

2013

BUDGET WORKSHOP #2



August 9, 2012





Workshop #2

Key Discussion Items

- Cost of Living Adjustment
- CCL # 8

Table of Contents

2013 BUDGET PROCESS WORKSHOP #2

General Fund Budget Issues/Challenges.....	1
General Fund-Adopted Budget Summary.....	2
General Fund-2012 Budget Adjustments.....	3
General Fund-Revenue Analysis.....	4
General Fund-Salary Sweep History.....	5
General Fund-Adjusted Budget vs. Actual Expenditures.....	6
General Fund-Projected Fund Balance.....	7
General Fund-Estimated Fund Balance vs. Actual Fund Balance.....	8
General Fund-Cost of Living Adjustment Analysis.....	9
Road & Bridge-Cost of Living Adjustment Analysis.....	10
Cost of Living Adjustment History.....	11
CCL #8-Summary of 2013 Estimated Expenditures.....	12

Appendix

2013 Budget Calendar.....13-14

Taxable Value History.....15

M&O & Interest Debt Rate History.....16

Interest & Sinking Fund Rate History.....17

Program Administration Detail.....18

Aid to Non-Governmental & Governmental Agencies Analysis.....19

HIDALGO COUNTY

Department Of Budget & Management

2013 BUDGET PROCESS

General Fund - Budget Issues/Challenges
As of August 09, 2012

2013 Estimated Revenues \$ 159,239,101

2012 Adopted Budget 166,749,693

2012 Budget Adjustments 3,775,078

2013 Base Budget \$ 170,524,771

Estimated Shortfall 11,285,670

FINANCING METHOD:

Excess Revenues 4,000,000

LAPSE Salaries (Sweeps) 3,000,000

LAPSE Expenditures 3,500,000

Total: \$ 10,500,000

Fund Balance Drawdown: 785,670

OTHER BUDGET CONSIDERATIONS:

COLA 4.7% 4,452,635

New County Court at Law No. 8 400,000

Sheriff's Substation Personnel & Operating 2,500,000

Workers Comp 1,200,900

HIDALGO COUNTY
 Department of Budget & Management

2013 BUDGET PROCESS
 GENERAL FUND
 Adopted Budget Summary

	2009	2010	2011	2012
SALARIES	74,058,590	75,948,988	78,055,570	79,614,736
ALLOWANCES	1,988,296	2,010,240	2,283,034	2,366,538
FRINGE BENEFITS	22,199,216	19,184,027	21,753,163	23,423,387
TOTAL SALARIES:	\$ 98,246,102	\$ 97,143,255	\$ 102,091,767	\$ 105,404,661
PROGRAMS & PRG ADM	41,774,708	44,020,092	41,849,156	42,968,388
DEPTS OPERATING EXP.	21,929,510	18,181,924	17,959,077	18,376,644
TOTAL OPERATING EXP.:	\$ 63,704,218	\$ 62,202,016	\$ 59,808,233	\$ 61,345,032
TOTAL ADOPTED BUDGET:	\$ 161,950,319	\$ 159,345,270	\$ 161,900,000	\$ 166,749,693

HIDALGO COUNTY
Department Of Budget & Management

2013 BUDGET PROCESS
General Fund - 2012 Budget Adjustments
As of August 9, 2012

Salaries & Fringes	1,504,328
Room and Board (Jail - Out of County)	850,000
Countywide Fuel/Gasoline	500,000
Unemployment	350,000
Countywide Electricity	250,000
Retirement	150,000
Historical Museum - Jail Renovation	100,000
City of McAllen Interlocal (spay & neuter)	50,000
Mercado Delta Lake Lease	20,750
Total:	<u>\$ 3,775,078</u>

HIDALGO COUNTY
 Department Of Budget & Management

2013 BUDGET PROCESS

Revenue Analysis

Five Year History

Year	Original Estimated Revenues	Actual Revenue	Variance
2007	131,000,628	141,312,844	10,312,216
2008	148,152,171	155,580,914	7,428,743
2009	161,950,320	167,766,906	5,816,587
2010	157,479,936	164,224,290	6,744,354
2011	156,363,270	163,651,293	7,288,023 *
2012	158,239,101	162,239,101	4,000,000 **

*** 2011 Actual Revenue Excludes**

FEMA reimbursements in the amount of \$41,938.19

Indigent Defense Grant Equalization Disbursement \$879,445.00

Landmark Settlement received for bad construction on Jail in the amount of \$1,111,500.00

Landmark Settlement Attorney Fees \$598,500.00

Transfers In \$176,433.36

Other Financing Sources-Capital \$460,322.98

****DBM Estimated**

HIDALGO COUNTY
Department Of Budget & Management

2013 BUDGET PROCESS
GENERAL FUND
Salary Sweep History

Year	Amount
2007	3,311,688
2008	3,217,961
2009	1,715,471
2010	2,968,707
2011	4,011,199

HIDALGO COUNTY
Department Of Budget & Management

2013 BUDGET PROCESS
GENERAL FUND
Adjusted Budget vs Actual Expenditures
Five Year History

Year	Adjusted Budget	Actual Expenditures	Variance
2007	142,090,092	135,663,252	(6,426,841)
2008	174,589,892	165,955,449	(8,634,443)
2009	169,542,761	162,979,487	(6,563,275)
2010	170,032,560	165,504,172	(4,528,388)
2011	166,991,685	162,786,718	(4,204,967)

HIDALGO COUNTY

Department Of Budget & Management

2013 BUDGET PROCESS

Projected General Fund - Fund Balance
For Fiscal Year Ending December 31, 2012

UNRESERVED FUND BALANCE AS OF DECEMBER 31, 2011	\$	36,728,229
2012 Revenues and Other Financing Sources (Original Budget)		158,239,101
2012 Appropriations and Other Financing Uses (Original Budget) (Fund Balance Appropriation of \$4,305,625)		(166,749,693)
Estimated Unreserved Fund Balance as of December 31, 2012	<u>\$</u>	<u>28,217,637</u>
	2012 Adjusted Budget \$	172,771,472
	Fund Balance as Percentage of 2012 Budget	16.3%
<u>YEAR END ADJUSTMENTS</u>		
Excess Revenues		4,000,000
Lapse Expenditures		3,500,000
Estimated Unreserved Fund Balance as of December 31, 2012	<u>\$</u>	<u>35,717,637</u>
	Fund Balance as Percentage of 2012 Budget	20.7%

* 2012 Adjusted Budget as of 7/31/2012

HIDALGO COUNTY
Department Of Budget & Management

2013 BUDGET PROCESS
GENERAL FUND
Estimated Fund Balance vs. Actual Fund Balance
Five Year History

Year	Estimated Fund Balance	Actual Fund Balance	Variance
2007	14,837,994	21,627,835	6,789,841
2008	25,666,375	11,036,241	(14,630,134) *
2009	11,865,335	21,594,909	9,729,574
2010	24,460,157	31,456,770	6,996,613
2011	35,480,782	36,728,229	1,247,447

* Hurricane Dolly

HIDALGO COUNTY
Department Of Budget & Management

2013 BUDGET PROCESS
Cost of Living Adjustment
General Fund Cost Analysis

COLA - FUND 1100	<u>2.00%</u>	<u>3.00%</u>	<u>4.00%</u>	<u>4.70%</u>	<u>Total Employees</u>
Adjusted Salaries	53,501,348	53,501,348	53,501,348	53,501,348	1,464
Increase Amount	1,070,027	1,605,040	2,140,054	2,514,563	Excluding Elected Officials Obj 111 and Law Enforcement Positions
Increase Fringes 18%	192,605	288,907	385,210	452,621	
Estimated Cost:	<u>\$1,262,632</u>	<u>\$1,893,948</u>	<u>\$2,525,264</u>	<u>\$2,967,185</u>	
 COLA - LAW ENFORCEMENT S&G	 <u>2.00%</u>	 <u>3.00%</u>	 <u>4.00%</u>	 <u>4.70%</u>	 <u>Total Employees</u>
Current Salaries	23,341,004	23,341,004	23,341,004	23,341,004	621
Increase Amount	466,820	700,230	933,640	1,097,027	
Increase Fringes 18%	84,028	126,041	168,055	197,465	
Estimated Cost:	<u>\$550,848</u>	<u>\$826,272</u>	<u>\$1,101,695</u>	<u>\$1,294,492</u>	
 COLA - ELECTED OFFICIALS	 <u>2.00%</u>	 <u>3.00%</u>	 <u>4.00%</u>	 <u>4.70%</u>	 <u>Total Employees</u>
Current Salaries	3,443,171	3,443,171	3,443,171	3,443,171	45
Increase Amount	68,863	103,295	137,727	161,829	
Increase Fringes 18%	12,395	18,593	24,791	29,129	
Estimated Cost:	<u>\$81,259</u>	<u>\$121,888</u>	<u>\$162,518</u>	<u>\$190,958</u>	
Estimated Total Cost:	\$1,894,738	\$2,842,108	\$3,789,477	\$4,452,635	2,130

HIDALGO COUNTY
 Department Of Budget & Management

2013 BUDGET PROCESS
 Cost of Living Adjustment
 Road and Bridge Cost Analysis

COLA - FUND 1200	2.00%	3.00%	4.00%	4.70%	Total Employees
Adjusted Salaries	12,334,097	12,334,097	12,334,097	12,334,097	347
Increase Amount	246,682	370,023	493,364	579,703	
Increase Fringes 18%	44,403	66,604	88,805	104,346	
Estimated Cost:	\$291,085	\$436,627	\$582,169	\$684,049	

HIDALGO COUNTY

Department Of Budget & Management

2013 BUDGET PROCESS

COLA Adjustment History

YEAR	CPI - W ⁽¹⁾	CRITERIA	COUNTY COLA	OTHER INCREASE / (DECREASE)
2008	2.3%	Salary up to \$25,000 (Minimum \$1,000 Increase)	4% - 5%	1.70% - 2.70%
2008	2.3%	Salary over \$25,000	4.0%	1.70%
2009	5.8%	Salary up to \$30,000 (Minimum \$2,000 Increase)	5% -11%	(0.80%) - 5.31%
2009	5.8%	Salary over \$30,000	5.0%	(0.80%)
2010	0.0%	County Wide	0.0%	0.00%
2011	0.0%	County Wide	0.0%	0.00%
2012	2.8% ⁽²⁾	County Wide	0.0%	(2.8%)
2013	1.9% ⁽³⁾	County Wide	0.0%	(1.90%)

(1) CPI based on US Department of Labor Bureau of Labor Statistics.

(2) 2.8% is the average of 2011 2nd Qtr to July 2008 Index

(3) 1.9% is the average of 2012 2nd Qtr to 2011 2nd Qtr

NOTE: Cumulative CPI change since last cost of living is 4.7%

HIDALGO COUNTY
 Department of Budget & Management
2013 BUDGET PROCESS
 COUNTY COURT AT LAW NO.8
 SUMMARY OF 2013 ESTIMATED EXPENDITURES

COUNTY COURT AT LAW #8

Personnel/Operating Budget	498,505.00
County Court At Law #8 Total: \$ 498,505.00	

DISTRICT CLERK

	Salary	Health Ins. 4,164.00/yr	Life Ins. 27.00/yr	FICA 7.65%	Retirement 9.95%	Unemploy. Comp. 0.50%	Total
Deputy District Clerk I (<i>Grade 05</i>)	25,256.00	4,164.00	27.00	1,932.08	2,512.97	126.28	34,018.34
District Clerk's Total:							\$ 34,018.34

COUNTY CLERK

	Salary	Health Ins. 4,164.00/yr	Life Ins. 27.00/yr	FICA 7.65%	Retirement 9.95%	Unemploy. Comp. 0.50%	Total
Deputy County Clerk I (<i>Grade 05</i>)	25,256.00	4,164.00	27.00	1,932.08	2,512.97	126.28	34,018.34
County Clerk's Total:							\$ 34,018.34

DISTRICT ATTORNEY

	Salary	Health Ins. 4,164.00/yr	Life Ins. 27.00/yr	FICA 7.65%	Retirement 9.95%	Unemploy. Comp. 0.50%	Total
Admin. Asst. II (<i>Grade 06</i>)	27,276.00	4,164.00	27.00	2,086.61	2,713.96	136.38	36,403.96
Asst. D.A. II (<i>Grade 14</i>)	50,487.00	4,164.00	27.00	3,862.26	5,023.46	252.44	63,816.15
Asst. D.A. II - Auto Allowance	900.00	-	-	68.85	89.55	4.50	1,062.90
District Attorney's Total:							\$ 101,283.00

PUBLIC DEFENDERS

	Salary	Health Ins. 4,164.00/yr	Life Ins. 27.00/yr	FICA 7.65%	Retirement 9.95%	Unemploy. Comp. 0.50%	Total
Public Defender I (<i>Grade 12</i>)	43,284.00	4,164.00	27.00	3,311.23	4,306.76	216.42	55,309.40
Public Defender's Total:							\$ 55,309.40

TOTAL BUDGETARY IMPACT: \$723,134.08



APPENDIX

HIDALGO COUNTY

2013 BUDGET PROCESS CALENDAR

The County of Hidalgo budget process consist of several months of presentations, hearings, and deliberations. The 2013 Budget Process Calendar is as follows:

BEGIN DATE	DUE DATE	ACTION/ACTIVITY	RESPONSIBLE DEPARTMENT/S	STATUS
21-May	29-Jun	2013 BUDGET PROCESS DBM PROJECTED REVENUES AND EXPENDITURES ANALYSIS	DEPARTMENT OF BUDGET AND MANAGEMENT	
25-Jul	25-Jul	CERTIFIED TAX ROLLS DELIVERED TO COUNTY	APPRAISAL DISTRICT/TAX ASSESSOR COLLECTOR	
1-Aug	2-Sep	DEPARTMENTAL BUDGET ANALYSIS AND PRELIMINARY BUDGET	DEPARTMENT OF BUDGET & MANAGEMENT	
3-Aug	3-Aug	2013 BUDGET PROCESS INSTRUCTIONS TO ALL DEPARTMENTS AND OFFICIALS	DEPARTMENT OF BUDGET AND MANAGEMENT	
6-Aug	14-Sep	MEETING WITH EACH COURT MEMBER TO DISCUSS BUDGET PROCESS	DEPARTMENT OF BUDGET AND MANAGEMENT	
9-Aug	17-Aug	DEPARTMENTAL BUDGET ALLOCATION - DATA ENTRY	DEPARTMENT OF BUDGET AND MANAGEMENT / ALL DEPARTMENTS	
7-Aug	7-Aug	CERTIFICATION OF ANTICIPATED COLLECTION RATE BY TAX ASSESSOR	TAX ASSESSOR COLLECTOR	
14-Aug	14-Aug	CALCULATION OF EFFECTIVE AND ROLLBACK RATES BY TAX ASSESSOR	TAX ASSESSOR COLLECTOR	
21-Aug	21-Aug	PUBLICATION OF EFFECTIVE AND ROLLBACK RATES, STATEMENTS AND SCHEDULES	TAX ASSESSOR COLLECTOR	
17-Aug	17-Aug	LAST DAY TO SUBMIT 2013 POSITION RECLASSIFICATION REQUEST WITH PROPER DOCUMENTATION ATTACHED (JOB AUDITS)	HUMAN RESOURCES	
21-Aug	21-Aug	DURING REGULAR COMMISSIONERS' COURT MEETING, DISCUSS TAX RATE; IF PROPOSED TAX RATE WILL EXCEED THE ROLLBACK RATE OR THE EFFECTIVE TAX RATE (WHICHEVER IS LOWER) TAKE RECORD VOTE AND SCHEDULE PUBLIC HEARING.	COMMISSIONER'S COURT	
24-Aug	24-Aug	2012 ESTIMATED REVENUES TO BUDGET OFFICE	COUNTY AUDITOR	
28-Aug	28-Aug	NOTICE OF PUBLIC HEARING- 1ST QUARTER PAGE NOTICE IN NEWSPAPER PUBLISHED AT LEAST SEVEN (7) DAYS BEFORE PUBLIC HEARING [TC 25.06 (a)]	TAX ASSESSOR COLLECTOR	

HIDALGO COUNTY

2013 BUDGET PROCESS CALENDAR

The County of Hidalgo budget process consist of several months of presentations, hearings, and deliberations. The 2013 Budget Process Calendar is as follows:

BEGIN DATE	DUE DATE	ACTION/ACTIVITY	RESPONSIBLE DEPARTMENT/S	STATUS
28-Aug	28-Aug	WRITTEN NOTICE TO ELECTED OFFICIALS PROPOSED COMPENSATION [LGC 152.013 (c)]	BUDGET OFFICER	
4-Sep	4-Sep	FIRST PUBLIC HEARING - CONSIDERATION OF TAX RATE [TC 26.05 (d)]	COMMISSIONER'S COURT	
8-Sep	8-Sep	NOTICE OF PUBLIC HEARING ON PROPOSED COUNTY BUDGET PUBLISHED IN NEWSPAPER - THE MONITOR [LGC 111.067 (c) & 111.0675]	BUDGET OFFICER	
11-Sep	11-Sep	SECOND PUBLIC HEARING - CONSIDERATION OF TAX RATE - SCHEDULE AND ANNOUNCE MEETING TO ADOPT TAX RATE [TC 26.06 (a)]	COMMISSIONER'S COURT	
15-Sep	15-Sep	NOTICE OF PROPOSED SALARIES FOR ELECTED OFFICIALS THE MONITOR NEWSPAPER [LGC 152.013 (b)]	BUDGET OFFICER	
18-Sep	18-Sep	NOTICE OF VOTE ON TAX RATE - PUBLISHED BEFORE MEETING TO ADOPT TAX RATE - AT LEAST SEVEN (7) DAYS BEFORE MEETING. SECOND QUARTER PAGE NOTICE. [TC 26.06 (d & e)]	BUDGET OFFICER	
18-Sep	18-Sep	FILE 2013 PROPOSED BUDGET WITH THE COUNTY CLERK AND COUNTY AUDITOR [LGC 111.066]	BUDGET OFFICER	
25-Sep	25-Sep	ADOPT TAX RATE FOR 2012, HOLD PUBLIC HEARING AND ADOPT 2013 BUDGET [LGC 111.067 (b) & 111.068], SET SALARY, EXPENSES AND ALLOWANCES FOR ELECTED OFFICIALS AND COUNTY EMPLOYEES [LGC 152.001 & 152.013 (a)]	COMMISSIONER'S COURT	

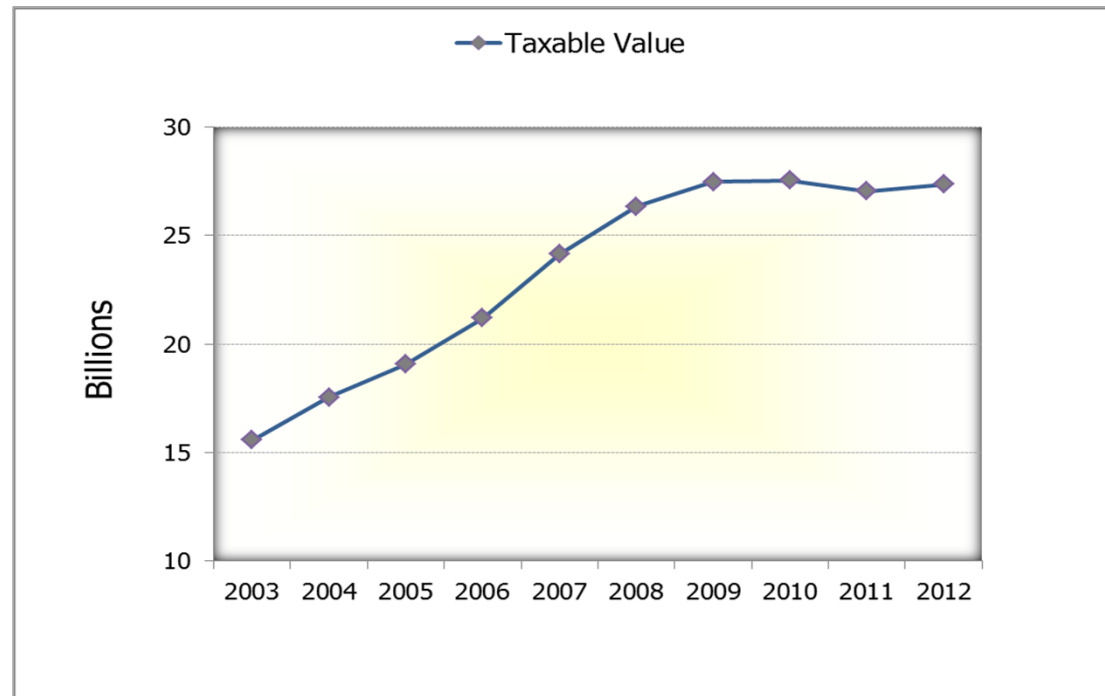
HIDALGO COUNTY

Department of Budget & Management

2013 BUDGET PROCESS

Taxable Value History

Year	Taxable Value
2003	15.59
2004	17.56
2005	19.07
2006	21.19
2007	24.15
2008	26.34
2009	27.49
2010	27.54
2011	27.04
2012	27.36



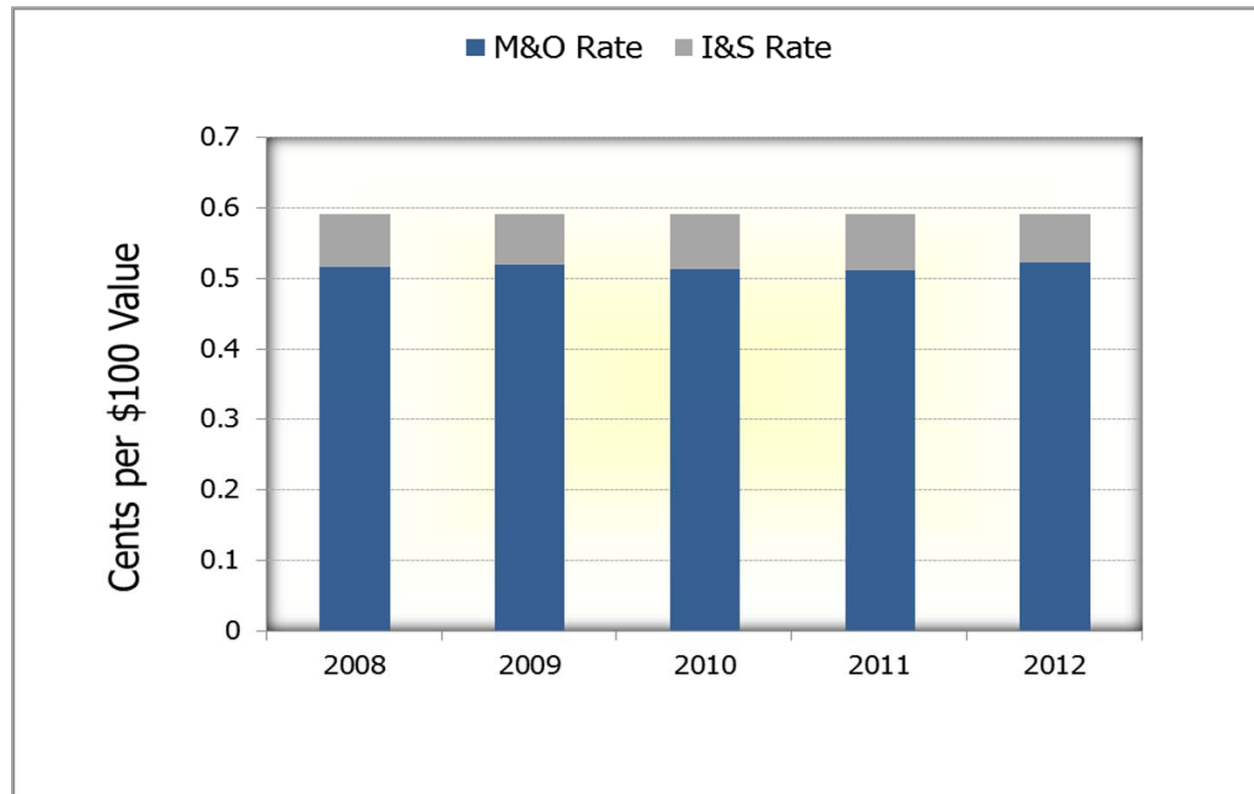
HIDALGO COUNTY

Department of Budget & Management

2013 BUDGET PROCESS

M&O & Interest Debt Rate History

Year	Maintenance & Operation Rate	Interest & Sinking Fund Rate
2008	0.5155	0.0745
2009	0.5191	0.0709
2010	0.5127	0.0773
2011	0.5107	0.0793
2012	0.5225	0.0675



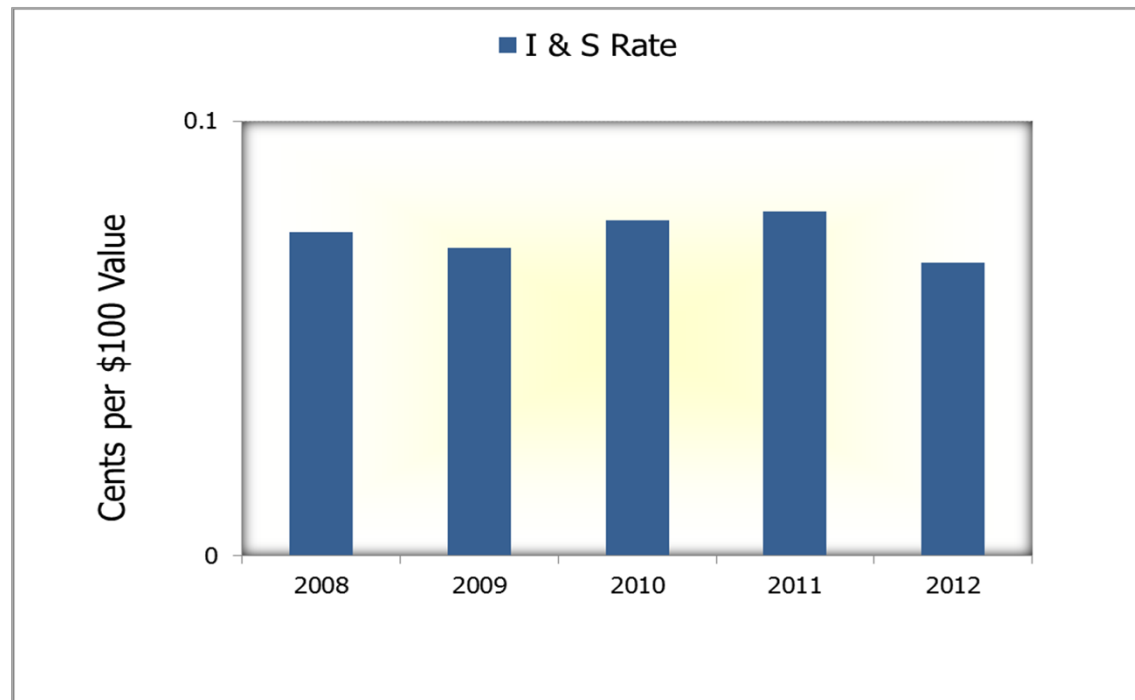
HIDALGO COUNTY

Department of Budget & Management

2013 BUDGET PROCESS

INTEREST & SINKING FUND RATE HISTORY

Year	I & S Rate
2008	0.0745
2009	0.0709
2010	0.0773
2011	0.0793
2012	0.0675



Hidalgo **C**ounty
 Department Of Budget & Management

2013 BUDGET PROCESS
GENERAL FUND
 Program Administration Detail

Program	2012 Budgeted Amount	Program	2012 Budgeted Amount
APPRAISING FEES	1,600,000	INSURANCE	1,685,000
AUTOPSIES/PAUPER BURIAL	756,700	JURORS/JURY FEES	998,604
CHILD ADVOCACY CTR	48,500	LITIGATION/JUDGMENTS	1,746,077
CITIES FIRE CONTRACTS	1,508,700	MEDICAL EXP. - ADULT & JUVENILE DET	1,016,385
CO WIDE COMMUNICATIONS SYSTEM	335,000	OTHER CONTRACTED SERVICES	265,579
COUNTY LIBRARY SYS	237,140	ROOM AND BOARD - ADULT & JUVENILE DET	3,362,250
DISPOSAL - SANITATION /OTHER	491,298	SHERIFF SUBSTATION	751,000
DONNA MUSEUM	40,000	TRF OUT- GRANTS	292,053
FOOD - ADULT & JUVENILE DET	1,625,000	TRF OUT- R&B	7,747,291
HISTORICAL MUSEUM	360,000	TRF OUT-OTHER PROGRAMS	545,921
HUMANE SOCIETY	500,000	TRF OUT-PAJ BOOT CAMP	727,500
INDEPENDENT AUDIT	145,000	TROPICAL TX CENTER MHMR	702,338
INDIGENT DEFENSE	6,981,052	VIDA	250,000
INDIGENT HEALTH UPL	8,250,000	Total: \$ 42,968,388	

HIDALGO COUNTY
 Department Of Budget & Management

2013 BUDGET PROCESS

Aid to Non- Governmental and Governmental Agencies Analysis

Agency Name	2012 Adopted Budget	Recommended Budget Reductions		
		-25%	-50%	-75%
VIDA	250,000	(62,500.00)	(125,000.00)	(187,500.00)
HISTORICAL MUSEUM	360,000	(90,000.00)	(180,000.00)	(270,000.00)
DONNA MUSEUM	40,000	(10,000.00)	(20,000.00)	(30,000.00)
TOTAL:	\$ 650,000	\$ (162,500)	\$ (325,000)	\$ (487,500)