

**TARRANT COUNTY**  
**BUDGET AND RISK MANAGEMENT**

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DIRECTOR

September 10, 2013

Honorable Members of Commissioners Court  
Tarrant County, Texas

The FY 2014 Tarrant County operating budget is supported by a tax rate of \$0.264000 per \$100 of taxable value, which is the current tax rate. Tarrant County taxes on a home with a value of \$100,000 will remain \$264.00. The tax rate allocation is \$0.236828 for maintenance and operation and \$0.027172 for debt service. The operating budget is as follows:

General Fund	\$444,762,368
Road and Bridge Fund	31,588,918
Debt Service Fund	<u>35,328,437</u>
	\$511,679,723

Ad valorem taxes represent 77% of the County's total revenues. The net taxes generated are estimated to be \$331,411,909 and, while a 100% collection ratio is anticipated, tax revenue has been reduced by the estimated impact of the over 65 tax freeze by \$1,900,000. Total taxes consist of current tax year collections and delinquent taxes, penalties and interest that are due from previous tax years. Of the taxes collected, an estimated \$6,855,960 will be paid to tax incremental financing districts that have been approved by Tarrant County. Total net taxable values increased 2.5% when compared to the September 1, 2012 supplemental tax roll information.

Implementation of a new salary structure as well as step increases (under the new structure) have been funded for law enforcement. For non-law enforcement employees a 3% merit pool has been provided. Non-law enforcement structures will be adjusted by 3%. Both the merit awards and structure adjustment are effective January 1, 2014. As established this year the hire-in level (minimum + 10% of each grade) after the structures are adjusted will be funded as part of their merit allocation.

Twelve (12) new positions are included in the General Fund budget. Funds allocated for new positions are \$780,374. Eleven (11) positions are funded related to workload increases and one (1) is due to an unfunded mandate of e-filing. Five (5) vacant positions have been eliminated and three (3) positions will remain authorized but are not funded. With the net increase of seven (7) positions there is a total of 3353.5 full-time positions authorized in the General Fund. The Road & Bridge fund has no new positions and one (1) position will remain authorized but is not funded. There are 224 positions funded in Road & Bridge for total authorized positions in the operating funds of 3,577.5.

This budget provides \$23,763,815 in the General Fund for the funding of capital purchases. Capital, as well as the other special purpose budgets, is scheduled for approval by Commissioners Court on September 24, 2013.

Other areas of interest in the budget include:

- **Group Health Insurance:** The County contribution is \$11,616 annually per employee.
- **Retiree Group Insurance:** The annual County contribution for retirees that are under 65 will be \$10,632; for retirees that are over 65 the County contribution will be \$2,688 annually.
- **Retirement Rate:** The County portion will increase from 13.84% to 14.57% effective January 1, 2014. A lump sum payment for the projected liability to provide our retirees a 50% of CPI COLA is included in the budget. This decision must be made prior to December 31, 2013.
- **Debt Service:** Principal and interest for debt service payments will increase by \$2,736,675 to \$4,321,437. Undesignated in this fund has been established at \$1,000,000.
- **Reduction in Force:** Five (5) vacant positions were eliminated from the General Fund budget. The elimination of these positions reduced the budget by \$305,303. Additionally, there are three (3) positions that will remain authorized, but funding has not been included in the FY 2014 budget. Two (2) are in the General Fund for a reduction of \$150,663 and one (1) is in the Road and Bridge Fund for a reduction of \$58,827.
- **Capital Funding:** Beginning cash balances are used to fund capital.
- **Operating Transfers:** The budget includes operating transfers for the following purposes:

District Attorney Law Enforcement Fund (Narcotics) .....	\$900,000
CSCD – Pre-Trial Bond Supervision Unit Fund.....	\$100,000
Self Insurance Fund (property damage & general liability).....	\$500,000
Road and Bridge Fund .....	\$2,749,053
Capital.....	\$23,763,815
- **Reserves:** Reserves for the General Fund have been increased to \$33,924,980 and \$8,577,315 in undesignated. An additional \$2,000,000 is in undesignated in the Road & Bridge Fund and \$1,000,000 in the Debt Service Fund.

As always we would like to thank Commissioners Court for their guidance and support during the budget process.

Sincerely,

Debbie K. Schneider  
Director, Budget & Risk Management