

On this, the 26<sup>th</sup> day of February, 2013, at a public hearing held during the regular meeting of the Commissioners Court of Harris County, Texas, sitting as the governing body of Harris County, upon motion of Commissioner Radack, seconded by Commissioner Lee, duly put and unanimously carried:

IT IS ORDERED that the budget and policy issues for Fiscal Year 2013-2014 for Harris County and the Harris County Flood Control District be approved, as presented:

1. Harris County will continue to focus on building reserves to maintain financial stability, maintain current high bond ratings and continue to reduce the need for short-term borrowing under tax anticipation notes. A recommendation will be provided to court during the first quarter of FY 2013-2014 for the issuance of tax anticipation notes.
2. A report on the roll over budgets will be presented to court in April or May, a report on capital projects and long-term debt will be held on June 25, 2013 and Mid-Year Review will be held on September 24, 2013.
3. Budget Management will conduct a review of salaries including elected officials and appointed department heads and bring back recommendations by Mid-Year Review.
4. A new Council will be established to address the coordination of health services and allocation of resources to mental health, public health, incarcerated health and the hospital district.
5. Budget Management will work on a project with representatives from county departments and the City of Houston to develop recommendations for a new joint processing center to improve the processing of inbound and outbound individuals to better match needs with available resources or services. A review of the existing facilities for the Sheriff, Community Supervision and other departments that will be affected by a new processing center will be conducted by PID.  
*TBA - copy*  
*Sheriff - copy*  
*Const Pct 1-8 - copy*
6. Budget Management and Purchasing will review the Fleet Services program and bring back recommended changes in policy.  
*AW - copy*
7. A review of the workload of justice of the peace courts will be conducted to improve the balance between courts and recommendations will be brought back to court.  
*RM - copy*  
*Rose - copy*  
*PID - copy*
8. New cost centers will be set up for repair and replacement expenses in PID (department 035), FPM (department 297) and ITC (department 293) with the initial funding being established with roll over funds.  
*Lo AH3 - copy*

*Lo Clerk (Lawa) - copy*

*Lo Judge - copy*

*Comm Pct 1-4 - copy*

9. A long term funding strategy for the Sports & Convention Corporation will be developed to provide appropriate resources to fund expenses related to Reliant Stadium and all of the other facilities at Reliant Park.

(The budget book, as presented with schedules and attachments is on file with the Clerk of Commissioners Court)

The vote of the Court on the above motion was as follows:

AYES: Five (Judge Emmett, Commissioners Lee, Morman, Radack, and Cagle)  
NOES: None  
ABSTENTIONS: None

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Presented to Commissioner's Court

FEB 26 2013

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# 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

February 26, 2013

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

Re. **FY 2013-14 Budgets**

Enclosed are schedules and information for the FY 2013-14 budgets.

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

(\$ in Millions)	FY 2012-13		FY 2013-14
	Estimate	Actual	Estimate
Beginning Cash-General Fund	\$ 146.0	\$ 155.9	\$ 240.0
Beginning Cash-PIC Fund	23.2	23.9	29.9
Beginning Cash-Mobility Fund	163.7	164.0	209.9
	<u>332.9</u>	<u>343.8</u>	<u>479.8</u>
Taxes	907.7	964.4	1,006.0
Intergovernmental	35.6	36.6	34.4
Charge for Services	190.4	198.4	200.2
Fines and Rents	22.3	23.1	23.8
Reimbursements and Misc.	36.9	47.7	40.2
Interest income	0.7	1.4	1.9
Transfers from other funds	-	10.1	-
Revenues & Transfers-General Fund	<u>1,193.6</u>	<u>1,281.7</u>	<u>1,306.5</u>
Revenues for PIC Fund	6.3	13.8	14.8
Revenues & Transfers-Mobility Fund	<u>120.2</u>	<u>121.8</u>	<u>121.0</u>
Combined Revenues	<u>1,320.1</u>	<u>1,417.3</u>	<u>1,442.3</u>
Available Resources-General Fund	1,339.6	1,437.6	1,546.5
Available Resources-PIC Fund	29.5	37.7	44.7
Available Resources-Mobility Fund	<u>283.9</u>	<u>285.8</u>	<u>330.9</u>
	<u>\$ 1,653.0</u>	<u>\$ 1,761.1</u>	<u>\$ 1,922.1</u>

### **Debt Service**

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

## **Flood Control**

The preliminary estimate of available resources for the Flood Control District for FY 2013-14 is \$205.8 million which includes reserves, funding for operations and maintenance and capital funding.

## **Policy Issues and Budgets**

A summary of the proposed policy issues for court consideration along with the general fund final budget allocations are included. The budget allocations for all other funds and additional budget information are also included.

A complete list of funded positions will be included in a separate binder for all departments. Schedules of new positions, deleted positions and position reclassifications along with a report from the Director of HR&RM are included for approval.

**Policy Issues**

The following policy issues are presented for consideration as part of the proposed FY 2013-14 budgets.

1. Harris County will continue to focus on building reserves to maintain financial stability, maintain current high bond ratings and continue to reduce the need for short-term borrowing under tax anticipation notes. A recommendation will be provided to court during the first quarter of FY 2013-14 for the issuance of tax anticipation notes.
2. A report on the roll over budgets will be presented to court in April or May, a report on capital projects and long-term debt will be held on June 25 and Mid-Year Review will be held on September 24.
3. Budget Management will conduct a review of salaries including elected officials and appointed department heads and bring back recommendations by Mid-Year Review.
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6. Budget Management and Purchasing will review the Fleet Services program and bring back recommended changes in policy.
7. A review of the workload of justice of the peace courts will be conducted to improve the balance between courts and recommendations will be brought back to court.
8. New cost centers will be set up for repair and replacement expenses in PID (department 035), FPM (department 297) and ITC (department 293) with the initial funding being established with roll over funds.
9. A long term funding strategy for the Sports & Convention Corporation will be developed to provide appropriate resources to fund expenses related to Reliant Stadium and all of the other facilities at Reliant Park.

## ***Budget Presentation - February 26, 2013***

### **Summary of the Auditor's Final Estimate of Available Resources**

General Fund	Prior Year Actual FY 2011-12	Current Year Estimated FY 2012-13	Final Estimate FY 2013-14
In Thousands			
Estimated Beginning Cash Available	47,611	155,908	240,000
<b>Revenues</b>			
Taxes	927,692	964,470	1,006,023
Intergovernmental	41,301	36,546	34,357
Charges for Services	199,320	198,410	200,209
Fines & Fees	18,437	18,731	18,173
Leases	3,613	4,371	5,608
Interest	1,415	1,368	1,931
Misc.	50,627	47,707	40,192
Transfers In	60,168	10,088	-
<b>Total Revenues</b>	<b>1,302,573</b>	<b>1,281,691</b>	<b>1,306,493</b>
<b>Available Resources- General Fund</b>			<b>1,546,493</b>

**Notes:**

Assumes tax levy increase of 3.75%

Expenditures (In Thousands)	Actual FY 12	Est Act FY 13	Proposed Budget FY 14
Infrastructure & Systems	118,073	118,698	133,693
County Services	164,052	163,239	173,450
Fiscal Svcs & Purchasing	50,868	51,571	58,265
Law Enforcement	503,872	499,303	514,535
Administration of Justice	242,933	249,399	259,152
<b>Subtotal</b>	<b>1,079,798</b>	<b>1,082,210</b>	<b>1,139,095</b>
Court, Budget, Reserves	115,891	111,126	407,398
<b>Total General Fund</b>	<b>1,195,689</b>	<b>1,193,336</b>	<b>1,546,493</b>

**GENERAL FUND ALLOCATION - BEFORE ROLLOVER**

ORG	DEPARTMENT	FY 2011-12 Actual Expenditures	FY 2012-13		FY 2013-14
			Adopted Budget	Estimated Expenditures	Proposed Budget
<b>Infrastructure &amp; Systems</b>					
30	Public Infrastructure	2,630,000	3,707,000	2,550,000	3,707,000
35	PID - Repair & Replacement *	-	-	-	750,000
40	Right of Way	1,680,000	1,985,000	1,640,000	1,985,000
45	Construction Programs	5,753,000	6,741,000	5,790,000	8,465,000
208	Architecture & Engineering	24,140,000	25,300,000	22,400,000	25,300,000
<b>Total Public Infrastructure</b>		<b>34,203,000</b>	<b>37,733,000</b>	<b>32,380,000</b>	<b>40,207,000</b>
299	Facilities & Property Mgmt.	29,638,000	29,856,000	26,908,000	29,856,000
297	FPM - Repair & Replacmt **	-	-	-	-
298	FPM - Utilities & Leases	24,500,000	25,600,000	24,710,000	28,100,000
<b>Total Facilities &amp; Property Management</b>		<b>54,138,000</b>	<b>55,456,000</b>	<b>51,618,000</b>	<b>57,956,000</b>
292	Information Technology	29,732,000	33,000,000	34,700,000	35,530,000
293	ITC - Repair & Replacement	-	-	-	-
<b>Total Information Technology</b>		<b>29,732,000</b>	<b>33,000,000</b>	<b>34,700,000</b>	<b>35,530,000</b>
<b>Total Infrastructure &amp; Systems</b>		<b>118,073,000</b>	<b>126,189,000</b>	<b>118,698,000</b>	<b>133,693,000</b>
<b>Law Enforcement</b>					
301	Constable, Precinct 1	21,918,000	23,050,000	21,571,000	22,802,000
302	Constable, Precinct 2	5,613,000	5,900,000	5,550,000	5,900,000
303	Constable, Precinct 3	10,401,000	10,800,000	11,030,000	11,576,000
304	Constable, Precinct 4	30,742,000	31,800,000	31,050,000	31,900,000
305	Constable, Precinct 5	26,176,000	28,175,000	27,000,000	29,111,000
306	Constable, Precinct 6	6,681,000	7,050,000	6,869,000	7,800,000
307	Constable, Precinct 7	7,086,000	7,415,000	7,593,000	8,491,000
308	Constable, Precinct 8	5,442,000	5,710,000	5,444,000	5,820,000
<b>Total Constables</b>		<b>114,059,000</b>	<b>119,900,000</b>	<b>116,107,000</b>	<b>123,400,000</b>
540	Sheriff - Law Enforcement	154,768,000	166,049,000	164,000,000	166,100,000
	Sheriff - Detention	190,447,000	182,310,000	175,000,000	178,230,000
	Sheriff - Medical	44,402,000	44,191,000	44,000,000	46,600,000
		<b>389,617,000</b>	<b>392,550,000</b>	<b>383,000,000</b>	<b>390,930,000</b>
845	Sheriff's Civil Service	196,000	205,000	196,000	205,000
<b>Total Law Enforcement</b>		<b>503,872,000</b>	<b>512,655,000</b>	<b>499,303,000</b>	<b>514,535,000</b>

\* Department 035 will be funded from the roll over amounts from the other PID departments, less the amount already allocated to Department 035.

\*\* Department 297 will be funded from a portion of the roll over amount from Dept 299.

**GENERAL FUND ALLOCATION - BEFORE ROLLOVER**

ORG	DEPARTMENT	FY 2011-12 Actual Expenditures	FY 2012-13		FY 2013-14
			Adopted Budget	Estimated Expenditures	Proposed Budget
<b>Administration of Justice</b>					
311	Justice of the Peace, 1-1	1,399,000	1,588,000	1,481,000	1,643,000
312	Justice of the Peace, 1-2	1,967,000	2,019,000	1,956,000	2,024,000
321	Justice of the Peace, 2-1	769,000	818,000	780,000	823,000
322	Justice of the Peace, 2-2	762,000	771,000	735,000	780,000
331	Justice of the Peace, 3-1	1,392,000	1,488,000	1,360,000	1,493,000
332	Justice of the Peace, 3-2	1,022,000	1,028,000	1,015,000	1,033,000
341	Justice of the Peace, 4-1	2,188,000	2,359,000	2,185,000	2,360,000
342	Justice of the Peace, 4-2	1,182,000	1,255,000	1,211,000	1,280,000
351	Justice of the Peace, 5-1	1,719,000	1,815,000	1,730,000	1,820,000
352	Justice of the Peace, 5-2	2,308,000	2,662,000	2,520,000	2,667,000
361	Justice of the Peace, 6-1	517,000	565,000	542,000	605,000
362	Justice of the Peace, 6-2	604,000	635,000	643,000	705,000
371	Justice of the Peace, 7-1	606,000	850,000	725,000	880,000
372	Justice of the Peace, 7-2	778,000	835,000	797,000	840,000
381	Justice of the Peace, 8-1	932,000	1,028,000	962,000	1,055,000
382	Justice of the Peace, 8-2	858,000	930,000	882,000	940,000
<b>Total JPs</b>		<b>19,003,000</b>	<b>20,646,000</b>	<b>19,524,000</b>	<b>20,948,000</b>
213	Fire Marshal	5,992,000	5,150,000	4,800,000	5,250,000
270	Institute of Forensic Sciences	18,037,000	20,800,000	19,700,000	22,556,000
510	County Attorney	18,783,000	17,550,000	17,420,000	17,920,000
515	County Clerk	22,007,000	24,110,000	25,050,000	24,110,000
545	District Attorney	52,855,000	57,500,000	56,150,000	58,700,000
550	District Clerk	24,702,000	27,300,000	25,800,000	27,350,000
560	Public Defender	675,000	1,621,000	3,975,000	6,250,000
601	Community Supervision	688,000	690,000	640,000	690,000
605	Pre-Trial Services	6,339,000	6,632,000	6,508,000	6,632,000
700	District Courts Admin	18,326,000	19,206,000	17,700,000	19,206,000
701	DC Court Appointed Attorneys	34,324,000	27,920,000	31,476,000	27,920,000
941	CC Court Appointed Attorneys	3,053,000	2,800,000	3,500,000	3,351,000
940	County Courts Admin	12,331,000	12,450,000	10,894,000	11,899,000
930	1st Court of Appeals	46,000	85,000	80,000	85,000
931	14th Court of Appeals	70,000	85,000	80,000	85,000
991	Probate Court No. 1	982,000	1,050,000	1,036,000	1,100,000
992	Probate Court No. 2	981,000	1,050,000	1,045,000	1,100,000
993	Probate Court No. 3	2,825,000	2,850,000	2,994,000	2,900,000
994	Probate Court No. 4	914,000	1,050,000	1,027,000	1,100,000
		<b>223,930,000</b>	<b>229,899,000</b>	<b>229,875,000</b>	<b>238,204,000</b>
<b>Total Administration of Justice</b>		<b>242,933,000</b>	<b>250,545,000</b>	<b>249,399,000</b>	<b>259,152,000</b>



**GENERAL FUND ALLOCATION - BEFORE ROLLOVER**

ORG	DEPARTMENT	FY 2011-12 Actual Expenditures	FY 2012-13		FY 2013-14
			Adopted Budget	Estimated Expenditures	Proposed Budget
<b>County Services</b>					
204	Legislative Relations	1,308,000	1,395,000	1,160,000	1,400,000
272	Pollution Control Dept	3,200,000	3,576,000	3,525,000	3,650,000
275	Public Health Services	20,458,000	20,164,000	19,100,000	20,200,000
285	Library	22,256,000	23,400,000	23,400,000	23,800,000
286	Domestic Relations	2,342,000	2,700,000	2,500,000	2,700,000
289	Community Services Dept	8,281,000	8,777,000	8,500,000	8,800,000
296	M.H.M.R.A.	20,062,000	20,400,000	20,248,000	20,600,000
821	Texas A&M Agrilife	668,000	745,000	619,000	750,000
840	Juvenile Probation	61,063,000	67,001,000	60,300,000	67,000,000
880	Protective Services	19,968,000	19,525,000	19,350,000	19,700,000
885	Children's Assessment	4,446,000	4,801,000	4,537,000	4,850,000
<b>Total County Services</b>		<b>164,052,000</b>	<b>172,484,000</b>	<b>163,239,000</b>	<b>173,450,000</b>
<b>Fiscal Services &amp; Purchasing</b>					
91	Appraisal District	8,833,000	8,850,000	8,854,000	8,978,000
517	County Treasurer	1,022,000	1,025,000	941,000	1,025,000
530	Tax Assessor-Collector	22,171,000	22,850,000	22,203,000	22,850,000
610	County Auditor	12,640,000	14,685,703	13,090,000	18,116,226
615	Purchasing Agent	6,202,000	6,866,000	6,483,000	7,295,352
<b>Total Fiscal Services &amp; Purchasing</b>		<b>50,868,000</b>	<b>54,276,703</b>	<b>51,571,000</b>	<b>58,264,578</b>
<b>Total General Fund-Departments</b>		<b>1,079,798,000</b>	<b>1,116,149,703</b>	<b>1,082,210,000</b>	<b>1,139,094,578</b>
100	County Judge	4,117,000	4,595,000	3,830,000	4,920,000
101	Commissioner, Pct 1	23,218,000	43,063,720	24,449,000	39,861,386
102	Commissioner, Pct 2	16,867,000	34,715,799	17,053,000	42,954,973
103	Commissioner, Pct 3	26,498,000	31,741,644	27,121,000	37,084,226
104	Commissioner, Pct 4	13,648,000	26,138,315	14,638,000	40,468,119
105	Tunnel & Ferry	3,787,000	4,653,000	4,162,000	4,700,000
<b>Total Commissioners Court</b>		<b>88,135,000</b>	<b>144,907,478</b>	<b>91,253,000</b>	<b>169,988,704</b>
201	Budget Management	6,823,000	6,050,000	4,955,000	6,050,000
202	General Admin & Reserves	20,933,000	72,412,387	14,918,000	231,359,718
<b>Total Budget Management</b>		<b>27,756,000</b>	<b>78,462,387</b>	<b>19,873,000</b>	<b>237,409,718</b>
<b>Total General Fund</b>		<b>1,195,689,000</b>	<b>1,339,519,568</b>	<b>1,193,336,000</b>	<b>1,546,493,000</b>

**Note re. Budget Roll Over:**

*A budget adjustment will be presented to Court, likely on March 26, to add budget to departments based on the final funds available that are unspent or unencumbered in FY 2012-13. Certain departments and cost centers that either have budgets approved by other boards or were established to track variable expenses like utilities or court appointed attorney costs will not be allocated additional roll over funds. Other adjustments to the roll over funds will be included in the report when the item is presented for approval.*