

Gregg County, Texas



FY05-06 Adopted Budget



Adopted on
August 30, 2005

The Many Roles of Law Enforcement Officers

The cover photographs for the 2006 fiscal year budget represent a few of the roles of law enforcement officers. Public safety includes answering the call for help, assisting other emergency agencies to prevent loss of life and property, search and rescue operations, educating the public, and apprehending and incarcerating criminals. The FY06 Budget is dedicated to all the law enforcement officers of Gregg County, in appreciation for the sacrifices they have made for the safety and protection of our neighborhoods, schools, businesses and our very lives.

Beyond the loss, beyond the crime
It stands the very test of time
A desire to search and find what's true
In how to live, in all you do
The pain to see and hear and bear
Somehow that doesn't stop the care,
Courage, honor, and service, too
In the heart of an officer like you.

Author: Linda Bailey

In gratitude of the following agencies serving in Gregg County:

- Gregg County Sheriff's Office
- Longview Police Department
- White Oak Police Department
- Gladewater Police Department
- Kilgore Police Department
- Lakeport Police Department
- Easton Police Department
- Gregg County Constables
- District Attorney's Investigators

Special thanks to the agencies participating in the cover photographs: Gregg County Sheriff's Office, Kilgore Police Department, Longview Police Department and Gregg County Juvenile Probation Department.

Respectfully,

Bill Stoudt
Gregg County Judge

GREGG COUNTY

FY2006

Approved Budget



**FOR THE FISCAL YEAR
BEGINNING OCTOBER 1, 2005
AND ENDING SEPTEMBER 30, 2006**

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Bill Stoudt
Gregg County Judge

101 East Methvin, Suite 300
Longview, Texas 75601

903/236-8420
903/237-2699 (Fax)

Date: December 17, 2005

To: Gregg County Constituents, Members of the Gregg County Commissioners' Court, Elected Officials, and Appointed Officials

From: Bill Stoudt, County Judge
Linda Bailey, Budget Director

Re: Fiscal Year 2006 Budget

Respectfully, we submit the adopted Fiscal Year 2006 Budget. The Commissioners' Court adopted the budget and the tax rate on August 30, 2005. This budget includes the fiscal year period beginning October 1, 2005 and ending September 30, 2006 and represents a balanced budget, with revenues exceeding expenditures in accordance with budget policy.

Revenues estimated for FY06 are \$32,763,902 with \$5.1 million in additional airport grant funds and \$1.0 million in permanent improvement funds, bringing total revenue to \$38,893,605. As shown on page 58, property tax revenues remained at 43% of the total revenue budget when comparing FY05 unaudited revenues and FY06 budget. The additional airport grant of \$5.1 million caused intergovernmental revenues to increase from 3 to 14%. Additionally sales & other tax revenue decreased from 34 to 27%, and remaining sources remained flat.

Appropriations for FY06 are \$32,716,973, with additional funds of \$5.26 million for an airport capital grant and \$1.53 million in unfunded mandates, road & other improvements, for a total of \$38,829,398.

The Gregg County elected and appointed officials have been diligent in their efforts to curb spending and seek external sources of funding when available. The following Executive Summary discusses the priorities and issues among the driving factors in Gregg County's overall decision-making process, including budgetary decisions.

EXECUTIVE SUMMARY

This executive summary provides a long-term financial picture of Gregg County and is divided into three parts: **short-term issues, long-term issues, and regional issues**. The information contained herein originated from several sources. Initial meetings were conducted with the department heads to define issues and consider solution options. Local and regional officials have contacted our office concerning topics for consideration by the County. Our department has also monitored the Texas Legislative sessions closely and followed county-related issues.

Economic Trends

Economic trends have profound affects on the County's overall financial condition as well as future County budgets. According to the State Comptroller's Economic Outlook Report for the Upper East Texas Region (published July 2002), this region is projected to grow at a 1.3 percent annual rate and should see solid growth in the key economic indicators in the upcoming years. As the national economy remains relatively depressed and the state government continues to increase unfunded mandates, the challenge for Gregg County is maintaining overall efficient and effective management of county resources.

Unfunded State Mandates & Grant Cuts

Unfunded state mandates are one of the highest growing concerns among Texas Counties. The state government is currently balancing their budget on the backs of Texas Counties. State agencies for mental health and mental retardation are consolidating, closing or privatizing. State funding for health care is decreasing while the regulations to provide indigent care become more demanding. Jail Standards commissions increase their regulations concerning prisoner housing and care. The State Judicial system created more regulations concerning indigent defense and timeliness of arraignment. All of these mandates have created an additional burden as services, and ultimately increased funding, is pushed to the county level while the state closes their doors.

Serious Effects

Counties escaped the looming threat of property tax caps during the last legislative session and are collectively fighting these caps and any other unfunded mandates. With the legislature meeting every two years it is difficult to plan long term goals or capital projects. This issue of appraisal caps and revenue caps will again be a challenge for the upcoming state legislative session, thus affecting counties planning on all levels producing uncertainty for long term vision.

Truth – In – Taxation

One major change in the FY06 budget process was a result of new legislative law known as SB18, relating to truth in taxation, which became effective June 18, 2005. This bill requires better communication between the taxing entity and the taxpayer concerning tax increases by mandating two (2) public hearings for tax rate increases and multiple notice requirements of the meetings through newspaper publication and internet postings. The bill re-defines tax increases, specifically and directly including increases resulting from rising appraisal valuations. Moreover, the bill passes all responsibility for any increase to the taxing entity, legally specifying the exact words to be used by the taxing authority when setting the tax rate, publishing notices, etc. The legislature intended for this bill to be the toughest 'Truth'-in-taxation bill in the nation.

Gregg County did not increase their tax rate for the FY06 budget. Any increases to taxes directly result from increased appraisal values. Although SB 18 assigns the full responsibility for tax increases to Commissioners Court, increased taxes will be due to increased appraisals that are independently prepared.

Strategic Issues: Short Term

Short-term issues are defined as those issues that are currently being addressed or will need to be addressed in the FY06 budget process.

Legislative Bills

During the 79th Regular and the First and Second Called Legislative Sessions, several bills were presented that would affect county revenues, ad valorem taxes, and/or property appraisals state-wide, in order to address the major issues of school finance reform. Three topics that were heavily discussed included adoption of revenue caps, appraisal caps, and tax regulations requiring elections before tax rate increases. Although these bills did not pass, future passage of bills of this nature reduce county tax revenue, increase county taxation expenses and ultimately reduce county services for citizens.

79(R)SB 18, as mentioned earlier, increased operational costs in several areas. The tax office out-sources both tax statement printing and delinquent tax collections. These costs will increase due to specific wording and historical data required on the statements, programming charges, supplies and postage. Cost of public notices will increase for both the tax department and non-departmental to cover new advertisement requirements. Costs estimates are undeterminable at this time. In FY07, additional requirements will be added for public hearings and notices during the budget process due to passage of 79 (R)SB 567.

79(R)SB 1704, relating to jury service, was passed during the 79th Regular Session. This bill mandates that each juror be paid no less than \$6 for the first day or fraction of a day served, and no less than \$40 for each day or fraction of a day served after the first day. This bill includes provisions for the comptroller to reimburse a portion of the costs to the counties. Due to this bill, juror pay is expected to increase from \$6,000 in FY05 to \$130,000 in FY06. Considering the offsetting reimbursements from the state, the juror pay amount was budgeted at \$95,000 for FY06.

Several bills of interest to Texas Counties included additional fees, or fee increases in the County Clerk, District Clerk and Justice of the Peace offices. Bills affecting County Clerk collections include HB950, SB6, SB241, SB1524, HB703 and HB1404. The District Clerk fee collections will increase due to SB241, and SB1426. Bills affecting collections in the Justice of the Peace courts include SB1424 and HB703. The FY06 budget includes estimated revenue increases related to these bills as follows: County Clerk increased by \$60,000, District Clerk increased by \$25,000, and Justice Courts increased by \$55,000.

The Justice Court Technology Fund became a permanent fund, with the passage of HB1418. Past legislative wording allowed for Commissioners' Court to approve collection of these fees for four years only; now the law requires counties to collect these discretionary fees.

SB526 created a new revenue for records management of criminal records and the FY06 budget includes two new funds to account for these funds: District Clerk Criminal Records Management Fund and County Clerk Criminal Records Management Fund. HB1934 establishes a security fee in the justice courts and accordingly, we have included a new fund called Justice of the Peace Security Fund in the FY06 budget. The newly created funds for records management and Justice of the Peace security fund are discretionary funds – meaning monies collected are restricted and can only be used as designated by law. Total budget for revenues and expenditures in the new funds are estimated at \$15,250 and \$7,625 respectively.

The Texas Statutes mandate it is the responsibility of the county to collect specific fees of office and court costs, and the county is required to remit the majority of these collections back to the State. Due to the loss of state revenue from unpaid fines and fees, the legislature passed SB1863 requiring county implementation of collection programs for court administration costs. Gregg County will be required to implement a collection program by April, 2007.

Another bill, 79(2)HB11, related to district judges salaries, will take effect December 1, 2005. HB11 increases the state judicial salaries, which are paid entirely by the state, and ultimately the county court at law judges salaries, which are based on the district judges salaries and paid entirely by the counties. The bill requires an increase in fees collected through court costs and some of those fees will be redistributed to eligible counties, however, Gregg County's portion of that revenue distribution is unknown at this time. Gregg County anticipates the increase for salary and fringe benefits could be \$22,628 per judge. A prorated amount of \$55,272 is included in Non-Departmental Salaries and Adjustments to accommodate salary increases for the two county court at law judges.

State cuts in numerous county funds put additional burden on the county budget. The full impact of the 79th legislative 'fallout' is unknown at this time. Other legislative matters will be conveyed as new information is received.

Permanent Improvement Fund

The FY06 budget includes expenditures of \$500,000 in a newly established fund entitled "Permanent Improvement Fund". This fund was implemented for replacement and/or major repairs to county owned facilities; replacement of the county's aging technological assets; and other projects considered by the Commissioners Court in order to keep from spending reserves.

Gregg County owns and operates the main courthouse and jail facility, 4 satellite buildings, 13 community facilities, 4 precinct barns, and multiple buildings located at the county airport. During the past 6 years, the county has renovated the courthouse, 188th district courtroom, and jail facility. The 124th district courtroom was built and furnished in 1982 and is currently under renovation to replace the 23 year old carpet, seating, wall covering, and other decorations. Other renovations are not anticipated at this time.

The Gregg County Courthouse is one of the nicest facilities in the state of Texas. It has been a priority to identify and improve any unsightly or inefficient areas in all Gregg County facilities in a timely manner so that repair and replacement costs may be minimized. Fiscal years 2004 and 2005 included adequate funding to maintain the current state of these facilities. Continued

improvement of Gregg County's East Texas Regional Airport is another priority because the airport offers significant opportunities for large commercial economic development.

Public Safety

The FY06 budget includes public safety decisions that were mandated and/or implemented during FY05. Two part-time positions (a dispatcher and a 9-1-1 addressing clerk) were added in the Sheriff's office causing a FY06 budgetary increase of \$21,649. Due to the recent national and local publicity regarding courthouse shootings, the Commissioners Court created 4 additional deputy positions in the sheriff's office. The function of these armed officers is to maintain courthouse security. The cost of adding these positions was \$156,917.

State records reflect as far back as 1846, Texas law listed responsibility of county government to provide a safe and suitable jail. The Texas Jail Commission (TJC) monitors this state mandate in present day. Three years ago, TJC agreed to postpone sanctions against the county's jail operations provided the county increased the staff to inmate ratio to appropriate levels (1 jailer to 48 inmates). TJC allowed the county to increase the staffing levels over the course of three years. Gregg County complied with the directives and added 8 jailers in FY04 and 9 jailers in FY05. The final 8 positions are included in the FY06 budget at an estimated cost of \$247,515.

For homeland security reasons, the Commissioners Court incorporated the county Fire Marshal position into the Sheriff's Office during FY05 and nine Airport Public Safety positions were reassigned under the Sheriff's jurisdiction. Restructuring these positions into the Sheriff's office eliminated duplication of command and provided better coordination with all county law enforcement divisions. The total budgetary impact from this action was an increase of \$8,117, due to salary equalization and certifications.

The FY06 Budget includes \$198,500 for 11 new vehicles for the Sheriff's office. Five of the vehicles are police package vehicles and 6 are fleet vehicles, which cost 28% less than the full police packages. The Sheriff's office currently has around 45 vehicles in their inventory, with several of the vehicles' mileages exceeding 80-100,000 miles. To ensure quality public safety, vehicles should be maintained in good condition and replaced in a timely manner.

Fringe Benefits

Fringe benefits increased \$211,475 from FY05 to FY06. In December 2003, the Commissioners Court created a self-insurance program in an effort to manage ever-increasing health insurance premiums. The fund remains solvent to date. Due to accounting requirements of the Governmental Accounting Standards Board (GASB), accountability for subsidizing retiree premiums created actuarial changes and increase in premiums for FY05. Self insured insurance premiums were approved for FY06 and the Commissioners conservatively increased the county contribution rate by 2.5%, adding \$139,764 to the budget. County contribution for dental insurance increased by 10%, or \$15,284 and the long term disability premium increased by \$3,394.

The Commissioners Court approves all fringe benefits contracts during the renewal period or before contract expiration. Retirement contributions are reviewed and the Court sets the county rate annually. The retirement rate did not increase in FY06.

County Clerk's System Upgrade

The County Clerk's operating system was purchased in 1997 and last upgraded in 2001. Support for the current version will be discontinued in FY06. The operating system includes official public records, birth and death certificates, marriage licenses, uniform commercial code, and court records for the Commissioners Court. The FY06 budget includes \$75,000 for software licensing fees in the County Clerk Records Management Fund. Required equipment purchases of \$65,950 were funded in the Information Services department who manages all technology for the county. While the total upgrade cost is \$140,950, only \$65,950 will impact the county's General Fund.

Airport Improvements

The East Texas Regional Airport is entitled to \$1,000,000 in funding from the Federal Aviation Administration (FAA) each year, with the FAA operating one year behind the county's fiscal year. Our airport administration aggressively seeks discretionary funding from the FAA each year in order to continue the airport's 10-year capital improvement plan.

During FY05 the FAA revised its funding methods for airport improvement projects which created timing disparity in the FY06 budget. In prior years, funding (for the next year) was based on estimated project costs. New FAA procedures require the award of the bid before issuing the grant. State law requires funding to be in place prior to bid letting. In keeping with FAA procedures and State regulations, airport improvements projects will be bid with specific phases in order to not encumber future year's budgets. This change in funding patterns mandates the FY06 budget include two years of FAA funding grants.

The budgetary impact for the FY06 budget is \$1,000,000 entitlement from FAA; \$1,762,425 in discretionary FAA funding for their year 2005; and \$2,500,000 in discretionary FAA funding for their year 2006, for a total of \$5,262,925.

Help America Vote Act (HAVA)

In response to federal and state mandates, the county evaluated elections systems to replace the current system. A system was selected in early FY06. The federal HAVA grant, administered through the Texas Secretary of State's office, will provide the majority of the funds (\$539,543) for this system replacement with the county providing \$96,225 in matching funds.

Strategic Issues: Long Term

Long-term issues relate to those issues facing the county in the years beyond FY06. The County Judge, as chair of the Commissioners Court, sets the stage for strategic planning through the annual budget document process. The County's budgetary goals include avoiding debt and remaining solvent by ensuring that revenues exceed expenditures. Progressive decisions made by the current and prior Commissioners Courts have enabled the County to operate on a pay as you go basis without incurring additional debt. The County's infrastructure and facilities are in relatively good shape; and its fiscal practices have paved the way to overcome short-term issues as they arise. Annual transfers into the Permanent Improvement Fund should provide adequate reserves for future projects.

Increased Cooperation with Other Entities

Gregg County shares the same citizens' tax base with other local entities, such as schools, cities and emergency services districts. Often services provided by these entities overlaps with county services (law enforcement, justice system, road maintenance and social programs). Cooperation with other entities greatly reduces or eliminates duplication of work, thus reducing the citizens overall tax burden and giving better service to the taxpayer overall.

Gregg County as an Employer

The county's most valuable resource is its employees. Efforts to improve grade levels and job descriptions are constantly under review. Since wages are not the only form of benefit for employees, the Human Resources department hosted the first annual Employee Information Fair during FY05. This fair provided the opportunity for employees to visit with vendors regarding benefits such as life insurance, health insurance, retirement, deferred compensation, etc. Employees were given a document called the 'Hidden Paycheck,' which shows the employee's salary plus the dollar amount of benefits paid by the county for that employee. Hosting this fair creates a minimal fiscal impact to the county budget, and has maximum employee impact by providing benefits information. Plans for the second annual fair are underway.

The proposed FY06 budget includes a 2% COLA (cost of living adjustment) for all positions. This follows a 3% COLA in FY05. Future raises are contingent on the County's ability to address economic and strategic issues.

Increasing Demand for County Services

Unincorporated Gregg County is continuing to grow with more development outside of the city limits. Municipalities have more stringent legislation governing annexation of the unincorporated areas. Issues of fire/public safety and homeland security are a growing cause for concern to citizens. This leaves Gregg County responsible for providing new and expanding services in the newly developed non-municipal areas.

Through interlocal agreements, the County provides road assistance to its cities and the cities provide fire and ambulance service to the unincorporated parts of the county. Likewise, area law enforcement agencies provide support for each other in critical situations. Gregg County supports its volunteer fire departments and public safety agencies monetarily and through sharing grant funds and equipment. These non-profit agencies are gradually moving into the spotlight as homeland security concerns increase.

Health & Welfare Issues

During FY05, the County Health Department expenditures budget was increased 20% over the original budget for indigent expenses. Reduced funding at state levels and low eligibility criteria at the county level contributed to the increase in current year expenses. Proposed changes to eligibility criteria were approved by Commissioners Court in October of 2004 and it is hopeful the new criteria will maintain or slightly reduce future expenses in this area. The FY05 budget for the Health Department has been budgeted conservatively at \$ 1,375,924.

Technology

During the FY06 budget process, the information services director discussed upcoming concerns for the FY07 budget. The Health Department needs a new operating system which will likely

cost at least \$20,000. Microsoft is releasing a new desktop operating system and Office product suite in the spring of FY06. During FY07, the entire county will need to upgrade to the new Microsoft versions at a cost of \$86,625. The Sheriff's office mobile data computing options are estimated at \$10,000. The Tax Collection System will require an upgrade including software and hardware, approximately \$200,000. The Judicial system will require an upgrade including software and hardware, approximately \$800,000. Overall, for the FY07 budget the county is facing an extra \$1,200,000 in technology expenses. These costs will likely be completed over two budget cycles.

East Texas Regional Airport and Industrial Airpark

Gregg County is committed to an ongoing airport improvement program at the East Texas Regional Airport. FAA approved airport projects continue through year 2012 (plans are available at the airport manager's office). Gregg County is responsible for budgeting and expending 100% of the federally approved projects and is reimbursed at a rate of 95%. This year's federal grants will total \$5.2 million for the FY06 budget.

Further development of Gregg County Industrial Airpark is a priority of the Commissioners Court in order to attain the optimum return on investment at the park. Construction on the industrial airparks began in 1990 and continues as companies relocate to the airpark. FY05 endeavors include renovation/improvement of taxiways and extension of utilities to better serve businesses at the airpark.

In August FY05, the County went out for bids and awarded a contract for oil and gas exploration at the airport to Will Drill, Inc., out of Louisiana. The contract included a signing bonus of \$200,000 and 25% royalties. This company has three years to begin drilling; if drilling has not begun in that time period, all rights revert back to the County. Due to the newness of this contract, revenue projections are not included in this budget document.

Regional Strategic Issues

Regional issues are those matters beyond the direct control of Gregg County. Solutions would result from cooperation with several entities within the area.

Homeland Security

Under the guidance of the federal Department of Homeland Security, governmental agencies have formed alliances to strengthen the local partnership for emergency management. The duties of the Gregg County Judge, who serves as the county Emergency Management Officer, are to work with all city mayors in coordinating a response and action plan to deal with any emergency that threatens the health and safety of the citizens of the county. These emergencies could involve terrorist or non-terrorist activity.

The county's health/bio-terrorism officer deals with preparedness and contingency plans in the event of a biohazard or terrorist threat, industrial accidents and chemical spills. The health/bio-terrorism officer works closely with the county's emergency management coordinator who organizes activities with all local law enforcement and emergency preparedness response teams.

Gregg County has aggressively sought federal Homeland Security funding for these activities and was able to acquire over \$700,000 in grants in FY05. The monies received were distributed locally with area law enforcement agencies and volunteer fire and rescue departments. The county will continue to pursue future federal funding for homeland security issues and emergency preparedness programs. This budget document includes operations of the county, grant budgets are approved separately.

Air Quality Non-Attainment

Another important external issue is regional air quality maintaining attainment levels. In mid-FY05 the North East Texas region obtained attainment. Gregg County continues to work with regional industries, counties and the North East Texas Air Care (NETAC) committee to adjust, plan and monitor air quality in order to maintain our attainment level. This is an exceptional challenge due to drought conditions in the region this year. From January 1 to June 30, 2005, the area received 6 inches less rainfall than previous years. Because the status of attainment versus non-attainment significantly impacts state and federal funding of infrastructure and industrial projects in the area, the County plans to continue its endeavors to maintain attainment status.

Water Issues

Water shortages have become an issue across the state. While the North East Texas region appears to have plenty of lakes, ponds, and rivers, it is imperative that local governments and agencies plan for conservation of this precious natural resource.

Energy Issues

Retail competition in the sale of electricity began in Texas January 1, 2002. Although most decisions affecting energy policy and prices are made at the national and state levels, planning efforts at the local level resulted in the delay of deregulation for our area. The Northeast Texas area is exempt from the deregulation process until 2010. Energy costs affect the County budget due to weather variability and jail population fluctuations. Additionally, increased energy costs also impact the economic health and quality of life for the entire community.

Over the last two years energy costs for county facilities increased by 10.4% in electricity and 45.3% in natural gas. Since FY02, total utility costs (including water and sewer) increased by 28.5%.

Volatile fuel costs also impact the county's budget. Increases in gasoline and diesel have averaged between 52.8 and 59.4% in the last two years. The FY06 total budget for fuel is \$295,100, which is 18% more than the FY05 budget and 57% more than actual expenses in FY02.

Transportation

Texas Department of Transportation (TxDOT) implemented changes in recent years regarding the transportation planning process which greatly effect county governments in terms of infrastructure and mobility. In order to continue to attract and secure funding for state highway projects, Gregg and Smith Counties joined together to form a Regional Mobility Authority which was approved by the State in October 2004. During FY05 the Commissioners Court of Gregg County and Smith County jointly created the North East Texas Regional Mobility Authority

(RMA). This political subdivision was formed to finance, acquire, design, construct, operate, maintain, expand, or extend transportation projects. The newly created RMA will benefit the local economies by generating revenue for additional transportation projects; providing local governments more control in transportation planning; and helping to build transportation projects sooner, which will bring congestion relief faster, improve mobility and increase safety for motorists. The FY06 budget includes the RMA's budget request of \$5,500.

The Texas Department of Transportation (TxDOT) has scheduled construction for improvements on state highway 135. The total cost for this project is an estimated \$35,290,000 of which the county's portion is \$233,000. The county began paying for right-of-way incrementally in September of 2004. During FY06, the final payment of Phase 1 will be combined with the first payment of Phase 2. Payments are expected to continue until 2008.

Most of Gregg County is located within five major cities: Longview, Kilgore, Gladewater, White Oak, and Lakeport. The County provides assistance through interlocal agreements and specific road laws by repairing and building roads and installing culverts for cities and other governmental agencies. Additionally, the county has provided funding for specific city road projects when monies were available. The FY06 budget includes \$300,000 for City of Longview road projects.

Veterans Cemetery

Gregg and Smith counties combined efforts to apply for location of a veterans cemetery along the borders of both counties. The joint county endeavor received favorable remarks from the Veterans Land Board concerning their efforts in furthering regionalism. Although the initial grant for the cemetery was bestowed to another area, the Veterans Land Board indicated favorable consideration for a secondary award for the East Texas area in the future, when sufficient land is acquired.

Summation

The Commissioners' Court has continued their aggressive approach to financial management by reducing operating costs and encouraging departmental efficiency. Due to this consistent approach, Gregg County may comfortably withstand any current economic problems, pay cash for needed capital projects, pursue economic development, while dealing with the state and federal mandates and maintaining an aggressive level of service for the citizens we serve.

Thanks to all elected and appointed officials and their capable staff members for their cooperation and responsive approach during the budget process.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Gregg County
Texas**

For the Fiscal Year Beginning

October 1, 2004

Nancy J. Ziehl
President

Jeffrey R. Egan
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to Gregg County, Texas for its annual budget for the fiscal year October 1, 2004 - September 30, 2005. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to GFOA program requirements.

**AN ORDER OF THE COMMISSIONERS COURT OF
GREGG COUNTY, TEXAS, ADOPTING THE ANNUAL
BUDGET FOR GREGG COUNTY FOR FISCAL YEAR 2006**

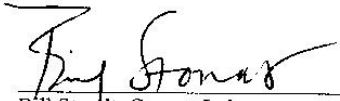
§

BE IT REMEMBERED at a regular meeting of Commissioners Court of Gregg County, Texas held on the 30th day of August, 2005 on a motion made by Bill Stoudt, County Judge and seconded by Danny E. Craig, Sr., Precinct #4, the following Court Order was adopted:


- WHEREAS, Chapters 111.003 through 111.013 of the Local Government Code of the State of Texas prescribes the method by which the Gregg County Commissioners Court shall adopt an annual budget; and
- WHEREAS, a budget for the fiscal year beginning October 1, 2004 and ending September 30, 2006 has been proposed by the County Judge as the Budget Officer; and
- WHEREAS, the proposed budget has been filed with the County Clerk as prescribed by law; and
- WHEREAS, a public hearing on the proposed budget was conducted on August 30, 2005 as prescribed by law; and
- WHEREAS, the salaries and allowances of certain elected officials have been proposed and appropriate notifications of these elected officials have been given.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Commissioners Court of Gregg County adopts and approves the proposed budget including attached list of corrections (item no. _____), for Gregg County for the fiscal year beginning October 1, 2005 and ending September 30, 2006.

DONE IN OPEN COURT this the 30th day of August, 2005.



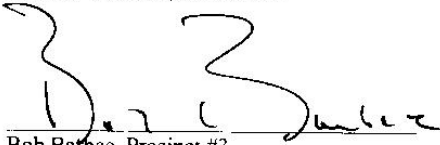
Bill Stoudt, County Judge



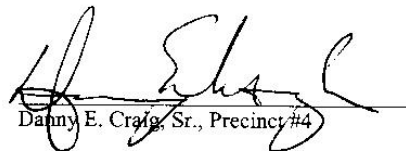
Charles W. Davis, Precinct #1



R. Darryl Primo, Precinct #2



Bob Barbee, Precinct #3



Danny E. Craig, Sr., Precinct #4

Attest:



Connie Wade, County Clerk



OVERVIEW

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Texas County Government

Texas county government is generally an extension of state government, focusing on the judicial system, health and social services, law enforcement, and road construction and maintenance. In contrast to other parts of the country, Texas counties seldom have responsibility for schools, water and sewer systems, and electric utilities. In Texas, counties have no ordinance-making powers other than those explicitly granted by state law. The Texas State Legislature meets every two years creating laws that affect both state and either directly or indirectly local governments.

Texas has 254 counties with similar organizational features: a governing body (the Commissioners Court) consisting of one member elected at large (the County Judge), and four members (Commissioners) elected by qualified voters of individual county precincts. The County Judge is both presiding officer of the Commissioners Court and judge of the County Court and is named for his actual judicial responsibility. The Gregg County Judge is primarily an executive and administrator of the County in addition to his various judicial responsibilities.

The Commissioners Court serves as both the legislative and the executive branch of county government, and the court has budgetary authority over virtually all county departments, including those headed by other elected officials. The construction and maintenance of county roads and bridges are major responsibilities of the Gregg County Commissioners for precincts #1, #3, and #4. Other general functions of the Commissioners Court as entitled in the Texas Constitution and statutes include:

- 1) Layout, establish, change, maintain, and discontinue public county roads;
- 2) Build and maintain bridges;
- 3) Administer and provide for public welfare services;
- 4) Establish a courthouse and jail;
- 5) Appoint numerous minor officials and fill vacancies in certain offices;
- 6) Perform numerous duties in regard to elections;
- 7) Set the County tax rate and adopt the budget;
- 8) Issue debt and let contracts.

In Texas County government, there is not a hierarchy level for elected county officials, as all officials answer directly to the voters. The Commissioners Court authority over county offices, including elected offices, is limited to its authority to approve and disapprove (and increase or decrease) the budgeted funds appropriated for each departments activities.

Elected offices created by the Constitution include County Judge, Commissioner, Constable, County Attorney, County Clerk, District Attorney, District Clerk, Justice of the Peace, Sheriff and Tax Assessor/Collector. These offices are elected at large with the exception of the Commissioners, Justices of the Peace and Constables, which are elected by individual precincts.

Offices created by legislative act include State District Judges, County Courts-at-Law, County Auditor, County Purchasing Agent, Community Supervision Corrections Division, and Juvenile Probation. The State District Judges and County Court-at-Law Judges are elected at large. The remaining legislative offices serve under various boards as shown on the organization chart shown on page 17.

GREGG COUNTY COMMISSIONERS COURT



Bill Stoudt
County Judge



Charles W. Davis
Precinct #1



R. Darryl Primo
Precinct #2



Bob Barbee
Precinct #3



Danny E. Craig, Sr.
Precinct #4

COUNTY LEADERSHIP

County Clerk.....	Connie Wade
County Sheriff.....	Maxey Cerliano
County Tax Assessor-Collector	Kirk Shields
District Clerk.....	Barbara Duncan
District Attorney	William Jennings
County Auditor	Laurie Woloszyn
County Purchasing Agent	Shelia Embrey

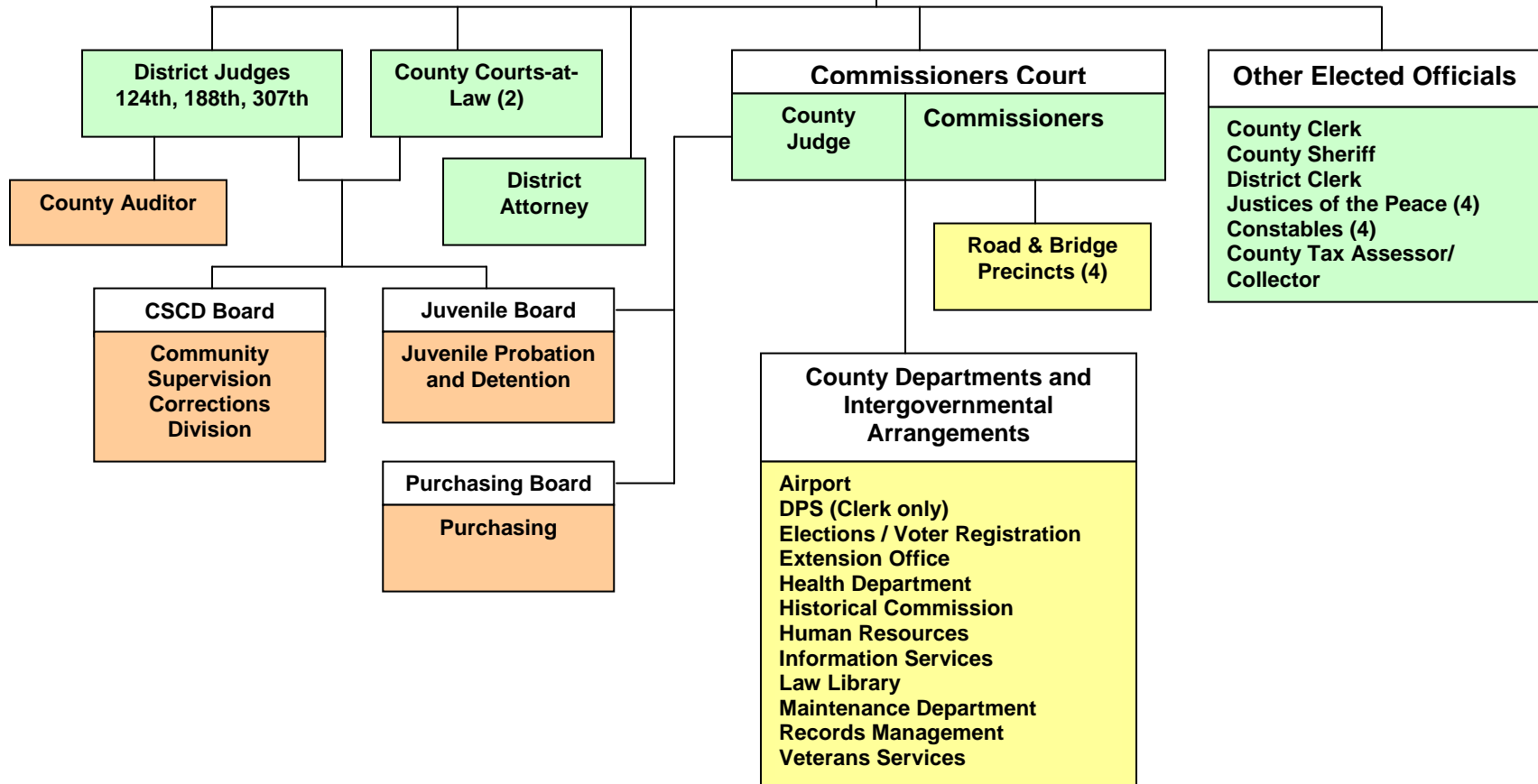
Note: The County Directory located in the appendices of this book contains contact information regarding all elected and appointed officials and department heads.



Gregg County Citizens

State

County

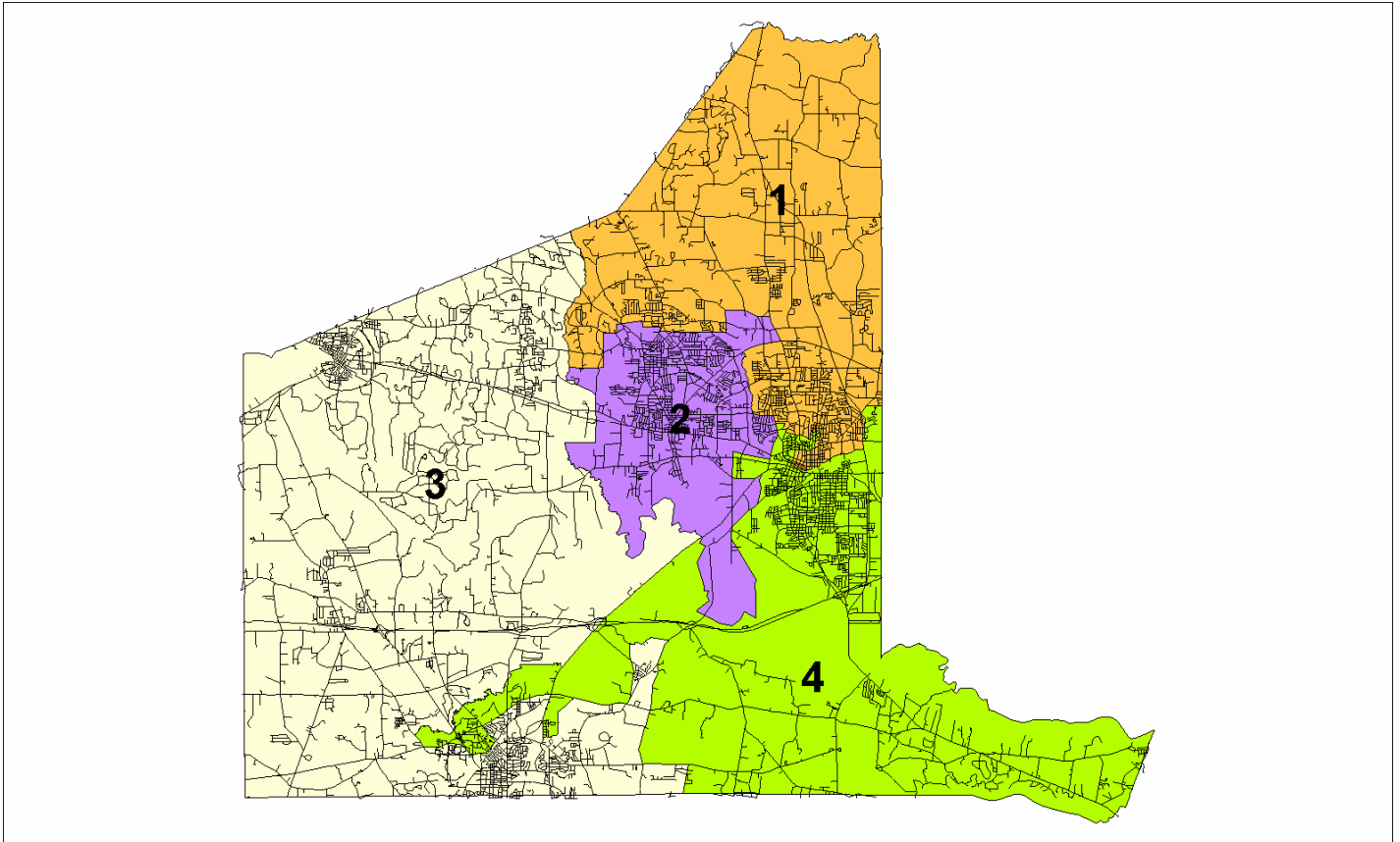


Elected Officials

Board Appointed Officials

Comm. Court Oversight

Gregg County Precincts Map



The numbered areas outlined on this Gregg County map represent the four county precincts from which the commissioners, the justices of the peace, and the constables are elected. In 2001, the Commissioners' Court formally approved this map of precinct lines as proposed by the Gregg County Redistricting Committee, which was formed to ensure the redistricting process followed state and federal guidelines. The precinct lines were determined based on the 2000 U. S. census figures; each precinct had the same number of residents, as required by law. The four precincts vary greatly in land area due to differences in population density in the county. The central and northern sections have many residential neighborhoods, while the rural southern and western sections are relatively less populated.

Local Environment

Gregg County is located in the northeast region of Texas and it encompasses 274 square miles. Rolling hills, pine forests, and lakes and rivers provide the county's residents with a tranquil life style and many recreational opportunities. According to the Texas State Data Center and Office of State Demographer, the projected 2005 population for Gregg County is 115,023 (66.9% white, 20.4% black, 1.3% other, with ethnicity of 11.4% Hispanic). U.S. Interstate 20 connects the county to the Fort Worth-Dallas metropolitan area to the west (120 miles) and to Shreveport, Louisiana to the east (60 miles).

The city of Longview is the county seat and the county's largest city with an estimated population of 74,826 residents, or 65% of the total county population. Gregg County also includes the cities of White Oak, Elderville, Easton, Lakeport, Clarksville, Warren City, and parts of Kilgore and Gladewater. Longview and most of the county are included in the Longview-Marshall Metropolitan Statistical Area, the largest MSA in the eastern part of Texas.

Gregg County offers quality educational opportunities at both public and private schools. The larger public school districts include Longview, Pine Tree, Spring Hill, White Oak, Sabine and Kilgore. Private schools include Longview Christian Academy, Trinity School of Texas, and St. Mary's School.

County residents may pursue a college education or vocational - technical training at several area educational institutions. LeTourneau University, located in Longview, attracts about 2,000 students annually with its highly rated aviation and engineering programs. For several years, the university has received national recognition as an excellent educational value. Kilgore College, home of the famous Rangerettes precision marching drill team, offers academic courses, vocational training, and technical degree programs at campuses located in Kilgore and Longview. The University of Texas at Tyler offers college courses at the Longview University Center, located in north Longview on Highway 259.

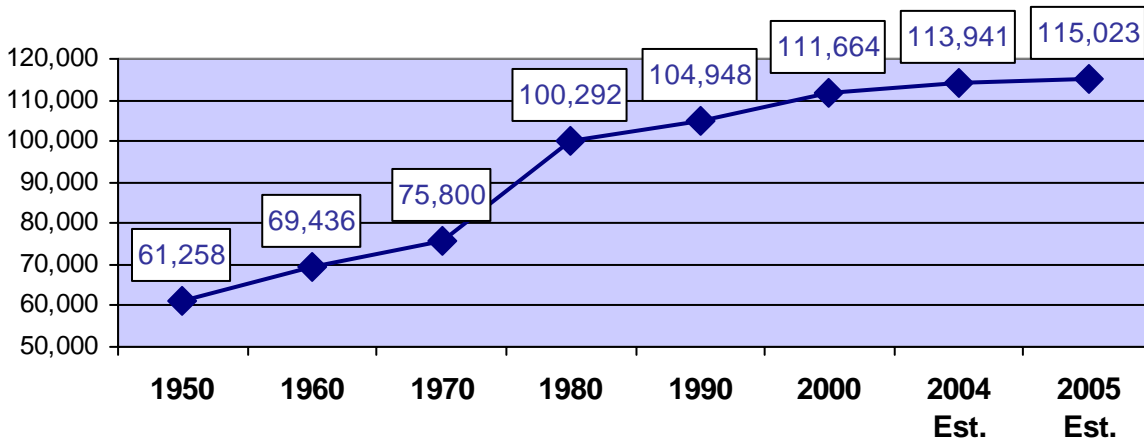
Gregg County offers many cultural activities and family entertainment events during the year:

ArtsView Children's Theatre	East Texas Symphonic Band
The Longview Ballet Theater	The Longview Community Theater
Opera Longview	The Longview Symphony Orchestra
AlleyFest	Great Texas Balloon Race
Longview Rodeo	East Texas Gusher Days
Gregg County Historical Museum	Gladewater Rodeo
East Texas Oil Museum	DerrickFest
Longview Museum of Fine Arts	Texas Shakespeare Festival
Gladewater Glory Days	White Oak Roughnecks Days

Gregg County's economy has been dominated by the oil and gas exploration and service industries since 1930. Beginning in the mid-1980's, crude oil dropped from \$28 to \$16 per barrel, which caused a near depression in the oil and gas industry throughout Texas. Since the sustained decline in oil and gas prices, the county's civic leaders and public officials have sought to diversify the area economy by attracting manufacturing and other businesses not associated with the petroleum industry. This effort, while still ongoing, has been successful. There are over 40

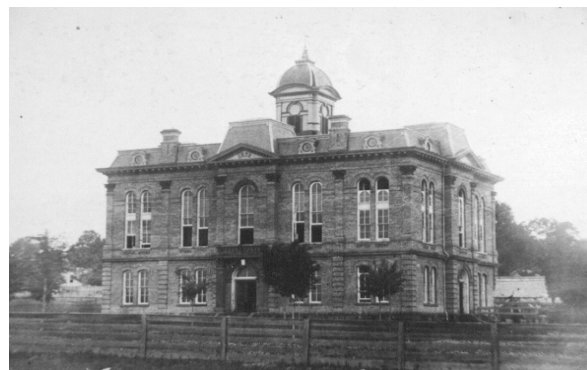
manufacturing companies in the area with over 10,000 employees. Among the area's larger manufacturing companies are Texas Eastman Chemical Company, LeTourneau, Inc., Dana Co., Trinity Industries, Inc., Fleetwood Travel Trailers, Stemco, Inc., Crosby/LeBus Manufacturing, Southwest Steel Casting, Vertex RSI, Aeon Coil Products, Alcatel USA, and Norris Cylinder. Major non-manufacturing employers include Good Shepherd Health System, Kilgore College, Brookshire's Grocery, the City of Longview, Longview ISD, Longview Regional Medical Center, Neiman Marcus, Sitel, Pine ISD and Gregg County; each entity employs 400 or more people in the county.

Population Trend for Gregg County



History of Gregg County

In 1873, Bluford W. Brown, a state representative from the Summerfield community, introduced a bill before the Thirteenth Texas Legislature to create a new county from parts of Upshur, Rusk, and Harrison Counties. The proposed name commemorated a popular Confederate Army general named John Gregg who was killed in action on October 7, 1864. Gregg County was officially created by passage of an act by the Thirteenth Legislature on April 12, 1873, and the new county was expanded by passage of another act the following April 30, 1874. However,



Gregg County Courthouse - 1879

Gregg County ended up being significantly smaller than all of the adjoining counties because representatives for Harrison County successfully prevented the western end of that county from joining Gregg County, as was planned by the legislative committee.

The Southern Pacific Railroad established Longview in 1870 while constructing its transcontinental line and the town was incorporated in 1871. Kilgore was created by the International Railroad near New Danville in 1872. The Texas & Pacific Railroad acquired the Southern Pacific Railroad and then continued construction westward from Longview in early 1873. The railroad established Gladewater near Point Pleasant. Longview, Kilgore, and Gladewater were primarily sawmill towns. Longview also had offices and shops for the three railroads, Kelly Plow Works after 1882, and the Graham Box Factory after 1903. However, cotton farming remained the foundation of the economy, occupying about half of the county's cultivated acreage.

In 1930, Gregg County was rescued from the Great Depression by the discovery of the East Texas Oil Field, the largest pool of petroleum ever discovered in the continental 48 states. "Dad" Joiner brought in the Daisy Bradford No.3 on October 3, 1930, and that well was quickly followed by the Lou Della Crim No.1 and the J.K. Lathrop No.1 wells within 60 days. Nearly half of the field's 200+ square miles lay in the western third of Gregg County. Over the past 70 years, it is estimated that 6 billion barrels of oil have been recovered. An estimated 1 billion barrels remain to be recovered.

Transformed into boom towns almost overnight, Kilgore and Gladewater became incorporated cities in 1931. By the time drilling activity declined in 1935, there were about 15,000 wells and 95 refineries in the field. Among a multitude of civic improvements, the new wealth contributed to the creation of Kilgore College. Oil and gas exploration, production, and the related service industries continued to dominate Gregg County's economy for the next 60 years.



Gregg County Courthouse - 1932

Petroleum and natural gas production allowed Gregg County to prosper during the national economic boom that followed World War II. The federal government built the Harmon General

Hospital near Longview during the war and after the war the government donated it for use as LeTourneau Technical Institute (later LeTourneau University). The contribution of the hospital was part of the government's inducement to persuade LeTourneau, Inc. to build and operate a military manufacturing plant in Longview. The Texas Eastman plant, established near Longview in 1950, became the largest petrochemical complex in inland Texas and brought many educated, well-paid residents to Gregg County. Another industrial milestone was the construction of the Schlitz (later Stroh) brewery plant in 1964. Also beginning in 1964, the construction of U.S. Interstate 20 placed Gregg County on a major east-west transportation artery. Although Gregg County's economy suffered from the multi-year decreases in petroleum prices, today's more diversified economy is sound and growing in a slow, but sustained manner. As the third millennium begins, the future looks bright for Gregg County and its citizens.



Gregg County Courthouse – West Wing – 1982

Financial Policies and Trends

BUDGET OPERATIONS

As in most Texas counties, **the annual budget process is the core planning process** for Gregg County. Planning processes for budget operations continue year-round in the form of five-year plans, debt reduction plans and capital needs assessments.

Five-Year Plan. In 2003, the budget office worked with a consultant to formulate a five-year planning process. The five-year plan actually consists of eleven-years of revenue, expenditure, and fund balance data for the operating and debt service funds. Five years of actual historical data and the current amended budget forms the basis for calculating scenarios for the next five years. Graphs are created to provide visual insight, showing ‘where we’ve been, where we are and where we are going’, assuming the same financial management patterns are continued.

Revenue calculations are based on several factors. Historical appraisal data is gathered to determine annual percentage of increase to property values and ultimately determine property tax collections. State Comptroller information is reviewed for various tax collections patterns for sales, motor vehicle, and mixed beverage taxes. Other revenues are evaluated to determine stability as a viable source of income.

Expenditures estimates are based on historical trends and investigation of variances from year to year. The plan adheres to debt schedules, with the exception of scenarios used to evaluate options for callable bonds. As a service organization, salaries and fringe benefits form the majority of the expenses, so scenarios are created for providing no raises and various cost of living adjustments. Operating costs are estimated at current growth patterns, or at levels of growth acceptable to the Commissioners Court.

The first five-year plan revealed the county would be deficit spending within two years if decisions were not made. It was this revelation that prompted the Commissioners Court to review the debt structure, encourage departmental efficiencies and analyze capital spending needs more closely. The review resulted in restructuring the debt (see below), requesting 3% decreases in departmental operations, deferment of most capital spending for a year, and due to increased fringe benefits cost, no cost of living adjustments that year.

Subsequent plans have aided in the decision-making process to increase ad valorem taxes by 4-1/2 cents, provide cost of living adjustments in FY05 (3%) and FY06 (2%), and re-establish some capital spending.

Debt Reduction Plan. Based on information provided in the five-year plan and recommendations from a financial consultant, the Commissioners Court used reserves to pay down the principal balance of the 1993 debt series to \$2,575,000 and refinance the remaining debt at the reduced rate of 2%, reducing the final payoff from 2010 to 2008. This resulted in interest savings of \$880,000 over the remaining life of the 2004 series.

The County’s debt policy is to reduce debt whenever possible. The 1988 debt was retired in FY05 and the 2004 debt series is not callable. Current debt plans include adherence to the 2004 debt schedule and not issuing new debt.

Capital Expenditures Plan. Ideas for capital expenditures are provided to the county at various levels: through citizens groups, other governmental entities, department officials, and emergency situations. Although these ideas are presented throughout the year, Texas statutes forbid spending not included in the budget. When issues appear throughout the course of the year that constitutes an emergency or unforeseen circumstance, the statutes allow for amendments to the budget. Grant funding is sought whenever possible and, when funding is not available, issues are noted and addressed during the next annual budget process.

Capital equipment purchases (such as vehicles, tractors, copiers, etc.) are addressed during the departmental reviews in budget process. When there is an emergency need for replacement (heating and air conditioning units, telephone systems, vehicles, et.) budget is transferred from emergency contingency funds to replace the item.

Capital projects requested, or mandated, by other governmental entities are presented to the county through the involved department. For more complex projects the Commissioners Court selects a committee to review project feasibility and cost factors, and make a recommendation to the Commissioners Court. Committee members either include or coordinate information with the county auditor, purchasing agent, and the assistant district attorney, whose functions are to ensure the project is compliant with accounting principles, and budgetary and purchasing statutes. Careful consideration is given to ensure compliance requirements by other governmental entities, as was the case in the selection of the elections equipment provided through Help America Vote Act funding.

When citizens groups present an idea to Commissioners Court, the process is handled in the same manner as a request from a governmental entity; however, the committee does not usually include the auditor or purchasing agent until later in the process.

In each case, all commitments to capital projects are brought in the form of an idea or request to Commissioners Court and committee recommendations are either accepted, declined, or tabled by Commissioners Court prior to actual expenditures.

Capital improvements at the East Texas Regional Airport are mandated by the Federal Aviation Administration. The airport follows a master plan approved by the FAA, then presented and approved by Commissioners Court. The auditor and purchasing agent work with the airport director to ensure appropriate accounting principles, budget and purchasing statutes are followed. The importance of the airport to the community is discussed on page 42. Due to the high security nature of all airport matters, the county relies heavily on FAA recommendations.

Budget Process

The formal budget process begins in April with the formulation of the budget instruction manual. The manual includes the budget calendar for the year and serves as a guide to department officials in the budget process. Also included are detailed instructions for request submissions, required forms, and specific budgetary concerns for the year.

Budget requests are completed on-line and due by early May. Budget requests are reviewed by the budget office on an individual basis and analyzed in terms of input, output, outcomes, objectives, and historical trend.

Revenue estimates are received throughout the budget process from the county auditor. The revenue estimates provide the necessary parameters for evaluating budgetary requests. Meetings are conducted between the budget office and the department officials in late May or early June. A preliminary review packet is prepared combining the latest revenue estimates with the budget requests and program statistics for review by the commissioners' court.

Budget workshops with the commissioners' court begin in late July or August to discuss funding levels, requests, and policy issues. By early August, a proposed budget is prepared by the budget office and filed with the county clerk based on the instructions of the commissioners' court. Public hearings are held prior to the adoption of the budget by commissioners' court in late August or early September. The adopted budget is filed with the county clerk.

Basis of Budgeting

The FY06 proposed budget is prepared on a modified accrual basis consistent with generally accepted accounting principles (GAAP) and budgetary control takes place at the categorical level. This is the same basis that is used for the audited general purposed financial statements prepared by the County Auditor. Under the modified accrual basis of accounting, revenues are recognized for budgetary purposes when they are received and become measurable and expenditures are recognized when the related fund liability is incurred, such as with a purchase order. Estimated purchase amounts are encumbered through the requisition process, prior to the release of purchase orders to vendors. When requisitioned encumbrances indicate an overrun of the departmental or project budget, purchase orders are not created until appropriations are available. The county maintains this encumbrance accounting system as a method of budgetary control. All encumbrances are closed at the fiscal year end by county policy.

Basis of Accounting

All governmental fund types are accounted for using the modified accrual basis of accounting. Gregg County adheres to Governmental Accounting Standards Board (GASB) and generally accepted accounting principles (GAAP) in its budgetary process and in its accounting process. The county judge serves as the budget officer of the county and prepares and enters the annual budget. The county auditor serves as the accountant and prepares and audits all financial activity (including grant funds). Both offices work closely together to maintain integrity in financial reporting.

When comparing the audited financial statements to the budget document, there are few differences. Both the budget and financial reports use the same fiscal year. To ensure congruity with the financial statements other financing sources and uses, and actual changes in fair value of investments are recorded in the budget. The fund structure of the budget adheres to the financial statement fund structure. Gregg County does not have component units, so no activity is recorded in either document. Also, there are no outstanding leases and there is no immediate intent to enter into one.

The major difference between the budget document and the financial statements is that the financial statements include internal service and agency funds that are not under the Commissioners Court jurisdiction and grant schedules.

Budget Administration

The adopted budget serves as a fiscal plan and legal appropriation for county spending. State law forbids overall spending above the amount specified in the adopted budget. **Gregg County defines a balanced budget as one in which the total expenditures do not exceed the total resources, or total estimated revenues plus reserves.**

Level of Control. The FY06 Budget was adopted in categorical format allowing elected and appointed officials to operate within the categorical budget amounts for salaries, fringes, operating and capital expenses. This policy empowers the individual offices with the ability to manage their own budgets, consistent with established policies, in a manner they believe results in their organization operating at its most efficient and effective level. The salaries and fringes categories included in the budget adoption process are directly tied to departmental positions budgets that will be enforced by the County Auditor through the payroll process.

Budget Changes. Changes to the budget are submitted to the County Judge's office in the form of budget transfers or budget amendments. Budget transfers are changes that have corresponding budget reductions and increases between categories, departments, or funds. Budget amendments are changes that will increase the total, or 'bottom line,' of the budget. Expenditure budget amendments are considered only in emergency situations as allowed by Texas Vernon's Statutes, Local Government Code 111.010 (c). All budget amendment and transfer requests are submitted to the County Judge's office with comments regarding the necessity of the request. The County Judge's office is responsible for placing the request on the Commissioners' Court agenda and the court has the authority to grant or deny the request.

Special Budgets

Funds compiled in this document form the County's operation budget. Throughout the course of the year, departments seek grant and other funding sources for specific programs or departmental functions. In keeping the Texas statutes, the Commissioners Court reviews and approves or denies these grants or special funding that are external to the county's operating budget. Upon their approval, individual budgets are created for each grant. As the grant budgets are usually available for different fiscal years, they are not included in the operating budget figures; however, they are included in the audited general purpose financial statements.

FY06 Budget Calendar

Date	Action	Official
April 11, 2005	Distribute budget instruction manual and request forms to departments	County Judge
April 18, 2005	Receive 1 st round of revenue and ending fund balance estimates	County Auditor
May 5, 2005	Deadline for departments to enter and return budget forms	Department Heads
May 17, 18, and 19, 2005	Preliminary review of departmental requests with officials	County Judge Department Heads
June 14, 2005	Receive 2 nd round of revenue and ending fund balance estimates	County Auditor
June 29, 2005	Preliminary budget worksheets to Commissioners	County Judge
July 15, 2005	Receive 3 rd round of revenue and ending fund balance estimates	County Auditor
July 25, 2005	Certified appraisal rolls due (Tax Code 26.01)	Chief Appraiser
July 26, 2005	Revised revenue estimates to Commissioners – based on certified taxable values	County Auditor
July 29 to August 8, 2005	Commissioners visit department heads regarding budgets (if needed)	Commissioners Department Heads
August 1, 2005 (a)	Deliver the appraisal roll to Commissioners Court and certify a collection rate for the current year (Tax Code 26.04b)	Tax Assessor-Collector
August 4, 2005	FY06 Preliminary Proposed Budget filed with County Clerk; notice sent to departments of recommended funding levels. (Local Government Code 111.003 and 111.006)	County Judge
August 5, 2005	Post required 72 hours notice of budget workshop – included in the posting for the regular meeting on August 8, 2005. (Government Code 551)	County Judge
August 7, 2005 (a)	Deadline to calculate, publish and present to Commissioners Court required schedules, statements and notices of effective and rollback tax rates. (Tax Code 26.04e)	Tax Assessor-Collector
August 8, 2005	Commissioners Court budget workshop immediately following the 10:00 a.m. regular meeting	Commissioners Court
August 8, 2005	Publish "Notice of Public Hearings " for both public hearings. (1 st quarter-page notice in newspaper and on TV and website, if available) (Tax Code 26.06 and 26.065) <i>Must be published at least seven days before the first public hearing on August 15, 2005.</i>	County Judge

FY06 Budget Calendar

Date	Action	Official
August 12, 2005	Post required 72 hour notice for the 1st public hearing – included in the posting for the Commissioners’ Court meeting on August 15, 2005. (Government Code 551)	County Judge
August 12, 2005	Post the required 72 hour notice for the 2 nd public hearing to be held August 18th. (Government Code 551)	County Judge
August 15, 2005	First public hearing at 9:00 a.m.	Commissioners Court
August 19, 2005 (b)	Publish notice of any proposed salary increases for elected officials in newspaper (Local Government Code 152.013) <i>Must be published at least ten days before public hearing on budget.</i>	County Judge
August 19, 2005	Publish notice of public hearing on FY06 Budget in newspaper (Local Government Code 111.0075) <i>Must be published at least ten days before public hearing on budget.</i>	County Judge
August 18, 2005	Second public hearing at 9:00 a.m.	Commissioners Court
August 22, 2005	Notice to departments of proposed departmental budgets	County Judge
August 22, 2005	Publish “Notice of Vote on Tax Rate” (Quarter page notice in newspaper and on TV and website, if available) (Tax Code 26.06) <i>Must be published at least seven days before public hearing on budget</i>	County Judge
August 26, 2005	Post required 72 hours notice for the public hearing on the FY06 Budget and meeting to adopt the FY06 Budget and adopt the tax rate – will be included in the posting for the regular meeting on August 30, 2005 (Government Code 551)	County Judge
August 30, 2005	Public hearing on budget immediately following the Commissioners Court meeting at 10:00 a.m. After public hearing, Commissioners Court will vote to adopt the FY06 Budget, then vote to adopt the tax rate. (Local Government Code 111.007)	Commissioners Court

Notes: (a) Statutes allow some flexibility on these dates.

(b) This step will be omitted if elected officials salaries remain the same as in FY05.

Dates are subject to revision

OUTSTANDING OBLIGATIONS (DEBT SERVICE)

Gregg County is one of the few Texas counties that is not encumbered with major debt obligations. The bond rating for Gregg County is A+ at Standards and Poor and A2 for Moody's. In FY06, the County's principal debt obligation of \$2.575 million represents approximately 7 – 8 % of the total budgeted \$37 million. In comparison, the principal debt obligation in FY1996 was \$22 million and the total budget was \$29 million. Over the years, the Commissioners' Court has aggressively sought refinancing and early retirement of debt obligations to build a strong financial foundation for the County.

At the beginning of FY05, Gregg County's debt obligation was \$5,093,850. The 1988 Series were retired in March, 2005 with a final payment of \$2,390,000, leaving a debt obligation of \$2,678,100. The 1993 Series were paid down and refinanced in FY04 resulting in a savings of \$900,000. The remaining debt consists of the 2004 Series obligations that were issued at \$2,575,000, with payoff scheduled for March 1, 2008. The outstanding debt obligation as of October 1, 2005 will be \$2,652,350. This debt is direct debt, payable from general revenues.

Debt Policy

The county's debt goals include maintaining a level of indebtedness within available resources and within all legal limits; and aggressively working towards a zero (\$0) level of indebtedness. The long-range goal for debt retirement includes early retirement of debt where callable bonds exist and when advantageous to the county to do so. There are no callable bonds at this time.

Debt Limitations

The Texas Constitution provides authority for counties to incur debt in Article III, section 52. Limitations for debt capacity are established by State law with limitations on the tax rate. General obligation bonds were used to finance the County's existing debt, thereby guaranteeing repayment of the debt through taxation.

Tax rate limitations require that debt (except for road bonds) cannot exceed \$.80 per \$100 assessed valuation. Gregg County's tax rate distribution for FY05 debt service is \$.0165 per \$100 assessed valuation. In the case of road bonds or improvement bonds, the debt amount may not exceed one-quarter of the assessed valuation of the county. Gregg County does not have any road or improvement bonds.

Article XI, section 7 of the Constitution requires at least two percent of the principal to be set aside every year to the interest and sinking fund. The \$898,950 budgeted for debt service in FY06 exceeds the constitutional requirement of \$51,500.

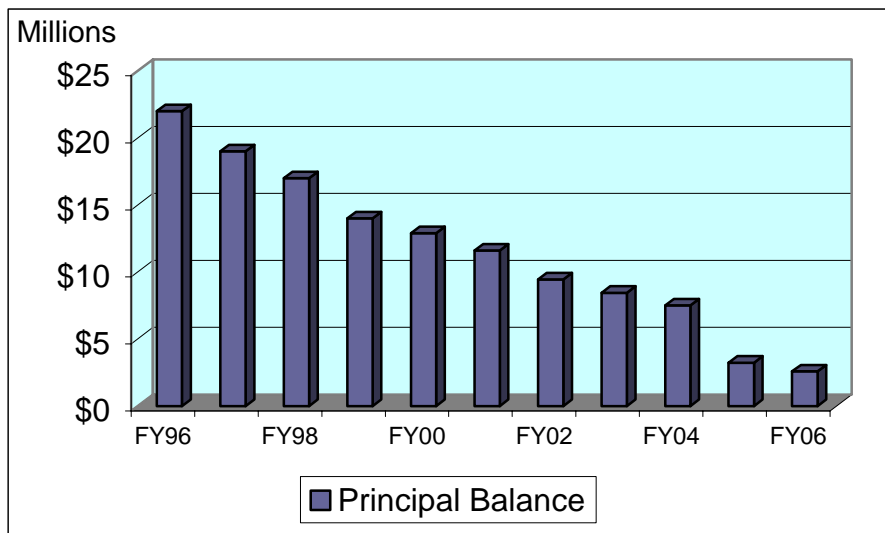
Description of Current Debt Obligations

2004 Series – General Obligation Bonds - Issued on March 1, 2004 to refinance the existing 1993 series debt and pay down the remaining principal balance to \$2,575,000. Refinancing resulted in an overall savings of \$880,000 in debt service interest and reduced the payoff from 2010 to 2008. Principal and interest is due in annual installments to March 1, 2008, at the interest rate of 2.0%. These bonds are not callable.

Effect of Debt on Operations

Debt Obligations for the 1988 series retired in FY05. At this time the County anticipates that no increases in the overall tax rate will be necessary to fund outstanding obligations required in future years. The FY06 total debt rate of \$.0165 per \$100 valuation will have no effect on this year's or future operations.

Indebtedness	Original Issue Amount	Principal Remaining	Interest Remaining	Total Principal & Interest Remaining	Date of Maturity
2004 Series	2,575,000	2,575,000	77,350	2,652,350	3/1/08 No early payoff



Outstanding Debt Schedule			
For FY06 Budget			
2004 C Os			
Payment Dates	Principal	Interest	Total
3/1/2006	855,000.00	25,750.00	880,750.00
9/1/2006	-	17,200.00	17,200.00
3/1/2007	860,000.00	17,200.00	877,200.00
9/1/2007	-	8,600.00	8,600.00
3/1/2008	860,000.00	8,600.00	868,600.00
Total	2,575,000.00	77,350.00	2,652,350.00
Principal required for FY2005-06			855,000.00
Interest required for FY2005-06			42,950.00
Total Debt Service Required FY06			897,950.00
The 2004 Series was issued at \$2,575,000; payoff 3/1/2008.			
There is no early payoff option.			

CASH MANAGEMENT: INVESTMENTS AND RESERVES

The County's current bond rating with Standards and Poor is A+ and it is the county's goal to maintain this rating, or improve it. The Commissioners Court established an Investment Committee comprised of the County Judge, one Commissioner, the County Auditor, the County Clerk (who is the designated investment officer) and two citizens involved in the financial market. This committee recommends policy for adoption by the Commissioners Court.

Investment Policy

Gregg County's investment policy is to:

- 1) Ensure the security of its principal in the overall portfolio as the foremost objective;
- 2) Structure the investment portfolio in a manner which will provide the liquidity necessary to pay its obligations as they come due;
- 3) Optimize return on investments within the constraints of safety and liquidity;
- 4) Diversify its investments and restrict its investment vehicles to only those high grade instruments which qualify under the law;
- 5) Maintain accountability of investments, subjecting them to internal controls, quarterly reporting and independent audit.
- 6) To pursue an active versus a passive portfolio management philosophy, securities may be sold or exchanged before they mature if market conditions present an opportunity for Gregg County to benefit from the trade or if necessary to meet the cash needs of Gregg County. Under this investment policy, all investments will be made with the intent of pursuing, at the time of the purchase, the best rate of return on securities held until maturity, and not with the intent of speculative trading; and
- 7) To maintain the highest professional and ethical standards, with capable and high quality investment management, as custodians of public trust.

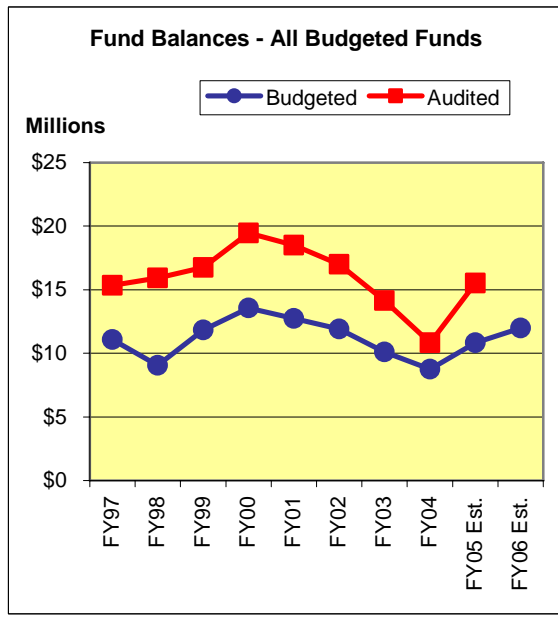
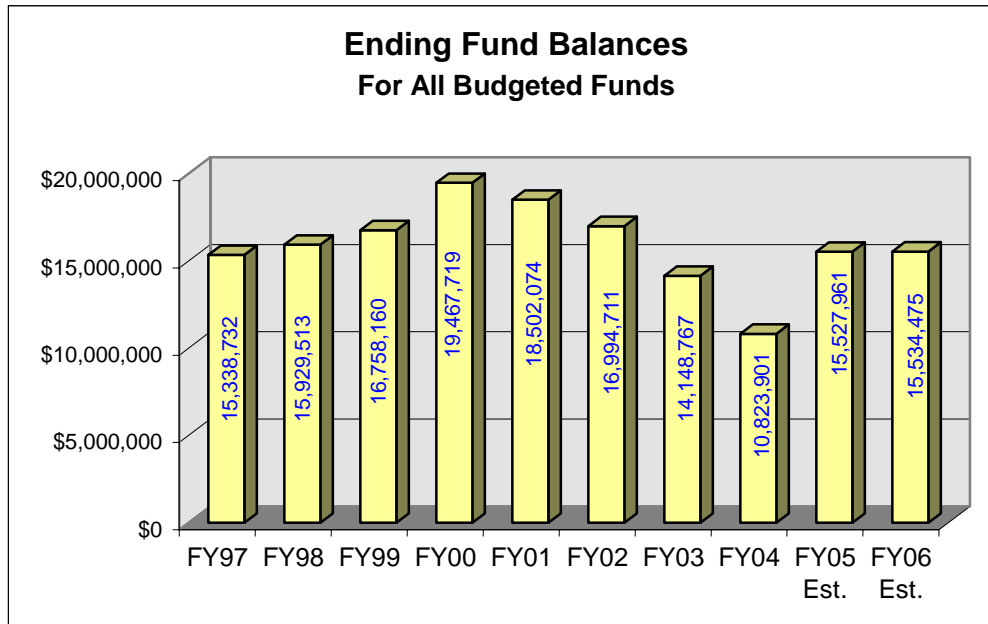
Fund Balance / Reserve Policy

Gregg County defines fund balance as the excess of the assets of a fund over its liabilities, reserves and carryover. State law prohibits deficits to fund balance. Allocated reserves are designated for a specified future use. Unallocated reserves are available for future budget allocation and are available for emergencies.

It is the goal of the Gregg County Commissioners Court to designate and classify as reserve fund balances at a minimum of 25% of the budgeted operating expenditures of Gregg County funds. The current operating ratio is 26.73%, while, the combined proposed reserve ratio for FY06 is estimated at 30.9%, with the assumption that 100% of revenues are received and 100% of appropriations are spent for both FY05 and FY06.

Thus far, Gregg County's strategic investment and reserve policies enabled the county to pay for capital improvement projects without tax increases or additional debt; establish a self-insurance plan for medical health insurance for the county's employees; and pay for early retirement of the 1993 bond series in FY04.

The estimated ending fund balances for FY05 and FY06 are based on conservative revenue estimates and assume that all budgeted expenditures will actually be spent. For the past several years, actual revenues have exceeded budgeted revenues and actual expenditures have been less than budgeted expenditures as depicted in the chart and table shown below. Based on this trend, the Commissioners Court anticipate that actual fund balances will again exceed those estimated for FY05 and FY06.



Ending Fund Balance	Budgeted	Audited
FY97	\$11,093,552	\$15,338,732
FY98	9,061,553	15,929,513
FY99	11,829,596	16,758,160
FY00	13,574,539	19,467,719
FY01	12,737,927	18,502,074
FY02	11,918,031	16,994,711
FY03	10,108,645	14,148,767
FY04	8,762,281	10,823,901
FY05 Est.	10,822,992	15,527,961
FY06 Est.	11,995,485	

Fund Balance Projections

Fund balance projections are provided throughout the course of the budget process by the County Auditor's office. Projections in this document are based on internal reports, historical trends, proration and sensitivity analysis. Current year audited figures (FY05) are expected to be provided in spring of calendar year 2006, well into the new budget year.

General Fund Projections

For fiscal year 2005, the audited beginning cash balance in the general fund was \$5,972,103. The estimated FY05 cash ending balance of the general fund is \$9,256,794, \$4.3 million more than earlier budget projections of \$5,118,250.

The FY06 estimated revenues are \$26,276,755; appropriations are \$25,444,597; and budgeted net transfers and other financing sources/uses into the general fund are \$441,382. The budgeted ending fund balance is projected at \$10,530,334. This projected 13% increase over FY05 is primarily due to the tax rate distribution and the retirement of the 1988 debt service bonds.

Road and Bridge Projections

For fiscal year 2005, the audited beginning cash balance in the road and bridge fund was \$976,263. The estimated FY05 cash ending balance of the road and bridge fund is \$1,557,503 as of September 30, 2005, \$ 774,841 more than earlier projections of \$782,662.

The FY06 estimated revenues are \$3,918,053; appropriations are \$4,619,127; and budgeted net transfers and other financing sources/uses are \$31,500. The budgeted ending fund balance is projected at \$887,929.

Other Funds Projections

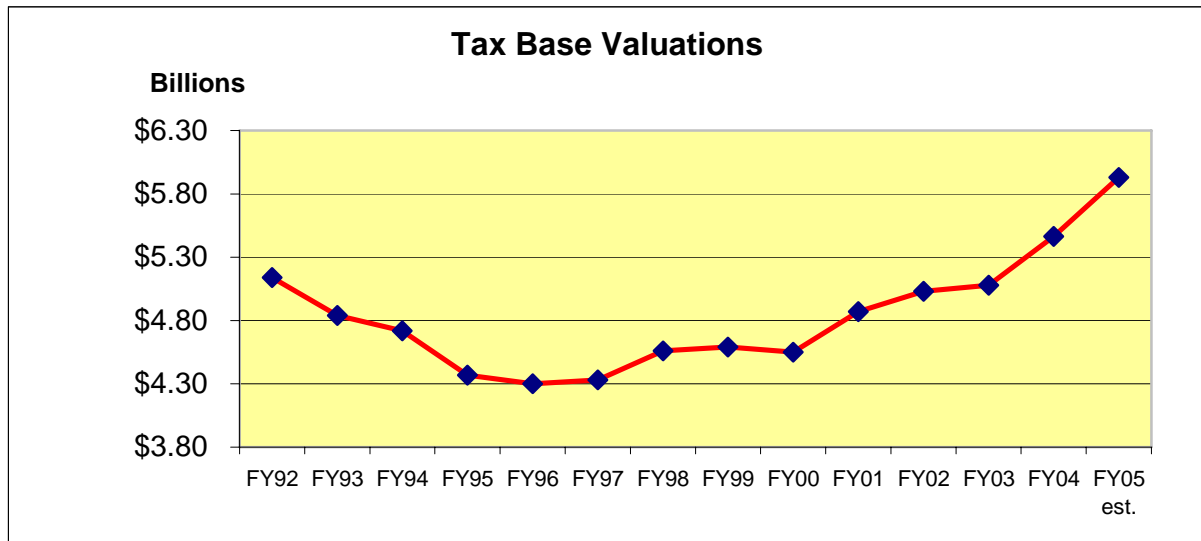
For the fiscal year 2005, the audited beginning cash balance in all other funds was \$ 3,875,428. Combined ending fund balances for FY05 are estimated at \$4,713,664. The Health Care fund ending balance consists of \$2.28 million, or 48% of all other fund balance projections.

For FY06, combined ending fund balance of all other funds are estimated at \$4,116,212. This amount includes reserves of \$2.3 million for the Health Care fund, \$11,827 for Debt Service funds, and \$814,003 for Capital funds.

FY05 TAX DATA

NOTE: The FY05 taxable valuations and FY05 tax rate funds the FY06 proposed budget.

Tax Base - The tax base was at \$5.15 billion in 1992, dropped to \$4.30 billion in 1996, and rose to \$5.46 billion in 2004. The FY05 tax base valuations used for the FY06 Budget are \$5,931,947,407. Fluctuations in the tax base have primarily been due to changes in mineral valuations, primarily oil and gas..



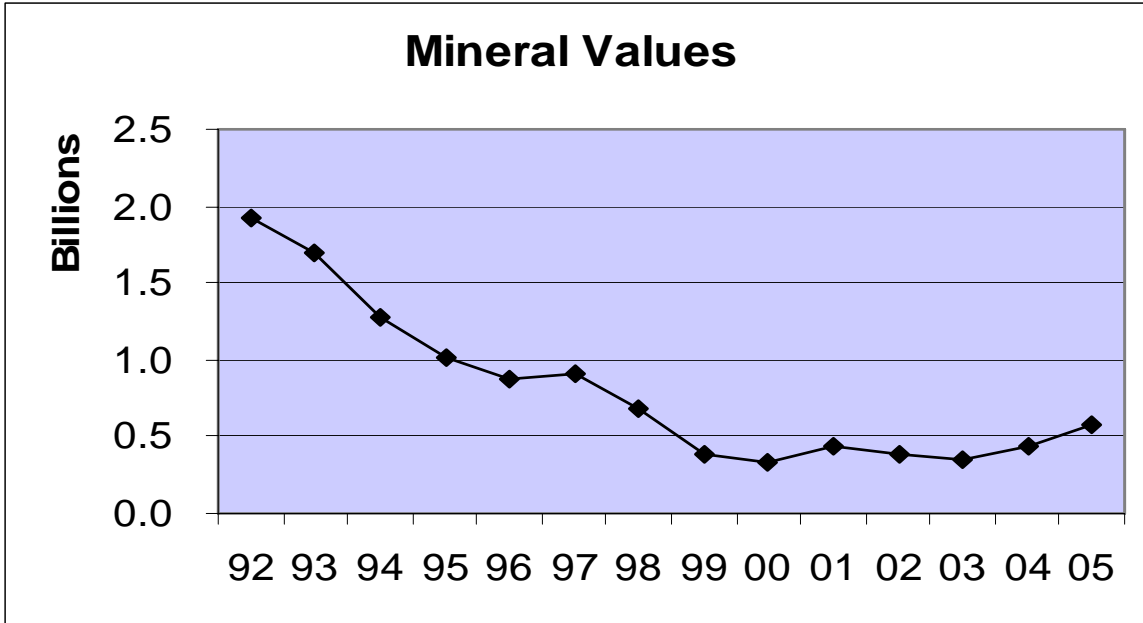
<u>Tax Year</u>	<u>General / Constitutional</u>	<u>Road & Bridge</u>
2001	4,871,178,974	4,805,482,470
2002	5,037,482,905	4,990,858,887
2003	5,086,924,217	5,040,323,846
2004	5,465,177,943	5,418,567,589
2005	5,526,592,457	5,480,215,806

Tax Freezes – On January 12, 2004, the Commissioners Court adopted Proposition 13, a constitution amendment to Article VIII, Section 1-b(h) of the Texas Constitution. This Proposition authorizes a county to establish an ad valorem tax freeze on residence homesteads of the disabled and of the elderly and their spouses. Simply put, the total amount taxed to qualifying residents is fixed from the point of eligibility until certain criterion affect the eligibility.

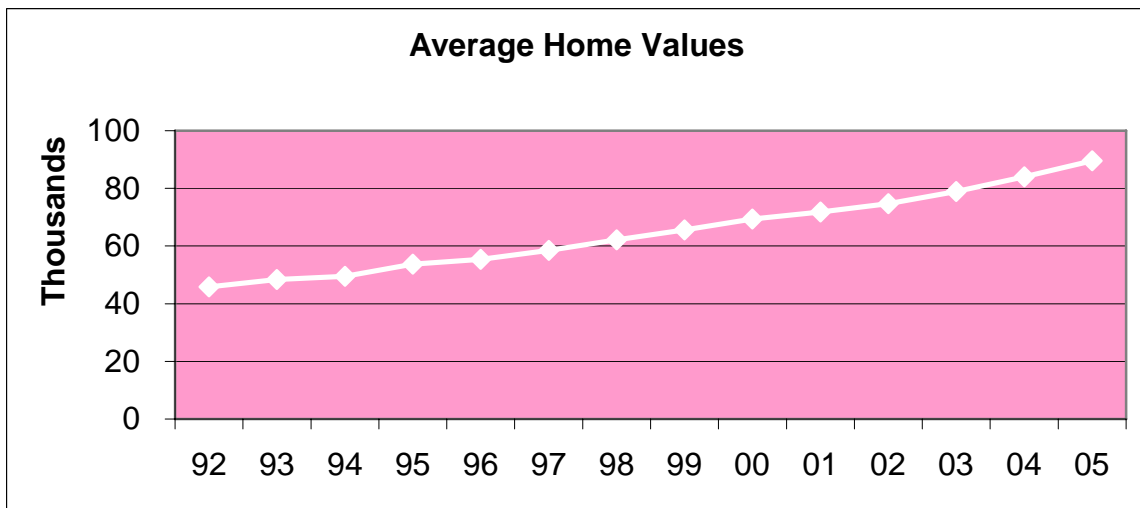
The FY06 budget includes adjustments on frozen property values for the first time. As shown below approximately \$405 million dollars of frozen value will be included in this exemption bracket. These exemptions are expected to reduce the FY06 tax revenue by approximately \$61,402.

<u>Frozen Taxes:</u>	<u>General or Constitutional</u>	<u>Road & Bridge</u>
Total frozen value for over 65	380,879,932	380,881,433
Total frozen value for disabled person	24,475,018	24,478,018
Total frozen taxable values for 2005	405,354,950	405,359,451

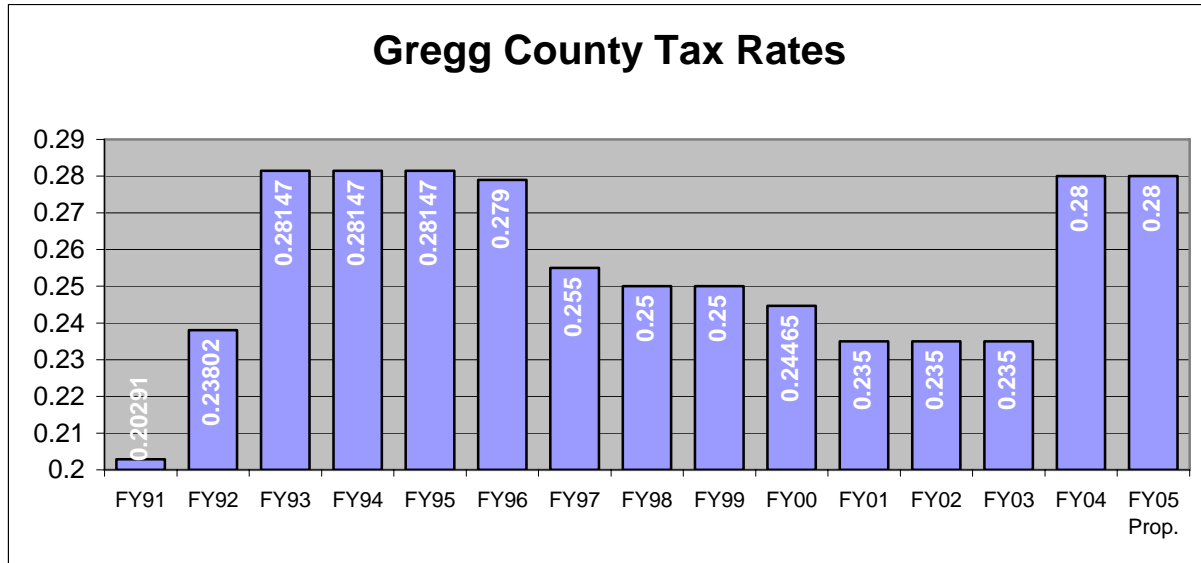
Mineral values - Over the past 14 years (from 1992 to 2005) there has been a 238% decline in mineral values associated with the oil and gas industry. This decrease from \$1.92 billion in 1992 to \$568 million in 2005 has had an adverse affect on the county's tax base. Gas production has increased slightly in the area since FY2003.



Average Home Values - Since 1996, the sustained increase in home values have helped stabilize the overall tax base by substantially offsetting the mineral value decreases. Economic diversification and growth, population increases, and rising property values are crucial to the recovery and stabilization of Gregg County's tax base. Average home values have risen by 49% since 1992. The average home value for 2005 is \$89,582.



Property Tax Rate – The chart below reflects the historical tax rate changes. The FY05 tax rate will fund the FY06 proposed budget and is proposed to remain the same as last year: \$.28 per \$100 valuation.



NOTE: The tax rate remained at .28147 for fiscal years 1993, 1994, and 1995, and was reduced over time to .235 where it remained for fiscal years 2001, 2002, and 2003. The FY05 tax rate of .28 is still lower than the 1995 rate of .28147. The tax rate reductions between FY95 and FY03 effectively saved the taxpayers over \$13 million dollars.

The proposed property tax rate disbursement for FY2005-06 follows:

<u>Fund</u>	<u>Rate</u>	<u>Tax Revenue @ 97%</u>
General Fund	.2083	\$12,186,399
Airport Maintenance Fund	.0160	857,727
Airport Capital Improvement Fund	.0012	64,330
Permanent Improvement Fund	.0187	1,002,469
Road and Bridge	.0140	750,511
FM Lateral Road	<u>.0053</u>	<u>301,416</u>
 Total Proposed Maintenance & Operations (M&O) Tax Rate:	<u>.2635</u>	<u>\$15,162,852</u>
 Debt Service -2004 Series	.0165	884,531
 Total Tax Rate & Distribution	<u>.2800</u>	<u>\$16,047,383</u>

**AN ORDER OF THE COMMISSIONERS COURT OF
GREGG COUNTY, TEXAS, MAKING TAX LEVIES
FOR GREGG COUNTY FOR TAX YEAR 2005**

§

BE IT REMEMBERED at a special meeting of Commissioners Court of Gregg County, Texas held on the 30th day of August, 2005 on a motion made by Charles Davis, Commissioner Precinct #1, and seconded by Bob Barbee, Commissioner Precinct #3, the following Court Order was adopted:

WHEREAS, the Commissioners Court has considered all requests for County expenditures for the fiscal year beginning October 1, 2005 and has been provided with estimated revenues for such year by the County Auditor; and

WHEREAS, the Commissioners Court has caused appropriate legal notice of the proposed ad valorem tax rate to be published according to State law; and

WHEREAS, public hearing(s) were conducted on August 15, 2005 and August 18, 2005 to allow public comment on the proposed FY05 tax rate, which will fund the FY06 budget; and

WHEREAS, Commissioners Court action is required to finally adopt a tax rate for tax year 2005 and to levy such tax on each \$100 of assessed valuation of all taxable property within the County.

NOW IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Commissioners Court of Gregg County hereby levies a tax of \$0.28000 on each \$100 assessed valuation of all taxable property in the County, as more fully described below:

FOR MAINTENANCE AND OPERATIONS

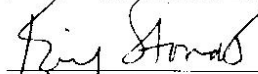
\$.2083 for General Fund
 .0160 for Airport Maintenance Fund
 .0012 for Airport Capital Improvement Fund
 .0187 for Permanent Improvement Fund
 .0053 for FM Lateral Road
 .0140 for Road & Bridge
\$.2635 Total Maintenance and Operations Tax

FOR DEBT SERVICE

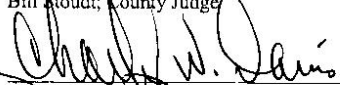
\$.0165 for Certificates of Obligation, Series 2004

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$29.30.

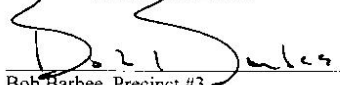
~~DONE~~ IN OPEN COURT this the 30th day of August, 2005.



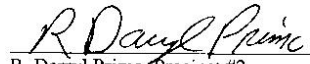
Bill Stoudt, County Judge



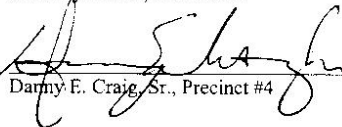
Charles W. Davis, Precinct #1



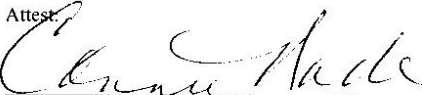
Bob Barbee, Precinct #3



R. Darryl Primo, Precinct #2



Darryl E. Craig, Sr., Precinct #4

Attest:


Connie Wade, County Clerk

PERSONNEL ISSUES

Several years ago, the Commissioners Court established a position control policy to manage increasing employee costs. With the approval of the Commissioners Court, departments have been allowed to internally restructure positions, duties and salaries during the fiscal year. Commissioners Court is currently reviewing the personnel policy manual to ensure compliance with laws, as well as evaluate the fairness of policy issues.

Merit, COLAs, and Longevity Pay

The FY06 includes a 2% cost of living adjustment (COLA). As per county policy, the longevity pay is paid annually as follows: \$120 for employees with 5-10 years of service, \$240 for 10-20 years, and \$360 for employees with 20+ years of service.

New Positions

The county requires that requests for new employees must be supported by data indicating the new position is mandated by state or federal regulations, or that a department's workload has increased significantly. The request is considered more favorably when outside sources will fund the new position.

Three years ago, Texas Jail Commission (TJC) agreed to postpone sanctions against the county's jail operations provided the county increased the staff to inmate ratio to appropriate levels (1 jailer to 48 inmates). TJC allowed the county sheriff to increase the staffing levels over the course of three years. Gregg County complied with the directives and added 8 jailers at a cost of \$246,098 in FY04 and 9 jailers at a cost of \$276,859 in FY05. The final 8 positions are included in the FY06 budget at an estimated cost of \$247,515, including salaries and benefits. Due to this unfunded state mandate, the total Gregg County budget has increased \$770,472 - approximately three quarters of a million dollars in three years. The Gregg County jail is now state certified.

As approved by Commissioners Court during FY05, the Sheriff added 4 new permanent positions for courthouse security in place of renewing a contract for security service. These armed deputy positions will ensure safety for the citizens and employees of Gregg County in the event of a courthouse incident. The annual cost for salaries and benefits is \$156,917. Commissioners Court also approved one part-time dispatcher and one part-time 9-1-1 Addressing clerk during FY05. The FY06 budgetary impact of the two part-time positions is \$21,649.

The FY06 budget includes a full-time clerk for the Justice of the Peace, Precinct #1, who is the only justice of the peace to perform arraignments. This department has not had an increase in staff in 20 years while workloads have doubled in arraignments. The new position will specifically be posted for a bilingual person due to the increasing needs of Hispanic speaking citizens.

Deleted or Restructured Positions

Once a position becomes vacant, it is the responsibility of the department head to justify the need for the position to be filled. In its efforts maintain efficiency, the Commissioners Court has been favorable of workforce reduction and department restructuring that eliminates positions through attrition.

No positions were deleted for the FY06 budget. However, several positions were restructured in the following offices: sheriff, airport public safety, health, and district clerk. The district clerk restructured the office by reducing one supervisory position to clerk status and reallocating the duties and salary to several remaining positions, which caused no budgetary impact. The fire marshal position moved from the health department to the sheriff office causing no budgetary impact to the FY06 budget. Nine public safety positions at the airport were moved under the direction of the Sheriff's Office. For FY06, the nine airport positions will remain in the Airport Maintenance Fund. The total expenditures budget was increased by \$8,117 due to salary equalization and certifications.

The following schedules of position changes depict the growth of positions in the County from FY00 to FY05. In FY04 the county eliminated three (3) positions and added eight (8) jailer positions and reclassified 3 positions. In FY05, nine (9) more jailer positions were added, along with two (2) prosecutor positions, and the FTE of 2.25 in clerical help. During FY05, four (4) sheriff deputy positions were added for homeland security purposes, two (2) part-time clerks were approved. Restructuring for homeland security moved one position from health/welfare and nine (9) positions from general government (airport) to law enforcement/corrections. In FY06, one clerk was added to Justice of the Peace Precinct #1 and eight (8) jailer positions to the sheriff's office.

Category	Actual FY01	Actual FY02	Actual FY03	Actual FY04	Amended FY05	Proposed FY06
General Government	113.25	112.25	111.25	108.25	99.25	99.25
Health / Welfare	13	15	13.5	13.5	13.5	14
Judicial	73	72	73.5	75.5	78.25	79.25
Law Enforcement / Corrections	135	142.5	145.5	153.5	175.75	183.25
Public Buildings	22	22	21	22	22	22
Transportation	55	53	53	50	50	50
Totals	411.25	416.75	417.75	422.75	438.75	447.75

The follow schedule depicts changes to positions by categorical ratio and count.

Category	% Change FY01 to FY06	Count Changes FY02	Count Changes FY03	Count Changes FY04	Count Changes FY05*	Proposed Changes FY06
General Government	-12.4%	-1	-1	-3	-9	0
Health / Welfare	0%	2	-1.5	0	-1	.5
Judicial	8.6%	-1	1.5	2	2.75	1
Law Enforcement / Corrections	35.7%	7.5	3	8	22.25	7.5
Public Buildings	0%	0	-1	1	0	0
Transportation	-9.1%	-2	0	-3	0	0
Totals	8.6%	5.5	1	5	15	9

*Consolidation of airport security into the Sheriff's office caused the General Government position count to be reduced by nine and Law Enforcement position county to be increased by nine.

Personnel Positions by Department						
Department	Actual FY01	Actual FY02	Actual FY03	Actual FY04	Amended FY05	Proposed FY06
County Clerk	19	20	20	19	20	20
Purchasing	3	3	3	2.5	2.5	2.5
Human Resources	2	3	3	3	3	3
County Judge	4	4	4	3	3	3
Elections	4	4	4	4	4	4
County Auditor	8	8	9	9	9	9
Tax Assessor-Collector	34	32	32	31	30	30
Information Services	9	7	7	7	7	7
Extension Office	6	6	6	5.5	5.5	5.5
County Court-at-Law #1	3	3	3	3.5	3.5	3.5
County Court-at-Law #2	0	0	3	3.5	3.5	3.5
124th District Court	2	2	2	2	2	2
188th District Court	2	2	2	2	2	2
307th District Court	2	2	2	2	2	2
District Clerk	22	21	21	21	21.5	21.5
Justice of the Peace Precinct #1	4	4	4	4	4	5
Justice of the Peace Precinct #2	2	2	2.5	2.5	2.5	2.5
Justice of the Peace Precinct #3	4	4	4	4	4.25	4.25
Justice of the Peace Precinct #4	3	3	3	3	3	3
District Attorney	25	25	23	24	26	26
Constables #1 - #4	4	4	4	4	4.25	4.25
Sheriff	128	135	138	146	159	166.5
Department of Public Safety	1	1.5	1.5	1.5	1.5	1.5
Juvenile Board	3	3	3	3	3	3
Veterans Service	2	2	2	2	2	2
Litter Control Office	1	1	0	0	0	0
9-1-1 Addressing	2	2	2	2	2	2.5
Health Department	8	10	9.5	9.5	9.5	9.5
Courthouse Building	19	19	18	19	19	19
Community Buildings	3	3	3	3	3	3
Co Clerk Records Management	2	2	2	2	2	2
Road & Bridge Administration	4	4	4	4	4	4
Road & Bridge Precinct #1	16	16	16	14	15	15
Road & Bridge Precinct #2	1	1	1	1	1	1
Road & Bridge Precinct #3	19	18	18	17	17	17
Road & Bridge Precinct #4	15	14	14	14	13	13
Law Library/County Records Mgmt	1	1	1	1	1	1
Airport Administration	19	20	18	19	10	10
Airport Public Safety	-	-	-	-	9	9
Building Security	2	2	2	2	2	2
Part Time Positions (F.T.E.)	3.25	3.25	3.25	3.25	3.25	3.25
Totals	411.25	416.75	417.75	422.75	438.75	447.75

Positions reflect part-time as well as full-time positions. Grant funded positions are not reflected on this schedule as the grant funds are not included in this document.

Fringe Benefits

The County's medical insurance is a partially self-insured plan administered by a third party administrator. The county established an internal service fund to properly account for the fund's activity. As an accounting practice, internal service funds are not budgeted. The court contracts with an insurance consultant to evaluate and advise the county regarding the management of these funds. Data concerning this fund's activities is available to the public as analysis is provided on an ongoing basis. The FY06 budget includes an increase of 2.5% in health insurance premiums, approximately \$64,000 and a 10% increase in dental insurance, approximately \$11,853.

In addition to health and dental insurance, the county provides group life, accidental death and dismemberment and long term disability insurance. The estimated annual cost of these benefits is \$62,049.

The retirement rate is annually approved by the Commissioners Court, usually prior to budget adoption in August. The 2006 rates remain the same as FY05, with the employer contribution rate at 8.86% and the employee contribution rate at 7%. The 79th Legislature passed bills requiring retirement contributions for all part-time employees, thus impacting the County with an increase of \$10,000. The retirement system operates on a calendar year.

CAPITAL PROJECTS

As required by Generally Accepted Accounting Practices, Gregg County accounts for its capital projects in separate fund accounts that remain available for use until project completion. Most capital projects are non-routine and the capital project fund closes at the end of the project. Due to unforeseen events that occur in the construction industry, it is the Commissioners Court policy to appropriate known funding levels during the budget process for specific projects and, when necessary, to roll the budget forward into the next year until the project is completed.

Recent Projects - Projects completed during the past several years from the courthouse capital project fund included renovation of the 188th district courtroom; sound systems for all courtrooms; wallpaper, carpet and upholstery for various offices, and corridors; and an elevator upgrade. Additional funds were secured from the state to partially fund a separate project to update courthouse restrooms in compliance with the American Disability Act. Various construction / renovation projects were performed at the existing jail facilities and paid from the jail capital project fund.

Projects Under Consideration – One project under consideration is an expanded parking area for both the public and employees at the courthouse facility. People are parking and walking sometimes 3 to 4 blocks most days due to courts in trial or voir dire. Also, a committee was formed to research the feasibility of building a multicultural events center. During FY04, the committee presented recommendations to the Commissioners Court and the Court is currently considering all options.

At the end of FY05, budgets were approved for two projects: renovation of the 124th district courtroom, and improvements to roads and taxiways in the industrial airpark. When finalizing budget documentation, revenues and expenditures for both of these projects plans was unknown.

Capital Projects Impact - As in prior years, the capital projects scheduled for FY06 will not impact the county's labor force through either reduction or addition of job positions or operation expenses. However, use of reserves for capital projects could result in savings of debt interest expenses in the long term. All other savings associated with capital projects are strictly economic in nature. **Unfunded state mandates affect the ability to plan for additional capital projects.** The FY06 budget includes appropriations for the following capital projects.

Longview Community Center – Built in 1939, this facility (located on Whaley Street) is considered an historical landmark. The FY06 Budget provides for \$50,000 in capital expenditures towards renovating the Longview Community Center. The Community Center is one of 14 county owned facilities used for community activities.

The facility is contractually managed by the Longview Federated Clubs and project priority for construction phases is determined by the clubs' contracted architect. The nature of this contractual relationship diminishes the County's ability to maintain labor force and economic data concerning the project.

Prior to FY04, all costs were recorded as routine repair and maintenance to the facility. A consultant has proposed a plan for major renovations/repairs and, to better track activity, all costs associated with renovating the facility are now recorded in a capital project fund. Activities in this fund are considered "routine" in that small allocations are made to this project each year. Any consideration to renovate the facility at one time is contingent on the needs and interest of the local community.

State Highway Projects – The Texas Department of Transportation (TxDOT) presented project plans to Commissioners Court regarding state highway 135. Phase I of the project involves improving a portion of SH135 (from I-20 NW to Susan Rd) by reconstructing it as a four lane divided urban highway with a flush median. Phase I project costs are estimated at \$8,700,000. Gregg County's portion for right of way costs will amount to \$109,000. The first payment of \$25,000 was paid in FY2004; the second payment of \$25,000 was paid in FY2005 and the final payment of \$59,000 will be paid in FY2006.

Additionally, Phase II of the state highway 135 project consists of construction from Susan Rd to US 271. Project costs are estimated at \$24,000,000 with the county's portion of right-of-way costs at \$124,000. The FY06 budget includes the first payment for Phase II, \$42,000.

Through its prudent management of funds, Gregg County has been able to fund state highway projects for several years through the use of reserves. Because state highway projects are for state roads and the roads do not belong to the county at the end of the project, all funding is budgeted in the right-of-way department in the road and bridge fund.

All project construction data concerning labor force and economic impact can be obtained at the State of Texas Department of Transportation.

Airport Improvement - The FY06 Budget provides for \$5,262,425 in capital expenditures for the East Texas Regional Airport. As demonstrated on the following table, Gregg County is committed to an ongoing airport improvement program to further advance economic development in the east Texas region. These projects are primarily funded through federal funds from the Federal Aviation Administration (FAA) for airfield / runway improvements, fencing and security, and equipment to maintain the airfield.

Capital improvement projects are an imperative part of the operation of the East Texas Regional Airport. They provide a means of keeping the airport facility in compliance with the standards required by the FAA for the safe operation of commercial and general aviation. These projects also provide the funding to help develop the airport property for new and expanded business opportunities, as well as the safe and efficient operation of existing business. These businesses provide employment and tax revenue for the county and the community.

The airport is a portal to our community and the first thing that many business and leisure travelers experience when they arrive. It is very important to make that visit a safe and pleasant one for everyone.

Airport Projects

Project Description	Year	Federal Share	County Share	Total Cost
Apron Reconstruction Phase II	91/92	\$ 365,000	\$ 40,556	\$ 405,556
Runway 13/31 Overlay, Guidance Signs, Airport Master Plan	92/93	2,190,215	243,357	\$2,433,572
Apron Reconstruction Phase III	93/94	609,442	67,716	\$677,158
Rehabilitate Runway 17/35 & Taxiway	94/95 95/96	1,039,610	115,512	\$1,155,122
Aircraft Rescue Fire Vehicle	94/95 95/96	261,482	29,054	\$290,536
Apron Reconstruction Phase IV - Windcone Installation - Stormwater Drainage Plan - Aviation Easements	96/97	1,004,045	111,561	\$1,115,606
Rehabilitate AARF Building - Phase I	96/97	225,000	25,000	\$250,000
Rehabilitate AARF Building - Phase II	97/98	229,693	25,522	\$255,215
Apron Reconstruction, Phase V	98/99	650,454	72,606	\$726,060
Runway Safety Area Upgrade	98/99	720,258	80,029	\$800,287
Electrical Improvements	99/00	310,002	34,445	\$344,447
Engineering Work / Taxiway Overlay Study	99/00	12,150	1,350	\$13,500
Paving & Drainage Improvements	99/00	315,000	35,000	\$350,000
Convert runway 4/22 to taxiway	01/03	3,034,296	337,144	\$3,371,440
Security Fencing	02/03	1,280,000	142,222	\$ 1,422,222
Reconstruct GA Aprons/Taxiways, Phase 1	03/04	2,081,911	109,574	\$ 2,191,485
Rehab GA Aprons Phase 1	04/05	2,108,911	109,574	\$2,191,485
Rehab GA Aprons Phase 2	05/06	1,302,854	68,571	\$1,371,425
Master Plan	05/06	261,250	13,750	\$275,000
ARFF Vehicle Purchase	05/06	166,250	8,750	\$175,000
Sweeper Truck Purchase	05/06	190,000	10,000	\$200,000
Design for Runway/Taxiway Rehab	05/06	688,750	36,250	\$725,000
Design Landside Drainage Imp.	05/06	15,200	800	\$16,000
Runway/Taxiway Construction Phase I	05/06	\$ 2,375,000	\$ 125,000	\$2,500,000

As shown on the above chart, Gregg County is responsible for budgeting and expending 100% of the federally approved projects and is reimbursed at a rate of 95%. The County's funding requirement for FY06 is \$263,121. The FAA approved project schedule for the airport, available in the airport manager's office, lists projects through the year 2012.

Airport improvement projects do not influence the County's labor force through either reduction or addition of job positions or operation expenses. The County retains an engineering firm to oversee the construction projects and assist with coordinating the FAA grant documentation. Because the project is not managed by the County, data concerning the ongoing nature of the projects (from year to year) and impact to the regionally economy, such as job creation data, etc., is unavailable.

The following pictures shown below were taken at the East Texas Regional Airport, formerly known as the Gregg County Airport. The airport terminal building is shown on the left. The picture on the right supports the community significance of the airport and the many functions it serves. This picture, taken in 1992, shows a privately owned plane in the foreground, with a NASA jet carrying the space shuttle on its way to California. The airport also hosts the annual East Texas Balloon Race each summer.



County Policies & Long Range Goals

Mission Statement

Our mission is to provide quality services that are responsive, respectful, and effective in a fair and equitable manner that will enhance the quality of life for Gregg County residents.

Vision

- We will treat the residents of Gregg County with dignity and respect;
- We will continually strive to maintain the trust and credibility that the residents of Gregg County expect and deserve;
- We will be accountable to our citizens of Gregg County and responsive to their needs;
- We will embrace our historical heritages;
- We will continually explore new ways of innovation and service capabilities.

Gregg County Goals

1. Provide quality service to the citizens of Gregg County
2. Manage the public's resources with the highest integrity
3. Strive for efficiencies in all departments
4. Maintain accountability in all departments
5. Provide an equitable justice system that is equal to all
6. Promote the values of every employee, treating them with respect, fairness, and diversity
7. Preserve the historical culture of Gregg County
8. Retain community communications and improve relationships with all cities in Gregg County
9. Maintain a leadership role in regional issues
10. Promote and preserve the health, safety, and welfare of the citizens of Gregg County

Budget Policies

- **A comprehensive budget shall be prepared on an annual basis covering all proposed expenditures for the succeeding fiscal year.**

This policy is in accordance with Texas Local Government Code section 111.003. It further provides the commissioners' court and the general public with the necessary financial information to evaluate the overall financial condition of the county.

- **The budget shall include comparative departmental workload indicators.**

The format of the budget document has substantially changed over the last 7 years. Workload indicators are included for the county's major departments to provide the court and public with a measure of the activities being provided. Output indicators provide the foundation for performance measurements to determine departmental efficiencies and/or areas needing improvement. A goal of the budget department is to establish a comprehensive reporting system that will provide the court, departmental officials, and citizens with the ability to evaluate the level, efficiency, and value of the services being provided.

- **The budget shall be prepared in such a manner as to facilitate its understanding by the general public and the commissioners' court.**

The county judge, as the budget officer, strives to provide the general public and the court with a more informative and comprehensive budget document that not only provides financial data, but addresses policy statements and issues pertinent to the decisions of the county. This budget document is designed to give a more complete understanding of the facts and circumstances supporting the decisions being made by county officials.

- **The commissioners' court shall hold public hearing(s) and workshops on the budget and tax rate.**

Texas Local Government Code section 111.007 requires that the county hold a public hearing on the proposed budget. Gregg County usually holds at least one public hearing outside of normal working hours to encourage and facilitate public attendance and input. Budget hearings with the commissioners' court are held during the budget process and the hearings are subject to the Texas Open Meetings Act. Additionally, 79(R) SB 18 requires two public hearings on any tax increase.

- **The budget shall be prepared in such a manner to support GASB reporting requirements.**

A goal of the budget department is to corroborate the financial reporting requirements of GASB by coordinating budget documentation with financial reports provided through the County Auditor's office.

- **Gregg County shall maintain a budgetary control system for adherence to the adopted budget.**

The county maintains an encumbrance accounting system as a method of budgetary control. All approved appropriations in the annual budget are expended only through the issuance and approval of purchase orders.

- **Gregg County shall maintain a balanced budget.**

Accordingly, a balanced budget is one in which the total expenditures do not exceed the total resources, or total estimated revenues plus reserves. Optimally, the goal in balanced budgeting is for expenditures not to exceed revenues, while maintaining a 25% level of operating reserves.

Accounting Policies (including revenue & expenditures)

- ◆ Gregg County prepares its financial statements in conformity with generally accepted accounting principles (GAAP) for local governmental units and the Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.
- ◆ *Government-wide financial statements* are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

- ◆ *Governmental fund financial statements* are reported as using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available and is considered to be available when it is collectible within the current period (within 60 days of the end of the current fiscal period). Expenditures generally are recorded when a liability is incurred, however, debt service expenditures and expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.
- ◆ *Revenue policies are as follows:*
 - ◇ Funding sources are sought for various programs throughout the County in order to offset the loss of state and federal funding and to compensate increased expenditures due to mandates.
 - ◇ State laws predominantly mandate flat rates or minimum/maximum amounts for fees and charges for service, leaving some discretion to the Commissioners Court. Justification is required by departments before Commissioners Court will increase fee, unless the change is mandated.
 - ◇ One-time revenues are not considered for ongoing expenditures.
- ◆ *Expenditures policies are as follows:*
 - ◇ The goal of the Commissioners Court is to designate and classify as reserve fund balances at a minimum of 25% of the budgeted operating expenditures of Gregg County Funds.
 - ◇ The county maintains accountability for actual expenditures to budget comparison through the use of financial reports, which are compiled and acknowledge by Commissioners Court monthly. Additionally, the financial software is set to restrict spending from insufficient funds at the requisition level.

Debt Policies

- ◆ The county seeks to maintain a level of indebtedness within available resources.
- ◆ The county shall not exceed legal debt limitations.
- ◆ The county set a long-range goal of early retirement of all of its callable bonds. To achieve this goal, all net revenue received from the lease of the new jail facility was transferred to the debt service fund for the early retirement of the bonds associated with the jail facility. In FY04, debt reserves were used to pay a portion of the callable bonds and the remainder were refinanced at a lower interest rate and for a shorter term saving the county \$900,000 in interest costs.

Capital Acquisition and Capital Improvement Policies

- ◆ The county will adhere to the Capital Asset Guide as approved by commissioners' court in August, 2003. This document establishes criteria for inventory vs. capital assets; capital asset definitions and guidelines.
- ◆ Items costing \$5,000 or more are considered capital purchases. Additionally, items costing between \$500 - \$5,000 are identified and tagged for inventory purposes.
- ◆ The commissioners' court will attempt to pay all capital improvement project costs on a cash basis.
- ◆ Capital improvement projects approved for funding will be evaluated according to community impact and service needs, total costs, and short term and long term financial impact on operating funds.

Economic Development Policies

Economic development is vital to the health, wealth, and stability of Gregg County. The commissioners' court is committed to the development and maintenance of a high quality, modern infrastructure.

- ◆ The Gregg County Industrial Airpark is a 300 acre site located at the East Texas Regional Airport, formerly called the Gregg County Airport. The commissioners' court developed and funded an airport economic development board to oversee the development of this industrial airpark. This area has been designated as a foreign trade zone and widespread interest is being cultivated. The long range goal of the commissioners' court is to develop a thriving industrial region capable of bringing economic growth and jobs to the community.
- ◆ The commissioners' court continues to support area regional economic development corporations with funding to assist in these corporation's efforts to attract and maintain business and industry. The commissioners' court also executes interlocal agreements with the incorporated cities within the county to continue to provide additional services to the taxpayer.
- ◆ Gregg County provides property tax abatements, when appropriate, to encourage business and industry to locate new facilities in the county and to encourage the expansion of existing business property, plant, and equipment.

The commissioners' court is committed to building and maintaining a strong infrastructure, which includes maintaining roads and bridges, to provide high quality services for the residents of Gregg County and to provide an incentive to business and industry seeking to relocate or expand.

Community Involvement Policies

- **Gregg County reduces duplication of facilities and personnel through interlocal agreements.**

Section 251.015 of the Transportation Code allows the use of road equipment, other construction equipment, including trucks, and employees necessary to operate the equipment to assist another governmental entity on any project so long as the cost does not exceed \$15,000; and 1) the use of the equipment or employees does not interfere with the county's work schedule; and 2) the county does not pay any costs related to the use of the equipment or employees that the county would not pay if the assistance were not given to the other governmental entity. Mutual aid agreements help to avoid the unnecessary duplication of services by allowing the county to assist the other governmental entities with road work in turn for their assistance in ambulance and fire protection within the jurisdictional limits of the unincorporated areas of Gregg County.

- **Gregg County has continued to fund qualifying community organizations to assist with the development and maintenance of preventive, informative, and special needs programs for the citizens of the county.**

These programs and organizations, such as literacy programs, drug and alcohol programs, and health organizations, offer many long-term benefits to the community and help to reduce the costs associated with the judicial processes and indigent costs through preventive measures and enhanced earning capacities of individuals being served.

- **The County continues to explore ways and concepts to enhance the quality of life and meet the needs of its citizens.**

Capital Asset Guide Summary

The Commissioners Court approved the Capital Asset Guide in August, 2003 as presented and recommended by the County Auditor. This guide was compiled to comply with new reporting requirements of the Governmental Accounting Standards Board (GASB), Statement No. 34.

According to the Gregg County Purchasing Policies and Procedure Manual, the Gregg County Purchasing department is responsible for all *county inventory*. This inventory consists of all county property valued over \$499.99 with a useful life of at least one year. Prior to the approval of the Capital Asset Guide inventory was maintained on all items between \$100.00 and \$499.99 as well.

Capital Asset Definitions and Guidelines

- (a) Capital assets are real or personal property that have a value equal to or greater than the capitalization threshold for the particular category of the asset and have an estimated useful life of greater than one year.
- (b) The County has invested in a broad range of capital assets that are used in the County's operations, which include the following major categories:
 - 1. Land and land improvements
 - 2. Buildings and building improvements
 - 3. Improvements other than buildings
 - 4. Infrastructure
 - 5. Machinery, equipment, and other assets
 - 6. Leasehold improvements
 - 7. Construction in progress

Capitalization Thresholds

<u>Class of Asset</u>	<u>Threshold</u>
Land/Land improvements	Capitalize all
Building/building improvements	\$25,000
Improvements other than buildings	\$25,000
Infrastructure	\$25,000
Machinery, Equipment and Other Assets	\$5,000
Leasehold improvements and Construction in Progress	\$25,000

The County Auditor sets the uniform life and residual value standards for each class of assets, determines appropriate depreciation methods, and advises the commissioners' court and all departments regarding the capitalization process. Routine capital expenditures are defined as ongoing projects with phases for completion but no final project completion date. Non-routine capital expenditures are defined as projects that are scheduled for a specific completion date.

FY06 Departmental Capital Expenditure Requests

Fund / Department	Department Total	Description	Buildings Acct #752000	Capital Eqpt. Acct #753000	Non-Cap. Eqpt. Acct #754000	Other Capital Accounts
General Fund						
Non -Departmental	\$200,000	Landscaping & Veterans Cemetery Project	\$200,000	\$0	\$0	\$0
Information Services	109,450	Server, printers, moniters, PCs, scanner, etc..	0	46,500	62,950	0
County Court-at-Law #2	1,700	Courtroom equipment	0	0	1,700	0
307th District Court	1,200	Office equipment	0	0	1,200	0
Constable #3	1,200	Radio	0	0	1,200	0
Sheriff - Corrections	198,500	Patrol cars and civil cars	0	198,500	0	0
Courthouse Building Maintenance	1,500	Floor Scrubber	0	0	1,500	0
Veterans	1,495	Copier	0	0	1,495	0
Health Department	7,500	Generator (portion of cost)	7,500	0	0	0
Comm. Bldg. - Easton	2,000	Furniture	0	0	2,000	0
Subtotal General Fund	<u>\$524,545</u>		<u>\$207,500</u>	<u>\$245,000</u>	<u>\$72,045</u>	<u>\$0</u>
All Other Funds						
Road & Bridge Precinct #1	\$60,000	Two trucks	\$0	\$60,000	\$0	\$0
Road & Bridge Precinct #4	\$80,000	Tractor and mower	\$0	\$80,000	\$0	\$0
Elections Services Fund	5,000	Office equipment	0	0	5,000	0
Records Mgmt - Co Clerk	5,000	Scanner	0	0	5,000	0
Jail Lease Facility Fund	25,000	Camera and monitoring system	0	0	25,000	0
Law Library Fund	2,000	Furnishings and equipment	0	0	2,000	0
Airport - Maintenance Shop	117,385	Pickup, tractor, mower and equipment shed	0	117,385	0	0
Airport - Public Safety	5,500	Radio and gear	0	5,500	2,150	0
Airport - Marketing	2,000	DVD burner / projector	0	0	2,000	0
County Records Management	200,000	Building addition	200,000	0	0	0
Justice Technology Fund	10,000	Technology equipment	0	0	10,000	0
Permanent Improvement Fund	500,000	Capital improvements	0	0	0	500,000
Airport Improvements	5,262,425	Capital improvements	0	0	0	5,262,425
Longview Whaley Comm Bldg	50,000	Capital improvements	40,000	10,000	0	0
Subtotal All Other Funds	<u>\$6,324,310</u>		<u>\$240,000</u>	<u>\$272,885</u>	<u>\$51,150</u>	<u>\$5,762,425</u>
Total Projected Capital	<u>\$6,848,855</u>		<u>\$447,500</u>	<u>\$517,885</u>	<u>\$123,195</u>	<u>\$5,762,425</u>
Expenditures*						

*Base on the County's capitalization policy, there may be adjustments to appropriately records capital and non-capital items.

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FINANCIAL SUMMARIES

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Financial Summaries Overview

As per Texas statutes, all governmental funds in this document are appropriated, unless otherwise noted. The audited financial statements include various trust and agency (fiduciary) funds that are not under the jurisdiction of the Commissioners Court and, therefore, are not included in this document. Special budgets are adopted throughout the year for grant funds and are not included in this document, unless a required ‘match’ amount is known at the time of the budget adoption.

The financial summaries section contains county-wide data in various formats to provide different aspects and allow comparisons for the viewers’ interest.

Revenue data is presented in the following major categories:

Property Tax – Current – includes current year ad valorem taxes collected from October 1st through June 30th.

Property Tax – Delinquent – includes current year ad valorem taxes collected from July 1st through September 30th and prior year taxes collected at any time.

Sales Tax – includes the county portions of the state sales tax and motor vehicle sales tax.

Other Taxes – includes all taxes other than ad valorem and sales.

Licenses & Permits – includes all revenue derived from issuance of licensing or permits (i.e., alcoholic beverages, sewage, etc.)

Intergovernmental – includes funds received from federal, state, and local government sources in the form of grants, shared revenues and payments in lieu of taxes.

Fees of Offices – also known as charges for services, includes fees charged for services by county departments to provide a service to the public or another governmental entity.

Fines & Forfeitures – includes fines assessed by the courts and bail bond and property forfeitures.

Interest – includes interest and unrealized gains or losses on investments.

Rental Income – includes revenue derived from lease or rental of county property (i.e., community buildings, airport hangars, office space, etc.)

Miscellaneous – includes revenue not classified in another category.

Categorical expenditures are divided into five major categories: salaries, fringe benefits, operating expenses, capital expenses and debt service. Schedules shown in categorical format reflect totals by categories for the entire budget regardless of fund or function. The FY06 budget is adopted in categorical format at the departmental level.

Functional revenue and expense titles are more closely aligned with standard divisions used in the audited financial statements and include expenses related to general government, judicial, law enforcement/corrections, health and welfare, public buildings, roads and transportation, debt service, and capital project functions. The departmental budgets indices on pages 91-92 list the departments alphabetically by function.

The *operating and non-operating* schedule divides the funds into types of operation and is used to establish the operating and overall reserve ratios. Operating funds include funds where the county's main operations are recorded. Although road and bridge, building security, and the airport maintenance are considered special revenue funds, they are dependent on ad valorem tax revenue and/or subsidies from general fund. Additionally, the tax rate can be adjusted between these funds to offset expenses. Discretionary funds derive their major operating income directly from fees that are restricted in use by either statute or court order. Debt Service funds are restricted by statute for debt retirement. Capital Project funds are created by statute in order to record capital expenditures on individual projects.

Accounting Funds Overview

Major funds listed in the audited financial statements are notated below. According to GASB criteria, the Airport Improvement Capital Project fund will be considered as a major fund when the FY06 financial statements are audited, depending on the approval and acceptance of the grant funding.

General Fund (major fund) - The general fund accounts for all revenues and expenditures not required to be accounted for in other funds. This fund provides for the general governmental or daily operations of the county. The primary sources of revenue to the general fund are ad valorem and sales tax and charges for services.

Special Revenue Funds – Special revenue funds are used to account for monetary activity that is restricted for specific purposes.

- **Airport Maintenance** – The airport maintenance fund is designated for the maintenance of the East Texas Regional Airport. Property taxes and user fees are major sources of revenue.
- **Security Funds**– The building security fund was created by statute to assist counties with courthouse security. Its restricted fees are collected through court costs; transfers from general fund cover any shortfalls. The 79th Legislature created a new Justice Court Security fee for security in the Justice of the Peace offices, which are often located outside of the courthouse building.
- **Elections Services** – The elections services fund is restricted for elections purposes. Revenue is received from elections held for other entities (i.e., schools, cities, etc.)
- **Health Care (major fund)** – The health care fund was created by commissioners' court when the State of Texas disbursed tobacco settlement funds. The court chose to restrict the original funds and only use interest earnings to fund specific health care services. The State of Texas annually distributes funds to the counties based on county indigent health care expenses from the previous year.
- **Jail Lease Facility** – This fund was created to account for the collection of jail telephone commission at the North Jail facility and is used for maintaining that facility.
- **Justice Court Technology** - This fund consists of state authorized fees to be used for technology purchases and upgrades for the justices of the peace courts.

- **Law Library** - The law library fund is restricted for the provision and upkeep of the county's law library. The principal source of revenue are state authorized fees.
- **Records Management** – There are five records management funds, as follows: one county-wide fund, two county clerk funds (civil and criminal) and two district clerk funds (civil and criminal). All revenue for these funds consists of state authorized fees and are restricted to the preservation of official county documents.
- **Road & Bridge (major fund)** - This fund is restricted for the purpose of building and maintaining county roads, bridges, signs, and right-of-ways. Major sources of revenue include property taxes, motor vehicle sales tax, fines and motor vehicle registration fees.

Debt Service Funds – Debt service funds are used to account for the accumulation and disbursement of resources associated with the county's debt obligations. Property taxes, interest income, and transfers from the general fund provide the resources necessary to pay the annual principal and interest payments. Gregg County has one active debt service fund in FY06.

Capital Project Funds – Capital Project funds are used to account for the financial resources designated for major capital acquisitions or construction. Each capital project is named according to the purpose of the project. For example, the Airport Improvement fund is a fund limited to upgrading and expanding the East Texas Regional Airport. Current capital project funds include:

- *Permanent Improvement Fund* – This fund was created in FY06 as a contingency to fund special projects unknown at the time of the budget adoption.
- *Airport Capital Improvement Fund* (new major fund for FY2006)– Monies from this fund are limited to upgrading and expanding the East Texas Regional Airport. This project is considered 'routine' in that the fund will continue to remain active with the master plan extending to 2012.
- *Longview Whaley Community Building* – This fund is used to account for activity at the community building. This project is ongoing and 'routine' in nature. The project is completed in phases and final completion is not known at this time.
- *Industrial Airpark Improvements*– The fund reserves for this project are to provide taxiway and utility improvements to attract more business to the industrial airpark. Reserves were set aside after the adoption of the budget.
- *124th District Courtroom* – Reserves for this project were set aside after the adoption of the budget. Upgrades to this courtroom include carpeting, wall covering, dropping the ceiling and seating changes.

**Recapitulation Of
Fiscal Year 2006 Adopted Budget
By Function**

	General Fund	Road & Bridge	Special Revenue Funds	Debt Service	Capital Improvement Funds	Total All Funds
Est. Balance at 10/01/05 (1)	9,256,794	1,557,503	3,548,277	718,661	446,726	15,527,961
Revenues						
Property Taxes - Current	12,186,399	1,051,928	857,727	884,531	1,066,798	16,047,383
Property Taxes - Delinquent	404,049	31,925	26,528	1,658	0	464,160
Sales Tax	9,100,000	1,300,000	0	0	0	10,400,000
Other Taxes	165,000	0	0	0	0	165,000
Licenses & Permits	70,500	1,075,000	0	0	0	1,145,500
Intergovernmental	370,550	23,000	40,000	0	4,999,304	5,432,854
Fees of Office	2,766,200	0	460,250	0	62,000	3,288,450
Fines & Forfeitures	505,000	425,000	0	0	0	930,000
Interest	120,000	10,000	34,900	2,000	1,600	168,500
Rental Income	214,057	0	261,500	0	0	475,557
Miscellaneous	375,000	1,200	0	0	0	376,200
Total Revenues	26,276,755	3,918,053	1,680,905	888,189	6,129,702	38,893,604
Total Funds Available	35,533,549	5,475,556	5,229,182	1,606,850	6,576,428	54,421,565
Transfers In and OFS (2)	716,072	31,500	115,500	0	50,000	913,072
Total Available Resources	36,249,621	5,507,056	5,344,682	1,606,850	6,626,428	55,334,637
Expenditures by Function						
General Government	7,365,659		1,794,675			9,160,334
Judicial	4,817,769		78,212			4,895,981
Law Enforcement/Corrections	8,952,799		161,413			9,114,212
Health & Welfare	2,281,611		20,000			2,301,611
Public Buildings	2,026,758					2,026,758
Roads & Transportation		4,619,127				4,619,127
Debt Service				898,950		898,950
Capital Projects					5,812,425	5,812,425
Total Expenditures	25,444,596	4,619,127	2,054,300	898,950	5,812,425	38,829,398
Transfers Out and OFU (3)	274,690	0	0	696,073	0	970,763
Reserves	10,530,335	887,929	3,290,382	11,827	814,003	15,534,475
Total Expenditures, Transfers Out & Reserves	36,249,621	5,507,056	5,344,682	1,606,850	6,626,428	55,334,636

(1) Reserves represent unaudited ending fund balances at 09-30-2005.

(2) OFS = Other Financing Sources

(3) OFU = Other Financing Uses

Note: Difference between OFS and OFU includes miscellaneous revenue and transfers to grant funds.

**Recapitulation of
Fiscal Year 2006 Adopted Budget
By Category**

	General Fund	Road & Bridge	Special Revenue Funds	Debt Service	Capital Improvement Funds	Total All Funds
Est. Balance at 10/01/05 (1)	9,256,794	1,557,503	3,548,277	718,661	446,726	15,527,961
Revenues						
Property Taxes - Current	12,186,399	1,051,928	857,727	884,531	1,066,798	16,047,383
Property Taxes - Delinquent	404,049	31,925	26,528	1,658	0	464,160
Sales Tax	9,100,000	1,300,000	0	0	0	10,400,000
Other Taxes	165,000	0	0	0	0	165,000
Licenses & Permits	70,500	1,075,000	0	0	0	1,145,500
Intergovernmental	370,550	23,000	40,000	0	4,999,304	5,432,854
Fees of Office	2,766,200	0	460,250	0	62,000	3,288,450
Fines & Forfeitures	505,000	425,000	0	0	0	930,000
Interest	120,000	10,000	34,900	2,000	1,600	168,500
Rental Income	214,057	0	261,500	0	0	475,557
Miscellaneous	375,000	1,200	0	0	0	376,200
Total Revenues	26,276,755	3,918,053	1,680,905	888,189	6,129,702	38,893,604
Total Funds Available	35,533,549	5,475,556	5,229,182	1,606,850	6,576,428	54,421,565
Transfers In and OFS (2)	716,072	31,500	115,500	0	50,000	913,072
Total Available Resources	36,249,621	5,507,056	5,344,682	1,606,850	6,626,428	55,334,637
Expenditures by Category						
Salary Expense	11,418,743	1,794,708	699,246	0	0	13,912,698
Fringe Benefits	4,723,072	796,023	309,576	0	0	5,828,671
Operating Expenses	8,778,238	1,888,395	673,592	0	0	11,340,225
Capital Outlay	524,545	140,000	371,885	0	5,812,425	6,848,855
Debt Service	0	0	0	898,950	0	898,950
Total Expenditures	25,444,597	4,619,127	2,054,300	898,950	5,812,425	38,829,399
Transfers Out and OFU (3)	274,690	0	0	696,073	0	970,763
Reserves	10,530,334	887,929	3,290,382	11,827	814,003	15,534,475
Total Expenditures, Transfers Out & Reserves	36,249,621	5,507,056	5,344,682	1,606,850	6,626,428	55,334,637

(1) Reserves represent unaudited ending fund balances at 09-30-2005.

(2) OFS = Other Financing Sources

(3) OFU = Other Financing Uses

Note: Difference between OFS and OFU includes miscellaneous revenue & transfers to grant funds

Fiscal Year 2006 Adopted Budget Operating and Non-Operating Funds

Types of Funds	Estimated Beg. Fund Balance (1) at 10/01/05	Budgeted Revenues FY06	Budgeted Expenditures FY06	Budgeted Transfers In and OFS (2)	Budgeted Transfers Out and OFU (3)	Estimated End. Fund Balance at 9/30/06
Operating Funds						
General Fund	\$9,256,794	\$26,276,755	(25,444,597)	\$716,072	(\$274,690)	\$10,530,334
Road & Bridge Fund	1,557,503	3,918,053	(4,619,127)	31,500	0	887,929
Airport Maintenance Fund	500,862	1,180,255	(1,339,575)	500	0	342,042
Building Security Fund	23,427	72,200	(91,413)	15,000	0	19,214
Total Operating Funds	\$11,338,586	\$31,447,263	(\$31,494,712)	\$763,072	(\$274,690)	\$11,779,519
Debt Service Funds						
GO 1988 Series	\$696,073	\$0	\$0		(\$696,073)	\$0
GO 2004 Series	22,588	888,189	(898,950)			11,827
Total Debt Service Funds	\$718,661	\$888,189	(\$898,950)	\$0	(\$696,073)	\$11,827
Total Operating and Debt Service	\$12,057,247	\$32,335,452	(\$32,393,662)	\$763,072	(\$970,763)	\$11,791,346
Operating Reserve Ratio:						36.40%
Discretionary Funds						
Elections Services Fund	\$31,396	\$7,200	(\$22,200)	0	0	\$16,396
Co. Clerk Records Management	265,719	146,500	(195,080)	0	0	217,139
Jail Lease Facility Fund	131,398	50,000	(70,000)	0	0	111,398
Law Library Fund	140,301	61,000	(64,712)	0	0	136,589
County-Wide Records Mgmt	129,038	48,500	(233,445)	100,000	0	44,093
Justice Court Technology Fund	25,083	20,000	(10,000)	0	0	35,083
Dist. Clerk Records Mgmt	19,773	10,000	(250)	0	0	29,523
Dist. Clerk Criminal Rec Mgmt	0	500	(250)	0	0	250
Justice of the Peace Security	0	6,000	(3,000)	0	0	3,000
Co. Clerk Criminal Rec Mgmt	35	8,750	(4,375)	0	0	4,410
Health Care Fund	2,281,245	70,000	(20,000)	0	0	2,331,245
Total Discretionary Funds	\$3,023,988	\$428,450	(\$623,312)	\$100,000	\$0	\$2,929,126
Sub-Total Operations Expense	15,081,235	32,763,902	(33,016,974)	863,072	(970,763)	14,720,472
Capital Project Funds						
Airport Improvement Fund	(\$2,670)	\$5,127,134	(\$5,262,425)	0	0	(\$137,961)
Longview Whaley Comm Bldg.	34,181	100	(50,000)	50,000	0	34,281
Industrial Airpark Improvements	277,119	0	0	0	0	277,119
124th District Courtroom Imp.	138,096	0	0	0	0	138,096
Permanent Improvement Fund	0	1,002,469	(500,000)	0	0	502,469
Total Capital Projects Funds	\$446,726	\$6,129,702	(\$5,812,425)	\$50,000	\$0	\$814,003
Total - All Funds	\$15,527,961	\$38,893,604	(\$38,829,399)	\$913,072	(\$970,763)	\$15,534,475
Overall Reserve Ratio:						40.01%

(1) Reserves represent unaudited ending fund balances at 09-30-2005.

(2) OFS = Other Financing Sources

(3) OFU = Other Financing Uses

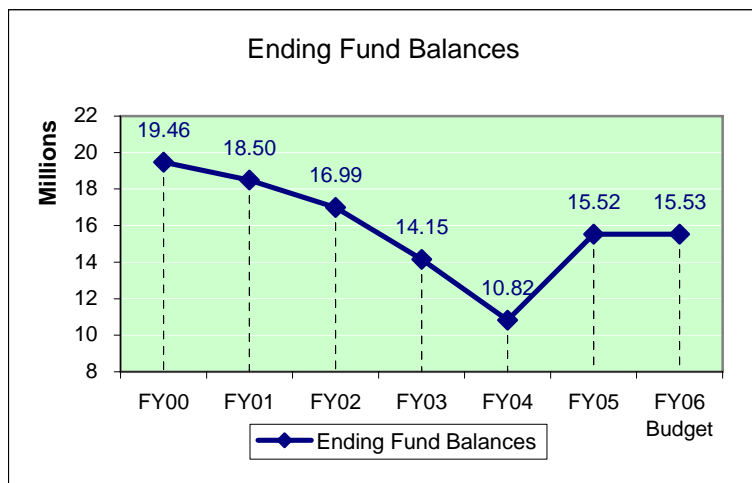
Note: Difference between OFS and OFU includes miscellaneous revenues and transfers to grant funds

NOTES: The Airport Improvement Fund has negative beginning and ending balances due to timing discrepancies with the federal grants.

Budget for 124th District Courtroom and Industrial Airpark projects was not rolled forward at the time of this document.

Budget Summary For All Funds Fiscal Years 2000-2006

	Actual Results FY 2000	Actual Results FY 2001	Actual Results FY 2002	Actual Results FY 2003	Actual Results FY 2004	Unaudited Results FY 2005	Adopted Budget FY 2006
Beginning Fund Balances	16,758,160	19,467,719	18,502,074	16,994,711	14,148,767	10,823,901	15,527,961
Revenues							
Property Taxes - Current	10,673,103	10,617,345	10,923,180	11,356,868	11,556,145	14,866,505	16,047,383
Property Taxes - Delinquent	572,991	541,418	506,143	392,494	372,364	323,244	464,160
Sales Tax	9,858,927	10,323,621	9,939,231	10,063,372	10,763,374	11,854,879	10,400,000
Other Taxes	172,654	175,240	175,740	219,288	215,206	191,682	165,000
Licenses & Permits	1,127,711	1,137,217	1,250,865	1,148,658	1,152,454	1,177,203	1,145,500
Intergovernmental	1,707,391	1,093,071	2,633,062	1,657,502	1,134,924	1,203,251	5,432,854
Fees of Office	2,742,856	2,796,299	2,975,934	3,064,753	3,212,820	3,545,772	3,288,450
Fines & Forfeitures	719,113	721,517	850,328	924,097	1,049,229	1,073,378	930,000
Interest	1,436,266	1,339,905	491,834	181,940	216,959	289,525	168,500
Rental Income	797,152	1,013,623	739,496	591,582	583,245	698,821	475,557
Miscellaneous	815,811	673,869	353,441	44,203	332,721	443,586	376,200
Total Revenues	30,623,975	30,433,125	30,839,254	29,644,757	30,589,441	35,667,846	38,893,604
Expenditures by Category							
Salary Expense	(10,875,060)	(11,274,334)	(11,729,283)	(11,904,204)	(12,275,993)	(13,176,966)	(13,912,698)
Fringe Benefits	(3,220,936)	(3,549,170)	(4,059,799)	(4,608,566)	(4,944,713)	(4,841,363)	(5,828,671)
Operating Expenses	(7,348,132)	(7,798,484)	(8,414,688)	(10,434,222)	(9,486,106)	(9,155,490)	(11,340,225)
Capital Outlay	(2,278,282)	(3,166,568)	(4,175,617)	(2,283,029)	(1,099,459)	(1,427,259)	(6,848,855)
Debt Service	(3,293,455)	(4,497,031)	(2,830,080)	(2,834,204)	(6,214,219)	(2,441,823)	(898,950)
Total Expenditures	(27,015,865)	(30,285,587)	(31,209,467)	(32,064,225)	(34,020,490)	(31,042,901)	(38,829,399)
Transfers In and OFS	1,740,085	3,470,046	1,625,012	2,621,821	3,558,439	597,902	913,072
Transfers Out and OFU	(2,563,031)	(4,423,561)	(2,585,594)	(3,051,354)	(3,457,507)	(557,500)	(970,763)
Subtotal	(822,946)	(953,515)	(960,582)	(429,533)	100,932	40,402	(57,691)
Net Revenues, Exp. & OFS(U)	2,785,164	(805,977)	(1,330,795)	(2,849,001)	(3,330,117)	4,665,347	6,514
Inventory & Other Adj.	(75,605)	(159,668)	(176,568)	3,057	5,251	38,713	0
Ending Fund Balances	19,467,719	18,502,074	16,994,711	14,148,767	10,823,901	15,527,961	15,534,475



Ending Fund Balances dropped from \$19.4 million in FY00 to \$10.8 million in FY04. This reduction resulted from paying cash for capital projects and refunding debt service when available.

Assuming the County will receive and expend all amounts budgeted for FY06, the ending fund balance is estimated at \$15,534,475.

Budget Summary Trends General Fund

General Fund	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Unaudited	FY06 Budget
Fund Balance Beg. of Year	11,042,944	10,094,190	8,943,341	7,123,910	5,972,103	9,256,794
Revenues	21,828,601	20,719,958	21,277,371	21,241,447	26,276,103	26,276,755
Other Financing Sources	98,707	16,636	211,423	94,716	32,863	716,072
Subtotal	21,927,308	20,736,594	21,488,794	21,336,163	26,308,966	26,992,827
Total Available Resources	32,970,252	30,830,784	30,432,135	28,460,073	32,281,069	36,249,621
Expenditures	(18,772,659)	(19,093,252)	(20,268,585)	(21,685,390)	(22,506,573)	(25,444,596)
Other Financing Uses	(4,053,561)	(2,518,781)	(3,051,354)	(782,132)	(557,500)	(274,690)
Subtotal	(22,826,220)	(21,612,033)	(23,319,939)	(22,467,522)	(23,064,073)	(25,719,286)
Prior Period and Other Adj:	(49,842)	(275,410)	11,714	(20,448)	39,798	0
Fund Balance End of Year	10,094,190	8,943,341	7,123,910	5,972,103	9,256,794	10,530,335

General Fund balances declined from \$10 to \$5.9 million over a 4 year period. Some reductions resulted from transfers between fund (other financing uses). In 2001, \$1.49 million was transferred to debt service for early retirement of callable bonds; \$1.42 million was transferred to capital projects for jail and courthouse improvements; and \$1.14 million was transferred to juvenile and other grant funding. In 2002, transfers were made to debt service (\$614,837), capital projects (\$595,000), and juvenile and other funding (\$1,308,944). In 2003, transfers of \$2.17million were made to road and bridge fund for a state highway project, capital project transfers were \$97,195, and remaining transfers were for juvenile and other funding. In 2004, new accounting requirements changed the accountability for transfers to Juvenile – where funds were formerly transferred to grant funds, they are now recorded as expenses in the General fund. This increased general fund expenditures 'overnight' by at least \$1 million dollars.

During the budget process, ending fund balance for FY05 was estimated conservatively at \$7,353,373, while unaudited figures are \$1.9 million higher at \$9,256,794. The variance between early estimates and actual amounts is attributed to exceeding the conservative revenue estimates and departments' conservation and efficiency by not expending 100% of their budgets.

Road & Bridge Fund

Road & Bridge	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Unaudited	FY06 Budget
Fund Balance Beginning of Year	1,548,771	1,001,871	405,264	319,781	976,232	1,557,503
Revenues	3,408,405	3,629,011	3,739,857	4,544,661	4,155,992	3,918,053
Other Financing Sources	24	259,799	2,234,593	26,640	1,178	31,500
Subtotal	3,408,429	3,888,810	5,974,450	4,571,301	4,157,170	3,949,553
Total Available Resources	4,957,200	4,890,681	6,379,714	4,891,082	5,133,402	5,507,056
Expenditures	(3,945,747)	(4,474,110)	(6,051,717)	(3,940,562)	(3,575,899)	(4,619,127)
Other Financing Uses	0	0	0	0	0	0
Subtotal	(3,945,747)	(4,474,110)	(6,051,717)	(3,940,562)	(3,575,899)	(4,619,127)
Prior Period and Other Adj:	(9,582)	(11,307)	(8,216)	25,712	0	0
Fund Balance End of Year	1,001,871	405,264	319,781	976,232	1,557,503	887,929

Road and Bridge fluctuation in ending fund balance mostly relate to the distribution of property taxes.

Budget Summary Trends Other Special Revenue Funds

Other Special Rev. Funds	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Unaudited	FY06 Budget
Fund Balance Beginning of Year	2,908,581	2,992,166	2,848,347	2,959,867	3,063,491	3,548,277
Revenues	1,538,680	1,357,025	1,431,107	1,460,758	1,994,806	1,680,905
Other Financing Sources	41,613	71,927	78,610	132,655	73,861	115,500
Subtotal	1,580,293	1,428,952	1,509,717	1,593,413	2,068,667	1,796,405
Total Available Resources	4,488,874	4,421,118	4,358,064	4,553,280	5,132,158	5,344,682
Expenditures	(1,396,464)	(1,574,066)	(1,397,757)	(1,489,778)	(1,582,851)	(2,054,300)
Other Financing Uses	0	0	0	0	0	0
Subtotal	(1,396,464)	(1,574,066)	(1,397,757)	(1,489,778)	(1,582,851)	(2,054,300)
Prior Period and Other Adj:	(100,244)	1,295	(440)	(11)	(1,030)	0
Fund Balance End of Year	2,992,166	2,848,347	2,959,867	3,063,491	3,548,277	3,290,382

The Airport Maintenance Fund comprises 70% of the revenue and expenditures in these Other Special Revenue tables. Ending fund balances for 'Other Special Revenue Funds' remain relatively the same. Of the \$3.5 million ending fund balance for FY05, \$2.2 million is the Health Care Fund. Changes to fund balance are attributed to increased fees, fluctuations in interest earned, and addition of more special revenue funds. These discretionary funds usually generate revenue and spend it during the same fiscal year, thus maintaining balances at the same level each year.

Debt Service Funds

Debt Service Funds	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Unaudited	FY06 Budget
Fund Balance Beginning of Year	3,352,301	3,815,113	4,352,002	3,424,149	629,541	718,661
Revenues	2,979,550	2,752,132	1,906,351	2,683,686	2,530,998	888,189
Other Financing Sources	1,815,708	681,650	0	3,270,925	0	0
Subtotal	4,795,258	3,433,782	1,906,351	5,954,611	2,530,998	888,189
Total Available Resources	8,147,559	7,248,895	6,258,353	9,378,760	3,160,539	1,606,850
Expenditures	(4,007,446)	(2,830,080)	(2,834,204)	(6,214,219)	(2,441,824)	(898,950)
Other Financing Uses	(325,000)	(66,813)	0	(2,535,000)	0	(696,073)
Subtotal	(4,332,446)	(2,896,893)	(2,834,204)	(8,749,219)	(2,441,824)	(1,595,023)
Prior Period and Other Adj:	0	0	0	0	(54)	0
Fund Balance End of Year	3,815,113	4,352,002	3,424,149	629,541	718,661	11,827

Debt service ending fund balances have decreased as commissioners' court utilized reserves set aside to pay off bonds as they became callable.

Budget Summary Trends Capital Projects Funds

Capital Project Funds	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Unaudited	FY06 Budget
Fund Balance Beginning of Year	615,122	598,734	445,758	321,060	182,534	446,726
Revenues	677,889	2,381,128	1,290,070	658,888	709,947	6,129,702
Other Financing Sources	1,513,994	595,000	97,195	33,503	490,000	50,000
Subtotal	2,191,883	2,976,128	1,387,265	692,391	1,199,947	6,179,702
Total Available Resources	2,807,005	3,574,862	1,833,023	1,013,451	1,382,481	6,626,428
Expenditures	(2,163,271)	(3,237,959)	(1,511,963)	(690,542)	(935,755)	(5,812,425)
Other Financing Uses	(45,000)	0	0	(140,375)	0	0
Subtotal	(2,208,271)	(3,237,959)	(1,511,963)	(830,917)	(935,755)	(5,812,425)
Prior Period and Other Adj:	0	108,855	0	0	0	0
Fund Balance End of Year	598,734	445,758	321,060	182,534	446,726	814,003

The ending fund balance of Capital Projects funds will decrease as the project nears completion. When monies are left at year end and the project is not completed, the budget is rolled forward into the new fiscal year in order to complete the project.

Total All Funds

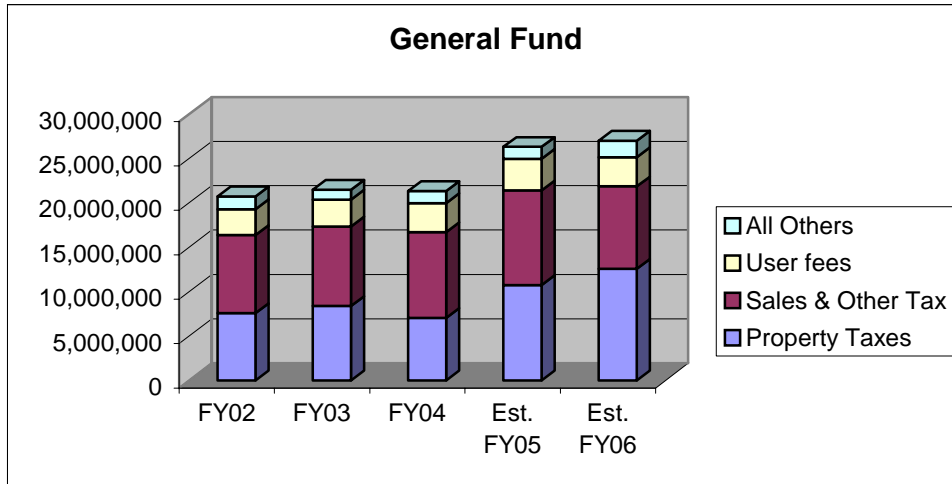
Total All Funds	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Unaudited	FY06 Budget
Fund Balance Beginning of Year	19,467,719	18,502,074	16,994,711	14,148,767	10,823,901	15,527,961
Revenues	30,433,125	30,839,254	29,644,757	30,589,441	35,667,846	38,893,603
Other Financing Sources	3,470,046	1,625,012	2,621,821	3,558,439	597,902	913,071
Subtotal	33,903,171	32,464,266	32,266,578	34,147,880	36,265,748	39,806,674
Total Available Resources	53,370,890	50,966,340	49,261,289	48,296,647	47,089,649	55,334,635
Expenditures	(30,285,587)	(31,209,467)	(32,064,226)	(34,020,491)	(31,042,902)	(38,829,398)
Other Financing Uses	(4,423,561)	(2,585,594)	(3,051,354)	(3,457,507)	(557,500)	(970,763)
Subtotal	(34,709,148)	(33,795,061)	(35,115,580)	(37,477,998)	(31,600,402)	(39,800,161)
Prior Period and Other Adj:	(159,668)	(176,568)	3,058	5,252	38,713	0
Fund Balance End of Year	18,502,074	16,994,711	14,148,767	10,823,901	15,527,961	15,534,475

Overall, ending fund balances decreased from \$18 million in FY2000 to \$10.8 million in FY04. One objective for the FY05 budget was to maintain reserves at the same level (or higher) as FY04. The same objective was set for FY06. These charts illustrate the county's objectives have been met.

Budget Summary Trends – Revenue

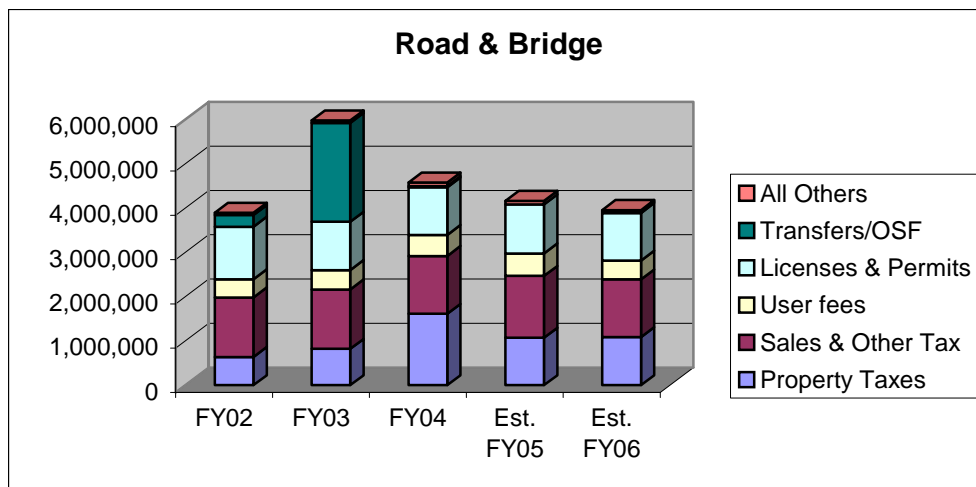
General Fund Revenue by Function

Major sources of revenue for the General Fund and percentage range of annual revenue are: property tax (33.6 to 46.6%), sales and other taxes (34.3 to 45.3%), user fees (12.1 to 15.4%). All other income includes interest income, licenses and permits, intergovernmental, and transfers/other financing sources and provides approximately 6.3 to 7.0% of the annual income. General Fund property tax distribution is reduced or increased when the tax rate is set, depending on the needs and/or shortfalls of other funds dependant on taxes. User fees include charges for services and fines and forfeitures.



Road & Bridge Revenue by Function

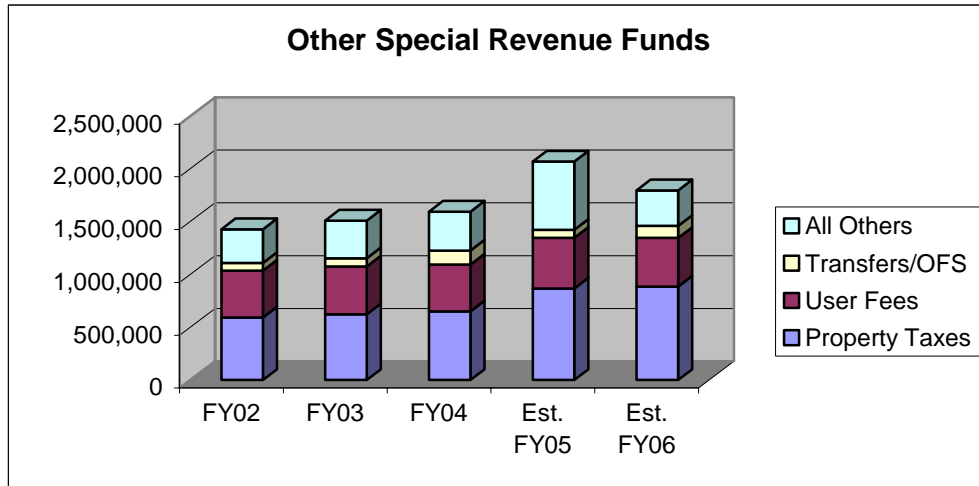
Sources of revenue for Road and Bridge fund are more diversified than any other fund. Property taxes have provided as little as 13.7% and as much as 27.4% of the annual income. Sales tax is exclusively motor vehicle sales tax has ranged from 22.5 to 34.6% annually. User fees includes a large percent of all fines and is mandated by statute. These fines provide roughly 10 to 12% of all annual income. Licenses is comprised of the county's portion of motor vehicle registration, around 18 to 30% annually. The \$2 million transfer in FY03 was from General Fund reserves for a one-time state highway project. All other income is negligible at under 2% of annual income.



Budget Summary Trends – Revenue

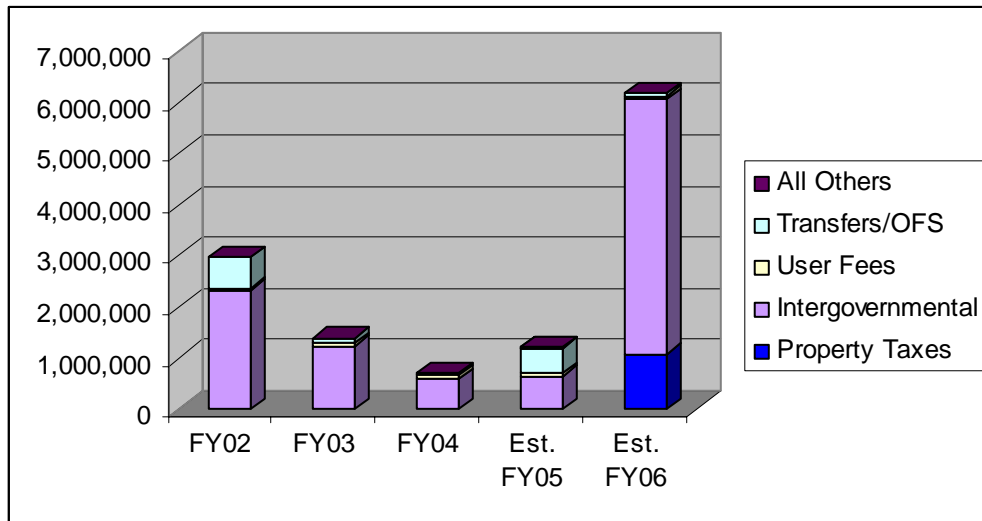
Other Special Revenue Funds Revenue by Function

Revenue sources for all other funds include property taxes which range from 40.7 to 49.2 % of all annual income. User fees comprise 23.3 to 31% as shown, as most of these funds were created statutorily to collect specific fees and use those fees for designated purposes. Transfers into these fund usually come from the General Fund at 3 to 8% of annual income. Other fees include interest, intergovernmental, and miscellaneous income at 18.7 to 31.3 %. For purposes of these schedules, the rental income at the county airport is included with miscellaneous income. (The county airport receives rental income for hangars and concessions.)



Capital Projects Revenue by Function

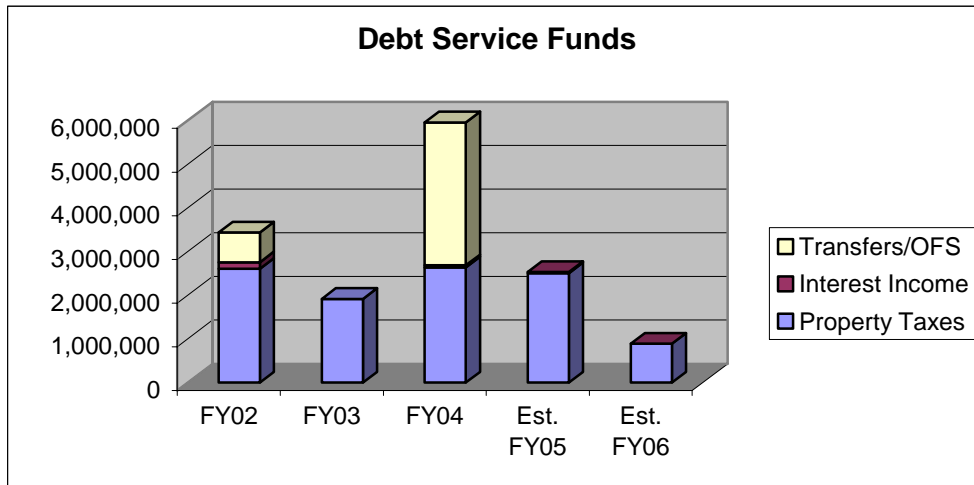
Capital Project revenue includes taxes for FY06 for the airport improvement project. Usually passenger facility charges (user fees) are enough to fund the 5% county match for the FAA grants. The FAA grants are unusually high this year and budget statutes and accounting rules require reporting 100% of the activity even though the project is expected to roll forward into FY07. Intergovernmental funds 53.5 to 88.4% of all annual revenue. Transfers are budgeted for specific projects.



Budget Summary Trends – Revenue

Debt Service Revenue by Function

Debt Service revenue is comprised of property taxes and interest income. In FY02 and FY04 reserves were transferred into debt service to redeem callable bonds.



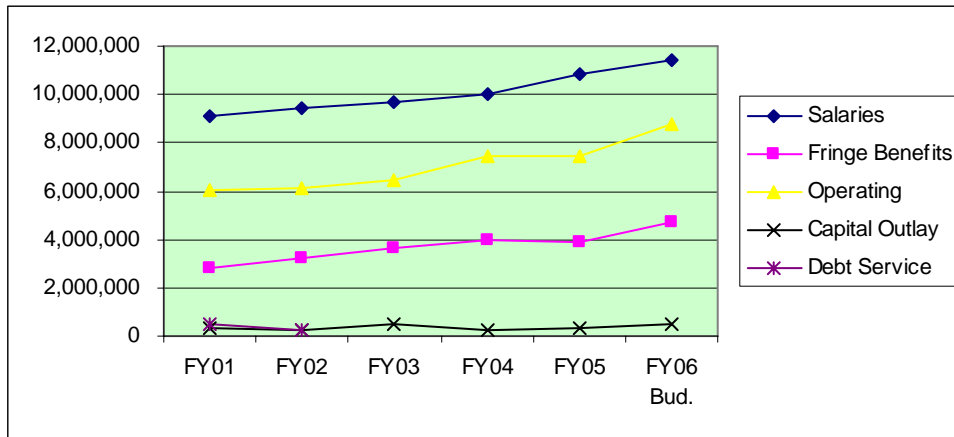
Budget Summary Trends - Expenditures

General Fund Expenditures by Category

Categorically, General fund expenses increased 36% from FY01 to FY06. Fringe benefits increased by 66%, capital outlay increased by 54%, operating expenses increased by 46% and salaries increased by 26%. Operating increases are due to economic factors – cost of fuel, supplies, utilities, etc. Salary increases include the addition of 36 positions in the sheriff’s department for jail mandates and courthouse security positions. Fringe benefits have somewhat stabilized as the County continues to monitor the self-insurance plans, however, these costs are likely to continue to fluctuate due to major illness claims and economic factors. Debt service was recorded in FY01 and FY02 as required by GAAP, but actual expenditures were not incurred.

Expenditures by Category	FY01	FY02	FY03	FY04	FY05	FY06 Bud.
Salaries	9,089,403	9,473,896	9,670,232	10,043,493	10,837,556	11,418,743
Fringe Benefits	2,850,738	3,261,622	3,657,586	3,962,528	3,887,034	4,723,072
Operating	6,001,556	6,099,847	6,464,546	7,441,759	7,427,439	8,778,238
Capital Outlay	341,378	257,887	476,221	237,610	358,251	524,545
Debt Service	489,584	271,544				
General Fund Total Expenses	18,772,659	19,364,796	20,268,585	21,685,390	22,510,280	25,444,597

General Fund Expenditures by Category



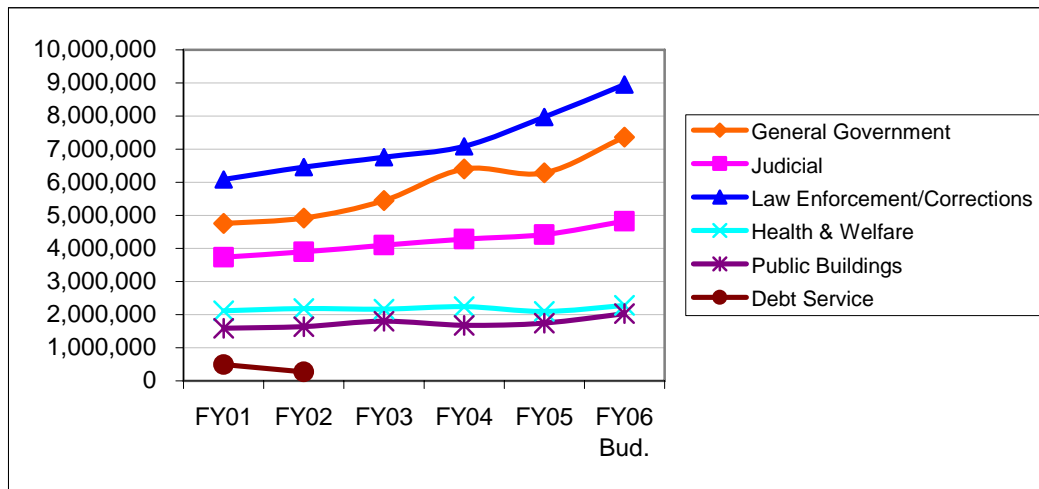
The above chart depicts changes by category for General Fund expenditures. As a government and ultimately ‘service organization’, the highest expenses are related to salaries with operating expenses being the second highest. This schedule shows *slow increases over time* for each category, with very little deviation from the pattern. It is interesting to note that capital outlay shows a 54% growth when looking at the table above, but when viewing the corresponding chart, capital outlay is relatively flat in comparison with all other categories.

Budget Summary Trends - Expenditures

General Fund Expenditures by Function

When comparing General fund functions from FY01 to FY06, general government grew 55%, law enforcement grew 47%, judicial increased 29%, public buildings increased 27% and health and welfare increased 8%.

Expenditures by Function	FY01	FY02	FY03	FY04	FY05	FY06 Bud.
General Government	4,753,455	4,917,315	5,443,057	6,396,299	6,285,410	7,365,659
Judicial	3,735,995	3,897,149	4,104,245	4,280,911	4,420,001	4,817,769
Law Enforcement/Corrections	6,083,113	6,458,208	6,755,964	7,083,700	7,965,216	8,952,799
Health & Welfare	2,119,849	2,185,043	2,166,713	2,245,823	2,099,479	2,281,611
Public Buildings	1,590,663	1,635,537	1,798,606	1,678,657	1,740,174	2,026,758
Debt Service	489,584	271,544				
General Fund Total Expenses	18,772,659	19,364,796	20,268,585	21,685,390	22,510,280	25,444,596



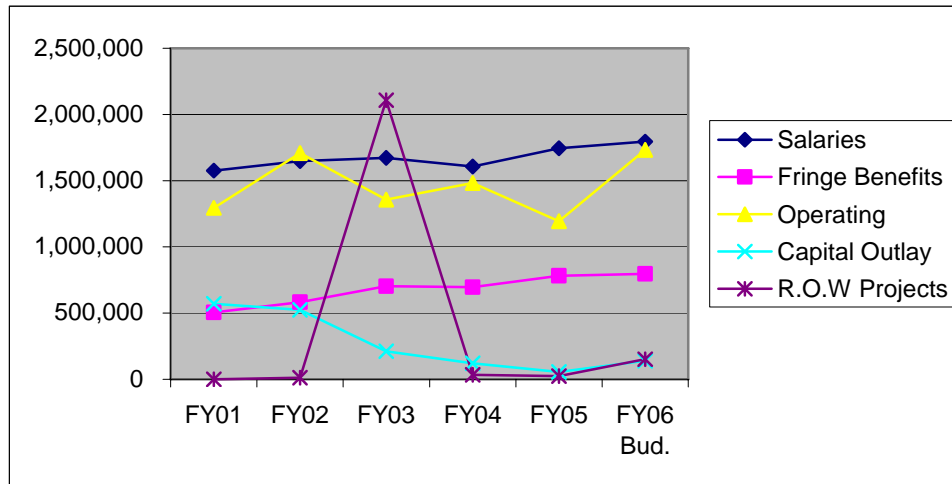
This chart accurately reflects law enforcement expenses exceeding all other expenses, including general government.

Budget Summary Trends - Expenditures

Road & Bridge Expenditures by Category

Road and Bridge expenditures are all counted in the road and transportation *function*. The following categorical table and chart best depict where road and bridge funds are spent. Overall this fund has increased 17%, with 58% in fringe benefits, and salaries by 14%. Overall salary expenses remained flat due to several positions eliminations. Capital outlay decreased by 75% as Commissioners chose to maintain older equipment, allowing more funds for operations. In FY03 the County used reserves to fund \$2.1 million for right-of-way (R.O.W.) expense on a state highway project. The County debt policy includes paying cash for R.O.W. expenses instead of issuing new debt. Operating expenses fluctuate due to cost variances for road projects.

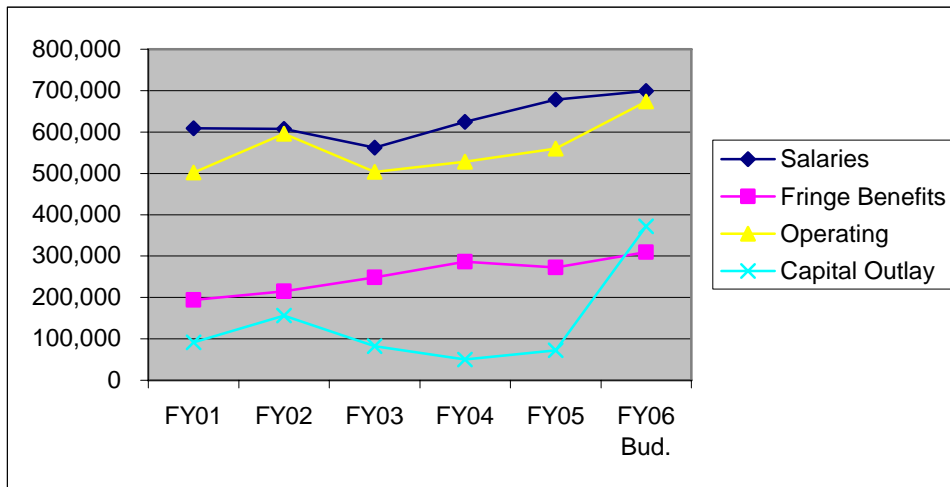
Expenditures by Category	FY01	FY02	FY03	FY04	FY05	FY06 Bud.
Salaries	1,575,655	1,648,018	1,671,610	1,607,732	1,743,264	1,794,708
Fringe Benefits	504,379	583,348	702,171	695,435	781,760	796,023
Operating	1,295,099	1,708,339	1,357,058	1,483,168	1,194,607	1,737,396
Capital Outlay	570,614	523,572	212,132	121,481	55,835	140,000
R.O.W Projects	0	10,833	2,108,746	32,746	25,000	151,000
Road & Bridge Total Exp.	3,945,747	4,474,110	6,051,717	3,940,562	3,800,466	4,619,127



Budget Summary Trends - Expenditures

Other Special Revenue Funds Expenditures by Category

Expenditures by Category	FY01	FY02	FY03	FY04	FY05	FY06 Bud.
Salaries	609,276	607,369	562,362	624,768	678,214	699,246
Fringe Benefits	194,053	214,829	248,809	286,750	272,530	309,576
Operating	501,829	595,669	503,872	528,433	559,401	673,593
Capital Outlay	91,305	156,199	82,714	49,827	72,706	371,885
Other Special Revenue Funds	1,396,463	1,574,066	1,397,757	1,489,778	1,582,851	2,054,300



Note: Capital expenses are up due to upgrades in the County Clerk Records Management system a building addition for the County-Wide Records Management facility and equipment at the airport.

Sources of Revenue

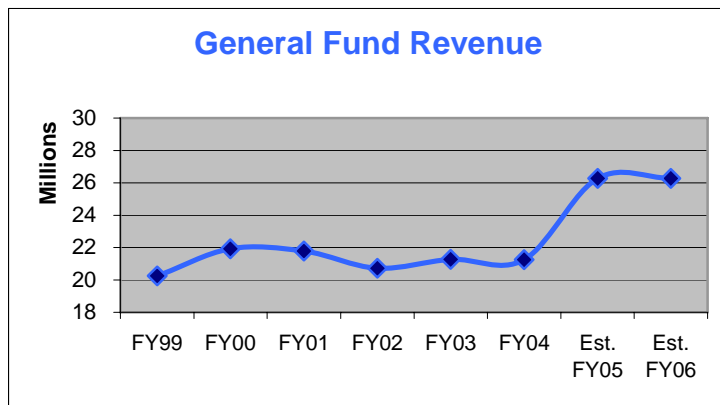
For Fiscal Years 2002-2006

General Fund	Actual Revenue FY02	Actual Revenue FY03	Actual Revenue FY04	Unaudited Revenue FY05	Adopted Revenue FY06
Taxes					
Property taxes - current	\$7,281,961	\$8,126,288	\$6,770,129	\$10,561,430	\$12,186,399
Property taxes - delinquent	314,353	270,508	265,937	189,230	404,049
Alcoholic beverage tax	146,116	166,607	150,222	113,631	115,000
Bingo tax	29,624	52,681	64,984	78,051	50,000
Sales tax	8,594,588	8,720,841	9,457,832	10,460,897	9,100,000
Subtotal	16,366,642	17,336,925	16,709,104	21,403,239	21,855,448
Licenses & Permits					
Alcoholic beverage license	29,530	28,447	28,900	26,256	28,000
Bail Bond Board Applications	9,500	2,000	7,500	2,500	6,500
Sexually oriented businesses	6,300	15,950	11,000	11,500	12,000
Sewage disposal	17,185	13,461	31,000	29,655	24,000
Subtotal	62,515	59,858	78,400	69,911	70,500
Intergovernmental Revenue					
Federal grant	6,383	14,583	13,574	10,721	14,000
State supplement - county court at law	39,270	60,912	79,159	99,156	75,000
State supplement - county judge	17,976	14,921	0	0	0
District Clerk - Attorney General Registry	0	0	445	0	0
State supplement - asst. prosecutors	0	0	213	14,690	10,000
State - commercial waste management	164	191	166	120	150
City of Lakeport - Sewer Fees	0	0	1,100	1,200	1,000
City of Longview prisoner care	146,852	148,079	248,562	225,000	225,000
Fiscal Service Fees	0	0	6,552	4,570	4,900
Gregg County Appraisal District	0	10,386	0	0	0
State grants	0	0	27,443	4,123	500
State - TCEQ	0	0	11,602	0	0
State - Indigent Defense Funding	37,855	55,079	58,476	45,217	40,000
E.T.C.O.G. (9-1-1 equipment)	17,398	61,183	34,169	25,000	0
Subtotal	265,898	365,334	481,461	429,797	370,550
Charges for Services					
County Judge	652	222	104	96	100
County Sheriff	284,256	302,896	286,164	358,223	300,000
County Sheriff - cash bond admin fees	0	697	1,453	860	800
Constables	81,219	75,321	85,590	101,315	80,000
County Clerk	638,879	678,228	661,614	698,278	700,000
County Clerk archival fees	0	0	143,025	138,365	140,000
County Clerk -cash bond administrative fees	14,347	16,596	15,343	22,827	15,000
Tax Assessor / Collector	734,437	675,616	715,235	846,331	785,000
District Attorney	55,246	47,767	57,728	75,794	60,000
District Clerk	330,425	388,855	381,933	398,733	375,000
District Clerk - cash bond admin fees	0	100	375	552	500
Justices of the Peace	31,812	28,582	26,688	27,665	25,000
Trial fees	70	0	52	160	100
Jury	35,875	39,638	33,728	32,582	30,000
Probate judges education	2,180	2,327	2,274	2,410	2,200
Other arrest fees	71,256	61,116	57,944	53,813	50,000
County Court at Law #1	2,773	2,750	2,419	2,432	2,200
County Court at Law #2	0	958	1,526	1,888	1,500
State fees / County Clerk	51,148	71,392	70,261	55,028	50,000
State fee - TP - judiciary efficiency	0	3,690	1,873	1,966	2,000
Court Reporter Services	47,645	52,319	48,891	53,198	45,000

NOTE: See page 55 for description of categories

Sources of Revenue For Fiscal Years 2002-2006

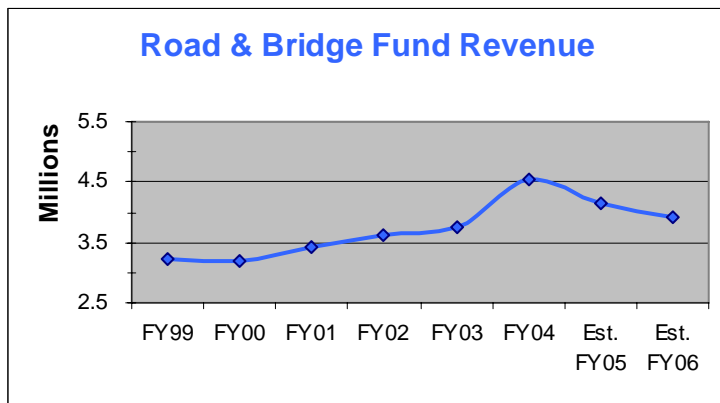
General Fund (continued)	Actual Revenue FY02	Actual Revenue FY03	Actual Revenue FY04	Unaudited Revenue FY05	Adopted Revenue FY06
DRO - filing fees	15,828	16,485	16,537	20,251	15,000
Health Department fees	5	1	0	0	0
Parking lot fees	5,501	5,730	5,383	5,954	5,500
Computer services	6,500	6,500	6,500	5,958	4,800
Defensive driving fees	43,491	43,461	55,095	73,741	55,000
Child safety fees	3,130	3,424	1,724	2,055	1,500
Traffic fees	18,838	17,690	16,531	15,627	15,000
C.O.D.E. Unit	7,986	3,963	0	0	0
Video fees	3,783	5,602	6,335	6,456	5,000
Subtotal	2,487,282	2,551,926	2,702,325	3,002,558	2,766,200
Fines & Forfeitures					
Justice courts	441,169	486,680	573,715	564,597	505,000
Subtotal	441,169	486,680	573,715	564,597	505,000
Interest Income					
Interest Income	356,790	159,045	126,610	147,643	120,000
Unrealized gains on securities held	(88,710)	(30,039)	(14,534)	0	0
Subtotal	268,080	129,006	112,076	147,643	120,000
Rents & Commissions					
Borg Warner contract	36,940	34,098	34,098	34,098	34,100
A&M Tower, Inc.	6,615	6,946	7,293	7,657	7,657
Community bldgs	9,470	8,735	8,728	9,042	7,500
Other rent	25	50	2,500	8,900	0
Royalties	5,759	10,349	9,115	9,657	7,000
Telephone coin stations	147,430	253,348	219,287	150,487	150,000
Concession commissions	300	635	10,450	8,550	7,800
Subtotal	206,539	314,161	291,471	228,391	214,057
Miscellaneous					
Jail lease	290,696	0	222,849	388,302	360,000
Management Training Corp. - 3rd floor contract	271,544	0	0	0	0
Other Miscellaneous	59,593	33,481	70,046	41,665	15,000
Subtotal	621,833	33,481	292,895	429,967	375,000
Total Revenue - General Fund	\$20,719,958	\$21,277,371	\$21,241,447	\$26,276,103	\$26,276,755



General Fund revenues increased by 8.3% in FY00 due to a strong economy and rising property values. The 3.6% decline shown from FY01 to FY04 was primarily due to property tax rate cuts, fluctuations in sales tax and loss of prisoner care income in FY02. While property tax revenue may be reliably predicted for budgetary purposes, sales tax revenue is very unpredictable due to many short term economic factors. The 13.6% increase from FY04 to FY05 is a direct result of the property tax increase.

Sources of Revenue For Fiscal Years 2002-2006

Road & Bridge Fund	Actual Revenue FY02	Actual Revenue FY03	Actual Revenue FY04	Unaudited Revenue FY05	Adopted Revenue FY06
Taxes					
Property taxes - current	\$615,376	\$794,594	\$1,582,316	\$1,024,207	\$1,051,928
Property taxes - delinquent	18,425	21,843	26,339	44,342	31,925
Motor vehicle sales tax	1,344,643	1,342,531	1,305,542	1,393,982	1,300,000
Subtotal	1,978,444	2,158,968	2,914,197	2,462,531	2,383,853
Licenses & Permits					
Motor vehicle registration	1,180,975	1,081,544	1,074,054	1,107,292	1,075,000
State weight permits	7,375	7,256	0	0	0
Subtotal	1,188,350	1,088,800	1,074,054	1,107,292	1,075,000
Intergovernmental Revenue					
Federal grant	0	13,607	0	0	0
State - Lateral Road	22,732	22,730	24,529	24,515	23,000
Subtotal	22,732	36,337	24,529	24,515	23,000
Fines & Forfeitures					
County & District Courts	409,159	437,417	0	0	0
Misdemeanor Fines	0	0	409,386	418,382	373,000
Felony Fines	0	0	27,665	29,582	22,000
Civil / BF Fines	0	0	38,463	60,817	30,000
Subtotal	409,159	437,417	475,514	508,781	425,000
Interest Income					
Interest income	30,619	13,357	18,914	41,100	10,000
Unrealized gains on securities held	(313)	0	1,724	0	0
Subtotal	30,306	13,357	20,638	41,100	10,000
Miscellaneous					
Miscellaneous	20	4,979	35,729	11,773	1,200
Subtotal	20	4,979	35,729	11,773	1,200
Total Revenue - Road & Bridge Fund	\$3,629,011	\$3,739,858	\$4,544,661	\$4,155,992	\$3,918,053



Motor vehicle sales taxes and registration licenses account for about 60.6% of the total Road and Bridge budget. In FY04, additional property tax revenue was allocated to the Road and Bridge Fund to pay for increased operating expenses. Due to the conservative efforts of the Commissioners expenses were cut thus allowing more of the FY06 tax increase to be distributed to other areas of need.

Sources of Revenue

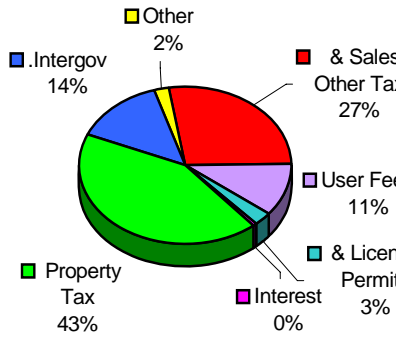
For Fiscal Years 2002-2006

Other Funds	Actual Revenue FY02	Actual Revenue FY03	Actual Revenue FY04	Unaudited Revenue FY05	Adopted Revenue FY06
Special Revenue Funds					
Election Services Fund	\$3,906	\$8,936	\$10,222	\$11,553	\$7,200
Co. Clerk Records Mgmt.	156,377	164,079	154,570	152,494	146,500
Jail Lease Facility Fund	34,750	32,215	72,470	53,621	50,000
Law Library Fund	62,410	66,793	61,354	68,197	61,000
Airport Maintenance Fund	931,322	968,478	967,074	1,413,617	1,180,255
County-Wide Records Mgmt.	40,635	45,961	45,758	61,343	48,500
Security Fund	76,286	78,811	75,174	77,463	72,200
Justice Court Technology Fund	12,776	873	4,458	26,276	20,000
District Clerk Civil Records Mgmt	0	0	8,255	11,518	10,000
District Clerk Criminal Records Mgmt	0	0	0	0	500
Justice of the Peace Security	0	0	0	0	6,000
Co. Clerk Criminal Records Mgmt.	0	0	0	35	8,750
Health Care Fund	38,563	64,962	61,424	118,689	70,000
Subtotal	<u>\$1,357,025</u>	<u>\$1,431,108</u>	<u>\$1,460,759</u>	<u>\$1,994,806</u>	<u>\$1,680,905</u>
Debt Service Funds					
Debt Service - 1988 Series	\$2,258,171	\$1,922,960	\$2,228,422	\$2,464,384	\$0
Debt Service - 1993 Series	493,961	(16,610)	421,418	0	0
Debt Service - 2004 Series	0	0	33,846	66,614	888,189
Subtotal	<u>\$2,752,132</u>	<u>\$1,906,350</u>	<u>\$2,683,686</u>	<u>\$2,530,998</u>	<u>\$888,189</u>
Capital Project Funds					
Permanent Improvement Fund	\$0	\$0	\$0	\$0	\$1,002,469
Airport Improvement Fund	\$2,371,154	\$1,286,743	\$658,363	\$707,319	\$5,127,134
Jail Improvements Fund	5,303	799	277	0	0
Courthouse Improvements Fund	4,671	2,528	248	0	0
Longview Whaley Comm Bldg.	0	0	0	828	100
Industrial Airpark Improvements	0	0	0	1,800	0
124th District Courtroom	0	0	0	0	0
Subtotal	<u>\$2,381,128</u>	<u>\$1,290,070</u>	<u>\$658,888</u>	<u>\$709,947</u>	<u>\$6,129,703</u>
Total Revenue - All Funds	\$30,839,254	\$29,644,757	\$30,589,441	\$35,667,846	\$38,893,605
Total Transfers In - All Funds	\$1,625,012	\$2,621,821	\$3,558,439	\$597,902	\$913,072
Total Available - All Funds	\$32,464,266	\$32,266,578	\$34,147,880	\$36,265,748	\$39,806,677

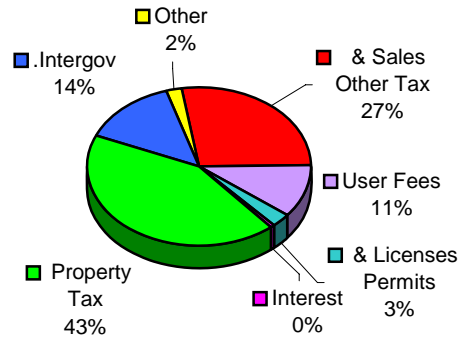
Revenue Comparisons By Category

Gregg County conservatively estimates revenues based on trends, historical data, and economic factors, and budgets adequate expenditures in their budgetary approach. This approach allows the county to cover unexpected expenditures and/or economic downturns should they arise. Major sources of revenue include ad valorem property taxes, sales tax revenue, charges for services (also called fees of office) and intergovernmental revenue. Definitions for these categories can be found on page 55.

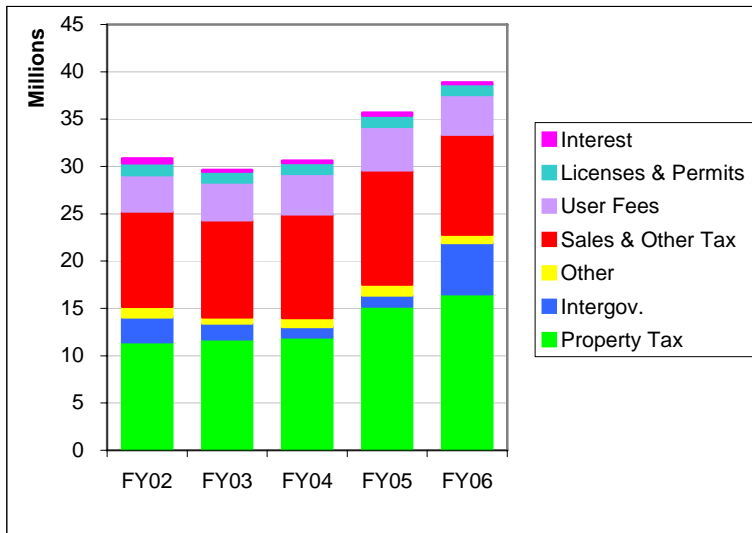
FY06 Adopted Revenues



FY06 Adopted Revenues



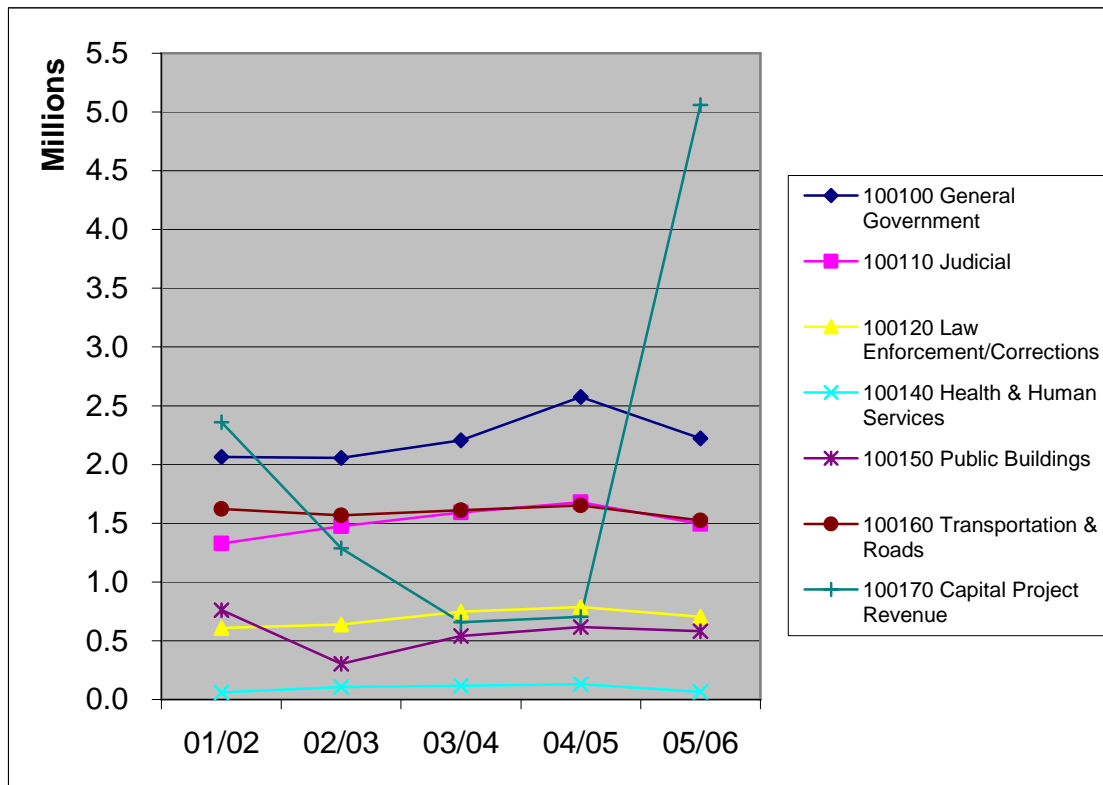
The above pie charts show comparisons between FY05 unaudited revenues and FY06 adopted revenues by percentage. Intergovernmental went from 3% to 14% due to the airport improvement grant. Most other categories remained the same. The bar chart below shows comparisons from FY02 through FY06 budget and revenue percentages are listed beside it. Intergovernmental is high due to the airport grant. Taxes increased in FY05 due to the tax rate increase and higher appraisal values. All other revenues remain relatively flat.



	FY02	FY03	FY04	FY05	FY06
Interest	1.6	0.6	0.7	0.8	0.4
Licenses & Permits	4.1	3.9	3.8	3.3	2.9
User Fees	12.4	13.5	13.9	13.0	10.8
Sales & Other Tax	32.8	34.7	35.9	33.8	27.2
Other	3.5	2.1	3.0	3.2	2.2
Intergov.	8.5	5.6	3.7	3.4	14.0
Property Tax	37.1	39.6	39.0	42.6	42.5

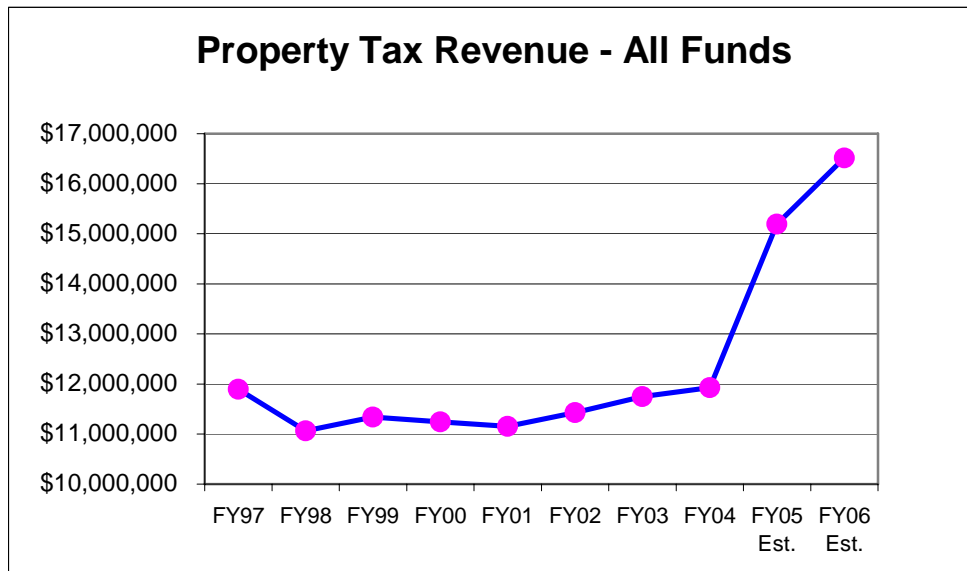
Revenue Comparisons By Function

New accounting procedures require revenues to be associated with a function, defined by GASB and implemented by our County Auditor's office. The following chart depicts all functions except revenue, the largest category. The revenue category includes property taxes and interest income.



Summary of Revenues by Function	01/02	02/03	03/04	04/05	05/06
100000 Revenue	22,036,142	22,216,190	23,124,045	27,526,146	27,245,043
100100 General Government	2,065,427	2,055,129	2,204,868	2,574,980	2,221,057
100110 Judicial	1,328,081	1,474,508	1,591,221	1,677,428	1,492,550
100120 Law Enforcement/Corrections	608,758	637,162	747,437	788,150	703,500
100140 Health & Human Services	59,767	104,947	115,636	129,089	65,150
100150 Public Buildings	759,691	303,080	539,167	615,956	580,800
100160 Transportation & Roads	1,620,261	1,567,533	1,609,826	1,652,361	1,524,200
100170 Capital Project Revenue	2,361,127	1,286,208	657,240	703,736	5,061,304
	30,839,254	29,644,757	30,589,440	35,667,846	38,893,604

Revenue Comparisons By Major Source Type



Ad Valorem Property Taxes are estimated to generate about \$16,511,543, or \$1.3 million more than FY05. It is important to note the county has been operating since FY00 by using reserves. This tax increase in FY05 of 4 ½ ¢ has altered the pattern of expenses exceeding revenues. Taxes were estimated on a \$5.9 billion tax base, signifying the highest valuations since 1992, when the tax base was \$5.15 billion. Additionally, the tax rate of \$.28 per \$100 valuation is the second highest historical tax rate for Gregg County, with the highest being in FY93-FY95 at \$.28147 per \$100 valuation.

For Texas County governments, property tax revenue is the only major funding source directly under the jurisdiction and available to the Commissioners Court. All other funding sources are outside the full control of the Commissioners Court. For example, sales and mixed beverage taxes are collected and distributed by the State Comptroller's office and are dependant on economic factors. The decision to collect sales tax in 1988 resulted in statutory constraints on 'excess' sales tax designating all funds received over the budgetary amounts for debt service obligations. Likewise, court costs and fees (including copies per page) are set by statutes that set mandatory, minimum and maximum limits. A small number of these fees are optional for the Commissioners Court to decide to collect or to set a limit to collect; most are mandatory, with the state receiving a portion of the collection. Fines & forfeitures are set by the judges; however, defendants can ultimately opt to 'lay out' their fines and court costs in jail (which creates additional expenses for the county).

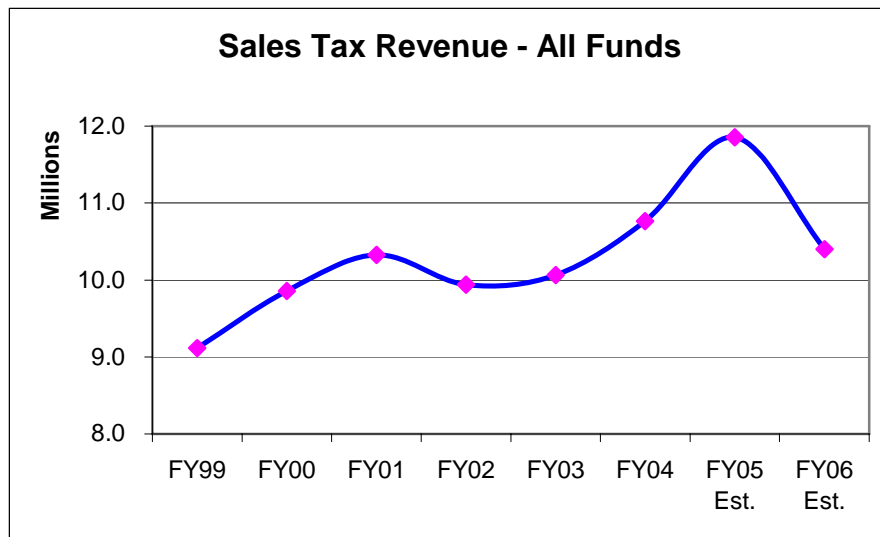
At this time, local tax rates are controlled by the citizens as they elect the Commissioners Court members who set the tax rates. The Texas legislature is currently seeking ways to fairly distribute school taxes to public schools across the state and, in conjunction, restrict the counties and cities taxation limits as well. Taking the power to tax away from local government will gravely limit the ability to function.

Revenue Comparisons By Major Source Type

Sales Tax Revenue is collected at the retail level along with state and city sales tax and is redistributed back to the county through the State Comptroller’s office. Sales tax is imposed on all retail sales, leases and rentals of most goods, as well as taxable services. The maximum amount of combined local taxes is 8 ¼% (.0825). The state sales tax rate is 6 ¼% (.0625). Texas counties can collect ½ to 1.5% in sales tax depending on rates established by other local entities. The sales tax rate in Gregg County is ½ % (.005).

Fluctuations in sales tax revenue are directly tied to the economy and thus are budgeted conservatively. FY06 projections were estimated at \$9.1 million. The State Comptroller’s website provides data regarding the sales tax allocation payment detail and historical summaries for counties, cities and other entities. This data is utilized when estimating revenues. Additionally, the State Comptroller provides press releases regularly concerning sales tax collections and their economic projections concerning sales tax.

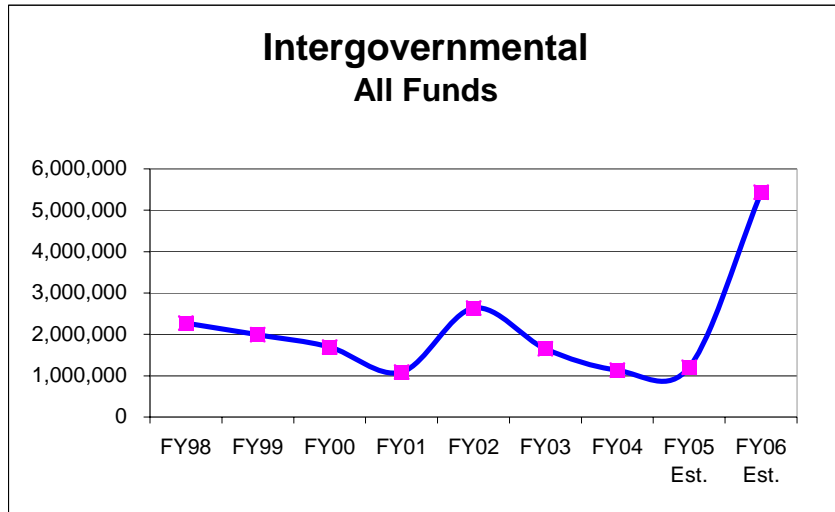
Motor vehicle sales tax is included in the sales tax chart below. Motor vehicle sales tax is levied on all retail sales of motor vehicles in Texas and motor vehicles purchased at retail outside the state and used on Texas public highways by a Texas resident or an individual domiciled or doing business in this state. The county tax assessor-collectors are responsible for collecting this 6 ¼% (.0625) tax and reporting this, along with vehicle registrations, to the Texas Department of Transportation (TxDOT). The maximum distribution to counties is determined by TxDOT annually. Gregg County’s allocation has remained at \$1.3 million for several years.



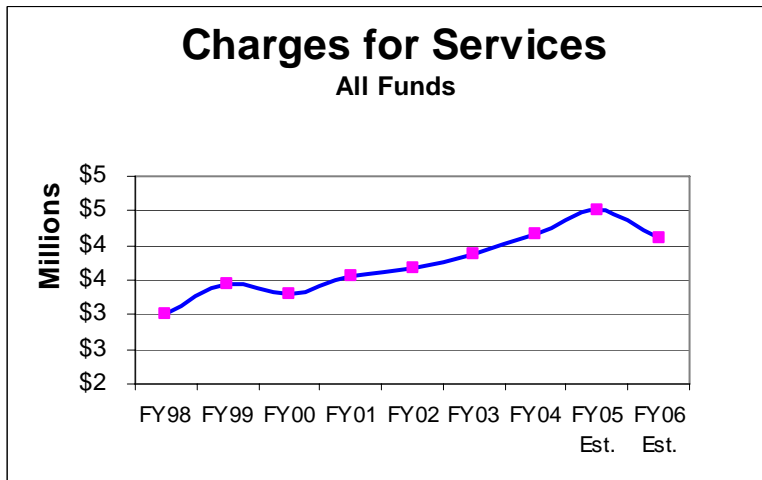
Revenue Comparisons

By Major Source Type

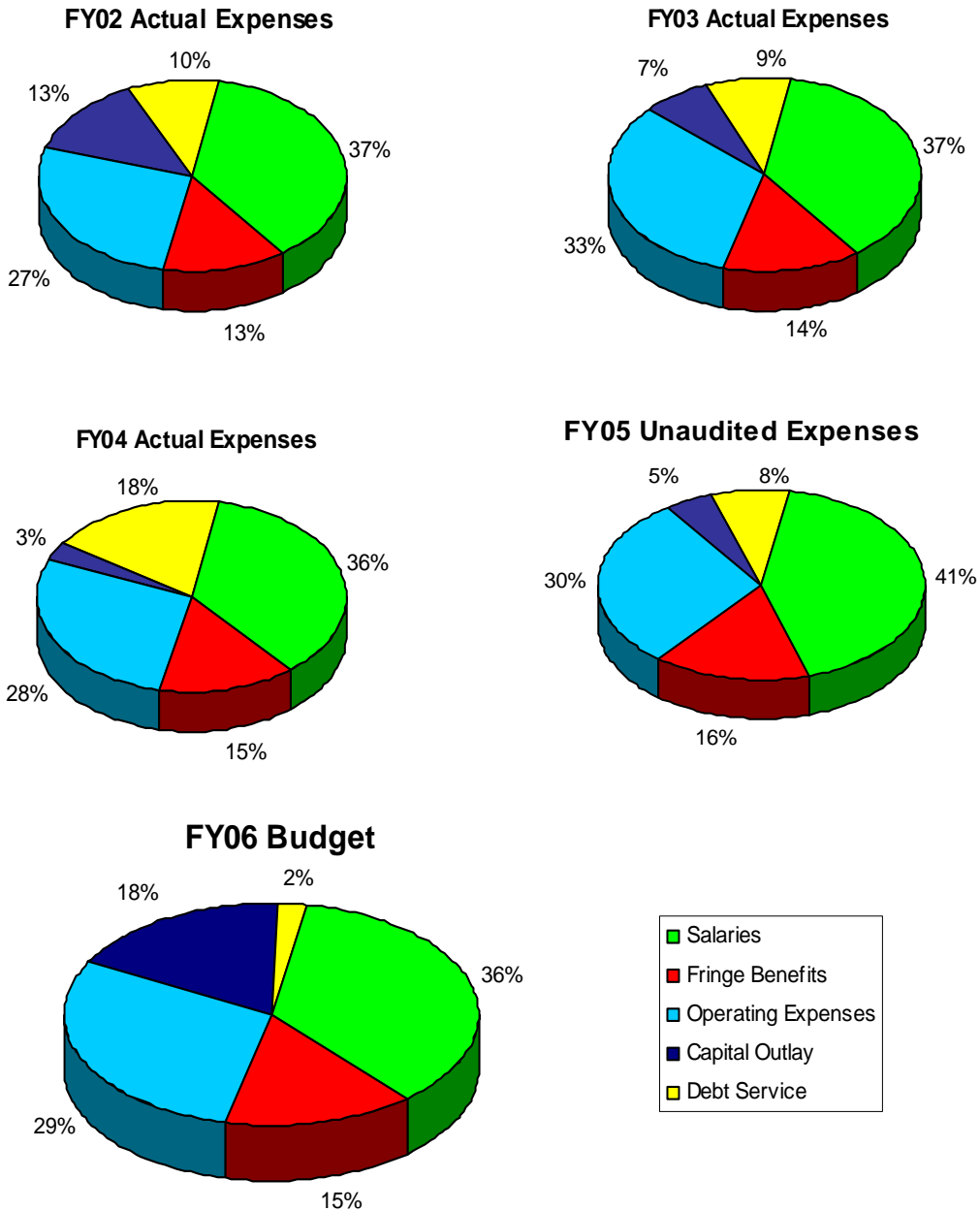
Intergovernmental Revenue includes funds received from federal, state, and local governments. Funding received in this category is usually provided for specific activities, and sometimes requires a cash match. Grants are presented throughout the year to the Commissioners Court who accepts the grant and sets a separate budget at that time. Intergovernmental amounts included during the regular budget process include regular state funding, such as state lateral road funding, state reimbursement for judges salaries, and state tobacco settlement funds. Federal funding is provided annually for improvements the county's airport (East Texas Regional Airport). The chart shows revenue sources totaling \$17.3 million over an eight (8) year span. Of that \$17.3 million, 69% or \$11.8 million was federal funding for airport improvements.



Charges for Services consists of an array of fees collected throughout the organization and includes document filing fees, court fees and fines, and processing fees. Such charges for services, commonly referred to as user fees, assist in offsetting the increasing costs of public services. Due to the uncontrollable nature of user fees, this revenue category for FY06 is also conservatively budgeted. Court costs and other fees (charges for copies, filing fees, etc.) are mostly set and/or mandated by statute. Very few statutes allow the Commissioners Court to opt not to collect or allow the court to set a specific amount to collect, within the range allowed by statute. Court costs are collected locally and the state's portion, again set by statute, is remitted to the State. Amounts shown in the budget are funds that are kept locally, after the State is paid their distribution.

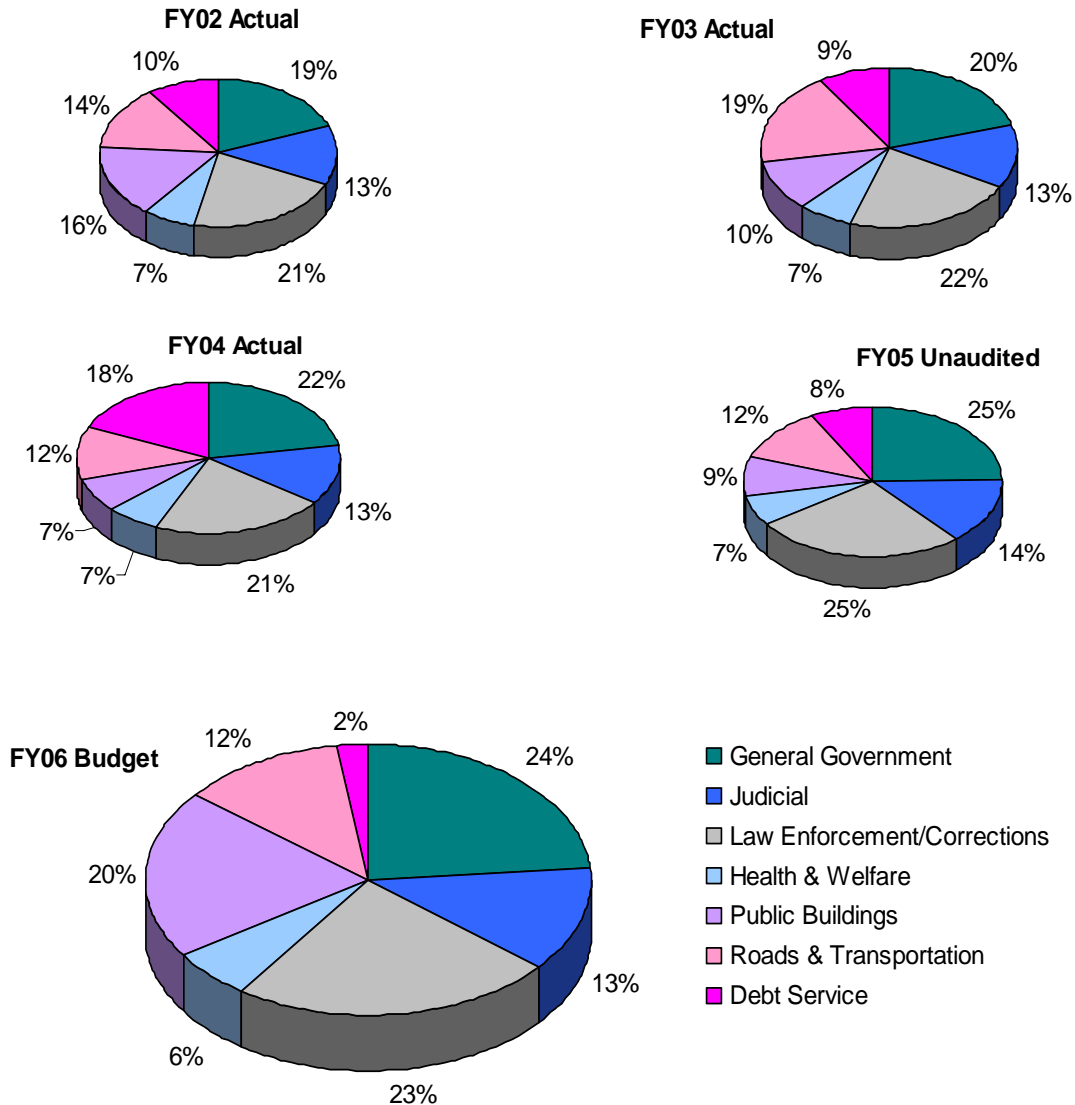


Expenditures Comparison By Category



As illustrated above, salaries and fringe benefits consistently comprise about 50 to 57% of the county's total budgeted expenses which is standard for any service organization. Salaries for FY04, FY05 and FY06 reflect the additional positions budgeted due to state and federal mandates. The FY04 chart includes the refinancing of the 1993 bond series. Capital expenses fluctuate primarily due to airport improvement projects which are contingent on FAA approval.

Expenditures Comparison By Function



The chart comparisons show an increase from 19% to 24% in general government. This increase includes \$1.1 million reclassification for juvenile funding, and increases in general government operations for salaries and fringe benefits. Law enforcement/corrections increases are due primarily to additional jailer expenses. Public building expense includes the airport capital outlay which fluctuates based on FAA approval of projects. FY03 shows 19% of expenses in roads and transportation, which is due to the \$2 million state highway project. FY04 debt service expenses reflect the callable bonds retirement and refinancing. The department budget index on pages 91-92 lists the departments associated with each function. Capital outlay is included in the public buildings function.

Departmental Expenditures Fiscal Years 2002-2006

	Actual Expenses FY02	Actual Expenses FY03	Actual Expenses FY04	Unaudited Expenses FY05	Budgeted Expenses FY06
<u>General Fund</u>					
County Clerk	728,904	742,382	664,956	740,688	794,706
County Clerk - Archive Restoration	0	0	1,019	3,392	150,000
Telecommunications	29,261	34,044	36,232	37,744	42,934
Purchasing	138,337	124,334	131,987	135,232	139,695
Human Resources	141,034	156,497	158,114	160,135	166,854
Non -Departmental	983,274	1,239,836	2,172,719	1,928,760	2,546,978
Non-Departmental - Judicial	747,074	713,674	692,696	612,033	715,000
County Judge	222,790	213,783	196,080	197,850	217,064
Elections	227,077	229,251	254,473	218,475	271,794
Auditor	366,904	362,538	440,638	449,958	473,701
Tax Assessor-Collector	1,139,967	1,240,720	1,278,292	1,312,531	1,390,934
Information Services	788,195	960,385	920,051	954,531	1,000,166
Extension Service	151,572	139,287	141,738	146,114	170,833
Court of Appeals	11,486	10,786	11,649	11,645	12,602
County Court-at-Law #1	234,573	202,850	264,479	264,250	287,111
County Court-at-Law #2	0	181,192	254,207	257,503	276,576
Attorney General Master	8,440	8,200	8,000	9,200	9,600
124th District Court	158,101	168,195	172,445	158,656	160,316
188th District Court	137,249	145,371	119,616	139,470	156,456
307th District Court	116,791	130,333	132,349	123,897	144,083
Juror Expenses	46,712	56,435	61,725	62,319	105,370
District Clerk	753,652	747,470	777,860	759,691	849,256
Justice of the Peace #1	190,602	222,619	214,993	201,705	246,699
Justice of the Peace #2	96,321	101,185	102,525	117,868	127,132
Justice of the Peace #3	172,883	177,031	177,473	183,038	182,162
Justice of the Peace #4	132,425	133,116	148,593	150,529	152,349
District Attorney	1,090,840	1,105,122	1,140,152	1,361,618	1,385,081
Bail Bond Board	0	666	2,149	1,970	7,976
Constable #1	57,088	60,745	61,606	66,108	69,231
Constable #2	49,465	52,193	51,883	55,467	62,091
Constable #3	51,934	55,182	59,716	71,797	75,571
Constable #4	48,897	52,713	53,393	54,716	61,638
Sheriff - Corrections	6,089,977	6,386,385	6,698,847	7,554,930	8,516,721
CODE Unit	7,986	4,059	0	0	0
Department of Public Safety	62,306	44,953	45,987	51,774	55,285
Texas Parks & Wildlife	500	757	0	0	900
Texas Alcohol-Beverage Com.	0	0	0	0	250
Juvenile Board	90,055	98,977	112,268	110,424	111,112
Gregg Industrial Park	79,961	71,669	7,273	29,304	28,700
Veterans Service	80,457	85,006	86,146	87,533	94,308
Emergency Management	812	597	1,515	3,320	4,000
Litter Control Office	36,809	0	0	0	0
Environmental Protection	23,800	32,638	16,483	5,477	23,000

Departmental Expenditures (continued)

Fiscal Years 2002-2006

	Actual Expenses FY02	Actual Expenses FY03	Actual Expenses FY04	Unaudited Expenses FY05	Budgeted Expenses FY06
911 Addressing	113,314	110,342	88,590	109,499	131,397
Health Department	1,278,056	1,274,829	1,543,480	1,352,679	1,453,206
Historical Commission	6,884	5,603	6,819	6,735	23,000
Contributions	564,950	581,450	494,166	501,400	519,400
Courthouse Building	1,194,004	1,256,798	1,193,194	1,255,834	1,362,717
North Jail Building	133,167	132,028	168,908	172,534	194,000
Service Center Building	30,891	75,886	24,215	22,916	37,500
Community Buildings Maint.	42,990	44,134	56,734	45,385	52,051
Comm. Bldg. - Whaley St.	30,161	54,952	26,579	32,832	35,171
Comm. Bldg. - Judson	2,109	4,908	1,744	4,163	5,450
Comm. Bldg. - Greggton	17,249	19,938	17,487	22,133	34,700
Comm. Bldg. - Garfield Hill	5,711	2,850	2,898	2,651	7,000
Comm. Bldg. - Gladewater Sr.	1,894	1,049	0	1,200	0
Gladewater Commerce Street Bldg.	6,634	8,872	13,152	9,280	11,200
Comm. Bldg. - Liberty City	12,248	15,840	14,214	26,203	16,100
Comm. Bldg. - Hugh Camp Park	14,664	12,199	13,271	7,063	17,000
Comm. Bldg. - Olivia Hilburn	19,030	8,327	6,762	6,197	10,600
Kilgore Office & Comm. Bldg.	51,547	56,476	62,260	56,997	65,577
Comm. Bldg. - Kilgore South	7,938	4,132	3,653	4,257	11,337
Comm. Bldg. - Elderville	3,579	11,358	10,454	11,440	23,105
Comm. Bldg. - Easton	7,636	13,111	12,602	6,714	17,000
West Harrison VFD Building	0	4,579	1,351	4,421	4,600
CSCD Annex	0	23,233	0	0	0
Marvin A Smith Regional Juvenile Facility	22,465	21,748	23,096	21,537	50,000
Youth Detention Building	31,620	30,767	27,434	30,851	76,250
Total General Fund	19,093,252	20,268,585	21,685,390	22,506,573	25,444,596
<u>Road & Bridge Fund</u>					
Administration	334,892	356,751	365,546	351,755	384,161
General	300,244	2,520	302,687	501	304,635
Precinct #1	1,398,527	1,197,106	1,075,660	1,046,999	1,239,625
Precinct #2	37,777	38,671	43,496	62,629	95,734
Precinct #3	1,435,384	1,604,012	1,384,292	1,369,785	1,444,657
Precinct #4	956,453	743,911	736,405	719,230	999,315
Right of Way	10,833	2,108,746	32,476	25,000	151,000
Total Road & Bridge Fund	4,474,110	6,051,717	3,940,562	3,575,899	4,619,127

Departmental Expenditures (continued)
Fiscal Years 2002-2006

	Actual Expenses FY02	Actual Expenses FY03	Actual Expenses FY04	Unaudited Expenses FY05	Budgeted Expenses FY06
<u>All Other Funds</u>					
Computer Equipment Fund	41,354	0	0	0	0
Elections Services Fund	6,992	10,019	14,149	8,275	22,200
Co Clerk Records Mgmt	76,748	110,877	114,508	104,403	195,080
Jail Lease Facility	163,821	84,232	76,516	39,975	70,000
Law Library Fund	62,971	64,686	61,594	57,584	64,712
Airport Maintenance Fund	1,004,883	916,902	1,007,420	1,180,006	1,339,575
County-Wide Records Mgmt	29,486	36,184	28,799	30,919	233,445
Building Security	129,539	134,857	135,807	132,766	91,413
Justice Court Technology Fund	0	0	10,985	8,923	10,000
District Clerk Civil Records Mgmt	0	0	0	0	250
District Clerk Criminal Records Mgmt	0	0	0	0	250
Justice of the Peace Security	0	0	0	0	3,000
Co Clerk Criminal Records Mgmt	0	0	0	0	4,375
Health Care Fund	58,272	40,000	40,000	20,000	20,000
Debt Service Funds	2,830,080	2,834,204	6,214,219	2,441,823	898,951
Permanent Improvements	0	0	0	0	500,000
Airport Improvements	2,577,711	1,442,374	657,038	892,523	5,262,425
Courthouse Improvement	660,248	69,588	0	0	0
Longview Whaley Community Bldg.	0	0	33,503	16,647	50,000
Industrial Airpark Improvements	0	0	0	24,681	0
124th Courtroom Renovation	0	0	0	1,904	0
Total All Funds	31,209,467	32,064,225	34,020,490	31,042,901	38,829,399

FY05 Budgeted to Actual Results Comparison*

As a budgeting policy, Gregg County is very conservative and cautious when estimating future revenues, while expenses are budgeted at the maximum amount considered to be needed or required. The benefit of this budgeting policy is that it ensures the county does not incur accounting fund shortfalls. If a shortfall occurs, the county must spend some of its cash reserves or borrow money. If revenues exceed expenses, the county may choose to increase its cash reserves, to pay cash for capital projects, or to pay off debt.

The following comparative schedules illustrate the expected financial results of the county's budgeting policy for the fiscal year ending September 30, 2005. All actual figures are un-audited.

Gregg County General Fund

	FY05 Budgeted	FY05 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	10,769,735	10,750,660	(19,075)	
Sales & Other Taxes	8,984,000	10,652,579	1,668,579	
Licenses & Permits	60,000	69,911	9,911	
Intergovernmental	398,316	429,797	31,481	
Fees of Office	2,635,300	3,002,558	367,258	
Fines & Forfeitures	450,000	564,597	114,597	
Interest Income	130,000	147,643	17,643	
Rent & Commissions	242,757	228,391	(14,366)	
Miscellaneous	380,000	429,967	49,967	
Total Revenues	24,050,108	26,276,103	2,225,995	109.26%
Other Financing Sources	671,269	32,863	(638,406)	
<u>Expenditures</u>				
Salaries	10,920,916	10,837,556	83,360	
Fringes	4,407,122	3,887,034	520,088	
Operating Expenses	8,059,687	7,427,439	632,248	
Capital Acquisitions	381,992	358,251	23,741	
Debt Service	0	0	0	
Total Expenditures	23,769,717	22,510,280	1,259,437	94.70%
Other Financing Uses	417,500	557,500	(140,000)	

**All actual amounts were unaudited at the time of this publication.*

FY05 Budgeted to Actual Results Comparison*
(Continued)

Gregg County Road & Bridge Fund

	FY05 Budgeted	FY05 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	1,073,460	1,068,549	(4,911)	
Sales & Other Taxes	1,290,000	1,393,982	103,982	
Licenses & Permits	1,075,000	1,107,292	32,292	
Intergovernmental	23,000	24,515	1,515	
Fines & Forfeitures	425,000	508,781	83,781	
Interest Income	3,000	41,100	38,100	
Miscellaneous	1,200	11,773	10,573	
Total Revenues	3,890,660	4,155,992	265,332	106.82%
Other Financing Sources	5,000	1,178	(3,822)	

<u>Expenditures</u>				
Salaries	1,743,264	1,661,196	82,068	
Fringes	781,760	681,799	99,961	
Operating Expenses	1,219,607	1,172,357	47,250	
Capital Acquisitions	55,835	60,547	(4,712)	
Total Expenditures	3,800,466	3,575,899	224,567	94.09%

Gregg County Debt Service Funds

	FY05 Budgeted	FY05 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	2,513,872	2,504,244	(9,628)	
Interest Income	5,000	26,754	21,754	
Total Revenues	2,518,872	2,530,998	12,126	100.48%
Other Financing Sources	0	0	0	

<u>Expenditures</u>				
Principal Reduction	656,796	656,796	0	
Interest	1,784,705	1,784,704	1	
Administrative Fees	2,000	324	1,677	
Total Expenditures	2,443,501	2,441,824	1,678	99.93%
Other Financing Uses	0	0	0	

**All actual amounts were unaudited at the time of this publication.*

FY05 Budgeted to Actual Results Comparison*
(Continued)

Gregg County Special Revenue Funds

<u>Revenues</u>	FY05 Budgeted	FY05 Actual Results	Variance	% of Budget
			Favorable (Unfavorable)	
Elections Services	3,300	11,553	8,253	
Co. Clerk Records Mgmt.	146,500	152,494	5,994	
Jail Lease Facility	40,000	53,621	13,621	
Law Library	60,750	68,197	7,447	
Airport Maintenance	1,226,881	1,413,617	186,736	
County-Wide Records Mgmt.	40,500	61,343	20,843	
Security Fund	73,100	77,463	4,363	
Justice Court Technology	10,000	26,276	16,276	
District Clerk Civil Records Mgmt.	8,000	11,518	3,518	
Dist. Clerk Criminal Records Mgmt.	0	0	0	
Justice of the Peace Security	0	0	0	
Co. Clerk Criminal Records Mgmt.	0	35	35	
Health Care Fund	54,000	118,689	64,689	
Total Revenues	1,663,031	1,994,806	331,775	119.95%
Other Financing Sources	66,500	73,861	7,361	
<u>Expenditures</u>				
Elections Services	21,400	8,275	13,125	
Co. Clerk Records Mgmt.	131,689	104,403	27,286	
Jail Lease Facility	40,000	39,975	25	
Law Library	61,998	57,584	4,414	
Airport Maintenance	1,253,233	1,180,006	73,227	
County-Wide Records Mgmt.	32,878	30,919	1,959	
Security Fund	133,945	132,766	1,179	
Justice Court Technology	10,000	8,923	1,077	
District Clerk Civil Records Mgmt.	5,000	0	5,000	
Dist. Clerk Criminal Records Mgmt.	0	0	0	
Justice of the Peace Security	0	0	0	
Co. Clerk Criminal Records Mgmt.	0	0	0	
Health Care Fund	20,000	20,000	0	
Total Expenditures	1,710,143	1,582,851	127,292	92.56%

Gregg County Capital Projects Funds

<u>Revenues</u>	FY05 Budgeted	FY05 Actual Results	Variance	% of Budget
			Favorable (Unfavorable)	
Intergovernmental	2,081,911	641,704	(1,440,207)	
Interest Income	500	6,211	5,711	
Fees	64,000	62,032	(1,968)	
Total Revenues	2,146,411	709,947	(1,436,464)	33.08%
Other Financing Sources	490,000	490,000	0	
<u>Expenditures</u>				
Capital Outlay	2,681,485	935,755	1,745,730	
Total Expenditures	2,681,485	935,755	1,745,730	34.90%
Other Financing Uses	0	0	0	

*All actual amounts were unaudited at the time of this publication.



DEPARTMENTAL BUDGETS

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Departmental Budget Overview

The departmental budget section provides concise, summarized information concerning each department. Generally, departmental information is provided by the official responsible for the department and usually includes the official's duties, term of office and the purpose of the department. As noted on page 15, county officials have numerous responsibilities and duties that are granted explicitly by the Texas State Legislature. It is important to note that according to Texas statutes and state Attorney General's opinions, the commissioners' court authority is limited to budgetary authority over the elected officials and the manner in which they choose to manage their departments. Where workload and performance indicators are considered weak it is the goal of the County Judge, as the statutory budget officer, to seek cooperation in clearly defining goals and improvements in these areas.

All major departments include a departmental description, mission statement (when provided), a five-year comparison of categorical expenditures, number of full-time equivalent (FTE) positions for each year and output indicators (when provided). The data for the five-year expenditures was compiled from the county's audited general purpose financial statements and a recent version of the unaudited internal annual report. Unless otherwise noted, the source of the departmental output indicators was provided by the individual departments.

Departmental expenditures are recapped on pages 83-85 in the Financial Summaries section of this document. Expenditures by fund type, category and funds are shown on pages 58-61.

While the departments are conscientious regarding their commitment to efficiency, most department leaders are not prepared to tie their mission statements to performance measures. It is the goal of the county judge's office to continue in its efforts to improve this functional area. However, it is our contingency that all departmental measures are quantifiable in that they indicate workload measures for the department.

Judicial activity is provided from two sources. First, the Texas State Office of Court Administration (OCA) provides court activity in the Annual Report of the Texas Judicial System. The data provided by the OCA reflects information submitted by the district and county clerks and justice of the peace departments for the state's fiscal year September 1 through August 31. Second, internal county departments have researched and provided additional information to complete the picture concerning their workloads. This data is provided on the county's fiscal year of October 1 through September 30.

The departmental budget index lists the departments by function types: general government, judicial services, law enforcement & corrections, juvenile services, health & welfare, public buildings/facilities, roads & transportation, debt service and capital projects. The pie charts shown on pages 81-82 allows five year comparisons between actual and unaudited expenditures and the adopted budget for FY06.

County Clerk

The county clerk is the official record keeper for the county courts, including the probate courts and the commissioners' court. The county clerk is also the official recorder for the county; all instruments filed of record are filed in the clerk's office. Other duties involve issuing marriage licenses and maintaining vital statistics. The county clerk has various financial responsibilities including collecting fees as specified by statute, filing monthly reports with the auditor on trust funds, and implementing procedures set out by the auditor for accounting and depositing money in the county's depository bank. The county clerk also has investment management and reporting duties normally assigned to a county treasurer. Gregg County does not have a county treasurer.

Mission Statement:

To maintain a well-trained staff which will provide the public with efficient and friendly administrative services; and

To receive, record, and maintain files of all documents received through this office in a cost efficient and reliable manner.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$486,741	\$484,769	\$431,616	\$494,328	\$520,370
Fringe Benefits	176,002	184,837	177,368	190,314	218,432
Operating Expenses	58,669	60,489	55,972	55,371	55,904
Capital Outlay	10,492	12,287	0	675	0
Total Expenses	\$728,904	\$742,382	\$664,956	\$740,688	\$794,706
Full-Time Positions	20	20	19	20	20

Departmental Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Estimated	2006 Estimated
Criminal Cases Filed	6,127	5,661	5,763	5,725	5,800
% variance in criminal cases	-5.4%	-7.6%	1.8%	-0.6%	
Civil Cases Filed	835	774	718	625	550
% variance in civil cases	12.7%	-7.8%	-7.8%	-14.8%	
Probate Cases Filed (1)	416	453	415	435	450
% variance in probate cases	-6.0%	8.9%	-9.1%	4.8%	
Public Records Filed	29,898	31,916	29,528	29,000	30,000
Marriage Licenses	1,491	1,475	1,377	1,400	1,400
Birth/Death Records	20,268	20,650	21,780	23,000	21,000

NOTE: Figures are provided on a calendar year basis.

(1) Documentation in probate files has increased by 3 times. A new clerk position was added in FY04 to the probate/civil section and will work as a relief clerk in other areas when needed.

County Clerk Archive Restoration

The 78th Legislature provided a means for county clerks to restore the county’s archival records through collection of an archival records fee. According to Local Government Code 118.025, the County Clerk must submit a plan annually to the Commissioners’ Court at a public hearing. FY06 marks the third year of a five year plan for archive restoration.

The following plan for FY2006 was approved by the Commissioners’ Court as required by statute.

- ◆ Complete restoration of the Index to Birth Records No. 2 and No. 3. Estimated Cost: \$1,500.00
- ◆ Complete restoration and filming of 86 volumes of Register of Instruments Filed. Estimated Cost: \$103,850.00
- ◆ Book Re-Creation of 97 Marriage Books with approximately 600-650 pages per book and 9 index books. Estimated Cost: \$25,835.00
- ◆ Begin the project of scanning approximately 2094 deed books. Import these images into the existing image database, producing a microfilm backup from the scanned image. Estimated Cost: \$300,000.00
- ◆ Microfilm of miscellaneous permanent records. Estimated cost: \$5,000.00

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	0	0	0	0	0
Operating Expenses	0	0	1,019	3,392	150,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$1,019	\$3,392	\$150,000

Revenue budgeted and received:

	FY04	FY05 Est.	FY06 Budget
Revenue Received	\$143,025	\$138,365	\$140,000
Expenditures	1,019	3,392	\$150,000
Balance at Year End	\$142,006	\$276,979	\$266,979

Goals:

- To capture and archive designated documents prior to January 1, 1990 as efficiently as possible
- To restore records and suspend or reduce deterioration of public records
- To improve public access to these documents in a manner that reduces the risk of deterioration
- The biggest project, converting these records for on-line use, will cost approximately \$200,000. This project phase will be postponed until the last 2 years of the plan. Monies will be set aside from the first three years to complete the final phases of the project.

Accomplishments: By end of FY05 approximately 15% of the project was completed as follows:

- Register of Birth #1 with index
- Register of Birth A with index
- Register of Death with index
- Water Rights Book
- Death Record – Vol. A

Total Estimated cost: \$2,590.00

Telecommunications

This department, supervised by the County Judge, consists of four part-time personnel who answer and direct incoming telephone calls and provide general assistance to callers.

Efforts are underway to establish tracking methods for incoming and outgoing calls, number of busy signals and other telecommunication traffic data.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$26,190	\$30,312	\$32,602	\$33,923	\$36,500
Fringe Benefits	3,039	3,500	3,630	3,821	6,234
Operating Expenses	32	232	0	0	200
Capital Outlay	0	0	0	0	0
Total Expenses	\$29,261	\$34,044	\$36,232	\$37,744	\$42,934
Full-Time Positions	0	0	0	0	0

Purchasing Department

A board of judges comprised of the district judges and the county judge appoints the county purchasing agent to operate and maintain the purchasing department. The Board orders and approves the budget for the purchasing department, which is funded by the Commissioners' Court.

The duties of the purchasing agent and staff include purchasing of all goods, services, materials and equipment, contracting for all repairs, supervision of purchases made by competitive bid or proposal, inventory of all county property and the transfer of any surplus property for use elsewhere in the county. In addition, the department is responsible for upholding and enforcing the county budget.

Mission Statement:

The purchasing department seeks to minimize acquisition costs while meeting all budgetary and statutory requirements.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$91,428	\$84,238	\$95,824	\$97,693	\$100,306
Fringe Benefits	29,793	26,568	28,002	27,839	30,486
Operating Expenses	17,116	11,498	8,161	9,700	8,903
Capital Outlay	0	2,030	0	0	0
Total Expenses	\$138,337	\$124,334	\$131,987	\$135,232	\$139,695
Full-Time Positions	3	3	2.5	2.5	2.5

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Purchase Orders Processed	9,000	10,855	10,408	7,728	7,800
Requisitions Processed	n/a	n/a	n/a	7,726	7,800
Change Orders Processed	n/a	n/a	n/a	1,445	1,200
Percent change orders to Purchase Orders processed	n/a	n/a	n/a	18.7%	
Quotations	250	5,000	n/a	67	70
Bids, Proposal Requests	40	26	n/a	21	25

A new purchase order process was implemented in 2004. Purchase orders are now electronically disbursed to departments instantly through e-mail, saving time and materials in the purchasing department.

Human Resources Department

The director of human resources acts as the administrator of the county's personnel policies and procedures and also monitors the county's compliance with state and federal employment laws and regulations. This department's activities includes administering the county's hiring and termination procedures, supervising the county's compensation and benefit programs, filing and monitoring workers' compensation claims and other liability claims, and assisting with A.D.A., safety, and loss control issues. The director is appointed by the commissioners' court.

Mission Statement:

The Gregg County Human Resources Department offers leadership and counsel to county department heads, elected officials, and employees to assure that the funds and efforts of the county which are intended for personnel management are utilized in the most effective manner possible. Our goal is to attract, retain, develop, and motivate high quality, talented people for service to this community.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$98,793	\$107,725	\$108,426	\$111,497	\$113,117
Fringe Benefits	30,637	34,673	36,991	35,651	39,089
Operating Expenses	10,866	14,099	12,697	12,987	14,648
Capital Outlay	738	2	0	0	0
Total Expenses	\$141,034	\$156,497	\$158,114	\$160,135	\$166,854
Full-Time Positions	3	3	3	3	3

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Job Postings	104	71	80	81	85
New Hires	131	90	149	105	110
Applicants	1,877	2,279	2,156	2,228	2,300
Reportable Accidents for Workers Compensation	20	15	43	66	25
Workers Comp. Paid	\$39,995	\$118,309	\$159,420	Unavailable	
No. of safety meeting held	Unavailable	Unavailable	45	29	30
No. attending safety meetings	Unavailable	Unavailable	861	209	210

Non-Departmental Expenses

The Non-Departmental organization is utilized for county-wide expenses which cannot be identified with a specific department. Examples of these expenses include, but are not limited to, professional services, property and liability insurance, and postage machine expense.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	29,149	115,895	42,806	-30,321	84,913
Operating Expenses	954,125	1,123,941	2,129,913	1,930,477	2,262,065
Capital Outlay	0	0	0	28,604	200,000
Total Expenses	\$983,274	\$1,239,836	\$2,172,719	\$1,928,760	\$2,546,978

Non-Departmental – Judicial Expenses

The Non-Departmental - Judicial organization serves as a funding pool for judicial expenses including court-appointed attorneys, mental commitments, and some professional services expense. Expenses have been tracked by originating court for several years and, with the passing of the indigent fair defense act (Senate Bill 7), it has become increasingly important to monitor and record these types of expenses. Attorney's fees that are collected through the Community Supervision Corrections Department are recorded as reimbursements to this department.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
<i>Court Appt Atty Fees</i>					<i>\$715,000</i>
<i>124th District Court</i>	<i>\$186,052</i>	<i>\$160,439</i>	<i>\$239,561</i>	<i>\$144,820</i>	
<i>188th District Court</i>	<i>237,037</i>	<i>242,099</i>	<i>167,566</i>	<i>240,826</i>	
<i>307th District Court</i>	<i>191,828</i>	<i>174,437</i>	<i>120,757</i>	<i>67,937</i>	
<i>Co Court at Law #1</i>	<i>155,289</i>	<i>178,140</i>	<i>173,191</i>	<i>206,293</i>	
<i>County Court</i>	<i>42,848</i>	<i>13,550</i>	<i>15,400</i>	<i>16,400</i>	
<i>JP #1</i>	<i>3,400</i>	<i>310</i>	<i>0</i>	<i>0</i>	
<i>Mental Commitments</i>	<i>39,725</i>	<i>28,167</i>	<i>31,684</i>	<i>29,170</i>	
<i>Co Court at Law #2</i>	<i>0</i>	<i>31,775</i>	<i>75,144</i>	<i>47,026</i>	
<i>Investigator, Expert Witness & Interpreters</i>	<i>0</i>	<i>0</i>	<i>7,987</i>	<i>28,422</i>	
Total Operating Expenses	\$856,179	\$828,917	\$831,291	\$780,894	\$715,000
<i>Reimb of Atty Fees</i>	<i>(109,105)</i>	<i>(115,243)</i>	<i>(138,595)</i>	<i>(168,846)</i>	
<i>Reimb. Interpreter Svc.</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(16)</i>	
Total Less Reimbursements	\$747,074	\$713,674	\$692,696	\$612,033	\$715,000
% Collected through Probation	14.6%	16.1%	20.0%	27.8%	

NOTE: For additional court activity information see pages 108-115 of this document.

County Judge

The county judge serves as the chief executive officer for the county, budget officer, and head of the Commissioners' Court. Judicial functions include mental commitments, juvenile hearings, some pleas, judicial orders and business licensing including TABC licensing. Administrative functions include serving as the county's principle source of information and assistance; preparing the county's budget; managing maintenance operations; serving as chairman of the juvenile board; and serving on the purchasing agent and bail bond boards. Additionally, the staff serves as liaison for the main telephone system and oversee the telecommunication department. The county judge is elected to a four year term of office and is generally the individual that represents the county both ceremonially and contractually.

Mission Statement:

To provide leadership and assistance to the citizens of Gregg County and to the county offices; and to facilitate the efficient use of county resources in a manner beneficial to the health and well-being of the community while implementing countywide policies for planning, spending, and budget preparation.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$162,471	\$154,927	\$145,715	\$149,585	\$153,445
Fringe Benefits	45,018	42,541	42,450	41,112	46,244
Operating Expenses	14,106	11,227	7,915	7,153	17,375
Capital Outlay	1,195	5,088	0	0	0
Total Expenses	\$222,790	\$213,783	\$196,080	\$197,850	\$217,064
Full-Time Positions	4	4	3	3	3

GOALS:

- During FY06, the department will prioritize establishing service effort and accomplishments (SEA) criteria for all county departments.
- The Commissioners Court appoints the members of the Gregg Historical Commission (GHC) every two years. The GHC board recently had to reorganize due to the illness and subsequent death of the chairman. This office will continue to assist GHC during the process of identifying and relocating records to the new office.
- This office coordinated efforts to lease courthouse office space to our Texas State Senator and our United States House of Representative. We will continue to work with all levels of local, state, and federal government and coordinate or participate in matters of concern to Gregg County.
- Regional accomplishments / goals include:
 - Continuing to work with the Northeast Texas Regional Mobility Authority that was created in conjunction with Smith County in 2005.
 - Continuing to work with regional economic development efforts.
 - Continuing to work with all local law enforcement/emergency agencies (both commissioned and non-profits) for homeland security.
 - Continuing to pursue a Veterans Cemetery for the East Texas Region.

County Judge (continued)

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Commissioners' Court Meetings	47	49	47	43	49
Mental Health Cases	63	65	89	86	85
Mental Health EDW's (1)	n/a	n/a	n/a	45	100
% of Time spent on Mental Health Calls	15%	25%	35%	35%	35%
TABC Applications	52	68	50	50	50
Juvenile Detention Hearings	62	141	176	212	200
No. of Budget Entries (2)	1,322	1,427	2,006	1,586	1,500
% of Time spent on Phone work	20%	30%	20%	20%	20%
% of Time spent on Budget	80%	70%	80%	80%	80%

(1) This figure is for a period of about 4 months. Gregg County only performs commitments for homicidal or suicidal situations and for mental retardation cases. During 2005, the County Judge, Justices of the Peace and Sheriff's Office implemented a new process for handling mental commitments in the form of an Emergency Detention Warrant (EDW). The EDW process allows public hospitals to quickly process patients with mental health issues and temporarily place them in a facility, thus averting a homicidal or suicidal crisis. Intervention at a temporary facility often provides enough time for the patient to sufficiently regain control and return to normalcy. Otherwise, procedures are started for a longer commitment term.

(2) The FY05 budget was approved in categorical format which significantly reduced the number of budget entry transactions. The FY06 budget was also adopted in categorical format.

Elections

The elections administrator is the county's chief election officer and voter registrar. Specific duties include: conducting all county, state, and federal elections; contracting with area cities and schools to conduct their elections in the county; and maintaining voter registration records. The elections administrator is appointed by the Gregg County Elections Commission.

Mission Statement:

To ensure that all elections held in the county are conducted according to state law as set forth in the Texas Election Code;

To keep voter registration records updated on a daily basis; and

To encourage voter registration and participation by speaking at schools and organizations on the importance of participating in democracy by voting.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$137,067	\$142,622	\$161,906	\$133,578	\$166,410
Fringe Benefits	39,280	40,794	46,044	36,589	54,384
Operating Expenses	50,730	45,835	46,523	48,308	51,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$227,077	\$229,251	\$254,473	\$218,475	\$271,794
Full-Time Positions	4	4	4	4	4

Goals: To implement new voting equipment that complies with regulations concerning the state and federal 'Help America Vote Act' (HAVA). The Texas Secretary of State awarded \$539,543 for the new equipment and the county grant match was \$96,225. All funding activity is recorded in a special grant budget.

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Registered Voters	69,563	73,683	75,954	73,544	75,000
Applications Processed	10,278	13,171	15,109	12,640	14,000
Voter Changes	13,634	8,301	7,595	7,925	9,000
Voter Election Rolls	18	15	25	18	23
Elections Held	5	4	8	3	9
Elections Supervised	18	16	18	14	23
Revenue from elections held for other entities*	\$3,184	\$8,569	\$9,965	\$11,000	\$15,000

* Monies go into the Elections Services Fund shown on page 154.

County Auditor

The county auditor serves as Gregg County's chief financial officer. Specific duties include financial accounting and reporting, accounts payable, internal auditing, and payroll services. The auditor is appointed to a two-year term by a board of judges from the 124th, 188th, and 307th district courts.

Mission Statement:

The mission of the auditor's office is to ensure that all financial operations of the county conform to Texas Statutes, principles of the Governmental Accounting Standards Board, and Gregg County policies.

Goals:

To maintain efficient and professional conduct; to provide timely and accurate financial information to county officials and others; and to seek continued improvement of our internal audit program.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$ 266,834	\$255,462	\$313,353	\$325,868	\$335,864
Fringe Benefits	81,778	85,307	108,203	104,284	116,737
Operating Expenses	18,292	18,823	19,082	19,806	21,100
Capital Outlay	0	2,946	0	0	0
Total Expenses	\$366,904	\$362,538	\$440,638	\$449,958	\$473,701
Full-Time Positions	8	9	9	9	9

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Accts Payable Transactions	14,793	15,807	15,832	20,672	22,500
Payroll Checks Processed	13,529	17,264	14,196	16,184	16,000
Internal Audits	468	494	636	640	640
Grants Administered	23	27	28	32	35
Grant Reports Issued	118	144	177	160	160

Tax Assessor - Collector

The tax assessor-collector is a public official elected on a countywide basis to a four year term of office. This official's principal responsibility is to collect ad valorem and other property tax for Gregg County and for other taxing authorities pursuant to interlocal agreements. The tax assessor-collector calculates taxes on property, including taxes on agricultural land, timber land, and railroad rolling stock, and then tax bills are mailed to taxpayers. The tax assessor-collector is also responsible for motor vehicle registrations and the collection of related fees and taxes.

Mission Statement:

To provide the citizens of Gregg County with efficient, courteous, and friendly service while maximizing tax revenue collections utilizing all legal means at our disposal.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$754,325	\$255,462	\$792,504	\$831,842	\$848,585
Fringe Benefits	268,091	85,307	323,973	302,811	351,854
Operating Expenses	114,933	18,823	161,815	176,163	190,495
Capital Outlay	2,618	2,946	0	1,715	0
Total Expenses	\$1,139,967	\$1,240,720	\$1,278,292	\$1,312,531	\$1,390,934
Full-Time Positions	32	32	31	30	30

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Motor Vehicle Registrations	119,500	119,500	119,500	119,488	119,500
Motor Vehicle Titles Issued	n/a	n/a	42,803	43,395	43,000
Property Taxes Collected	97%	97%	97%	97%	97%
Tax certificates issued (1)	n/a	n/a	4,892	5,046	5,000
Alcohol licenses issued (1)	n/a	n/a	361	359	360
Items sent to delinquent tax atty (2)	n/a	n/a	\$1,242,175	\$3,070,326	\$3,000,000
Tax statements mailed (1)	n/a	n/a	215,826	354,836	350,000
Second notices mailed (1)	n/a	n/a	43,399	33,802	33,800
Tax receipts processed (1)	n/a	n/a	552,061	982,446	980,000
Entities with tax service agreements	n/a	n/a	14	14	14
Parcels on tax service agreements	n/a	n/a	180,024	262,611	260,000

(1) Data provided is based on County fiscal year

(2) Data provided as of July 1st.

(3) Data provided is based on State of Texas fiscal year.

Information Services

The information services department provides planning, testing, implementation, and ongoing support services related to hardware and software for all county departments. The director is appointed by the commissioners' court.

Mission Statement:

To provide county employees with state-of-the-art hardware and software - and skilled support for the hardware and software - in order to increase the efficiency of county services.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$268,485	\$289,666	\$290,057	\$298,073	\$303,289
Fringe Benefits	74,762	83,048	91,489	89,199	98,310
Operating Expenses	444,948	509,948	414,526	452,314	489,117
Capital Outlay	0	77,723	123,979	114,945	109,450
Total Expenses	\$788,195	\$960,385	\$920,051	\$954,531	\$1,000,166
Full-Time Positions	9	7	7	7	7

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Software Assistance calls	1,047	1,100	1,085	1,316	
Hardware Assistance calls	482	400	289	290	
Other Assistance calls	642	645	n/a	n/a	
Printer calls	*	*	283	262	
E-mail calls	*	*	158	124	
Employee Config.	*	*	106	149	
Network calls	*	*	89	69	
Failed Login calls	*	*	79	246	
Website calls	*	*	70	65	
Other calls	*	*	51	48	
Internet calls	*	*	39	53	
IS Project calls	*	*	32	34	
Loaner Equipment calls	*	*	6	13	
Thank you calls	*	*	4	17	
Request calls	*	*	1	0	
Total calls for assistance	2,171	2,145	2,294	2,686	2,500

*FY04 is the first full year of reporting with the new service and support system which tracks assistance calls.

Extension Service

The County Extension Office operates under the direction of the Texas Cooperative Extension located at Texas A&M University. The office utilizes concepts of agriculture diversification for increased profitability, improvement of health and provides youth opportunities through 4-H by assisting farmers, families, businesses, governments, and other organizations. Gregg County provides office space, expenses, salary and allowance to supplement state payroll for extension office personnel.

Mission Statement:

To provide quality, relevant outreach and continuing education programs and services to the people of Texas.

Many programs are oriented toward issues involving agriculture, family & consumer sciences and community development. It is the objective of this office to reach every individual and increase public awareness of the resources available through this office that will improve their quality of life.

Goals for FY06: Successful direction of core programs directed by the 66-member Extension Program Council, providing education programs in agriculture/natural resources, family & consumer sciences, 4-H/youth and economic development.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$98,404	\$87,240	\$87,931	\$91,852	\$99,365
Fringe Benefits	38,263	35,140	39,822	39,330	48,798
Operating Expenses	13,905	14,757	13,985	12,697	22,670
Capital Outlay	1,000	2,150	0	2,235	0
Total Expenses	\$151,572	\$139,287	\$141,738	\$146,114	\$170,833
Full-Time Positions	6	6	5.5	5.5	5.5

Output indicators are shown on the next page.

Extension Service
(continued)

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Office Contacts	1,733	846	1,091	1,455	1,500
Site Contacts	3,144	3,765	1,707	3,334	3,400
Phone Calls	4,040	2,171	2,680	3,406	3,500
News Release	417	71	104	83	90
Radio Programs	2	0	0	0	0
Seminars & Workshops Attendance	8,844	7,353	5,166	8,099	8,100
Mass Educational Mailings	6,564	5,167	2,663	3,844	3,900
Volunteers Trained	485	396	315	210	210
Clientele reached by volunteer	6,487	2,816	4,257	5,465	5,500

Future Plans for the Gregg County Community Futures Forum

The Futures Forum process gives residents of Gregg County the opportunity to identify critical issues that affect them, their families, and their communities. Many local and area agencies and organizations want input from local residents to better focus their activities and resources. Working together, such groups can plan individual, joint or coordinated actions to effectively address a county's or community's critical needs.

In February, 2004, the extension service held a County Forum whose purpose was to solicit and prioritize citizen's opinions about the most important needs and concerns in Gregg County. The priority needs identified by this forum included family values, healthcare, the economy, water conservation, education for non-agriculture residents, tourism and emergency preparedness – bioterrorism. The Futures Forum meets every five years as a part of the Long Range Planning Process.

County & District Court Activity Schedules

The following schedules depict Gregg County’s combined court activity at district and county levels. The data was provided by the Annual Report of the Texas Judicial System, published by the Office of Court Administration (OCA), Fiscal Years 2001, 2002, 2003, 2004 and 2005. This annual report is available on the Office of Court Administration website: www.courts.state.tx.us. There is a one month variance in the data provided as the state provides data based on their fiscal year, September 1 through August 31. Justice of the Peace activity is reported individually by precinct in the departmental section of this document.

In 2001, the 77th Legislature attached a rider to the General Appropriations act to provide for district court performance measures. The intent of the Legislature was for the OCA to report data that measures district courts’ activities by county in the following areas:

- ◆ **Clearance rates** – this data, gathered on criminal, civil and juvenile cases, measures how effectively a court is disposing the cases added to its docket,
- ◆ **Age of disposed cases** – allows the court to measure how quickly it is disposing of cases (included on following pages),
- ◆ **Backlog index** – this measures the pending caseload against the court’s capacity to dispose of the caseload during the given time period.

Formulas used to make these calculations are found in the above mentioned FY2004 and FY2005 Annual Reports of the OCA. Gregg County data, along with the State comparative data, is listed below.

	Fiscal Year 2004		Fiscal Year 2005	
	Gregg County	Statewide Data	Gregg County	Statewide Data
Civil Cases				
Clearance Rate	101.7%	96.1%	84.1%	89.0%
Backlog Index	1.1	1.2	1.0	1.2
Criminal Cases				
Clearance Rate	97.0%	95.2%	69.6%	98.3%
Backlog Index	0.8	0.9	1.0	0.9
Juvenile Cases				
Clearance Rate	193.0%	94.9%	93.0%	96.4%

In 2001, the 77th Legislature also passed Senate Bill 7, known as the indigent defense act, requiring additional reporting by counties in an effort to improve legal services for indigent criminal defendants. This state mandate will significantly increase the county’s cost of indigent defense as state coffers remain empty to relieve the counties financial burden for their mandates. Information concerning the Task Force on Indigent Defense can be found on their website at <http://tfid.tamu.edu>. Gregg County’s FY01 baseline expenditures for qualifying state indigent defense assistance was \$569,051. The state’s corresponding financial assistance for FY02 was \$37,855; FY03 was \$57,084, and FY04 was \$56,471. Court appointed attorney expenditures by court are found on page 99, under Non-Departmental - Judicial Expenses.

Performance measures regarding court activity continue to gain greater importance at both state and county levels of government. Gregg County is reviewing reporting methods that will reflect activity for each individual court.

Court Activity Summary

	DISTRICT LEVEL					COUNTY LEVEL				
	2000-01	2001-02	2002-03	2003-04	2004-05	2000-01	2001-02	2002-03	2003-04	2004-05
CIVIL CASES										
Pending 9/1	4,508	4,745	4,774	4,595	4,455	446	370	434	422	433
Docket Adjustment	(151)	(186)	20	(66)	(24)	106	0	0	(4)	(1)
Cases Added	4,450	3,949	4,342	4,279	5,214	695	810	803	704	709
Cases Disposed	4,062	3,734	4,541	4,353	4,383	877	746	815	689	678
Pending 8/31	4,745	4,774	4,595	4,455	5,262	370	434	422	433	463
CRIMINAL CASES										
Pending 9/1	1,157	1,232	1,270	1,068	1,108	6,951	7,564	7,234	6,226	5,494
Docket Adjustment	11	2	(339)	0	0	0	0	0	(312)	(1)
Cases Added	1,276	1,220	1,408	1,319	1,579	7,269	6,765	6,575	6,650	6,182
Cases Disposed	1,212	1,184	1,271	1,279	1,099	6,656	7,095	7,583	7,070	6,105
Pending 8/31	1,232	1,270	1,068	1,108	1,588	7,564	7,234	6,226	5,494	5,570
JUVENILE CASES										
Pending 9/1	179	149	144	138	31	0	0	0	0	0
Docket Adjustment	(3)	0	(10)	0	0	0	0	0	0	0
Cases Added	144	149	139	115	158	0	0	0	0	0
Cases Disposed	171	154	135	222	147	0	0	0	0	0
Pending 8/31	149	144	138	31	42	0	0	0	0	0
TOTAL CASES										
Pending 9/1	5,844	6,126	6,188	5,801	5,594	7,397	7,934	7,668	6,648	5,927
Docket Adjustment	(143)	(184)	(329)	(66)	(24)	106	0	0	(316)	(2)
Cases Added	5,870	5,318	5,889	5,713	6,951	7,964	7,575	7,378	7,354	6,891
Cases Disposed	5,445	5,072	5,947	5,854	5,629	7,533	7,841	8,398	7,759	6,783
Pending 8/31	6,126	6,188	5,801	5,594	6,892	7,934	7,668	6,648	5,927	6,033

District level includes activity in the 124th, 188th, and 307th District Courts, and County Courts-at-Law #1 and #2.
 County level included activity in the County Court and County Courts-at-Law #1 and #2.

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002, 2003, 2004 and 2005

District Level Civil Docket Summary

	Injury or Damage Involving Motor Vehicle	Injury or Damage Other Than Motor Vehicle	Workers' Compen- sation	Tax Cases	Condem- nation	Accounts, Contracts, & Notes	Recip- rocals URESAs	Divorce	All Other Family Matters	Other Civil Cases	Total Cases
Pending 8/31/2000	387	71	3	1,058	5	491	55	738	782	918	4,508
Docket Adjustment							(2)	(4)	(143)	(2)	(151)
Cases Added	195	22	1	704	2	293	10	878	1,773	572	4,450
Cases Disposed	187	15	0	573	7	330	11	769	1,631	539	4,062
Pending 8/31/2001	395	78	4	1,189	0	454	52	843	781	949	4,745
											0
Docket Adjustment	(12)	(5)	0	(82)	0	(14)	0	(7)	(25)	(41)	(186)
Cases Added	200	30	1	490	2	274	2	781	1,598	571	3,949
Cases Disposed	176	21	0	538	1	224	11	882	1,402	479	3,734
Pending 8/31/2002	407	82	5	1,059	1	490	43	735	952	1,000	4,774
Docket Adjustment	(11)	(4)	0	36	4	(10)	(1)	14	50	(58)	20
Cases Added	199	31	0	597	5	343	4	815	1,616	732	4,342
Cases Disposed	260	53	3	528	9	405	2	782	1,764	735	4,541
Pending 8/31/2003	335	56	2	1,164	1	418	44	782	854	939	4,595
Docket Adjustment	(1)	0	0	(5)	0	(3)	0	(4)	(40)	(13)	(66)
Cases Added	145	14	0	509	3	402	0	797	1,743	666	4,279
Cases Disposed	198	20	1	496	2	361	1	895	1,691	688	4,353
Pending 8/31/2004	281	50	1	1,172	2	456	43	680	866	904	4,455
Docket Adjustment	0	0	0	(1)	1	(3)	0	(1)	(17)	(3)	(24)
Cases Added	161	17	0	696	3	392	30	841	2,558	516	5,214
Cases Disposed	123	24	1	564	6	348	7	731	2,049	530	4,383
Pending 8/31/2005	319	43	0	1,303	0	497	66	789	1,358	887	5,262

AGE OF CASES DISPOSED

Fiscal Years	Total Cases	3 months or Less	Over 3 to 6 Months	Over 6 to 12 Months	Over 12 to 18 Months	Over 18 Months
2000-2001	4,062	37%	24%	19%	8%	12%
2001-2002	3,734	35%	23%	20%	8%	14%
2002-2003	4,541	32%	22%	22%	9%	15%
2003-2004	4,353	35%	23%	20%	11%	11%
2004-2005	4,383	42%	24%	20%	7%	8%

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002, 2003, 2004 and 2005

District Level Criminal Docket Summary

	Capital Murder	Murder or Vol Man- Slaughter	Assault or Attempt Murder	Sexual Assault of an Adult	Indecency or Sexual Assault of Child	Robbery	Burglary	Theft	Auto Theft	Arson	Drug Sale or Manuf.	Drug Posses- sion	Felony D.W.I.	Other Felony	All Misd- Meanors	Total Cases
Pending 8/31/2000	11	10	48	19	22	25	101	299	16	4	94	254	58	196	0	1,157
Docket Adjustment		1	3	(1)	(1)	5	1	(11)	(2)		(1)	3	9	4	1	11
Cases Added	4	8	71	15	41	49	148	232	27	7	81	173	124	292	4	1,276
Cases Disposed	5	10	59	11	26	50	116	221	22	5	73	215	125	271	3	1,212
Pending 8/31/2001	10	9	63	22	36	29	134	299	19	6	101	215	66	221	2	1,232
																0
Docket Adjustment	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	2
Cases Added	2	72	62	10	37	68	134	121	21	2	102	215	98	275	1	1,220
Cases Disposed	3	82	60	8	37	53	138	116	21	5	103	195	94	265	4	1,184
Pending 8/31/2002	9	0	65	24	36	44	130	304	19	3	100	235	70	231	0	1,270
Docket Adjustment	(2)	13	(13)	(12)	(1)	(10)	(65)	(97)	16	(1)	(59)	(36)	(10)	(62)	0	(339)
Cases Added	10	13	91	12	41	71	111	215	25	6	64	283	117	345	4	1,408
Cases Disposed	6	18	74	13	40	69	95	196	36	4	59	266	106	285	4	1,271
Pending 8/31/2003	11	8	69	11	36	36	81	226	24	4	46	216	71	229	0	1,068
Docket Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cases Added	2	6	91	10	35	43	114	225	23	1	77	237	114	340	1	1,319
Cases Disposed	6	6	72	11	35	62	110	217	23	1	88	241	104	302	1	1,279
Pending 8/31/2004	7	8	88	10	36	17	85	234	24	4	35	212	81	267	0	1,108
Docket Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cases Added	2	9	135	12	40	48	125	171	30	1	206	348	106	346	0	1,579
Cases Disposed	1	8	74	6	24	33	82	121	22	1	121	265	79	262	0	1,099
Pending 8/31/2005	8	9	149	16	52	32	128	284	32	4	120	295	108	351	0	1,588

AGE OF CASES DISPOSED

	Total Cases	60 Days or Less	61 Days to 90 Days	91 Days to 120 Days	Over 120 Days
2000-2001	1,212	43%	16%	9%	32%
2001-2002	1,184	40%	17%	15%	28%
2002-2003	1,271	39%	18%	12%	31%
2003-2004	1,279	26%	14%	13%	46%
2004-2005	1,099	37%	13%	11%	39%

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002,
2003, 2004 and 2005

District Level – Other Activity

	2000-01	2001-02	2002-03	2003-04	2004-05				
JURY ACTIVITY						JUVENILE ACTIVITY			
<u>Civil Cases</u>						Child in			
Jury Fee Paid/Oath	295	282	374	280	229	Need of			
Panel Examined	17	18	39	29	26	Super-	Delin-	Total	
Sworn Evidence Presented	16	18	39	29	24	vision	quency	Cases	
<i>Final Judgement:</i>									
By Jury	14	17	38	29	24				
Directed Verdict	0	0	0	0	0				
<u>Criminal Cases</u>									
Panel Examined	34	19	38	47	30	Pending 8/31/2000	8	17	25
Sworn Evidence Presented	31	19	37	47	30	Docket Adjustment	23	128	151
<i>Conviction:</i>						Cases Added	0	144	144
Guilty Plea	10	21	682	56	40	Cases Disposed	0	171	171
Not Guilty Plea	14	4	0	2	6	Pending 8/31/2001	31	118	149
<i>Acquittal:</i>									
Jury Verdict	2	2	1	9	6	Docket Adjustment	0	0	0
Directed Verdict	0	0	0	0	0	Cases Added	2	147	149
DEATH / LIFE SENTENCES IMPOSED						Cases Disposed	0	154	154
Death Sentences Imposed	0	0	0	0	0	Pending 8/31/2002	33	111	144
Life Sentences Imposed	3	6	10	5	4				
OTHER COURT PROCEEDINGS						Docket Adjustment	0	(10)	(10)
Post Conviction Writs of Habeas Corpus	0	0	48	32	30	Cases Added	0	139	139
Other Writs of Habeas Corpus	18	18	21	23	20	Cases Disposed	0	135	135
Contempt, Extradition, & Other Proceedings	0	0	0	0	0	Pending 8/31/2003	33	105	138
Bond Forfeiture Proceedings	50	50	33	45	44				
						Docket Adjustment	0	0	0
						Cases Added	0	115	115
						Cases Disposed	33	189	222
						Pending 8/31/2004	0	31	31
						Docket Adjustment	0	0	0
						Cases Added	0	158	158
						Cases Disposed	0	147	147
						Pending 8/31/2005	0	42	42

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002, 2003, 2004 and 2005

County Level Civil Docket Summary

	Injury or Damage Involving Motor Vehicle	Injury or Damage Other Than Motor Vehicle	Tax Cases	Suits on Debt	Divorce	All Other Family Matters	Other Civil Cases	Total Cases
Pending 8/31/2000	102	23	3	420	0	0	576	1,124
Docket Adj.*	(82)	(9)	(2)	(379)			(100)	(572)
Cases Added	3	3		33			656	695
Cases Disposed	14	11		48			804	877
Pending 8/31/2001	9	6	1	26	0	0	328	370
Docket Adjustment	0	0	0	0	0	0	0	0
Cases Added	9	11		30			760	810
Cases Disposed	5	8		30			703	746
Pending 8/31/2002	13	9	1	26	0	0	385	434
Docket Adjustment	0	0	0	0	0	0	0	0
Cases Added	2	15	0	20	0	0	766	803
Cases Disposed	8	13	0	19	0	0	775	815
Pending 8/31/2003	7	11	1	27	0	0	376	422
Docket Adjustment	0	0	0	0	0	0	(4)	(4)
Cases Added	1	0	0	18	0	0	685	704
Cases Disposed	1	1	0	15	0	0	672	689
Pending 8/31/2004	7	10	1	30	0	0	385	433
Docket Adjustment	0	0	0	0	0	0	(1)	(1)
Cases Added	0	2	0	14	0	0	693	709
Cases Disposed	0	0	0	15	0	0	663	678
Pending 8/31/2005	7	12	1	29	0	0	414	463

AGE OF CASES DISPOSED

	Total Cases	3 months or Less	Over 3 to 6 Months	Over 6 to 12 Months	Over 12 to 18 Months	Over 18 Months
2000-2001	877	38%	31%	17%	5%	9%
2001-2002	746	53%	32%	12%	1%	3%
2002-2003	815	41%	40%	16%	2%	1%
2003-2004	689	49%	33%	13%	1%	3%
2004-2005	678	56%	29%	13%	0%	1%

NOTE: Docket adjustments for FY01 have been adjusted to reflect transition of activity from county level reporting to district level reporting for the Court(s) at Law.

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002, 2003, 2004 and 2005

County Level Criminal Docket Summary

	DWI or DUID	Theft or Worthless Check	Drug Offenses	Assault	Traffic	Other Criminal Cases	Total Cases
Pending 8/31/2000	825	3,951	341	650	297	887	6,951
Docket Adjustment	0	0	0	0	0	0	0
Cases Added	753	3,304	597	967	461	1,187	7,269
Cases Disposed	765	2,952	538	861	431	1,109	6,656
Pending 8/31/2001	813	4,303	400	756	327	965	7,564
Docket Adjustment	0	0	0	0	0	0	0
Cases Added	735	2,846	659	963	356	1,206	6,765
Cases Disposed	735	3,167	610	956	398	1,229	7,095
Pending 8/31/2002	813	3,982	449	763	285	942	7,234
Docket Adjustment	0	0	0	0	0	0	0
Cases Added	894	2,477	610	1,026	344	1,224	6,575
Cases Disposed	1,026	3,041	682	1,130	384	1,320	7,583
Pending 8/31/2003	681	3,418	377	659	245	846	6,226
Docket Adjustment	(300)	(231)	(56)	(109)	(70)	454	(312)
Cases Added	861	2,479	743	908	352	1,307	6,650
Cases Disposed	894	2,880	668	908	354	1,366	7,070
Pending 8/31/2004	348	2,786	396	550	173	1,241	5,494
Docket Adjustment	0	0	0	0	(1)	0	(1)
Cases Added	801	1,875	840	846	270	1,550	6,182
Cases Disposed	787	1,957	842	801	301	1,417	6,105
Pending 8/31/2005	362	2,704	394	595	141	1,374	5,570

AGE OF CASES DISPOSED

	Total Cases	60 Days or Less	61 Days to 90 Days	91 Days to 120 Days	Over 120 Days
2000-2001	6,656	15%	17%	13%	55%
2001-2002	7,095	16%	15%	11%	58%
2002-2003	7,583	22%	15%	11%	53%
2003-2004	7,070	24%	12%	10%	53%
2004-2005	6,105	24%	14%	11%	51%

NOTE: Docket adjustments for FY01 have been adjusted to reflect transition of activity from county level reporting to district level reporting for the Court(s) at Law.

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002, 2003,2004 and 2005

County Level – Other Activity

	2000-01	2001-02	2002-03	2003-04	2004-05
JURY ACTIVITY					
<u>Civil Cases</u>					
Final Judgement by Jury	2	0	1	0	0
<u>Criminal Cases</u>					
Conviction Guilty Plea	2	5	2,368	6	6
Conviction Not Guilty Plea	1	1	0	0	0
Acquittal Jury Verdict	0	0	5	3	9
Acquittal Directed Verdict	0	0	0	0	0
PROBATE & MENTAL HEALTH					
<u>Probate</u>					
Cases Filed	448	424	399	392	455
Hearings Held	489	435	457	443	537
<u>Mental Health</u>					
Cases Filed	34	64	66	82	88
Hearings Held	34	61	62	67	75
Release Prior to Final Hearing	n/a	n/a	1	4	9
Disposition at Final Hearing:					
Released	n/a	n/a	0	0	1
Order: Inpatient/Outpatient	n/a	n/a	62	77	77

Source: Texas Judicial System Annual Report for Fiscal Years 2001, 2002, 2003, 2004 and 2005

County Court at Law #1

The judge of the County Court at Law #1 is a public official elected on a countywide basis to a four year term of office. The judge is authorized by law to decide the following types of cases: criminal misdemeanors and felony (except capital murder), juvenile, civil suits, condemnation suits, and probate and guardianship matters. Criminal felony jurisdiction began on January 1, 2003. The judge may conduct jury trials when necessary. The judge also serves on the board of judges presiding over the Community Supervision Corrections and Juvenile departments.

Mission Statement:

To serve the public interest by administering justice fairly and impartially;
 To faithfully apply the laws of the state of Texas and the United States; and
 To observe and follow the highest standards of judicial ethical conduct, both in appearance and fact.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$182,650	\$149,645	\$201,116	\$204,278	\$208,055
Fringe Benefits	44,291	39,435	54,775	52,285	59,072
Operating Expenses	7,632	13,770	8,588	7,687	19,985
Capital Outlay	0	0	0	0	0
Total Expenses	\$234,573	\$202,850	\$264,479	\$264,250	\$287,111
Full-Time Positions	3	3	3.5	3.5	3.5

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
New Criminal Cases Filed	4,459	6,076	6,586	6,186	6,386
Criminal Cases Disposed	3,513	6,615	6,804	5,960	6,282
Criminal Cases disposed as % of cases added	78.8%	108.9%	103.3%	96.3%	--
New Civil Cases Filed	1,207	760	503	471	487
Civil Cases Disposed	2,296	928	398	364	381
Civil Cases disposed as % of cases added	190.2%	122.1%	79.1%	77.3%	--
Juvenile Cases	188	138	185	148	150

Source: Juvenile probation department provided juvenile statistics. All other data based on reports from the judicial system, The Software Group, Inc.

Note: Other activity is combined with district and county schedules found on pages 108-115.

County Court at Law #2

The judge of the County Court at Law # 2 is a public official elected on a countywide basis to a four year term of office. The judge is authorized by law to decide the following types of cases: criminal misdemeanors and felonies (with the exception of capital murder cases), juvenile cases, civil suits, condemnation suits, and probate and guardianship matters. The judge may conduct jury trials when necessary. The judge also serves on the board of judges presiding over the Community Supervision Corrections and Juvenile departments.

Mission Statement:

To serve the public interest by administering justice fairly and impartially;
 To faithfully apply the laws of the state of Texas and the United States; and
 To observe and follow the highest standards of judicial ethical conduct, both in appearance and fact.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$0	\$129,219	\$186,334	\$188,710	\$192,120
Fringe Benefits	0	34,189	51,788	49,704	56,306
Operating Expenses	0	15,405	14,873	19,089	26,450
Capital Outlay	0	2,379	1,212	0	1,700
Total Expenses	\$0	\$181,192	\$254,207	\$257,503	\$276,576
Full-Time Positions	0	3.5	3.5	3.5	3.5

Department Indicators:	2002 Actual	2003* Actual	2004 Actual	2005 Actual	2006 Estimated
New Criminal Cases Filed	0	240	116	5	5
Criminal Cases Disposed	0	298	176	4	5
Criminal Cases disposed as % of cases added	0	124.2%	151.7%	80%	
New Civil Cases Filed	0	1,484	1,908	2,094	2,100
Civil Cases Disposed	0	776	1,589	1,665	1,900
Civil Cases disposed as % of cases added		52.3%	83.2%	79.5%	

Source: Juvenile probation department provided juvenile statistics. All other data based on reports from the judicial system, The Software Group, Inc.

Note: Other activity is combined with district and county schedules found on pages 108-115

*The County Court at Law #2 operated on a nine (9) month fiscal year from January 1 to September 30, 2003. The first full year of operation was FY04.

124th District Court

The judge of this state district court is a public official elected on a countywide basis to a four year term of office. This court has general jurisdiction. The judge is authorized to conduct trials, with or without a jury, related to civil lawsuits and felony criminal prosecutions, although the judge may decide a wide array of legal matters. The judge also serves as a member on various boards that oversee the following departments: Purchasing, Auditor's office, Community Supervision and Corrections, and Juvenile Probation/Detention.

Mission Statement:

To provide fair trials in all cases to all parties involved in as efficient and cost effective manner as possible.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$82,139	\$82,593	\$66,741	\$70,604	\$73,336
Fringe Benefits	23,988	23,040	23,771	23,246	25,780
Operating Expenses	51,974	62,562	81,933	64,806	61,200
Capital Outlay	0	0	0	0	0
Total Expenses	\$158,101	\$168,195	\$172,445	\$158,656	\$160,316
Full-Time Positions	2	2	2	2	2

Note: Salary figures listed above do not include the district judge, who is an employee of the State of Texas. The juvenile board departmental budget includes the supplemental pay and fringe benefits paid to the district judge for service on this board.

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Criminal Cases Filed	569	652	638	613	635
Criminal Cases Disposed	608	548	512	478	515
Criminal Cases disposed as % of added	106.9%	83.7%	80.3%	77.4%	
Civil Cases Filed	432	288	253	251	230
Civil Cases Disposed	554	458	265	223	230
Civil Cases disposed as % of added	126.8%	159.0%	104.3%	89.2%	

Source: Juvenile probation department provided juvenile statistics. All other data based on reports from the judicial system, The Software Group, Inc.

Note: Other activity is combined with district and county schedules found on pages 108-115.

188th District Court

The judge of this state district court is a public official elected on a countywide basis to a four year term of office. This court has general jurisdiction. The judge is authorized by law to conduct trials, with or without a jury, related to civil lawsuits and felony criminal prosecutions, although the judge may decide a wide array of legal matters. The judge also serves as a member on various boards that oversee the following departments: Purchasing, Auditor's office, Community Supervision and Corrections, and Juvenile Probation/Detention.

Mission Statement:

To provide citizens accused of criminal conduct and the state of Texas a fair trial; and
 To provide all parties to civil litigation a fair and efficient legal forum to resolve their differences.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$73,838	\$77,719	\$68,382	\$71,387	\$82,152
Fringe Benefits	22,263	23,801	22,779	23,481	27,269
Operating Expenses	41,148	43,851	28,455	44,602	47,035
Capital Outlay	0	0	0	0	0
Total Expenses	\$137,249	\$145,371	\$119,616	\$139,470	\$156,456
Full-Time Positions	2	2	2	2	2

Note: Salary figures listed above do not include the district judge, who is an employee of the State of Texas. The juvenile board departmental budget includes the supplemental pay and fringe benefits paid to the district judge for service on this board.

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Criminal Cases Filed	785	751	699	970	875
Criminal Cases Disposed	758	762	715	909	800
Criminal Cases disposed as % of added	96.5%	101.6%	102.3%	93.7%	
Civil Cases Filed	564	367	258	253	250
Civil Cases Disposed	573	552	415	282	250
Civil Cases disposed as % of added	101.6%	150.4%	160.8%	111.4%	

Source: Juvenile probation department provided juvenile statistics. All other data based on reports from the judicial system, The Software Group, Inc.

Note: Other activity is combined with district and county schedules found on pages 108-115.

307th District Court

The judge of this state district court is a public official elected on a countywide basis to a four year term of office. This court has general jurisdiction. The judge is authorized to decide cases, and conduct jury trials if necessary, dealing with such family law matters as divorce, adoption, child support and child custody issues, and child abuse and neglect cases. The judge also serves as a member on various boards that oversee the following departments: Purchasing, Auditor's office, Community Supervision and Corrections, and Juvenile Probation/Detention.

Mission Statement:

To determine, render a decision, and dispose of any and all cases arising under Titles I, II, III, and IV of the Texas Family Code.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$80,697	\$85,207	\$84,926	\$87,421	\$88,975
Fringe Benefits	22,923	25,106	26,777	25,826	28,473
Operating Expenses	13,171	20,020	16,420	9,647	25,435
Capital Outlay	0	0	4,226	1,003	1,200
Total Expenses	\$116,791	\$130,333	\$132,349	\$123,897	\$144,083
Full-Time Positions	2	2	2	2	2

Note: Salary figures listed above do not include the district judge, who is an employee of the State of Texas. The juvenile board departmental budget includes the supplemental pay and fringe benefits paid to the district judge for service on this board.

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
New Cases Filed	2,711	2,500	2,603	3,479	3,500
Cases Disposed	2,657	2,567	2,511	2,881	2,800
Cased Dispositions as % of cased added	98.0%	103.7%	96.5%	82.8%	
Juvenile Hearings	5	0	0		

Source: Juvenile probation department provided juvenile statistics. All other data based on reports from the judicial system, The Software Group, Inc.

Note: Other activity is combined with district and county schedules found on pages 108-115.

Court of Appeals

Gregg County provides a portion of the salaries of the judges who serve on this region's court of appeals as required by state law.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$10,667	\$10,023	\$10,815	\$10,815	\$10,815
Fringe Benefits	819	763	834	830	1,787
Operating Expenses	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenses	\$11,486	\$10,786	\$11,649	\$11,645	\$12,602

Attorney General Master

The Attorney General Master is part of the federal child support enforcement program. This master hears child support cases filed by the Texas Attorney General. All cases are eligible for appeal to the 307th District Court. Gregg County only pays for the court reporter.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$8,440	\$8,200	\$8,000	\$9,200	\$9,600
Capital Outlay	0	0	0	0	0
Total Expenses	\$8,440	\$8,200	\$8,000	\$9,200	\$9,600

Judicial Expenses

The judicial expenses for all courts, such as juror pay and other expenses related to sequestered juries. The 79th Legislature increased the pay for jurors by setting a minimum of \$40 per day starting on the second day of jury service. Estimates are expected to increase juror pay from \$60,000 to \$130,000, or 117%. The FY06 budget includes State reimbursements of \$35,000, reducing the overall increase to 58.3%. The District Clerk's Office administers juror pay for all courts and maintains the juror selection process.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$46,712	\$56,435	\$61,725	\$62,319	\$105,370
Total Expenses	\$46,712	\$56,435	\$61,725	\$62,139	\$105,370

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Civil juries impaneled	20	16	48	14	15
Civil jurors summoned	3,200	2,560	7,680	8,163	8,200
Criminal juries impaneled	22	33	59	51	55
Criminal jurors summoned	4,840	7,260	12,980	19,307	19,500
% Increase in Juror pay	n/a	25.0%	10.0%	9.0%	58.3%

District Clerk

The district clerk's office maintains the records of the three district courts and two county courts-at-law and supervises the central jury system which serves all of the courts. The district clerk also manages the child support system (\$1.5 million in child support payments processed annually) and collects probation fees and child support service fees. Moreover, the district clerk handles the records related to all criminal cases, including indictments, judgments, and transfers to the Texas Department of Corrections. The district clerk is a public official elected on a countywide basis to a four year term.

Mission Statement:

The Gregg County District Clerk's Office strives to provide the citizens of Gregg County with the best integrated document recording and records management system in the state of Texas. In the future, our office will plan for and implement a 'paperless' courtroom, offer electronic filing of legal documents, and provide the public with access to computerized records.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$501,151	\$489,383	\$505,048	\$505,185	\$554,327
Fringe Benefits	182,221	187,011	210,973	197,195	230,779
Operating Expenses	70,280	71,076	61,839	57,311	61,150
Capital Outlay	0	0	0	0	0
Total Expenses	\$753,652	\$747,470	\$777,860	\$759,691	\$849,256
Full-Time Positions	21	21	21	21.5	21.5

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Civil Cases Filed	4,655	5,123	4,441	4,840	
Criminal Cases Filed	1,350	1,438	1,382	1,445	
Jury Notices (see page 121 for additional juror data)	24,529	20,575	19,668	27,470	
Child Support Transactions	63,447	31,957	11,267	8,073	

Note: The number of child support transactions began their decline when the State Attorney General's Office began a statewide collection process during 2001.

Justice of the Peace

The primary responsibility of the Justice of the Peace is to preside over the justice court and the small claims court. This court has original jurisdiction in criminal cases of offenses where the fine does not exceed \$500 and civil claims where the amount in controversy does not exceed \$5,000. Other responsibilities include fine collections; issuance of peace bonds; arrest and search warrants; conduct hearings and inquests; and performing marriage ceremonies. Justices of the Peace are elected to four year terms of office by the citizens of their respective precincts.

Justices of the Peace Summary

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Total Cases Filed	13,416	13,607	14,587	14,796	15,484
Total Cases Disposed	13,266	13,476	12,833	12,428	13,018
Total Cases Appealed	21	31	17	29	28
Examining Trials	22	25	14	17	18
Inquests	270	286	275	257	263
Collections reported to State	\$1,072,301	\$1,073,379	\$1,292,404	\$1,359,955	\$1,335,742

Notes on Justice of the Peace Output Indicators:

- ◆ Source information is provided by the Office of Court Administration's (OCA) "Texas Judicial System Annual Report" for the State's fiscal years 2002, 2003, 2004 and 2005. These reports are based on the State's fiscal year of September 1 through August 31 each year.
- ◆ Truancy case information is provided by the individual JP courts.
- ◆ All juvenile data was provided by the Gregg County Juvenile Department and is based on the county fiscal year of October 1 to September 30 each year.

Justice of the Peace - Precinct #1

Justice of the Peace, Precinct #1, is a public official who administers justice in criminal Class C misdemeanor cases and civil cases not exceeding \$5,000, handles the magistrate’s “jail call,” issues felony warrants, issues emergency protective orders, appoints attorneys for felony defendants, and acts as county coroner. The J.P. informs and educates citizens about legal processes by maintaining a well-trained staff and developing and distributing informational materials.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$110,362	\$114,719	\$106,204	\$112,819	\$135,589
Fringe Benefits	37,334	40,069	40,350	40,031	55,406
Operating Expenses	42,906	67,831	68,439	48,855	55,704
Capital Outlay	0	0	0	0	0
Total Expenses	\$190,602	\$222,619	\$214,993	\$201,705	\$246,699
Full-Time Positions	4	4	4	4	5*

***The state and county are facing new challenges as the population continues to diversify with more Hispanic influence. In response to this need a new position was added in FY06 for a bilingual clerk.**

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
CASES FILED					
Traffic	2,236	2,397	2,357	2,185	2,228
Non-Traffic	1,237	1,228	1,100	792	807
Small Claims Suits	213	148	116	159	163
Forcible Entry and Det.	126	143	211	243	250
Other Civil Suits	449	486	408	392	404
Total Cases Filed	4,261	4,402	4,192	3,771	3,852
CASES DISPOSED					
Traffic	2,077	2,345	1,983	1,835	1,871
Non-Traffic	1,008	1,069	932	572	583
Small Claims Suits	173	123	93	123	125
Forcible Entry and Det.	102	123	188	218	222
Other Civil Suits	473	541	439	434	442
Total Cases Disposed	3,833	4,201	3,635	3,182	3,243
Total Cases Appealed	3	7	8	4	4
Magistrate’s Warnings Admin.	5,184	4,762	4,811	5,247	5,615
Emergency Protective Orders	n/a	n/a	n/a	207	226
Felony Warrants	499	526	364	439	452
Safety Responsibility Hearings	26	49	29	25	26
Examining Trials	21	25	14	17	18
Inquests	120	149	120	102	105
Collections reported to state	\$304,468	\$357,614	\$383,949	\$312,069	\$318,310

Justice of the Peace - Precinct #2

Mission Statement:

To serve the citizens of Gregg County by providing courteous, efficient administrative services;
 To perform the legal duties of this office in a professional manner; and
 To maintain high standards of integrity when performing public services.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$64,500	\$70,319	\$71,472	\$75,279	\$78,322
Fringe Benefits	20,358	22,155	23,885	22,956	26,305
Operating Expenses	11,463	8,711	7,168	19,633	22,505
Capital Outlay	0	0	0	0	0
Total Expenses	\$96,321	\$101,185	\$102,525	\$117,868	\$127,132
Full-Time Positions	2	2.5	2.5	2.5	2.5

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
CASES FILED					
Traffic	610	775	1,541	1,246	1,425
Non-Traffic	86	145	264	162	215
Small Claims Suits	130	118	119	98	120
Forcible Entry and Det.	179	173	203	258	265
Other Civil Suits	52	85	93	95	110
Total Cases Filed	1,057	1,296	2,220	1,859	2,135
CASES DISPOSED					
Traffic	573	910	1,238	1,222	1,285
Non-Traffic	80	155	138	102	130
Small Claims Suits	127	101	99	78	85
Forcible Entry and Det.	185	165	188	248	250
Other Civil Suits	52	63	63	72	80
Total Cases Disposed	1,017	1,394	1,726	1,722	1,830
Total Cases Appealed	8	6	2	2	4
Magistrate's Warnings Admin.	*	270	431	361	375
Warrants Issued	*	249	190	379	415
Juvenile Detention Hearings	102	44	18	25	23
Safety Responsibility Hearings	*	0	0	1	2
Examining Trials	0	0	0	0	0
Inquests	40	46	54	56	58
Collections reported to state	\$ 77,971	\$ 82,733	\$151,153	\$167,286	\$150,000

Justice of the Peace - Precinct #3

The Justice of the Peace, Precinct #3, conducts civil cases with \$5,000 or less in dispute; decides criminal Class C misdemeanor cases; issues felony warrants, emergency protective orders, death certificates, and magistrate’s warnings; performs inquests; and presides over driver’s license suspension hearings. Since Precinct #3 contains the largest land area among the precincts, the J.P. maintains an office in Gladewater and Kilgore. The J. P. also conducts truancy hearings for four (4) school districts and holds juvenile detention hearings for the Gregg County Juvenile Services Department.

Mission Statement:

To administer justice fairly and impartially with regard to all legal matters within the J.P.’s jurisdiction, and to serve the citizens of Gregg County honestly and efficiently.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$104,979	\$98,261	\$100,681	\$109,577	\$112,317
Fringe Benefits	36,932	37,050	41,115	40,266	44,990
Operating Expenses	30,972	41,720	35,677	33,195	24,855
Capital Outlay	0	0	0	0	0
Total Expenses	\$172,883	\$177,031	\$177,473	\$183,038	\$182,162
Full-Time Positions	4	4	4	4.25	4.25

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
CASES FILED					
Traffic	3,144	4,028	4,709	5,428	5,500
Non-Traffic	625	799	967	940	950
Small Claims Suits	7	50	61	67	65
Forcible Entry and Det.	243	202	193	207	200
Other Civil Suits	343	256	100	121	100
Total Cases Filed	4,362	5,335	6,030	6,763	6,815
CASES DISPOSED					
Traffic	3,161	3,945	4,086	4,419	4,491
Non-Traffic	245	657	849	795	800
Small Claims Suits	7	32	56	63	65
Forcible Entry and Det.	227	193	182	196	200
Other Civil Suits	304	299	99	123	100
Total Cases Disposed	3,944	5,126	5,272	5,596	5,656
Total Cases Appealed	9	15	5	15	10
Magistrate’s Warnings Admin.	*	475	574	394	400
Warrants Issued	*	1,419	1,122	1,521	1,550
Juvenile Hearings	225	217	219	143	150
Juvenile Detention Hearings			147	152	150
Truancy Cases	302	206	259	313	300
Safety Responsibility Hearings	*	0	0	0	0
Examining Trials	1	0	0	0	0
Inquests	82	66	61	58	60
Collections reported to state	\$357,862	\$384,316	\$534,456	\$667,431	\$650,000

Justice of the Peace - Precinct #4

Mission Statement:

To carry out the legal and administrative duties of my public office fairly, honestly, competently, and efficiently.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$79,339	\$81,720	\$84,468	\$81,985	\$84,216
Fringe Benefits	27,695	29,642	30,592	30,109	33,768
Operating Expenses	24,775	19,519	33,533	38,435	34,365
Capital Outlay	616	2,235	0	0	0
Total Expenses	\$132,425	\$133,116	\$148,593	\$150,529	\$152,349
Full-Time Positions	3	3	3	3	3

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
CASES FILED					
Traffic	3,217	2,129	1,710	1,846	1,979
Non-Traffic	228	154	102	187	272
Small Claims Suits	29	52	76	59	62
Forcible Entry and Det.	203	193	231	285	339
Other Civil Suits	59	46	26	26	30
Total Cases Filed	3,736	2,574	2,145	2,403	2,682
CASES DISPOSED					
Traffic	3,972	2,350	1,777	1,477	1,780
Non-Traffic	223	135	121	137	153
Small Claims Suits	30	40	70	50	50
Forcible Entry and Det.	197	190	212	249	286
Other Civil Suits	50	40	20	15	20
Total Cases Disposed	4,472	2,755	2,200	1,928	2,289
Total Cases Appealed	1	3	2	8	10
Magistrate's Warnings Admin.	*	134	357	328	340
Warrants Issued	*	604	391	448	475
Juvenile Hearings	167	66	15	28	50
Safety Responsibility Hearings	*	0	0	0	0
Examining Trials	0	0	0	0	0
Inquests	28	25	40	41	40
Collections reported to state	\$332,000	\$248,716	\$222,846	\$213,169	\$217,432

District Attorney

The district attorney is a public official elected on a countywide basis to a four year term who acts as an attorney for the state of Texas, although not exclusively. The district attorney may represent various state agencies when the attorney general does not do so. In addition, the district attorney may assist the Texas Attorney General's Office in enforcing the rules and official regulations of state agencies. In some counties, the D.A.'s activities are focused on the prosecution of felony criminal offenses; in others, the D.A. may be responsible for litigating civil suits concerning the state, as well as misdemeanor criminal offenses. The district attorney may also provide county and state officials with legal advice upon request.

Mission Statement:

To prosecute persons who violate the laws of the state of Texas and the U.S. Government;
 To provide legal advice and representation to county officials when requested; and
 To train and maintain a legal staff exhibiting high standards of ethical conduct.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$801,819	\$804,659	\$809,147	\$1,016,222	\$983,797
Fringe Benefits	252,540	260,457	286,088	298,072	342,314
Operating Expenses	36,481	40,006	44,917	47,324	58,970
Capital Outlay	0	0	0	0	0
Total Expenses	\$1,090,840	\$1,105,122	\$1,140,152	\$1,361,618	\$1,385,081
Full-Time Positions	25	23	24	26	26

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Felony Cases (1)					
--Cases Received	2,227	2,014	2,437	2,622	2,700
--Cases Filed	895	1,144	1,089	1,323	1,350
--Dispositions	866	1,000	1,025	928	1,000
--Jury Trials	27	48	67	48	50
Misdemeanor Cases (1)					
--Cases Received	6,756	6,838	6,840	6,828	6,850
--Cases Filed	5,958	5,745	5,963	5,682	5,800
--Dispositions	6,235	6,651	5,951	5,574	5,600
--Jury Trials	6	11	9	15	15
Hot Check Division:					
No. of checks received from merchants	n/a	11,790	12,431	Not Avail.	12,400
No. of receipts issued	n/a	n/a	5,537	Not Avail.	5,500
Amt returned to merchants	n/a	\$702,608	\$755,178	Not Avail.	\$750,000

(1) Based on the State of Texas fiscal year Sept–Aug per monthly activity reports submitted to the Office of Court Administration.

Bail Bond Board

The Bail Bond Board was created in FY03. The board regulates bail bond business in Gregg County in accordance with the Revised Texas Statutes. Responsibilities are to conduct hearings and investigations and make determinations respecting the issuance, refusal, suspension or revocation of licenses to bondsmen. Additional duties include filing reports and furnishing information to the Texas Judicial Council. The Bail Bond Board is represented by the District Attorney, 188th District Judge, District Clerk, County Judge, County Court-at-Law #2, Justice of the Peace Precinct #1, County Clerk and treasury clerk, Sheriff and chief deputy, a bail bondsmen and a local attorney.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salary	0	585	\$ 1,693	\$ 1,396	\$ 5,000
Fringe Benefits	0	0	0	0	826
Operating Expenses	0	81	472	574	2,150
Capital Outlay	0	0	0	0	0
Total Expenses	0	666	\$2,165	\$1,970	\$7,976

Constables

Constables are public officials elected to four year terms of office by the citizens of their respective precincts. By law, the constable shall execute and return as provided by law, each civil process, warrant, and precept directed to a constable and delivered by a lawful officer. Also, the constable is expressly authorized by statute to perform an act or service, including the service of civil or criminal process, citation, notice warrant, subpoena, or writ, and may perform the act or service anywhere in the county in which the constable's precinct is located. In addition, the constable must be a certified peace officer of the state of Texas.

Constable - Precinct #1

Mission Statement:

To serve the civil process from Gregg County courts in a timely and professional manner and other official duties as per occurrence and assignment.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$41,714	\$43,554	\$43,618	\$44,900	\$45,773
Fringe Benefits	13,840	15,899	16,933	15,407	17,910
Operating Expenses	1,534	1,292	1,055	5,801	5,549
Capital Outlay	0	0	0	0	0
Total Expenses	\$57,088	\$60,745	\$61,606	\$66,108	\$69,231
Full-Time Positions	1.25	1.25	1.25	1.25	1.25

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Civil Process Received	282	n/a	400	537	600
Civil Process Executed	257	n/a	390	488	550
Agency Assists	n/a	n/a	n/a	30	40
Community Relations Presentations/ Special Events	n/a	n/a	n/a	50	55

Note: Output indicators were provided by Constable Precinct #1. In 2004 a new constable was elected to office. Statistics for prior years were not available.

Constable - Precinct #2

Mission Statement:

To serve the civil process for the county's courts and to perform other official duties as prescribed by law.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$35,250	\$37,000	\$37,000	\$38,110	\$38,872
Fringe Benefits	11,611	13,550	14,326	13,792	15,104
Operating Expenses	639	1,023	557	3,565	8,115
Capital Outlay	1,965	620	0	0	0
Total Expenses	\$49,465	\$52,193	\$51,883	\$55,467	\$62,091
Full-Time Positions	1	1	1	1	1

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Civil Process via JP Court					
--Received	140	531	572	319	320
--Executed	130	509	562	309	310
--Returned	*	22	10	10	10
Traffic Stops	*	552	330	111	120
Traffic citations	*	67	111	41	40
Arrests	*	*	20	13	15
Assisting Longview PD	*	98	112	68	70
Assisting Longview Fire	*	62	75	32	35
Civil Process via Sheriff Off.					
--Received	*	*	*	453	455
--Executed	*	*	*	320	320
--Returned	*	*	*	147	150

Note: Output indicators were provided by Constable Precinct #2. The asterisks (*) represents data that is not available from prior Constable.

Constable - Precinct #3

Mission Statement:

The mission of the constable of precinct three is to meet the requirements of the laws of the state of Texas and the needs of the community that he serves.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$35,250	\$37,000	\$37,000	\$44,896	\$45,794
Fringe Benefits	11,623	13,549	14,326	14,976	16,314
Operating Expenses	5,061	4,633	8,390	11,925	12,263
Capital Outlay	0	0	0	0	1,200
Total Expenses	\$51,934	\$55,182	\$59,716	\$71,797	\$75,571
Full-Time Positions	1	1	1	1	1.25

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Civil Process Received	528	400	379	482	500
Civil Process Executed	469	424	304	361	400
Civil Process Returned	58	26	75	121	80
Warrants Received	45	2	10	6	10
Warrants Executed	25	12	18	15	10
Warning Citations	350	100	132	158	50
Traffic Citations	300	318	399	146	50
Writs of Execution	38	4	5	6	10
Writs of Possession	40	21	22	47	50
Criminal Cases	10	4	3	4	5
Property Seizures	3	4	2	4	5
Writ of Sequestration	5	2	2	2	5
Summons	10	4	2	10	10
Subpoena	25	5	4	15	10
Writ of Garnishment	5	0	0	1	2
Calls for Service	100	225	185	245	250
Assisting Other Agents	200	187	158	231	250
Immediate Poss. Bond	*	10	20	20	30

Note: Output indicators were provided by Constable Precinct #3. The asterisks (*) represents data that is not available.

Constable - Precinct #4

Mission Statement:

To serve the voters of Precinct #4 to the best of my ability and improve the professionalism and standards of this office.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$35,250	\$37,000	\$37,000	\$38,110	\$38,872
Fringe Benefits	11,361	13,199	13,938	13,431	15,104
Operating Expenses	2,286	2,514	2,455	3,175	7,662
Capital Outlay	0	0	0	0	0
Total Expenses	\$48,897	\$52,713	\$53,393	\$54,716	\$61,638
Full-Time Positions	1	1	1	1	1

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Civil Process Received	300	289	350	389	400
Civil Process Executed	290	270	325	380	450

Note: Output indicators were provided by Constable Precinct #4.

Sheriff's Office

The sheriff is the county's chief law enforcement officer and has legal jurisdiction throughout the entire county. The voters of Gregg County elect the sheriff to a four year term of office. The principal responsibilities of the sheriff are to provide for the citizens safety by maintaining and supervising professionally trained deputies in the performances of patrol, criminal investigation, warrants and civil process, and crime prevention duties; to prepare and operate within the restraints of an annual budget with due consideration to the enforcement needs and in the best interest of the Gregg County tax payers; to safely maintain custody of the inmates incarcerated in the county jail facilities; to provide security throughout the courthouse and all convening courts; and to coordinate effective law enforcement communications with all local, state and federal law enforcement agencies.

Mission Statement:

The mission of the Gregg County Sheriff's Office is to be ever vigilant in the protection of the citizens and their property, while upholding the U.S. Constitution and fairly enforcing all local, state, and federal laws. Entrusted with the responsibility to serve and promote safety for our citizens, this office will work cooperatively with the community to provide quality service through efficient, professional, and ethical law enforcement.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$3,867,906	\$3,904,760	\$4,146,704	\$4,450,496	\$4,906,055
Fringe Benefits	1,366,343	1,545,691	1,736,441	1,784,221	2,160,828
Operating Expenses	687,060	752,383	741,737	1,050,093	1,251,338
Capital Outlay	168,668	183,551	73,965	180,120	198,500
Total Expenses	\$6,089,977	\$6,386,385	\$6,698,847	\$7,554,930	\$8,516,721
Full-Time Positions	135	138	146	155	166.5

* Note: This schedule does not include personnel funded by grants.

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Jail Book-ins	10,276	11,375	11,071	11,449	11,840
Warrants Executed	4,592	6,170	4,615	5,065	5,600
Peace Officers / Emergency Detention Warrants	241	314	304	226	250
Civil Process Served	6,243	7,221	7,798	8,775	8,950
Report Requiring C.I.D. Follow-up	1,709	1,736	2,300	2,282	2,300
Mental Transports	241	385	388	315	325

C.O.D.E. Unit

Gregg County pays the salary expenses as part of its commitment to law enforcement and public safety. This department operates under the sheriff's department and was phased out in 2003.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$7,986	\$3,584	\$0	\$0	\$0
Fringe Benefits	0	475	0	0	0
Operating Expenses	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenses	\$7,986	\$4,059	\$0	\$0	\$0

Parks & Wildlife

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$500	\$757	\$0	\$0	\$900
Capital Outlay	0	0	0	0	0
Total Expenses	\$500	\$757	\$0	\$0	\$900

Texas Alcoholic Beverage Commission

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$250
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$250

Department of Public Safety

The Department of Public Safety maintains public safety in the State of Texas and Gregg County through various traffic and criminal law enforcement programs. The County provides radars, cellular phones, law enforcement communication services, clerical support, office supplies and equipment to the Department. The DPS Highway Patrol office in Gregg County is allotted eleven Trooper positions and one Sergeant position. Gregg County funds one full-time secretarial position and one part-time secretarial position.

Mission Statement:

Department objectives include the following:

- ◆ Aggressive traffic law enforcement with a focus on hazardous violations including speed, seatbelt and DWI related offenses.
- ◆ Reduce fatal accidents in the county by maintaining a high visibility of marked units and aggressively enforcing traffic laws.
- ◆ Increased DWI enforcement focusing on problematic areas with high accident rates in the county.
- ◆ Continuation of background investigations on Gregg county applicants requesting a concealed handgun license.
- ◆ Increased criminal enforcement developed from traffic enforcement with a focus on the criminal apprehension of fugitives and narcotics couriers. This focus includes seizure of illegal currency from narcotics couriers traveling through Gregg county on IH20.
- ◆ Continue to assist the county when possible with back-up requests for county or local city officers when necessary.
- ◆ Investigate accidents in the rural areas of the county and assist local jurisdictions in the event of a serious accident when requested.
- ◆ Maintain efficiency with the budgetary allotments issued to the Department by Gregg county.
- ◆ Continued positive relationships with other public safety agencies within Gregg county to provide for the safety of the citizens and motoring public of Gregg County.

Department of Public Safety (continued)

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$30,397	\$30,653	\$30,692	\$36,015	\$36,692
Fringe Benefits	9,195	9,824	10,599	10,992	12,743
Operating Expenses	4,866	4,476	4,696	4,767	5,850
Capital Outlay	17,848	0	0	0	0
Total Expenses	\$62,306	\$44,953	\$45,987	\$51,774	\$55,285
Full-Time Positions	1.5	1.5	1.5	1.5	1.5

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
DWI Arrests	*	174	185	*	*
Criminal Misdemeanor Arrests	*	585	661	*	*
Criminal Felony Arrests	*	125	121	*	*
Total Criminal Arrests	*	710	782	*	*
Total Accidents Investigated	*	700	798	*	*
Motorist Assists/Agency Assists	*	566	587	*	*
Total Vehicles Stopped for Traffic Violations	*	10,609	11,644	*	*

Note: Output Indicators were provided by DPS for calendar years 2003 and 2004. The asterisks (*) represents figures that are not available at this time.

The workload handled in 2003 was achieved with 9 of 11 trooper positions filled.

Juvenile Board

The juvenile board serves as the governing board supervising the juvenile department with budgetary control and responsibility. Members include the 124th district judge, 188th district judge, 307th district judge, both county court-at-law judges and the county judge, who serves as the presiding officer by statute. The board members are determined by state law and the board is not subject to the authority of the commissioners' court.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$63,489	\$69,117	\$78,255	\$78,255	\$78,225
Fringe Benefits	26,566	29,860	34,013	32,169	32,857
Operating Expenses	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenses	\$90,055	\$98,977	\$112,268	\$110,424	\$111,112
Full-Time Positions	3	3	3	3	3

NOTE: The judges for the county and county courts-at-law are counted as full-time county employees within their department. The full-time positions represented here are the three district judges, whose salaries are paid through the state, but they have insurance benefits through the county. For FY03, the County Court at Law #2 judge was paid on a nine (9) month fiscal year from January 1 to September 30, 2003. FY04 and future years includes 12 months for the CCL #2 judge.

Industrial Airpark

To stimulate economic development, the county seeks to attract new businesses to its building sites at the industrial airpark, located at the East Texas Regional Airport (formerly known as the Gregg County Airport). The Industrial Airpark also operates as a foreign trade zone, which offers various tax reduction, storage and marketing benefits to businesses located within the foreign trade zone.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$61,997	\$79,961	\$71,669	\$6,003	\$28,000
Capital Outlay	0	0	0	1,270	0
Total Expenses	\$61,997	\$79,961	\$71,669	\$7,273	\$28,000

Veterans Services

The veterans' service officer provides the county's military veterans and their legal dependents information and assistance to prepare, submit and present any claim pertaining to federal, state or county veterans' benefits programs to which the veteran or veteran's dependent(s) may be entitled to under law.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$47,358	\$58,304	\$58,341	\$60,192	\$61,276
Fringe Benefits	13,762	15,809	16,540	16,098	17,262
Operating Expenses	11,837	10,893	11,265	11,243	14,275
Capital Outlay	7,500	0	0	0	1,495
Total Expenses	\$80,457	\$85,006	\$86,146	\$87,533	\$94,308
Full-Time Positions	2	2	2	2	2

Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Veteran Population	10,549	10,463	10,060	9,856	9,651
Compensation and Pension	\$12,893,000	\$14,528,166	\$15,381,420	*	*
Readjustment and Vocational Rehab	\$612,000	\$884,526	\$1,156,570	*	*
Insurance and Indemnities	\$742,000	\$673,770	\$675,139	*	*
Total Benefits Awarded	\$14,247,000	\$16,086,462	\$17,213,129	*	*

Note: Output indicators were provided by veterans' office federal reports. The asterisks (*) represents figures that are not available at this time.

Litter Control Office

The litter control officer investigates public complaints concerning illegal dumping and sites where trash may pose a health or safety risk. He then seeks to have the responsible person clean up the site, and he will initiate an administrative action to force clean up if necessary. *Effective October 1, 2002, the litter control officer duties were combined with the health department and this department was eliminated.*

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$34,578	\$0	\$0	\$0	\$0
Fringe Benefits	2,231	0	0	0	0
Operating Expenses	2,231	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenses	\$36,809	\$0	\$0	\$0	\$0
Full-Time Positions	1	0	0	0	0

911 Addressing / Emergency Management

The 911 Addressing / Emergency Management Systems are directed under the auspices of the Gregg County Sheriff's Office. The 911 Addressing department is responsible for converting rural route and box numbered addresses to standardized physical addressing and for maintaining County maps. These maps are an ongoing project that reflects all addresses on both public and private roadways, as well as the addition and deletion of structures therein. The purpose of Emergency Management is to establish a command hierarchy and plan of operation that is responded to by emergency services, whereupon any catastrophic event or disaster, natural or man-made, occurs within the County.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$53,148	\$53,999	\$54,524	\$71,212	\$71,494
Fringe Benefits	19,398	21,540	23,175	23,633	27,008
Operating Expenses	26,268	18,003	9,350	14,654	32,895
Capital Outlay	14,500	16,800	1,541	0	0
Total Expenses	\$113,314	\$110,342	\$88,590	\$109,499	\$131,397
Full-Time Positions	2	2	2	2.5	2.5

911 Addressing Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Percent of project mailout complete	n/a	n/a	100%	100%	100%
Percent of employees time spent ---on 9-1-1 Addressing	n/a	n/a	100%	50%	50%
---on EMC/LEPC work				25%	25%
---on dispatch				25%	25%
Average number of address changes per year	n/a	n/a	3,000 to 4,000	700 to 800	300 to 500
Hours/time spent on research with post office, GAD, etc.	n/a	n/a	8-10 hrs / wk	2-4 hrs / wk	2-4 hrs / wk

911 Addressing / Emergency Management (continued)

In 2005, hurricanes Katrina and Rita damaged the Louisiana and Texas coastal areas creating the need for assistance to homeless victims of the storms. Gregg County emergency management personnel coordinated efforts with local governments and entities in response to the victims' needs. The 911 addressing coordinator alone provided 1,984 hours in assistance. Other department and personnel have not provided information regarding their service.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$812	\$597	\$1,515	\$3,320	\$4,000
Total Expenses	\$812	\$597	\$1,515	\$3,320	\$4,000

Emergency Management Department Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Average no. of emergency responses per year	n/a	n/a	80 to 100	150 to 225	200+
No. of hours spent on hurricane disaster response	n/a	n/a	n/a	1,984	Unknown
No. of evacuees assisted/facilities monitored.....	n/a	n/a	n/a	1,800 people at 12 facilities	

Historical Commission

The Gregg County Historical Commission was initially created in 1962 by the commissioners' court and its 17 members are appointed for two-year terms of office. The purpose of the Historical Commission is historic preservation concerning Gregg County's heritage. The Historical Commission also serves as the county's liaison to the Texas State Historical Commission and the Texas State Historical Association. Members serve on a voluntary basis.

Other functions of the Gregg County Historical Commission include:

- Monitoring the county's 110 historic markers and sites for damages and other maintenance needs
- Maintaining a list of books pertaining to Gregg County, Texas, and local history written by local authors and serving as a repository for said books
- Sponsoring Junior Historian chapters at local schools
- Providing assistance to 22 heritage organizations within the county
- Monitoring and supporting the county's museums:
 - Longview Museum of Fine Arts
 - Gladewater's Historical Museum
 - Gregg County Historical Museum
 - East Texas Oil Museum
 - LeTourneau Museum
 - Kilgore Rangerettes Showcase
- Providing support and assistance for archeological finds
- Monitoring the Gregg County Courthouse campus and its historic pecan trees
- Providing the Official Flag of Gregg County for county-owned buildings
- Attending conferences pertaining to historical preservation
- Assisting TxDOT and FHA with inspections

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$6,884	\$5,603	\$6,818	\$6,735	\$23,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$6,884	\$5,603	\$6,818	\$6,735	\$23,000

Output s:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Hours worked by chairman	1,600	1,600	1,660	n/a	1,700
Hours worked by members	1,100	1,100	1,100	n/a	1,700
Conferences attended	4	3	4	n/a	3
Markers dedicated	1	1	0	n/a	1
No. of museums under oversight of GCHC	5	5	5	n/a	5

In early FY2006 the Gregg County Historical Commission (GCHC) undertook a structural reorganization, as well as the physical relocation of its records and artifacts. Workloads are expected to increase during this transitional period.

Health Department

The mission of Gregg County health department is to protect and promote the health of Gregg County residents by providing quality preventive medical intervention services and supporting community initiatives. The health department provides:

- (1) A central immunization program for preventable disease treatment;
- (2) Coordination of venereal disease treatment in cooperation with the HIV programs;
- (3) Improvement of health for the impoverished of the community, coordinating the out and inpatient management of required medical services;
- (4) Resources for the health community and general population by coordination of health issues with the Texas Department of Health;
- (5) Medical services to the county jail; and
- (6) Protection and reduction of adverse effects due to environmental contamination.

Since the tragedy at the World Trade Center, September 11, 2001, the federal government has provided funding for bio-terrorism preparedness through the Texas Department of Health. The Gregg County Health Department coordinates the grant and monitors the additional staff needed to facilitate the grant known as 'Public Health Preparedness and Response for Bio-terrorism'. This grant is budgeted separately from this document due to inconsistency of grant periods and fluctuating funding levels.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$263,145	\$279,468	\$279,851	\$267,932	\$257,696
Fringe Benefits	86,121	95,965	97,566	90,654	100,007
Operating Expenses	928,201	899,396	1,166,0636	994,093	1,088,003
Capital Outlay	588	0	0	0	7,500
Total Expenses	\$1,278,056	\$1,274,829	\$1,543,480	\$1,352,679	\$1,453,206
Full-Time Positions	10	9.5	9.5	9.5	9.5

Output Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
<u>Health Clinic</u>					
Patients Seen by Physician	1,591	1,603	1,140	1,196	1,383
Patients Seen by Nurse	1,766	1,790	1,352	1,236	1,536
Prescriptions Filled	13,800	11,897	10,620	4,357	10,169
Immunizations	10,132	11,149	11,298	11,157	10,934
Welfare Applicants	2,897	3,076	8,699	1,977	4,163
STD/HIV Patients	860	1,298	2,773	992	1,481
<u>Health Inspector/Fire Marshall</u>					
On-site Sewage Facility Insp.	160	145	165	150	150
Complaints Investigated	92	58	120	98	100
Violations Issued	22	26	19	19	20
Court Cases Filed	95	76	10	25	25
Fire Investigations*	59	23	34	23	0

*Note: Fire Marshall duties were moved to the Sheriff Department in FY05.

Environmental Protection

In case of an environmental emergency such as a spill of toxic chemicals, the county has funds available to assist the clean up effort.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$23,800	\$32,638	\$16,483	\$5,477	\$23,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$23,800	\$32,638	\$16,483	\$5,477	\$23,000

Contributions

Gregg County assists a wide variety of organizations which offer services and programs to the public. These organizations enter into written agreements which specify how the county's contributions will be spent. Expense reports are required to provide adequate documentation. During the FY04 budget process, these contributions were reviewed and contribution amounts were reduced by 14 to 17%. The FY05 funding amounts remained consistent with the FY04 levels.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$564,950	\$581,450	\$494,166	\$501,400	\$519,400
Total Expenses	\$564,950	\$581,450	\$494,166	\$501,400	\$519,400

Organizations Approved for County Contributions in FY06:

- Longview Library
- Kilgore Library
- Gladewater Library
- Elderville/Lakeport VFD
- Sabine VFD
- Easton VFD
- Kilgore Rescue Unit
- Civil Air Patrol
- Gladewater Chamber of Commerce
- Kilgore Chamber of Commerce
- White Oak Chamber of Commerce
- Liberty City Chamber of Commerce
- Historical Foundation
- Humane Society
- Upshur/Gregg Soil & Water Conservation
- Longview Partnership
- Sabine Valley MHMR
- East Texas Council on Alcoholism & Drugs
- Association for Retarded Citizens
- Paula Martin Jones Charities
- Child Welfare Board
- Women's Center of East Texas
- East Texas Literacy Council
- Longview Child Development Center
- East Texas CASA
- Boys & Girls Club of Gregg County
- Greater Longview United Way
- Parenting Resource Center of East Texas
- Kilgore Crisis Center
- Longview Teen Court
- Camp Fire USA-East Texas Area Council
- White Oak Public Library
- East Texas Treatment Center
- West Harrison VFD

Courthouse Building & Maintenance Department

The county superintendent works with the commissioners on road and bridge projects; he serves as the flood plain administrator; and he has supervisory authority over all county maintenance operations including all maintenance personnel. The maintenance staff cleans the various county buildings, makes plumbing and electrical repairs, maintains the heating and air conditioning systems, and performs other tasks as needed.

The county courthouse building, located in downtown Longview, consists of the original building and two annexes. The original building was built in 1932, the east wing was built in 1958 and the west wing was built in 1982. Offices located in the courthouse include county judge, county clerk, district clerk, district attorney, the 124th, 188th, and 307th district courts, two county courts at law, justice of the peace precinct #1, constable precinct #1, county auditor, human resources, elections, the central tax office, the law library, maintenance, information services, purchasing, and the sheriff's department and jail.

Mission Statement:

To keep all county buildings and their component systems clean and in good repair in order to maximize their useful lives and minimize repair and replacement costs.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$424,943	\$424,733	\$417,472	\$442,553	\$477,927
Fringe Benefits	168,771	189,446	202,864	194,674	237,819
Operating Expenses	594,905	597,591	569,033	592,578	645,471
Capital Outlay	5,385	45,028	3,825	26,029	1,500
Total Expenses	\$1,194,004	\$1,256,798	\$1,193,194	\$1,255,834	\$1,362,717
Full-Time Positions	19	18	19	19	19

North Jail Building

The North jail building, located within one block of the courthouse, was built in 1993 and houses a portion of the inmate population. The Community Supervision Corrections Department (a state office) is located at one end of the facility. Operational expenses relate to the facility, such as janitorial supplies, repairs and maintenance, and utilities expense, with utilities accounting for 68 to 77 % of the costs.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$129,475	\$132,028	\$168,908	\$172,5349	\$194,000
Capital Outlay	3,692	0	0	0	0
Total Expenses	\$133,167	\$132,028	\$168,908	\$172,534	\$194,000

Expenditures associated include utilities, repairs and maintenance and supplies. The 49.8% increase over 5 years is due to increased utility costs. It is important to note that utility and other costs at this facility directly result from inmate fluctuations as well.

Service Center Building

The health department and county extension office, the local game warden, and a small auditorium are located at this facility. The auditorium is predominately used for activities of the county extension service.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$30,891	\$26,191	\$24,215	\$22,916	\$37,500
Capital Outlay	0	49,695	0	0	0
Total Expenses	\$30,891	\$75,886	\$24,215	\$22,916	\$37,500

Operational expenses have increased due to rising utility costs. In FY03, the air conditioning and control system was replaced in this facility.

Community Building Maintenance

The county owns 10 community buildings, a senior citizens building, a fire station, a park, and several satellite offices located throughout the various precincts. Each commissioner oversees the facilities within their precinct, which are described in the following departments. The community building maintenance department includes one full-time person that provides maintenance service to the commissioners at the various sites. The employee works directly under the maintenance superintendent.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$27,254	\$27,201	\$27,339	\$28,056	\$28,847
Fringe Benefits	10,323	12,132	12,940	12,150	13,804
Operating Expenses	5,413	4,801	4,855	5,179	9,400
Capital Outlay	0	0	11,600	0	0
Total Expenses	\$42,990	\$44,134	\$56,734	\$45,385	\$52,051
Full-Time Positions	1	1	1	1	1

Longview Whaley Street Community Building

The Longview Whaley Street Community Building is owned by the county, but contractually operated by the Longview Federated Clubs, Inc. The facility is used for community events such as theatre, meetings, forums, etc. The building was originally built in 1939 and is considered a historical monument.

The expenses listed below reflect the expense obligation/contribution of the county only. The county funds a part-time maintenance man, some utilities, and has paid for major repairs in recent years. The precinct #1 commissioner is responsible for oversight of this facility.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$13,068	\$17,490	\$14,280	\$14,248	\$15,465
Fringe Benefits	7,248	3,676	2,298	8,970	10,206
Operating Expenses	9,845	10,217	7,744	9,614	9,500
Capital Outlay	0	23,569	2,257	0	0
Total Expenses	\$30,161	\$54,952	\$29,579	\$32,832	\$35,171
Full-Time Positions	1	1	.5	.5	.5

In FY2004, all capital project work for the Longview Community Center was moved to a capital project fund. See page 169 for associated costs.

Judson Community Building

The Judson community building is located in precinct #1 and that commissioner oversees the events and rentals at this facility. The facility was built in 1951 and is used for civic activities.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$2,109	\$4,908	\$1,744	\$4,163	\$5,450
Capital Outlay	0	0	0	0	0
Total Expenses	\$2,109	\$4,908	\$1,744	\$4,163	\$5,450

West Harrison Volunteer Fire Department Building

This fire station building is located at commissioner precinct #1's facility and was built in 2001.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$1,058	\$1,351	\$4,421	\$4,600
Capital Outlay	0	3,521	0	0	0
Total Expenses	\$0	\$4,579	\$1,351	\$4,421	\$4,600

Capital outlay expense in FY03 consists of central heat and air unit, remote controlled overhead door, and construction of a bathroom.

Greggton Community Building

The Greggton community building accommodates the precinct #2 offices for commissioner, justice of the peace and constable, as well as a satellite branch of the tax office. The building was built in 1938 and a basement was added in 1952. The community room is managed by the precinct #2 commissioner's office.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$1,869	\$2,923	\$2,834	\$2,880	\$5,733
Fringe Benefits	314	662	665	606	1,467
Operating Expenses	15,066	13,153	13,988	18,647	27,500
Capital Outlay	0	3,200	0	0	0
Total Expenses	\$17,249	\$19,938	\$17,487	\$22,133	\$34,700
Full-Time Positions	.5	.5	.5	.5	.5

Operating expenses increases include and additional \$8,500 for much needed minor building repairs.

Garfield Hill Community Building

The commissioner of precinct #3 oversees the activities of the Garfield Hill community building. This building was built in 1951 and is located in Gladewater. It is used for various civic activities.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$4,411	\$2,850	\$2,898	\$2,651	\$7,000
Capital Outlay	1,300	0	0	0	0
Total Expenses	\$5,711	\$2,850	\$2,898	\$2,651	\$7,000

Gladewater Senior Citizens Building

This facility was built in the early 1940's. It is located in precinct #3 and was recently leased to the Gladewater Historical Foundation to use as a museum.

	FY02 Actual	FY02 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$1,894	\$1,049	\$0	\$1,200	\$0
Capital Outlay	0	0	0	0	0
Total Expenses	\$1,894	\$1,049	\$0	\$1,200	\$0

Gladewater Commerce Street Building

The county purchased and remodeled this building in 1991 to be used for the offices of justice of the peace precinct #3, constable precinct #3, and a satellite branch of the tax office. The precinct #3 commissioner oversees the maintenance of the facility.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$6,634	\$8,872	\$8,025	\$9,280	\$11,200
Capital Outlay	0	0	5,127	0	0
Total Expenses	\$6,634	\$8,872	\$13,152	\$9,280	\$11,200

In FY04, a new telephone system was installed. The former telephone system was installed in 1991 and was a used system at that time.

Liberty City Community Building

The Liberty City community building was built in 1938 and is regularly used for civic activities, including elections. The commissioner of precinct #3 manages and oversees this facility.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$7,676	\$10,918	\$14,214	\$26,203	\$16,100
Capital Outlay	4,572	4,922	0	0	0
Total Expenses	\$12,248	\$15,840	\$14,214	\$26,203	\$16,100

In FY02 and FY03, capital outlay included a new air conditioning unit, refinishing wood floors and park equipment.

Hugh Camp Memorial Park

The Hugh Camp Memorial Park is located in Liberty City, and managed by commissioner precinct #3. This facility originally served as the operations center for precinct #3 road and bridge department.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$14,664	\$12,199	\$8,633	\$7,063	\$17,000
Capital Outlay	0	0	4,638	0	0
Total Expenses	\$14,664	\$12,199	\$13,271	\$7,063	\$17,000

In FY04, capital outlay included new playground equipment.

Olivia R. Hilburn Community Building

The precinct #3 commissioner oversees the Olivia R. Hilburn community building which is located in the Liberty City area.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$7,745	\$5,806	\$5,882	\$6,197	\$10,600
Capital Outlay	11,285	2,521	880	0	0
Total Expenses	\$19,030	\$8,327	\$6,750	\$6,197	\$10,600

In FY02 capital outlay included new ductwork and an air/heat system. All other capital outlay consists of playground and park equipment.

Kilgore Community Building

This building, built in 1951, is located in downtown Kilgore and is under the oversight of the precinct #3 commissioner. There is one full-time employee that manages the community center portion of the building. The building includes office space for a satellite office of the justice of the peace precinct #3.

	FY01 Actual	FY02 Actual	FY03 Actual	Unaudited FY04	FY05 Budgeted
Salaries	\$20,537	\$21,541	\$21,622	\$22,180	\$23,719
Fringe Benefits	8,845	10,616	11,399	10,631	16,084
Operating Expenses	22,165	24,319	29,239	21,811	25,774
Capital Outlay	0	0	0	2,375	0
Total Expenses	\$51,547	\$56,476	\$62,260	\$59,997	\$65,577
Full-Time Positions	1	1	1	1	1

In FY05 capital outlay included a new ice machine.

Kilgore South Street Building

The commissioner precinct #4 oversees this community center, which is located on South Street in Kilgore. The facility is used for civic activities.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$4,562	\$4,132	\$2,563	\$4,257	\$11,337
Capital Outlay	3,376	0	1,090	0	0
Total Expenses	\$7,938	\$4,132	\$3,653	\$4,257	\$11,337

FY02 capital outlay expenses included replacing flooring and FY04 included replacing floor burnisher.

Elderville Community Building

Elderville community building is managed by the commissioner precinct #4. The facility was built in 1952 and is used for civic activities.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$3,579	\$6,199	\$10,454	\$11,440	\$23,105
Capital Outlay	0	5,159	0	0	0
Total Expenses	\$3,579	\$11,358	\$10,454	\$11,440	\$23,105

FY03 capital outlay expense decking, playground equipment, and replacing the roof.

Easton Community Building

Easton community building is managed by the precinct #4 commissioner. The facility was built in 1953 and is used for civic activities.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$7,087	\$5,547	\$10,602	\$6,714	\$15,000
Capital Outlay	549	7,564	2,000	0	2,000
Total Expenses	\$7,636	\$13,111	\$12,602	\$6,714	\$17,000

In FY02 capital outlay expense included replacing the refrigerator; FY03 included a new heating system, roof and playground equipment. In FY04, a new gas range was installed.

Marvin A. Smith Regional Juvenile Facility

The Marvin A Smith Regional Juvenile Facility was dedicated in July of 1999. This 40-bed state of the art facility was made possible through the generosity of the family of the late Marvin A. Smith, whose son, Mickey D. Smith served as County Judge and Chairman of the Gregg County Juvenile Board from January 1995 through December 2002. The Smith family donated 35 acres of land for the project, which not only spaciouly accommodates the near 15,000 square foot facility, but will also allow for expansion in the future. The facility was built and is operated with the use of State grant funds. The county paid portion of the facility’s annual utilities is reflected below.

In 2005, the Juvenile Board voted to close the Juvenile Facility due to loss of grant funding and turned the facility over to the County to be used by the Sheriff’s department as a minimum security jail facility. Additional funding was included for renovations that will convert the facility from juvenile justice to jail standards.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$22,465	\$21,748	\$23,096	\$21,537	\$50,000
Total Expenses	\$22,465	\$21,748	\$23,096	\$21,537	\$50,000

Youth Detention Center

The Youth Detention Center is located in downtown Longview and serves as a detention facility for juvenile offenders as well as offices the Juvenile Probation Department. The budget below represents the county portion of the facility’s operating expenses. Other operational expenses are funded by the State of Texas. The original structure was built in 1978 and additional funding was included in the FY06 budget for much needed repairs.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$31,620	\$30,767	\$27,434	\$30,851	\$76,250
Capital Outlay	0	0	0	0	0
Total Expenses	\$31,620	\$30,767	\$27,434	\$30,851	\$76,250

CSCD Annex

The Community Supervision Corrections Division operates a community service division as a part of their probationers' sentence. This department regularly assists the various county precincts and offices by performing the following tasks: move and rearrange office furniture; set up and clean up after various civic events; clean up litter at county and state roads and facilities; other specialized services such as carpentry, painting, welding, for governmental purposes only. CSCD is a State office and operates separately from the county and are state funded through the state CSCD allocations.

In 2003 the building where the community service division operated was condemned due to mold. Because of the tremendous assistance that this department provides to Gregg County, the Commissioners' Court decided to fund the materials to add on to the now defunct Precinct #2 Road and Bridge building, which was built in 1958. This annex was built by community service labor and will office the CSCD community service staff.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Capital Outlay	\$0	\$23,233	\$0	\$0	\$0
Total Expenses	\$0	\$23,233	\$0	\$0	\$0

TOTAL EXPENSE FOR ALL PUBLIC FACILITIES

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$487,671	\$493,888	\$483,547	\$509,917	\$551,691
Fringes	195,501	216,532	230,166	227,031	279,380
Operations	922,206	924,353	934,878	979,243	1,196,787
Capital Outlay	30,159	168,412	31,417	28,404	3,500
Total Expenses	\$1,635,537	\$1,803,185	\$1,680,008	\$1,744,595	\$2,031,358

Computer Equipment Project Fund

This fund was created in 1998 in order to fund the major implementation of the county’s computer system which is now complete. All additional expenses for maintenance and upgrades to the computer system are currently charged to the individual department, when possible, or the information services department in General Fund.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$0
Capital Outlay	41,354	0	0	0	0
Total Expenses	\$41,354	\$0	\$0	\$0	\$0

Election Services Contract Fund

The Elections Administrator oversees this fund which is used to pay for election expenses. The monies are received from various schools and cities who request the elections department to hold a special election. According to state statutes, these funds can be used for election purposes only.

For FY06 the elections administrator estimates there will be 9 election service contracts.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$0	\$1,036	\$1,097	\$1,434	\$3,000
Fringe Benefits	0	0	0	0	0
Operating Expenses	4,537	7,849	13,052	6,841	14,200
Capital Outlay	2,455	1,134	0	0	5,000
Total Expenses	\$6,992	\$10,019	\$14,149	\$8,275	\$22,200

Jail Lease Facility Fund

This fund is used for law enforcement / detention operations located at the North Jail facility. Revenue is generated from the inmate phone system.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$86,502	\$69,699	\$61,901	\$39,975	\$45,000
Capital Outlay	77,319	14,533	14,615	0	25,000
Total Expenses	\$163,821	\$84,232	\$76,516	\$39,975	\$70,000

Capital outlay expenses include kitchen flooring, and equipment purchases for the kitchen, control room, and laundry room.

Building Security Fund

The sheriff's office supervises the security personnel who are stationed at the security checkpoints at each of the entrances to the courthouse. All persons entering the courthouse are subject to a security search.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$58,194	\$58,985	\$59,556	\$62,363	\$61,062
Fringe Benefits	20,811	23,634	25,302	24,059	26,651
Operating Expenses	50,534	52,238	50,949	42,245	3,700
Capital Outlay	0	0	0	4,099	0
Total Expenses	\$129,539	\$134,857	\$135,807	\$132,766	\$91,413
Full-Time Positions	2	2	2	2	2

County Clerk Records Management Fund

The county clerk supervises the organization and development of specific records management and preservation projects. This department acquired a new computerized automated imaging system so that decades of old paper records may be converted to an electronic medium for easier and faster access.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$30,396	\$44,868	\$45,396	\$46,825	\$47,580
Fringe Benefits	11,360	17,746	19,467	18,657	21,076
Operating Expenses	34,992	38,485	42,090	38,921	12,424
Capital Outlay	0	9,778	7,555	0	5,000
Total Expenses	\$76,748	\$110,877	\$114,508	\$104,403	\$195,080
Full-Time Positions	2	2	2	2	2

County Clerk's Criminal Records Management Fund

The 79th legislature created a fee to assist with expenses to appropriately maintain the criminal records in the county clerk's office. Collections began on cases filed as of January 1, 2006.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$4,375
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$4,375

Road & Bridge Fund - Administration

The four county commissioners are public officials each of whom is elected to a four year term of office by the citizens of their respective precinct. The commissioners’ terms of office are staggered in order to provide a certain level of continuity and experience to the commissioners’ court. The commissioners provide the administrative leadership and overall supervision for all road and bridge construction and maintenance projects. Each commissioner supervises the road and bridge projects in their precinct; however, they often share equipment and materials when necessary and work together on larger projects.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$227,745	\$232,315	\$232,300	\$232,300	\$236,946
Fringe Benefits	61,256	67,836	70,688	65,877	74,189
Operating Expenses	45,891	56,600	62,558	53,578	73,026
Capital Outlay	0	0	0	0	0
Total Expenses	\$334,892	\$356,751	\$365,545	\$351,755	\$384,161
Full-Time Positions	4	4	4	4	4

Road & Bridge Fund – General

This department was created to account for road and bridge expenses that are not related to a specific road and bridge precinct. The larger expenses represent funding assistance as part of various interlocal agreements with cities for road projects that will ultimately benefit all citizens of Gregg County.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$300,244	\$2,520	\$302,657	\$501	\$304,635
Capital Outlay	0	0	0	0	0
Total Expenses	\$300,244	\$2,520	\$302,657	\$501	\$304,635

Road & Bridge Fund - Right of Way

This department accounts for right of way expenses that Gregg County is obligated to pay per State contract. Through prudent management the County has been able to fund right-of-way expenses by using reserves, in an effort to avoid long-term debt obligations.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$10,833	\$2,108,746	\$32,476	\$25,000	\$151,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$10,833	\$2,108,746	\$32,476	\$25,000	\$151,000

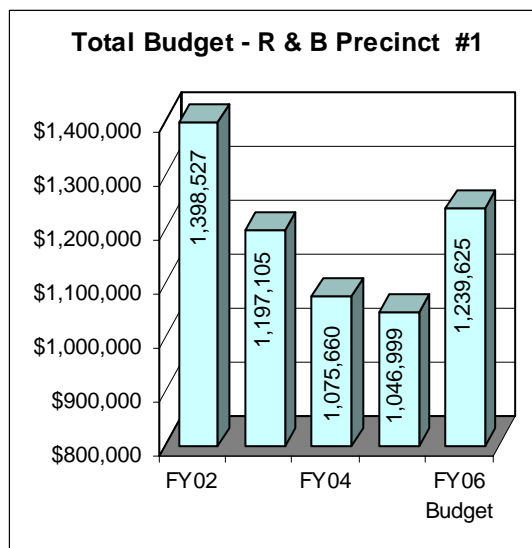
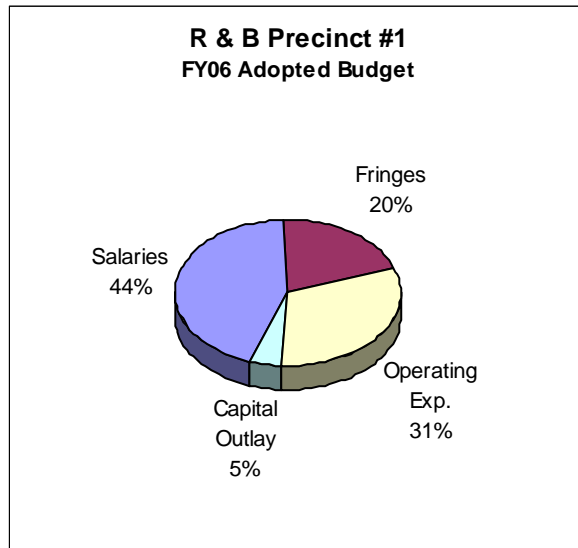
Road & Bridge Fund - Precinct #1

Mission Statement: To provide services and safe thoroughfares for the county's taxpayers by properly utilizing the funds allocated in the annual budget.

Current activities include:

- ◆ Maintaining safe road surfaces and rights of way in the county's second largest precinct with 77.07 miles of roads;
- ◆ Installing, repairing, and monitoring street identification, warning, and regulatory signs;
- ◆ Servicing vehicles and machinery to maximize the useful lives of the equipment;
- ◆ Responding to taxpayer requests for assistance in a timely manner;
- ◆ Supervising the maintenance and use of the Judson Community Building and the Longview Whaley Community Building; and
- ◆ Assisting other county entities upon request, including Longview ISD, Spring Hill ISD, City of Longview, Texas Department of Transportation, the county airport, and other county precincts.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$487,062	\$469,998	\$459,552	\$497,721	\$545,019
Fringe Benefits	172,599	206,921	204,564	211,558	247,034
Operating Expenses	474,247	454,836	357,463	327,937	387,572
Capital Outlay	264,619	65,351	54,081	9,783	60,000
Total Expenses	\$1,398,527	\$1,197,106	\$1,075,660	\$1,046,999	\$1,239,625
Full-Time Positions	16	16	14	14	15



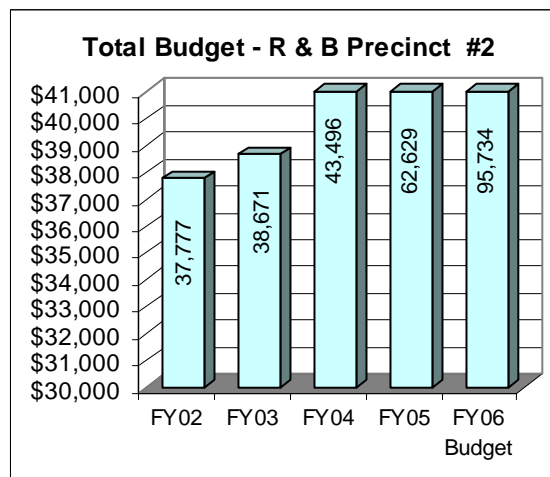
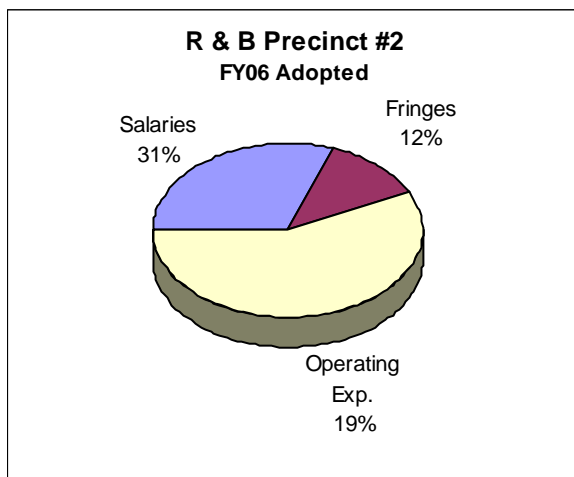
Road & Bridge Fund - Precinct #2

Mission Statement: The mission and activities of the Commissioner Precinct #2 include the following:

- Provide community services to constituents by conducting honest, legal, and efficient business regarding safe road & bridge surfaces and rights of way in order to make our community and precinct a better place;
- Responds in a timely manner to taxpayer requests;
- Provide good leadership and management of overall county operations;
- Coordinates maintenance on 21 county roads totaling approximately 12 miles;
- Coordinates assistance for street maintenance/repairs when requested by the city of Longview and assists public school districts upon request regarding parking lot repairs;
- Operate and manage the Greggton Community Building which houses the offices of the commissioner, justice of the peace, constable, Longview emergency management, tax assessor-collector's branch office, and the county's organized drug enforcement unit.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$23,732	\$24,624	\$26,324	\$26,545	\$29,333
Fringe Benefits	8,860	9,496	10,299	9,977	11,501
Operating Expenses	4,190	4,551	6,873	26,107	54,900
Capital Outlay	995	0	0	0	0
Total Expenses	\$37,777	\$38,671	\$43,496	\$62,629	\$95,734
Full-Time Positions	1	1	1	1	1

*NOTE: Precinct #2 does not operate a road and bridge shop. To avoid unnecessary duplication of county resources, Precinct #4 performs the maintenance required on the roads as directed by Commissioner of Precinct #2.

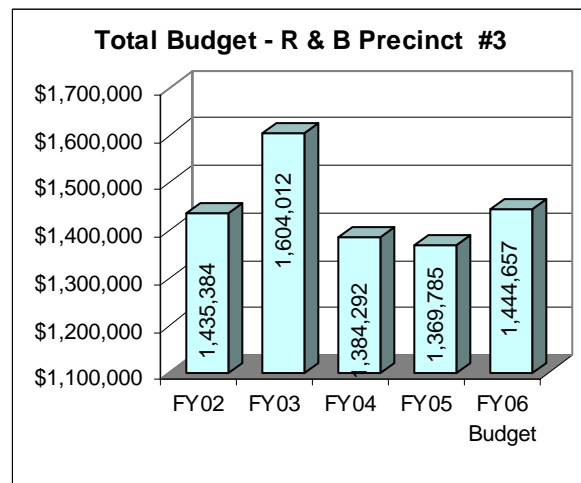
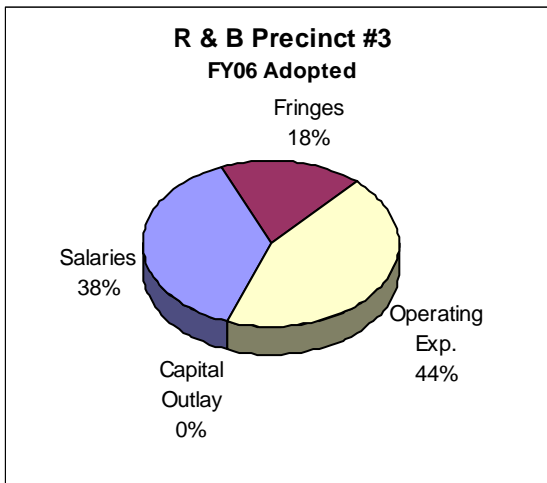


Road & Bridge Fund - Precinct #3

Mission Statement: The mission of the Commissioner Precinct #3 and his staff is to represent all of the citizens in the precinct, maintain the county's roads and bridges, and conduct county business in a legal, honest, and efficient manner.

Activities include: (1) Maintaining the roads and bridges in the county's largest precinct with 144.454 miles of roads (52% of the total county); (2) Managing the following county property: Liberty City Comm. Bldg., Kilgore Comm. Bldg., Olivia Hilburn Center, Gladewater Commerce St. Bldg., and Hugh Camp Memorial Park; and (3) Providing assistance to other county entities when requested, including: Kilgore, Gladewater, Warren City, Clarksville City, White Oak, Liberty City, and the Kilgore, Sabine, Gladewater, and White Oak independent school districts and Kilgore College.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salary & Fringes	\$540,293	\$569,424	\$521,173	\$517,728	\$550,458
Operating Expenses	196,027	243,318	235,927	225,423	260,901
Operating Expenses	608,253	658,613	624,792	575,870	633,298
Capital Outlay	90,811	132,657	2,400	50,764	0
Total Expenses	\$1,435,384	\$1,604,012	\$1,384,292	\$1,369,785	\$1,444,657
Full-Time Positions	18	18	17	17	17



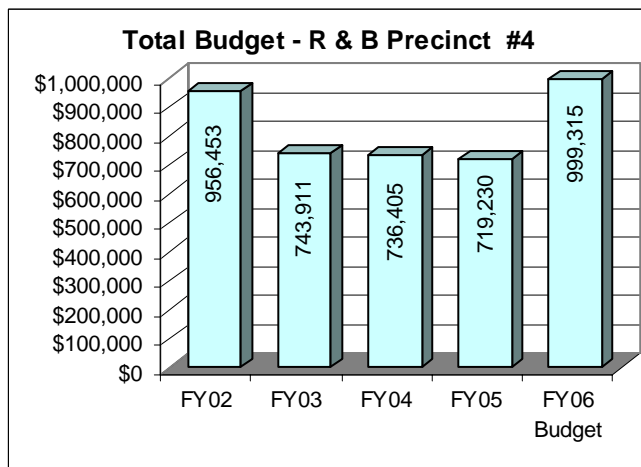
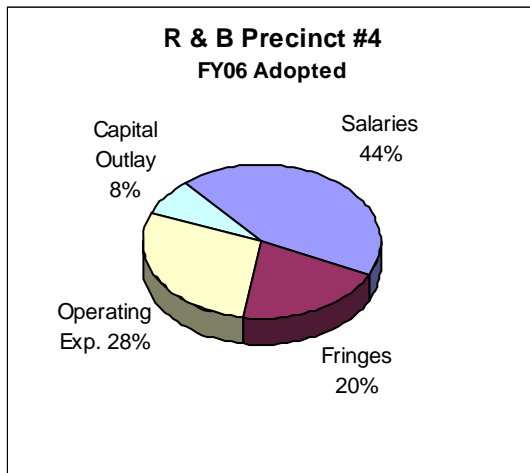
Road & Bridge Fund - Precinct #4

Mission Statement: The mission of the Commissioner Precinct #4 is to provide good leadership for overall precinct operations and to assure that the precinct's jobs are completed in a cost efficient and timely manner. Further, the commissioner will conduct all county business honestly, legally, and efficiently in order to make this community a better place.

Current activities include:

- Maintaining the roads, bridges, and rights of way in the third largest county precinct with 59.4 miles of road;
- Providing assistance to the citizens in Precinct #4 when needed;
- Providing assistance to Precincts #1, #2, and #3 when needed;
- Assisting the cities of Kilgore, Longview, Lakeport, and Easton when assistance is requested and when approved by the commissioners' court; and
- Providing labor and equipment to assist local public school districts with various jobs such as repairing or building parking lots and driveways.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$369,186	\$375,249	\$368,383	\$386,902	\$432,953
Fringe Benefits	144,606	174,600	173,957	198,964	202,398
Operating Expenses	275,514	179,938	129,065	163,364	283,964
Capital Outlay	167,147	14,124	65,000	0	80,000
Total Expenses	\$956,453	\$743,911	\$736,405	\$719,230	\$999,315
Full-Time Positions	14	14	14	13	13



Law Library Fund

The Law Library was established by the Commissioner's Court by statute to provide a service for the judges and litigants of Gregg County.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$6,703	\$6,793	\$6,977	\$7,150	\$7,260
Fringe Benefits	2,370	2,531	2,766	2,658	2,873
Operating Expenses	50,200	50,653	48,723	47,776	52,579
Capital Outlay	3,698	4,709	3,128	0	2,000
Total Expenses	\$62,971	\$64,686	\$61,594	\$57,584	\$64,712

County - Wide Records Management & Preservation Fund

By statute, the Commissioners Court appoints the records management coordinator, who collects and organizes various county records and then delivers them to the county's records storage facility in accordance with the county's records management plan. The Texas State Library mandates records retention and storage requirements for all county documents. The current records facility is full of records and the county will undertake major additions to the building in order to meet state mandates. **Capital Funds are include to add to this facility in FY06.**

Mission Statement: The management and preservation of Gregg County records.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$12,925	\$13,105	\$13,234	\$13,579	\$13,798
Fringe Benefits	4,582	4,890	5,284	5,058	5,613
Operating Expenses	11,979	8,510	10,281	10,382	14,035
Capital Outlay	0	9,679	0	1,900	200,000
Total Expenses	\$29,486	\$36,184	\$28,799	30,919	\$233,445

Output Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Cubic Feet records destroyed	479	106.5	215	225	200
Cubic Feet / Storage	315	330	436	529	569
Number Open Records Requests	135	105	12	20	25

Note: One full-time position is split between the law library (.25 FTE), records management (.5 FTE) and constable, precinct #1 (.25 FTE) departments.

Airport Maintenance Fund- Administration

The airport manager and supervisory team oversee the daily operations of the county's airport, develop and manage FAA projects, provide security and fire protection, and maintain the airport's 1200 acres of land, 58 miles of pavement, many miles of high voltage wiring, 4 buildings, and various vehicles.

Mission Statement:

To operate a safe, efficient airport which will serve the air travel needs of this region; and
To assist in stimulating economic development by marketing the airport's free trade zone and offering incentives to attract new businesses to the airport's development sites.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$499,151	\$437,575	\$535,118	\$479,859	\$297,178
Fringe Benefits	175,706	200,008	197,321	202,865	132,250
Operating Expenses	132,807	127,172	119,748	159,360	162,479
Capital Outlay	2,825	1,371	0	0	0
Total Expenses	\$810,489	\$766,126	\$852,188	\$842,084	\$591,907
Full-Time Positions	20	18	19	10	10

Airport Maintenance Fund - Terminal Building

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$45,913	\$33,216	\$51,667	\$51,520	\$48,500
Capital Outlay	3,053	7,650	8,117	0	0
Total Expenses	\$48,967	\$40,866	\$59,784	\$51,520	\$48,500

Airport Maintenance Fund - Airfield

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	6 Budgeted
Operating Expenses	\$39,523	\$19,632	\$24,415	\$55,794	\$46,000
Capital Outlay	0	0	0	5,116	0
Total Expenses	\$39,523	\$19,632	\$24,415	\$60,910	\$46,000

Airport Maintenance Fund - Maintenance Shop

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$36,701	\$27,702	\$37,299	\$42,208	\$47,300
Capital Outlay	21,450	18,694	1,590	27,019	117,385
Total Expenses	\$58,151	\$46,396	\$38,889	\$69,227	\$164,685

Airport Maintenance Fund – Marketing

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$29,735	\$3,438	\$1,316	\$9,206	\$57,000
Capital Outlay	0	0	0	0	2,000
Total Expenses	\$29,735	\$3,438	\$1,316	\$9,206	\$59,000

Output Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Total Operations (Take Offs & Landings)	92,239	88,995	86,824	95,872	98,000
Airline Enplanements (Passenger Boardings)	25,306	23,081	23,886	23,271	25,000

Airport Maintenance Fund – Public Safety

During FY05 the Commissioners’ Court restructured the Airport Public Safety department to improve Homeland Security. Effective July, 2005, this department will operate directly under the County Sheriff. Officers at the airport hold dual certifications in fire and rescue and law enforcement. As of July 2005, salaries & fringe benefits associated with airport public safety personnel was moved from the Airport-Administrative department to Airport-Public Safety.

	FY02 Actual	FY02 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Salaries	\$0	\$0	\$0	\$67,004	\$269,369
Fringe Benefits	0	0	0	19,233	121,114
Operating Expenses	13,973	25,278	26,661	35,173	33,500
Capital Outlay	4,045	15,166	3,837	25,649	5,500
Total Expenses	\$18,018	\$40,444	\$30,828	\$147,059	\$429,483
Full-Time Positions	0	0	0	9	9

Justice Court Technology Fund

This fund consists of state authorized fees to be used for technology purchases and upgrades for the justices of the peace courts. Technology purchases are coordinated with the information services department to ensure hardware and software compatibility.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$10,985	\$8,923	\$10,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$10,985	\$8,923	\$10,000

Justice of the Peace Security Fund

The 79th Legislature created new fees to fund security for Justice of the Peace offices. Three of the four Justice of the Peace offices are located outside the county courthouse and therefore have different security issues. These discretionary funds are for addressing security issues at the Justice of the Peace locations.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$3,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$3,000

District Clerk's Civil Records Management Fund

The 77th legislature created a fee to assist with expenses to appropriately maintain the civil records in the district clerk's office. Collections began on cases filed as of January 1, 2004.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$250
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$250

District Clerk's Criminal Records Management Fund

The 79th legislature created a fee to assist with expenses to appropriately maintain the criminal records in the district clerk's office. Collections began on cases filed as of January 1, 2006.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$250
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$250

Health Care Fund

In 1996, Texas filed a federal lawsuit accusing the tobacco industry of violating conspiracy, racketeering, consumer protection, and other provisions of state and federal law. The state sought to recover billions of tax dollars it had spent to treat tobacco-related illnesses. In settling the lawsuit, the industry agreed to pay the state \$15 billion over 25 years and to pay about \$2.3 billion through 2003 to Texas counties and hospital districts based on their provision of indigent health care. Gregg County qualifies for state funding from this account based on unreimbursed medical expenses incurred by the county.

In 1999 Gregg County created a special permanent fund called the Health Care Fund with its share of the state tobacco settlement money for the purpose of assisting local charitable agencies which offer health care and provide public health information. Through a resolution, the commissioners court determined the corpus of the state funds would remain in the Health Care Fund and only interest income would be spent. An advisory committee was formed to evaluate agencies requesting funding and make recommendations to the commissioners' court regarding annual allocations. A variety of qualified agencies have received funding for providing free or discounted health care services to the public, especially for children, and public health information such as anti-smoking literature.

The Health Care Fund is classified on the county financial statements as a Major Fund due to the county's policy of maintaining the original settlement funds. Since the receipt of the original settlement the medical community and the public have expressed interest in the Commissioners decisions for disbursement of these funds. The annual balance of this fund is 6% of the total expenditures budget for FY06.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
Health Care Contributions	\$58,272	\$40,000	\$40,000	\$20,000	\$20,000

Fiscal Year	State Disbursement	Interest Earned	Contributions to Agencies	Ending Fund Balance
FY1999	1,658,057	59,031	0	1,717,088
FY2000	207,116	113,151	60,000	1,977,354
FY2001	115,253	163,273	100,000	2,155,880
FY2002	25,014	13,548	58,272	2,136,170
FY2003	30,111	34,850	40,000	2,161,131
FY2004	37,599	23,825	40,000	2,182,556
FY2005	73,114	57,556	20,000	2,293,226
Total All Years	2,146,264	465,234	318,272	--

Debt Service Funds

Debt service funds account for the accumulation of resources for and the payment of general long-term debt principal and interest. The 1990 and 1992 series were retired in FY01. The principal balance of the 1993 series obligations was paid down and remaining funds were refinanced in March 1, 2004. The 1988 series was retired in March of 2005.

Additional information concerning Gregg County's debt obligations and policies can be found on pages 29-30 and page 47 of this document.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY05	FY06 Budgeted
General Obligation Bonds Series 1988 Courthouse	\$2,390,875	\$2,395,874	\$2,390,874	\$2,390,000	\$0
Certificates of Obligation Series 1993 Jail	439,205	438,330	3,797,295	0	0
Certificates of Obligation Series 2004 Jail	0	0	26,050	51,823	898,950
Total Expenses	\$2,830,080	\$2,834,204	\$6,214,219	\$2,441,823	\$898,950

Capital Improvements Funds

As required by Generally Accepted Accounting Practices, Gregg County accounts for its capital projects in separate fund accounts that remain available for use until project completion. Additional information regarding capital projects is located in the Financial Overview and Policies section of this book, pages 41-44, 48 and 50.

	FY02 Actual	FY03 Actual	FY04 Actual	Unaudited FY06	FY07 Budgeted
Airport Capital Improvement Fund	\$2,577,711	\$1,442,374	\$657,038	\$892,523	\$5,262,425
Courthouse Capital Improvement Fund	\$660,248	\$69,588	\$0	\$0	\$0
Longview Community Center	\$0	\$0	\$33,503	\$16,647	\$50,000
Industrial Airpark Improvements (1)	\$0	\$0	\$0	\$24,681	0
124 th District Courtroom (2)	\$0	\$0	\$0	\$1,904	0
Permanent Improvement Fund	\$0	\$0	\$0	\$0	\$500,000
Total Capital Projects Expenses	\$3,237,959	\$1,511,962	\$690,541	\$935,755	\$5,812,425

- (1) The FY05 Budget was amended to set aside \$300,000 for the new Industrial Airpark Improvements project. Only \$24,681 was expended in FY05 and the remaining budget expected to roll forward into FY06.
- (2) The FY05 Budget was amended to set aside \$140,400 for the 124th District Courtroom project. Only \$1,904 was expended in FY05 and the remaining budget expected to roll forward into FY06.

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ADDITIONAL MATERIAL

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Glossary

Accrual Basis - A method of accounting in which economic transactions are recognized at the time they occur, as opposed to when cash is actually received or spent.

Actual – Final audited revenue or expenditure data for the fiscal year indicated.

Ad Valorem Tax - A tax levied against the value of real or personal property. Valuations are assessed by Gregg Appraisal District (GAD).

Appropriation - A legal authorization to incur obligations and to make expenditures for specific purposes.

Appraisal Value – To make an estimate of value for the purpose of taxation.

Appraisal District – An independent governmental entity responsible for appraising property within a county. The Appraisal District certifies the county assessed valuations.

Appropriation – An authorization to make expenditures or incur obligations against the resources of the County, often referred to as expenditures budget.

Assessed Valuation - The total valuation established by the county appraisal district for real estate and certain personal property as a basis for levying property taxes.

Assets – Any item of economic value owned by the County (vehicles, land, etc..).

Attrition - A method of achieving a reduction in total personnel by not replacing employee positions vacated through resignation, reassignment, transfer, retirement, or any means other than by layoff.

Balanced Budget – According to GAAP a balanced budget is one in which the total expenditures do not exceed the total resources, or total estimated revenues plus reserves.

Bond – A written promise to pay two things: 1) a principle amount on a specified date, and 2) a series of interest payments for the term of the bond.

Bond Rating – Organizations like Standard and Poor’s and Moody’s rate the riskiness of government-issued securities and gives each security a bond rating.

Bonded Indebtedness – The total amount of principle and interest due on bonds which have been sold to finance capital projects such as streets, bridges, and buildings. The most prevalent types of bonds are general obligation or revenue bonds.

Budget - A plan of financial activity for a specified period of time indicating all planned revenues and expenses for the budget period. Gregg County’s fiscal year is October 1 through September 30.

Budget Amendment – A change in the authorized level of funding for an organization or line item account code that increases the total budget. Ideally, amendments increase total revenues and total expenditures by an equal amount. Amendments are made only with Commissioners Court approval.

Glossary

Budgetary Basis - The basis of accounting used to estimate financing sources and uses in the budget. Generally takes one of three forms: GAAP, cash, or modified accrual.

Budget Calendar - The schedule of key dates which a government follows in the preparation and adoption of the budget.

Budget Transfers – A change in the authorized level of funding that have corresponding budget reductions and increases between line items, departments, or funds.

Budgetary Control - The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Callable – A financing term referring to debt service bonds which means the bonds can be retired, or paid off, earlier than the due date without penalty.

Capital Expenditures – Includes all purchases that will be capitalized, both items purchased within individual departments and purchases within capital project funds. Also includes items formerly classified as capital whose purchase amount is between \$500 and \$4,999.99 for comparison purposes. FY05 is the first budget year to incorporate the new Capital Asset Guide.

Capital Outlay – (Also known as capital assets) - A fixed asset that meets the estimated useful life and monetary cost criteria and warrants capitalization in the financial statements. All items owned by an organization can rightfully be considered assets, but as a practical matter, organizations do not capitalize all of them. Gregg County's monetary criteria is \$5,000 or more and with a useful life of more than one year.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase the assets' useful lives.

Capital Project Fund – A fund used to account for the financial resources designated for major capital acquisitions or construction. Separate funds are required for each capital project per GAAP. At Gregg County, each capital project fund is named according to the purpose of the project.

Capitalization – an accounting treatment whereby an item is recorded as an asset on the balance sheet rather than as an expense of the current period.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is received or disbursed.

Categorical – A method of accounting for expenditures in summary format (i.e. salaries, fringes, operating, capital).

Certificates of Obligation - Debt instruments, similar to bonds, sold to the public to finance the county's capital projects. This type of debt is usually repaid in annual installments over a period of 5-15 years.

Charges for Services – see Fees of Office.

CSCD – Community Supervision & Corrections Department, formerly known as Adult Probation.

Glossary

Current Taxes - Taxes that are levied and collected prior to being delinquent. The tax year begins October 1st. Taxes are delinquent on February 1st, after which time penalty and interest charges accrue.

Debt Service - The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Debt Service Fund – A fund used to account for the accumulation and disbursement of resources associated with the county’s debt obligations. Statutorily separate funds are required for each debt obligation.

Delinquent Taxes – Taxes that remain unpaid at February 1st. Taxes are delinquent on February 1st, after which time penalty and interest charges accrue. Attorneys fees are assessed beginning July 1st.

Department (Organization)- The organizational unit which is functioning separately in its delivery of service.

Discretionary Funds - Funds that derive their major operating income directly from fees that are restricted in use by either statute or court order.

Encumbrance - The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a specified future expenditure.

Estimated Revenue – The amount of projected revenue for the fiscal cycle. Projections are generally based on prior experiences or increased fees.

Expenditure - The payment of cash related to the transfer of property or services for the purpose of acquiring an asset, service, or settling a loss.

Expense - A charge incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Fees of Office (Revenue) – Fees charges or charges for services by various county departments to provide a service to the public or another governmental entity.

Fines and Forfeitures (Revenue) – Revenue generated through fines assessed by various courts. Forfeitures are payment as penalty assessed by the Courts through bail bond and property forfeitures.

Fiscal Policy - A government’s policies with respect to revenues, spending, and debt management as these relate to government services, programs, and capital investment. Fiscal policy provides a common set of principles for the planning and programming of government budgets and their funding.

Fiscal Year - A twelve-month period designated as the operating year for accounting, budgeting, and financial reporting purposes. Gregg County’s fiscal year is October 1 through September 30.

Fringe Benefits – The cost of all non-wage, labor-related expenses including but not limited to group insurance, social security, retirement, workman’s compensation, unemployment compensation, and other employment benefits.

Glossary

Full-time Equivalent Position (FTE) - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time clerk working 20 hours per week would be equivalent to .50 of a full-time position.

Fund - A fiscal entity with revenues and expenses which is segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover. State law prohibits deficits. Allocated reserves are designed for a specified future use. Unallocated reserves are available for future budget allocation and are available for emergencies.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

GFOA - Refers to the Government Finance Officers Association.

General Obligation Bond - A bond backed by the full faith, credit and taxing power of the government.

Goal - A statement of broad direction, purpose, or intent based on the needs of the community. A goal is general and timeless.

Grants - A contribution by a government agency or other organization to support a particular function. Grants may be classified as either operational or capital and they are restricted for specific purposes. Because grants are presented to the Commissioners' Court throughout the year, the grant budget and accounting is maintained separately from this document.

Interfund Transfers - The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue - Funds received from federal, state, and local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

JP – Justice of the Peace.

Levy – To impose taxes, special assessments, or service charges for the support of government activities.

Line-item - A string of accounting numbers that specify where an item is to be recorded. Gregg County's line item consists of fund, organization, account, program, activity, and location codes.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Mandate – A formal order from State authorities to County government to make mandatory.

Modified Accrual Basis– Revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

Non-callable – A financing term referring to debt service bonds which means the bonds cannot be retired, or paid off, earlier than the due date.

Glossary

Obligations - Amounts which a government may be legally required to pay from its resources. They include not only actual liabilities, but also encumbered amounts.

Operating Expenses – The portion of the budget that provides goods and services used in the daily operations excluding personnel and capital expenditures.

Operating Fund – A set of self-balancing accounts used to pay current, on-going expenditures.

Operating Revenue - Funds that the county receives as income to pay for ongoing operations. Includes property and sales taxes, user fees, and interest income. Operating revenues are used to pay for daily services.

Operating Expenses - The cost of materials and equipment required for a department to function.

Output Indicators - A unit of work accomplished, without reference to the resources required to do the work. Output indicators do not reflect the effectiveness or efficiency of the work performed.

Other Financing Sources (OFS) - Includes transfers from other funds, sale of fixed assets, insurance proceeds, bond proceeds, and other funding that is not considered to be revenue according to GAAP.

Other Financing Uses (OFU) - Includes transfers to other funds and other funding that is not considered to be expenditures according to GAAP.

Pay-as-you-go Basis - A term used to describe a financial policy by which capital outlays are purchased from current resources rather than through borrowing.

Performance Indicators - Specific quantitative and/or qualitative measures of work performed as an objective of specific departments or programs. Data is collected to establish trend patterns concerning workloads and/or determine how effective or efficient a program is in achieving its objectives.

Records Management – This term applies to the management of county records and government documents. Fees are budgeted for collection and expenses for the safeguarding of records according to the Texas Records Management Act.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

R.O.W. – Refers to Right-of-Way; for example the purchase of land for street access.

Salaries – The cost of all labor related expenses required for a department to function, including but not limited to salaries, merit, cost of living adjustments (COLA), etc.

Glossary

Special Revenue Funds – These funds are set up to keep track of segregated revenue activities.

Statute – A law enacted by the legislative assembly.

Tax Rate – A percentage applied to all taxable property to raise general revenues.

Tax Rate Limit – The maximum rate at which a government may levy a tax. The limit may apply to taxes raised for a particular purpose, or to taxes imposed for all purposes, and may apply to a single government, to a class of governments, or to all governments operating in a particular area. Overall tax rate limits usually restrict levies for all purposes and of all governments, state and local, having jurisdiction in a given area.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund. This term has been replaced in FY2005 with Other Financing Sources / Uses.

Unencumbered Balance - The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Fee - The payment of a fee for direct receipt of a public service by the recipient of the service.

Warrant – A writ authorizing an arrest or search.

County of Gregg

Demographics

History⁽¹⁾

Gregg County is a political subdivision of the State of Texas, created and organized in 1873 from Rusk and Upshur Counties and named for Confederate General John Gregg. Oil was discovered in 1931.

Economic Resources⁽¹⁾

Minerals: Leading oil-producing county with more than 3 billion barrels produced since 1931; also sand, gravel and natural gas.

Agriculture: Cattle, horses, hay, nursery crops. Market value \$3.7 million. Timber sales.

Recreation: Water activities on lakes, hunting, varied cultural events

Business: Manufacturing, tourism, conventions, agribusiness and lignite coal production.

General Information⁽²⁾

County Seat	Longview
Land Area, square miles	274
Persons per square mile ⁽¹⁾	406.4
Average annual rainfall	47 inches
Average household income (2004)	\$50,426
County population ranking (out of 254 counties)	30

Vehicles, Highway Miles, State Construction⁽³⁾

Centerline Miles, as of 09/01/2005	261
Lane Miles, as of 09/01/2005	785
Daily Vehicle Miles, as of 09/01/2005.....	2,597,529
Vehicles Registered, 09/2004 – 08/2005.....	119,488
State Construction expenditures, FY05.....	\$15,014,298
State Maintenance expenditures, FY05.....	\$2,643,416
State Contracted R & P Maintenance, FY05.....	\$2,805,658

Population by City/Place⁽⁴⁾

	<u>2000 Census</u>	<u>Jan. 1, 2005 Est.</u>
Clarksville City	806	858
Easton	524	556
Gladewater (partially in Upshur Co.)	6,078	6,133
Kilgore (partially in Rusk Co.)	11,301	11,748
Lakeport	861	914
Liberty City CDP	1,935	1,979
Longview	73,344	74,839
Warren City	343	359
White Oak	5,624	5,883
Unincorporated areas	10,563	11,337
Total County Population	111,379	114,606

County of Gregg

Demographics

Unemployment Data⁽⁵⁾

Labor Force, June 2005	60,909
Employment, June 2005	57,886
Unemployment, June 2005	3,023
Unemployment rate, June 2005	5.0%

Employment By Industry⁽⁵⁾

	<u>Firms</u>	<u>Employees</u>	<u>Total Wages</u>
Natural Resources and Mining	170	3,647	\$45,013,094
Construction	277	3,895	\$34,094,893
Manufacturing	227	11,154	\$119,705,641
Trade, Transportation, & Utilities	857	13,496	\$106,423,338
Information	52	1,360	\$11,628,900
Financial Activities	330	2,799	\$23,799,997
Professional & Business Services	470	5,509	\$40,162,944
Education & Health Services	383	10,904	\$80,254,791
Leisure & Hospitality	255	5,957	\$17,775,624
Other Services & Unclassified	377	1,875	\$11,419,815
State, Federal, & Local Government*	57	7,271	\$53,975,301
Totals (June, 2004)	3,455	67,867	\$544,254,238

* Government includes employees that could be classified in other industries (ex. Teachers could be classified in education, etc.)

Travel and Tourism, 2003⁽⁶⁾

Gregg County's rank in travel and tourism	30th out of 254 counties
Total Spending	\$162,251,000
Destination Spending.....	\$159,285,000
Earnings.....	\$41,648,000
Employment	2,470
State Tax Receipts	\$11,072,000
Local Tax Receipts	\$2,372,000

Voter Registration Figures

<u>Year</u>	<u>Voters Registered</u>	<u>Voted</u>	<u>Percent Voted</u>	<u>Early Voted</u>	<u>Percent Early Voted</u>
1988	57,764	39,387	68.19%	15,682	39.82%
1990 (Gubernatorial)	54,361	28,306	52.07%	10,922	38.59%
1992 (Presidential)	57,718	41,826	72.47%	21,109	50.47%
1994 (Gubernatorial)	60,576	31,116	51.37%	15,626	50.22%
1996 (Presidential)	73,132	37,478	51.25%	20,531	54.78%
1998 (Gubernatorial)	76,785	24,401	31.78%	11,466	46.99%
2000 (Presidential)	77,898	38,433	49.34%	21,467	55.86%
2002 (Gubernatorial)	76,163	26,870	35.28%	12,826	47.73%
2004 (Presidential)	76,596	42,398	55.35%	27,320	64.44%

County of Gregg

Demographics

Source List:

- (1) Texas State Almanac 2004-2005, courtesy of Kilgore Public Library
- (2) Office of the Governor, Economic Development & Tourism, www.bidc.state.tx.us
- (3) Texas Department of Transportation, Finance Division, www.dot.state.tx.us
- (4) Texas State Demographer, www.txscd.tamu.edu
- (5) Texas Workforce Commission, www.tracer2.com
- (6) Office of the Governor, Economic Development & Tourism, www.travel.state.tx.us
- (7) Texas Secretary of State, www.sos.state.tx.us/elections

Principal Taxpayers 2004

TAXPAYER	BUSINESS TYPE	MARKET VALUE
LeTourneau, Inc.	Manufacturing	\$103,565,083
AEP Southwestern Electric Power Co	Utility	94,937,370
XTO Energy	Minerals / Utility	75,175,950
Oneok Resources Co.	Minerals	62,067,650
Wal-Mart Stores / Sam's	Retail	46,523,480
Longview Medical Center/ Longview Regional Hospital	Medical	42,323,280
Southwestern Bell Telephone	Utility	41,553,780
Exxon-Mobil	Minerals	35,624,500
Dowell Schlumberger, Inc.	Industrial	34,039,730
Halliburton Co-Halliburton Energy-Services	Industrial	30,041,420
GSHS Inc/Good Shepherd Hospital	Medical	29,262,750
Longview Mall / Simon Property Group	Retail	24,294,020
Air Liquide	Industrial	22,185,400
Bemis Company / Bemis Custom Products	Manufacturing	21,390,560
Fleetwood Travel Trailers	Manufacturing	18,995,550
EOG Resources Inc.	Minerals	18,869,650
Rexam Beverage Can Company	Industrial/Mfg	18,792,520
J-W Power Company	Industrial/Mfg	16,904,860
Nabors Drilling Co USA	Industrial	16,585,600
Dallas Production/Dallas Production Unleased	Minerals	15,724,770

Principal Taxpayers 2005

TAXPAYER	BUSINESS TYPE	MARKET VALUE
LeTourneau, Inc.	Manufacturing	\$106,832,410
AEP Southwestern Electric Power Co	Utility	105,584,010
XTO Energy	Minerals / Utility	87,846,240
Oneok Resources Co.	Minerals	75,656,190
Wal-Mart Stores / Sam's	Retail	63,792,280
Longview Medical Center/ Longview Regional Hospital	Medical	60,773,580
Southwestern Bell Telephone	Utility	44,595,860
Chinn Exploration	Minerals	42,583,500
Exxon-Mobil	Minerals	39,324,160
Halliburton Co-Halliburton Energy-Services	Industrial	34,099,560
Dowell Schlumberger, Inc.	Industrial	31,496,140
GSHS Inc/Good Shepherd Hospital	Medical	30,550,260
Trinity Industries	Industrial	26,753,680
EOG Resources Inc.	Minerals	26,065,930
Geo-Vest	Minerals	25,017,830
Longview Mall / Simon Property Group	Retail	24,060,310
Fleetwood Travel Trailers	Manufacturing	22,530,780
Air Liquide	Industrial	22,091,580
Rexam Beverage Can Company	Industrial/Mfg	20,223,030
BJ Services Co USA	Industrial	20,715,890

Note: Provided by Gregg Appraisal District

Juvenile Services Fund FY06 Adopted Budget

Revenue	Actual 01/02	Actual 02/03	Actual 03/04	Unaudited 04/05	Budget 05/06
Intergovernmental Revenue					
State aid	\$304,777	\$367,448	\$328,315	\$127,940	\$109,663
Progressive Sanctions - JPO	0	0	0	160,505	138,462
Progressive Sanctions - ISP	0	0	0	4,540	
Progressive Sanctions - 123	0	0	0	41,123	35,248
State Grant	0	0	0	26,324	0
TJPC - Salary Adjustment	0	0	0	29,048	44,175
Gregg County Contribution	0	0	0	1,100,000	1,008,333
U.S. Dept. of Agriculture	20,318	0	0	0	0
Subtotal	325,095	367,448	328,315	1,489,480	1,335,881
Charges for Services					
Supervision	11,418	10,540	11,178	12,035	11,403
Contract services	276,995	146,841	274,375	206,096	192,836
Subtotal	288,413	157,381	285,553	218,131	204,239
Interest Income					
Interest income	10,249	3,372	1,911	11,269	9,283
Unrealized gains / losses	34	0	0	0	0
Subtotal	10,283	3,372	1,911	11,269	9,283
Miscellaneous					
Miscellaneous	1,742	731	2,439	110	50
Subtotal	1,742	731	2,439	110	50
Other Financing Sources					
Sale of fixed assets	30	0	201	0	0
Ins Proceeds -Loss of fixed assets	1,572	0	0	0	0
Transfer in - General Fund	970,000	505,903	1,100,000	0	0
Transfer in - Juvenile Comm. Corr.	90,000	0	0	0	0
Subtotal	1,061,602	505,903	1,100,201	0	0
Total Resources	\$1,687,135	\$1,034,835	\$1,718,419	\$1,718,990	\$1,549,453
Expenditures					
Total Salaries	1,187,117	1,077,620	903,249	1,021,271	884,059
Total Fringe Benefits	311,791	312,961	305,333	305,297	270,612
Total Operating Expenses	231,269	224,103	194,620	191,435	179,450
Total Capital Outlay	7,197	23,401	10,598	9,859	9,859
Total Expenditures	\$1,573,531	\$1,737,373	\$1,638,085	\$1,481,627	\$1,561,635

The Gregg County Juvenile Probation Department is a "Specialized Local Entity" under the Local Government Code who reports directly to the Juvenile Board. The department receives funding from Gregg County as well as from state and federal grants.

The department's purpose is to facilitate the rehabilitation and reintegration of juvenile offenders back in to the community; to provide protection to the community; to ensure victims of crimes are afforded their rights; and to serve the Juvenile Court by providing supervision to the juveniles who come under the Court's jurisdiction.

**Juvenile Services Fund
FY06 Adopted Budget**

Output Indicators:	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Estimated
Juveniles Referred	1,050	1,290	1,271	1,339	1,200
Case Dispositions	1,075	975	1,287	1,265	1,200
Juveniles Detained	775	804	759	700	800
Hearings	825	674	801	779	800
Cert. Probation Officers	14	14	13	13	13
Avg. Daily Population	26	25	24	24	25
Avg. Probation Caseload	50	50	50	50	50
Avg. ISP Caseload	20	20	20	20	20
Community Service Hours	12,000	11,701	12,852	11,705	12,000
Supervision Contacts	23,000	26,422	24,473	29,869	25,000
Juveniles Placed Outside of County	20	9	16	15	15
Juveniles Placed in County Programs	36	11	15	2	0

Budget Statutes

Statutes governing the County budget process in the State of Texas are found in Vernon's Texas Codes Annotated (V.T.C.A.). These statutes are based on county population. Gregg County complies with the following budget statutes:

SUBTITLE B. COUNTY FINANCES

CHAPTER 111. COUNTY BUDGET

SUBCHAPTER A. BUDGET PREPARATION IN COUNTIES WITH POPULATION OF 225,000 OR LESS

§ 111.001. Subchapter Applicable to Counties With Population of 225,000 or Less; Exception

This subchapter applies only to a county that has a population of 225,000 or less and that does not operate under Subchapter C.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 1, § 11(e), eff. Aug. 28, 1989.

§ 111.002. County Judge as Budget Officer

The county judge serves as the budget officer for the commissioners court of the county.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987.

§ 111.003. Annual Budget Required

During the 7th or the 10th month of the fiscal year, as determined by the commissioners court, the county judge, assisted by the county auditor or county clerk, shall prepare a budget to cover all proposed expenditures of the county government for the succeeding fiscal year.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 117, § 1, eff. Sept. 1, 1989.

§ 111.004. Itemized Budget; Contents

(a) The county judge shall itemize the budget to allow as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes that were made for the preceding fiscal year. The budget must show as definitely as possible each of the projects for which an appropriation is established in the budget and the estimated amount of money carried in the budget for each project.

(b) The budget must contain a complete financial statement of the county that shows:

- (1) the outstanding obligations of the county;
- (2) the cash on hand to the credit of each fund of the county government;
- (3) the funds received from all sources during the preceding fiscal year;
- (4) the funds available from all sources during the ensuing fiscal year;
- (5) the estimated revenues available to cover the proposed budget; and
- (6) the estimated tax rate required to cover the proposed budget.

(c) In preparing the budget, the county judge shall estimate the revenue to be derived from taxes to be levied and collected in the succeeding fiscal year and shall include that revenue in the estimate of funds available to cover the proposed budget.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987.

Budget Statutes (continued)

§ 111.005. Information Furnished by County Officers

(a) In preparing the budget, the county judge may require any county officer to furnish existing information necessary for the judge to properly prepare the budget.

(b) If a county officer fails to provide the information as required by the county judge, the county judge may request the commissioners court to issue an order:

(1) directing the county officer to produce the required information; and

(2) prescribing the form in which the county officer must produce the information.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987. Amended by Acts 1997, 75th Leg., ch. 1197, § 1, eff. June 20, 1997.

§ 111.006. Proposed Budget Filed With County Clerk; Public Inspection

(a) When the county judge has completed the preparation of the budget, the judge shall file a copy of the proposed budget with the county clerk.

(b) The copy of the proposed budget shall be available for inspection by any taxpayer.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987.

§ 111.007. Public Hearing on Proposed Budget

(a) The commissioners court shall hold a public hearing on the proposed budget. Any taxpayer of the county may attend and may participate in the hearing.

(b) The commissioners court shall set the hearing for a date after the 15th day of the month next following the month in which the budget was prepared in accordance with Section 111.003, Local Government Code, but before the date on which taxes are levied by the court.

(c) The commissioners court shall give public notice that it will consider the proposed budget on the date of the hearing. The notice must state the date, time, and location of the hearing.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 117, § 2, eff. Sept. 1, 1989.

§ 111.0075. Special Notice by Publication for Budget Hearing

(a) A commissioners court shall publish notice before a public hearing relating to a budget in at least one newspaper of general circulation in the county.

(b) Notice published under this section is in addition to notice required by other law. Notice under this section shall be published not earlier than the 30th or later than the 10th day before the date of the hearing.

(c) This section does not apply to a commissioners court required by other law to give notice by publication of a hearing on a budget.

Added by Acts 1993, 73rd Leg., ch. 268, § 26, eff. Sept. 1, 1993.

§ 111.008. Adoption of Budget

(a) At the conclusion of the public hearing, the commissioners court shall take action on the proposed budget.

(b) The commissioners court may make any changes in the proposed budget that it considers warranted by the law and required by the interest of the taxpayers.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987.

Budget Statutes (continued)

§ 111.009. Approved Budget Filed With County Clerk

On final approval of the budget by the commissioners court, the court shall file the budget with the county clerk.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987.

§ 111.010. Levy of Taxes and Expenditure of Funds Under Budget; Emergency Expenditure; Budget Transfer

(a) The commissioners court may levy taxes only in accordance with the budget.

(b) After final approval of the budget, the commissioners court may spend county funds only in strict compliance with the budget, except in an emergency.

(c) The commissioners court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. If the court amends the original budget to meet an emergency, the court shall file a copy of its order amending the budget with the county clerk, and the clerk shall attach the copy to the original budget.

(d) The commissioners court by order may amend the budget to transfer an amount budgeted for one item to another budgeted item without authorizing an emergency expenditure.

Acts 1987, 70th Leg., ch. 149, § 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 167, §§ 1, 2, eff. May 25, 1989.

§ 111.0105. Budget for Expenditures From Proceeds of Bonds or Other Obligations

If a county bond issue is submitted at an election or other authorized obligations are to be issued against future revenues and a tax is to be levied for those obligations, the commissioners court shall adopt a budget of proposed expenditures. On receipt of the proceeds of the sale of the bonds or other obligations, the county may make expenditures from the proceeds in the manner provided by this subchapter for expenditures for general purposes.

Added by Acts 1997, 75th Leg., ch. 1197, § 2, eff. June 20, 1997.

County Directory

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101 E. Methvin
Longview, Texas 75601
(903) 758-6181

See our website for additional information:
www.co.gregg.tx.us

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Judge - 124th District Court

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Tax Assessor-Collector

Kirk Shields, Assessor-Collector
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Voter Registration / Elections

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