



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

Jack Morman
Commissioner, Precinct 2

Steve Radack
Commissioner, Precinct 3

R. Jack Cagle
Commissioner, Precinct 4

March 9, 2012

To: County Judge Emmett and
Commissioners Lee, Morman,
Radack and Cagle

Re. **FY 2012-13 Budgets**

Enclosed are schedules and information for the FY 2012-13 budgets that will be effective for the period of March 1, 2012 through February 28, 2013.

The table below shows a comparison of the final estimate of available resources to prior year amounts.

(\$ in Millions)	FY 2011-12		FY 2012-13
	Estimate	Actual	Estimate
Beginning Cash-General Fund	\$ 22.6	\$ 44.6	\$ 146.0
Beginning Cash-PIC Fund	36.4	36.4	23.2
Beginning Cash-Mobility Fund	169.1	133.4	163.7
	<u>228.1</u>	<u>214.4</u>	<u>332.9</u>
Taxes	880.8	918.6	907.7
Intergovernmental	36.7	42.0	35.6
Charge for Services	197.5	199.6	190.4
Fines and Rents	22.7	22.2	22.3
Reimbursements and Misc.	44.1	52.9	36.9
Interest income	0.5	1.3	0.7
Transfers from other funds	4.1	60.3	-
Revenues & Transfers-General Fund	<u>1,186.4</u>	<u>1,296.9</u>	<u>1,193.6</u>
Revenues for PIC Fund	5.5	5.6	6.3
Revenues & Transfers-Mobility Fund	<u>121.2</u>	<u>120.2</u>	<u>120.2</u>
Combined Revenues	<u>1,313.1</u>	<u>1,422.7</u>	<u>1,320.3</u>
Available Resources-General Fund	1,209.0	1,341.5	1,339.6
Available Resources-PIC Fund	41.9	43.1	29.5
Available Resources-Mobility Fund	<u>290.4</u>	<u>290.0</u>	<u>283.9</u>
	\$ 1,541.3	\$ 1,674.6	\$ 1,653.0

Flood Control

The final estimate for the Flood Control operations and maintenance fund for FY 2012-13 is \$188.8 million, an increase of \$6.1 million compared to current year actual.

Debt Service

Funds will be available for debt service requirements for the county, Flood Control, the Toll Road Authority and the Port. An analysis of debt and debt service requirements will be provided during the CIP in June.

Policy Issues and Budgets

A summary of the proposed policy issues for court consideration along with the general fund final budget allocations and a schedule of labor and benefits budgets are included in this section.

The budget allocations for all funds along with reports showing new positions, reclassified positions and deleted positions are included under the Schedules tab.

A complete list of funded positions is included in a separate binder for those departments that have completed their reports and reconciled them to their budgets. Additional information will be added to the binder as they are completed and will be submitted for court approval.

Any departments that have not completed the position budget section will not be able to make position changes until this process is complete and reconciled to their labor and expense budgets.

GENERAL FUND BUDGET ALLOCATION

ORG	DEPARTMENT	FY 2010-11	FY 2011-12			FY2012-13
		Actual Expenditures	Adopted Budget	Adjusted Budget	Latest Outlook	Budget Allocation
<i>Infrastructure & Systems</i>						
30	Public Infrastructure	2,906,000	3,706,138	3,106,138	2,700,000	3,707,000
40	Right of Way	1,984,387	1,984,046	1,884,046	1,680,000	1,985,000
45	Construction Programs	6,514,415	6,410,530	6,160,116	5,751,000	6,741,000
208	Architecture & Engineering	27,644,266	25,352,586	24,601,294	24,259,000	25,300,000
Total Public Infrastructure		39,049,068	37,453,300	35,751,594	34,390,000	37,733,000
299	Facilities & Property Mgmt.	31,108,332	31,271,937	31,343,366	29,166,000	29,856,000
298	FPM - Utilities & Leases	24,695,798	22,335,902	23,085,902	24,501,000	25,600,000
Total Facilities & Property Mgmt		55,804,130	53,607,839	54,429,268	53,667,000	55,456,000
292	Information Technology	33,486,425	31,500,419	30,250,418	29,729,000	33,000,000
Total Infrastructure & Systems		128,339,623	122,561,558	120,431,280	117,786,000	126,189,000
<i>County Services</i>						
204	Legislative Relations	1,391,422	1,295,594	1,345,594	1,308,000	1,395,000
272	Pollution Control Dept	-	-	3,246,146	3,199,000	3,576,000
275	Public Health Services	27,029,446	24,559,357	21,268,060	20,442,000	20,164,000
285	Library	24,114,464	22,758,223	22,644,520	22,567,000	23,400,000
286	Domestic Relations	2,571,247	2,489,373	2,489,373	2,457,000	2,700,000
289	Community Services Dept	8,633,462	8,572,515	8,572,515	8,241,000	8,777,000
296	M.H.M.R.A.	22,304,752	20,222,007	20,062,104	20,062,000	20,400,000
821	Texas AgriLife Extension	804,084	742,546	740,953	668,000	745,000
840	Juvenile Probation	67,091,769	65,164,814	65,142,578	61,064,000	67,001,000
880	Protective Services	21,622,600	19,399,535	20,409,438	19,965,000	19,525,000
885	Children's Assessment Center	4,652,068	4,574,364	4,647,229	4,446,000	4,801,000
Total County Services		180,215,314	169,778,328	170,568,510	164,419,000	172,484,000
<i>Fiscal Services & Purchasing</i>						
91	Appraisal District	9,143,186	4,553,093	8,833,985	8,833,000	8,850,000
517	County Treasurer	1,065,661	1,022,593	1,022,593	1,022,000	1,025,000
530	Tax Assessor-Collector	24,713,021	22,700,096	22,700,096	22,171,000	22,850,000
610	County Auditor	13,285,741	13,153,049	13,153,049	12,640,000	14,686,000
615	Purchasing Agent	6,523,746	6,786,984	6,386,984	6,202,000	6,866,000
Total Fiscal Services & Purchasing		54,731,355	48,215,815	52,096,707	50,868,000	54,277,000
<i>Law Enforcement</i>						
301	Constable, Precinct 1	25,980,425	22,009,428	22,506,906	21,910,000	23,050,000
302	Constable, Precinct 2	6,120,895	5,560,437	5,735,437	5,618,000	5,900,000
303	Constable, Precinct 3	10,536,818	9,605,859	10,444,284	10,408,000	10,800,000
304	Constable, Precinct 4	35,229,356	29,000,139	31,148,255	30,738,000	31,800,000
305	Constable, Precinct 5	31,293,729	26,437,950	26,542,217	26,177,000	28,175,000
306	Constable, Precinct 6	7,135,391	6,530,013	6,742,222	6,681,000	7,050,000
307	Constable, Precinct 7	8,357,745	6,980,074	7,279,118	7,089,000	7,415,000
308	Constable, Precinct 8	6,471,105	5,560,636	5,573,258	5,445,000	5,710,000
Total Constables		131,125,464	111,684,536	115,971,697	114,066,000	119,900,000
540	Sheriff	412,798,667	392,500,535	397,900,088	389,718,000	392,550,000
845	Sheriff's Civil Service	184,425	198,074	198,074	196,000	205,000
Total Law Enforcement		544,108,556	504,383,145	514,069,859	503,980,000	512,655,000

GENERAL FUND BUDGET ALLOCATION

ORG	DEPARTMENT	FY 2010-11	FY 2011-12			FY2012-13
		Actual Expenditures	Adopted Budget	Adjusted Budget	Latest Outlook	Budget Allocation
<i>Administration of Justice</i>						
311	Justice of the Peace, 1-1	1,567,606	1,413,552	1,413,552	1,399,000	1,588,000
312	Justice of the Peace, 1-2	2,151,448	2,018,088	2,018,088	1,967,000	2,019,000
321	Justice of the Peace, 2-1	877,121	763,029	773,029	769,000	818,000
322	Justice of the Peace, 2-2	838,332	767,011	767,011	762,000	771,000
331	Justice of the Peace, 3-1	1,539,810	1,487,608	1,487,608	1,392,000	1,488,000
332	Justice of the Peace, 3-2	1,088,892	1,027,995	1,027,115	1,023,000	1,028,000
341	Justice of the Peace, 4-1	2,307,853	2,388,357	2,358,024	2,188,000	2,359,000
342	Justice of the Peace, 4-2	1,262,324	1,192,723	1,192,723	1,182,000	1,255,000
351	Justice of the Peace, 5-1	1,743,838	1,728,719	1,728,719	1,719,000	1,815,000
352	Justice of the Peace, 5-2	2,357,778	2,508,325	2,508,325	2,307,000	2,662,000
361	Justice of the Peace, 6-1	556,739	522,731	529,431	517,000	565,000
362	Justice of the Peace, 6-2	627,070	576,790	608,521	604,000	635,000
371	Justice of the Peace, 7-1	680,341	612,801	612,801	606,000	850,000
372	Justice of the Peace, 7-2	861,828	787,602	787,602	778,000	835,000
381	Justice of the Peace, 8-1	1,024,478	939,809	939,809	932,000	1,028,000
382	Justice of the Peace, 8-2	919,672	929,286	929,286	858,000	930,000
Total JPs		20,405,130	19,664,426	19,681,644	19,003,000	20,646,000
213	Fire Marshal	6,427,954	5,848,000	6,058,298	5,988,000	5,150,000
270	Institute of Forensic Sciences	19,306,128	18,128,149	20,228,149	18,016,000	20,800,000
510	County Attorney	22,828,796	16,757,322	19,677,967	18,952,000	17,550,000
515	County Clerk	24,319,351	22,473,047	22,467,677	22,009,000	24,110,000
545	District Attorney	58,449,457	55,778,035	55,601,365	52,754,000	57,500,000
550	District Clerk	27,329,961	24,952,555	25,927,554	24,696,000	27,300,000
560	Public Defender	-	-	675,105	675,000	1,621,000
601	Community Supervision	774,554	689,420	689,420	667,000	690,000
605	Pre-Trial Services	7,028,609	6,631,804	6,431,804	6,319,000	6,632,000
700	District Courts	53,653,174	42,028,836	52,904,000	52,948,000	47,126,000
930	1st Court of Appeals	102,572	69,665	69,665	46,000	85,000
931	14th Court of Appeals	92,101	69,665	69,665	77,000	85,000
940	County Courts	16,161,535	14,195,187	15,836,191	15,384,000	15,250,000
991	Probate Court No. 1	1,155,722	983,752	983,752	982,000	1,050,000
992	Probate Court No. 2	1,246,566	985,016	985,016	981,000	1,050,000
993	Probate Court No. 3	2,767,826	2,161,635	2,761,635	2,825,000	2,850,000
994	Probate Court No. 4	1,052,074	946,194	946,194	914,000	1,050,000
Total Administration of Justice		263,101,510	232,362,708	251,995,101	243,236,000	250,545,000
Total General Fund - Departments		1,170,496,358	1,077,301,554	1,109,161,457	1,080,289,000	1,116,150,000
<i>Commissioners Court and Administration</i>						
	Commissioners Court	131,925,412	140,315,181	163,801,550	88,100,000	144,907,478
201	Budget Management	5,563,330	-	-	4,883,000	4,600,000
202	General Administration	35,189,354	12,871,975	26,260,568	21,276,000	72,412,090
203	Budget Management (A)	1,740,117	-	-	1,528,000	1,450,000
Total General Fund - Court and Adm		174,418,213	153,187,156	190,062,118	115,787,000	223,369,568
Total General Fund		1,344,914,571	1,230,488,710	1,299,223,575	1,196,076,000	1,339,519,568

A. All General Fund employees in Budget Management will be consolidated into Dept 201 after the budget is approved. The budget and actual expenses will be transferred to Dept. 201.

GENERAL FUND BUDGET ALLOCATION

ORG	DEPARTMENT	FY 2010-11	FY 2011-12			FY2012-13
		Actual Expenditures	Adopted Budget	Adjusted Budget	Latest Outlook	Budget Allocation
<i>Commissioners Court and Administration</i>						
100	County Judge					
	Operations	2,642,465	2,552,936		2,433,000	2,593,000
	Child Safety	166,459	258,000		92,000	339,000
	Emergency Mgmt	1,745,700	1,628,872		1,594,000	1,663,000
100	Total County Judge	4,554,624	4,439,808	4,439,808	4,119,000	4,595,000
101	Commissioner Precinct 1	23,932,558	56,974,853	51,952,400	23,323,000	43,063,720
102	Commissioner Precinct 2	31,321,533	18,807,319	34,709,583	16,604,000	34,715,799
103	Commissioner Precinct 3	29,474,443	26,031,922	38,348,147	26,630,000	31,741,644
104	Commissioner Precinct 4	38,698,402	29,658,674	24,645,882	13,620,000	26,138,315
105	Tunnel & Ferry Precinct 2	4,239,810	4,402,605	4,705,730	3,804,000	4,653,000
	Total Commissioners Court	132,221,370	140,315,181	158,801,550	88,100,000	144,907,478

Allocation of New Budget to Court:

	Rollover	Child Safety Fee	Road & Bridge	Redistricting	New Funding	Total GF Budget
Precinct 1	33,629,720	339,000	8,075,000		1,020,000	43,063,720
Precinct 2	23,311,799	339,000	8,075,000	2,000,000	990,000	34,715,799
Precinct 3	22,035,644	339,000	8,075,000		1,292,000	31,741,644
Precinct 4	16,026,315	339,000	8,075,000		1,698,000	26,138,315
	95,003,478	1,356,000	32,300,000		5,000,000	135,659,478

Mobility Fund Allocations

	Encumbered	Rollover	Allocated Evenly	Allocated based on Uninc. Population	Total Mobility Fund
Precinct 1	1,722,329	74,170,668	24,000,000	3,228,000	103,120,997
Precinct 2	9,345,467	11,666,506	24,000,000	2,884,000	47,895,973
Precinct 3	9,699,265	2,523,189	24,000,000	6,518,000	42,740,454
Precinct 4	16,729,897	37,156,761	24,000,000	11,370,000	89,256,658
	37,496,958	125,517,124	96,000,000	24,000,000	283,014,082

Policy Issues

The following policy issues are presented for consideration and approval as part of the proposed FY 2012-13 budgets.

1. Harris County will continue to focus on building reserves to maintain financial stability and current high bond ratings. A recommendation will be provided to court for the issuance of tax anticipation notes during the first quarter of FY 2012-13. A long-term goal is established to build reserves to minimize the need for interim financing over the next several years.
2. Departments that spend less than their budget for FY 2012-13 will be allowed to roll over up to 15% of their budget to FY 2013-14. These funds will be recorded in a reserve account in General Administration and will be accessible only by the contributing department in FY 2013-14 or future budget years.
3. A presentation to court covering capital projects and related debt service requirements will be made on June 26 and Mid-Year Review will be held on September 25.

Positions and Position Control

4. Positions that are funded for the entire FY 2012-13 in the accompanying position budget list may be filled at approved levels requested. This will include changes planned during the year as presented in the position listing by departments. The filling of vacancies during the year is subject to the availability of funding for final benefits for any employees who retire or otherwise leave county employment.
5. Positions that are partially funded in the position budget list can also be filled at approved levels requested, but require Budget Management and Auditor review to make sure funds are available prior to filling them.
6. Positions that are not funded in the position budget list are eliminated.
7. Budget Management will work with the Auditor and Purchasing to change the coding of contract temporary personnel so that these expenditures can be identified as labor expenses for reporting purposes.

Departments and Cost Centers

8. A new cost center, General Administration is established for budget and accounting purposes to provide all of the expenses for audit fees, insurance, bank charges, interest, etc. that were previously in Management Services. The General Administration budget will also have reserves for the extra payroll expenses and other expenses where a reserve is appropriate.
9. A new cost center for lease and utility expenses (Dept. 298) will be established under the direction of Facilities and Property Management, Public Infrastructure and Budget Management.
10. A new cost center for court appointed attorney fees and related expenses (Dept. 698) will be set up under the direction of the Public Defender and Budget Management.
11. Budget Management will work with the Sheriff's Office to break out detention housing and medical expenses into new cost centers under the direction of the Sheriff. A plan for implementing these changes for the FY 2013-14 budget year will be addressed at Mid Year Review.

12. In December 2011, court approved a plan to separate Management Services into two departments, Budget Management (Dept. 201) and Financial Services & Planning (Dept. 203). With the retirement of the Director of Financial Services & Planning in February 2012, a proposal to combine the departments back into a single department, Budget Management and reorganize some of the responsibilities are provided for court consideration at this time. A new organization chart is included in this section. Budget Management will review the recently adopted Investment procedures and bring recommendations for changes that may be necessary after the reorganization.
13. The salary for the County Budget Officer and Executive Director of Budget Management is recommended to be increased to the level approved in December for that position, effective March 24, 2012.

Law Enforcement

14. Harris County jail population on March 1, 2012 is 8,620 inmates, well below the design capacity of 10,142 which includes 720 variance beds. As a general rule, the jail is considered to be at capacity when 93% of the beds are being utilized resulting in a general capacity limit of 9,432. Should the inmate population grow back above this level it may be necessary to contract with other jail facilities as has been done over the last few years. If this happens, the cost of other jail facility utilization will be recorded in the General Administration cost center.
15. Budget Management will work with the Harris County Hospital District and MHMRA to explore opportunities for collaboration to improve the coordination and delivery of medical services in the jail.
16. Budget Management will complete a comprehensive analysis of the contract patrol programs including rates and bring back recommendations to court.
17. Fleet Services will engage an independent firm to conduct a study of vehicle utilization and bring back recommendations to court as necessary.

Justice of the Peace Courts

18. Budget Management will continue to work with the J.P. courts to adjust staffing levels based on workloads. This review will also consider a tier structure pay differential for the courts.

Technology

19. Budget Management will continue to work with ITC and departments to develop technology and find efficiencies in providing government services to the public.
20. Credit card expenses related to providing online services will be recorded in the General Administration cost center to help encourage departments to provide new online services or expand existing services to improve efficiency without the added cost of these fees.