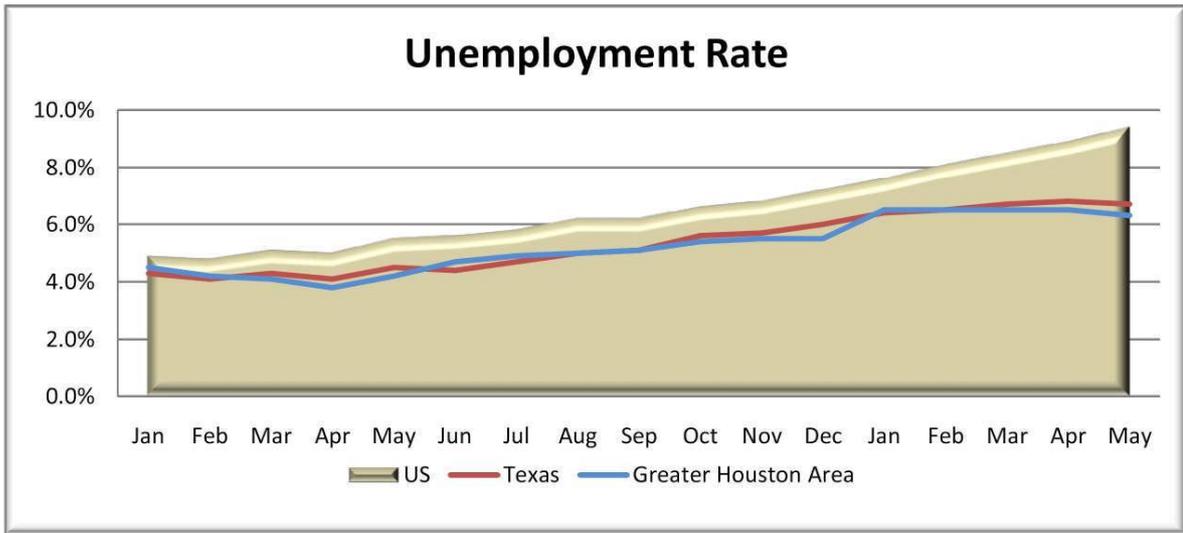


The cost of living increase was fueled by rising energy prices during 2008 with oil prices reaching an all time high of nearly \$150 per barrel in July 2008 before dropping to below \$50 per barrel by the end of 2008. Prices are slowly starting to recover in 2009.

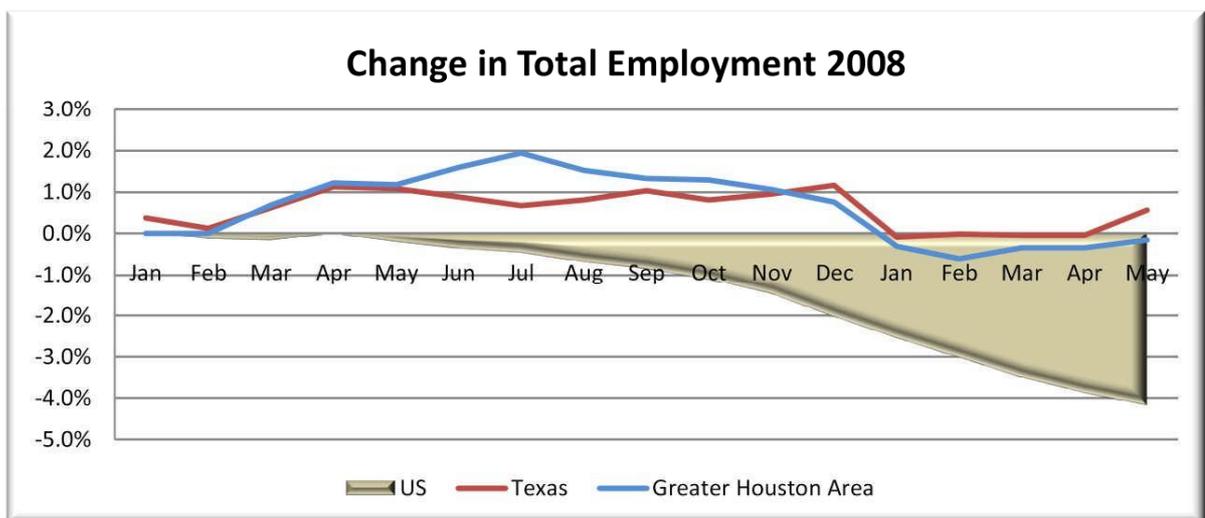
**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

Jobs

While inflation rates were similar both at national and local levels, the job market and total employment numbers reflect the continued growth of Texas in general and Harris County in particular. The following graph shows the unemployment rate for the U.S., the State of Texas and the Greater Houston Area since the beginning of 2008.



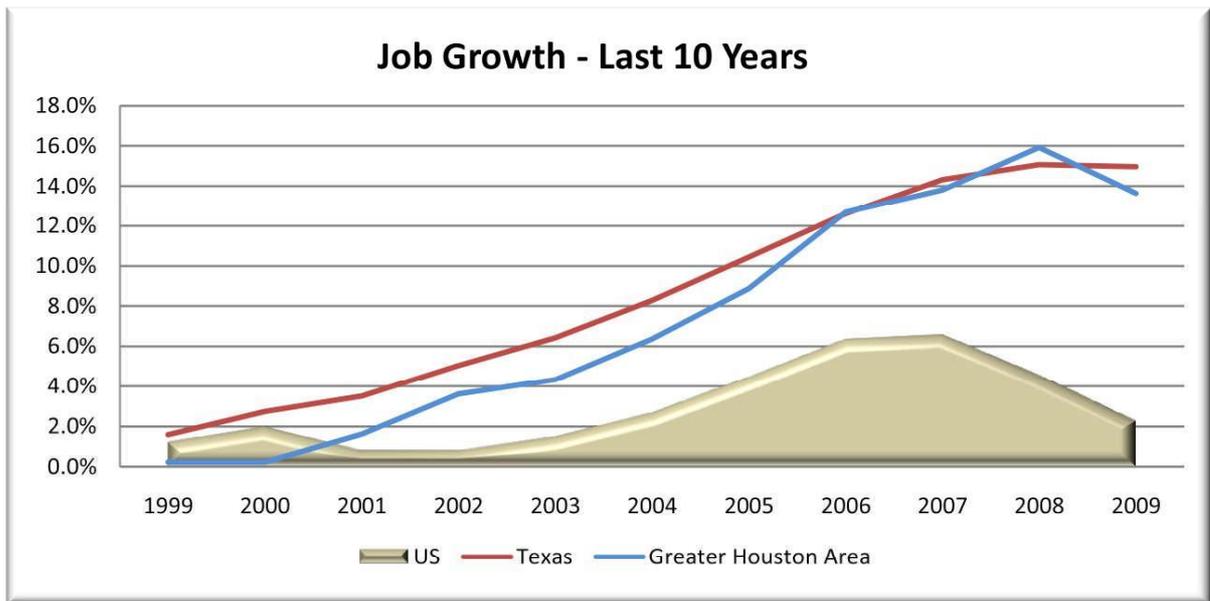
The total number of people employed in the US has declined each month since April as shown on the next graph. Total employment in the State of Texas and the Greater Houston Area has increased during 2008, but with oil and gas prices remaining low during the last several months, the local employment forecast is starting to show signs of mirroring the national decline.



**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

Jobs (continued)

Over the last 10 years, total U.S. employment has grown by 6.1 million jobs (4.5%) while the State of Texas has grown by 1.5 million jobs (15.1%) and the Greater Houston Area has grown by 368,000 jobs (15.9%). The following chart shows the relative percentage changes over the 10 years.



Job growth at the state and local level has been a result of a vibrant economy, relatively modest cost of living and an influx of workers from other states. However, it is clear that the slowdown in economic activity has begun to affect Harris County. This area is not immune to the effects of the slumping economy as it continues and energy prices remain low. The following data on Harris County show that the impact is underway.

The Stock Market and Interest Rates

The value of stocks dropped significantly during 2008 and the first part of 2009 adding more uncertainty to the economy and further eroding consumer confidence and the values of savings accounts, pension funds and investment assets throughout the economy. The Dow Jones Industrial Average dropped by 34% during 2008, while the S&P 500 dropped 38% in value over the same period. During January 2009 both indexes dropped an additional 9%.

Interest rates have also fallen significantly since 2007. The Federal Funds Rate, charged by the Federal Reserve to banks and other lending institutions, has dropped from over 5% in early 2008 to less than 1% in October and to an all time low of 1/4 of 1% in December 2008. This rate had not been below 1% since 1956.

**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

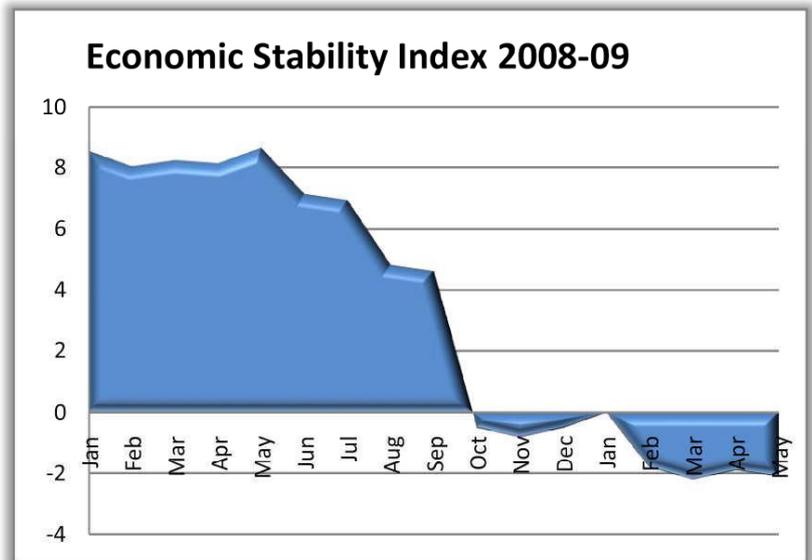
Economic Stability Index

We have developed a new index to attempt to show how all of these economic factors have led to the current level of uncertainty and concern. This index takes the Dow Jones Industrial Average in thousands plus economic growth minus the unemployment rate to measure the degree of stability in the overall economy.

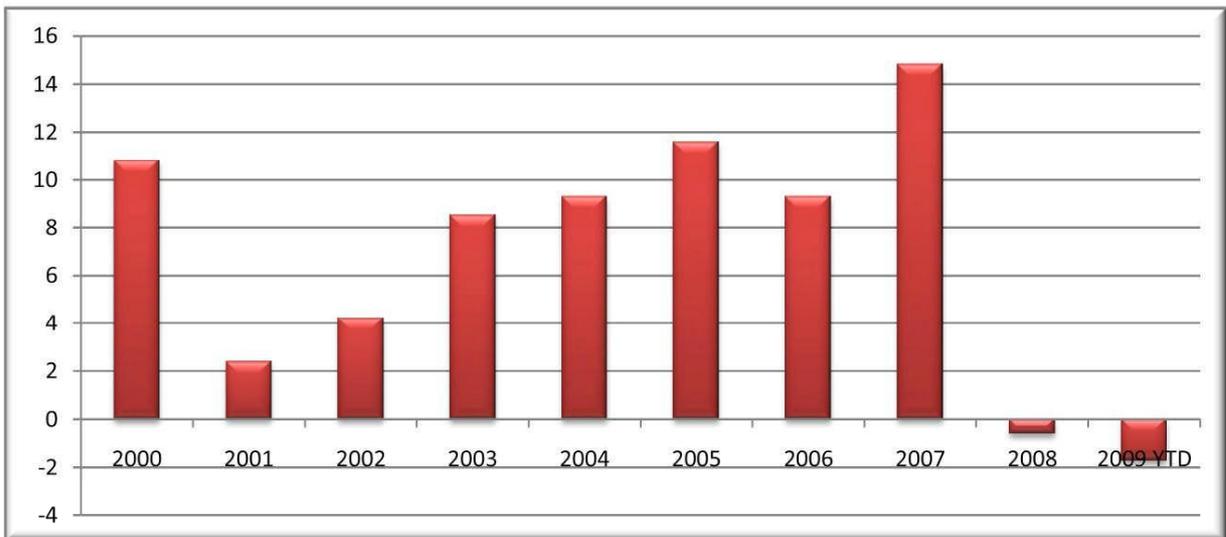
The economy is more stable when this index is high. For the first time since 1993, the index went below zero in October 2008 and it continues the decline in January 2009.

Factors that will bring this index back up include economic growth, reduction in the unemployment rate and gains in the stock market.

The stock market is showing some signs of recovery but these are offset by the continued rise in unemployment with several states experiencing double digit unemployment rates while the national average also approaches 10% for the first time since June of 1983.



The following graph shows the index at the end of each of the last 9 years.



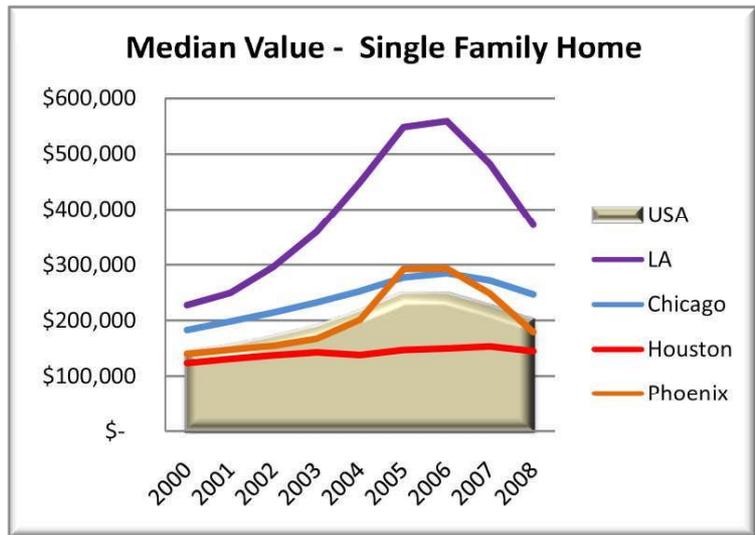
**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

Harris County Real Estate

Harris County real estate prices have traditionally been lower than the national average. The chart below shows the median value of a single family home for the cities located in the four largest counties in the U.S. as well as the average for the U.S. as a whole.

Home prices in Houston did not increase during this period nearly as fast as they did in LA, Phoenix or the rest of the country. As a result, Houston also did not experience the significant drop in home values over the last 2 years.

Harris County averaged less than 1,000 foreclosures per month during 2007 and 2008, representing less than 1.2% of the nearly 1 million single family homes in the County.



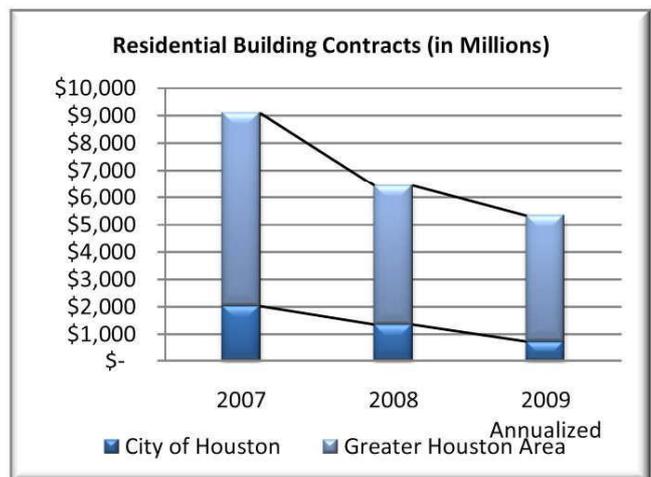
There were 789 foreclosures in Harris County in January 2009 compared to 757 a year earlier.

By contrast, Maricopa County (Phoenix) in Arizona has approximately the same number of housing units as Harris County, but experienced 11,525 foreclosures in January 2009, more than 15 times as many as Harris County. The three largest counties in southern California (LA, San Bernadino & Riverside) had over 31,000 foreclosures combined in January.

Trends in Residential Real Estate

The slowdown in economic growth has started to affect the Houston area although certainly not as hard as other areas. The dollar value of residential building contracts in the Greater Houston Area declined by 29% from \$9.1 billion in 2007 to \$6.4 billion in 2008.

Within the City of Houston, permits for construction of new homes fell by 33% from \$2.0 billion in 2007 to \$1.4 billion in 2008. For the month of December 2008 compared to previous December, the Greater Houston Area contracts are down by 42% and the City of Houston permits are down 69%.



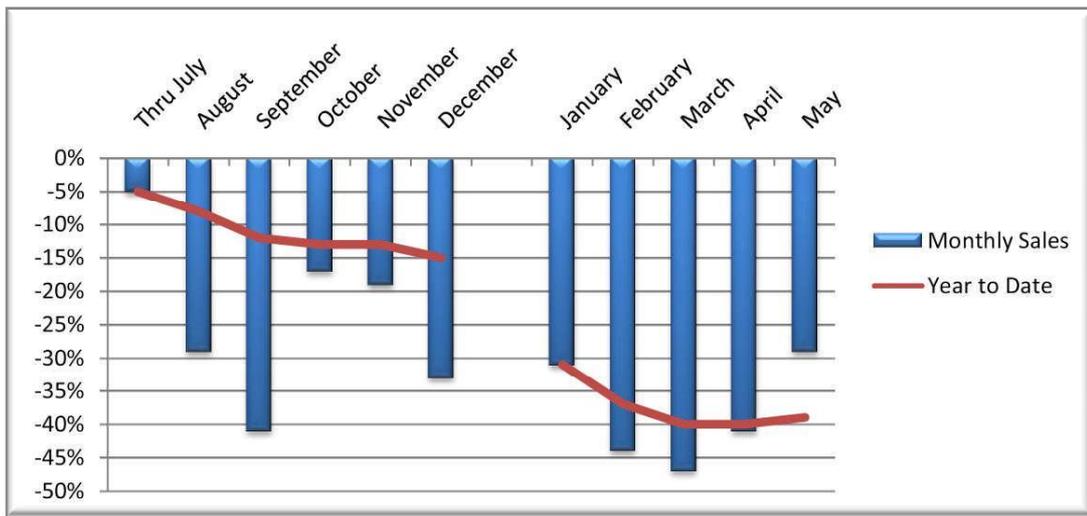
**Harris County Management Services
Economic Environment - Update for CIP - June 2009**

Other Economic Indicators

The Greater Houston Partnership (GHP) gathers information from a number of different sources and published a report entitled Houston Economic Indicators. The following data was reported by the GHP which obtained the data from the Texas Workforce Commission and *TexAuto Facts Report*, a publication from InfoNation, Inc. in Sugar Land, Texas.

Initial claims for unemployment for the first 4 months of 2009 were 26,919 which is more than double the 13,063 initial claims filed in the same period last year. Continuing claims for unemployment are 90% higher in April 2009 with 129,217 claims compared to 68,003 in April 2008.

New car and truck sales for the Houston MSA have are down more than 40% in 2009 compared to the same period last year. Vehicles sales started declining rapidly in August 2008 and have continued to decline through April of 2009.



While oil and gas prices have recently increased, the US rig count reported by Baker Hughes as of May 2009 was down to 918 rigs compared to 1,863 working rigs a year earlier. Oil and Gas prices are both less than half of what they were a year ago. The recent rise above \$70 per barrel for oil is based on speculation since the worldwide demand continues to decline.

Conclusion and Recommendation

The continued rise in the unemployment rate and the instability in the automobile industry and lack of consumer confidence all point to continued caution about the economy for the remainder of the 2009-10 fiscal year. Some positive signs, including stabilization in real estate and stock markets have occurred. However, the impact of the significant increase in the federal deficit is uncertain. A cautious approach to spending both for county operations and capital additions is warranted until the economy improves.

Harris County Management Services Population Study - June 2009

Introduction

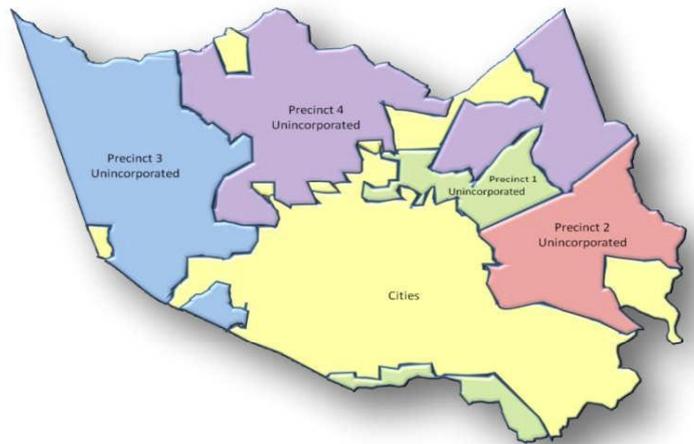
This is the seventh report in an ongoing study of population changes in Harris County and their impact on demand for County services. This report includes population estimates as of June 30, 2008. The next report will be done for Mid Year Review in September and will include estimates for 2009.

Harris County is Growing Fast

Harris County continues to be the nation's third most populous county with an estimated 4 million residents as of June 2008 and one of the fastest growing counties in the US with a population increase of 18% since 2000 and 43% since 1990. This represents a 2% average annual growth rate for the County overall since 1990 and a 2.1% growth rate since 2000.

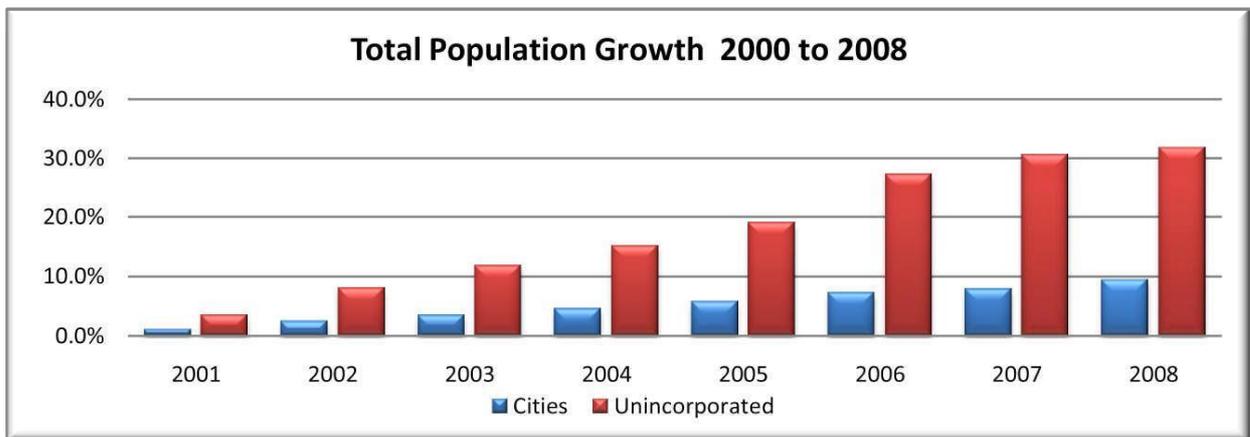
Each of the 4 County Precincts contains significant amounts of unincorporated territory as indicated by the shaded areas on the map.

The following chart shows the estimated population as of June 30, 2008 for cities and the unincorporated area in each of the County Precincts. Nearly half (49.4%) of the unincorporated population live in Precinct 4.



Population	Total	Cities	Uninc.	% of Uninc.
Precinct 1	977,882	781,839	196,043	14.3%
Precinct 2	970,032	797,633	172,399	12.6%
Precinct 3	1,035,858	710,762	325,096	23.7%
Precinct 4	1,000,577	321,817	678,670	49.4%
Total County	3,984,349	2,612,051	1,372,208	100.0%

Population in the unincorporated areas has grown by an estimated 32% (3.7% per year) since 2000 compared to a total growth rate of 9% (1.2% per year) for the cities.



**Harris County Management Services
Population Study - June 2009**

Harris County is Unique

Harris County is essentially home to the fourth and seventh largest cities in the United States if you consider the unincorporated area as a stand-alone city.

Nationally, there are 11 counties that have population in excess of 2 million people. Among these 11 counties, only Maricopa County, Arizona (Phoenix) has grown faster than Harris County.

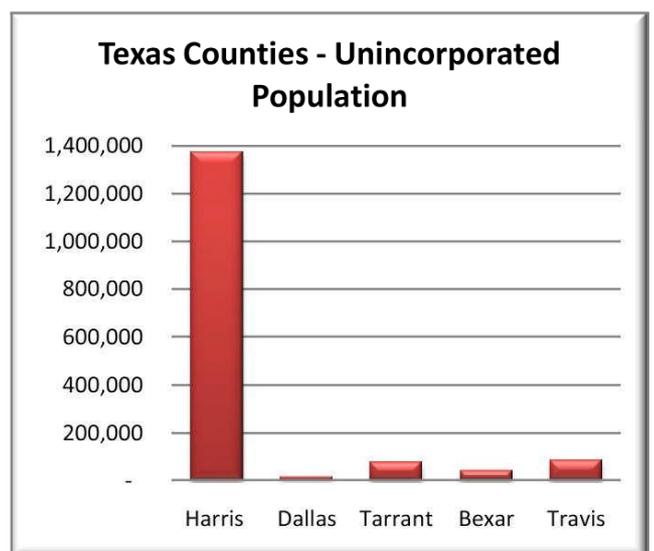
Los Angeles County, with a population estimated at more than 10 million, is the largest county in the U.S. and, like Harris County, has a sizable population living in unincorporated areas. LA County unincorporated population is estimated to be approximately 1 million people or 9% of their population compared to approximately 1.4 million and 35% for Harris County.



Unique in Texas

Harris County is also unique when compared to other counties in Texas. After Harris County, the neighboring Dallas and Tarrant Counties in north Texas are the next most populous at 2.4 million and 1.7 million, respectively. However, neither county has significant unincorporated areas. Dallas County has only about 98 square miles unincorporated with less than 1% of its population living there, while Tarrant County has just over 200 square miles unincorporated containing less than 2% of its residents.

Bexar and Travis County in central Texas are the next 2 most populous counties and both of these counties have relatively large geographic areas that are unincorporated with 546 and 619 square miles respectively. Despite these large unincorporated areas, these counties had just 5% and 9% of their populations living in unincorporated areas.

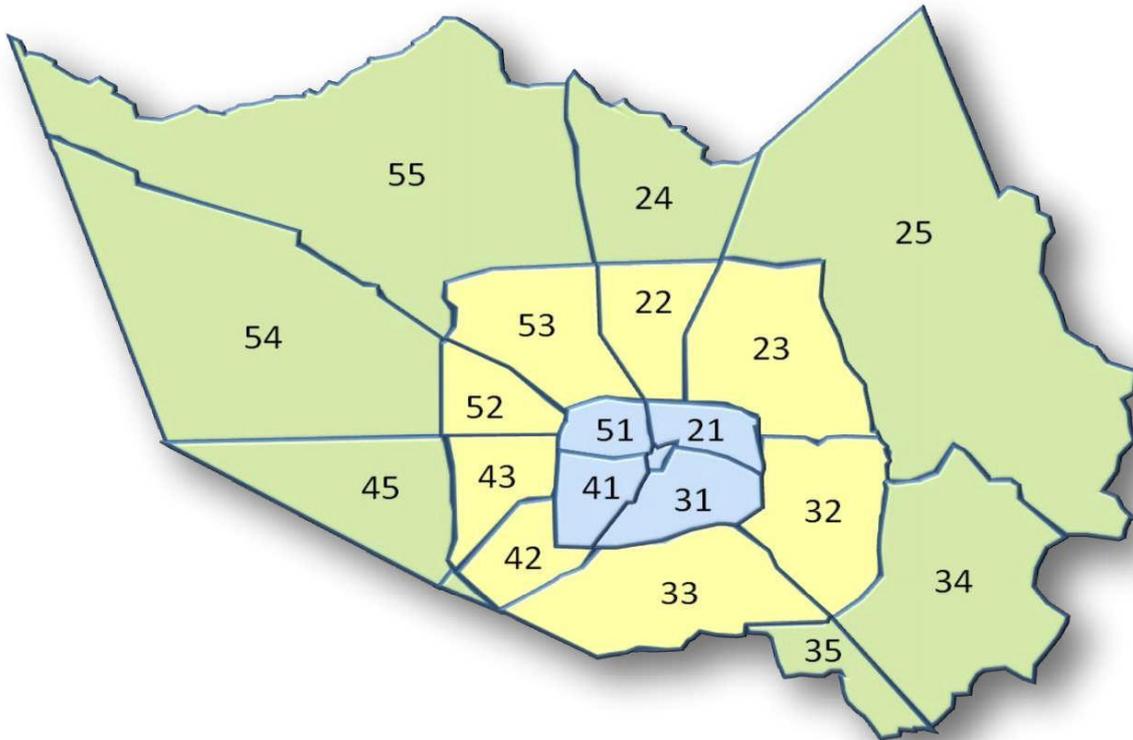


**Harris County Management Services
Population Study - June 2009**

Harris County Population Growth 1990 to 2008

Spreading Out

Harris County population has grown from 2.8 million in 1990 to 4.0 million in 2008 which is 41% higher with an average annual growth rate of 1.9%. The following map shows the 20 areas of the County based on the census tract numbers used by the Census Bureau.



	1990 Population	2008 Population	Growth	Total Percent	Annual Average
 Inside Loop 610	428,982	536,752	107,770	25.1%	1.3%
 Loop to Beltway	1,281,787	1,696,775	414,988	32.4%	1.6%
 Outside Beltway	1,107,430	1,750,822	643,392	58.1%	2.6%
Entire County	2,818,199	3,984,349	1,166,150	41.4%	1.9%

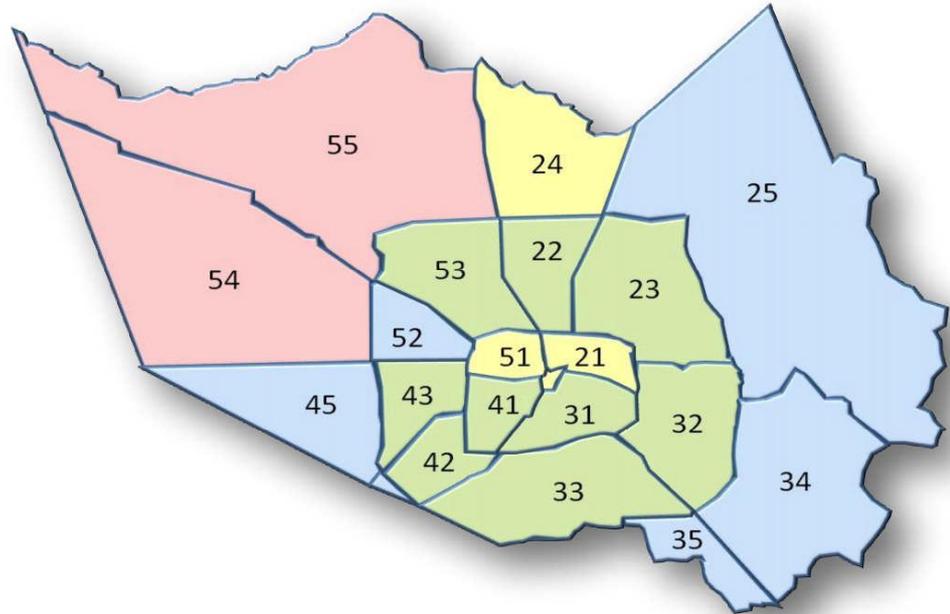
The percentage of the population that lives within Loop 610 has dropped from 15% in 1990 to 13% in 2008. The population between the Loop and Beltway 8 has dropped from 45% to 43% of total County population. The significant growth in population has occurred outside the Beltway which has grown from 39% of the total to over 44% of the total County population during this period.

**Harris County Management Services
Population Study - June 2009**

Trends by Area of the County

The following map and data are by group of Census Tracts. Tract 54 is the fastest growing area with over 3.7% average growth per year.

Tract 55 had the highest growth in total population with an estimated 200,000 new residents since 1990.



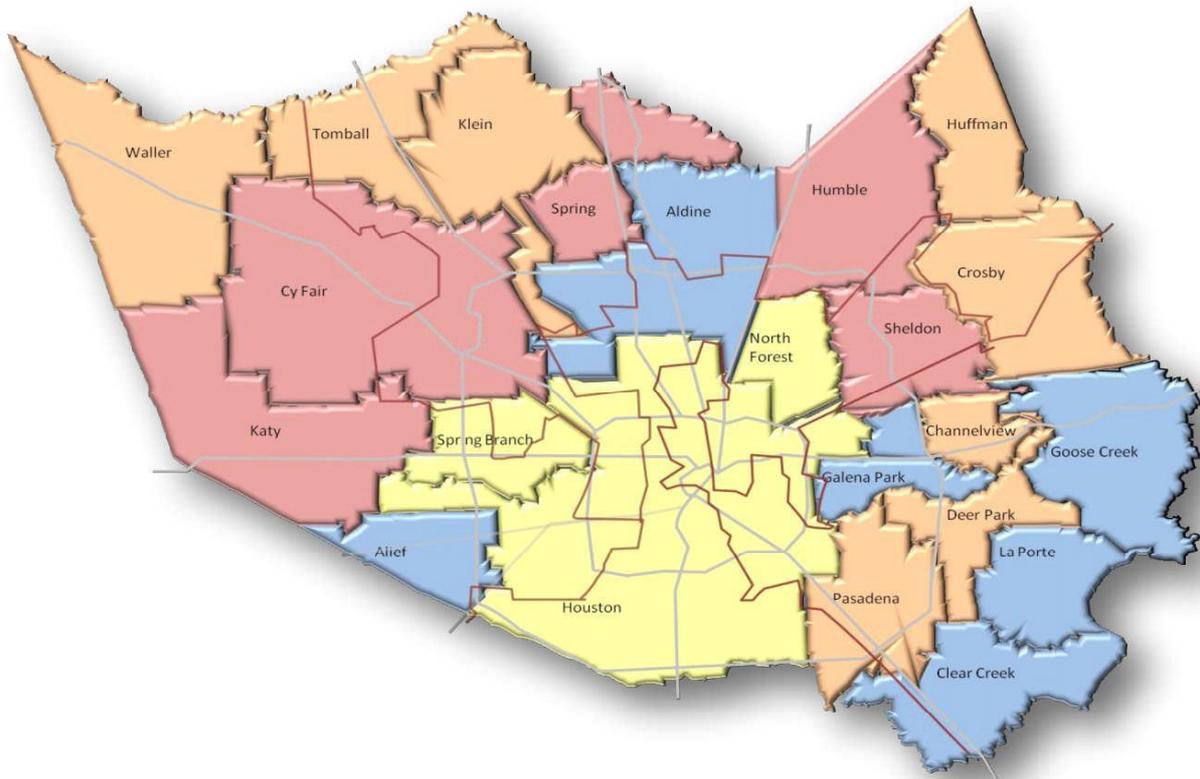
Census Tract Group	1990	2008	Change	Percent	Annual %
10	7,005	6,631	(374)	-5.3%	-0.3%
21	82,060	94,430	12,370	15.1%	0.8%
31	164,560	209,817	45,257	27.5%	1.4%
41	106,766	146,223	39,457	37.0%	1.8%
51	68,591	79,651	11,060	16.1%	0.8%
Inside 610 Loop	428,982	536,752	107,770	25.1%	1.3%
22	132,054	182,294	50,240	38.0%	1.8%
23	179,196	228,285	49,089	27.4%	1.4%
32	166,368	212,343	45,975	27.6%	1.4%
33	172,204	220,975	48,771	28.3%	1.4%
42	172,331	232,810	60,479	35.1%	1.7%
43	165,235	229,030	63,795	38.6%	1.8%
52	106,780	149,322	42,542	39.8%	1.9%
53	187,619	241,716	54,097	28.8%	1.4%
Loop to Beltway	1,281,787	1,696,775	414,988	32.4%	1.6%
24	72,284	95,637	23,353	32.3%	1.6%
25	212,651	315,380	102,729	48.3%	2.2%
34	145,410	213,261	67,851	46.7%	2.2%
35	46,756	67,357	20,601	44.1%	2.1%
45	242,273	370,819	128,546	53.1%	2.4%
54	120,428	226,781	106,353	88.3%	3.6%
55	267,628	461,587	193,959	72.5%	3.1%
Outside Beltway	1,107,430	1,750,822	643,392	58.1%	2.6%
Entire County	2,818,199	3,984,349	1,166,150	41.4%	1.9%

**Harris County Management Services
Population Study - June 2009**

School Enrollment Trends

The following shows the total student enrollment for each of the public school districts in Harris County comparing the recently completed 2007-08 school year with the 2000-01 year.

West Side Districts		Central Districts		Northeast Districts		Southeast Districts	
District	Growth %	District	Growth %	District	Growth %	District	Growth %
Cy-Fair	43.3%	Aldine	12.7%	Crosby	21.2%	Deer Park	9.2%
Katy	44.9%	Alief	3.4%	Huffman	17.5%	La Porte	2.2%
Klein	25.5%	Galena Park	11.0%	Humble	30.2%	Clear Creek	17.0%
Spring	35.5%	Houston	-3.8%	Sheldon	42.8%	Pasadena	16.6%
Tomball	22.1%	North Forest	-23.5%			Goose Creek	11.0%
Waller	16.1%	Spring Branch	-1.3%			Channelview	19.9%
Average	37.5%		-1.4%		29.7%		14.4%
Total Enrollment							
2000-2001	175,977		371,662		123,116		119,029
2007-2008	241,945		366,323		145,322		136,148
Change	65,968		(5,339)		22,206		17,119



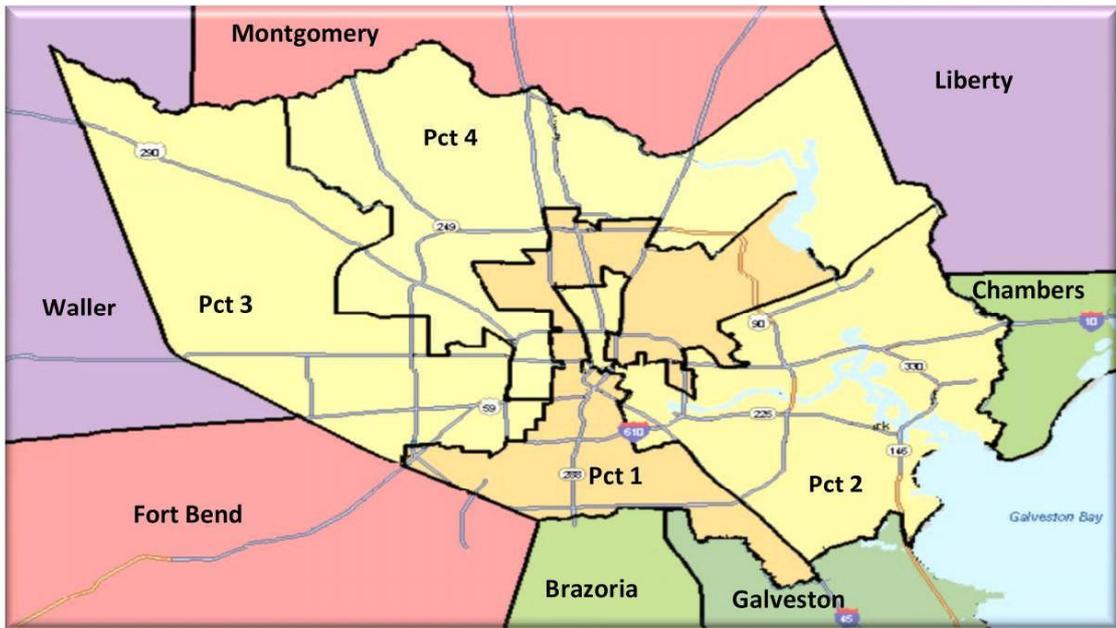
The 4 largest school districts in the western half of the County (Katy, Cy Fair, Spring and Klein) had 164,000 students enrolled 7 years ago which increased to over 227,000 this past year. These districts had only 78% as many students as HISD in 2001. Now they have 14% more students than HISD. Cy Fair alone has grown from 68,000 students in 2001 to 97,000 students enrolled in 2008, representing an increase from 32% of the size of HISD to 49% in 2008. If these trend continue, Cy Fair could become the largest school district in the County by the year 2020.

**Harris County Management Services
Population Study - June 2009**

Growth of Surrounding Counties

Harris County sits at the center of a dynamic region. The 7 adjacent counties have experienced a 33% population growth from 2000 to 2008, which is very close to the same rate as the 32% growth for the unincorporated areas of Harris County for the same period.

A significant number of the new residents of these surrounding Counties actually work in Harris County, either by commuting to downtown Houston or to one of the growing number of suburban business centers. The two fastest growing counties, Fort Bend at 50% and Montgomery at 46% have significant enough traffic flow to support toll roads into Harris County. Galveston and Brazoria Counties are both approaching 300,000 in population and have grown by 15% and 25%, respectively, from 2000 to 2008. Chambers, Liberty and Waller Counties have less than 100,000 in population and have seen growth of 13%, 7% and 10%, respectively, since 2000.



The growth of the Harris County Toll Road system has contributed to the rapid growth in the unincorporated areas of the County as well as the surrounding counties. The Sam Houston Tollway has created increased mobility in the outlying areas of the County as have the new Fort Bend system, the Westpark Tollway and the Hardy toll road.

Increased mobility will continue to be a factor in the growth of new single and multi-family housing, retail centers and commercial development in the unincorporated areas.

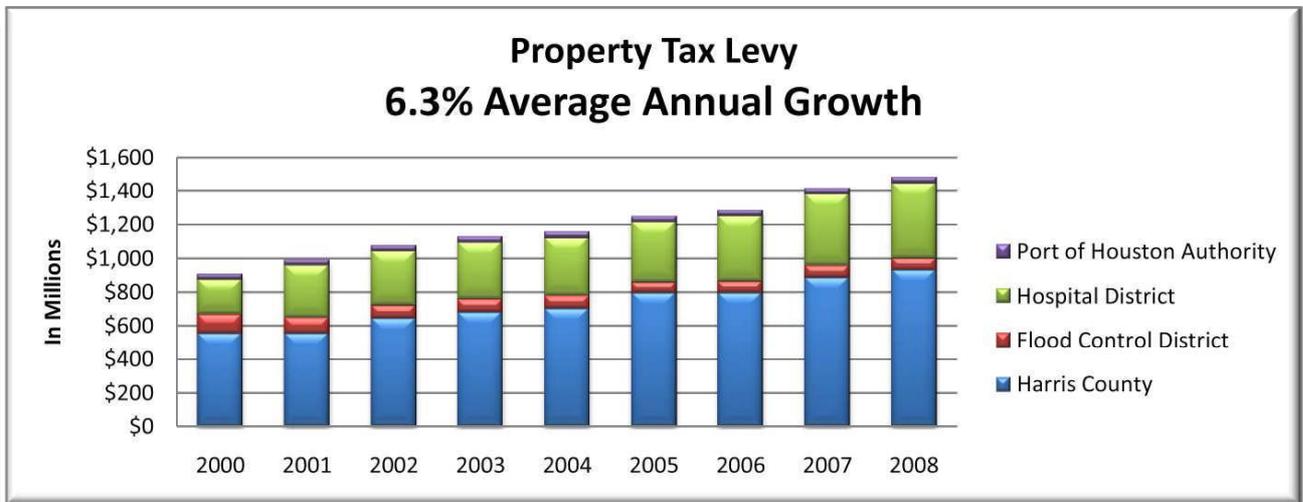
As these outlying communities continue to grow, there is increased demand for businesses to move to these suburban areas along with the development of retail outlets and grocery stores. Harris County is requested to provide roads, flood control, parks and county service annexes. Also, there are calls for increased law enforcement, fire safety inspections, libraries, public health, and other public services.

**Harris County Management Services
Population Study - June 2009**

Sources of Revenue - Property Tax Levy

Harris County relies on property taxes as its primary source of revenue to fund general operations and debt service. The city of Houston and other cities located in the County receive both property taxes and sales taxes to fund their operations.

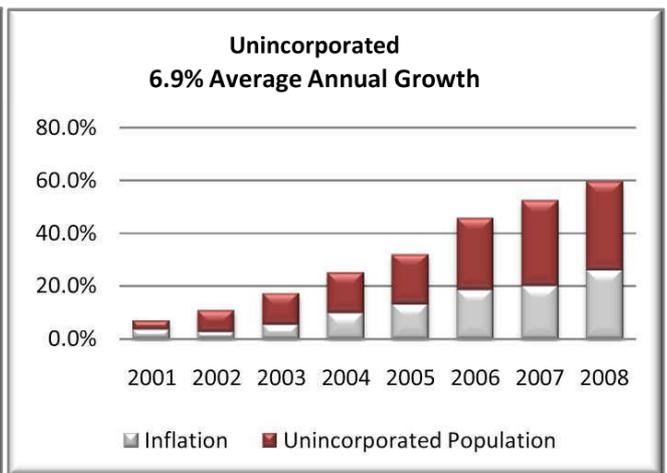
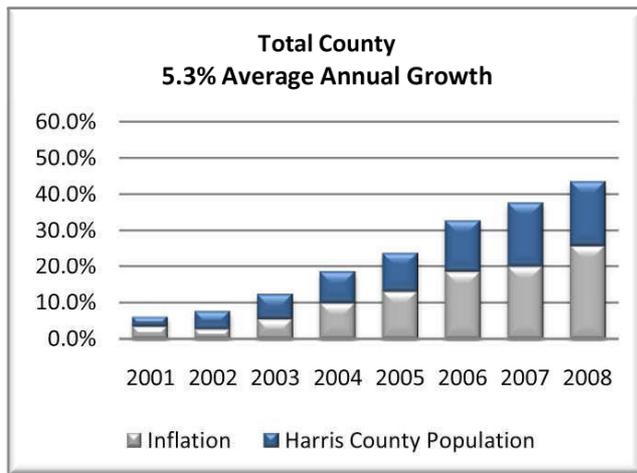
The following shows the property tax levy for Harris County and the 3 related taxing jurisdictions for which Commissioners Court sets tax rates, the Flood Control District, the Port of Houston and the Harris County Hospital District. The total property tax levy for these 4 entities has grown at an average rate of 6.3% per year since 2000.



Inflation plus Population Growth

The United States Bureau of Labor Statistics publishes consumer price index data by Metropolitan Service Area (MSA). The CPI for the Houston MSA shows total inflation of 25.6% from 2000 to 2008.

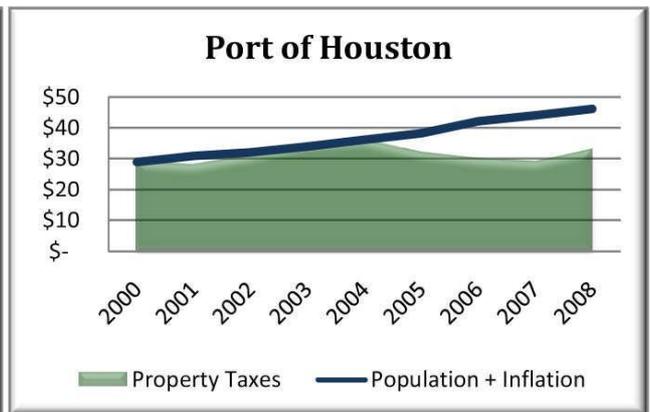
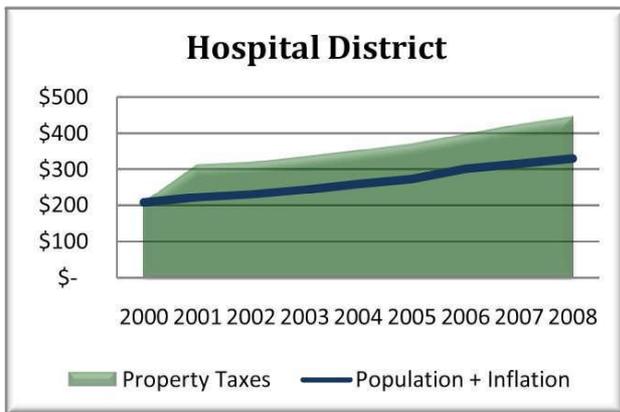
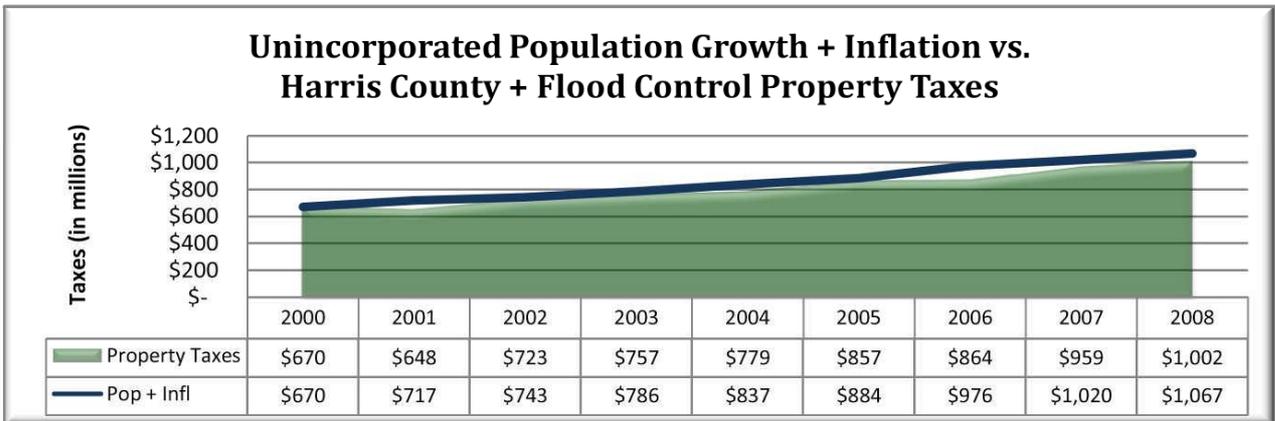
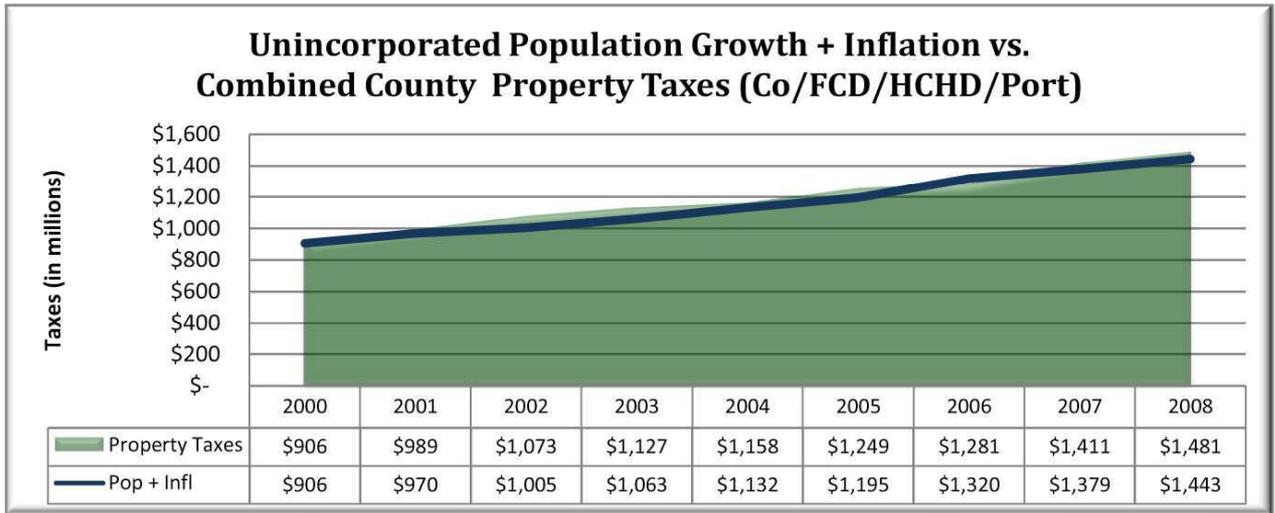
The following charts show inflation plus population growth since 2000 for both the entire Harris County and for the unincorporated areas of the County:



**Harris County Management Services
Population Study - June 2009**

Property Tax Growth Compared to Unincorporated Growth

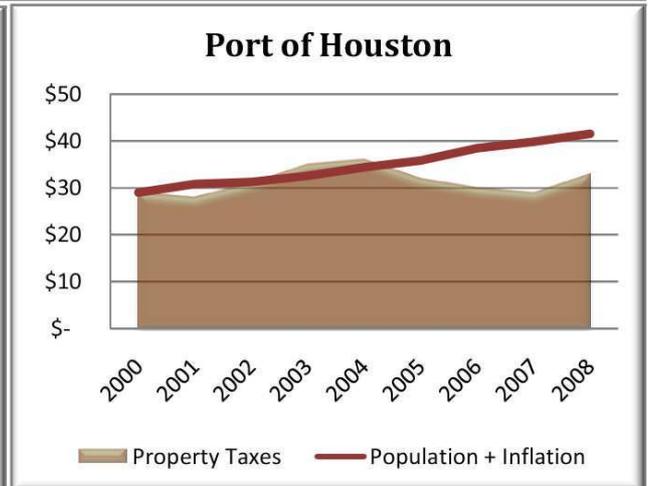
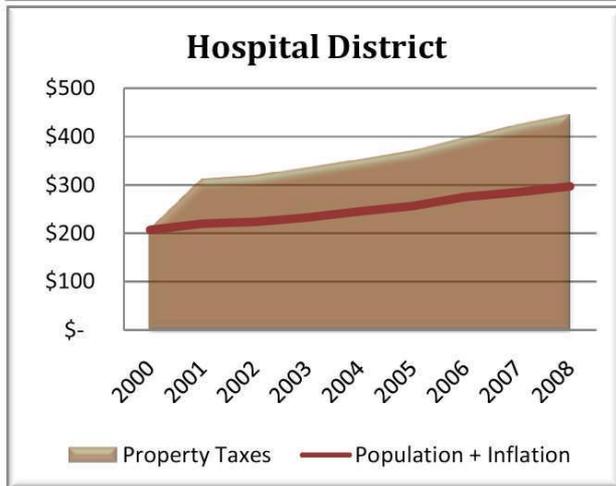
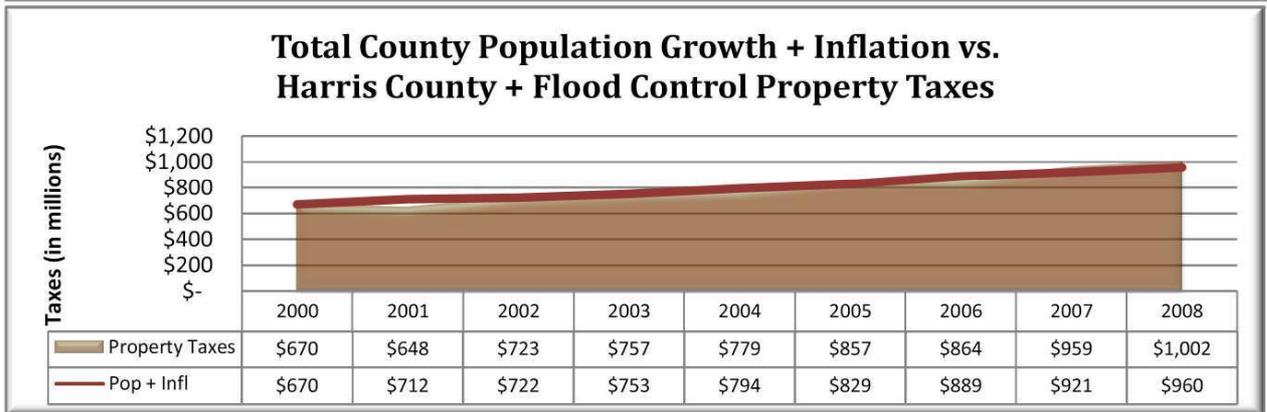
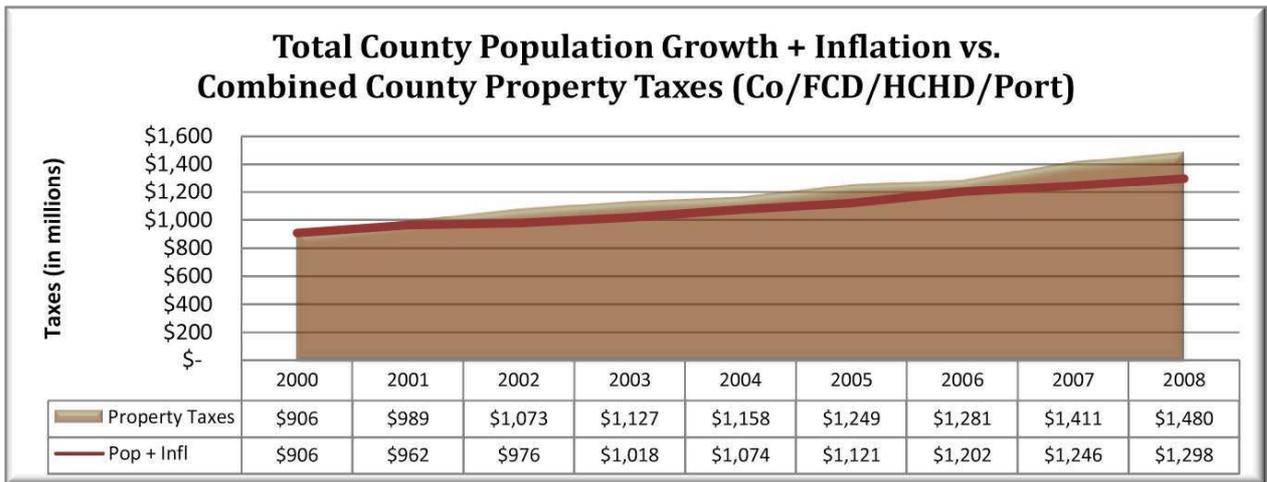
The following graphs compare the actual property tax levy for the 4 Harris County jurisdictions to the amount that would have been levied if the taxes had been tied to the rate of inflation plus the rate of growth in population for the unincorporated areas for the fiscal years 2000 through 2008.



**Harris County Management Services
Population Study - June 2009**

Property Tax Growth Compared to Total Population plus Inflation

The following graphs compare the actual property tax levy for the 4 Harris County jurisdictions to the amount that would have been levied if the taxes had been tied to the rate of inflation plus the rate of growth in population for the entire county for the fiscal years 2000 through 2008.



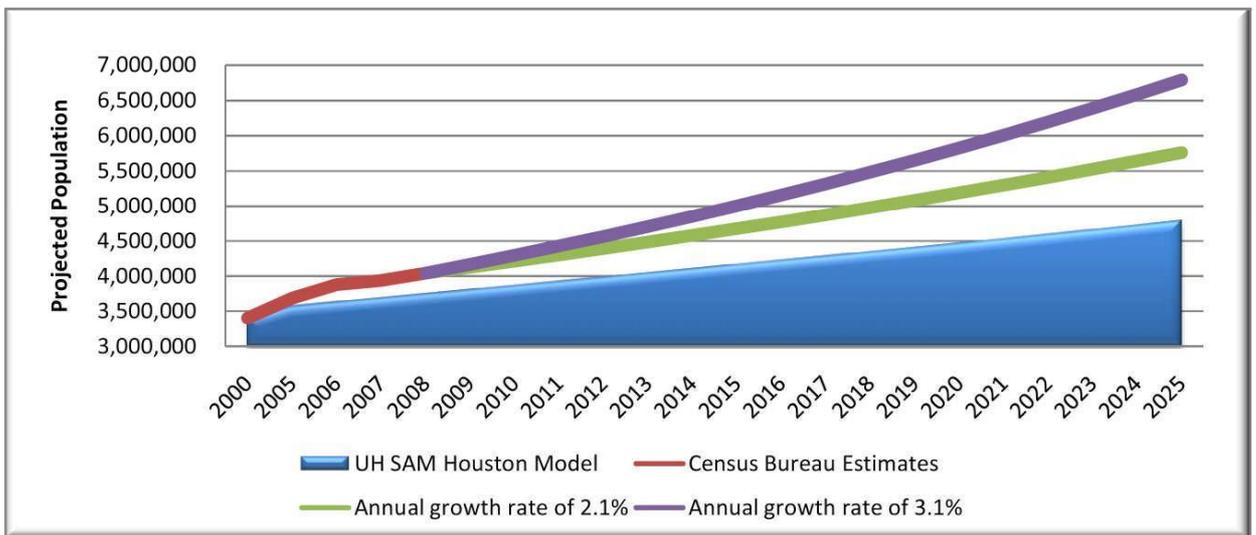
**Harris County Management Services
Population Study - June 2009**

Looking forward to 2025

Harris County is expected to continue to experience significant steady growth over the next few decades. A recent study conducted by Dr. Steven G. Craig at the University of Houston developed a model called SAM-Houston. SAM stands for Small Area Model which forecasts growth by census tract.

In a report dated September 28, 2006, Dr. Craig projected population and employment growth by census tract through 2050 for Harris County. His model predicts a 30% growth in population from 2005 through 2020 for the unincorporated part of Harris County compared to 21% growth in the cities over the same period.

Harris County's total population has already grown faster than the Craig team's estimates. The average annual growth rate from the 2000 Census to the 2008 estimate is 1.9% per year. Since July, 2005, the average growth rate has been 3.1%. The following shows the projected total population for Harris County using these average growth rates compared to the original estimate.



Assuming continuation of current trends, the total population of Harris County could grow to over 5 million over the next decade and approach or surpass 6 million people by 2025. Unless municipalities annex more property or new cities are formed in the unincorporated areas, the unincorporated population could be close to 2 million by 2020.

Harris County government provides much of its services to residents throughout the County including people living in Houston and surrounding cities and towns. There are some services, such as law enforcement and public safety, public health and animal control that are provided primarily to the unincorporated areas of the County.

While nothing is certain, all indications are that Harris County will continue to experience significant growth throughout the County in all 4 County Commissioner precincts and especially in the unincorporated areas. The demand for infrastructure to support this growth, as well as increased demand for services such as law enforcement and health care, will make it necessary to maintain adequate sources of revenue for budgetary purposes.

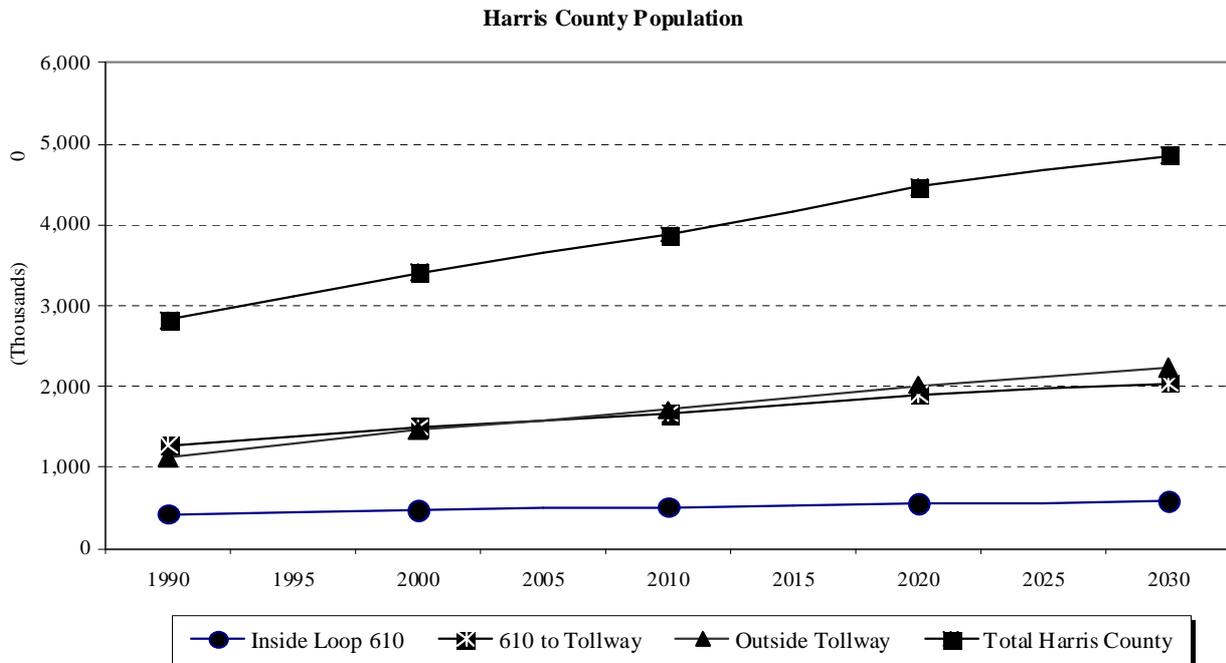
The Population and the Economy

In preparing for financial requirements for the period through FY 2010-11 for Harris County, the Flood Control District, the Port of Houston, and the Hospital District, Commissioners Court must consider projections of population and economic changes in the Houston metropolitan area. The following is a summary of projected changes and their possible impact on services.

The following table and chart show a breakdown of the county's population by the number of persons living inside Loop 610, those who live between 610 and the Tollway, and those who reside outside the Tollway. The table provides actual numbers for 1990 and 2000 and projections for 2010 to 2030. Maps for reference can be found on pages 78, 86-87, 118-120, and 655.

Harris County Population							
Year	Inside Loop 610	Between 610 & Tollway	Outside Tollway	Total	% share of total		
					Inside Loop 610	Between 610 & Tollway	Outside Tollway
1990	425,223	1,278,152	1,114,824	2,818,199	15.09	45.35	39.56
2000	463,457	1,493,635	1,450,299	3,407,391	13.60	43.84	42.56
2010	507,989	1,663,961	1,705,345	3,877,295	13.10	42.92	43.98
2020	555,505	1,900,059	2,016,102	4,471,666	12.42	42.49	45.09
2030	576,933	2,046,003	2,237,693	4,860,629	11.87	42.09	46.04
Difference 2000-2030	113,476	552,368	787,394	1,453,238			
% change	24.5	37.0	54.3	42.6			

Source: Dr. Steven Craig
UH Eco.



The table and chart indicate continued growth in the county's population, with an increasing percentage of the total living outside of the Tollway. Each of the three geographic segments shows growth between 2000 and 2030, but at different levels. The forecast shows that by 2030 the population outside the Tollway will have increased by 787,394, or 54%, compared to the number who lived in that portion of the county in 2000. The number inside the Loop will be up by 113,476, or 24%, compared to 2000, and those living between the Loop and the Tollway will be up by 552,368, or 37%. Those persons living outside the Tollway in 2030 are expected to be 46% of the county's total population compared to 42.6% in 2000, while those inside the Loop at 11.9% would be 1.7% less than in 2000, and those living between the Loop and the Tollway will be 42% in 2030 versus 44% in 2000. Growth of apartments and condominiums in close proximity to downtown Houston has occurred and this trend could alter the percentage of population in that sector.

Houston's population within Harris County, according to the 2000 census, was approximately 56%. The projection in 2007 was 54%. This percentage compares to 58% in 1990, 66% in 1980, 71% in 1970, and 75% in 1960. The county's population by the 2000 census was 3.4 million, with 2.4 million living in 34 municipalities, including 1.9 million in Houston, and 1.0 million in unincorporated areas. Projected data for 2007 showed the number in the unincorporated area to be about 1.3 million.

The county has a total of 1,778 square miles, with 774 square miles incorporated, including 586 in Houston, and 1,004, or 56% of the total, unincorporated. Harris County is unique among metropolitan Texas counties in the amount of population in its unincorporated area which require the provision of additional public services.

Projections by the University of Houston's Center for Public Policy show that growth in the Houston-Galveston-Brazoria Consolidated Metropolitan Statistical Area, which includes Harris County and seven contiguous counties, is expected to increase from 4.7 million persons in 2000 to 6.7 million in 2020, with about 70% of that growth occurring in suburban portions of Harris County and adjacent counties, Brazoria, Fort Bend, and Montgomery, that are to the south, southwest, northwest, and north of Harris County.

Studies show that the growth of the Harris County population is fueled mostly by new residents and immigrants. Ethnically, a multicultural phenomenon has been spreading throughout the area. Hispanics are the predominant ethnic group inside Loop 610 and between the Loop and the Tollway, and they can be expected to continue their growth throughout the county. Projections for 2007 show Hispanics at approximately 38% of the county's population, whites at 37%, African Americans at 19%, Asians at 5%, and other, 1%.

There is a graying effect occurring, one that will accelerate as the Baby Boom generation ages. The segment of the population that is aging the most is the white category, a portion of the population that is not growing at the same rate as the Hispanic and Asian groups. The African-American portion of the population has been fairly stable, except for an influx of residents displaced by Hurricanes Katrina and Rita in 2005. Census data indicated the white population, in addition to being older, has a low birth rate among women of child-bearing age, while Hispanics have a younger population and a higher birth rate.

These population trends of Harris County appear to be true for the Houston-Galveston region, the state of Texas, and, for the most part, the nation as a whole.

The trends in population, with more ethnic minorities and a declining and aging Anglo group, are occurring within an economy that requires education and skills training for financial advancement. The industrial resource economy that supported the Houston metropolitan area for most of the 20th century has ended, according to Dr. Stephen Klineberg, of Rice University, in his annual study, "The Houston Area Survey". The Houston area is now competing in a global, knowledge-based economy along with the rest of America. A concern, according to Dr. Klineberg, is that income gaps have widened in the new economy and the differences can be traced primarily to access to technical training and higher education.

The Houston area economy has continued to diversify since the 1980's. This diversification has brought more stability with less dependence on the energy sector and more emphasis on a variety of information-age services and telecommunications. Employment in Harris County appears to be moving outward from the county's center, but at a much slower pace than the residential population. New technologies are able to accommodate this outward trend, allowing employees to work closer to their homes, schools, and activity centers.

Additional analyses will be provided to the court during the fiscal year concerning the impact of population growth on county expenditures.

Commissioners Court will consider future projections at the capital improvements session in June and the Mid-Year Review in September. Plans will be presented that involve public infrastructure, technology, health and hospital care, social services, children's services, and law enforcement programs. These plans are brought together each year to formulate an overall county strategy that helps guide financial decisions that affect the future of this metropolitan area.

Attachments

- Expenditures and budgets, all funds.
- Policy issues approved by Commissioners Court.

GENERAL FUND

ORGANIZATION	FY 2008-09 Expenditures	FY 2009-10 Budget
1. Sheriff	\$ 406,869,250	\$ 371,502,360
2. Precincts Road & Bridge	81,895,610	220,032,451
3. Constables	124,057,859	119,144,693
4. Precincts Parks	60,583,842	105,358,629
5. Juvenile Probation	74,239,948	72,901,066
6. Public Infrastructure - Facilities & Prop. Mgmt.	62,036,062	61,113,100
7. District Attorney	57,558,134	55,100,035
8. District Courts	49,496,463	43,502,756
9. Information Technology	34,418,735	36,000,466
10. Public Health & Environmental Services	29,115,928	28,526,284
11. Public Infrastructure - Engineering	27,536,097	28,007,188
12. Tax Assessor-Collector	26,302,649	26,504,754
13. District Clerk	26,424,924	25,900,618
14. Management Services	42,582,535	25,606,886
15. County Library	25,328,152	25,301,914
16. County Clerk	26,311,027	24,606,520
17. MHMRA	23,392,907	23,002,907
18. Protective Services for Children & Adults	21,036,367	21,655,038
19. Medical Examiner	19,632,275	21,100,668
20. Justices of the Peace	20,075,578	20,730,945
21. County Attorney	24,447,233	18,400,279
22. County Courts	15,596,381	14,800,354
23. County Auditor	12,544,489	14,422,512
24. Community Services	10,159,086	11,103,021
25. Pretrial Services	7,604,057	7,592,560
26. Purchasing Agent	6,306,408	7,139,499
27. Fire Marshal	6,685,252	6,501,030
28. Public Infrastructure	5,832,717	6,400,561
29. Public Infrastructure - Construction Programs	4,574,028	6,100,950
30. Probate Courts	6,082,086	5,601,789
31. Children's Assessment Center	4,933,994	5,112,408
32. County Judge	5,174,148	4,999,250
33. Tunnel & Ferries	4,528,625	4,990,493
34. Appraisal District	8,623,766	4,626,564
35. District Clerk - Jury Room	3,213,140	3,000,603
36. Domestic Relations	2,912,777	2,815,969
37. Public Infrastructure - Right of Way	1,990,601	2,214,495
38. County Treasurer	1,088,716	1,181,214
39. Legislative Relations	239,717	1,042,273
40. Texas AgriLife Extension	812,534	850,046
41. Community Supervision & Corrections	804,421	800,835
41. Sheriff's Civil Service	177,102	230,082
42. Courts of Appeals	139,413	160,810
	\$ 1,373,365,033	\$ 1,485,686,875

HARRIS COUNTY, TEXAS
FISCAL YEAR 2009 - 10 BUDGET
ORGANIZATION BUDGETS
VOLUME 3

ORG DEPARTMENT	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Outlook Expenditures	FY 2009-10 Target Budget	FY 2009-10 Request Budget	FY 2009-10 Appropriations Budget
COUNTY SERVICES						
<u>Public Infrastructure</u>						
030 Public Infrastructure - Fund 1000	9,049,111	7,628,853	5,832,717	7,030,508	7,030,508	6,400,561.00
040 PID - Right of Way - Fund 1000	1,819,480	2,335,021	1,990,601	2,335,345	2,335,345	2,214,495.00
045 PID - Construction Programs - Fund 1000	-	5,773,605	4,574,028	6,371,950	7,439,450	6,100,950.00
050 <u>Toll Road Authority</u>						
TRA Ser 02 Tax/Rev Const - Fund 5160	3,882,058	21,265,952	10,176,833	-	-	14,611,378.40
TRA Ser 02 Tax/Rev Const-TranOut 5160	-	3,057,224	-	-	-	-
TRA Ser 2006A Construction - Fund 5240	50,005,000	-	-	-	-	-
TRA Ser 2006A Const. - Trn Out Fund 5240	25,818	25,767	25,767	-	-	-
TRA 2008B Construction - Fund 5300	-	212,446,819	-	-	-	212,355,330.08
TRA Construction - Fund 5710	5,515,599	233,962,917	47,075,745	235,284,533	-	200,258,312.20
TRA Construction - TranOut Fund 5710	200,000	3,591	-	-	-	-
TRA Office Building - Fund 5720	963,083	2,507,904	735,525	4,059,672	6,807,345	6,807,345.00
203 & Others - Fund 5720	561	250,962	-	-	-	2,166,677.53
TRA Oper. & Maint. - Fund 5740	78,872,101	135,762,923	102,659,838	131,166,313	128,418,640	128,418,640.00
203 & Others - Fund 5740	1,040,654	1,770,082	1,549,648	-	-	517,822.00
TRA Renewal/Replace Cont. - Fd 5770	-	154,035,872	-	-	-	116,245,215.62
TRA Comm Pap Ser E Const - Fd 5950	56,554,052	268,541,363	30,634,295	-	-	308,906,277.58
TRA CP Ser E Const-Tran.Out-Fd 5950	-	50,000	-	-	-	-
Total Toll Road-oper/const./contingency	<u>197,058,926</u>	<u>1,033,681,377</u>	<u>192,857,651</u>	<u>370,510,518</u>	<u>135,225,985</u>	<u>990,286,998.41</u>
090 <u>Flood Control District</u>						
Oper./Constr./Maint. - Fund 2890	59,840,252	110,452,333	60,075,304	114,145,862	114,145,862	114,145,862.00
Oper./Constr./Maint. - TranOut Fund 2890	-	-	-	-	-	-
203 & Others - Reserve - Fund 2890	1,593,666	42,870,240	2,421,147	-	-	51,916,090.11
203 - Trn Out - Fund 2890	3,745,000	4,200,000	200,000	-	-	5,500,000.00
Regional Impact F/C Projects - Fund 3240	3,696,701	15,699,640	1,594,102	-	-	16,259,562.21
Regional Impact FC Proj. - Tr Out Fd 3240	-	-	-	-	-	-
FC Project Contributions - Fund 3310	4,325,105	33,390,971	8,229,301	-	-	46,062,461.75
FC Bonds 2004A-Const-Fund 3320	21,628,387	29,151,099	9,411,845	-	-	22,102,437.36
FC Impvmt Bds '07 Proj - Fund 3330	4,953,617	89,165,059	24,828,753	-	-	64,336,306.19
203 - FC Impvmt Bds '07 Proj- Trn Out Fd 3330	4,112,056	3,632,628	3,632,628	-	-	80,245.75
FC Commercial Paper - Fund 3970	25,072,338	139,159,804	27,928,427	-	-	111,411,269.58
Commercial Paper-Trans. Out - Fund 3970	2,574,277	9,716,237	4,907,840	-	-	5,800,424.20
Total Flood Control	<u>131,541,399</u>	<u>477,438,012</u>	<u>143,229,347</u>	<u>114,145,862</u>	<u>114,145,862</u>	<u>437,614,659.15</u>
208 Public Infrastructure - Co. Eng.-Fund 1000	24,708,186	29,787,727	27,536,097	29,213,845	31,451,120	28,007,188.00
299 Facilities & Property Mgt. - Fund 1000	65,370,083	64,539,393	62,036,062	64,513,518	66,870,455	61,113,100.00
Total Public Infrastructure	429,547,185	1,621,183,987	438,056,504	594,121,546	364,498,725	1,531,737,951.56
<u>Management Services</u>						
203 Management Svcs. - Oper. - Fund 1000	4,682,159	5,357,137	5,293,535	6,652,384	6,809,284	5,896,792.00
Management Svcs. - Transfers to Fd 5550	-	3,400,000	3,400,000	3,300,000	3,300,000	1,900,000.00
Misc. Admin. - Fund 1000	36,780,767	39,981,858	36,988,900	47,807,918	47,807,918	17,451,502.44
Retirees Group Ins./TAN's/TIRZ/Property Ins./Torts & Claims						
203 Mgmt. Svcs. -Health Care Alliance - Fd 1000	225,938	361,670	300,103	361,670	554,501	358,592.00
203 Mgmt. Svcs.-Fleet Svcs. - Fund 5500	25,296,313	30,193,966	27,053,455	30,991,622	36,536,950	30,991,622.00
203 HR & Risk Management - Fund 5550	4,963,065	5,597,099	5,294,970	6,185,964	6,705,424	5,686,582.00
Total Management Services	71,948,242	84,530,060	78,330,963	95,299,558	101,714,077	62,285,090.44
<u>Legislative Services</u>						
204 Legislative Services	-	632,785	239,717	-	1,338,906	1,042,273.00
Total Legislative Services	-	632,785	239,717	-	1,338,906	1,042,273.00

HARRIS COUNTY, TEXAS
FISCAL YEAR 2009 - 10 BUDGET
ORGANIZATION BUDGETS
VOLUME 3

ORG DEPARTMENT	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Outlook Expenditures	FY 2009-10 Target Budget	FY 2009-10 Request Budget	FY 2009-10 Appropriations Budget
<u>COUNTY SERVICES, cont.</u>						
<u>Information Technology</u>						
292 Information Technology	33,480,440	34,700,226	34,418,735	34,683,280	38,683,280	32,871,866.00
IT - Transfers to Radio Fund 5520	-	3,648,600	3,648,600	3,628,600	3,628,600	3,128,600.00
Total Information Technology	33,480,440	38,348,826	38,067,335	38,311,880	42,311,880	36,000,466.00
<u>Public Health & Environmental Services</u>						
275 Public Health & Environmental Services	26,973,092	29,728,003	29,115,928	28,546,117	28,573,955	28,526,284.00
Total Public Health & Environmental Svcs	26,973,092	29,728,003	29,115,928	28,546,117	28,573,955	28,526,284.00
<u>Community Services Department</u>						
289 Community Services Department	11,229,961	10,879,535	10,159,086	11,288,686	11,908,911	11,103,021.00
Total Community Services Department	11,229,961	10,879,535	10,159,086	11,288,686	11,908,911	11,103,021.00
<u>Library Services</u>						
285 Library - Fund 1000	24,653,119	25,342,790	25,328,152	25,661,914	25,661,914	25,301,914.00
288 Law Library - Fund 2800	1,290,244	1,628,931	1,317,588	1,628,931	1,628,931	1,628,931.00
Law Library Reserve - Fund 2800	16,527	649,219	17,886	-	-	402,805.24
Total Law Library - Fund 2800	1,306,771	2,278,150	1,335,474	1,628,931	1,628,931	2,031,736.24
Total Library Services	25,959,890	27,620,940	26,663,626	27,290,845	27,290,845	27,333,650.24
<u>Youth & Family Services</u>						
286 Domestic Relations	2,428,045	2,886,463	2,912,777	2,888,969	3,722,140	2,815,969.00
286 Domestic Relations - Title IV-D Fund 7012	881,108	1,283,611	647,308	-	-	636,303.08
Total Domestic Relations	3,309,153	4,170,074	3,560,085	2,888,969	3,722,140	3,452,272.08
296 M.H.M.R.A. - Operations	22,309,807	23,392,907	23,392,907	23,392,907	24,365,310	23,002,907.00
821 AgriLife Extension	758,944	807,873	812,534	871,046	871,046	850,046.00
840 Juvenile Probation	67,847,614	77,042,517	74,239,948	76,848,661	76,848,661	72,901,066.00
840 Juvenile Probation - Fund 7430	4,725,148	4,776,815	4,700,000	-	-	4,000,000.00
Total Juvenile Probation	72,572,762	81,819,332	78,939,948	76,848,661	76,848,661	76,901,066.00
880 Protective Services for Children & Adults	20,199,134	21,959,138	21,036,367	21,955,138	21,955,138	21,655,038.00
885 Children's Assessment Center	4,916,069	5,351,409	4,933,994	5,312,409	5,312,409	5,112,408.00
Total Youth & Family Services	124,065,869	137,500,733	132,675,835	131,269,130	133,074,704	130,973,737.08
<u>Other</u>						
091 Appraisal District	6,895,508	8,623,766	8,623,766	8,517,076	8,517,076	4,626,564.00
206 Hotel Occupancy Tax (HOT)-Fd 2760*	15,441,735	12,776,920	15,010,591	-	4,553,500	6,838,138.53
203 & Others (HOT)-Fd 2760	1,592,692	2,663,623	2,043,221	-	-	2,770,866.19
203 Transfers Out (HOT) - Debt Svc.-Fd 2760	11,574,270	11,277,080	11,056,455	-	-	18,975,000.00
Total Hotel Occupancy Tax Fund-2760	28,608,697	26,717,623	28,110,267	-	4,553,500	28,584,004.72
Total Other	35,504,205	35,341,389	36,734,033	8,517,076	13,070,576	33,210,568.72
TOTAL COUNTY SERVICES	758,708,884	1,985,766,259	790,043,026	934,644,838	723,782,579	1,862,213,042.04

*Request is for property insurance. No target provided.

HARRIS COUNTY, TEXAS
FISCAL YEAR 2009 - 10 BUDGET
ORGANIZATION BUDGETS
VOLUME 3

ORG DEPARTMENT	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Outlook Expenditures	FY 2009-10 Target Budget	FY 2009-10 Request Budget	FY 2009-10 Appropriations Budget
FISCAL SERVICES & PURCHASING						
517 County Treasurer	1,148,333	1,180,655	1,088,716	1,226,214	1,226,214	1,181,214.00
530 Tax Assessor-Collector	25,457,170	26,353,940	26,302,649	26,823,768	28,043,307	26,504,754.00
610 County Auditor	11,959,411	13,802,023	12,544,489	13,802,023	14,422,512	14,422,512.00
615 Purchasing Agent, Fund 1000	5,775,308	6,725,278	6,306,408	6,657,278	7,689,499	7,139,499.00
615 Purchasing Agent, Fund-CIP	-	-	-	-	-	550,000.00
TOTAL FISCAL SERVICES & PURCHASING	44,340,222	48,061,896	46,242,262	48,509,283	51,381,532	49,797,979.00
ADMINISTRATION OF JUSTICE						
213 Fire & Emergency Services	5,801,932	7,007,104	6,685,252	6,641,030	7,907,931	6,501,030.00
270 Medical Examiner	17,879,646	20,560,299	19,632,275	21,474,305	28,868,027	21,100,668.00
301 Constable, Precinct 1	21,636,048	25,160,917	24,702,310	24,602,790	24,602,790	23,445,790.00
302 Constable, Precinct 2	5,411,817	6,215,953	6,090,333	6,003,302	7,315,139	5,971,217.00
303 Constable, Precinct 3	9,919,180	10,843,407	10,785,420	10,900,660	10,900,660	10,465,070.00
304 Constable, Precinct 4	28,563,990	31,792,675	31,678,869	32,200,146	32,200,146	30,390,146.00
305 Constable, Precinct 5	26,503,833	29,870,115	29,540,195	29,500,337	30,502,739	28,070,337.00
306 Constable, Precinct 6	6,411,908	7,460,814	7,215,655	7,300,449	7,300,449	7,101,772.00
307 Constable, Precinct 7	6,573,809	8,006,361	7,794,700	7,900,082	7,900,082	7,625,082.00
308 Constable, Precinct 8	5,635,390	6,326,730	6,250,377	6,200,279	6,200,279	6,075,279.00
Total Constables	110,655,975	125,676,972	124,057,859	124,608,045	126,922,284	119,144,693.00
311 Justice of the Peace, 1-1	1,489,260	1,578,750	1,541,659	1,578,750	1,731,162	1,548,750.00
312 Justice of the Peace, 1-2	2,082,217	2,172,607	2,164,743	2,241,098	2,295,858	2,220,098.00
321 Justice of the Peace, 2-1	734,107	835,293	821,910	835,293	835,293	825,293.00
322 Justice of the Peace, 2-2	753,696	808,751	800,646	833,490	833,490	830,013.00
331 Justice of the Peace, 3-1	1,454,857	1,527,950	1,506,999	1,625,105	1,625,105	1,562,482.00
332 Justice of the Peace, 3-2	1,054,861	1,083,762	1,074,364	1,141,466	1,141,466	1,101,466.00
341 Justice of the Peace, 4-1	2,381,986	2,604,171	2,438,862	2,611,225	2,611,225	2,514,991.00
342 Justice of the Peace, 4-2	1,196,863	1,305,028	1,251,127	1,335,325	1,444,501	1,269,956.00
351 Justice of the Peace, 5-1	1,548,965	1,651,502	1,644,699	1,751,319	1,751,319	1,741,319.00
352 Justice of the Peace, 5-2	2,263,084	2,409,844	2,311,068	2,442,094	2,514,580	2,419,625.00
361 Justice of the Peace, 6-1	519,536	557,574	553,957	561,590	578,530	558,590.00
362 Justice of the Peace, 6-2	550,156	621,393	615,488	626,432	660,957	623,432.00
371 Justice of the Peace, 7-1	587,387	669,300	598,711	698,668	698,668	658,668.00
372 Justice of the Peace, 7-2	734,361	813,560	810,566	851,448	851,448	841,448.00
381 Justice of the Peace, 8-1	942,055	991,171	982,125	1,028,950	1,028,950	1,003,950.00
382 Justice of the Peace, 8-2	905,492	1,000,567	958,654	1,041,976	1,162,553	1,010,864.00
Total JPs	19,198,883	20,631,223	20,075,578	21,204,229	21,765,105	20,730,945.00

HARRIS COUNTY, TEXAS
FISCAL YEAR 2009 - 10 BUDGET
ORGANIZATION BUDGETS
VOLUME 3

ORG DEPARTMENT	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Outlook Expenditures	FY 2009-10 Target Budget	FY 2009-10 Request Budget	FY 2009-10 Appropriations Budget
ADMINISTRATION OF JUSTICE, cont.						
510 County Attorney - Operations	16,364,726	18,923,187	18,454,143	18,600,279	18,702,843	18,400,279.00
Title IV-E Adoption Incentive Fund 7007	1,435,474	2,646,914	1,281,711	-	-	1,096,630.18
Total County Attorney Operations	17,800,200	21,570,101	19,735,854	18,600,279	18,702,843	19,496,909.18
510 County Attorney - Claims/Torts	3,424,386	6,752,699	5,993,090	-	-	-
515 County Clerk - Operations	16,408,044	16,893,624	16,795,220	17,860,384	17,860,384	17,505,989.00
County Clerk - Election Services	7,974,593	9,584,058	9,515,807	8,285,531	9,010,531	7,100,531.00
Total County Clerk	24,382,637	26,477,682	26,311,027	26,145,915	26,870,915	24,606,520.00
540 Sheriff	348,363,117	410,338,323	406,869,250	390,052,290	432,507,567	371,502,360.00
545 District Attorney	49,696,500	58,196,544	57,558,134	56,474,035	62,173,864	55,100,035.00
550 District Clerk - Operations	25,633,152	26,480,818	26,424,924	26,500,618	26,681,833	25,900,618.00
550 District Clerk - Jury System	3,549,078	4,720,059	3,213,140	4,500,059	4,500,059	3,000,603.00
Total District Clerk	29,182,230	31,200,877	29,638,064	31,000,677	31,181,892	28,901,221.00
601 Community Supervision	809,852	811,835	804,421	811,835	811,835	800,835.00
605 Pre-Trial Services	7,074,239	7,636,890	7,604,057	7,622,560	8,627,580	7,592,560.00
845 Sheriff's Civil Service	197,426	245,082	177,102	245,082	245,082	230,082.00
700 District Courts	47,062,848	49,298,171	49,496,463	44,002,756	50,742,092	43,502,756.00
930 1st Court of Appeals - Fund 1000	83,827	78,973	66,776	86,094	86,094	80,405.00
1st Court of Appeals - Fund 2300	260,533	309,918	272,540	270,000	270,000	270,000.00
Total 1st Court of Appeals	344,360	388,891	339,316	356,094	356,094	350,405.00
931 14th Court of Appeals - Fund 1000	82,997	78,973	72,637	86,094	86,094	80,405.00
14th Court of Appeals - Fund 2300	286,284	309,917	279,664	270,000	270,000	270,000.00
Total 14th Court of Appeals	369,281	388,890	352,301	356,094	356,094	350,405.00
Appeals Court Reserve - Fund 2300	-	12,143	-	-	-	100,054.97
Total Appellate Courts	713,641	789,924	691,617	712,188	712,188	800,864.97
940 County Courts	14,780,822	15,884,319	15,596,381	15,000,354	15,000,354	14,800,354.00
991 Probate Court No. 1	1,208,183	1,193,421	1,175,866	1,192,204	1,340,993	1,062,004.00
992 Probate Court No. 2	1,084,290	1,192,204	1,182,672	1,192,204	1,340,993	1,062,004.00
993 Probate Court No. 3 - Operations	1,191,132	1,197,988	1,202,670	1,192,204	1,340,993	1,062,004.00
Probate Court No. 3 - Psych. Div.	1,300,161	1,451,862	1,407,586	1,401,862	1,490,957	1,353,773.00
Total Probate Court No. 3	2,491,293	2,649,850	2,610,256	2,594,066	2,831,950	2,415,777.00
994 Probate Court No. 4	1,002,883	1,192,204	1,113,292	1,192,204	1,340,993	1,062,004.00
Total Probate Courts	5,786,649	6,227,678	6,082,086	6,170,678	6,854,930	5,601,789.00
TOTAL ADMINISTRATION OF JUSTICE	699,386,597	802,553,025	797,008,510	770,766,258	839,894,488	740,413,622.15

HARRIS COUNTY, TEXAS
FISCAL YEAR 2009 - 10 BUDGET
ORGANIZATION BUDGETS
VOLUME 3

ORG DEPARTMENT	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Outlook Expenditures	FY 2009-10 Target Budget	FY 2009-10 Request Budget	FY 2009-10 Appropriations Budget
COMMISSIONERS COURT						
100 County Judge - Operations	2,521,338	3,176,626	2,969,786	2,919,241	3,594,391	2,875,424.00
County Judge - Child Safety Programs	344,882	281,480	360,836	364,705	164,788	257,908.00
County Judge - OHSEM	1,494,391	2,017,118	1,843,526	1,907,118	3,521,041	1,865,918.00
Total County Judge	4,360,611	5,475,224	5,174,148	5,191,064	7,280,220	4,999,250.00
101 Precinct 1 - Fund 1000	22,605,313	70,719,802	23,980,025	118,663,088	118,663,088	89,007,872.00
101 Precinct 1 - Mobility Fund 1070	-	-	-	-	-	27,360,000.00
Total Precinct 1	22,605,313	70,719,802	23,980,025	118,663,088	118,663,088	116,367,872.00
102 Precinct 2 - Fund 1000	34,548,201	93,064,726	35,159,231	100,535,060	111,405,285	70,127,308.00
102 Precinct 2 - Mobility Fund 1070	-	-	-	-	-	27,120,000.00
Total Precinct 2	34,548,201	93,064,726	35,159,231	100,535,060	111,405,285	97,247,308.00
103 Precinct 3 - Fund 1000	29,686,754	66,828,223	36,343,199	105,845,962	105,845,962	73,521,321.00
103 Precinct 3 - Mobility Fund 1070	-	-	-	-	-	29,664,000.00
Total Precinct 3	29,686,754	66,828,223	36,343,199	105,845,962	105,845,962	103,185,321.00
104 Precinct 4 - Fund 1000	41,127,170	84,631,211	46,996,997	134,442,567	134,442,567	92,734,579.00
104 Precinct 4 - Mobility Fund 1070	-	-	-	-	-	35,856,000.00
Total Precinct 4	41,127,170	84,631,211	46,996,997	134,442,567	134,442,567	128,590,579.00
105 Tunnel/Ferries Operations - Pct. 2	4,672,114	5,099,409	4,528,625	5,098,821	5,098,821	4,990,493.00
TOTAL COMMISSIONERS COURT	137,000,163	325,818,596	152,182,225	469,776,562	482,735,943	455,380,823.00
TOTAL GENERAL FUND	1,246,496,533	1,584,068,601	1,373,365,033	1,699,694,044	1,798,457,890	1,485,686,875.44
TOTAL MOBILITY FUND	-	-	-	-	-	120,000,000.00
TOTAL GENERAL & MOBILITY FUNDS	1,246,496,533	1,584,068,601	1,373,365,033	1,699,694,044	1,798,457,890	1,605,686,875.44

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
PRECINCT PROPOSED BUDGET SUMMARY - Budget Volume 3**

PCT	DESCRIPTION	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2009-10	INCREASE/ DECREASE %
		APPROPRIATIONS BUDGET	APPROPRIATIONS BUDGET	APPROPRIATIONS BUDGET	APPROPRIATIONS BUDGET	vs. FY2008-09 CHANGE	
101	Precinct 1, Encumbrances	3,762,233	3,328,252	4,547,330	6,150,214	1,602,884	35.25%
101	Precinct 1, Balances	21,913,854	29,954,166	52,324,602	70,589,658	18,265,056	34.91%
101	Precinct 1, Child Safety Fee	232,095	249,104	260,000	248,000	(12,000)	-4.62%
101	Precinct 1, Park Deposits Refunds	25,000	25,000	25,000	25,000	0	0.00%
101	Precinct 1, Road & Bridge Fee	7,118,085	7,750,000	7,350,000	7,875,000	525,000	7.14%
101	Precinct 1, TRA Connectivity/Mobility Fund 1070	7,100,000	27,360,000 *	27,360,000	27,360,000	0	0.00%
101	Precinct 1, Additional Budget	13,365,000	10,725,000	8,652,000	4,120,000	(4,532,000)	-52.38%
	Precinct 1 - Total Appropriations	53,516,267	79,391,522	100,518,932	116,367,872	15,848,940	15.77%
	Precinct 1 - Adjusted Budget	53,435,324	79,374,636	100,719,802			
	Precinct 1 - Total Expenditures + Transfers-Out	20,152,906	22,502,704	23,980,025			
102	Precinct 2, Encumbrances	8,676,456	7,460,775	8,688,588	10,347,043	1,658,455	19.09%
102	Precinct 2, Balances	23,138,599	26,522,701	41,204,903	47,592,265	6,387,362	15.50%
102	Precinct 2, Child Safety Fee	232,095	249,104	260,000	248,000	(12,000)	-4.62%
102	Precinct 2, Park Deposits Refunds	25,000	25,000	25,000	25,000	0	0.00%
102	Precinct 2, Road & Bridge Fee	7,118,085	7,750,000	7,350,000	7,875,000	525,000	7.14%
102	Precinct 2, TRA Connectivity/Mobility Fund 1070	7,100,000	27,120,000 *	27,120,000	27,120,000	0	0.00%
102	Precinct 2, Additional Budget	18,225,000	14,625,000	8,484,000	4,040,000	(4,444,000)	-52.38%
	Precinct 2 - Total Appropriations	64,515,235	83,752,580	93,132,491	97,247,308	4,114,817	4.42%
	Precinct 2 - Adjusted Budget	64,910,873	84,665,120	93,064,726			
	Precinct 2 - Total Expenditures + Transfers-Out	30,927,397	34,771,629	35,159,231			
103	Precinct 3, Encumbrances	3,675,620	6,899,248	7,988,158	20,964,376	12,976,218	162.44%
103	Precinct 3, Balances	11,399,958	14,276,567	40,906,993	39,520,945	(1,386,048)	-3.39%
103	Precinct 3, Child Safety Fee	232,095	249,104	260,000	248,000	(12,000)	-4.62%
103	Precinct 3, Park Deposits Refunds	25,000	25,000	25,000	25,000	0	0.00%
103	Precinct 3, Road & Bridge Fee	7,118,085	7,750,000	7,350,000	7,875,000	525,000	7.14%
103	Precinct 3, TRA Connectivity/Mobility Fund 1070	7,100,000	29,664,000 *	29,664,000	29,664,000	0	0.00%
103	Precinct 3, Additional Budget	19,845,000	15,925,000	10,264,800	4,888,000	(5,376,800)	-52.38%
	Precinct 3 - Total Appropriations	49,395,758	74,788,919	96,458,951	103,185,321	6,726,370	6.97%
	Precinct 3 - Adjusted Budget	49,503,229	78,880,517	96,828,223			
	Precinct 3 - Total Expenditures + Transfers-Out	28,327,414	29,985,366	36,343,199			
104	Precinct 4, Encumbrances	9,621,130	7,870,340	12,493,298	8,974,947	(3,518,351)	-28.16%
104	Precinct 4, Balances	21,896,023	32,388,941	54,051,644	68,659,632	14,607,988	27.03%
104	Precinct 4, Child Safety Fee	232,095	249,104	260,000	248,000	(12,000)	-4.62%
104	Precinct 4, Park Deposits Refunds	25,000	25,000	25,000	25,000	0	0.00%
104	Precinct 4, Road & Bridge Fee	7,118,085	7,750,000	7,350,000	7,875,000	525,000	7.14%
104	Precinct 4, TRA Connectivity/Mobility Fund 1070	7,100,000	35,856,000 *	35,856,000	35,856,000	0	0.00%
104	Precinct 4, Additional Budget	29,565,000	23,725,000	14,599,200	6,952,000	(7,647,200)	-52.38%
	Precinct 4 - Total Appropriations	75,557,333	107,864,385	124,635,142	128,590,579	3,955,437	3.17%
	Precinct 4 - Adjusted Budget	76,449,520	107,841,526	124,631,211			
	Precinct 4 - Total Expenditures + Transfers-Out	36,190,239	41,296,584	46,996,997			

All Precincts, Encumbrances	25,735,439	25,558,615	33,717,374	46,436,580	12,719,206	37.72%
All Precincts, Balances	78,348,434	103,142,375	188,488,142	226,362,500	37,874,358	20.09%
All Precincts, Child Safety Fee	928,380	996,416	1,040,000	992,000	(48,000)	-4.62%
All Precincts, Park Deposits Refunds	100,000	100,000	100,000	100,000	0	0.00%
All Precincts, Road & Bridge Fee	28,472,340	31,000,000	29,400,000	31,500,000	2,100,000	7.14%
All Precincts, TRA Connectivity/Mobility Fund 1070	28,400,000	120,000,000 *	120,000,000	120,000,000	0	0.00%
All Precincts, Additional Budget	81,000,000	65,000,000	42,000,000	20,000,000	(22,000,000)	-52.38%
Total Precincts Appropriations	242,984,593	345,797,406	414,745,516	445,391,080	30,645,564	7.39%
Total Precincts Adjusted Budget	244,298,946	350,761,799	415,243,962			
Total Precincts Expenditures + Transfers-Out	115,597,956	128,556,283	142,479,452			

* FY 2007-08 TRA connectivity program includes \$28.4m appropriated 3/1/2007 and \$91.6m appropriated at Mid-Year Review. As directed by the court, FY 2008-09 TRA connectivity program includes the same level of \$120m. Beginning with FY2009-10, funding for this program is budgeted under the Mobility Fund, Fund 1070.

PROJECTED ASSUMPTIONS FOR FORECAST YEAR

- > Encumbrances and balances are the estimated amounts.
- > Child Safety Fee is divided equally among the five court members.
- > Park Deposit Refunds Costs are divided equally among the four Commissioners.
- > Road and Bridge Fee is divided equally among the four Commissioners.
- > Includes Toll Road Connectivity Program divided among the four Commissioners as follows - 80% of the total approved amount (\$96m) is divided equally among the four precincts; the remaining 20% of the total approved amount (\$24m) is divided based on the % of each precinct's population in relationship to the total population in the unincorporated areas of the county in 2006.
- > The Additional Budget is allocated to the Precincts as follows - 60% of available funds to be divided equally among the four precincts and 40% by each precinct's population in relationship to the total population in the unincorporated areas of the county in 2006.

New Budget Appropriations:	Proposed Budget	Precinct Allocation
Child Safety Fee	1,240,000	248,000
Park Deposit Refunds	100,000	25,000
Road and Bridge Fee	31,500,000	7,875,000
Mobility Fund 1070	120,000,000	
Pct. 1		27,360,000
Pct. 2		27,120,000
Pct. 3		29,664,000
Pct. 4		35,856,000
Total Mobility Fund Allocation (Fund 1070)		120,000,000
Additional Budget	20,000,000	
Pct. 1		4,120,000
Pct. 2		4,040,000
Pct. 3		4,888,000
Pct. 4		6,952,000
Total Additional Budget		20,000,000

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY GENERAL FUND GROUP	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Estimated Expenditures	FY 2009-10 Appropriations Budget
1000 General Fund	\$ 1,246,496,533	\$ 1,584,068,601	\$ 1,373,365,033	\$ 1,485,686,875.44
1020 Public Improvement Contingency Fund	-	43,351,744	-	44,281,999.74
1070 Mobility Fund	-	-	-	120,000,000.00
Harris County General, Contingency, and Mobility Funds	\$ 1,246,496,533	\$ 1,627,420,345	\$ 1,373,365,033	\$ 1,649,968,875.18
HARRIS COUNTY DEBT SERVICE FUNDS				
1050 HC/FC Agreement 2008A Refunding	\$ -	\$ 2,904,550	\$ -	\$ 13,409,608.25
1060 HC/FC Agreement 2008B Refunding	-	3,200,893	-	-
1080 HC/FC Agreement 2008C Refunding	-	-	-	16,282,285.49
1160 HOT Tax, Refunding Forward Rev, Series 1998	5,877,415	27,429,004	26,224,196	-
1250 Permanent Improvement, Refunding Series 1996	-	364,662	-	395,271.32
1260 Permanent Improvement, Refunding Series 1997	7,542,190	50,907,906	36,089,882	1,519,244.53
1390 Commercial Paper Program, Series B	66,194	26,967,292	25,282,184	1,638,203.92
1400 Commercial Paper Series C	2,102,574	7,927,452	2,626,486	4,432,548.43
1410 HC PIB Refunding Bond 2008C Debt Service	-	200,700,015	200,699,058	24,420,346.29
1420 Commercial Paper Program, Series A1	2,116,631	92,207,197	89,613,217	1,434,588.03
1430 HC/FC Agmt 2003B Commercial Paper Refunding	-	18,474,542	-	-
1440 HC/FC Agmt 2004A Commercial Paper Refunding	-	22,772,889	-	13,501,744.29
1470 Permanent Improvement Commercial Paper Series D	5,236,400	179,419,663	174,161,018	3,892,137.37
1480 Flood Control Agreement Commercial Paper Program	301,045	9,262,381	247,799	4,114,953.86
1490 HC/FC Agmt 2006 CP Refunding	-	9,819,707	-	8,967,880.13
1500 Certificate of Obligation, Series 1998	3,636,200	4,773,958	3,634,050	2,200,197.82
1530 Certificates of Obligation, Series 2001	1,629,719	3,766,244	1,628,078	3,167,832.91
1550 Permanent Improvement, Refunding Series 2001	842,358	1,722,227	840,998	1,600,733.49
1600 Revenue Refunding Bonds, Series 2002	-	63,099	-	62,759.75
1610 Revenue Certificates, Series 2002	2,138,150	2,670,205	2,670,025	3,232,270.21
1620 Permanent Improvement, Refunding Series 2002	15,765,138	33,753,053	15,763,388	31,469,190.34
1650 Permanent Improvement, Refunding Series 2003A	4,711,250	8,391,986	4,459,000	6,708,856.36
1680 PIB Refunding Series 2003B	4,862,300	14,107,753	6,890,500	8,352,095.41
1700 HC PIB Refunding 2008C Cost of Issuance	-	433,722	416,636	17,783.40
1710 PIB Refinancing 1999	903,000	2,023,548	904,000	899,159.22
1730 CJC Refunding Series 2004 - Debt Service	5,853,763	12,167,299	5,850,763	11,180,533.07
1750 Tax & Sub Lien Refunding 2004A - Debt Service	174,750	174,892	174,750	740,691.83
1770 Tax & Sub Lien Refunding 2004B - Debt Service	10,348,352	10,859,636	7,382,778	12,598,149.85
1780 Permanent Improvement Refunding Bonds 2004	6,527,378	13,550,026	6,512,378	12,421,567.27
1800 Permanent Improvement Ref. Ser 2005A - Debt Service	3,492,250	9,762,949	3,492,250	12,329,856.49
1850 PIB Refunding BDS 2006A Debt Service	3,267,620	7,252,278	3,478,225	6,932,890.68
1870 HC PIB Refunding Bond 2008A Debt Service	-	42,643,926	6,492,776	12,376,041.92
1880 HC PIB Refunding 2008A Cost of Issuance	-	102,985	101,145	-
1890 Unlimit Tax Road Refunding 2008A Cost of Issuance	-	106,372	105,850	-
1910 HC PIB Refunding Bond 2008B Debt Service	-	84,496,322	84,261,739	18,064,283.62
1920 HC PIB Refunding 2008B Cost of Issuance	-	229,854	202,634	28,214.65
1940 Tax & Sub Lien Ser 2008A - Debt Service	-	22,758,988	658,777	5,810,406.53
1950 Tax & Sub Lien Ser 2008A Cost of Issuance	-	140,933	116,116	-
2110 Commercial Paper Program, Series F	1,315,412	3,812,250	943,019	4,125,206.71
4630 Road, Series 1996	10,555,738	1,157,528	-	1,318,876.66
4660 Road Refunding, Series 1993	9,720,000	8,779,673	5,130,000	3,429,446.80
4700 Road Refunding, Series 2001 - Debt Service	10,532,979	40,903,850	18,634,729	41,945,050.86
4710 Road Refunding, Series 2003A	2,995,863	5,970,281	2,925,863	8,354,310.22
4720 Road Refunding, Series 2003B	3,913,925	47,476,145	41,404,132	3,930,078.99
4730 Road Refunding, Series 2004A - Debt Service	6,108,275	12,737,454	6,126,875	11,839,556.91
4740 Unlimited Tax Road 2004	7,248,050	17,044,634	7,248,050	14,350,003.20
4750 Unlimited Tax Road 2005A -Debt Service	1,721,000	3,579,231	1,721,000	3,277,429.69
4760 Unlimited Tax Road Forward Refund 2006A	1,404,500	12,376,546	6,179,500	13,728,422.46
4770 UNRDS Ref Bonds 2006B Debt Svc	10,178,400	33,223,490	12,723,000	26,192,461.19
4780 Unlimited Tax Road Refunding 2008A Debt Service	-	41,409,631	1,953,029	3,671,395.36
Harris County Debt Service & Reserve Funds	\$ 153,088,819	\$ 1,156,781,121	\$ 815,969,893	\$ 380,364,565.78

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY FLOOD CONTROL DISTRICT		FY 2007-08	FY 2008-09	FY 2008-09	FY 2009-10
		Expenditures	Adjusted Budget	Estimated Expenditures	Appropriations Budget
2890	FCD - General/Operations/Maintenance/Construction	\$ 61,433,918	\$ 157,522,573	\$ 62,496,451	\$ 171,561,952.11
3240	Regional Flood Control Projects	3,696,701	16,742,998	1,594,102	16,259,562.21
3310	Flood Control Capital Projects (Budgeted)	4,325,105	33,390,971	8,229,301	46,062,461.75
3320	FCD - Bonds 2004A - Construction	21,628,387	30,053,489	9,411,845	22,102,437.36
3330	FC Improvement Bonds 2007 Projects	4,953,617	92,797,687	24,828,753	64,416,551.94
3970	Commercial Paper - FCD Capital Projects	25,072,338	149,197,076	27,928,427	117,211,693.78
Harris County Flood Control District		\$ 121,110,066	\$ 479,704,794	\$ 134,488,879	\$ 437,614,659.15

HARRIS COUNTY FLOOD CONTROL DEBT SERVICE FUNDS

2170	FC Refunding Ser 2003B-D	\$ 9,784,600	\$ -	\$ -	\$ -
2180	FC Contract Tax 2004A-D	11,359,738	-	-	-
2190	FC Cont Refunding 2006A DS	3,767,400	-	-	-
2200	FC Contract Refunding 2006A COI	-	-	-	-
2270	FC Contract Tax Ref 2008	-	347,782	332,374	-
2280	FC Contract Tax Ref 2008	-	415,009	412,960	-
4090	FC Contract Tax Ref 2006A Debt Service	-	4,715,944	4,709,250	4,709,984.25
4130	FC Refunding Series 1993A	11,115,000	13,901,272	7,585,000	8,985,248.11
4150	FC Refunding Series 2002	483,925	2,111,202	483,925	2,920,275.50
4160	FC Refunding Series 2003A	1,694,481	3,302,041	1,630,981	2,911,628.93
4170	FC Refunding Series 2003B Debt Service	-	224,219,624	214,426,968	-
4180	FC Contract Tax & Refunding 2004A Debt Service	-	109,131,369	103,387,752	7,189,485.01
4190	FC Improvement Bonds 2007 Debt Service	3,080,978	9,108,038	4,384,000	9,269,672.02
4200	FC Contract Tax Refunding 2008A Debt Service	-	163,401,950	7,649,178	7,009,114.82
4210	FC Contract Tax Refunding 2008B Debt Service	-	319,036,615	161,856,168	-
4300	FC Contract Tax Refunding 2008C Debt Service	-	157,395,775	899,961	11,535,072.29
4310	FC Contract Tax Refunding 2008C Cost of Issuance	-	540,490	391,231	115,527.03
Flood Control Debt Service & Reserve Funds		\$ 41,286,122	\$ 1,007,627,111	\$ 508,149,748	\$ 54,646,007.96

HARRIS COUNTY SPECIAL REVENUE FUNDS

2100	Deed Restriction Enforcement	\$ -	\$ 6,011	\$ -	\$ 6,066.48
2120	TIRZ-Non Interest	-	760,201	-	760,200.77
2130	TIRZ-Interest Bearing	(12,646)	549,974	-	597,167.15
2210	Child Support Enforcement	1,219,624	2,057,017	1,237,080	1,533,830.89
2220	Family Protection DC	373,126	384,298	283,151	363,819.19
2230	Restricted Fund	1,308,275	5,867,074	1,073,298	3,921,231.23
2240	Restricted Fund - General	172,566	97,686	55,925	53,025.80
2250	CPS - Special Revenue Contracts	670,683	2,456,358	1,512,531	943,726.22
2260	Utility Bill Assistance Program	-	1,178,137	761,119	272,259.31
2290	Probate Court Support	-	327,652	-	580,184.12
2300	Appellate Judicial System Fund	546,817	631,978	552,204	640,054.97
2340	Courthouse Security Justice Court	-	531,217	-	682,872.19
2360	Records Management and Preservation	4,313,257	22,168,024	6,416,774	19,904,091.28
2380	Justice Court Technology Fund	165,079	1,421,132	6,654	2,095,775.23
2390	Child Abuse Prevention Fund	-	12,978	-	17,544.53
2410	Juvenile Case Manager Fee	-	1,190,406	57,687	2,194,960.59
2420	Tax Office - Chapter 19	453,524	776,031	776,031	800,000.00
2430	Star Drug Court Court Program	-	-	82,651	547,200.00
2450	Storm Water Management	2,825,255	3,444,813	2,408,208	1,481,533.87
2480	Hester House Operating Costs	-	80,000	-	81,120.00
2490	Hester House Construction	-	4,000,000	-	4,054,684.00
2500	San Jacinto Wetlands	-	51,203	400	51,809.58
2510	TCEQ Pollution Control Fund	204,163	974,781	172,152	779,646.51
2550	Election Fund	487,951	1,032,640	384,527	685,013.17
2670	Criminal Courts Audio-Visual Equipment	-	-	-	2,076,815.51
2700	Dispute Resolutions Fund	949,302	1,578,197	838,904	1,529,952.19
2710	Hurricane Ike	-	61,937,500	28,588,909	38,321,978.64
2750	LEOSE Law Enforcement	323,552	910,077	405,796	841,317.08
2760	Hotel Occupancy Tax Revenue	17,034,427	26,717,623	17,053,812	28,584,004.72
2770	Library Donation Fund	243,073	621,161	247,252	515,014.18
2800	Law Library	1,306,771	2,278,150	1,335,474	2,031,736.24
Harris County Special Revenue Funds		\$ 32,584,799	\$ 144,042,319	\$ 64,250,539	\$ 116,948,635.64

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY INTERNAL SERVICE FUNDS	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Estimated Expenditures	FY 2009-10 Appropriations Budget
5490 Workers' Compensation	\$ 6,252,839	\$ 26,916,764	\$ 11,071,778	\$ 44,722,122.95
5500 Fleet Services	25,296,313	37,374,902	27,053,455	36,088,490.51
5520 Radio Operations	5,279,432	5,510,235	5,503,359	5,632,073.43
5540 Inmate Industries	299,260	1,078,280	264,952	2,554,003.97
5550 Risk Management	4,963,065	5,597,099	5,294,970	5,954,202.88
Harris County Internal Service Funds	\$ 42,090,909	\$ 76,477,280	\$ 49,188,514	\$ 94,950,893.74

HARRIS COUNTY ENTERPRISE FUNDS				
5020 Subscriber Access	\$ 114,773	\$ 982,138	\$ 123,439	\$ 1,221,432.83
5040 Parking Facilities	484,153	2,484,207	463,497	2,190,352.00
Harris County Enterprise Funds	\$ 598,926	\$ 3,466,345	\$ 586,936	\$ 3,411,784.83

HARRIS COUNTY TOLL ROAD AUTHORITY OPERATIONS

Transfers-Out

5730 TRA Revenue Collections	\$ 42,204	\$ -	\$ 24,264	\$ -
5730 TRA Revenue Collections - Transfers Out	378,949,476	939,277,084	448,906,980	970,758,951.29
5770 TRA Renewal/Replacement - Transfers Out	-	154,035,872	-	116,245,215.62
TRA Revenues	\$ 378,991,680	\$ 1,093,312,956	\$ 448,931,244	\$ 1,087,004,166.91

Expenditures

5720 TRA Office Building	\$ 963,644	\$ 2,758,866	\$ 735,525	\$ 8,974,022.53
5740 TRA Operations & Maintenance	79,912,755	137,533,005	104,214,444	128,936,462.00
TRA Operations & Maintenance	\$ 80,876,399	\$ 140,291,871	\$ 104,949,969	\$ 137,910,484.53
5710 TRA Construction	\$ 5,515,599	\$ 234,008,155	\$ 47,117,354	\$ 200,258,312.20
5160 TRA Ser 02 Tax/Rev Construction	3,882,058	24,760,327	10,176,833	14,611,378.40
5240 TRA 2006A Project Fund	50,005,000	25,767	25,767	-
5300 TRA 2008B Construction	-	213,709,686	-	212,355,330.08
5950 TRA Commercial Paper Ser E Construction	56,554,052	319,349,785	30,634,295	308,906,277.58
TRA Construction	\$ 115,956,709	\$ 791,853,720	\$ 87,954,249	\$ 736,131,298.26

HARRIS COUNTY TOLL ROAD AUTHORITY DEBT SERVICE

5120 TRA Ser 2002 Tax Refund Bond	\$ 2,632,994	\$ 5,003,534	\$ 2,587,590	\$ 7,286,362.80
5130 TRA Ser 2003 Tax Ref Debt Service	9,117,218	96,907,155	4,057,165	30,434,937.80
5140 TRA Ser 2002 Revenue Refunding B	13,504,207	31,398,314	11,099,738	33,283,645.63
5150 TRA Rev Ref Ser 2004A-Debt Service	8,274,557	16,978,414	8,169,807	12,459,699.33
5170 TRA Rev Ref Ser 2004A-Debt Service Reserve	3,436	12,705,790	1,399	13,004,054.30
5180 TRA Ref Series 2004B-Debt Service	25,629,415	68,821,061	24,801,119	66,412,355.45
5210 TRA Ser 2005A Debt Service	3,859,366	2,157,377	1,052,202	1,579,880.27
5220 TRA Ser 2005A Debt Service Reserve	589	14,765,580	882	15,099,557.36
5250 HCTRA - 2006A Debt Service	6,405,214	13,035,574	6,315,697	9,570,126.27
5260 TRA - 2006A Debt Service Reserve	5,475	10,910,235	513	11,158,458.40
5280 TRA - 2008B Sr Lien Revenue Debt Service	-	331,400,098	8,855,829	16,364,806.58
5290 TRA - 2008B Revenue Reserve	-	19,729,988	9,063	20,277,926.60
5320 TRA - 2007A Debt Service	9,383,773	30,948,247	13,035,329	22,150,045.29
5340 TRA - 2007B Debt Service	4,565,437	10,066,618	6,577,341	9,578,486.77
5370 HCTRA - 2007C Debt Service	8,909,198	35,054,931	16,481,007	24,958,179.93
5380 HCTRA Ref Bond 2008A Debt Service	-	79,727,801	503,405	3,217,381.54
5390 HCTRA Ref Bond 2008A Cost of Issuance	-	659,219	-	39,236.85
5570 Toll Road Capitalization	1,699,382	60,000,000	-	-
5600 TRA 1995A Tax Debt Service	2,145,613	6,591,548	2,610,798	19,216,054.88
5680 TRA Comm Paper Ser E Debt Service	1,364,518	232,194,694	706,491	862,300.99
5700 TRA 1994A Tax Debt Service	3,987,505	16,484,778	3,472,390	22,724,626.66
5880 TRA Tax Refunding Series 1991	1,121,550	17,957,999	(227,118)	18,509.11
5900 TRA Tax Ref 1992 A & B	1,377,994	13,343,481	472,192	29,517.78
5910 TRA 1997 Tax Ref Debt Service	5,204,215	11,951,402	1,952,959	5,720,483.48
5930 TRA 2001 Tax Refunding	9,464,384	17,073,819	9,417,060	44,807,075.54
5940 TRA 1997 Revenue Debt Service	1,051,040	1,630,330	-	-
Harris County Toll Road Authority - Debt Service Funds	\$ 119,707,080	\$ 1,157,497,987	\$ 121,952,858	\$ 390,253,709.61

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY CAPITAL PROJECT FUNDS - BUDGETED	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Estimated Expenditures	FY 2009-10 Appropriations Budget
3600 Road Capital Projects	\$ 16,207,069	\$ 52,645,086	\$ 8,082,270	\$ 44,323,367.32
3610 Metro Designated Projects	8,163,222	37,837,770	14,059,931	23,720,770.19
3670 Building/Park/Library Capital Project	2,145,424	4,026,021	1,390,801	2,263,404.20
Harris County Capital Project Funds - Budgeted	\$ 26,515,715	\$ 94,508,877	\$ 23,533,002	\$ 70,307,541.71

HARRIS COUNTY CAPITAL PROJECT FUNDS - ROLLOVER

3120 Metro Street Improvement Project	\$ 196,808	\$ 7,036,948	\$ 84,643	\$ 6,962,337.03
3500 Road 1975	4,425	592,347	-	575,646.59
3690 1982 Park Bond	-	345,958	-	336,232.46
3700 CO Series 2001 Construction	4,496,438	11,260,289	575	10,956,587.68
3710 P/I Series 2002 Construction	239	58,788	995	56,800.88
3730 Road Refunding 2004 B Construction	25,494,770	50,576,975	10,903,444	37,557,210.16
3740 Roads 2006B Construction	865,458	118,943,025	3,165,139	111,892,201.79
3830 1987 Road Series 1993	15,050	86,276	1,870	82,973.63
3850 87 PIB 1994 Capital Project	41,000	485,420	4,250	475,959.55
3860 Road & Refunding Series 1996	1,202,435	572,775	118,655	454,295.15
3890 CO Series 1994 Certificate Obligation	1,341,453	4,094,812	125,224	3,913,528.53
3910 Comm Paper Ser D-1	-	767,919	-	1,679.07
3920 Comm Paper Ser D	-	-	-	-
3930 Comm Paper Ser B P/I	19,225,109	54,931,810	10,656,122	44,222,622.34
3940 Comm Paper Ser C - Road & Bridge	71,796,798	168,993,820	50,400,047	118,475,380.13
3960 Comm Paper Ser A-1	12,741,903	96,756,953	8,121,326	88,610,702.06
3980 Comm Paper Ser D/02	19,240,437	189,135,637	6,283,906	182,719,397.62
Harris County Capital Project Funds - Rollover	\$ 156,662,323	\$ 704,639,752	\$ 89,866,196	\$ 607,293,554.67

HARRIS COUNTY SEIZED ASSET FUNDS - MEMO ONLY **

2310 County Attorney Admin Toll Rd Fund	\$ 331,049	\$ 1,197,551	\$ 449,212	\$ 1,422,268.43
2320 DA Special Investigation Fund	-	11,535,567	3,647,316	8,087,743.81
2330 DA HOT Check Depository Fund	65,545	6,407,310	1,229,500	5,297,257.24
2560 District Attorney Seized Assets-Treasury	-	8,733	-	8,708.22
2570 District Attorney Seized Assets-Justice	6,337	86,079	-	85,299.88
2580 Constable Seized Assets-Treasury	-	40,928	-	40,811.08
2590 Constable Seized Assets-Justice	8,092	139,496	-	141,841.00
2600 Sheriff Seized Assets-Treasury	1,798,822	4,846,035	2,668,665	2,752,580.82
2610 Sheriff Seized Assets-Justice	86,041	3,120,286	1,890,453	1,764,567.66
2620 Sheriff Seized Assets-State	468,501	4,549,367	1,413,383	3,645,126.35
2630 District Attorney Seized Assets-State	2,894,133	12,613,114	8,186,361	6,543,884.55
2640 Constable Seized Assets-State	47,731	571,473	22,011	617,351.60
2650 Seized Assets-Commissioners Court	-	2,262,249	191,836	2,280,730.78
2660 Seized Assets-Fire Marshal	-	16,724	-	16,991.01
Harris County Seized Assets Funds	\$ 5,706,251	\$ 47,394,912	\$ 19,698,737	\$ 32,705,162.43

** This is presented for information purposes only. Harris County Commissioners Court, by statute, does not have budgetary authority over these funds.

HARRIS COUNTY TRUST AND OTHER FUNDS

5060 Commissary (Memo Only)	\$ 3,969,349	\$ 9,498,932	\$ 3,847,889	\$ 9,457,388.21
2370 Donation Fund	208,943	3,588,900	393,985	3,241,499.41
6460 Insurance Trust Fund	171,615,106	200,120,556	168,734,807	216,635,793.15
Harris County Trust and Other Funds	\$ 175,793,398	\$ 213,208,388	\$ 172,976,681	\$ 229,334,680.77

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY GRANT FUNDS - ROLLOVER		FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Estimated Expenditures	FY 2009-10 Appropriations Budget
7007	Title IV-E Adoption Incentive	\$ 1,435,474	\$ 2,646,914	\$ 1,281,711	\$ 1,096,630.18
7012	Title IV-D ICSS (Integrated Child Support System)	991,030	1,464,632	729,640	734,991.61
7014	Star-Success Thru Addiction Recovery	158,884	-	-	-
7016	Urban Area Sec Initiative II	5,878,212	26,317,329	4,692,285	21,598,052.70
7017	Congestion/Air Quality Improvement	86,444	198,916	89,588	251,966.73
7019	Star-Success Thru Addiction Recovery	112,528	140,005	36,647	103,324.00
7020	Support Housing	391,574	529,795	264,979	56,875.48
7021	C.O.P.S. Technology	-	1,502,525	1,124,981	377,543.75
7022	Coastal/Estuarine Land Conservation	-	327,546	-	327,546.00
7023	IV-E Child Welfare Services	1,117,058	2,384,035	665,953	1,014,630.26
7024	Pal Transition Center	389,730	326,311	260,706	64,177.43
7026	North Amer Wetlands Conservation	5,225	12,490	7,375	-
7027	Bank Park TPWD	286,978	292,503	255,058	37,444.86
7028	Abducted/Missing Persons Unit	112,781	13,876	15,235	-
7029	Challenger Seven Memorial	22,133	4,042	4,042	-
7031	Flood Control FEMA - PDMC	2,074,395	20,067,710	6,854,373	13,213,336.23
7032	HGAC-Worksource Svcs Katrina	-	-	-	-
7034	Economic Development Initiative	134,166	247,259	759	246,500.00
7035	Court Doc-Preservation Restoration	23,375	57,625	57,625	-
7036	Houston Katrina/Rita Fund	-	-	-	-
7037	Buffer Zone Protection	71,454	3,474,106	2,223,954	1,250,151.71
7038	Juvenile Protection Records	45,807	-	-	-
7041	HC Stay in School Program	127,648	150,849	75,530	75,319.31
7042	Humanities Texas	2,675	-	-	-
7043	HC Youth Mental health	55,295	59,867	40,529	19,337.68
7044	HGAC Solid Waste	16,874	54,938	-	54,938.00
7045	Adult Violent Death Review Team	10,326	-	-	-
7046	HGAC Rides	460,554	-	-	-
7047	West Nile Surveillance	104,015	-	-	-
7048	Built Environment Grant	2,251	7,749	7,653	-
7049	Houston-Harris County Immunization	51,908	238,325	116,281	125,487.01
7052	Minority Aids Quality Management	793,616	2,444,132	1,589,099	855,033.70
7053	The Employee Project	178,393	691,608	376,199	315,869.64
7054	FTA Sec 5307 Urban Form	18,660	3,706,673	567,983	3,147,585.53
7055	Unincorp Area Revitalization	-	316,044	-	243,746.00
7056	Other Victim Assistance	20,713	79,287	52,716	26,091.06
7057	STEP - Comprehensive	44,676	195,169	10,473	184,695.68
7058	Medico-Legal Death Conference	-	77,123	-	77,123.00
7062	New Freedom Funds- RID	-	575,353	85,215	491,551.68
7065	Pct 2-Unincorp Area Revitatzation	30,010	-	-	-
7066	Click It or Ticket	-	29,955	14,166	-
7067	Public Safety Interoper	-	4,086,120	-	4,086,120.00
7068	Dixie Farm Road - TPWD	-	120,000	-	120,000.00
7071	Workforce Solutions 08	-	200,000	1,307	198,693.40
7072	Victims of Crime Act	-	83,405	25,757	57,647.71
7073	Flood Control Srl Grant	-	17,550,030	6,423,681	11,126,348.75
7074	Forensic DNA Unit Effic	-	672,000	-	372,000.00
7075	TX Historic Crthouse Preservation	136,872	75,000	-	-
7076	High Tech Crime Investigation	-	99,238	39,333	59,905.27
7083	FEMA/HUD Disaster Recovery	130,543	1,390,030	734,376	655,653.78
7084	TDHCA TX Plan/Disaster	63,511	20,936,489	2,835,090	18,102,867.13
7086	PHES Lead-Bas Paint Hazard	8,267	2,207,441	408,096	1,800,255.64
7087	Spring Creek Greenway Plaza	-	1,000,000	296,204	703,796.50
7088	Intensive Super. Juv. Sex Offend	15,000	40,167	28,696	9,863.00
7089	HC Rescue Mentoring Program	5,676	179,097	66,472	57,216.96
7091	Court Order Parent Education	660	41,140	13,010	28,129.91
7092	Clean Cities Coordinator	-	-	-	-
7093	Hurricane Dean	-	13,761	13,761	-
7094	Hurricane IKE	-	37,176,408	34,120,611	3,802,791.86
7096	Social Sci. Research Infor.	-	5,120	-	5,120.00
7097	Care Grant	-	100,000	4,091	95,909.14
7098	Digital Asset Mgmt	-	2,124,077	-	2,124,077.00
7101	Proj Safe Neighborhd Tx	-	50,000	9,075	40,924.68
7102	Gulf Coast IKE Relief	-	30,000	21,233	10,540.00
7107	Citizen Corps	63,841	90,255	42,287	47,968.06

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY GRANT FUNDS - ROLLOVER (con't)	FY 2007-08 Expenditures	FY 2008-09 Adjusted Budget	FY 2008-09 Estimated Expenditures	FY 2009-10 Appropriations Budget
7109 TX Disaster Relief Fund Grant	\$ (45,256)	\$ -	\$ -	\$ -
7115 Allstate Foundation Grant	58,006	88,172	15,191	72,980.26
7119 HMGP/Fema DR-1606	4,274,344	10,234,145	6,774,343	3,459,802.61
7125 Non-Emergency Transport Svcs	336,755	-	-	-
7126 2008 Solving Cold Cases	-	506,527	-	506,528.00
7130 Emergency Shelter Grant	684,865	660,093	379,758	280,335.46
7135 ESG From Child Care Cou	-	106,449	-	106,449.00
7136 Halls Bayou Greenway	2,597,223	909,970	909,970	-
7140 Home Program	2,785,763	11,753,558	2,843,259	8,912,994.19
7151 Reliant Energy Care Program	1,449,643	55,661	6,967	41,300.40
7155 HMGP/Fema 1606-DR	35,000	221,000	840	-
7165 Private Programs	875,946	190,116	190,116	-
7168 Public Housing Safety Initiative	79,917	11,127	11,095	-
7169 Big Read	38,870	20,000	3,630	20,000.00
7175 Mobility Transportation	6,880	23,749	-	-
7185 Centerpoint Energy Care Program	70,978	200,046	57,055	142,991.49
7195 Truancy Intervention Program	107,320	133,302	40,297	74,113.81
7196 School Resource Officer	13,997	125,003	70,729	45,979.34
7200 Shelter Plus Care	2,312,794	8,403,632	2,305,064	5,088,146.46
7215 Human Trafficking Rescue	172,061	891,221	457,230	438,433.24
7222 TCEQ-Low Income Vehicle Repair	2,508,377	28,591,129	14,459,322	14,131,807.13
7235 2006 OJP Hurricane Relief Project	93,492	177,784	23,926	153,857.46
7262 Help America Vote Act	-	-	-	982.77
7275 Stand Alone Drug Testing	71,735	100,622	61,161	39,460.56
7280 Phase XV-Utility Assistance	608,022	501,902	493,616	7,561.72
7282 HMGP-Haz Mitigation Grant Program	-	3,498	3,498	-
7283 FEMA-Allison Hazard Mitigation	-	128,206	(413,887)	542,093.36
7289 Emergency Mgmt Performance	437,658	488,426	488,426	-
7292 FEMA Flood Mitigation Assistance	1,269,228	5,380,668	3,494,570	831,404.31
7293 Flood Control FEMA 1439	(1,604)	1,213,314	(675)	1,213,989.37
7294 Hurricane Katrina 2005	6,012	4,045,140	1,411,445	-
7295 Hurricane Rita 2005	-	3,747,188	3,598,809	19,242.75
7296 HC Alliance-Children & Families	1,652,812	4,109,386	2,283,208	1,340,831.36
7297 Flood Control FMA Grant	-	1,492,100	300,744	1,191,355.64
7375 CRI-Cities Readiness Initiative	1,402,453	1,222,166	466,272	537,881.41
7376 STEP Impd Driving Mobilization	-	-	-	72,297.54
7416 Elderly/Disabled Transportation	623,428	989,109	953,425	35,683.97
7423 Target Stores Community Giving	5,003	-	-	-
7424 Strake Foundation Summer Reading	-	5,000	5,000	-
7428 Simmons Foundation	2,500	-	-	-
7431 Aquatics Center	525,000	-	-	-
7446 HALS-Houston Area Library System	104,200	-	-	-
7448 Reading is Fundamental, Inc	6,336	7,788	-	7,788.00
7453 HALS-Staff Development	6,000	4,186	-	-
7456 BMP Effect Pollutant Reduction	90,067	-	-	-
7459 STEP Impd Driving Mobilization	-	79,697	12,467	67,229.86
7462 Project Safe Neighborhood	-	88,565	-	44,565.00
7464 Project Safe Neighborhood Texas Southern Dist	-	-	-	35,000.00
7472 Project Safe Neighborhood Gun Violence	-	-	-	9,000.00
7635 Ensuring Access, Encouraging Support	6,598	-	-	-
7660 HUD Comm Develop Block Grant	11,602,632	22,951,276	12,194,489	10,790,226.78
7697 Sex Offenders Monitor & Compliance	116,324	7,554	7,652	-
7707 Project Safe Neighborhoods	23,124	88,042	35,299	52,743.01
7708 Project Safe Neighbor - Graffiti	-	40,750	8,594	32,156.34
7709 MDL Asbestos Court-HC	-	68,600	-	68,600.00
7724 Ward Mentor Program	38,826	297,411	71,472	225,938.78
7749 Task Force-Underage Drinking	3,434	-	-	-
7980 Juvenile Accountability Incentive Block	309,678	457,285	281,192	177,527.01
8002 Burning Crow	-	217,000	217,000	-
8008 HIDTA Law Enforcement	1,230,705	3,111,761	1,659,229	1,537,378.67
8020 Tuberculosis Prevention and Control	570,693	883,280	624,582	254,180.21
8030 Office of Regional Program	221,223	362,980	263,345	99,635.51
8034 Port Security Grant	-	-	-	69,081,439.63
8040 Run Away & Youth Family	26,998	117,125	36,163	-
8045 STAR Program	271,466	702,775	267,959	434,816.33

**HARRIS COUNTY, TEXAS
FISCAL YEAR 2009-10
FUNDS APPROPRIATIONS**

HARRIS COUNTY GRANT FUNDS - ROLLOVER (con't)	FY 2007-08	FY 2008-09	FY 2008-09	FY 2009-10
	Expenditures	Adjusted Budget	Estimated Expenditures	Appropriations Budget
8050 Maternal and Child Health	\$ 1,096,309	\$ 1,458,207	\$ 1,048,972	\$ 378,337.35
8060 Refugee Health Screening	1,124,866	2,064,267	996,586	977,321.65
8065 Texas Tobacco Prevention Pilot	331,826	34,201	-	-
8066 Texas Book Festival Grant	1,410	4,960	4,947	-
8070 Immunization Action Plan	986,549	1,146,121	854,634	252,998.00
8090 Tuberculosis Elimination Division	99,950	196,508	108,881	87,627.31
8100 Tuberculosis PC (Prevention & Elimination)	44,809	84,996	47,812	37,183.53
8110 Family Planning	1,738,164	2,758,784	1,619,585	2,726,571.87
8125 HRSA-Special Projects	285,999	542,102	262,454	279,647.35
8130 State Legalization Impact	5,152	848,667	2,530	846,136.76
8140 HIV Prevention	237,074	441,900	236,147	205,753.84
8145 St. Louis Encephalitis-UTMB	239,523	293,308	235,612	57,796.50
8150 HIV PCPE/HERR	103,446	314,019	127,269	186,772.65
8160 Maternal and Child Health PTB	339,454	446,343	180,395	179,537.26
8165 Bioterrorism	2,633,740	2,429,821	1,681,763	540,919.10
8175 IDCU/Flu Interest Based	-	14,000	-	14,000.00
8180 TDH Vaccine	4,269,978	-	-	-
8200 Ryan White Title 1	18,575,477	21,162,680	16,814,398	4,136,174.13
8215 Infectious Disease-West Nile	96,470	247,946	123,550	122,701.18
8270 TX Automated Victim Notification	123,449	123,449	123,449	-
8285 Lone Star Libraries Program	178,768	428,881	248,105	181,661.80
8320 WIC Supplemental Feeding	7,287,486	13,345,287	8,247,563	5,182,421.70
8410 Residential Substance Abuse	283,347	344,548	235,924	108,624.31
8455 TX Council for Humanities	488	-	-	-
8480 Local Law Enforcement Block Grant	(1,334)	-	-	-
8487 Preparation for Adult Living (PAL)	1,268,096	2,557,132	1,223,449	1,320,444.85
8488 Community Youth Development	888,307	1,796,848	951,726	829,569.88
8515 Early Medical Intervention	90,771	155,529	100,056	54,013.26
8520 Domestic Violence Unit	68,606	103,624	66,464	37,159.74
8525 Domestic Prepare Equip Support	1,062,711	74,264,792	3,097,797	2,074,179.89
8540 Major Drug Squad	4,447	6,454	-	6,453.81
8585 COPS UHP	6,634	-	-	-
8605 Bulletproof Vest Partnership	430,236	713,496	274,890	438,605.99
8610 Truck, Air, Rail and Port	44,905	2,094	-	2,093.67
8615 HIDTA-Gang Squad	5,010	-	-	-
8620 Money Laundering Initiative	221,633	77,906	71,679	6,227.16
8640 Houston Intelligence Support Center	104,133	-	-	-
8676 HCME Coverdell Improvement Program	147,203	500,270	372,729	142,308.07
8685 Tobacco Compliance-Public Account	12,811	21,896	4,286	11,293.26
8705 Crime Victim Assistance	82,446	152,652	101,373	51,279.12
8707 Victim Assistance Coordinator	55,052	104,297	61,832	42,464.98
8710 Auto Theft Prevention	1,267,910	1,534,101	1,479,302	63,085.55
8711 Protective Order Prosecutor	113,734	212,218	124,950	87,267.91
8715 Justice Assistance Grant	255,881	4,482,726	2,173,770	2,299,625.11
8730 Solid Waste Implementation Program	96,004	572,400	18,296	554,104.20
8731 HGAC Solid Waste	128,192	6,315	4,313	2,002.27
8760 Caseworker Intervention Expansion	143,114	283,382	163,509	119,872.64
8766 Felony Family Violence	59,235	142,885	60,913	81,971.46
8768 STAR-State Drug Court	147,112	150,879	72,812	78,067.70
8775 DNA Enhancement Project	416,992	33,943	33,854	-
8778 DNA Backlog Reduction Program	502,394	1,857,399	635,123	1,222,276.48
8779 Forensic Lab Improvement Program	259	-	-	-
8825 G.R.E.A.T. Program	457,461	697,487	480,248	156,621.11
8865 D.W.I. Step	228,669	137,272	98,854	-
8880 National Maximum Speed Limit (STEP)	60,614	255,085	38,646	216,438.60
8888 HC Hospital Foundation - Dental	15,008	13,094	13,094	-
8895 Safe and Sober STEP	234,225	684,654	135,669	359,741.94
8897 Commercial Vehicle Safety	63,830	67,027	49,010	-
8905 HCHFC-MAP Plus/ESG Match Grant	363,626	1,436,874	350,286	1,086,588.00
8910 Motor Assistance Program (MAP)	1,173,398	1,126,924	795,674	331,250.00
8931 JDAI	5,764	251,288	59,442	138,336.96
8960 Violence Against Women	92,983	187,727	73,917	113,809.78
8980 Runaway Investigative	57,701	3,539	4,046	-
Harris County Grant Funds - Rollover	\$ 105,826,265	\$ 416,445,153	\$ 170,350,267	\$ 240,151,846.44

March 6, 2009

Policy Issues

The following items are presented for consideration March 10, 2009 as part of the proposed FY 2009-10 budget. The items result from hearings January 14-16, 2009 and February 24, 2009 and are in accord with court direction for public hearing and budget adoption on March 10, 2009.

1. Financial Policies

- a. Expenditures are to be budgeted and controlled so that at the end of the fiscal year the minimum undesignated fund balance for operating funds will be no less than 15% of fiscal year expenditures.
- b. Full disclosure and open lines of communication will be provided for rating agencies. A goal is sustaining the county's AAA (Standard & Poor's) and AA+ (Moody's & Fitch) debt ratings with a stable outlook. Decisions on financial matters are to consider this goal.
- c. Tax anticipation notes for annual cash flow purposes will be issued for the general operating fund. A recommended order will be presented to the court as an agenda item.
- d. Ad valorem tax requirements for operations and debt service are to be analyzed in conjunction with projections of taxable values by the Appraisal District. A recommended tax rate schedule will be presented to the court in September. Funding plans will be considered for Harris County, Harris County Flood Control District, Port of Houston Authority, and the Harris County Hospital District.
- e. The court will consider capital improvement plans and financing requirements at a review session to be held at 9 a.m. Tuesday, June 23, 2009.
- f. Mid-Year Review will be held at 9 a.m. Tuesday, September 29, 2009.

2. Economic Environment

A report on the current economic environment prepared by the E-Business Results Team is enclosed for your review and consideration. Recent developments in the financial and credit markets nationally, along with significant fluctuations in energy prices, have created a degree of uncertainty that could affect Harris County government and its financial condition. In light of the economic uncertainty, it is important to proceed with the budget and capital planning process with caution.

It is recommended that any discretionary increases in spending be delayed until at least Mid-Year Review. Departmental budgets have been adjusted to balance to the final revenue estimate submitted by the Auditor.

3. **Salaries, Allowances and Positions**

- a. **Cost of Living** The question of whether the court should grant a cost-of-living salary adjustment during FY 2009-10 should be delayed for discussion until Mid-Year Review in September. The annual cost of such an adjustment, if granted, would be \$27 million. The court approved 3% increases in each of the last three fiscal years.
- b. **Allowances** It is recommended that allowances for FY 2009-10 be as follows: 55¢ per mile reimbursement for use of a personal vehicle on county business, subject to a maximum of \$675 per month; maximum monthly car allowances of \$575 for law enforcement officers, and, subject to court approval, \$550 per month for elected officials and appointed department heads, and \$420 per month for other non-law enforcement personnel. These amounts will be reviewed for any necessary changes that should be considered at the Mid-Year Review in September.

The maximum cellular phone allowance, not to exceed \$50 per month, for authorized staff should not be changed at this time.

- c. **Positions and Salaries** It is recommended that requests for new positions be deferred at this time subject to further review. Departments in the general fund have requested 583 new positions. It is recommended that Management Services prepare an analysis of positions in each department including the aging and funding status of open positions. Salary changes and reclassification requests, including those for part-time and temporary positions, will be included in the departmental analyses for the court's consideration. A list of existing part-time and temporary positions without changes is provided for approval as part of the FY 2009-10 budget.

The average annual salary of a full-time position in the county is \$56,763 plus benefits of \$20,796. The total annual requirement for salaries and allowances in the general fund for 13,261 full-time equivalent positions is \$753 million plus \$276 million in benefits, the total of which is about 73% of general operating costs.

- d. **Group Health and Related Benefits** A status report by the director of Human Resources & Risk Management is enclosed for your review and reference. The total annual cost for employees, retirees, and dependents is projected to be \$187 million, an increase of \$4.4 million. The county's portion of the cost will be \$148 million, or 79% of the total. Fluctuations in enrollment growth (employees, retirees, and dependents) and payroll would change these estimates.

The county's policy for basic coverage remains unchanged, with 100% of the cost for the employee and qualified retiree paid by the county plus 50% of the cost for dependents. A second option allows the employee or retiree to pay a higher premium for another level of benefits.

Effective March 1, 2009, as approved by the court, the medical provider, Aetna, Inc., began the first year of a new seven-year agreement.

Staff of the Office of Human Resources & Risk Management and the Office of Financial Services are reviewing with the Auditor and County Attorney requirements of the Government Accounting Standards Board to determine appropriate alternatives for financial statements regarding the expense of county-paid retiree health care benefits. An actuarial study is updated periodically to provide information on this funding obligation.

The contribution by the county to the Texas County & District Retirement System in 2009 is estimated at \$86.4 million, or 9.74% of covered payroll. Employee contributions of 7% are estimated at \$62 million. Starting in January 2010 and for the last two months of the 2009-10 fiscal year, the cost is expected to increase to approximately 11.24% of covered payroll based on a preliminary projection by TCDRS.

- e. **Cost of Support Services** It is recommended that the indirect cost for support services provided by the county be assessed as applicable to all non-General Fund operations each year consistent with the most current Cost Allocation Plan (CAP). Management Services will continue to review the amounts assessed with the appropriate departments and will provide reports to the court.
- f. **Technology** Management Services will work with IT staff and other officials to restructure the 2010 Committee that provides for development of technology solutions for county-wide needs.

4. **Departments**

Budget amounts for departments have been prepared and are provided in this book, balanced to the Auditor's Final Revenue Estimate. There will be recommendations for certain items to be placed on the regular court agenda or Mid-Year Review after further departmental analyses and consideration of available funding and economic conditions. The following are summaries of requests and issues from departments.

Public Infrastructure In the aftermath of Hurricane Ike, a number of departments requested consideration for adding generators to their facilities. Recommendations for adding generators will be brought to court through the regular agenda process depending on available resources and/or will be considered during the CIP session in June.

A summary of the planning and funding resources for building projects will be prepared for the court's consideration.

A number of departments mentioned building security issues at courthouse and annex locations. Recommendations for changes in security provisions will be brought to court subject to available funding.

In March 2008, court approved the FY 2008-09 budget which, based on the Auditor's Revenue Estimate, included the \$120 million Toll Road transfer as part of the General Fund and the funds were budgeted for the Precincts for use in accordance with the Texas Transportation Code § 284.0031, subject to annual review by the PID Director and Commissioners.

Voters approved a bond election in 2007 which includes an \$835 million road construction program to be funded by a combination of bonds, toll road transfers, and Metro and other funds over the next 5-7 fiscal years. Each Commissioner, working with the Director of the Public Infrastructure Department, determines annual updates to the priority list and timetables for completing road construction and improvement projects and providing for open mobility for ultimate access to the toll road system. The Commissioners and PID Director, with the assistance of Management Services, will develop allocation policies, formulas, and long-range plans for the funding transfers and related expenses for construction and mobility improvement projects.

To accommodate a request from the County Auditor for the FY 2009-10 budget, the Toll Road funding transfer and related expenses has been changed from the General operating fund to a new Mobility Fund that will be part of the General Fund Group.

- **Toll Road Authority** The authority has requested an increase in the number of constable deputy positions and related vehicles dedicated for toll road patrol from 90 to 107 officers, subject to reimbursement to the county. This request may be brought back for consideration as a court agenda item or at Mid-Year Review.
- **Flood Control** The district has requested seven new positions to be responsible for the flood ALERT system. Responsibility for maintaining the system of flood gauges and related equipment is currently housed at the Office of Homeland Security & Emergency Management. This request may be brought back for consideration as a court agenda item.

Continued funding plans for the district's five-year capital program beginning with the next fiscal year will be submitted for consideration in June at the CIP hearing.

Information Technology A concern about the ongoing status of the IT Radio Shop at 2500 Texas will be addressed by the Facilities & Property Management division of PID with recommendations returned for the CIP session in June.

The fees charged to jurisdictions for use of the radio system have remained static and will be reviewed for any changes that may be necessary. Any changes in the fees charged will be brought to court for consideration.

Public Health & Environmental Services A request for eight new positions and reclassification of 84 positions has been submitted and will be reviewed.

Health Care Alliance The director of the Harris County Health Care Alliance, which is chaired by the director of Public Health & Environmental Services, requested a job reclassification and a new position. Expenses incurred by the county for the Alliance, except for staff office space, are reimbursed by the Alliance Board from fees contributed by the various organizations that are involved. This request will be reviewed.

Library The new replacement Kingwood branch library is scheduled to open in FY 2009-10. Plans for relocating or replacing the Seabrook branch damaged by Hurricane Ike will be included in the capital improvements session along with any other new or replacement library facilities. An analysis will be made of funding for requested equipment and materials. The department operates 26 branches, including the existing Kingwood branch.

Youth & Family Services Salary changes, positions, and other requests will be reviewed for Mid-Year for these six departments: **Domestic Relations, MHMRA, AgriLife Extension, Juvenile Probation, Protective Services for Children & Adults, and Children's Assessment Center.**

- **Juvenile Probation** The department reopened its operations at Westside Detention in 2008 providing 45 additional beds to absorb certain youth from the downtown detention facility. Referrals are down by 10% from fiscal 2008 to fiscal 2009. The department requested 29 new positions and eight reclassifications. In addition, the Juvenile Board has requested \$25,000 to employ a lobbyist for the department.

Facilities & Property Management will conduct an evaluation of options for disposing of the juvenile facility on West Dallas.

The Annie Casey Foundation project has been a catalyst for a number of policy and position changes in the juvenile detention area, according to the director of Juvenile Probation. This work will continue to help develop alternatives to detention for at-risk youth in the county.

- **MHMRA** The director has requested consideration for alternatives to incarceration for a group of high-risk mentally ill patients on medication who end up in the county jail on a continuing basis. They also requested consideration of enhancing the civil commitment laws involving people with mental illness, increased funding for TRIAD, and 16-bed treatment centers to further enhance the system of mental health options for processing and care of juveniles.

Constables The constables have requested 70 new peace officer and 13 clerical positions in addition to the 17 positions requested by the Toll Road Authority mentioned previously in this report. The budget request includes 20 proposed new positions for Constable, Precinct 1 for downtown courthouse security. These requests will be reviewed.

Sheriff The study of the county's overall patrol operations including contract patrol programs for the Sheriff's Office and the Constables is ongoing and includes working with the new Sheriff's administration. Any recommendations for adjustments for operations will be brought to court for consideration on a regular agenda or at Mid-Year Review.

The Sheriff's department has requested 311 new positions for various divisions along with 58 salary changes and reclassifications. The Sheriff is planning an aggressive recruiting program to increase the number of detention and patrol officers. The current staff is working a significant amount of overtime and if staff levels could be enhanced, particularly in the jail, the savings from reduced overtime could help offset the cost of added personnel.

Staffing in the jail remains below target levels despite approval and hiring of 180 detention officer (DO) positions during the past two years. The continued shortage of DOs was the primary cause of overtime expenditures continuing to increase throughout last year. For FY 2008-09, overtime expenditures were projected to be \$35 million while the most recent pay periods have experienced a rate that would require \$37 million per year. Newly implemented recruiting policies have increased the number of viable candidates for DO positions. In January 2009 Commissioners Court approved 20 additional DO positions plus another 40 DO positions pending identification of a funding source. Reducing detention overtime is a priority of the Sheriff for FY 2009-10 and, barring a large decrease in the jail population, this will require hiring and/or re-assigning more officers to work in the jails. To the extent that additional jail positions are needed, including the 40 DO positions that are already approved pending funding, these positions should be funded from dollar-for-dollar reductions in detention overtime costs. Management Services will assist the Sheriff's Office in achieving this goal by providing periodic reports of overtime expenditures and assisting in evaluation of personnel-scheduling software and analysis of recruiting operations and processes.

The jail system remains under variances from the Texas Jail Commission. The department has space in Louisiana for up to 1,730 prisoners by contract and 950 are currently in this program. Efforts to develop alternatives to jail for minor offenses and mental health issues are receiving attention and study for ways to address jail overcrowding.

Fire Marshal The Fire Marshal has requested 22 new positions to address the need to keep up with growth of population in unincorporated areas of the county and to meet and maintain manpower standards. This request will be reviewed.

Medical Examiner The Medical Examiner has requested 39 new positions and four reclassifications to be phased in during the fiscal year. The development of the crime lab and forensic activities conducted by the ME's Office and continued maintenance of national certifications provide a reliable source of scientific information for county law enforcement and the criminal justice system.

Management Services is reviewing a proposal for outsourcing employment drug testing currently done by the Medical Examiner's Office and will bring any proposed changes to a regular court agenda or Mid-Year Review. Another review will be done concerning fees charged for autopsy and related services for other counties.

County and District Clerks The County Clerk is asking for seven new positions in the Elections Division and for nine positions to be reclassified. This request will be reviewed.

The District Clerk has requested \$178,000 for enhancing clerk salaries and \$2.5 million for continuation of the digital imaging project. These requests will be reviewed.

County and District Attorneys The County Attorney is asking for seven reclassifications and six new positions. This request will be reviewed.

The District Attorney is seeking 17 new positions and reclassification of eight positions. She has emphasized the need for a Victim's Rights Bureau and support for the Casey Foundation alternatives for juvenile cases, improvements in processing mental health cases, and use of new animal cruelty prevention initiatives. This request will be reviewed.

Community Supervision & Corrections CSCD is asking for security enhancements at regional centers and expansion or relocation of facilities, both of which will be addressed in the CIP session in June.

Pretrial Services Pretrial is requesting new software and consulting arrangements to improve the necessary forms for processing defendant information. Management Services will review the needs of this department with court management staff.

Justices of the Peace The JPs have asked for document management systems or imaging solutions to reduce file handling time and expense and more efficiently serve their customers. They also asked for an interpreter fee adjustment for their employees, and emphasized the need for improvements in annex and court security and upgrading and expansion of facilities and new furniture. The JPs asked for 22 new positions for caseloads. These requests will be reviewed.

The Office of Legislative Relations should keep Commissioners Court advised about any expansion of jurisdiction for the JPs by the Legislature. Management Services will provide any cost analyses necessary.

Probate Courts The four probate judges have asked for continued equalization of budgets and positions, and they are requesting a 3% across the board increase in salaries for staff to be funded by a fee that is outside the general fund. Management Services will analyze the requests for recommendations.

County and District Courts Consideration for developing a Public Defenders Office for the county is ongoing and recommended reports will be given to the court.

The County Courts are requesting two new positions to handle administrative functions. This request will be reviewed. The District Courts are seeking replacement of jury box chairs from FPM, and a method for allocating drug court fees to the applicable courts. The courts are developing and seeking to improve special court docket programs to address mental health, drug, and juvenile cases.

Tax Assessor-Collector A request to delete eight positions and provide reclassifications and salary adjustments for four additional positions will be analyzed by Management Services.

Auditor and Purchasing Agent The Auditor is seeking to add two positions to her budget. Also included are reclassification and salary changes for certain positions. The Board of District Judges approved the Auditor's FY2009-10 budget.

The Purchasing Agent is requesting \$550,000 for expansion/build out of office space and furniture and \$50,000 to replace two high mileage vehicles. The Purchasing Agent Board approved the FY 2009-10 budget for the Purchasing Agent's Office.

Selection of Outside Auditor On February 10, 2009, court directed Management Services to seek competitive bids for the FY 2010-11 audit services for the county, the Flood Control District, and County and District Clerks with Management Services determining the right time to seek the bids. It is recommended that Management Services form a committee to evaluate bids received from qualified accounting firms and make recommendations for accepting the best qualified firm or firms to perform the audits.

Commissioners Court Agenda Process Management Services is exploring options to automate the court agenda process. A report will be provided to court for consideration.

Fleet Services The director is preparing an updated report on fleet policies including a proposal to change the way law enforcement vehicles are purchased and replaced. Management Services will assist in review of this matter with the Sheriff and the Constables.

OHSEM This office has proposed returning the flood gauge management responsibilities to the Flood Control District. As noted on page 4 under Flood Control, the district has requested seven new positions for support of the flood gauge monitoring program. OHSEM has requested seven new positions.

Population The population report dated February 2009 by the E-Business Results Team is included for consideration.

Hurricane Ike Recovery A report from the director of Human Resources & Risk Management is included for consideration.

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