



GREGG COUNTY, TEXAS

FY07-08 Adopted Budget



GREGG COUNTY

FY2008

Approved Budget



**FOR THE FISCAL YEAR
BEGINNING OCTOBER 1, 2007
AND ENDING SEPTEMBER 30, 2008**

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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 31, 2007

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 2008 Budget

Respectfully, we submit the adopted Fiscal Year 2008 Budget for the fiscal year period beginning October 1, 2007 and ending September 30, 2008. The Commissioners Court adopted the budget and set the tax rate on August 30, 2007. The FY08 Budget represents a balanced budget, with revenues exceeding expenditures in accordance with budget policy.

The tax rate, which funds the FY08 Budget, was reduced to .2700 per \$100 valuation - one cent (1¢) lower than the prior year tax rate, effectively sending \$700,000 back to the taxpayers. Additionally, the Commissioners Court eliminated all parking fees at the East Texas Regional Airport, sending back \$70,000 to its patrons.

Revenues estimated for FY08 are \$43,741,494 with \$11.2 million in additional airport grant funds for total revenue of \$54,986,444. As shown on page 84, property tax revenues are 35% of the total revenue budget. The airport grant of \$11.1 million caused intergovernmental revenues to increase from 12 to 22%. Additionally sales and other tax revenue decreased from 31 to 23%, and remaining sources were relatively flat.

Appropriations for FY08 are \$40,666,394, with additional funds of \$12.2 million for an airport capital grant and \$4.1 million in unfunded mandates, road and other improvements, for a total adopted budget of \$52,934,894. When remaining capital project funds were rolled forward, total appropriations were increased to \$54,163,090.

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 four parts: **state imposed issues, short-term issues, long-term issues, and regional issues.** This summary serves as the basis for making financial decisions that have impact on Gregg County. It provides projected results based on specific assumptions; if the assumptions change, the projected results will change accordingly. Therefore, this document is not to be considered as a prediction!

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 Texas Legislative sessions closely and followed county-related issues.

State Imposed Issues

In Texas, counties have no ordinance-making powers other than those explicitly granted by State law. Counties operate as an arm of State government and carry out the State’s directives. The Texas State Legislature meets every two years creating laws that affect both State and local government, directly and indirectly. Thus, State issues have a far reaching effect which encompasses short-term, long-term and regional issues.

Unfunded State Mandates and Grant Cuts

Unfunded State mandates are one of the highest growing concerns among Texas Counties. The State government continues to shift the cost of services to Texas Counties. **The definition of Unfunded State Mandates is ‘a financial burden placed upon county governments by state actions, often resulting in increased property taxes at the local level.’** The following schedule illustrates how these mandates created additional burdens as services and, ultimately, increased funding, is pushed to the county level while the state closes their doors.

State Action	Local Examples
Directives to counties without providing the necessary funding to carry out the directives.	<ul style="list-style-type: none"> ○ Eligible indigent defense cost to county in FY06 was \$804,213, state funding was \$59,229; FY07 eligible expense is \$837,520 ○ Juror costs have increased 144% since FY04; FY07 expense was \$142,490, state funding was \$74,596 ○ ‘Blue Warrant’ inmates, cost to Gregg County for FY04, \$182,200; FY05, \$164,560; and the first nine months of FY06 was \$114,440
Withdrawal of or cuts in State funding to carry out existing directives.	<ul style="list-style-type: none"> ○ State funding for juvenile services was reduced by \$475,000 over the last 3 years ○ State funding for community supervision corrections division was reduced by \$180,000 (10%) and the State is asking for 10% reductions again this year; also mandatory timeliness of arraignment created stress factors on this already reducing budget ○ State funding for indigent health care is decreasing while the regulations to provide indigent care are increasing

State Action	Local Examples
Changes in State operations which inadvertently result in county expenses and inefficiencies.	<ul style="list-style-type: none"> ◦ Upgrade to e-voting equipment cost county \$91,768 in FY06 with FY07 costs for software licensing \$25,000 and no State funding for needed additional equipment ◦ Jail Standards commissions increase their regulations concerning prisoner housing and care (approx. \$1.06 million since FY03) ◦ State agencies for mental health and mental retardation are consolidating, closing or privatizing, which affects the county's assistance to citizens in need of these services

Appraisal Reform

The 79th and 80th legislature reviewed several bills that addressed maximum limits on appraisal, revenue, and taxation. Counties escaped the looming threat of revenue caps and property tax caps during these legislative sessions and continue fighting these caps and any other unfunded mandates. The 80th legislative session ended May 28, 2007. With the legislature meeting every two years it is difficult to plan long term goals or capital projects.

Should future legislatures set caps on appraisals, revenue, or taxation, the public could lose essential county services as commissioners courts will be forced to fund mandated services, and reduce funding for discretionary services. Examples of both types of service are shown below:

Mandatory Service	Discretionary Service
Jails	EMS / Fire
Courts	Law Enforcement
Indigent Health	Public Health
Elections	Roads
Juvenile Probation	Senior Services
Adult Probation facilities	Family Services
Prosecution	Parks and Community Centers
County Auditor	Libraries
Debt Service	Economic and Community Development
Records Management	Employee Benefits
Homeland Defense	Health Insurance
Existing Tax abatements	Future tax abatements

Areas where funding and services could be affected include: funding for jail operations would supersede funding for patrol operations; citizens could face shorter lines at elections (2 or 3 times yearly) and longer lines (daily) for vehicle registration, property tax payments and other administrative-type business.

The issue of appraisal caps and revenue caps will again be a challenge, thus affecting county planning on all levels and producing uncertainty for long term vision.

Truth – In – Taxation

In 2005, the 79th Texas Legislature passed SB18 and SB567 relating to truth in taxation, with the intent for these bills to be the toughest in the nation. The bills require 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. Tax increases were ‘re-defined’ to specifically and directly include increases resulting from rising appraisal valuations. Moreover, the bill placed 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. Format requirements for posting the Notice of Public Hearings on Tax Increases doubled in size with larger font requirements, thus increasing advertising costs.

Gregg County reduced the tax rate for the FY08 budget from \$0.28 to \$.27 per \$100 valuation, sending approximately \$700,000 back to the taxpayers. Increased taxes are 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 FY08 budget process.

Legislative Bills

During the 80th Legislative Sessions, several bills were presented that affected county revenues, ad valorem taxes, and/or property appraisals State-wide. Bills containing adoption of revenue and/or appraisal caps continued to surface but there were no changes affecting the county. This office will continue to follow the legislative process when the 81st Legislature convenes in January of 2009.

79(R)SB 18 and SB567 , 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. There were increased advertising costs of 30% in the tax office budget and 50% in non-departmental over the last two years, due to mandated posting requirements. Additionally, these two statutes created major timing constraints that are not compatible with existing laws concerning the budget process.

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 increased from \$55,000 in FY05 to \$100,000 in FY06, a 145% increase. Juror pay is expected to be \$140,000 for FY07. State reimbursement for FY06 was \$49,028 and for FY07 was \$74,596. For FY08, State reimbursement is estimated to be \$55,000.

The 80th Texas Legislature enacted Property Tax Code Section 11.253, known as HB621, creating an exemption for certain “goods in transit.” This exemption from ad valorem taxation works like a ‘freeport’ exemption on inventory that meets certain criteria. The bill required a

resolution to continue to tax “goods in transit”, or an automatic exemption would be in effect January 1, 2008. Research showed that allowing the exemption would decrease taxable values around \$586 million and subsequent loss to tax revenue would exceed \$1.5 million. On October 30, 2007, the Commissioners Court passed a resolution to continue taxing the good in transit. This allows the Court to offer economic development incentives for tax abatements on a case by case basis.

State cuts in numerous county funds put additional burden on the county budget. The full impact of the 80th legislative ‘fallout’ is unknown at this time. Other legislative matters will be conveyed as new information is received.

Public Safety

The public safety budget of \$13.6 million for FY08 demonstrates the strong position Gregg County has maintained concerning public safety, including law enforcement, jail and building security operations.

The County has experienced frequent turnover in several public safety positions due to competitive salaries in the local region. This creates additional financial loss due to the cost of additional training of these employees. Salary re-alignments were provided sheriff’s office positions in effort to retain these valuable employees.

During FY07 the Commissioners Court accepted additional jail contracts presented by the Sheriff. The FY08 Contract Jail Operations budget increased \$1.3 million over the FY07 budget, due to the first full year of operations, the salary adjustments and additional employees. To meet staffing level requirements for new contracts for jail beds, 12 jailer positions and 2 nurse positions were created in FY08, for an annual cost of \$523,554.

The FY08 Sheriff’s Office budget includes one school resource officer position, a communications analyst position (eliminates two part-time positions) and two mental health deputy positions. The total cost of these positions is \$177,119. The County will be partially reimbursed for the school resource officer position through and interlocal agreement with the school. The mental health deputy positions were formerly accounted for in a grant fund and were moved into the general fund for accounting purposes. Further detail concerning salary realignments and position changes in public safety can be found under the Personnel Issues section of this document on pages 55-57.

The FY08 Budget includes 10 new vehicles for the Sheriff’s operations. Five (5) of the vehicles are police package vehicles, four (4) are fleet vehicles, which cost 28% less than the full police packages, and one (1) box van. 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. The cost of replacing these cars is \$134,500 in the Sheriff’s Office budget and \$64,000 in the Contract Jail Operations budget for the box van.

Fringe Benefits

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, usually in August. The FY08 budget includes the employer retirement contribution rate of 9.47% .

Employer contributions for fringe benefits are expected to increase around 15% in group health and dental insurance.

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 funds are budgeted for an actuarial study concerning retirees' premiums.

Capital Projects

The Permanent Improvement fund was created in FY06 to set aside funds 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 188th district courtroom, and jail and courthouse facilities. The 124th district courtroom was built and furnished in 1982 and during FY06 was renovated to replace the 23 year old carpet, seating, wall covering, and other decorations.

Records Storage Facility – The records storage facility was overcrowded and facing non-compliance with State records management statutes. A design-build facility was bid and awarded during FY06. Funds for this facility were appropriated in the Records Storage Building capital project fund. The project included the new facility and shelving costs, parking and walkway improvements, and upgrades to the existing facility. The Records Storage Project was completed in F07.

307th District Courtroom – The FY07 budget includes \$282,217 for renovation to the 307th District Courtroom, which was built and furnished in 1982. The renovation includes replacing 26 year old seating, wall covering, lighting, and floor covering, and ADA improvements. Funds carried forward from FY07 and the total project is expected to be finished in FY08.

Computer Upgrade Project – The County's judicial system was purchased in 1998 and includes criminal and civil records used by the clerks, district attorneys, and judicial offices. State mandates for reporting necessitate the need to maintain state-of-the-art software and hardware. In FY07, \$2,004,748 was budgeted for major upgrades. FY07 included \$1 million in

expenditures, including tax collection software and server hardware (\$190,000). Unexpended funds of \$994,004 were carried forward for the judicial system upgrade.

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 causes the budget amounts to be 'doubled' as it included two years of FAA funding grants.

The budgetary impact for the FY08 budget is \$1,000,000 entitlement from FAA and \$11,268,500 in discretionary FAA funding, for a total of \$12,268,500. The FAA funds 90 to 95% of the project with the County funding 5-10% at \$1,032,500.

Strategic Issues: Long Term

Long-term issues relate to those issues facing the County in the years beyond FY08. The County Judge, as chair of the Commissioners Court, sets the stage for strategic planning through the annual budget document process. 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. As per our policy, the County continues to spend less than we generate in revenue.

The County's infrastructure and facilities are in relatively good shape; its budgetary goals include remaining solvent. 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 plus giving a greater return to all the County tax payers.

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 second annual Employee Information

Fairs during FY06. 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 created a minimal fiscal impact to the County budget, and has maximum employee impact by providing benefits information. Minimal benefit changes curtailed holding the fair during FY07.

The adopted FY08 budget includes a 3% COLA (cost of living adjustment) for all positions and additional 3% for merit increases to be issued according to County policy.

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.

Technology

All technology activity and decisions at the County are discussed with the information services department, who advises departments on current technology and assists in determining compatibility of equipment and software.

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 2013 (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 90-95%. This year's federal grants will total \$12.26 million.

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 airpark began in 1990 and continues as companies relocate to the airpark. FY06-07 endeavors included renovation/improvement of taxiways and extension of utilities to better serve businesses at the airpark. To enhance economic development, the County approved creating "sub-zones" by moving 10% of the foreign trade zone into industrial areas in the cities of Longview and Kilgore.

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 FY06 funding was recently awarded at \$91,050. 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. 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. The County Judge, Bill Stoudt, co-chairs NETAC with Mayor Joey Seeber of Tyler, Texas.

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. Gregg County will be studying the feasibility of establishing an underground water district to protect the County's underground water resources, in 2008.

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.

Transportation

During FY05 the Commissioners Court of Gregg County and Smith County jointly created the North East Texas Regional Mobility Authority (NETRMA). 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. In 2006 and 2007 the NETRMA expanded to include the following North East Texas Counties: Cherokee, Rusk, Harrison, Upshur, Bowie Cass, Panola, and Titus. The FY08 budget includes the RMA's budget request of \$5,500.

The Texas Department of Transportation (TxDOT) presently slated construction for improvements on State highway 135. The total cost for this project is an estimated \$35,057,000 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 was combined with the first payment of Phase 2. The County's portion for Phase 2 is \$124,000 and the final payment of \$40,000 is scheduled in FY08.

In FY07, the Commissioners Court passed a resolution to fund \$2 million dollars toward the SH42 project. In keeping with the County's debt policy, reserves will most likely fund this project during the FY09 budget. Additionally, the County's portion of a project on SH149, is approximately \$250,000. This money will also be budgeted in FY09.

Discussions concerning the extension of George Richey Road are currently underway. Gregg County will be partnering with TxDOT with this construction project. As the northern part of the County continues to grow, the widening of Tryon Road is inevitable and there will be numerous traffic issues the County will be responsible for.

Most of Gregg County is located within five major cities: Longview, Kilgore, Gladewater, White Oak, Easton 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 FY08 budget includes \$300,000 for City of Longview road projects and \$300,000 for parking improvements at the city parks.

All projects listed could be affected by decreased budgetary constraints at the Texas Department of Transportation. These monetary cutbacks could result in the delay of many of these projects.

Multi-Purpose Facility

With the support of all mayors in Gregg County, the City of Longview approached the Commissioners Court about entering into an interlocal agreement to build a multipurpose facility with Gregg County funding the project and the City maintaining and operating the facility upon completion. Funding options available to the County include use of reserves or financing the entire project, or a combination of both. In the most recent phase, the project committee selected an architect and project engineers. The FY09 budget will likely begin the in depth study of this project going forward.

Summation

In summary, Gregg County's current financial position is strong as a result of sound investment strategies, conservative spending, and careful planning. By adhering to policies concerning debt, investments and capital plans, the County is afforded options to fund future projects and expansion without increasing the tax rate or diminishing its financial stability.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Gregg County
Texas**

For the Fiscal Year Beginning

October 1, 2006

A handwritten signature in cursive script, likely belonging to the President of the GFOA.

President

A handwritten signature in cursive script, likely belonging to the Executive Director of the GFOA.

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 beginning October 1, 2006 and ending September 30, 2007. 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, and we are submitting it to GFOA to determine its eligibility for another award.

**AN ORDER OF THE COMMISSIONERS COURT OF
GREGG COUNTY, TEXAS, ADOPTING THE ANNUAL
BUDGET FOR GREGG COUNTY FOR FISCAL YEAR 2008**

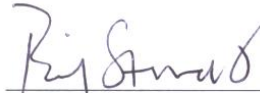
§

BE IT REMEMBERED at a regular meeting of Commissioners Court of Gregg County, Texas held on the 30th day of August, 2007 on a motion made by Bob Barbee, and seconded by John Mathis, 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, 2007 and ending September 30, 2008 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, 2007 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, 2007 and ending September 30, 2008.

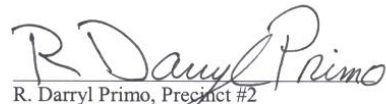
DONE IN OPEN COURT this the 30th day of August, 2007.




Bill Stoudt, County Judge



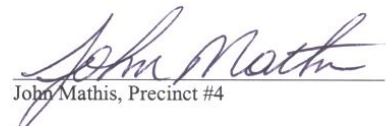
Charles W. Davis, Precinct #1



R. Darryl Primo, Precinct #2



Bob Barbee, Precinct #3



John Mathis, Precinct #4

Attest:


Connie Wade, County Clerk



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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 department's 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 19.

GREGG COUNTY COMMISSIONERS COURT



Bill Stoudt
County Judge



Charles W. Davis
Precinct #1



R. Darryl Primo
Precinct #2



Bob Barbee
Precinct #3



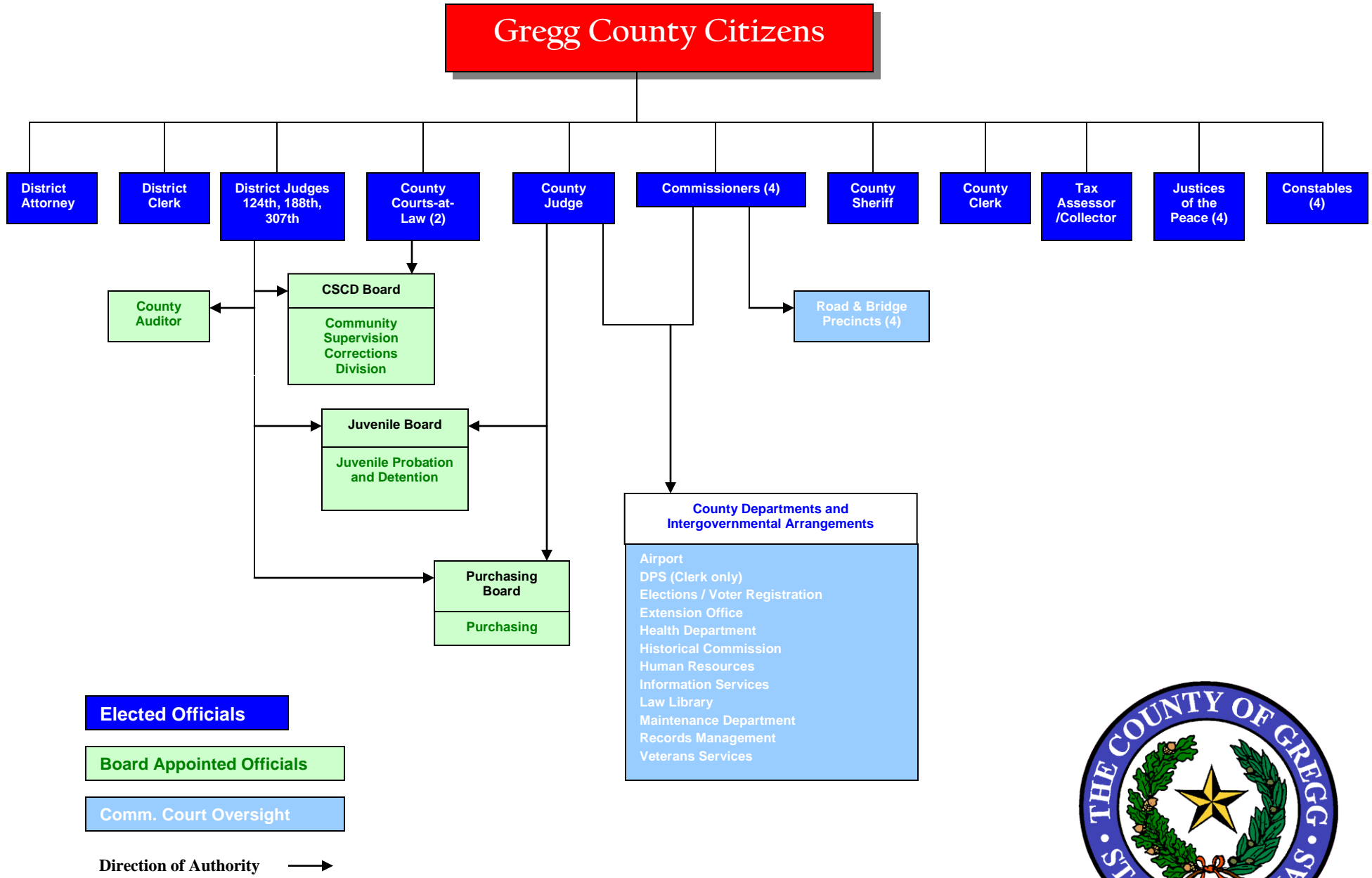
John Mathis
Precinct #4

COUNTY LEADERSHIP

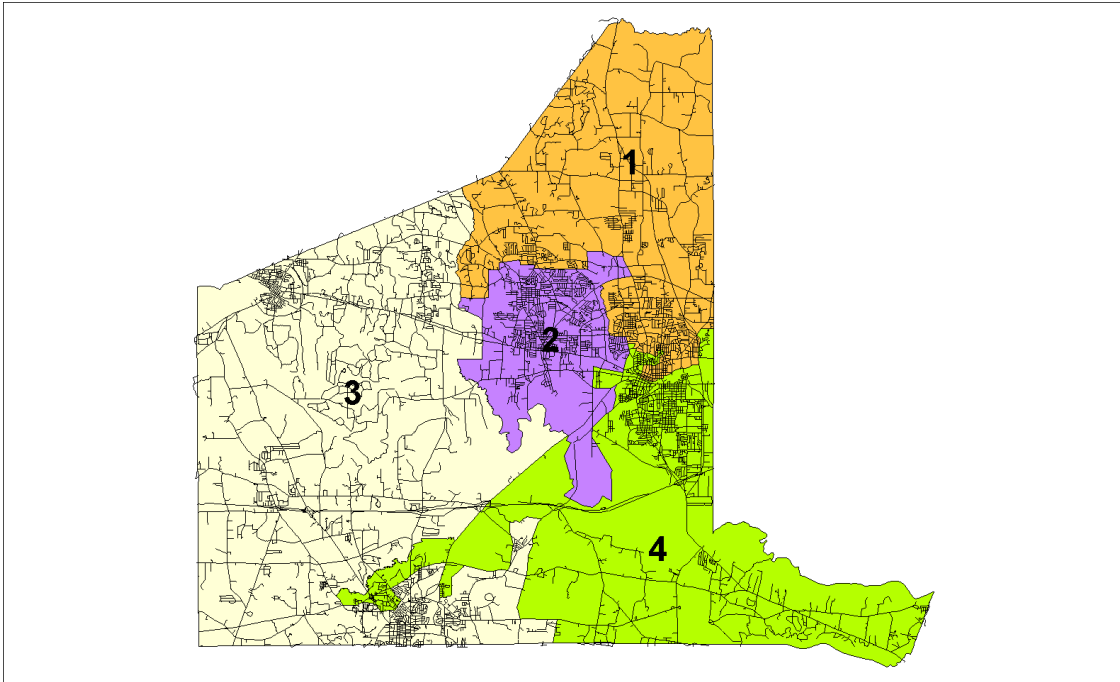
County Clerk.....	Connie Wade
County Sheriff.....	Maxey Cerliano
County Tax Assessor-Collector	Kirk Shields
District Clerk.....	Barbara Duncan
District Attorney	William Jennings
County Auditor	Laurie Woloszyn
County Purchasing Agent	Shelia Embrey

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

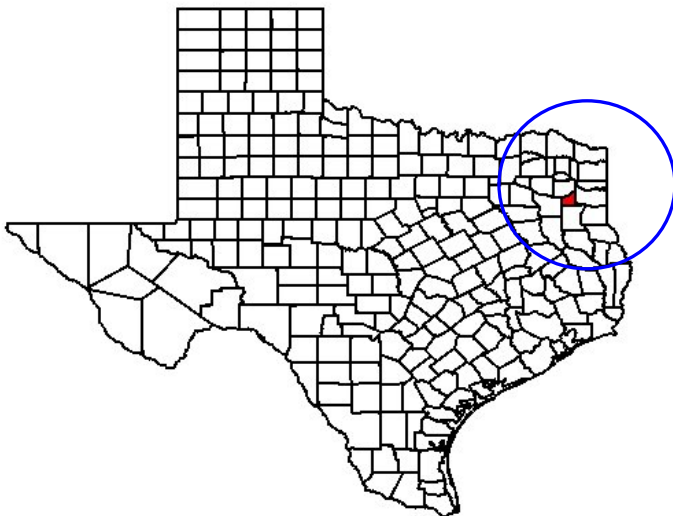
Gregg County Organization Chart



Gregg County Precincts Map



The numbered areas outlined on the above 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 Bureau 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.



The Texas County map to the left highlights Gregg County in red. This map shows the County's location within the State of Texas and illustrates its smaller size in area, as compared to other counties.

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 2007 population for Gregg County is 116,077 (67.7% white, 20.4% black, 1.3% other, with ethnicity of 10.6% 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 77,904 residents, or 67% 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 School, Trinity School of Texas, and St. Mary's Catholic School.

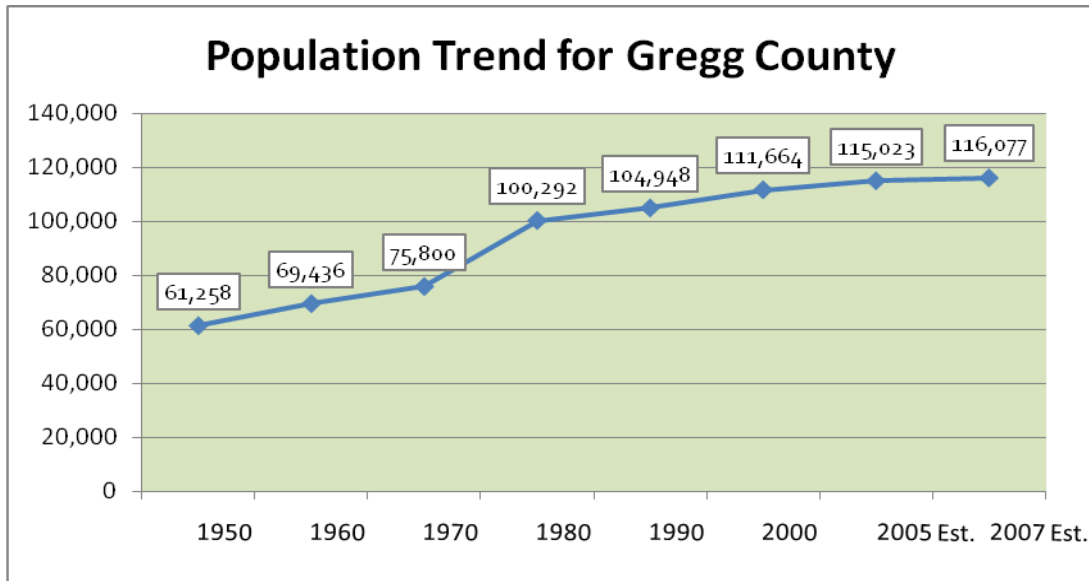
County residents may pursue a college education or vocational - technical training at several area educational institutions. LeTourneau University, located in Longview, attracts about 2,000 students annually with its highly rated aviation and engineering programs. For several years, the university has 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; Marathon LeTournea Company; Brand Scaffold Builders, Inc.; Trinity Tank Car, Inc.; Stemco, Inc; The Crosby Group; Southwest Steel; General Dynamics Satcom (Vertex RSD); Aeon Coil Products; Alcatel USA; and Norris Cylinder. Major non-manufacturing employers include Good Shepherd Health System, Martin Resource Management Corporation; LeTourneau University, the City of Longview, Longview ISD, Longview Regional Medical Center, Neiman Marcus, Sitel, Pine Tree ISD and Gregg County; each entity employs 400 or more people in the 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 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.

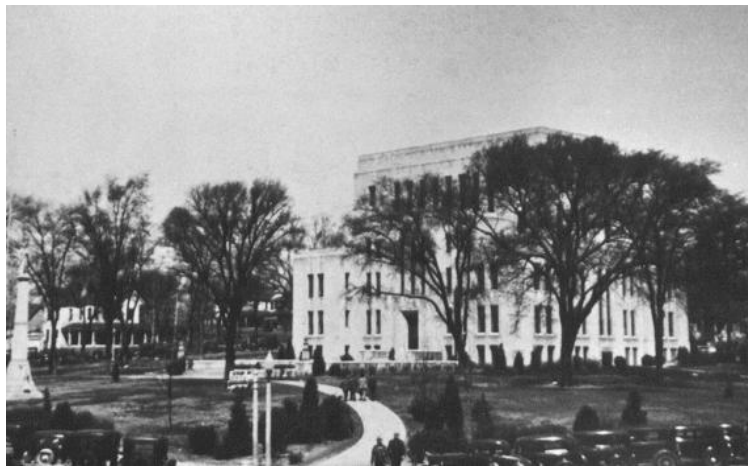


Gregg County Courthouse - 1879

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

COUNTY POLICY AND 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

- **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.
- **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. All purchase orders are cancelled at year end according to county policy.

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 a fee, unless the change is mandated. The fees the State of Texas allows the counties to collect rarely, if ever, cover the cost of services provided.
 - ◇ One-time revenues are not considered for ongoing expenditures.
- ◆ **Expenditures policies are as follows:**
 - ◇ Local Government Code 111.010 provides that once the budget is approved by the Commissioners Court, the county may spend funds only in strict compliance with the budget, except in the case of an emergency.
 - ◇ 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.

Cash Management: Investments and Reserves Policies

- 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.**

Debt Policies

- ◆ The county seeks to maintain a level of indebtedness within available resources.
- ◆ The county shall not exceed legal debt limitations as defined in Article III, Section 52 of the Texas Constitution. Debt cannot exceed \$0.80 per \$100 valuation, with the exception of road bonds. The FY08 debt limitation calculation is shown below:

Assessed valuation	=	\$7,160,169,022	
Debt Limitation	=	57,281,352	or .80 per \$100 of assessed value
Gregg County's current debt	=	868,600	or .0140 per \$100 of assessed value multiplied by 97% collection rate

- ◆ In accordance with Article XI, Section 7 of the Texas Constitution, the county is required to set aside a minimum of 2% (two percent) of the principal balance in the interest and sinking fund each year. The FY08 calculation for constitutional requirement regarding principal balance is shown below:

Principal Balance	=	\$ 868,600	
Constitutional Requirement	=	17,372	or 2% of principal balance
Gregg County	=	998,272	Estimated revenue for FY08

- ◆ 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 remaining debt was 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.**

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, capital needs assessments, and debt reduction plans.

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. This 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, 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 in FY04.

Subsequent plans have aided in the decision-making process. In FY08, the Commissioners Court reduced the tax rate by one (1) cent, based on plan projections, sending back to the taxpayers approximately \$700,000. Additionally, the Commissioners Court discontinued parking fees at the East Texas Regional Airport, sending back \$70,000 to its patrons.

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, when available, 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 recommended and/or 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 pages 43-46. Due to the high security nature of all airport matters, the county relies heavily on FAA recommendations.

In March 2007, the City of Longview presented a joint resolution signed by all Gregg County Mayors to the Commissioners Court asking the County to partner with the City of Longview in building a multi-purpose facility. The current project phase is selection of an architect by the City of Longview. The FY09 budget may address this project by direction of the Commissioners Court.

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.

The City of Longview and the Commissioners Court discussed entering into an interlocal agreement to build a multi-purpose facility w Gregg County funding the project and the City maintaining and operating the facility upon completion. Funding options available to the County include use of reserves or financing the entire project, or a combination of both. The current project phase is selection of an architect. The FY09 budget will likely include appropriations for funding this project. In keeping with the County's debt reduction policy, bonds issued would be structured to include early debt retirement options.

Basis of Budgeting

The FY08 budget was 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. With the exception of capital project funds, all encumbrances are closed at the fiscal year end by county policy.

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.** However, Gregg County maintains a policy of not spending more than our revenues, separate from our reserves.

Level of Control. The County Budget is 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.

Capital expenditure items are listed in detail in the budget document. The Commissioners Court approves the purchase of capital items listed upon adoption of the budget. Controls are in place through the purchasing and auditor's office to ensure adherence to the approved purchases. During the year unplanned capital requests are individually approved by Commissioners Court prior to making the purchase.

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 (LGC 111.0106 through 111.0107), 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.

Grant budgets are usually available for different fiscal years and they are not included in the operating budget figures; however, they are included in the audited general purpose financial statements.

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.

FY08 Budget Calendar

May 7, 2007	Department's budget request and data entry deadline
July 11, 2007	County Judge provides preliminary budget worksheets to Commissioners
July 16, 2007	Commissioners Court budget workshop
July 20, 2007	Commissioners Court budget workshop
July 19, 2007	Gregg Appraisal District delivers certified appraisal roll
July 25, 2007	County Auditor provides final FY07 estimated ending fund balances and FY08 estimated revenue to County Judge (Preliminary estimates are provided throughout budget process)
August 1, 2007	FY08 Preliminary Proposed Budget filed with County Clerk
August 3, 2007	Tax Assessor-Collector provides effective tax rate to County Judge
August 6, 2007	Commissioners Court votes to adopt the tax rate and schedule two public hearings if proposed tax rate is greater than the effective tax rate or rollback rate.
August 15, 2007	First public hearing on proposed tax rate, if proposed tax rate is greater than the effective tax rate or rollback rate.
August 20, 2007	Second public hearing on proposed tax rate, if proposed tax rate is greater than the effective tax rate or rollback rate.
August 20, 2007	Publish elected official salary increases
August 30, 2007	Public hearing on FY08 Proposed Budget
August 30, 2007	Commissioners Court adopts FY08 Proposed Budget
August 30, 2007	Commissioners Court adopts FY07 Tax Rate, which funds the FY08 Adopted Budget

Dates are subject to revision

ACCOUNTING OPERATIONS

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. The major difference between the budget document and the financial statements is that the financial statements include grant schedules and internal service and agency funds that are not considered in the County's operations budget.

CASH MANAGEMENT OPERATIONS

Investments

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 policies are shown on page 28.

Fund Balance / Reserves

Gregg County defines a reserve as 'an account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenue for a specific future purpose.' Allocated reserves are designated for a specified future use. Unallocated reserves are available for future budget allocation and are available for emergencies.

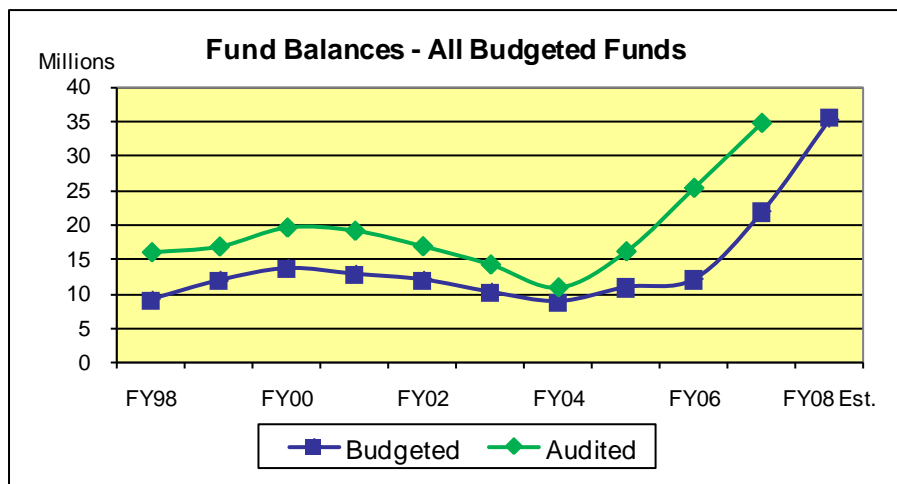
The definition of fund balance is 'the excess of the assets of a fund over its liabilities, reserves, and carryover.' State law prohibits deficits to fund balance.

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. Reserves are crucial to continued operations in the event of disaster. The current operating ratio is 78%, while, the combined proposed reserve ratio for FY08 is estimated at 65%, with the assumption that 100% of revenues are received and 100% of appropriations are spent for both FY07 and FY08.

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 FY07 and FY08 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 FY07 and FY08.



<u>Ending Fund Balance</u>	<u>Budgeted</u>	<u>Audited</u>
FY98	9,061,553	15,929,513
FY99	11,829,596	16,758,160
FY00	13,574,539	19,512,100
FY01	12,737,927	19,046,457
FY02	11,918,031	16,795,305
FY03	10,108,645	14,148,767
FY04	8,762,281	10,823,901
FY05	10,822,992	16,066,874
FY06	11,995,486	25,268,177
FY07 Unaud.	21,819,808	34,692,000
FY08 Est.	35,406,614	

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 (FY07) are expected to be provided in spring of calendar year 2008, well into the new budget year.

General Fund Projections

For fiscal year 2007, the audited beginning cash balance in the general fund was \$18,352,530. The unaudited FY07 cash ending balance of the general fund is \$26,567,360, \$3.5 million more than original budget projections of \$22,983,757.

The FY08 estimated revenues are \$34,893,204; appropriations are \$31,471,737; and budgeted net transfers and other financing sources/uses into the general fund are -\$1,306,296. The budgeted ending fund balance is projected at \$28,682,532. This projected 8% increase over FY07 is primarily due to increased interest income, jail contract income, the tax rate distribution and the conservative fiscal management of the department heads.

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, prorated and sensitivity analysis. Current year audited figures (FY07) are expected to be provided in spring of calendar year 2008, well into the new budget year.

Road and Bridge Projections

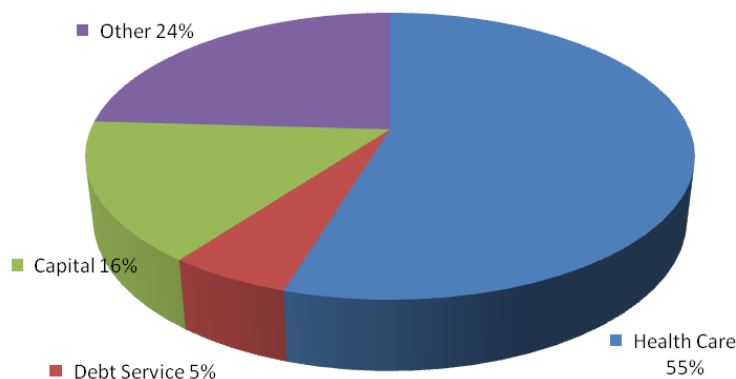
For fiscal year 2007, the audited beginning cash balance in the road and bridge fund was \$1,718,663. The estimated FY07 cash ending balance of the road and bridge fund is \$1,802,827 as of September 30, 2007, \$95,448 more than earlier projections of \$1,707,379.

The FY08 estimated revenues are \$5,642,779; appropriations are \$5,703,374; and budgeted net transfers and other financing sources/uses are \$100,000. The budgeted ending fund balance is projected at \$1,842,232.

Other Funds Projections

For the fiscal year 2007, the audited beginning cash balance in all other funds was \$5,196,984. Combined ending fund balances for FY07 are estimated at \$6,321,812. The Health Care fund ending balance consists of \$2.59 million, or 41% of all other fund balance projections.

For FY08, combined ending fund balance of all other funds is estimated at \$4,881,845. This amount includes reserves of \$2.67 million for the Health Care fund, \$267,663 for Debt Service funds, and \$528,487 for Capital funds.



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 FY08, the County's principal debt obligation of \$868,600 represents approximately 1.6% of total appropriations. 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, 2007 will be \$868,600. This debt is direct debt, payable from general revenues.

Debt Goals

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 FY08 debt service is \$.0140 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 County is compliant with this law.

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

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 FY08 total debt rate of \$.0140 per \$100 valuation will have no affect on this year's or future operations.

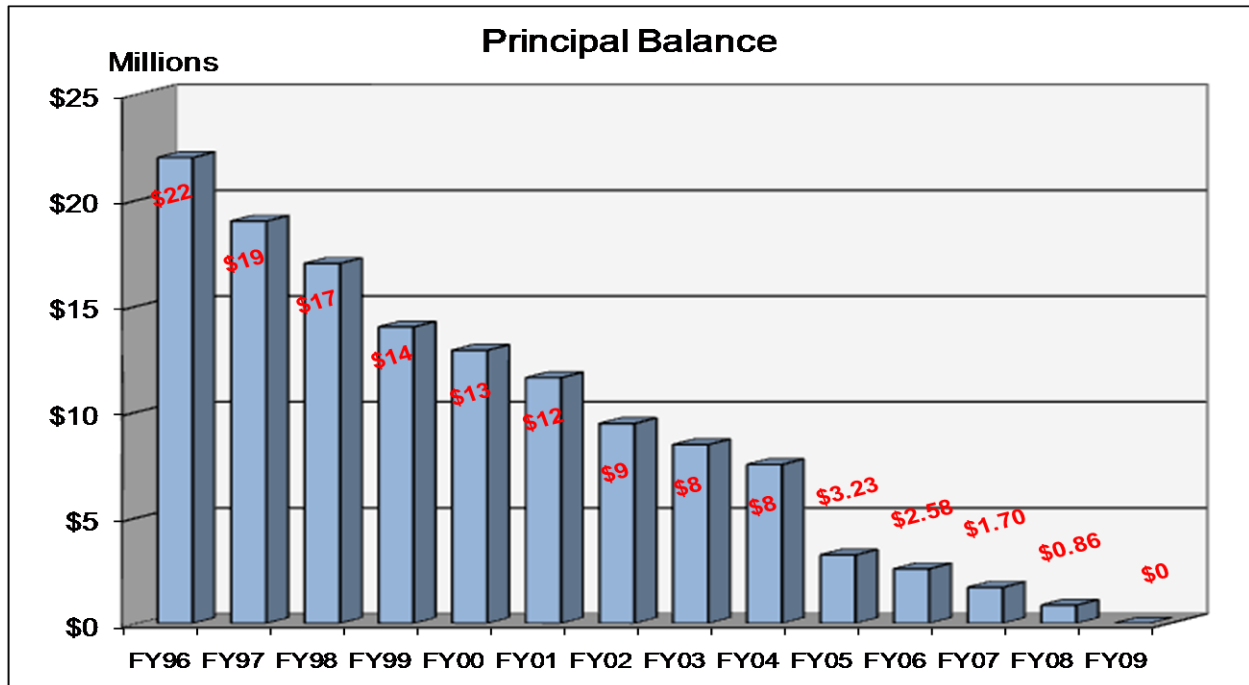
Outstanding Debt Schedule For FY08 Budget

2004 C Os			
Payment Dates	Principal	Interest	Total
3/1/2008	860,000.00	8,600.00	868,600.00
Total	860,000.00	8,600.00	868,600.00

Principal required for FY2007-08	860,000.00
Interest required for FY2007-08	8,600.00
Total Debt Service Required FY08	868,600.00

The 2004 Series was issued at \$2,575,000; payoff 3/1/2008.
There is no early payoff option.

Indebtedness	Original Issue Amount	Principal Remaining	Interest Remaining	Total Principal & Interest Remaining	Date of Maturity
2004 Series	\$ 2,575,000	\$ 860,000	\$ 8,600	\$ 868,600	3/1/08 No early payoff



The chart shows outstanding principle from FY96 through FY09.

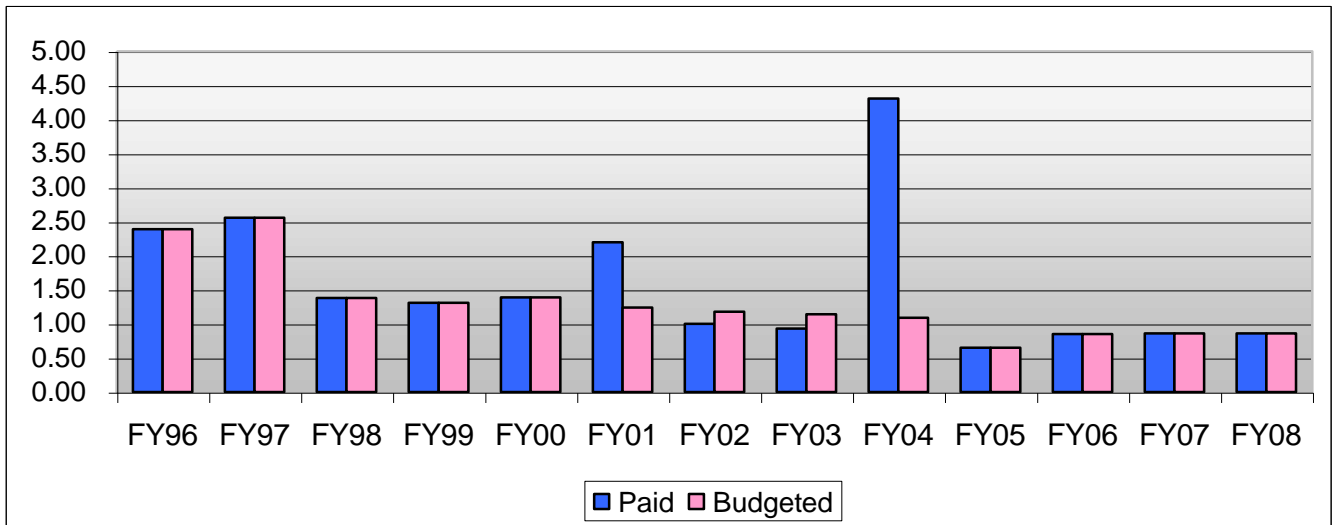
Debt Service Funds

Debt service funds account for the accumulation of resources for and the payment of general long-term debt principal and interest. As required by GAAP, each obligation is accounted for in its own fund.

GOALS and ACCOMPLISHMENTS:

- Retire all debt early, when possible
 - *The 1990 and 1992 series were retired in FY01.*
 - *The principal balance of the 1993 series was paid down and remaining funds were refinanced in March, 2004.*
 - *The 2004 series will retire in 2008, instead of 2010 (1993 series).*
 - *The 1988 series was retired in March of 2005.*

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
General Obligation Bonds Series 1988 Courthouse	\$2,390,874	\$2,390,000	\$0	\$0	\$0
Certificates of Obligation Series 1993 Jail	3,797,295	0	0	0	0
Certificates of Obligation Series 2004 Jail	26,050	51,823	898,273	886,143	869,600
Total Expenses	\$6,214,219	\$2,441,823	\$898,273	\$886,143	\$869,600



The chart shows paid debt paid that was callable in FY01 and the FY04 refinancing as compared to the original budget for that year. Budget amendments were required prior to payoff.

CAPITAL PROJECTS OPERATIONS

Capital projects are considered major construction, acquisition, or renovation activities which add value to a government’s physical assets or significantly increase the assets’ useful lives. Capital expenditures include all purchases that will be capitalized, whether purchased within the individual departments, or in capital project funds. This section discusses capital projects operations, first, then provides a summary of Gregg County’s Capital Asset Guide and a combined chart of all items to be capitalized in FY08.

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.

Capital Project Expenditures from FY04 to FY08

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Permanent Improvement Fund	\$0	\$0	\$0	\$0	\$100,000
Airport Capital Improvement Fund	\$657,038	\$892,523	\$3,368,436	\$5,429,230	\$12,268,500
Longview Community Center	\$33,503	\$16,646	\$73,774	\$19,855	\$50,000
Industrial Airpark Improvements	\$0	\$24,681	\$88,399	\$84,684	\$0
124 th Dist. Courtroom	\$0	\$1,904	\$207,313	0	0
Records Storage Building	\$0	\$0	\$359,096	\$113,105	\$0
Computer Upgrade Project	\$0	\$0	\$0	\$1,051,085	\$994,004
307th Dist. Courtroom	\$0	\$0	\$0	\$11,402	\$282,217
Total Capital Projects Expenses	\$690,541	\$935,755	\$4,097,017	\$6,709,361	\$13,694,721

Blue = routine capital projects. **Black** = completed capital projects. **Green** = projects to be completed during FY08.

Capital Projects’ Budgetary Impact – The FY08 capital projects budget represents 27% of the total operating budget and is funded without debt by using reserves. As in prior years, Gregg County’s capital projects scheduled for FY08 has no direct **labor force impact** on the County through either reduction or addition of job positions. The **operations budgetary impact** of each capital project is discussed with the fund’s description. The overall **financial impact** for the County is that the use of reserves for capital projects could result in savings of debt interest expenses in the long term.

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, the juror selection process.

With the support of all mayors of Gregg County, the City of Longview approached the Commissioners Court about entering into an interlocal agreement to build a multipurpose facility, with Gregg County funding the project and the City maintaining and operating the facility upon completion. The current project phase is selection of than architect. The FY09 budget will likely

include appropriations for funding this project, with funding from reserves or financing the entire project, or a combination of both.

Unfunded state mandates affect the ability to plan for additional capital projects.

RECENT PROJECTS:

Projects completed during the past several years from the courthouse capital project fund included the following:

- Renovation of the 188th and 124th district courtrooms, included carpeting, wall covering, ceiling suspension, new seating and remodeling for ADA compliance
- Sound systems for all courtrooms
- Wallpaper, carpet and upholstery for various offices, and corridors
- Elevator upgrades
- Courthouse restrooms were remodeled to comply with the American Disability Act (additional funds were obtained to partially fund this project)
- Various construction / renovation projects were performed at the existing jail facilities.

Industrial Airpark improvements (including roads, a taxiway and utility infrastructure) were made to attract more business to the Industrial Airpark and Foreign Trade Zone. The project was completed in FY07 at a total project cost of \$197,764. **Budgetary Impact:** These improvements greatly impact local economic development and local labor force when facilities are added and/or businesses locate in the airpark. At that time the County's revenue will be increased in rents and taxable valuations will increase. Other impacts are discussed under Airport Improvement below.

A new **Records Storage Building** was built adjacent to the existing facility and is large enough to handle all records storage for the next 25 years. The project included a design-build facility, shelving costs, parking and walkway improvements, and upgrades to the existing facility. This project was completed in FY07 and the total project cost was \$472,201. **Budgetary Impact:** This addition doubled the space available for records storage, increased the number of voice and data stations and also doubled the space to heat and cool. However, these are minor increases to the County's utility and communications budgets when compared to expenses at other major facilities (courthouse and jail).

Current Capital Project Fund Descriptions

Permanent Improvement Fund – This fund was created in FY06 as a contingency to fund special projects unknown at the time of the budget adoption. This fund is considered 'routine' as it is not assigned to a particular project to be completed in a finite time. FY08 budget is \$100,000, and ***budgetary impacts*** are unknown at this time.

Longview Whaley Community Building – This fund is used to account for activity at this community building. This project is ongoing and 'routine' in nature; the FY08 budget includes \$50,000. The project is completed in phases and final completion is not known at this time.

Built in 1939, this facility (located on Whaley Street) is considered an historical landmark. The FY07 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.

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.

Budgetary Impact: improvements have included replacing heating and air conditioning units and remodeling the theatre area. These items impact the use of the facility, but have not had a significant impact on County operations, as facility operations are managed by the Longview Federated Clubs. Changes in heating and air conditioning costs have minimal impact on the County’s utility expense.

Computer Upgrade – The FY07 budget included \$2,004,748 for upgrades to the existing judicial system and tax collection system, which have not had major upgrades in approximately 7 years. Remaining funds of \$976,004 were carried forward to complete the project in FY08. This project is not ongoing and the fund will close upon project completion.

Budgetary Impact: This project does not impact the County’s operational budget significantly, as future maintenance costs for software replace current maintenance costs.

307th District Courtroom – The 307th District Courtroom was built and furnished in 1982. The FY07 budget included funding for renovations to the 307th District Courtroom, including seating, wall covering, lighting, floor covering and ADA improvements. Remaining funds of \$277,217 were carried forward to complete the project in FY08. This project is expected to be completed during FY08.

Budgetary Impact: Courtroom renovations have minimal impact on the County’s operational budget and do not generate revenue or cost savings.

Airport Capital Improvement Fund – 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 2013. The County retains an engineering firm to oversee the construction projects and assist with coordinating the FAA grant documentation.

The FY08 Budget provides for \$12,268,500 in capital expenditures for the East Texas Regional Airport. Gregg County is committed to an ongoing airport improvement program to further advance economic development in the east Texas region. Airport improvement 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 chart on page 45 provided by the airport manager and is a concise version of the airport master plan. Gregg County is responsible for budgeting, bidding and expending 100% of the federally approved projects and is reimbursed at a rate of 90 to 95%. The County’s funding requirement for FY08 is \$879,675. The FAA approved master plan from 1991 to date is shown on page 45. The master plan with projects listed through the year 2013 is available for review at the airport manager’s office.

Budgetary Impact:

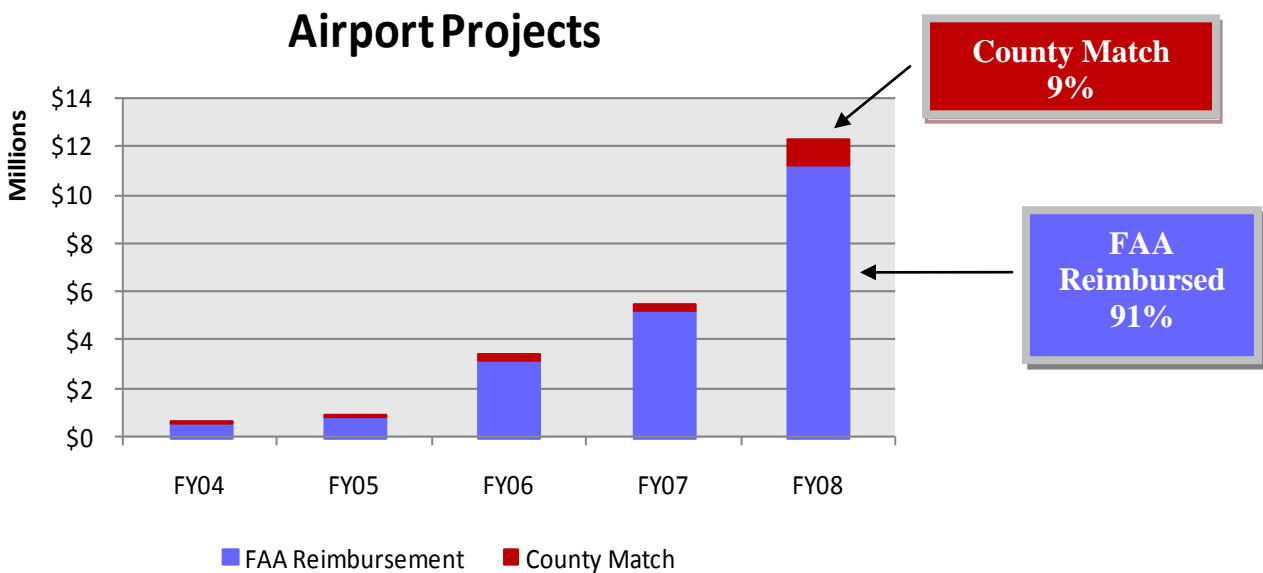
The budgetary impact of capital projects at the East Texas Regional Airport is indirect in nature. Airport improvement projects do not influence Gregg County’s labor force through either reduction or addition of job positions or operation expenses; however, airport activities impact the local labor

force. Airport improvements are approved by the FAA who, in turn, certifies the airport to allow continued operations. Should the County choose to forego the airport projects, airport functions could be partially or completely discontinued. This would significantly affect the County's budget, but most importantly, would severely disrupt the economy of the entire East Texas region.

Recently the Texas Department of Transportation Aviation Division assessed the economic impact of aviation using a multiplier impact method that has been approved by the FAA and applied to airport systems throughout the nation. The East Texas Regional Airport's total economic impact was quantified in terms of employment, payroll, and economic activity (output).

By utilizing these approved measures of activity, the State determined that the commercial service and general aviation activity at our airport generates approximately 685 full-time jobs, \$22.1 million in payroll, and \$55.3 million in total economic impact.

While the \$12 million budget for airport improvement projects drastically inflates the total expenditures in the FY08 budget, it is important to note that 90 to 95% of the project is reimbursed by the Federal Aviation Administration, thus inflating total revenue.



	FY04	FY05	FY06	FY07	FY08
FAA Reimbursement	\$591,335	\$838,455	\$3,130,112	\$5,205,230	\$11,174,150
County Match	\$65,703	\$54,068	\$238,324	\$224,000	\$1,094,350
Total Expense	\$657,038	\$892,523	\$3,368,436	\$5,429,230	\$12,268,500
FAA Portion	90%	94%	93%	96%	91%
County Match	10%	6%	7%	4%	9%

Airport Master Plan Projects

Project Description	County Match %	Year	FAA Grant	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		94-96	1,039,610	115,512	\$1,155,122
Aircraft Rescue Fire Vehicle		94-96	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	\$723,060
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	2,081,911	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
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 1		05/06	2,375,000	125,000	\$2,500,000
Landside Drainage Imp. Construction		06/07	2,804,655	147,613	\$2,952,268
Terminal Surveillance Equipment		06/07	26,249	1,382	\$27,631
Maintainer Purchase		06/07	237,500	12,500	\$250,000
TOTAL MASTER PLAN FROM 1991 TO 2007			\$24,311,927	\$1,996,088	\$26,308,015
RSA Improvements	5%	07/08	5,795,000	305,000	6,100,000
ARFF Truck	5%	07/08	641,250	33,750	675,000
Rehab M Taxiway	10%	07/08	3,559,500	395,500	3,955,000
Engineering for Recon Golf Taxiway	10%	07/08	658,800	73,200	732,000
Engineering for Repl. Runway lights, signs	10%	07/08	169,200	18,800	188,000
Environmental Assess. So. Perimeter Rd.	10%	07/08	405,000	45,000	450,000
Maintainer	5%	07/08	160,075	8,425	168,500
SUBTOTAL FY08 EST. PROJECT COSTS			\$11,388,825	\$879,675	\$12,268,500
TOTAL COSTS FROM 1991 TO 2008			\$35,700,752	\$2,875,763	\$38,576,515

NOTE: FAA projects span across County fiscal years. For example, total Master Plan project for FY06/07 equals \$3.2 million, but actual expenses for FY07 included final construction for FY06 projects, while other projects (such as the maintainer purchase) were moved forward into the FY08 budget.



The pictures on this page were taken at the East Texas Regional Airport, formerly known as the Gregg County Airport. The airport terminal building is shown to the left.



This picture supports the community significance of the airport and the many functions it serves. The picture was taken in 1992 and 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. The above picture was taken during one of the nightly balloon ‘glows’.

A Note About State Highway Projects

State highway projects are for state roads and the roads do not belong to the county at the end of the project. Funding is budgeted as an expense in the right-of-way department in the road and bridge fund. (see page 194)

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 was 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 first payment for Phase II of \$42,000 was paid in FY06 and \$42,000 paid in FY07. The final payment of \$40,000 was budgeted in FY08.

Through its prudent management of funds, Gregg County has been able to fund state highway projects for several years through the use of reserves. Funding for future projects will likely include the issuance of debt.

In FY07, the Commissioners Court passed a resolution to fund \$2 million dollars toward the SH42 project. Gregg County will also partner with TxDOT, the city of Longview, and NETRMA on the expansion of George Richey Road. As the northern part of the County continues to grow, the widening of Tryon Road is inevitable and there will be numerous traffic issues the County will be responsible for.

All projects listed could be affected by decreased budgetary constraints at the Texas Department of Transportation. These monetary cutbacks could result in the delay of many of these projects.

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

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. Items between \$500 to \$5,000 are considered as inventory and are listed as non-capital equipment.

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.

FY08 Capital Outlay Schedule

Non-Capital – Furnishings and Equipment (\$500 to \$4,999.99)

Fund - Org	Dept Name	Account	Total	Description
110-100560	Information Services	754000	\$45,000	Replace 50 PCs @ \$900 ea
110-100560	Information Services	754000	\$900	New PC for Co Clerk emp
110-100560	Information Services	754000	\$20,000	Replace printers 20 @ \$1,000 ea
110-100560	Information Services	754000	\$7,000	Replace scanners 10 @ \$700 ea
110-100560	Information Services	754000	\$18,000	Office furniture for 5 offices \$18,000
	Total Org 100560		\$90,900	
110-140880	Health Department	754000	\$3,500	Security system
110-140880	Health Department	754000	\$3,244	Storage unit
110-140880	Health Department	754000	\$2,500	Reception room seating
110-140880	Health Department	754000	\$700	Laptop
	Total Org 140880		\$9,944	
110-150633	Liberty City Community Bldg	754000	\$5,000	replace a/c unit
	Total Org 150633		\$5,000	
110-150634	Hugh Camp Memorial Park	754000	\$5,000	Playground equipment
	Total Org 150634		\$5,000	
110-150636	Kilgore Comm Bldg	754000	\$8,000	Sprinkler system for lawn
	Total Org 150636		\$8,000	
212-100520	Elections Services	754000	\$1,500	Laptop for additional voting station
	Total Org 100520		\$1,500	
213-100448	Records Mgmt - Co Clerk	754000	\$5,000	Label Printer
213-100448	Records Mgmt - Co Clerk	754000	\$600	Scanner
	Total Org 100448		\$5,600	
215-160840	Road & Bridge Precinct #4	754000	\$4,000	Color printer
215-160840	Road & Bridge Precinct #4	754000	\$500	Chair
	Total Org 160840		\$4,500	
218-130697	Airport - Public Safety	754000	\$5,500	Bunker gear, bed unit
	Total Org 130697		\$5,500	
	Grand Total Non-Capital		\$135,944	

Capital Outlay – Furnishings and Equipment (over \$5,000)

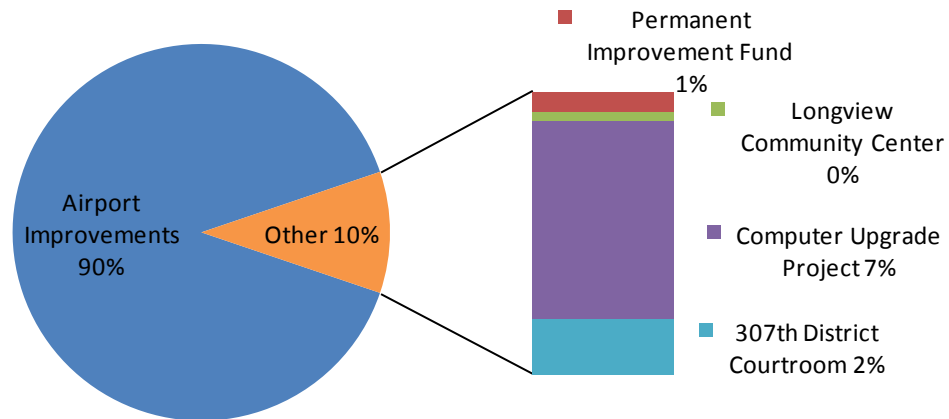
Fund - Org	Dept Name	Account	Total	Description
110-100560	Information Services	753000	\$30,000	Upgrade T1 network to DS3
110-100560	Information Services	753000	\$5,000	Server rack
	Total Org 100560		\$35,000	
110-120742	Sheriff	753000	\$102,500	Patrol cars (5) @ \$20,500 ea
110-120742	Sheriff	753000	\$32,000	Fleet Cars 2 @ \$16,000 ea
	Total Org 120742		\$134,500	
110-120750	Contract Jail Operations	753000	\$32,000	Van
110-120750	Contract Jail Operations	753000	\$32,000	Fleet Cars 2 @ \$16,000 ea
	Total Org 120750		\$64,000	
110-140880	Health Department	753000	\$12,500	Alternative fuel car with grant money
	Total Org 140880		\$12,500	
215-160810	Road & Bridge Precinct #1	753000	\$100,000	Motorgrader and reclaimer
	Total Org 160810		\$100,000	
215-160830	Road & Bridge Precinct #3	753000	\$55,160	Rubber-tire roller
215-160830	Road & Bridge Precinct #3	753000	\$6,440	Exmark mower
	Total Org 160830		\$61,600	
215-160840	Road & Bridge Precinct #4	753000	\$53,700	Backhoe
215-160840	Road & Bridge Precinct #4	753000	\$25,000	Pickup
	Total Org 160840		\$78,700	
218-100696	Airport - Maintenance Shop	753000	\$45,000	Dump truck
218-100696	Airport - Maintenance Shop	753000	\$40,000	Tractor
	Total Org 100696		\$85,000	
	Grand Total Capital (over \$5,000)		\$571,300	

FY08 Capital Outlay Schedule (continued)

Capital Outlay – Land Buildings and Other Improvements

Fund - Org	Dept Name	Account	Total	Description
450-150999	Permanent Improvements	752000	\$100,000	Facility improvements
	Total Fund 450		\$100,000	
460-100692	Airport Improvements	756916	\$675,000	ARFF Truck
460-100692	Airport Improvements	756920	\$168,500	Maintainer
460-100692	Airport Improvements	756921	\$6,100,000	Runway Safety Area Improvements
460-100692	Airport Improvements	756922	\$450,000	Environmental Assmt-So. Perimeter Road
460-100692	Airport Improvements	756923	\$3,955,000	Reconstruct M Taxiway
460-100692	Airport Improvements	756924	\$732,000	Design Only - Reconstruct G Taxiway
460-100692	Airport Improvements	756925	\$188,000	Design Only - Runway Lights/signs repl
	Total Fund 460		\$12,268,500	
468-150610	Longview Whaley Comm Bldg	752000	\$40,000	Building improvements
468-150611	Longview Whaley Comm Bldg	753000	\$10,000	Equipment
	Total Fund 468		\$50,000	
472-100570	Computer Upgrade Fund	753000	\$994,004	Computer Upgrade project
	Total Fund 472		\$994,004	
473-150570	307th Courtroom Project	752000	\$282,217	Courtroom improvements
	Total Fund 473		\$282,217	
	Grand Total Capital Project Funds		\$13,694,721	

FY08 Capital Outlay

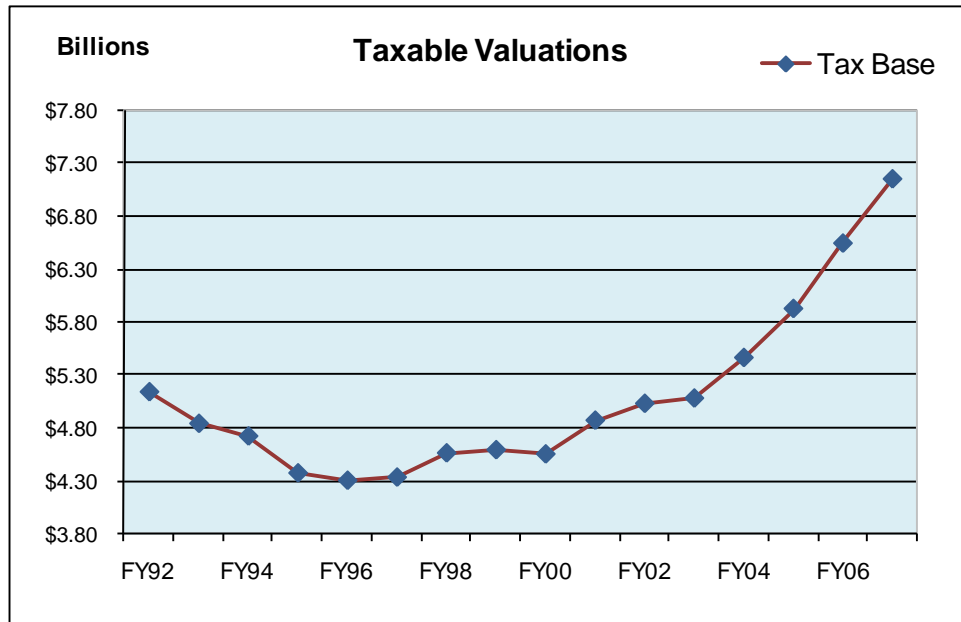


The chart shows Airport Improvements are 90% of the total FY08 capital outlay. Airport projects funded by the FAA on a matching reimbursement basis, with the County providing 5 – 10% of the cost.

FY07 TAX DATA

NOTE: The FY07 taxable valuations and FY07 tax rate funds the FY08 adopted 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 FY07 tax base valuations used for the FY08 Budget are \$7,160,169,022. 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
2006	6,550,741,951	6,505,069,785
2007	7,160,169,022	7,114,195,666

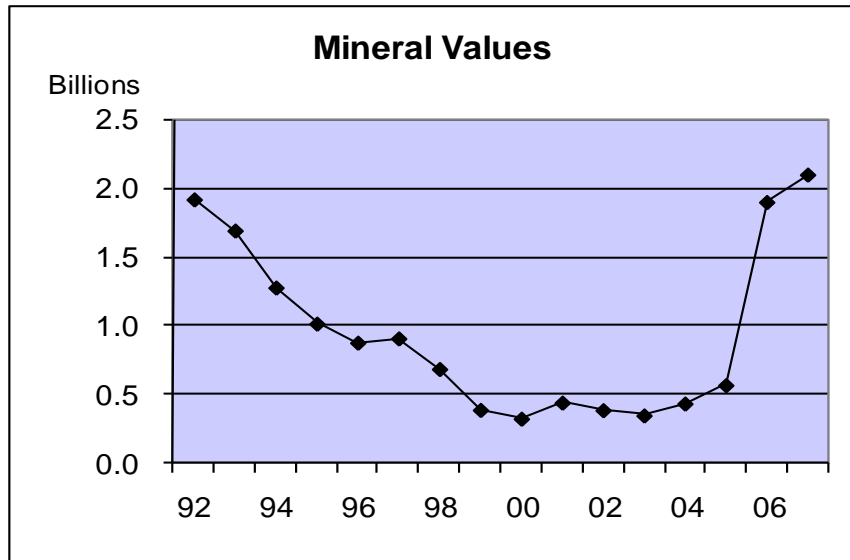
Tax Freezes – On January 12, 2004, the Commissioners Court adopted Proposition 13, a constitution amendment to Article VIII, Section 1-b(h) of the Texas Constitution. This Proposition authorizes a county to establish an ad valorem tax freeze on residence homesteads of the disabled and of the elderly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

The FY08 budget includes adjustments on frozen property values. Total 2007 property value eligible for the tax freeze is \$525,339,349. The revenue loss due to frozen property values is approximately \$228,094.

Frozen Taxes:	2005 Taxable Value	2006 Taxable Value	2007 Taxable Value
Total frozen value for over 65	\$380,879,932	\$431,688,554	\$488,734,803
Total frozen value for disabled person	<u>24,475,018</u>	<u>30,253,976</u>	<u>36,604,546</u>
Total frozen taxable values for 2005	\$405,354,950	\$461,942,530	\$525,339,349
Total frozen taxes over 65	\$1,007,117	\$1,061,584	\$1,102,095
Total frozen taxes disabled person	\$64,576	\$74,558	\$81,173
Total revenue loss	\$61,402	\$152,578	\$228,094

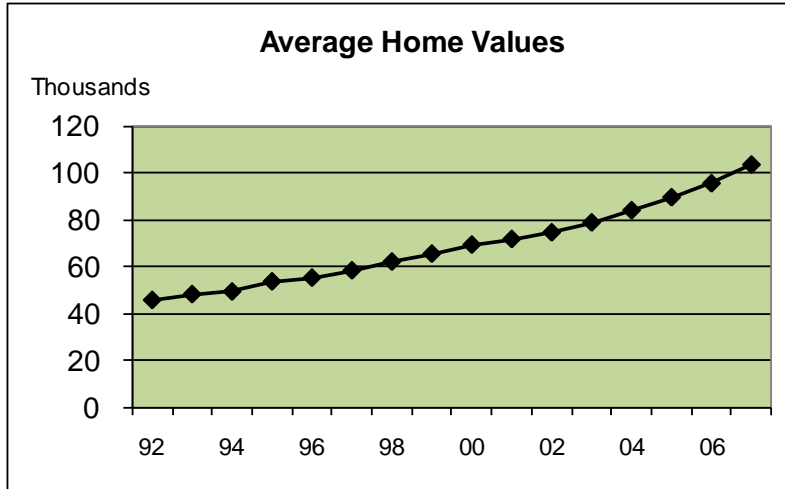
Both total taxable values and frozen taxable values have increased 29.5% in 2 years; the average annual increase is 13.8%. The annual loss in tax revenue, increased by 271% in 2 years.

Mineral values - Over the past 15 years (from 1992 to 2006) 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 2006 has had an adverse affect on the county’s tax base. Gas production increased has increased in the area and due to the rising price of oil the mineral valuations increased 270% since FY05.



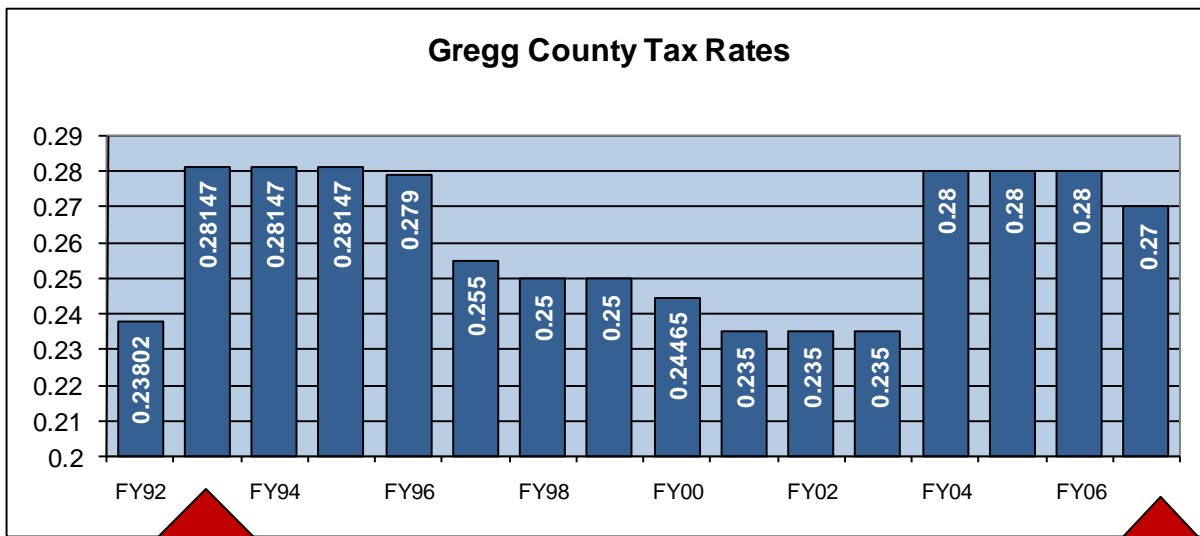
Average Home Values - Since 1996, the sustained increase in home values have helped stabilize the overall tax base by substantially offsetting the mineral value decreases. Economic diversification and growth, population increases, and rising property values are crucial to the recovery and stabilization of Gregg County’s tax base.

As the nation's housing trends have spiraled downward, the East Texas region has experienced growth spurts with baby boomers leaving major metropolis areas to retire in the area. As the area continues to grow, the quality of life improves and people can afford better housing. Average home values have risen by 56% since 1992. The average home value increased 6.6% from \$89,582 in 2005 to \$95,512 in 2006 and 8.3% from 2006 to 2007. The average home value for 2007 is \$103,474.



Property Tax Rate – The chart below reflects the historical tax rate changes. The FY07 tax rate will fund the FY08 adopted budget was reduced by one penny (1¢) per \$100 valuation.

The tax rate reduction from 0.28 to 0.27 per \$100 valuation will send back taxpayers approximately \$700,000.



Note: Our 2008 tax rate is less than our 1993 tax rate:

1993 = .28147

2007 = .27

**AN ORDER OF THE COMMISSIONERS COURT OF
GREGG COUNTY, TEXAS, MAKING TAX LEVIES
FOR GREGG COUNTY FOR TAX YEAR 2007**

§

BE IT REMEMBERED at a special meeting of Commissioners Court of Gregg County, Texas held on the 30th day of August, 2007 on a motion made by Charles Davis, and seconded by Bob Barbee, the following Court Order was adopted:

- WHEREAS, the Commissioners Court has considered all requests for County expenditures for the fiscal year beginning October 1, 2007 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 2007 and August 20 2007 to allow public comment on the proposed FY07 tax rate, which will fund the FY08 budget; and
- WHEREAS, Commissioners Court action is required to finally adopt a tax rate for tax year 2007 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 \$0.27000 on each \$100 assessed valuation of all taxable property in the County, as more fully described below:

FOR MAINTENANCE AND OPERATIONS


\$.1997 for General Fund
.0160 for Airport Maintenance Fund
.0053 for FM Lateral Road
.0350 for Road & Bridge
\$.2560 Total Maintenance and Operations Tax

FOR DEBT SERVICE


\$.0140 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 \$ 9.56.

DONE IN OPEN COURT this the 30th day of August, 2007.



Bill Stoudt, County Judge



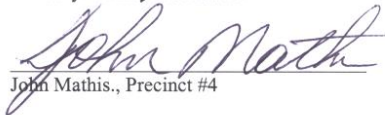
Charles W. Davis, Precinct #1



Bob Barbee, Precinct #3



R. Darryl Primo, Precinct #2



John Mathis, 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, Salary Re-Alignments and Longevity Pay

The FY08 includes a 3% cost of living adjustment (COLA). In addition to the cost of living adjustment, the departments were allowed 3% of their total annual salaries to distribute as merit pay. Since 2004 salary increases were cost of living adjustments and applied to every position. Merit pay is awarded by the department head to those individual employees who excel in their job performance. Individual merit increases are limited at 3% of the FY08 position budget.

The County has experienced frequent turnover in several county positions due to competitive salaries in local law enforcement and legal services. Any loss in either of these two areas is significant due to additional training of these employees. Salary re-alignments were provided for those positions in effort to retain these valuable employees.

The sheriff's office positions increased all positions under \$27,000 by 8% and all positions above that by 6% (total department \$458,723). This includes positions in the sheriff's office, contract jail services, Marvin A. Smith facility, building security, and 9-1-1 addressing organizations.. The airport public safety department, also under the sheriff's jurisdiction, included the final increase as part of a three year salary realignment plan plus the aforementioned 6% adjustment (total department increase \$36,791). Employees in the airport public safety department are dual certified in fire and public safety. Sheriff's positions are not eligible for merit increases in FY08.

The district attorney's office added 5% to five (5) felony prosecutor positions, for a total of \$15,314, with the option for the District Attorney to give additional merit according to policy.

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.

The FY08 budget includes one new position in the County Clerk's office. The position will provide assistance to the Birth and Death department where workloads have increased by 13%; assist the chief deputy with bookkeeping/reporting requirements; scan records for the

recording division among other things. The cost of this position is \$32,623, of which \$11,085 is benefits.

Four 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 25 jailers at a cost of \$770,472 over the course of three years. The Gregg County jail was state certified in FY2006. The FY07 budget included 8 additional jailer positions at a cost of \$294,499 in order to maintain staff to inmate ratio. This unfunded state mandate has increased the county budget over \$1.06 million in the last four years.

In early 2007 the jail lease contract with MTC ended upon completion of their facility. The sheriff had worked diligently with the Commissioners Court to secure contracts with the U.S Marshal Service and Smith County. A contract jail operations department was created and 26 new positions were included in the FY07 budget at a prorated amount of \$621,817. To meet staffing level requirements for new contracts for jail beds, 12 jailer positions and 2 nurse positions were created in FY08, for an annual cost of \$523,554.

The County entered into an interlocal agreement with the Sabine Independent School District to provide a school resource officer, with the school paying an amount equal to 180 days of the officer's salary (approximately \$35,000). The officer is an employee of the Sheriff's Office and will be available at for county assigned duties on days other than school days. The total cost of this position is \$53,642.

The Sheriff's Office budget also includes two positions formerly accounted for in a grant fund. These mental health deputy positions have operated under a contractual agreement with the local mental health authority (Sabine Valley Center) for many years. The funding and agreements are still in place, but for accounting purposes, the positions were incorporated into the Sheriff's Office budget in FY08.

Each of the road and bridge precincts added one additional operator. The total cost of these three employees is \$136,240.

The district attorney's office added two new felony prosecutors at a cost of \$170,795. Historically the district attorney's office has had five (5) felony prosecutor positions, including the grand jury attorney, since 1985. Over the last 13 years, statistics show a 58% increase in the number of felony cases filed, a 38% increase in the number of felony jury trials, and a 60% increase in the number of felony convictions. In the last six (6) years the number of grand jury cases filed has increase by 40%.

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.

During FY07, the collections department was restructured from two to three employees with one administrator and two clerks. The FY08 budget for personnel costs in this department is \$38,608 more than the original budget in FY07.

The Justice of the Peace and Constable offices in Precinct #3 shared a part-time clerk position for two years. This Justice of the Peace office has experienced the greatest increase in case filings and revenue due to the large area it incorporates. The Justice of the Peace requested a separate clerk for their office, a total increase of \$12,083.

The print shop position in the maintenance department was moved from maintenance into the internal service fund to appropriately account for print shop expenses. This results in a reduction of \$33,909 to the maintenance department budget.

During FY07, the newly elected Road and Bridge Precinct #4 Commissioner restructured his department and eliminated a clerical position due to attrition. Most of the savings from this vacancy were applied to existing positions to better re-align salaries among precincts.

Restructured positions include one communications supervisor/technician analyst in the sheriff's office, which was formed by combining two part-time positions, one in the sheriff's office and one in the 9-1-1 addressing office. This position will oversee the communications center, wireless data system, TLETS system, as well as the DVR video system in the courthouse and north jail. Total additional cost for this restructured position is \$20,141.

The FY08 budget includes \$6,583 to restructure two maintenance positions at the airport. The maintenance superintendent duties have increased to include training all airport employees in all areas mandated by the FAA and keeping the training records according to FAA specifications. Additionally, the position is required to oversee and coordinate all construction at the airport. Training includes all airport vendors and their employees. Since this position is responsible for assurance that all maintenance and operations of the airport are done to FAA standards the position title is changed to Operations Director. Additionally, a second position title is changed to Maintenance Foreman, who will act as second in command and relieve the Operations Director from the daily routine of job assignments and follow-up in the maintenance department and ordering supplies.

Position Schedules

The following schedules of position changes depict the growth of positions in the County from FY04 to FY08. 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 FY04	Actual FY05	Actual FY06	Amended FY07	Adopted FY08
General Government	105	96	96	96.5	96.5
Health / Welfare	13.5	13.5	14	13.5	13
Judicial	75.25	78	78	81	83.25
Law Enforcement / Corrections	153.75	175.75	192.5	229	247.25
Public Buildings	22	22	22	21	20
Transportation	50	49	49	48	51
Totals	419.5	434.25	451.5	489	511

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

Category	% Change FY04 to FY08	Count Changes FY04	Count Changes FY05*	Count Changes FY06	Count Changes FY07	Adopted Changes FY08
General Government	-8%	-6.25	-9	0	.5	0
Health / Welfare	-3.7%	0	0	.5	-.5	-.5
Judicial	10.6%	-1.75	2.75	0	3	2.25
Law Enforcement / Corrections	60.8%	8.25	22	16.75	36.5	18.25
Public Buildings	-9%	1	0	0	-1	-1
Transportation	2%	-3	-1	0	-1	+3
Totals	21.8%	1.75	14.75	17.25	37.5	22

*In FY05, 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.

Positions shown in the following chart 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.

Personnel Positions by Department					
Department	Actual FY04	Actual FY05	Actual FY06	Amended FY07	Proposed FY08
County Clerk	19	20	20	20	21
Purchasing	2.5	2.5	2.5	2	2
Human Resources	3	3	3	3	3
County Judge	3	3	3	3	3
Elections	4	4	4	4	4
County Auditor	9	9	9	9	9
Tax Assessor-Collector	31	30	30	30	30
Information Services	7	7	7	7	6
Extension Office	5.5	5.5	5.5	5.5	5.5
County Court-at-Law #1	3.5	3.5	3.5	3.5	3.5
County Court-at-Law #2	3.5	3.5	3.5	3.5	3.5
124th District Court	2	2	2	2	2
188th District Court	2	2	2	2	2
307th District Court	2	2	2	2	2
District Clerk	21	21.5	21.5	21.5	21.5
Justice of the Peace Precinct #1	4	4	5	5	5
Justice of the Peace Precinct #2	2.5	2.5	2.5	2.5	2.5
Justice of the Peace Precinct #3	4	4.25	4.25	4.25	4.5
Justice of the Peace Precinct #4	3	3	3	3	3
District Attorney	24	26	25	25	27
Collections	0	0	0	3	3
Constable #1	1.25	1.25	1.25	1.25	1.25
Constable #2	1	1	1	1	1
Constable #3	1	1	1.25	1.25	1.5
Constable #4	1	1	1	1	1
Sheriff	146	159	166.5	177	181
Contract Jail Operations	0	0	0	26	40
MAS Criminal Justice Center	0	0	8	8	8
Department of Public Safety	1.5	1.5	1.5	1.5	1.5
Juvenile Board	3	3	3	3	3
Veterans Service	2	2	2	2	2
9-1-1 Addressing	2	2	2.5	2.5	2
Health Department	9.5	9.5	9.5	9	9
Courthouse Building	19	19	19	18	17
Community Buildings	3	3	3	3	3
Co Clerk Records Management	2	2	2	2	2
Road & Bridge Administration	4	4	4	4	4
Road & Bridge Precinct #1	14	15	15	14	15
Road & Bridge Precinct #2	1	1	1	1	1
Road & Bridge Precinct #3	17	16	16	17	18
Road & Bridge Precinct #4	14	13	13	12	13
Law Library/County Records Mgmt	0.75	0.75	0.75	0.75	0.75
Airport Administration	19	10	10	11	11
Airport Public Safety	0	9	9	10	10
Building Security	2	2	3	2	2
Totals	419.5	434.25	451.5	489	511

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 county's insurance consultant recommended a fifteen percent (15%) increase to the health and dental insurance premiums for FY08. The county's estimated insurance cost for 511 full-time employees is \$3.47 million for group health and \$174,240 for dental insurance.

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 \$84,350. The County's unemployment contribution rate increased slightly from .27% to .295%.

The retirement rate is annually approved by the Commissioners Court, usually prior to budget adoption. The Commissioners Court voted to increase the employer contribution ratio from 1.73 to 2.00. This contribution change begins January 1, 2008 and will only affect employees' wages from that date forward. The 2008 employer contribution rate increased from 8.86% to 9.47%. The employee contribution rate remained at 7%. The 79th Legislature passed bills requiring retirement contributions for all part-time employees. The retirement system operates on a calendar year. Retirement contributions are estimated at \$1,657,845.



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 FY08 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, public safety, health and human services (welfare), public buildings, roads and transportation, debt service, and capital project functions. The departmental budgets indices on pages 101-102 list the departments alphabetically by function.

The **operating and non-operating** schedule on page 68 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 accommodate 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 according to GAAP in order to record capital expenditures on individual projects.

Accounting Funds Overview

Major funds are governmental funds reported as a separate column in the basic fund financial statements. These are funds whose revenues, expenditures, assets, or liabilities are at least 10 percent of corresponding totals for all governmental funds and at least 5 percent of the aggregate amount for all governmental funds for the same item.

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 (2)** – 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 fee that is accounted for in the *Justice Court Security Fund* for security in the Justice of the Peace offices 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.

Accounting Funds Overview (continued)

- **Law Library** - The law library fund is restricted for the provision and upkeep of the county's law library. The principal sources of revenue are state authorized fees.
- **Records Management (5)** – 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 FY08.

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 – 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.
- 124th District Courtroom – Upgrades to this courtroom include carpeting, wall covering, dropping the ceiling and seating changes.
- Records Storage Building – This fund is used to account for building a new facility adjacent to the current records storage facility
- Computer Upgrade – Upgrades include the judicial system and tax collections system.
- 307th District Courtroom – Upgrades to this courtroom include carpeting, wall covering, seating changes.

**Recapitulation Of
Fiscal Year 2008 Adopted Budget
By Category**

	General Fund	Road & Bridge	Other Special Revenue Funds	Debt Service	Capital Improvement Funds	Total All Funds
Est. Balance at 10/1/07 (1)	\$26,567,361	\$1,802,827	\$4,091,867	\$138,991	\$2,090,954	\$34,692,000
Revenues						
Property Taxes - Current	\$13,701,425	\$2,762,299	\$1,097,761	\$960,541	\$0	\$18,522,026
Property Taxes - Delinquent	374,571	31,280	25,978	22,731	0	454,560
Sales Tax	11,560,000	1,020,000	0	0	0	12,580,000
Other Taxes	220,000	0	0	0	0	220,000
Licenses & Permits	66,500	1,150,000	0	0	0	1,216,500
Intergovernmental	733,368	23,000	90,000	0	11,174,150	12,020,518
Fees of Office	3,477,975	0	457,900	0	68,000	4,003,875
Fines & Forfeitures	625,000	580,000	0	0	0	1,205,000
Interest	900,000	75,000	179,900	15,000	47,000	1,216,900
Rental Income	242,465	0	306,500	0	0	548,965
Miscellaneous	2,991,900	1,200	5,000	0	0	2,998,100
Total Revenues	\$34,893,204	\$5,642,779	\$2,163,039	\$998,272	\$11,289,150	\$54,986,444
Total Funds Available	61,460,565	7,445,606	6,254,906	1,137,263	13,380,104	89,678,444
Transfers In and OFS (2)	0	100,000	15,000	0	1,082,500	1,197,500
Total Available Resources	\$61,460,565	\$7,545,606	\$6,269,906	\$1,137,263	\$14,462,604	\$90,875,944
Expenditures by Category						
Salary Expense	\$14,588,842	\$2,043,450	\$876,168	\$0	\$0	\$17,508,460
Fringe Benefits	6,040,409	811,415	367,315	0	0	7,219,139
Operating Expenses	10,477,642	2,603,709	1,082,575	0	0	14,163,926
Capital Outlay	364,844	244,800	97,600	0	13,694,721	14,401,965
Debt Service	0	0	0	869,600	0	869,600
Total Expenditures	\$31,471,737	\$5,703,374	\$2,423,658	\$869,600	\$13,694,721	\$54,163,090
Transfers Out and OFU (3)	1,306,296	0	0	0	0	1,306,296
Reserves	28,682,532	1,842,232	3,846,248	267,663	767,883	35,406,558
Total Expenditures, Transfers Out & Reserves	\$61,460,565	\$7,545,606	\$6,269,906	\$1,137,263	\$14,462,604	\$90,875,944

(1) Reserves represent unaudited ending fund balances at 09-30-2007

(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 2008 Adopted Budget
By Function**

	General Fund	Road & Bridge	Other Special Revenue Funds	Debt Service	Capital Improvement Funds	Total All Funds
Est. Balance at 10/1/07 (1)	\$26,567,361	\$1,802,827	\$4,091,867	\$138,991	\$2,090,954	\$34,692,000
Revenues						
General Government	\$28,912,286	\$3,888,579	\$1,809,139	\$998,272	\$47,000	\$35,655,276
Judicial	1,878,950	0	113,400	0	0	1,992,350
Public Safety	945,918	0	95,500	0	0	1,041,418
Health and Human Services	26,150	0	55,000	0	0	81,150
Public Buildings	3,129,900	0	90,000	0	0	3,219,900
Roads & Transportations	0	1,754,200	0	0	0	1,754,200
Capital Projects	0	0	0	0	11,242,150	11,242,150
Total Revenues	\$34,893,204	\$5,642,779	\$2,163,039	\$998,272	\$11,289,150	\$54,986,444
Total Funds Available	\$61,460,565	\$7,445,606	\$6,254,906	\$1,137,263	\$13,380,104	\$89,678,444
Transfers In and OFS (2)	0	100,000	15,000	0	1,082,500	1,197,500
Total Available Resources	\$61,460,565	\$7,545,606	\$6,269,906	\$1,137,263	\$14,462,604	\$90,875,944
Expenditures by Function						
General Government	\$8,192,644	\$0	\$1,479,783	\$0	\$0	\$9,672,429
Judicial	5,738,313	0	135,206	0	0	5,873,519
Public Safety	12,977,154	0	708,668	0	0	13,685,822
Health and Human Services	2,323,520	0	100,000	0	0	2,423,520
Public Buildings	2,240,105	0	0	0	0	2,240,105
Roads & Transportations	0	5,703,374	0	0	0	5,703,374
Debt Service	0	0	0	869,600	0	869,600
Capital Projects	0	0	0	0	13,694,721	13,694,721
Total Expenditures	\$31,471,736	\$5,703,374	\$2,423,657	\$869,600	\$13,694,721	\$54,163,090
Transfers Out and OFU (3)	1,306,296	0	0	0	0	1,306,296
Reserves	28,682,533	1,842,232	3,846,249	267,663	767,883	35,406,560
Total Expenditures, Transfers Out & Reserves	\$61,460,565	\$7,545,606	\$6,269,906	\$1,137,263	\$14,462,604	\$90,875,944

(1) Reserves represent unaudited ending fund balances at 09-30-2007

(2) OFS = Other Financing Sources

(3) OFU = Other Financing Uses

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

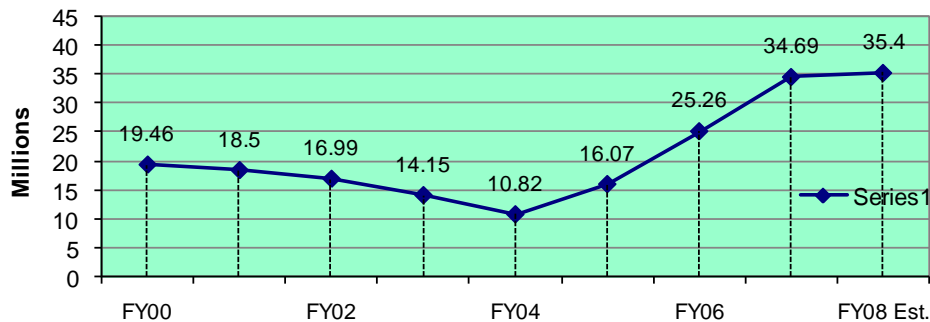
**Fiscal Year 2008 Adopted Budget
Operating and Non-Operating Funds**

	Estimated Beginning Fund Balance at 10/01/07	Budgeted Revenues FY08	Budgeted Expenditures FY08	Budgeted OFSources FY08	Budgeted OF Uses FY08	Estimated Ending Fund Balance at 9/30/08
Operating Funds						
General Fund	\$26,567,361	\$34,893,204	(31,471,737)	\$0	(\$1,306,296)	\$28,682,532
Road & Bridge Fund	1,802,827	5,642,779	(5,703,374)	100,000	0	1,842,232
Airport Maintenance Fund	493,539	1,430,239	(1,583,046)	0	0	340,732
Building Security Fund	41,910	88,500	(101,463)	15,000	0	43,947
Sub-Total	<u>\$28,905,637</u>	<u>\$42,054,722</u>	<u>(\$38,859,621)</u>	<u>\$115,000</u>	<u>(\$1,306,296)</u>	<u>\$30,909,442</u>
Debt Service Funds						
GO 2004 Series	138,991	998,272	(869,600)			267,663
Sub-Total	<u>\$138,991</u>	<u>\$998,272</u>	<u>(\$869,600)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$267,663</u>
Total Operating and Debt Service	\$29,044,628	\$43,052,994	(\$39,729,221)	\$115,000	(\$1,306,296)	\$31,177,105
Operating Reserve Ratio:						78.47%
Discretionary Funds						
Elections Services Fund	\$43,921	\$5,400	(\$24,350)			\$24,971
Co. Clerk Records Management	317,760	162,000	(367,439)			112,321
Jail Lease Facility Fund	222,600	90,000	(60,000)			252,600
Law Library Fund	161,895	64,000	(66,651)			159,244
County-Wide Records Mgmt	89,760	78,000	(52,153)			115,607
Justice Court Technology Fund	76,581	40,500	(30,000)			87,081
Dist. Clerk Records Mgmt	28,410	16,500	(30,055)			14,855
Dist. Clerk Criminal Rec Mgmt	315	400	0			715
Justice of the Peace Security	12,071	8,500	(4,500)			16,071
Co. Clerk Criminal Rec Mgmt	7,084	4,000	(4,000)			7,084
Health Care Fund	2,596,021	175,000	(100,000)			2,671,021
Sub-Total	<u>\$3,556,418</u>	<u>\$644,300</u>	<u>(\$739,148)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,461,570</u>
TOTAL OPERATIONS	\$32,601,046	\$43,697,294	(\$40,468,369)	\$115,000	(\$1,306,296)	\$34,638,675
Capital Project Funds						
Permanent Improvement Fund	\$579,119	\$20,000	(\$100,000)	0	0	\$499,119
Airport Improvement Fund	199,675	11,244,950	(12,268,500)	1,032,500	0	208,625
Longview Whaley Comm Bldg.	58,939	1,200	(50,000)	50,000	0	60,139
Computer Upgrade Project	976,004	18,000	(994,004)	0	0	0
307th District Courtroom Imp.	277,217	5,000	(282,217)	0	0	0
Total Capital Projects Funds	<u>\$2,090,954</u>	<u>\$11,289,150</u>	<u>(\$13,694,721)</u>	<u>\$1,082,500</u>	<u>\$0</u>	<u>\$767,883</u>
Total - All Funds	\$34,692,000	\$54,986,444	(\$54,163,090)	\$1,197,500	(\$1,306,296)	\$35,406,558
Overall Reserve Ratio:						65.37%

Budget Summary For All Funds Fiscal Years 2004-2008

	Actual Results FY 2004	Actual Results FY 2005	Actual Results FY 2006	Unaudited Actual FY 2007	Adopted Budget FY 2008
Beginning Fund Balances	\$14,148,770	\$10,823,897	\$16,066,874	\$25,268,177	\$34,692,000
Revenues					
Property Taxes - Current	11,556,145	14,944,563	16,260,692	17,518,670	18,522,026
Property Taxes - Delinquent	372,364	323,244	357,958	500,864	454,560
Sales Tax	10,763,374	11,854,879	15,060,036	15,288,501	12,580,000
Other Taxes	215,206	229,112	257,967	287,415	220,000
Licenses & Permits	1,152,454	1,177,202	1,268,757	1,296,640	1,216,500
Intergovernmental	1,107,268	1,408,635	3,881,782	5,969,031	12,020,518
Fees of Office	3,191,563	3,568,523	4,173,465	4,206,517	4,003,875
Fines & Forfeitures	1,049,229	1,073,380	1,130,345	1,147,893	1,205,000
Interest	216,983	511,617	1,207,982	1,433,174	1,216,900
Rental Income	583,245	749,970	569,344	611,874	548,965
Miscellaneous	332,699	447,471	550,878	1,764,192	2,998,100
Total Revenues	\$30,589,472	\$36,288,596	\$44,719,206	\$50,024,771	\$54,986,444
Expenditures by Category					
Salary Expense	(\$12,275,993)	(\$13,049,169)	(\$13,819,655)	(\$15,162,931)	(\$17,508,460)
Fringe Benefits	(4,944,712)	(4,832,280)	(5,379,490)	(5,679,436)	(7,219,139)
Operating Expenses	(9,486,397)	(9,304,871)	(10,173,974)	(11,080,510)	(14,163,926)
Capital Outlay	(1,099,459)	(1,427,524)	(5,117,375)	(8,475,731)	(14,401,965)
Debt Service	(6,214,219)	(2,457,003)	(913,255)	(886,143)	(869,600)
Total Expenditures	(\$34,020,780)	(\$31,070,847)	(\$35,403,749)	(\$41,284,751)	(\$54,163,090)
Transfers In	3,558,470	598,402	1,687,297	3,643,979	1,197,500
Transfers Out	(3,457,507)	(569,047)	(1,801,451)	(2,960,176)	(1,306,296)
Net Transfer In over Trans Out	100,963	29,355	(114,154)	683,803	(108,796)
Net Rev + Trans In over Exp + Trans Out	(3,330,345)	5,247,104	9,201,303	9,423,823	714,558
Inventory & Other Adjustments	5,472	(4,127)			
Ending Fund Balances	\$10,823,897	\$16,066,874	\$25,268,177	\$34,692,000	\$35,406,558

Ending Fund Balances



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 FY08, the ending fund balance is estimated at \$35,406,558.

Budget Summary Trends

General Fund

General Fund	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budget
Fund Balance Beg. of Year	7,123,910	5,972,103	9,547,099	18,352,530	26,567,366
Revenues	21,241,447	26,623,924	32,791,099	36,861,894	34,893,204
Other Financing Sources	94,716	32,863	786,991	137,001	0
Subtotal	21,336,163	26,656,787	33,578,090	36,998,895	34,893,204
Total Available Resources	28,460,073	32,628,890	43,125,189	55,351,425	61,460,570
Expenditures	(21,685,390)	(22,512,744)	(24,260,936)	(26,307,915)	(31,471,737)
Other Financing Uses	(782,132)	(569,047)	(511,723)	(2,476,150)	(1,306,296)
Subtotal	(22,467,522)	(23,081,791)	(24,772,659)	(28,784,065)	(32,778,033)
Prior Period and Other Adj:	(20,448)	0	0	6	0
Fund Balance End of Year	5,972,103	9,547,099	18,352,530	26,567,366	28,682,537

General Fund balances reached a low of \$5.9 million at year end FY04. Annual increases to fund balance are a result of conservative revenue estimates and responsible departmental spending.

During the budget process, ending fund balance for FY06 was estimated conservatively at \$16,844,502, while audited figures are \$1.5 million higher at \$18,352,530. In the FY07 budget, the ending fund balance for general fund was estimated at \$18,814,041; while the unaudited estimate is \$7.7 million higher at \$26,567,366. 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	FY04 Actual	FY05 Actual	FY06	FY07 Unaudited	FY08 Budget
Fund Balance Beginning of Year	319,782	976,263	1,568,734	1,718,663	1,802,827
Revenues	4,544,691	4,178,012	4,438,381	4,609,077	5,642,779
Other Financing Sources	26,640	1,179	118,827	873,921	100,000
Subtotal	4,571,331	4,179,191	4,557,208	5,482,998	5,742,779
Total Available Resources	4,891,113	5,155,454	6,125,942	7,201,661	7,545,606
Expenditures	(3,940,562)	(3,580,151)	(4,407,279)	(5,398,834)	(5,703,374)
Other Financing Uses	0	0	0	0	0
Subtotal	(3,940,562)	(3,580,151)	(4,407,279)	(5,398,834)	(5,703,374)
Prior Period and Other Adj:	25,712	(6,569)	0	0	0
Fund Balance End of Year	976,263	1,568,734	1,718,663	1,802,827	1,842,232

In the Road and Bridge Fund, fluctuations in ending fund balance relate to the distribution of property taxes.

Budget Summary Trends

Other Special Revenue Funds

Other Special Rev. Funds	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budget
Fund Balance Beginning of Year	2,959,867	3,063,455	3,583,389	3,907,261	4,091,867
Revenues	1,460,758	2,044,042	2,095,459	2,249,934	2,163,039
Other Financing Sources	132,687	73,860	96,620	15,629	15,000
Subtotal	1,593,445	2,117,902	2,192,079	2,265,563	2,178,039
Total Available Resources	4,553,312	5,181,357	5,775,468	6,172,824	6,269,906
Expenditures	(1,490,069)	(1,600,375)	(1,740,241)	(1,982,505)	(2,423,657)
Other Financing Uses	0	0	(128,000)	(98,452)	0
Subtotal	(1,490,069)	(1,600,375)	(1,868,241)	(2,080,957)	(2,423,657)
Prior Period and Other Adj:	212	2,407	34	0	0
Fund Balance End of Year	3,063,455	3,583,389	3,907,261	4,091,867	3,846,249

The Airport Maintenance Fund comprises 66% of the revenue and expenditures in the above 'Other Special Revenue' tables. Ending fund balances for 'Other Special Revenue Funds' remain relatively the same. Of the \$4 million ending fund balance for FY07, \$2.59 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	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budget
Fund Balance Beginning of Year	3,424,149	629,541	722,587	99,244	138,991
Revenues	2,683,686	2,534,868	973,509	925,891	998,272
Other Financing Sources	3,270,925	0	0	0	0
Subtotal	5,954,611	2,534,868	973,509	925,891	998,272
Total Available Resources	9,378,760	3,164,409	1,696,096	1,025,135	1,137,263
Expenditures	(6,214,219)	(2,441,822)	(898,273)	(886,144)	(869,600)
Other Financing Uses	(2,535,000)	0	(698,579)	0	0
Subtotal	(8,749,219)	(2,441,822)	(1,596,852)	(886,144)	(869,600)
Prior Period and Other Adj:	0	0	0	0	0
Fund Balance End of Year	629,541	722,587	99,244	138,991	267,663

Budget Summary Trends

Capital Projects Funds

Capital Project Funds	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budget
Fund Balance Beginning of Year	321,060	182,535	645,031	1,190,479	2,090,954
Revenues	658,888	907,750	4,420,758	5,377,979	11,289,150
Other Financing Sources	33,503	490,500	684,316	2,617,426	1,082,500
Subtotal	692,391	1,398,250	5,105,074	7,995,405	12,371,650
Total Available Resources	1,013,451	1,580,785	5,750,105	9,185,884	14,462,604
Expenditures	(690,541)	(935,754)	(4,097,017)	(6,709,361)	(13,694,721)
Other Financing Uses	(140,375)	0	(463,152)	(385,569)	0
Subtotal	(830,916)	(935,754)	(4,560,169)	(7,094,930)	(13,694,721)
Prior Period and Other Adj:	0	0	543	0	0
Fund Balance End of Year	182,535	645,031	1,190,479	2,090,954	767,883

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

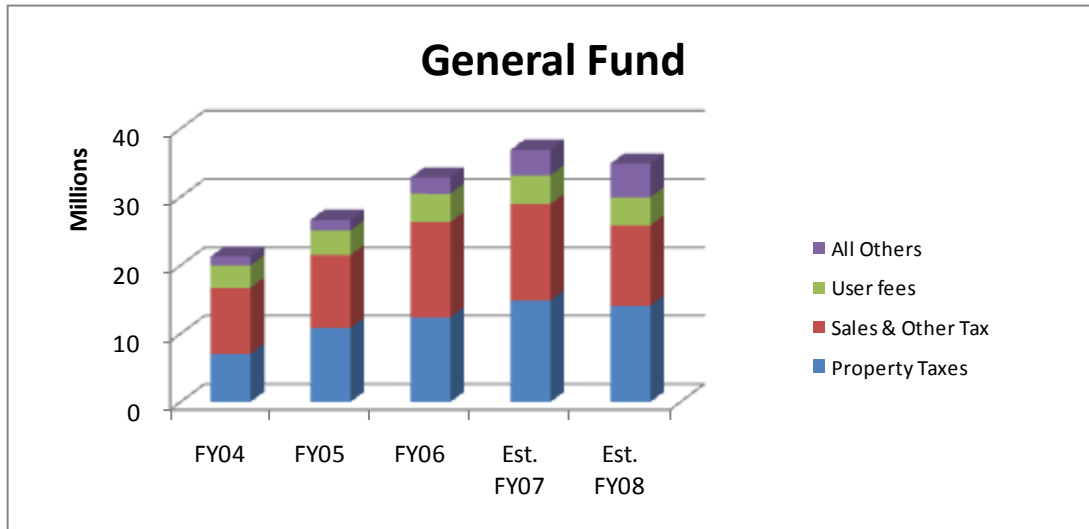
Total All Funds	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budget
Fund Balance Beginning of Year	14,148,770	10,823,897	16,066,873	25,268,177	34,692,000
Revenues	30,589,470	36,288,596	44,719,207	50,024,775	54,986,444
Other Financing Sources	3,558,471	598,402	1,686,754	3,643,977	1,197,500
Subtotal	34,147,941	36,886,998	46,405,961	53,668,752	56,183,944
Total Available Resources	48,296,711	47,710,895	62,472,834	78,936,929	90,875,944
Expenditures	(34,020,781)	(31,070,847)	(35,403,746)	(41,284,759)	(54,163,090)
Other Financing Uses	(3,457,507)	(569,047)	(1,801,453)	(2,960,171)	(1,306,296)
Subtotal	(37,478,288)	(31,639,894)	(37,205,199)	(44,244,930)	(55,469,386)
Prior Period and Other Adj:	5,474	(4,129)	541	1	0
Fund Balance End of Year	10,823,897	16,066,873	25,268,177	34,692,000	35,406,558

Overall, ending fund balances have increased from \$10 million in FY2004 to and estimated \$34 million in FY07. Again, the increase to reserves resulted from prudent management of the Commissioners Court, in anticipation of large infrastructure expenditures in the near future (NETRMA highway projects, a multicultural events center, and state highway projects).

Budget Summary Trends – Revenue

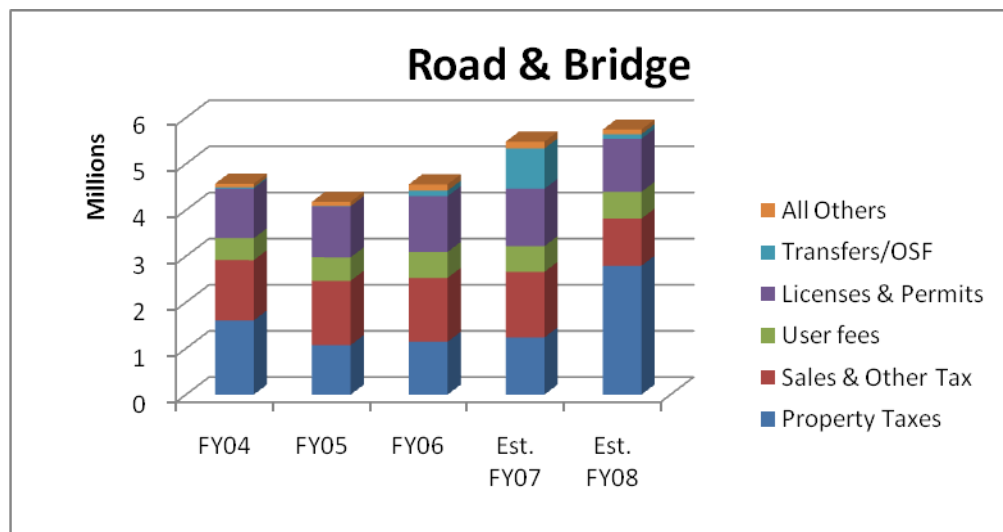
General Fund Revenue by Function

Major sources of revenue for the General Fund and percentage range of annual revenue are: property tax (33 to 40%), sales and other taxes (34 to 45%), user fees (11 to 15%). All other income includes interest income, licenses and permits, intergovernmental, and transfers/other financing sources and provides approximately 5 to 14% of the annual income. Property tax distributions to the General Fund are reduced or increased when the tax rate is set, based on the needs and/or shortfalls of other funds dependent on tax revenue. User fees include charges for services and fines and forfeitures.



Road & Bridge Revenue by Function

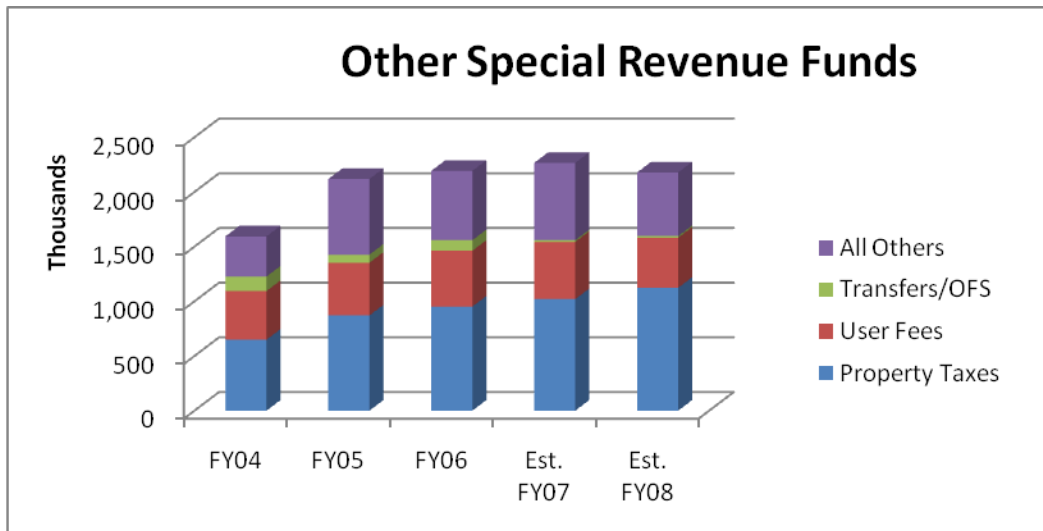
Sources of revenue for Road and Bridge fund are more diversified than any other fund. Property taxes are adjusted as needed and provide 49% of the revenue in FY08. Motor vehicle sales tax will continue to decrease in the Road and Bridge fund as it is statutory to distribute it to the general fund instead. User fees include a large percent of all fines and are mandated by statute. These fines provide roughly 10 to 12% of all annual income. Licenses are comprised of the county's portion of motor vehicle registration, around 20 to 26% annually. Other financing sources include reimbursements for building roads in the industrial airpark; reimbursement from General Fund for precinct work on non-road and bridge projects, and proceeds from notes payable. All other income is negligible at fewer than 5% of annual income.



Budget Summary Trends – Revenue

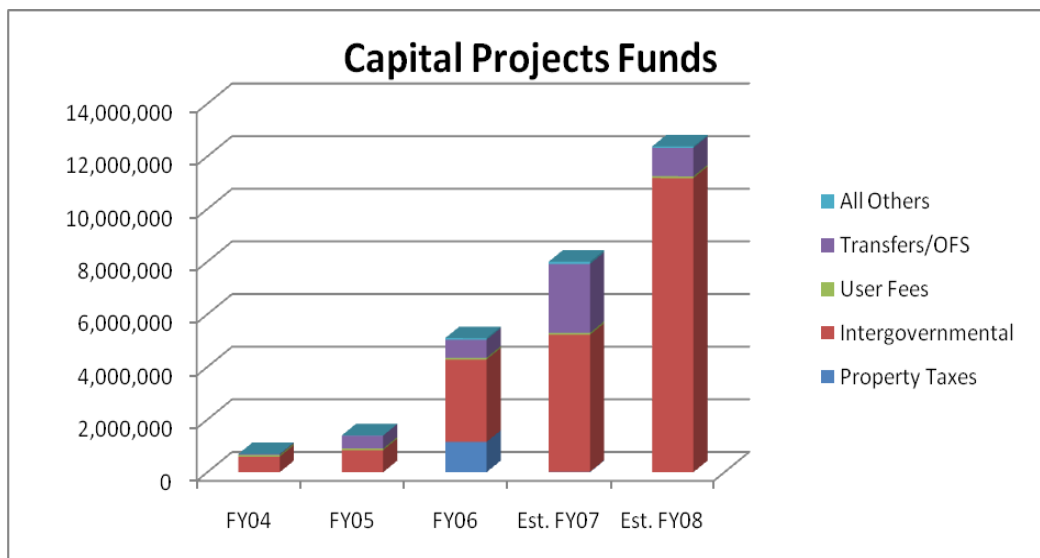
Other Special Revenue Funds Revenue by Function

Revenue sources for all other funds include property taxes which range from 40 to 51% of all annual income. User fees comprise 22 to 28% as shown. Most special revenue funds are designated by statute and operate from revenues derived of statutory user fees. Transfers into these funds usually come from the General Fund at .7 to 8% of annual income. Other fees include interest, intergovernmental, and miscellaneous income at 23 to 32 %. 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.)



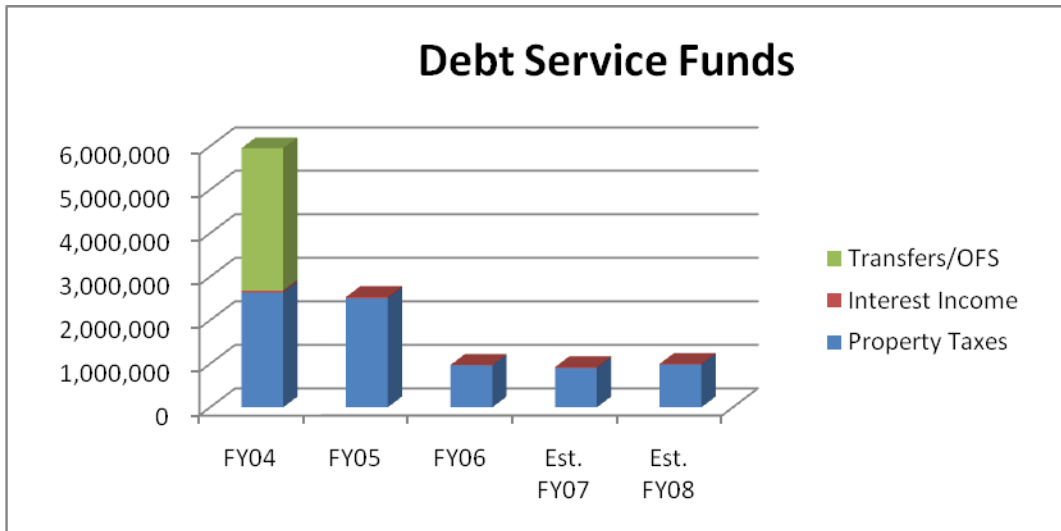
Capital Projects Revenue by Function

Capital Project revenue is mostly comprised of intergovernmental revenue (65 to 88%) associated with FAA grants at the East Texas Regional Airport. The 5 to 10% county match for the FAA grants is funded through passenger facility charges (user fees) and General Fund subsidies. The FAA grants have been unusually high the past two years and budget statutes and accounting rules require reporting 100% of the activity even though the project is expected to span multi-years. Transfers are budgeted for the remaining capital projects.



Budget Summary Trends – Revenue

Debt Service Revenue by Function



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

Budget Summary Trends - Expenditures

General Fund Expenditures by Category

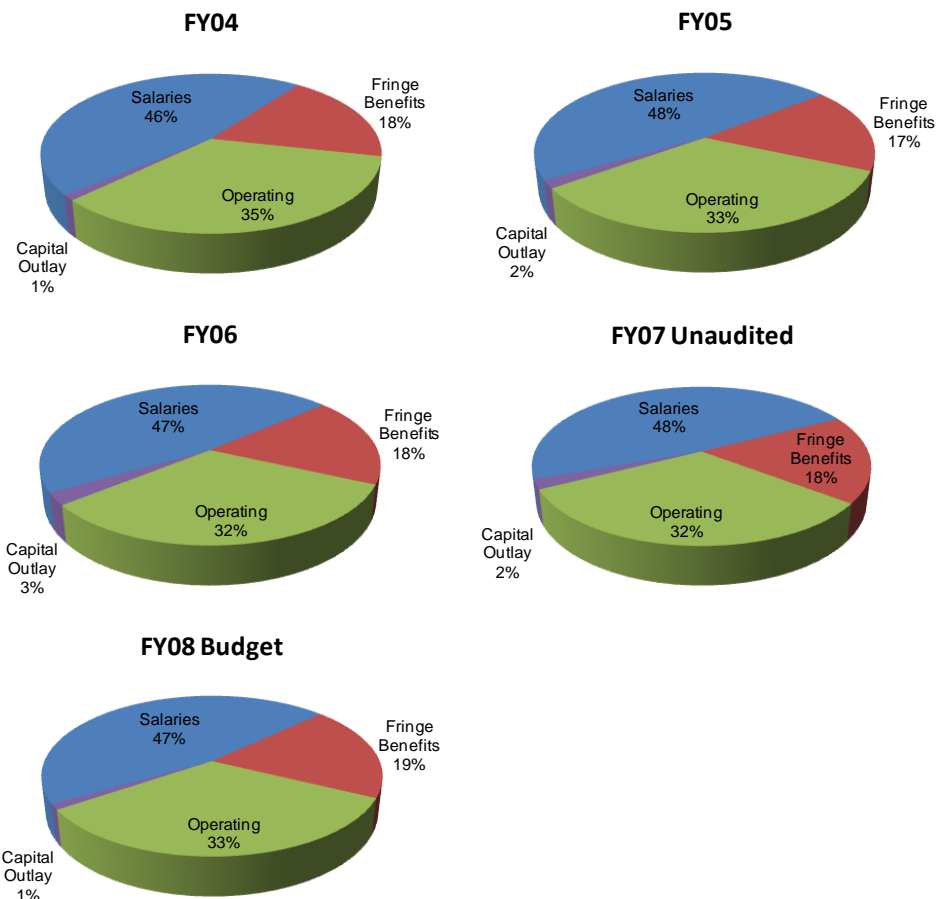
Categorically, General fund expenses increased 45% from FY04 to FY08. Fringe benefits increased by 52%, salaries increased by 45%, operating expenses increased by 41%. Operating increases are due to economic factors – cost of fuel, supplies, utilities, etc. Salary and fringe benefits increases include 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 FY05 and FY06 as required by GAAP, but actual expenditures were not incurred.

Expenditures by Category

	FY04	FY05	FY06	FY07 Unaudited	FY08 Budget
Salaries	10,043,493	10,717,031	11,394,764	12,613,218	14,588,842
Fringe Benefits	3,962,528	3,879,743	4,385,730	4,716,603	6,040,409
Operating	7,441,759	7,542,273	7,868,568	8,468,119	10,477,642
Capital Outlay	237,610	358,517	596,895	509,963	364,844
Debt Service	0	15,180	14,982	0	0
General Fund Total Expenses	21,685,390	22,512,744	24,260,939	26,307,903	31,471,737

General Fund Expenditures by Category

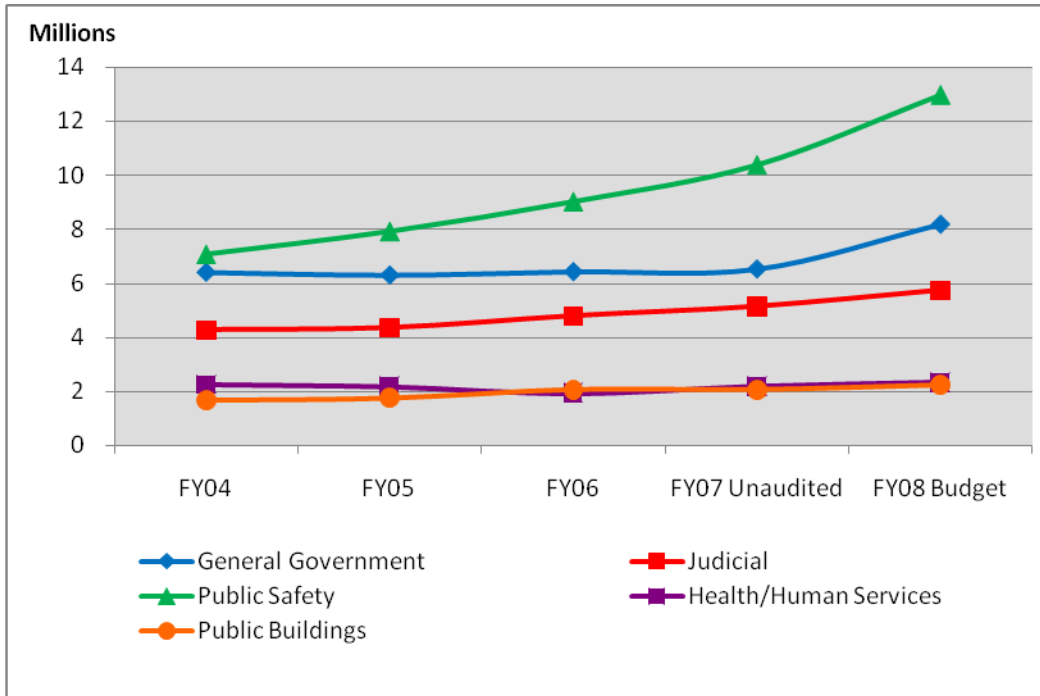
The charts to the right show the consistency of categories for General Fund expense. A government is ultimately a 'service organization'; therefore the highest expenses are related to salaries with operating expenses being the second highest.



Budget Summary Trends - Expenditures

General Fund Expenditures by Function

When comparing General fund functions from FY04 to FY08, public safety grew 83%, judicial increased 34%, general government grew 28%, public buildings increased 33% and health and welfare increased 4%.



This chart accurately reflects public safety expenses exceeding all other expenses, primarily due to state mandates in jail certifications.

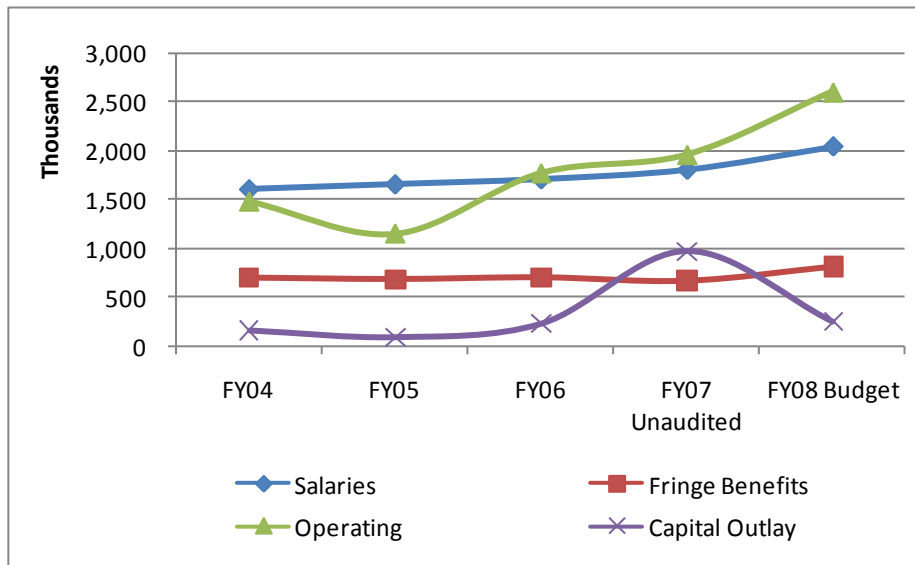
Budget Summary Trends - Expenditures

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. Fringe benefits increased 17%, salaries increased 27% due to the addition of 3 new positions. Capital outlay for FY07 is slightly skewed due to accounting practices – new equipment purchased through a lease-buy back program was booked entirely in FY07, although actual payments will incur over a three year period.

Commissioners continue to share equipment and / or maintain older equipment, allowing more funds for operations. Operating expenses fluctuate due to cost variances for road projects.

Expenditures by Category	FY04	FY05	FY06	FY07 Unaudited	FY08 Budget
Salaries	1,607,732	1,658,045	1,709,689	1,806,401	2,043,450
Fringe Benefits	695,435	680,909	698,830	662,287	811,415
Operating	1,483,168	1,155,650	1,774,697	1,962,030	2,603,709
Capital Outlay	154,227	85,547	224,067	968,120	244,800
Road & Bridge Total Exp.	3,940,562	3,580,151	4,407,283	5,398,838	5,703,374

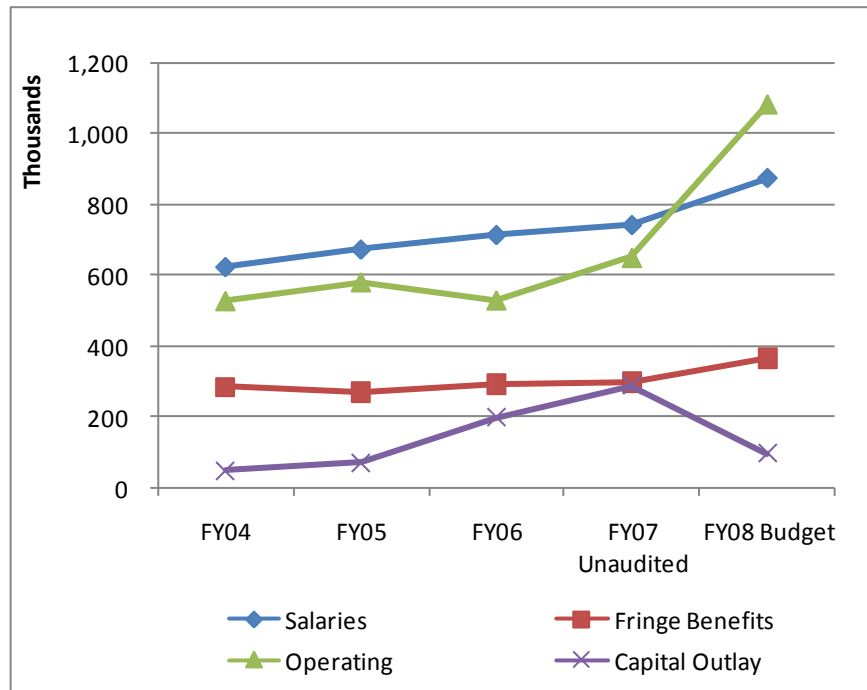


In the above chart the increase in operating expenses for FY08 is due to the increased cost of road materials and fuel expense. Additionally, the precincts scheduled more road projects in FY08.

Budget Summary Trends - Expenditures

Other Special Revenue Funds Expenditures by Category

Expenditures by Category	FY04	FY05	FY06	FY07 Unaudited	FY08 Budget
Salaries	624,768	674,093	715,205	743,312	876,168
Fringe Benefits	286,750	271,628	294,931	300,546	367,315
Operating	528,725	581,948	530,709	650,360	1,082,574
Capital Outlay	49,827	72,706	199,396	288,287	97,600
Other Special Revenue Funds	1,490,070	1,600,375	1,740,241	1,982,505	2,423,657



Operating expenses increased in FY07 as follows:

- Elections Services Fund increased by 10% due to new HAVA equipment and additional supplies for the presidential primaries and early voting in FY07;
- County Clerk Records Management increased 57% due to software licensing upgrades and microfilming expense;
- County-Wide Records Management increased 44% due to repairs and maintenance, liability insurance accounting changes and microfilming expense;
- Justice Technology increased 129% due to replacement of older equipment;
- District Clerk Civil Records Management increased 107% due to microfilming costs; and
- Health Care Fund increased 25% due to distribution changes per Commissioners Court.

Capital expenses increased in FY07 due to upgrades in the County Clerk Records Management system, the building addition at the County-Wide Records Management facility and equipment at the airport.

Sources of Revenue For Fiscal Years 2004-2008

General Fund	Actual Revenue FY04	Actual Revenue FY05	Actual Revenue FY06	Unaudited Revenue FY07	Adopted Revenue FY08
Taxes					
Property taxes - current	\$6,770,129	\$10,629,372	\$12,084,281	\$14,444,469	\$13,701,425
Property taxes - delinquent	265,937	189,230	311,810	396,406	374,571
Alcoholic beverage tax	150,222	151,062	174,379	187,868	150,000
Bingo tax	64,984	78,050	83,588	99,547	70,000
Sales tax	9,457,832	10,460,897	13,674,324	13,581,667	11,200,000
Motor Vehicle Sales Tax	0	0	0	286,447	360,000
Subtotal	16,709,104	21,508,611	26,328,382	28,996,404	25,855,996
Licenses & Permits					
Alcoholic beverage license	28,900	26,256	25,724	26,865	25,000
Bail Bond Board Applications	7,500	2,500	6,500	2,000	6,500
Sexually oriented businesses	11,000	11,500	10,600	12,900	10,000
Sewage disposal	31,000	29,655	29,610	30,007	25,000
Subtotal	78,400	69,911	72,434	71,772	66,500
Intergovernmental Revenue					
FEMA Reimb - Overhead / Admin	0	0	6,161	0	0
State Election Reimbursement	0	0	1,020	12,469	0
State grants	27,443	0	0	0	0
Fiscal Service Fees	6,552	4,570	4,769	4,600	4,800
Child Welfare Board Reimbursement	0	0	33,724	13,391	10,000
State supplement - county court at law	79,159	99,156	116,029	99,158	150,000
Juvenile Salary Supplement	0	0	5,000	5,000	5,000
District Clerk - Attorney General Registry	445	0	0	0	0
State supplement - asst. prosecutors	213	14,690	10,241	14,914	11,500
State - Indigent Defense Funding	58,476	45,217	83,719	59,224	50,000
State - Juror Reimbursements	0	0	49,028	74,596	55,000
Grant - OCADEF Drug Enforcement	0	0	0	0	3,500
State Grant - Sheriff STEP	0	0	0	9,585	0
Federal grant	13,574	14,666	15,144	15,548	15,573
HIDTA Task Force	0	2,285	448	2,465	1,000
Drug Enforcement Task Force	0	3,021	3,888	2,020	0
Reimbursement: CSCD Deputy	0	0	0	0	20,867
Reimbursement: Mental Health Deputies	0	0	0	0	70,978
Reimbursement: Sabine Resource Officer	0	0	0	0	35,000
City of Longview prisoner care	248,562	225,000	210,408	287,265	299,000
State - commercial waste management	166	146	134	209	150
City of Lakeport - Sewer Fees	1,100	1,200	1,100	1,000	1,000
State - TCEQ	11,602	0	0	0	0
E.T.C.O.G. (9-1-1 equipment)	34,169	25,000	30,359	0	0
Subtotal	481,461	434,951	571,172	601,444	733,368
Charges for Services					
County Judge	104	97	99	270	225
County Clerk	661,614	698,278	994,727	1,128,727	1,080,000
County Clerk archival fees	143,025	138,365	139,025	141,200	140,000
Tax Assessor / Collector	715,235	848,024	1,036,793	891,368	780,000
Computer services	6,500	5,958	6,500	6,500	6,000
County Clerk -cash bond administrative fees	15,343	22,827	21,243	19,818	18,000
County Sheriff - cash bond admin fees	1,453	860	1,711	2,412	1,500
District Clerk - cash bond admin fees	375	552	300	300	350
District Attorney	57,728	75,794	93,784	77,036	90,000
District Clerk	381,933	399,625	419,461	462,186	435,000
Justices of the Peace	26,688	27,665	30,839	34,325	32,000

NOTE: See page 63 for description of categories

Sources of Revenue

For Fiscal Years 2004-2008

General Fund (continued)	Actual Revenue FY04	Actual Revenue FY05	Actual Revenue FY06	Unaudited Revenue FY07	Adopted Revenue FY08
Trial fees	52	160	69	264	200
Jury	33,728	32,582	34,599	33,443	33,000
Probate judges education	2,274	2,410	2,063	2,680	2,500
Other arrest fees	57,944	53,813	63,161	75,521	78,000
County Court at Law #1	2,419	2,432	1,956	2,029	2,200
County Court at Law #2	1,526	1,888	1,844	1,776	1,700
State fees / County Clerk	70,261	73,985	85,581	93,057	105,000
State fee - TP - judiciary efficiency	1,873	2,396	4,163	6,862	10,000
Court Reporter Services	48,891	53,198	55,206	51,081	48,000
DRO - filing fees	16,537	20,251	22,134	18,621	18,000
Defensive driving fees	55,095	73,741	65,540	60,932	68,000
Child safety fees	1,724	2,055	5,170	3,935	5,200
Traffic fees	16,531	15,627	15,557	16,641	22,000
Video fees	6,335	6,456	4,828	5,953	5,300
County Sheriff	286,164	358,223	371,496	343,771	390,000
Constables	85,590	101,315	100,659	105,328	100,000
Parking lot fees	5,383	5,954	5,789	5,779	5,800
Subtotal	2,702,325	3,024,531	3,584,297	3,591,815	3,477,975
Fines & Forfeitures					
Justice courts	573,715	564,598	567,806	590,465	625,000
Subtotal	573,715	564,598	567,806	590,465	625,000
Interest Income					
Interest Income	126,610	237,839	870,223	1,008,916	900,000
Unrealized gains on securities held	(14,534)	89,186	0	0	0
Subtotal	112,076	327,025	870,223	1,008,916	900,000
Rents & Commissions					
Borg Warner contract	34,098	34,098	34,098	34,098	34,100
A&M Tower, Inc.	7,293	7,657	8,441	8,443	8,865
Other rent	2,500	8,900	10,050	9,800	8,500
Royalties	9,115	11,103	11,004	11,269	8,800
Community bldgs	8,728	9,043	10,865	14,420	14,000
Telephone coin stations	219,287	181,094	166,317	153,279	160,000
Concession commissions	10,450	8,550	8,550	8,550	8,200
Subtotal	291,471	260,445	249,325	239,859	242,465
Miscellaneous					
MTC -Jail lease	222,849	388,302	408,103	210,517	0
Smith County Jail Lease	0	0	0	1,090,280	2,628,000
U.S. Marshal Service - Jail Lease	0	0	43,946	375,555	313,900
Other Miscellaneous	70,046	45,550	95,409	84,867	50,000
Subtotal	292,895	433,852	547,458	1,761,219	2,991,900
Total Revenue - General Fund	\$21,241,447	\$26,623,924	\$32,791,097	\$36,861,894	\$34,893,204

Sources of Revenue

For Fiscal Years 2004-2008

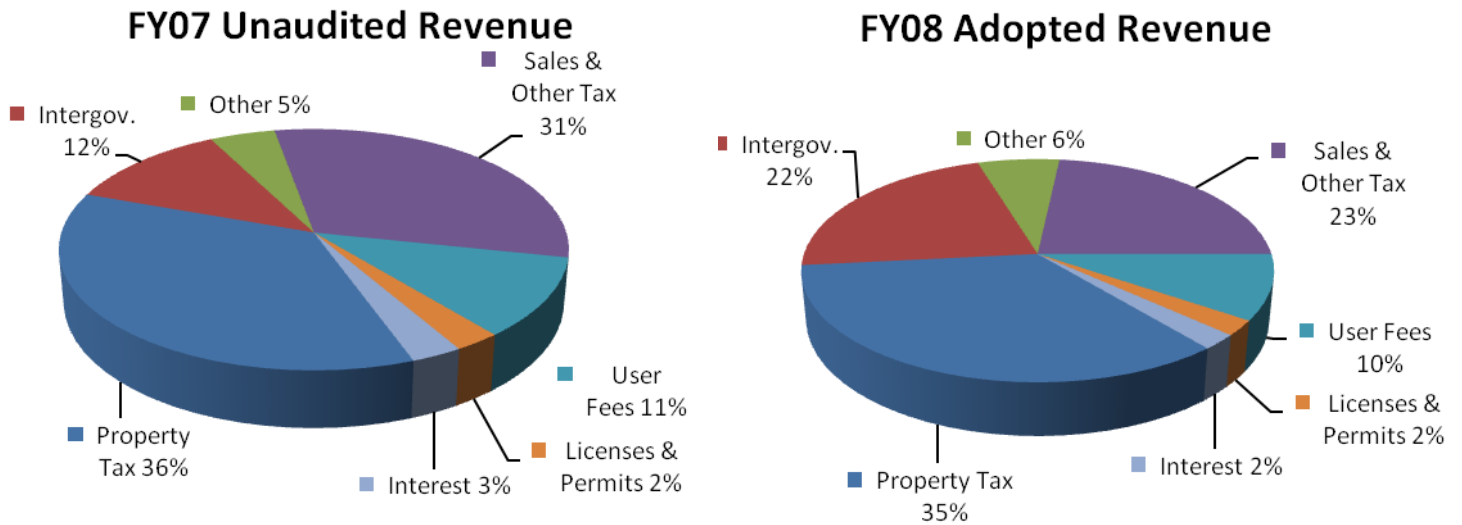
Road & Bridge Fund	Actual Revenue FY04	Actual Revenue FY05	Actual Revenue FY06	Unaudited Revenue FY07	Adopted Revenue FY08
Taxes					
Property taxes - current	\$1,582,316	\$1,029,585	\$1,120,195	\$1,207,036	\$2,762,299
Property taxes - delinquent	26,339	44,342	24,683	34,503	31,280
Motor vehicle sales tax	1,305,542	1,393,982	1,385,712	1,420,387	1,020,000
Subtotal	<u>2,914,197</u>	<u>2,467,909</u>	<u>2,530,590</u>	<u>2,661,926</u>	<u>3,813,579</u>
Licenses & Permits					
Motor vehicle registration	1,074,054	1,107,291	1,185,515	1,212,286	1,150,000
State weight permits	0	0	10,808	12,582	0
Subtotal	<u>1,074,054</u>	<u>1,107,291</u>	<u>1,196,323</u>	<u>1,224,868</u>	<u>1,150,000</u>
Intergovernmental Revenue					
FEMA Reimb. - Overhead/Admin.	0	0	15,088	0	0
State - Lateral Road	24,529	24,515	24,490	24,415	23,000
Subtotal	<u>24,529</u>	<u>24,515</u>	<u>39,578</u>	<u>24,415</u>	<u>23,000</u>
Charges for Services					
Reimb. - Capital project overhead	0	0	11,244	16,819	0
Subtotal	<u>0</u>	<u>0</u>	<u>11,244</u>	<u>16,819</u>	<u>0</u>
Fines & Forfeitures					
Misdemeanor Fines	409,386	418,383	466,647	463,136	475,000
Felony Fines	27,665	29,582	55,751	49,887	60,000
Civil / BF Fines	38,463	60,817	40,141	44,405	45,000
Subtotal	<u>475,514</u>	<u>508,782</u>	<u>562,539</u>	<u>557,428</u>	<u>580,000</u>
Interest Income					
Interest income	18,914	50,791	95,260	120,684	75,000
Unrealized gains on securities held	1,724	6,951	0	0	0
Subtotal	<u>20,638</u>	<u>57,742</u>	<u>95,260</u>	<u>120,684</u>	<u>75,000</u>
Miscellaneous					
Miscellaneous	35,759	11,773	2,847	2,935	1,200
Subtotal	<u>35,759</u>	<u>11,773</u>	<u>2,847</u>	<u>2,935</u>	<u>1,200</u>
Total Revenue - Road & Bridge Fund	\$4,544,691	\$4,178,012	\$4,438,381	\$4,609,075	\$5,642,779

Sources of Revenue For Fiscal Years 2004-2008

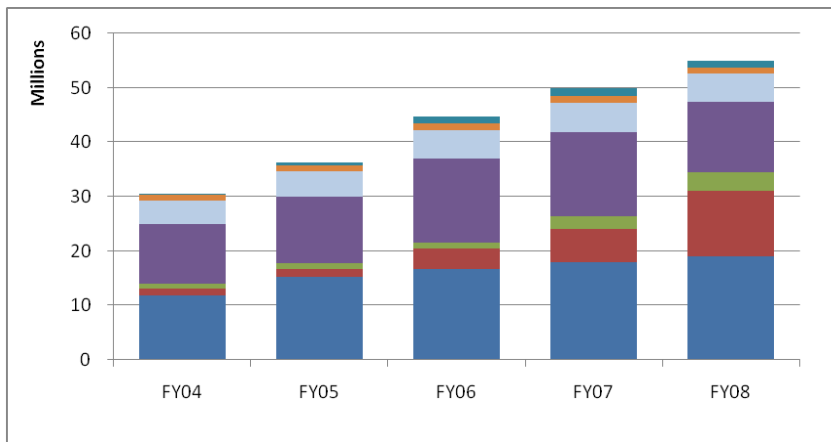
Other Funds	Actual Revenue FY04	Actual Revenue FY05	Actual Revenue FY06	Unaudited Revenue FY07	Adopted Revenue FY08
Special Revenue Funds					
Election Services Fund	\$10,221	\$11,641	\$19,535	\$8,100	\$5,400
Co. Clerk Records Mgmt.	154,570	154,321	160,816	165,974	162,000
Jail Lease Facility Fund	72,470	65,518	79,825	124,560	90,000
Law Library Fund	61,354	68,592	71,613	73,949	64,000
Airport Maintenance Fund	967,074	1,436,187	1,369,602	1,448,194	1,430,239
County-Wide Records Mgmt.	45,758	61,695	67,292	76,873	78,000
Security Fund	75,174	77,536	78,672	82,861	88,500
Justice Court Technology Fund	4,458	26,276	29,923	35,214	40,500
District Clerk Civil Records Mgmt	8,255	11,571	14,386	15,422	16,500
District Clerk Criminal Records Mgmt	0	0	67	248	400
Justice of the Peace Security	0	0	4,495	7,926	8,500
Co. Clerk Criminal Records Mgmt.	0	35	2,130	4,919	4,000
Health Care Fund	61,424	130,670	197,103	205,692	175,000
Subtotal	<u>\$1,460,758</u>	<u>\$2,044,042</u>	<u>\$2,095,459</u>	<u>\$2,249,932</u>	<u>\$2,163,039</u>
Debt Service Funds					
Debt Service - 1988 Series	\$2,228,422	\$2,467,911	\$0	\$0	\$0
Debt Service - 1993 Series	421,418	0	0	0	0
Debt Service - 2004 Series	33,846	66,957	973,509	925,891	998,272
Subtotal	<u>\$2,683,686</u>	<u>\$2,534,868</u>	<u>\$973,509</u>	<u>\$925,891</u>	<u>\$998,272</u>
Capital Project Funds					
Permanent Improvement Fund	\$0	\$0	\$1,129,074	\$49,574	\$20,000
Airport Improvement Fund	\$658,363	\$904,191	\$3,270,697	\$5,283,338	\$11,244,950
Jail Improvements Fund	279	0	0	0	0
Courthouse Improvements Fund	248	0	0	0	0
Longview Whaley Comm Bldg.	0	930	1,154	5,131	1,200
Industrial Airpark Improvements	0	2,629	11,480	3,507	0
124th District Courtroom	0	0	3,946	0	0
Records Storage Building	0	0	4,407	3,005	0
Computer Upgrade Projects	0	0	0	22,341	18,000
307th District Courtroom	0	0	0	11,083	5,000
Subtotal	<u>\$658,890</u>	<u>\$907,750</u>	<u>\$4,420,758</u>	<u>\$5,377,979</u>	<u>\$11,289,150</u>
Total Revenue - All Funds	\$30,589,472	\$36,288,596	\$44,719,204	\$50,024,771	\$54,986,444
Total Transfers In - All Funds	\$3,558,471	\$598,402	\$1,687,297	\$3,643,978	\$1,197,500
Total Available - All Funds	\$34,147,943	\$36,886,998	\$46,406,501	\$53,668,749	\$56,183,944

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 63.



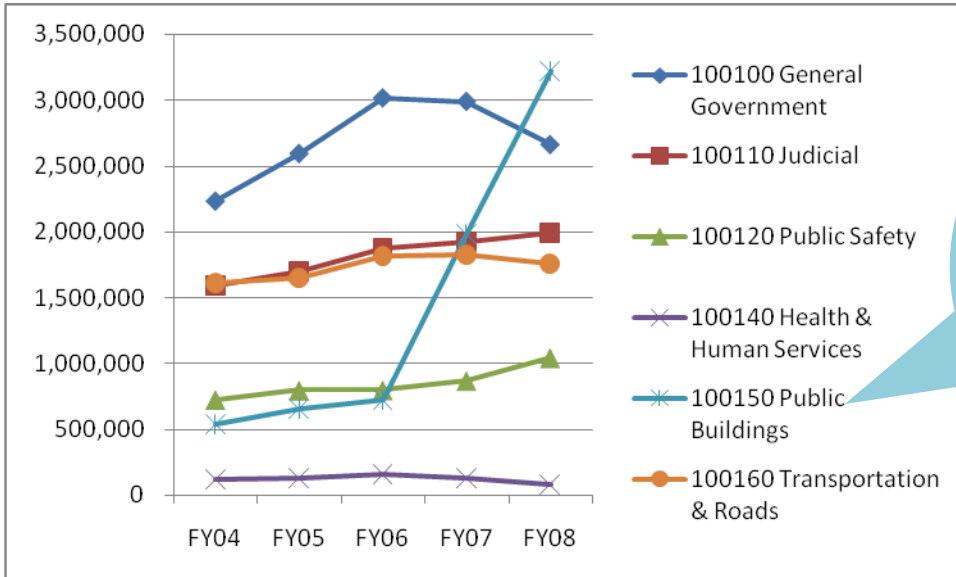
The above pie charts show comparisons between FY07 unaudited revenue and FY08 adopted revenue by percentage. Intergovernmental went from 12% to 22% due to the airport improvement grant. The Commissioners Court sent \$700,000 back to the public by reducing the property tax by ½ cent. Most other categories remained the same. The bar chart below shows fluctuations in revenue categories from FY04 through FY08 budget and revenue percentages are listed below.



	FY04	FY05	FY06	FY07	FY08
Interest	0.6	0.7	1.4	1.9	1.3
Licenses & Permits	3.9	3.8	3.2	2.9	2.7
User Fees	13.5	13.9	12.8	12.5	10.9
Sales & Other Tax	34.7	35.9	33.3	32.8	28.6
Other	2.1	3.0	3.3	2.5	3.4
Intergov.	5.6	3.7	3.9	9.0	10.5
Property Tax	39.6	39.0	42.1	38.4	42.6

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 line chart shows fluctuations for functions except the two largest: revenue and capital. The revenue category includes property taxes and interest income and capital projects revenue includes airport funding. The public building function increased dramatically due to jail income.



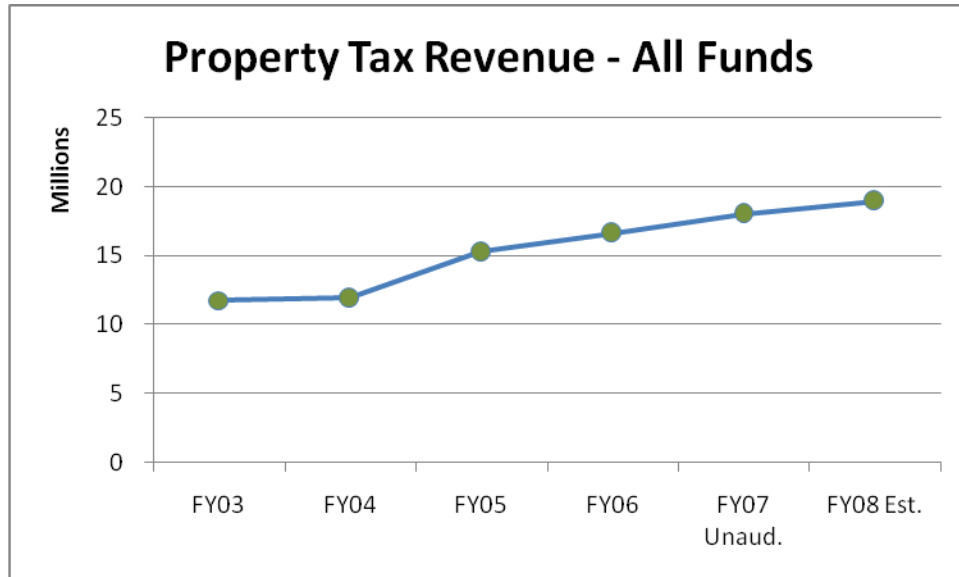
Public Buildings includes \$1.9 million in anticipation of full contract jail operations.

Summary of Revenue By Function

	FY04	FY05	FY06	FY07 Unaud.	FY08 Est.
100000 Revenue	23,124,072	27,863,415	33,144,635	35,028,624	32,993,486
100100 General Government	2,232,311	2,594,100	3,016,131	2,989,680	2,661,790
100110 Judicial	1,591,196	1,697,379	1,874,190	1,920,957	1,992,350
100120 Public Safety	719,994	793,278	794,528	866,026	1,041,418
100140 Health & Human Services	115,636	129,115	156,358	130,431	81,150
100150 Public Buildings	539,167	658,461	723,396	1,982,940	3,219,900
100160 Transportation & Roads	1,609,856	1,652,361	1,812,531	1,826,465	1,754,200
100170 Capital Project Revenue	657,240	900,487	3,197,437	5,279,648	11,242,150
	<u>30,589,472</u>	<u>36,288,596</u>	<u>44,719,206</u>	<u>50,024,771</u>	<u>54,986,444</u>

The chart above shows an increase from FY04 to FY08 in capital project revenue, which includes the airport improvement grants which went from \$591,335 in FY04 to \$11 million in FY08. The revenue increase in public buildings is due to lease of jail bed space.

Revenue Comparisons By Major Source Type



Ad Valorem Property Taxes are estimated to generate about \$18.9 million. Taxes were estimated on a \$7.1 billion tax base, signifying the highest valuations since 1992, when the tax base was \$5.15 billion. **Additionally, the tax rate was reduced one cent from \$.28 to \$.27 per \$100 valuation which gave \$700,000 back to the taxpayers in FY08.**

For Texas County governments, property tax revenue is the only major funding source directly under the jurisdiction of the Commissioners Court. Other funding sources are not fully controlled by 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.

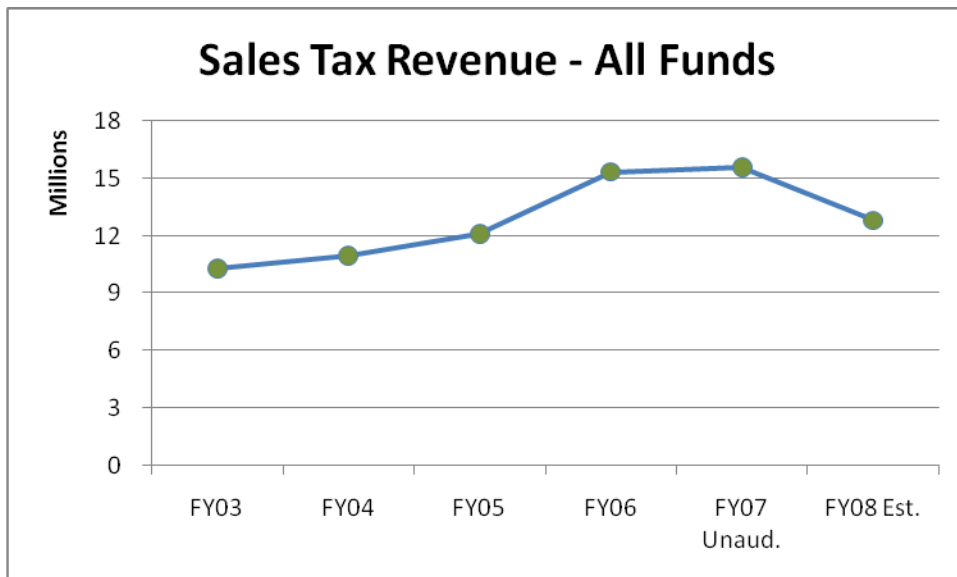
At this time, local tax rates are 'controlled' by the citizens as they elect the Commissioners Court members who set the tax rates. The Texas legislature is currently seeking ways to fairly distribute school taxes to public schools across the state and, in conjunction, restrict the counties and cities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

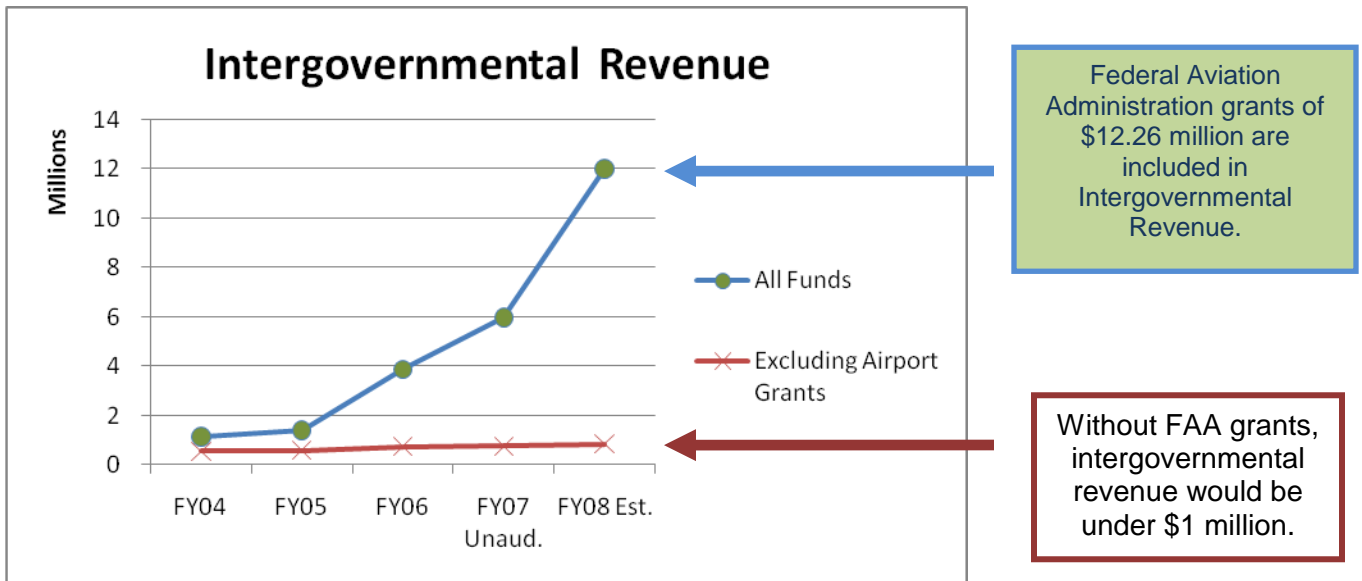
Fluctuations in sales tax revenue are directly tied to the economy and thus are budgeted conservatively. FY08 projections were estimated at \$12.5 million. The State Comptroller’s website provides data regarding the sales tax allocation payment detail and historical summaries for counties, cities and 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. This allocation is disbursed to the General Fund and Road and Bridge Fund as required by Section 152.123 of the Tax Code.



Revenue Comparisons By Major Source Type

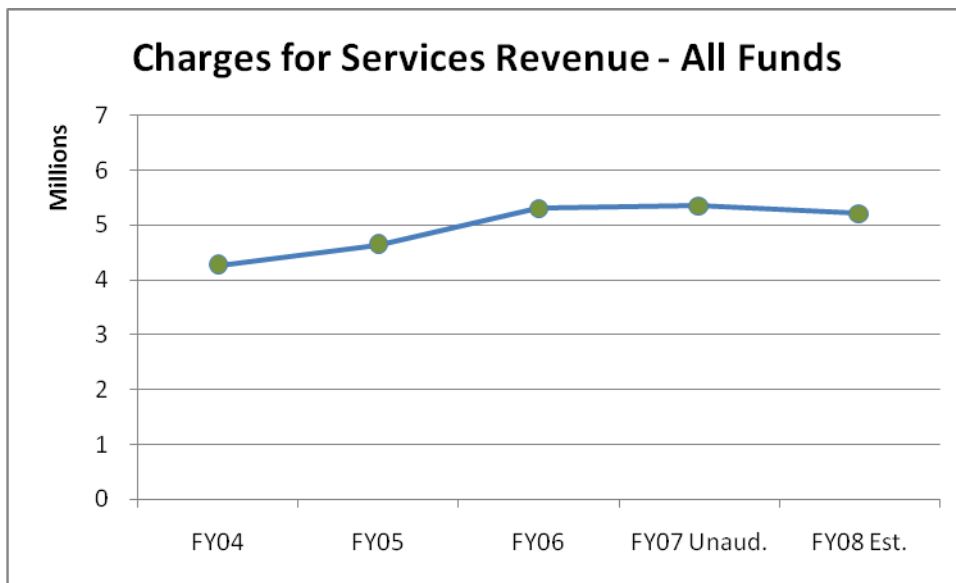
Intergovernmental Revenue includes funds received from federal, state, and local governments. Funding received in this category is usually provided for specific activities, and sometimes requires a cash match. Grants are presented throughout the year to the Commissioners Court who accept the grant and set 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 cumulative total of intergovernmental revenue over a five (5) year span is \$24.4 million and, of that \$24.4 million, 86% or \$20.9 million is federal funding for airport improvements. The chart below depicts the significance of the funding received for airport grants.



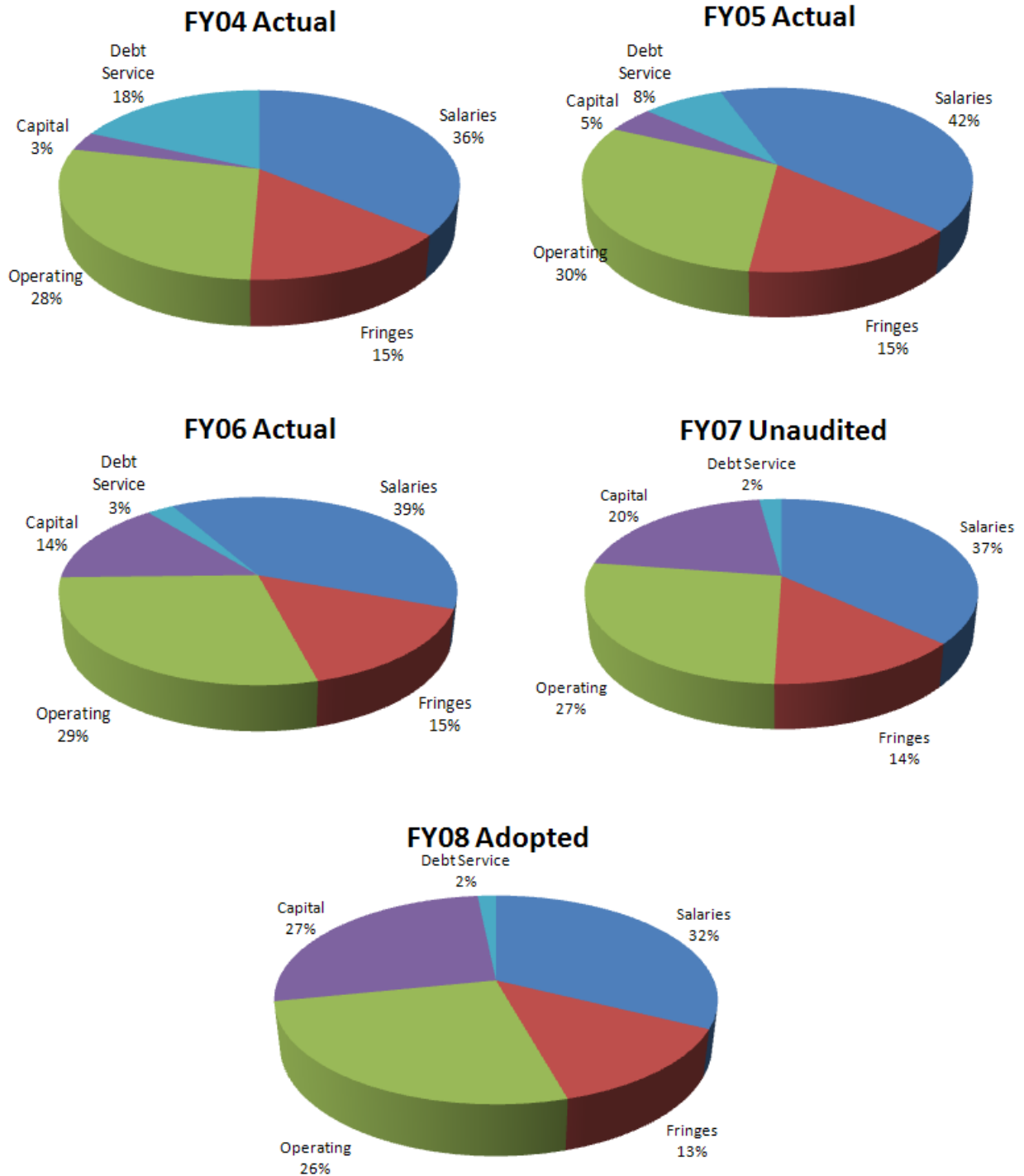
Revenue Comparisons

By Major Source Type

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 FY08 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 portion.

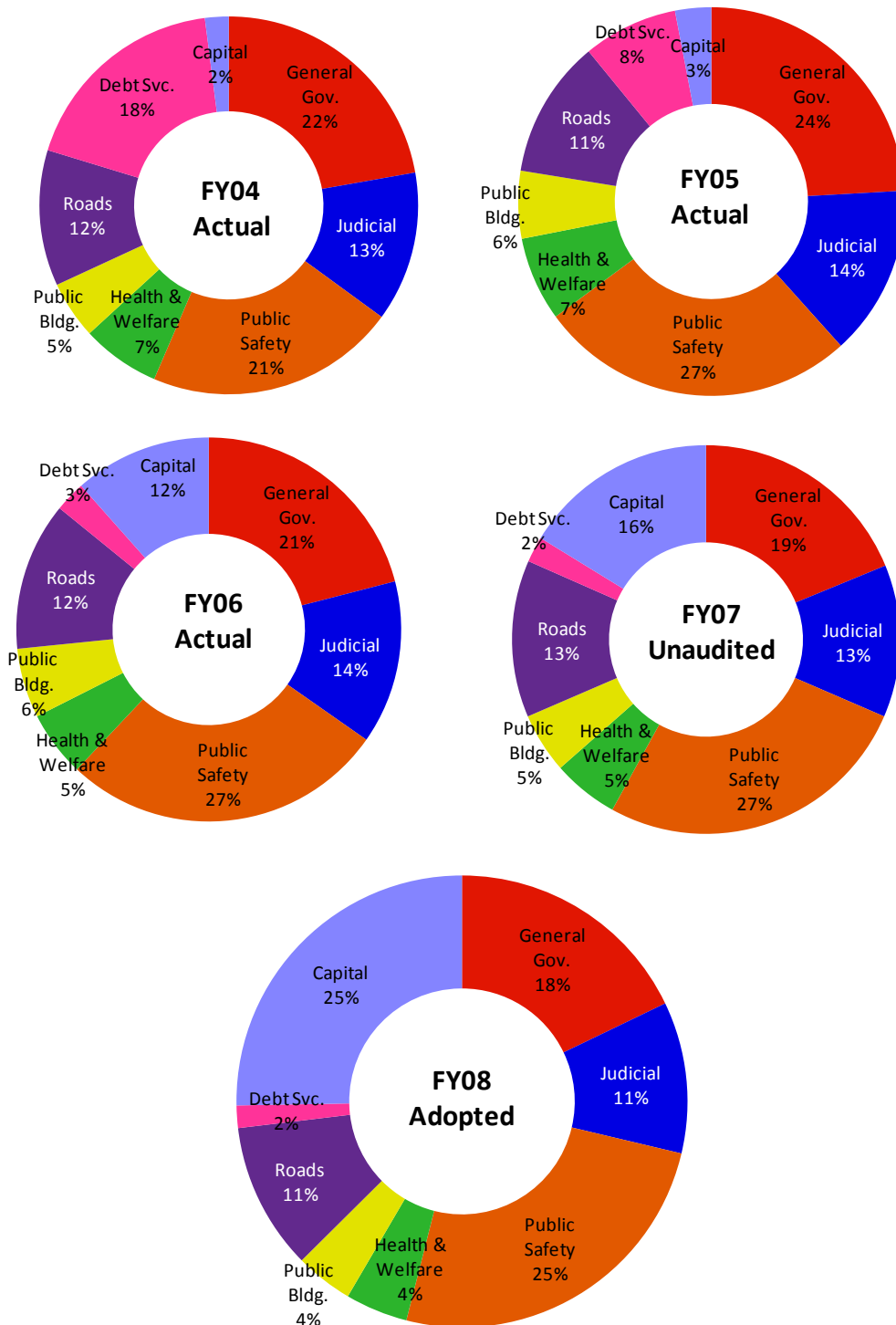


Expenditures Comparison By Category



As illustrated above, salaries and fringe benefits consistently comprise about 45 to 50% of the county’s total budgeted expenses which is standard for service organizations. The FY04 chart includes the refinancing of the 1993 bond series. Capital expenses fluctuate due to airport improvement projects which are contingent on FAA approval.

Expenditures Comparison By Function



The chart comparisons show a fluctuation from 18% to 24% in general government expenditures. Public safety ranges from 21 to 27%; increases are due to additional jailer expenses. FY04 debt service expenses reflect the callable bonds retirement and refinancing. Capital expense has increased due to the airport grants. The department budget index on pages 101-102 lists the departments associated with each function.

Departmental Expenditures Fiscal Years 2004-2008

	Actual Expenses FY04	Actual Expenses FY05	Actual Expenses FY06	Unaudited Expenses FY07	Budgeted Expenses FY08
<u>General Fund</u>					
County Clerk	664,956	744,309	784,382	795,403	919,546
County Clerk - Archive Restoration	1,019	3,393	1,800	0	150,000
Telecommunications	36,232	37,745	39,935	41,482	46,885
Purchasing	131,987	135,234	136,339	139,407	150,381
Human Resources	158,114	160,480	165,158	168,773	181,812
Non -Departmental	2,172,719	1,948,024	1,897,567	1,922,187	2,849,120
Non-Departmental - Judicial	692,696	612,325	767,788	818,465	754,900
County Judge	196,080	197,850	206,035	214,143	241,303
Postal Services	0	0	0	9,280	39,610
Elections	254,473	218,475	261,652	252,872	314,159
Auditor	440,638	449,966	462,583	510,182	541,469
Tax Assessor-Collector	1,278,292	1,312,533	1,353,792	1,384,990	1,525,732
Information Services	920,051	939,486	965,888	928,357	1,051,103
Extension Service	141,738	146,113	146,681	151,806	181,524
Court of Appeals	11,649	11,645	11,463	14,002	15,243
County Court-at-Law #1	264,479	264,250	286,658	306,765	322,543
County Court-at-Law #2	254,207	257,503	276,681	290,616	320,743
Attorney General Master	8,000	9,200	9,600	9,598	10,200
124th District Court	172,445	158,655	139,729	147,202	172,231
188th District Court	119,616	139,470	146,952	163,452	205,517
307th District Court	132,349	123,897	131,708	141,882	155,865
Juror Expenses	61,725	62,319	111,531	142,490	150,500
District Clerk	777,860	760,425	832,635	847,457	929,636
Justice of the Peace #1	214,993	205,241	239,961	233,106	281,204
Justice of the Peace #2	102,525	119,367	141,429	132,441	160,895
Justice of the Peace #3	177,473	192,925	196,002	218,649	238,094
Justice of the Peace #4	148,593	150,877	149,611	149,997	162,353
District Attorney	1,140,152	1,286,317	1,349,711	1,441,853	1,710,110
Bail Bond Board	2,149	1,970	2,061	1,466	6,570
Collections	0	0	0	83,748	141,709
Constable #1	61,606	66,105	69,819	69,401	73,245
Constable #2	51,883	55,467	58,834	61,164	64,870
Constable #3	59,716	71,848	72,509	79,183	89,838
Constable #4	53,393	54,718	55,650	60,464	64,854
Sheriff - Corrections	6,698,847	7,519,072	8,451,998	8,934,334	10,089,724
Contract Jail Operations	0	0	0	676,394	2,039,691
Criminal Justice Operations	0	0	156,282	328,590	369,618
Department of Public Safety	45,987	51,774	55,345	55,773	61,514
Texas Parks & Wildlife	0	0	534	79	900
Texas Alcohol-Beverage Com.	0	0	0	0	250
Juvenile Board	112,268	110,424	110,105	123,174	122,650
Gregg Industrial Park	7,273	29,304	27,247	0	0
Veterans Service	86,146	87,534	90,637	85,632	91,747
Emergency Management	1,515	3,320	2,800	1,000	14,242
Environmental Protection	16,483	5,477	4,592	0	23,000

Departmental Expenditures (continued)

Fiscal Years 2004-2008

	Actual Expenses FY04	Actual Expenses FY05	Actual Expenses FY06	Unaudited Expenses FY07	Budgeted Expenses FY08
911 Addressing	88,590	104,616	93,403	94,244	129,488
Health Department	1,543,480	1,420,040	1,181,729	1,433,744	1,517,218
Historical Commission	6,819	7,655	6,150	11,002	6,525
Contributions	494,166	501,400	520,909	563,000	541,300
Courthouse Building	1,193,194	1,264,344	1,423,271	1,410,157	1,414,193
North Jail Building	168,908	175,651	206,215	239,543	336,135
Service Center Building	24,215	23,102	30,401	26,303	37,500
Community Buildings Maint.	56,734	45,385	47,084	47,484	56,275
Comm. Bldg. - Whaley St.	26,579	32,830	30,545	26,918	40,587
Comm. Bldg. - Judson	1,744	4,163	6,342	3,406	5,675
Comm. Bldg. - Greggton	17,487	22,343	32,212	29,242	31,300
Comm. Bldg. - Garfield Hill	2,898	2,651	3,824	4,503	7,225
Comm. Bldg. - Gladewater Sr.	0	1,200	0	0	0
Gladewater Commerce Street Bldg.	13,152	9,319	11,198	10,467	14,425
Comm. Bldg. - Liberty City	14,214	26,443	14,392	20,532	20,005
Comm. Bldg. - Hugh Camp Park	13,271	7,914	15,092	16,577	24,225
Comm. Bldg. - Olivia Hilburn	6,762	6,197	8,904	8,158	10,825
Kilgore Office & Comm. Bldg.	62,260	57,042	61,070	66,486	82,795
Comm. Bldg. - Kilgore South	3,653	4,307	1,965	3,914	20,225
Comm. Bldg. - Elderville	10,454	11,694	13,671	20,338	30,225
Comm. Bldg. - Easton	12,602	6,882	5,364	4,480	15,225
Longview Eastman Rd Bldg	0	0	0	20,143	8,525
West Harrison VFD Building	1,351	4,421	4,133	2,124	4,200
CSCD Annex	0	0	8,640	0	0
MAS Criminal Justice Center	23,096	21,911	59,734	43,712	43,790
Youth Detention Building	27,434	31,017	88,025	64,167	36,750
Debt Service	0	15,180	14,982	0	0
Total General Fund	21,685,390	22,512,744	24,260,939	26,307,903	31,471,737

Road & Bridge Fund

Administration	365,546	351,755	379,627	383,802	415,748
General	302,687	501	299,592	300,800	304,635
Precinct #1	1,075,660	1,046,860	1,136,107	1,693,516	1,415,978
Precinct #2	43,496	62,691	69,598	79,240	151,750
Precinct #3	1,384,292	1,366,875	1,466,376	1,914,408	2,101,620
Precinct #4	736,405	726,469	935,512	985,072	1,273,643
Right of Way	32,476	25,000	120,467	42,000	40,000
Total Road & Bridge Fund	3,940,562	3,580,151	4,407,279	5,398,838	5,703,374

Departmental Expenditures (continued)

Fiscal Years 2004-2008

	Actual Expenses FY04	Actual Expenses FY05	Actual Expenses FY06	Unaudited Expenses FY07	Budgeted Expenses FY08
<u>All Other Funds</u>					
Elections Services Fund	14,149	8,274	7,306	7,891	24,350
Co Clerk Records Mgmt	114,508	104,857	129,086	147,040	367,439
Jail Lease Facility	76,516	39,975	69,840	55,240	60,000
Law Library Fund	61,594	57,584	60,732	63,631	66,651
Airport Maintenance Fund	1,007,712	1,199,418	1,304,688	1,469,469	1,583,046
County-Wide Records Mgmt	28,799	30,919	33,097	37,697	52,153
Building Security	135,807	130,425	111,645	90,172	101,463
Justice Court Technology Fund	10,985	8,923	3,497	10,142	30,000
District Clerk Civil Records Mgmt	0	0	0	21,224	30,055
District Clerk Criminal Records Mgmt	0	0	0	0	0
Justice of the Peace Security	0	0	350	0	4,500
Co Clerk Criminal Records Mgmt	0	0	0	0	4,000
Health Care Fund	40,000	20,000	20,000	80,000	100,000
Debt Service Funds	6,214,219	2,441,823	898,273	886,143	869,600
Permanent Improvements	0	0	0	0	100,000
Airport Improvements	657,038	892,523	3,368,436	5,429,230	12,268,500
Longview Whaley Community Bldg.	33,503	16,646	73,774	19,855	50,000
Industrial Airpark Improvements	0	24,681	88,399	84,684	0
124th Courtroom Renovation	0	1,904	207,313	0	0
Records Storage Building	0	0	359,095	113,105	0
Computer Upgrade Project	0	0	0	1,051,085	994,004
307th District Courtroom	0	0	0	11,402	282,217
Total All Funds	34,020,782	31,070,847	35,403,749	41,284,751	54,163,090

FY07 Budget 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 reasonable amount. 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, 2007. All actual figures are un-audited.

General Fund

	FY07 Budget	FY07 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	15,086,987	14,840,875	(246,112)	
Sales & Other Taxes	10,955,000	14,155,529	3,200,529	
Licenses & Permits	61,000	71,772	10,772	
Intergovernmental	540,415	601,444	61,029	
Fees of Office	3,084,600	3,591,815	507,215	
Fines & Forfeitures	540,000	590,465	50,465	
Interest Income	400,000	1,008,916	608,916	
Rent & Commissions	220,941	239,859	18,918	
Miscellaneous	975,100	1,761,219	786,119	
Total Revenues	31,864,043	36,861,894	4,997,851	115.68%
Other Financing Sources	25,000	137,001	112,001	
<u>Expenditures</u>				
Salaries	12,763,150	12,613,218	149,932	
Fringes	5,213,231	4,716,603	496,628	
Operating Expenses	9,158,502	8,468,119	690,383	
Capital Acquisitions	276,200	509,963	(233,763)	
Debt Service	0	0	0	
Total Expenditures	27,411,083	26,307,903	1,103,180	95.98%
Other Financing Uses	2,508,418	2,476,150	32,268	

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

FY07 Budgeted to Actual Results Comparison(continued)*

Road & Bridge Fund

	FY07 Budget	FY07 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	1,193,732	1,241,539	47,807	
Sales & Other Taxes	1,300,000	1,420,387	120,387	
Licenses & Permits	1,075,000	1,224,868	149,868	
Intergovernmental	23,000	24,415	1,415	
Fees of Office	0	16,819	16,819	
Fines & Forfeitures	520,000	557,428	37,428	
Interest Income	50,000	120,684	70,684	
Miscellaneous	1,200	2,935	1,735	
Total Revenues	4,162,932	4,609,075	446,143	110.72%
Other Financing Sources	101,500	873,920	772,420	
<u>Expenditures</u>				
Salaries	1,846,430	1,806,401	40,029	
Fringes	806,233	662,287	143,946	
Operating Expenses	2,116,658	1,962,030	154,628	
Capital Acquisitions	212,000	968,120	(756,120)	
Total Expenditures	4,981,321	5,398,838	(417,517)	108.38%

Debt Service Funds

	FY07 Budget	FY07 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	922,017	902,756	(19,261)	
Interest Income	5,000	23,135	18,135	
Total Revenues	927,017	925,891	(1,126)	99.88%
Other Financing Sources	0	0	0	
<u>Expenditures</u>				
Principal Reduction	860,000	860,000	0	
Interest	25,800	25,800	0	
Administrative Fees	1,000	343	657	
Total Expenditures	886,800	886,143	657	99.93%
Other Financing Uses	0	0	0	

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

FY07 Budgeted to Actual Results Comparison(continued)*

Special Revenue Funds

	FY07 Budget	FY07 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Elections Services	5,200	8,100	2,900	
Co. Clerk Records Mgmt.	146,000	165,974	19,974	
Jail Lease Facility	50,000	124,560	74,560	
Law Library	62,000	73,949	11,949	
Airport Maintenance	1,314,708	1,448,194	133,486	
County-Wide Records Mgmt.	53,000	76,873	23,873	
Security Fund	73,500	82,861	9,361	
Justice Court Technology	22,500	35,214	12,714	
District Clerk Civil Records Mgmt.	10,200	15,422	5,222	
Dist. Clerk Criminal Records Mgmt.	0	248	248	
Justice of the Peace Security	3,500	7,926	4,426	
Co. Clerk Criminal Records Mgmt.	1,200	4,919	3,719	
Health Care Fund	130,000	205,692	75,692	
Total Revenues	1,871,808	2,249,932	378,124	120.20%
Other Financing Sources	15,500	15,629	129	
<u>Expenditures</u>				
Elections Services	26,000	7,891	18,109	
Co. Clerk Records Mgmt.	197,934	147,040	50,894	
Jail Lease Facility	60,000	55,240	4,760	
Law Library	66,691	63,631	3,060	
Airport Maintenance	1,983,200	1,469,469	513,731	
County-Wide Records Mgmt.	54,167	37,697	16,470	
Security Fund	93,591	90,172	3,419	
Justice Court Technology	10,000	10,142	(142)	
District Clerk Civil Records Mgmt.	250	21,224	(20,974)	
Dist. Clerk Criminal Records Mgmt.	0	0	0	
Justice of the Peace Security	3,000	0	3,000	
Co. Clerk Criminal Records Mgmt.	1,500	0	1,500	
Health Care Fund	80,000	80,000	0	
Total Expenditures	2,576,333	1,982,506	593,827	76.95%
Other Financing Uses	128,000	98,452	29,548	

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

FY07 Budgeted to Actual Results Comparison(continued)*

Capital Projects Funds

	FY07 Budget	FY07 Actual Results	Variance Favorable (Unfavorable)	% of Budget
<u>Revenues</u>				
Property Taxes	36,350	14,422	(21,928)	
Intergovernmental	3,855,249	5,205,230	1,349,981	
Interest Income	3,800	83,909	80,109	
Fees	62,000	74,418	12,418	
Total Revenues	3,957,399	5,377,979	1,420,580	135.90%
Other Financing Sources	2,317,748	2,617,428	299,680	
<u>Expenditures</u>				
Capital Outlay	6,440,905	6,709,361	(268,456)	
Total Expenditures	6,440,905	6,709,361	(268,456)	104.17%
Other Financing Uses	0	385,569	(385,569)	

**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. Departmental expenditures are recapped on pages 92-94 in the Financial Summaries section of this document. Expenditures by fund type, category and funds are shown on pages 66-69. Summaries of expenditure trends are shown on pages 76-79.

As noted on page 17, 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.

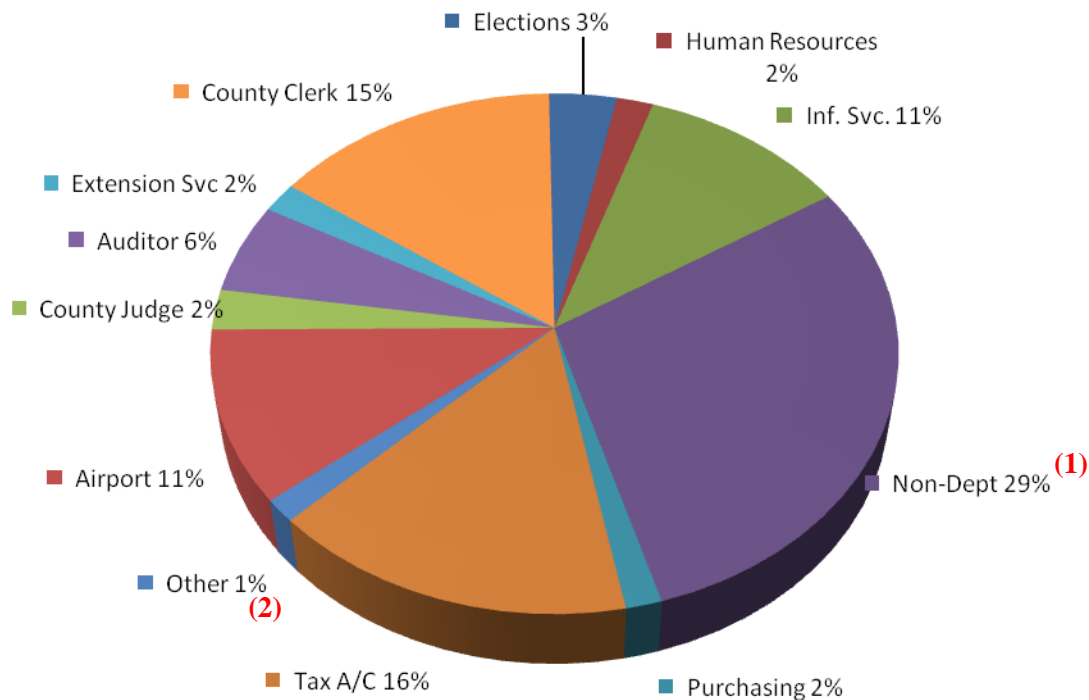
The words 'department' and 'organization' and 'office' are often used interchangeably. Typically, department names are shortened by omitting these terms. For instance, we use the department name 'County Judge' for all activities under the purview of the County Judge, rather than using official terminology such as 'The Office of the County Judge' or 'County Judge's Office'.

Major departments include the following information:

- **Description** - of the office, official, or department head, with their terms of office and/or elected/appointment information.
- **Activities** – general operations are inclusive of all statutory duties of the office; however, several departments have specific activities that are identified and accounted for within separate organizations and/or funds for statutory purposes.
- **Mission statement** – provided by each department head. *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 data are quantifiable.*
- **Performance indicators** – provided by departments; sections include workload or outputs, efficiencies, and effectiveness or outcomes. (Some departments used narrative format). 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.
- **Five-year comparison of categorical expenditures** (salaries, fringe benefits, operations, capital, and debt expense); full-time equivalent (FTE) positions are provided here. 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.
- **Other information** relevant to departmental operations includes Goals and Accomplishments and notes.
- **Funds Overview or overview of reserves** are shown when monies are separated from general funds to meet statutory or accounting requirements.

Departmental budgets are presented in sections according to function types: general government, judicial services, public safety, health and human services (also referred to as health and welfare), public buildings/facilities, roads and transportation, debt service and capital projects. The pie charts shown on pages 90-91 allows five year comparisons between actual and unaudited expenditures and the adopted budget for FY08.

GENERAL GOVERNMENT FUNCTION



The General Government function includes departments whose primary duties are administrative and do not fit criteria of other functions.

(1) Non-Departmental includes expenditures that are not associated with specific departments, such as legal and other professional services, contingencies, general liability insurance, PBX communications, and intergovernmental activity.

(2) Other expense includes County-wide records management, telecommunications and postal service departments.

GENERAL GOVERNMENT FUNCTION

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Airport Maintenance Operations

The East Texas Regional Airport (GGG) is owned by Gregg County. The Commissioners Court appoints the Airport Manager and the Airport Board.

Activity: General Operations

The Airport Manager and supervisory team oversee the daily operations of the County’s airport, develop and manage Federal Aviation Administration (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 and equipment. The East Texas Regional Airport (GGG) operates under strict FAA guidelines which include extra precautionary measures for homeland security.

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 foreign trade zone and offering incentives to attract new businesses to the airport’s development sites.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$300,505	\$260,388,	\$507,455	\$599,638	\$493,539
Total Revenue	967,074	1,436,187	1,369,602	1,448,823	1,430,239
Total Expenditures	-1,007,712	-1,199,418	-1,304,688	-1,469,469	-1,583,046
Other Financing Sources over Other Financing Uses	521	10,298	27,268	-85,452	0
Ending Fund Balance	\$260,388	\$507,455	\$599,638	\$493,539	\$340,732

Revenue includes ad valorem tax, rents and commissions, charges for services and interest income. Increases to revenue are mostly due to ad valorem tax allocations. Expenses have increased due to changes in accounting for insurance premiums and marketing the industrial airpark, replacement of capital equipment, and increased utility costs.

Operations Statistics	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
Total Operations (Take Offs & Landings)	86,824	95,872	99,446	86,826	90,000
Airline Enplanements (Passenger Boardings)	23,886	23,271	25,130	26,155	28,000

Airport Maintenance Operations (continued)

GOALS and ACCOMPLISHMENTS:

- Adhere to FAA guidelines
 - *Operations are ongoing and would discontinue if adherence were not followed*
- Seek State and Federal funding
 - *From 1992 to 2007 the County has secured over \$26.5 million in project funding – County match was \$2.09 million, or an average of 7.8%. The County match is usually 5 or 10% of the project. See pages 43-46 for more information*
- Adhere to Homeland Security Guidelines
 - *Public safety division was transferred to the Sheriff's Office in FY05*
- Grow the Industrial Airpark

Activity: Administration

This division includes all personnel, with the exception of public safety persons. All general expenses are accounted for in this division, such as utilities and office related expenses.

Fund: AIRPORT MAINTENANCE FUND

Organization: ADMINISTRATION

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$535,118	\$479,859	\$296,176	\$313,324	\$358,601
Fringe Benefits	197,321	202,865	125,637	129,438	156,155
Operating Expenses	119,748	163,354	187,197	174,525	185,665
Capital Outlay	0	0	1,826	0	0
Total Expenses	\$852,188	\$846,078	\$610,836	\$617,287	\$700,421
Full-Time Positions	19	10	10	11	11

Department Notes

Prior to FY05 all personnel costs, including the public safety department, were charged to this department. In July of 2005 the public safety department was placed under the direction of the County sheriff and salaries and fringe benefits were separated from this department. Due to increased responsibility of maintaining the airfield in accordance with FAA regulations and the need for preventive maintenance at the airport facilities, one new maintenance position was added in FY07 and, in FY08, two positions were realigned, assuming more of this responsibility.

Operating expenses include utilities for all airport facilities. Insurance premiums were moved to affected departments in FY05, adding 11% to the overall budget.

GENERAL GOVERNMENT FUNCTION

Airport Maintenance Operations (continued)

Activity: Terminal Building

The Terminal Building was built in 1945 and renovated in 1988. It contains the airport offices, control tower, public safety office, restaurant and passenger areas. Expenditures related to the maintenance of the facility are included here.

Fund: AIRPORT MAINTENANCE FUND

Organization: TERMINAL BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$51,667	\$56,258	\$36,069	\$50,636	\$49,320
Capital Outlay	8,117	0	0	145,831	0
Total Expenses	\$59,784	\$56,258	\$36,069	\$196,467	\$49,320

Department Notes

FY07 capital outlay included \$150,000 for a replacement air conditioning unit.

Activity: Airfield

This program accounts for all expenses related to the airfield, including, but not limited to, maintenance of the runways, painting airfield stripes, runway lights and reflectors. The airfield consists of two runways: RWY 13-31 150'w x 10,000'l and RWY 17-35 150'w x 6,109'l.

Fund: AIRPORT MAINTENANCE FUND

Organization: AIRFIELD

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$24,415	\$61,844	\$29,460	\$30,859	\$44,500
Capital Outlay	0	5,116	0	0	0
Total Expenses	\$24,415	\$66,960	\$29,460	\$30,859	\$44,500

Department Notes

Fluctuations are due to maintenance required to adhere to FAA regulations for operations.

Airport Maintenance Operations (continued)

Activity: Maintenance Shop

The maintenance shop is responsible for maintaining all airport equipment, including vehicles operated by the public safety department.

Fund: AIRPORT MAINTENANCE FUND

Organization: MAINTENANCE SHOP

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$37,299	\$47,326	\$26,761	\$43,439	\$52,100
Capital Outlay	1,590	27,019	102,364	123,929	85,000
Total Expenses	\$38,889	\$74,345	\$129,125	\$167,368	\$137,100

Department Notes

Fuel and lubrication costs have increased steadily since FY03. Capital outlay includes: one work truck in FY05; a work truck, metal storage building, Rhino mower, tractor and used utility vehicle in FY06; backhoe, tractor, wing cutter, and pickup in FY07; and a dump truck and tractor for FY08. Equipment purchased in recent years replaced aging equipment.

Activity: Marketing

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 reductions, storage and marketing benefits to businesses located within the foreign trade zone.

Fund: AIRPORT MAINTENANCE FUND

Organization: MARKETING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$1,316	\$9,206	\$27,605	\$31,569	\$104,500
Capital Outlay	0	0	3,016	0	0
Total Expenses	\$1,316	\$9,206	\$30,621	\$31,569	\$104,500

Department Notes

In FY07 expenditures for the industrial airpark were moved from general fund to the airport maintenance fund. Expenses include advertising, professional services, and public relations expense in addition to conference and travel for the airport marketing position.

GENERAL GOVERNMENT FUNCTION

County Auditor

The County Auditor serves as Gregg County’s Chief Financial Officer. The Auditor is appointed to a two-year term by a Board of Judges from the 124th, 188th, and 307th District Courts.

Program: General Operations

Specific duties include financial accounting and reporting, accounts payable, internal auditing, and payroll services. The Auditor monitors the County’s compliance with County policy, state and federal laws, state and federal employment regulations, generally acceptable accounting practices (GAAP), and administers all grants for the County.

Mission Statement:

To ensure that all financial operations of the County conform to Texas Statutes, principles of the Governmental Accounting Standards Board, and Gregg County policies.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Accts Payable Transactions	15,832	20,672	19,592	21,294	22,359
Payroll Checks Processed	14,196	16,184	14,764	14,804	14,954
Internal Audits	636	640	604	607	619
Grants Administered	28	32	25	24	27
Grant Reports Issued	177	160	113	84	90
<u>Efficiency</u>					
External auditor’s opinion on Annual Financial Reports	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
% of Monthly Financial reports presented timely	100%	100%	100%	100%	100%
% of Grant reports submitted timely	100%	100%	100%	100%	100%

GOALS and ACCOMPLISHMENTS:

- Maintaining efficient and professional conduct, while providing timely and accurate financial information to County officials and others..
 - *County financial reports remain unqualified and timing of annual presentation of financial reports to the Commissioners Court has been reduced from nine to six months.*
- Seek continued improvement of the internal audit program
- Maintain highly efficient and capable staff whose statutory responsibility is to review and audit all other County departments
 - *Eight of the nine employees have been with the County over 5 years.*
- Implementation of new accounting procedures for the Child Welfare Board began in FY07.

GENERAL GOVERNMENT FUNCTION

County Auditor (continued)

Fund: GENERAL FUND
Organization: COUNTY AUDITOR

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$313,353	\$325,868	\$328,951	\$352,238	\$385,360
Fringe Benefits	108,203	104,284	112,833	116,448	135,109
Operating Expenses	19,082	19,813	18,057	20,525	21,000
Capital Outlay	0	0	2,742	20,497	0
Total Expenses	\$440,638	\$449,966	\$462,583	\$509,708	\$541,469
Full-Time Positions	9	9	9	9	9

Department Notes

Capital expenditures include one time purchase of workstation units.

GENERAL GOVERNMENT FUNCTION

County Clerk

The County Clerk is elected to a four year term of office by the general population of the County and serves as the official record keeper for the County courts, including the probate courts and the Commissioners Court. Activities include general operations, archive restoration, records management and criminal records management (located in Judicial Function, page 154).

Activity: General Operations

The County Clerk is 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 as Gregg County does not have one.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Output</u>					
Criminal Cases Filed	5,763	5,919	5,680	5,585	5,850
Civil Cases Filed	718	628	622	608	600
Probate Cases Filed (1)	415	436	366	530	520
Public Records Filed	29,528	28,775	28,607	29,118	29,120
Marriage Licenses	1,377	1,413	1,430	1,465	1,460
Birth/Death Records	21,780	21,543	22,295	23,335	23,500
Treasury Deposit Warrants Collections per Year	\$37,522,934	\$41,734,186	\$49,427,766	\$55,833,787	\$56,183,944
<u>Efficiency</u>					
Avg. Criminal Cases filed per week	111	114	109	107	112
Avg. Civil/Probate Cases filed per wk	14	12	12	11	11
Avg. Public Records filed per week	568	553	550	560	560
Avg. Marriage Licenses filed per week	26	27	28	28	28
Birth/Death Records filed per FTE	10,890	10,772	11,148	11,668	11,750
Birth/Death Records filed per day	87	86	89	90	94
<u>Effectiveness / Outcome</u>					
Staffing level – percent with 5 or more years of experience	45%	47%	65%	56%	56%
Treasury investment income	\$227,777	\$437,519	\$1,215,571	\$1,561,201	\$1,216,900

County Clerk (continued)

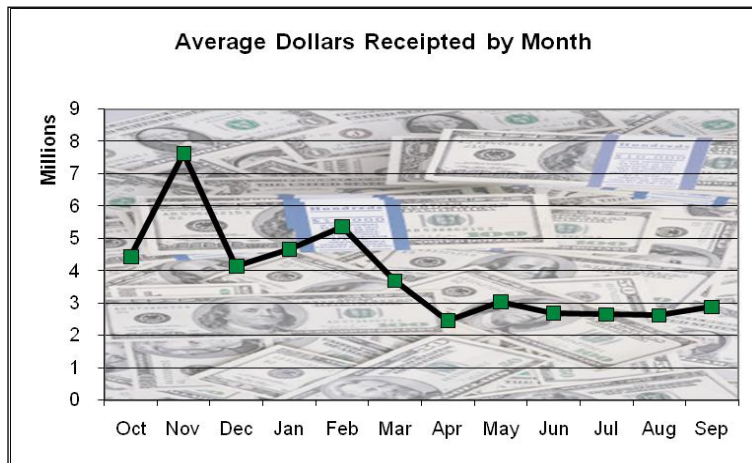
Fund: GENERAL FUND
Organization: COUNTY CLERK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY07 Budgeted
Salaries	\$431,616	\$494,328	\$512,985	\$523,279	\$595,889
Fringe Benefits	177,368	190,314	215,729	212,200	259,640
Operating Expenses	55,972	58,990	54,973	59,924	64,017
Capital Outlay	0	675	695	0	0
Total Expenses	\$664,956	\$744,309	\$784,382	\$795,403	\$919,546
Full-Time Positions	19	20	20	20	21

Department Notes

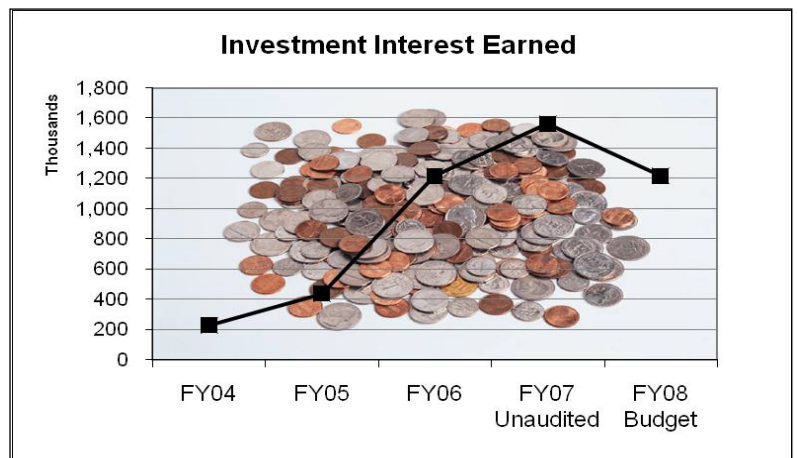
Performance Measures: Outputs show the growth trend activity produced in various department areas, while efficiency indicators show the activities divided into daily and employee workload. The department is achieving its goal of maintaining a well-trained staff as shown by the staffing levels of tenured employees.

Administrative treasury functions of the department are depicted by the graphs below.



The graph to the left illustrates the County’s cash flow, which is consistent with tax season. Receipts peak October thru January and again, in June, after second notices are mailed in May.

The graph to the right reflects the effectiveness of the County’s investment policies and the administrative abilities of the County’s investment officer. Interest earnings are strongly effected by market and interest trends. FY08 was conservatively budgeted at \$1.2 million.



County Clerk (continued)

Activity: 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. FY08 marks the fifth year of collections for archive restoration.

The following plan for FY2008 was approved by the Commissioners Court as required by statute.

- ◆ Complete restoration of the following books:
 - Register of Births Volume 1. Estimated cost: \$750
 - Index to Birth Records No. 2 and No. 3. Estimated cost: \$1,700/each = \$3,400
 - Death Record Volume 2 (1929 – 1959). Estimated cost: \$950
 - Marriage Volumes A, B, C, D, E, F (1873-1903). Estimated cost: \$1,500/each = \$9,000
 - Marriage Volumes G thru Z. Estimated cost: \$1,000/each = \$26,000
- ◆ Book Re-Creation of 28 Marriage Books (Volume 27 thru Volume 54) with approximately 600-650 pages per book and 9 index books. Estimated Cost: \$35,000
- ◆ Complete restoration and filming of 86 volumes of Register of Instruments Filed. Estimated cost: \$103,850
- ◆ 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
- ◆ Microfilm of miscellaneous permanent records. Estimated cost: \$5,000

Overview of Reserves:

	FY04	FY05	FY06	FY07 Est.	FY08 Budget
Revenue Received	\$143,025	\$138,365	\$139,025	\$141,200	\$140,000
Expenditures	1,019	3,392	1,800	0	150,000
Balance at Year End	\$142,006	\$276,979	\$414,204	\$555,403	\$545,403

GOALS and ACCOMPLISHMENTS:

- 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;
- It is the intent of the County Clerk’s office to make all deed records accessible on the internet – this mass undertaking will include scanning old records, indexing the records, and importing those records to the existing records and retrieval system;
- Revenue collected and not expended during the fiscal year will be carried forward to the next year; this measure will be necessary to acquire funding for larger projects.
 - By the end of FY07 approximately 15% of the project was completed at a total cost of \$6,211.

Fund: GENERAL FUND

Organization: COUNTY CLERK – ARCHIVE RESTORATION

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	0	0	0	0	0
Operating Expenses	1,019	3,392	1,800	0	150,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$1,019	\$3,392	\$1,800	\$150,000	\$150,000

County Clerk (continued)

Activity: Records Management

General records management operations are accounted for in the County Clerk’s Records Management Fund. This fund consists of state authorized fees and is restricted to the preservation of official records in the County Clerk’s office. The County Clerk supervises the organization and development of specific records management and preservation projects.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$177,535	\$217,630	\$267,094	\$298,824	\$317,760
Total Revenue	154,570	154,321	160,816	165,974	162,000
Total Expenditures	-114,507	-104,857	-129,086	-147,038	-367,439
Other Financing Sources over Other Financing Uses	32	0	0	0	0
Ending Fund Balance	\$217,630	\$267,094	\$298,824	\$317,760	\$112,321

Fund: COUNTY CLERK RECORDS MANAGEMENT FUND
Organization: COUNTY CLERK RECORDS MANAGEMENT

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$45,396	\$46,825	\$47,474	\$49,764	\$54,499
Fringe Benefits	19,467	18,657	20,556	20,889	24,360
Operating Expenses	42,090	39,374	61,056	76,387	282,980
Capital Outlay	7,555	0	0	0	5,600
Total Expenses	\$114,508	\$104,857	\$129,086	\$147,040	\$367,439
Full-Time Positions	2	2	2	2	2

Department Notes

Two full time clerks scan and index all documents and prepare them for microfilming. Expenditures in this fund include upgrades to the department’s software and hardware, as well as a new computerized automated imaging system. This will allow older paper records will be converted to an electronic medium for easier and faster access.

County Judge

The County Judge is elected to a four year term of office by the general population of the County and is generally the individual that represents the County both ceremonially and contractually. The County Judge serves as the Chief Executive Officer for the County, Budget Officer, and head of the Commissioners Court.

Activity: General Operations

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. Judicial functions include mental commitments, juvenile hearings, some pleas, judicial orders and business licensing including TABC licensing. Additionally, the staff serves as liaison for the courthouse telephone system and oversees the telecommunication department.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Commissioners Court Meetings	47	43	44	49	45
Mental Health Cases	89	86	98	125	100
Mental Health EDW’s	n/a	45	89	105	100
TABC Applications	50	50	50	65	65
Juvenile Detention Hearings	176	212	255	150	175
<u>Efficiencies</u>					
Staff Hours in preparation of Commissioners Court agenda	752	688	704	800	832
Staff Hours for all Mental Health activity	104	215	235	260	240
Staff Hours for Budget activity	1,500	1,500	1,500	1,560	1,600
<u>Effectiveness/Outcomes</u>					
% of Time spent on Mental Health Calls	20%	27%	30%	35%	30%
% of Time spent on office administrative work	56%	56%	56%	56%	56%
% of Time spent on Budget	75%	78%	75%	75%	75%
% of Time spent on Historical Commission	-	3%	10%	7%	5%

County Judge (continued)

GOALS and ACCOMPLISHMENTS:

- In FY05 and FY07, the mental health commitment process was reviewed in an effort to coordinate involved parties.
 - *Meetings were held with justices of the peace, sheriff’s mental health deputies, assistant district attorneys, the local public institution for screenings (Community HealthCore), hospitals, and private facilities. Procedures were established for evaluation, documentation and transportation of patients. Continued evaluation of the commitment process is a critical factor in providing assistance to constituents that are homicidal and/or suicidal.*
- The Commissioners Court appoints the members of the Gregg County Historical Commission (GCHC) every two years. In FY06, the GCHC board had to reorganize due to the illness and subsequent death of the chairman. This office assisted GCHC during the transitional phase.
 - *Staff assisted with moving all historical records and property to a temporary office for inventory; recruited the records management officer to scan permanent records; secured a location in the county courthouse and had all records and property moved to the new GCHC office; advised the GCHC on activities surrounding book sales of the newly published book; assisted with amending and adoption of GCHC by-laws.*
- 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 (NETRMA) that was created in conjunction with Smith County in 2005.*
 - *Continuing to work with North East Texas Air Care (NETAC) regarding emissions control and avoid non-attainment.*
 - *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.*

Fund: GENERAL FUND
Organization: COUNTY JUDGE

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$145,715	\$149,585	\$153,444	\$158,036	\$168,703
Fringe Benefits	42,450	41,112	46,018	46,361	52,155
Operating Expenses	7,915	7,153	6,573	9,746	20,445
Capital Outlay	0	0	0	0	0
Total Expenses	\$196,080	\$197,850	\$206,035	\$214,143	\$241,303
Full-Time Positions	3	3	3	3	3

County Judge (continued)

Department Notes

In January of FY07, the Commissioners Court appointed the Gregg County Historical Commission members. Responsibility continues to shift to the new leadership and members of the Gregg County Historical Commission.

Mental Commitments

Although Gregg County only performs commitments for homicidal or suicidal situations and for mental retardation cases, mental health activity has increased two-fold since 2003. During 2005, the County Judge, Justices of the Peace and Sheriff's Office implemented a process for handling mental commitments in the form of an Emergency Detention Warrant (EDW). The EDW process allows public hospitals and similar facilities to quickly process patients with mental health issues and temporarily place them under psychiatric care, thus averting a homicidal or suicidal crisis. This temporary intervention often provides enough time for the patient to sufficiently regain control and return to normalcy. Otherwise, procedures are started for a longer commitment term. The mental health emergency detention warrant (EDW) data is for a period of about 4 months in 2005.

In FY07, the local mental health authority, Sabine Valley Center, merged with other area authorities and changed the name to Community HealthCore. Community HealthCore serves multiple counties and contracts for state hospital beds with multiple facilities outside of Gregg County. Procedures for mental health commitments are currently being reviewed to streamline the commitment process and ensure the citizens of Gregg County are provided appropriate care.

County - Wide Records Management & Preservation

The Texas State Library provides the outline for maintaining records retention and storage requirements for all county documents according to state statutes. The Commissioners Court appoints the records management coordinator for most county departments. (Elected officials can choose to retain their records in accordance with the statutes.)

State authorized fees are collected and maintained in a separate fund called the County-Wide Records Management and Preservation Fund. The fund is restricted to the preservation of official county documents.

Activity: General Operations

The coordinator 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.

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

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$81,653	\$98,612	\$129,389	\$63,584	\$89,760
Total Revenue	45,758	61,696	67,292	76,874	78,000
Total Expenditures	-28,799	-30,919	-33,097	-37,698	-52,153
Other Financing Sources over Other Financing Uses			-100,000	-13,000	
Ending Fund Balance	\$98,612	\$129,389	\$63,584	\$89,760	\$115,607

Records management fees increased due to increased filings. In FY06, \$100,000 was transferred to the Records Storage Building capital project fund for project costs, which caused a decrease to fund balance. Expenses are expected to level off in FY08 once the records are moved and the existing building is repaired.

GOALS and ACCOMPLISHMENTS:

- (1) The current records facility is filled to capacity with records.
 - *In FY06, the County initiated the Records Storage Building capital project to build an adjacent facility to store all records from the district and County Clerks’ offices.*
 - *Once these departments move their records to the newly shelved facility, the current facility will undergo any necessary repairs.*
 - *Efficient management of both facilities should provide adequate storage for the next 20 years.*
- (2) During FY06, it was determined that records held by the Gregg County Historical Commission are also subject to records retention and many items were ‘permanent records.’
 - *Commissioners Court amended the budget for a part-time person to scan all permanent records of the historical commission*
 - *All permanent records were scanned.*
- (3) A filing system and procedures for handling historical records needs to be established in conjunction with the historical commission.

County - Wide Records Management & Preservation Fund
(continued)

Storage and Destruction:

	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
Cubic Feet records destroyed	215	225	230		
Cubic Feet / Storage	436	529	644		

Fund: COUNTY-WIDE RECORDS MANAGEMENT FUND
Organization: COUNTY-WIDE RECORDS MANAGEMENT

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$13,234	\$13,579	\$15,769	\$14,212	\$15,078
Fringe Benefits	5,284	5,058	5,751	5,592	6,370
Operating Expenses	10,281	10,382	11,577	17,894	30,705
Capital Outlay	0	1,900	0	0	0
Total Expenses	\$28,799	30,919	\$33,097	\$37,697	\$52,153
Full-Time Positions	.5	.5	.5	.5	.5

Department Notes

In FY06 a temporary part-time worker was hired to assist with the historical commission project. Operating expenses increased in FY07 due to a few months of operations at the new facility. In FY08, communications and utilities expenses were calculated for the first full year.

Most records are subject to open records requests and there are around 15 to 20 of these requests each year. The coordinator retrieves archived documents from the records center for these requests.

GENERAL GOVERNMENT FUNCTION

Elections

The Elections Administrator is appointed by the Gregg County Elections Commission and serves as the County’s chief election officer and voter registrar.

Activity: General Operations

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 also oversees the elections services contracts fund.

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 train election workers on proper use of electronic voting equipment and minimize public wariness of the electronic equipment by educating the public;
- 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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Output</u>					
Registered Voters	75,954	73,544	70,349	73,680	72,500
Applications Processed	15,109	12,640	9,301	10,000	12,500
Voter Election Rolls	25	18	18	12	14
Elections Held	8	3	6	3	6
Elections Supervised	18	14	12	8	12
<u>Efficiency</u>					
Revenue from elections held for other entities*	\$9,965	\$15,401	\$17,950	\$12,004	\$15,000
Average no. of election workers trained	*	*	86	90	120
<u>Effectiveness/Outcomes</u>					
% Voted in November Election	55.35%	n/a	31.15%	7%	50%

GOALS and ACCOMPLISHMENTS

- HR 3295, known as the ‘Help America Vote Act’ (HAVA) required state and counties meet federal election requirements by January 2006.
 - *In FY06, the County purchased and implemented new voting equipment that complies with HAVA regulations. 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.*

GENERAL GOVERNMENT FUNCTION

Elections (continued)

- Minimizing public wariness regarding the new electronic election environment
 - *The elections department has a demonstration unit in their office all year*
 - *Live demonstrations are performed at community meetings*
 - *A test version of the election equipment has been posted on the County's web page*
- Conducting successful elections
 - *Gregg County has held 7 (seven) elections with the new election equipment and equipment operations were error-free*
- Contract with other governmental entities for elections
 - *Monies received for conducting these elections is deposited into the Elections Services Fund.*

Fund: GENERAL FUND
Organization: ELECTIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$161,906	\$133,578	\$163,588	\$152,941	\$171,029
Fringe Benefits	46,044	36,589	47,120	47,231	59,630
Operating Expenses	46,523	48,308	50,944	50,558	83,500
Capital Outlay	0	0	0	0	0
Total Expenses	\$254,473	\$218,475	\$261,652	\$250,730	\$314,159
Full-Time Positions	4	4	4	4	4

Department Notes

Part of the increase in fringe benefits is the result of changes in accounting for election workers' benefits. Operating expense includes \$25,000 software licensing fees for the elections equipment..

Performance Measures: Performance measures in the elections department fluctuate with gubernatorial and presidential election years.

Elections (continued)

Activity: Election Services Contracts

The Elections Administrator oversees funds 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 FY08 the elections administrator estimates there will be 16 election service contracts.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$32,045	\$28,117	\$31,484	\$43,713	\$43,921
Total Revenue	10,221	11,641	19,535	8,099	5,400
Total Expenditures	-14,149	-8,275	-7,306	-7,891	-24,350
Other Financing Sources over Other Financing Uses	0	0	0	0	0
Ending Fund Balance	\$28,117	\$31,484	\$43,713	\$43,921	\$24,971

The Elections Services Fund reserves increased 36% from the FY04 beginning fund balance of \$32,045 to the FY06 audited ending balance of \$43,713. Budgeted expenditures were increased in FY08 in anticipation of additional expenses associated with the presidential elections.

Fund: ELECTIONS SERVICES FUND

Organization: ELECTIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$1,097	\$1,434	\$0	\$792	\$4,000
Fringe Benefits	0	0	53	0	0
Operating Expenses	13,052	6,840	7,253	7,099	18,850
Capital Outlay	0	0	0	0	1,500
Total Expenses	\$14,149	\$8,274	\$7,306	\$7,891	\$24,350

Extension Service

The County Extension Office operates under the direction of the Texas Cooperative Extension located at Texas A&M University. Gregg County provides office space, expenses, salary and allowance to supplement state payroll for extension office personnel.

Activity: General Operations

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.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Office Contacts	1,091	1,455	2,826	1,597	1,700
Site Contacts	1,707	3,334	3,246	1,342	1,500
Phone Calls	2,680	3,406	5,579	3,766	4,000
News Release	104	83	98	103	110
Mass Educational Mailings	2,663	3,844	5,319	4,199	5,000
Contacts by Volunteers				3,648	3,700
Web Contacts				6,700	7,000
<u>Efficiency</u>					
% Change in office contacts	28%	33%	94%		
% Change in site contacts	-54%	95%	-2%		
% Change in phone calls	23%	27%	64%		
% Change in mass educational mailing	-48%	44%	38%		
<u>Effectiveness/Outcome</u>					
Seminars & Workshops Attendance	5,166	8,099	8,962		
By volunteers				893	1,000
By staff				4,561	4,750
By combination volunteers & staff				14,356	14,750
Clientele reached by volunteer	4,257	5,465	3,386	3,448	3,700
Volunteers Trained	315	210	268	243	250

GOALS and ACCOMPLISHMENTS:

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

Extension Service (continued)**Program Planning**

The Texas Cooperative Extension – Gregg County programs are overseen by the Leadership Advisory Board (LAB). One of the roles of the LAB is to help provide direction and focus for the County program by ensuring educational programs are reaching the needs of the local audiences. As a result, the Leadership Advisory Board will play an active role in evaluating the progress the Gregg County Extension program has made in implementing educational programs originally identified through the 2004 Gregg County Community Futures Forum.

The Gregg County Leadership Advisory Board (LAB) develops a long-term vision for the County Extension program, advocates for and interprets the program throughout the County and helps develop resources for the County program. It is responsible for the “big picture” of County programming. The Leadership Advisory Board meets twice a year and identifies the critical issues that affect the people of Gregg County and the communities.

The issues that were identified in 2007 include: Water Conservation, Education for Non-Agriculture Residents, Family Values, Health Care

Fund: GENERAL FUND**Organization: EXTENSION SERVICE**

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$87,931	\$91,852	\$89,650	\$90,416	\$108,299
Fringe Benefits	39,822	39,330	41,077	40,522	55,725
Operating Expenses	13,985	12,696	14,604	16,555	17,500
Capital Outlay	0	2,235	1,350	4,313	0
Total Expenses	\$141,738	\$146,113	\$146,681	\$151,806	\$181,524
Full-Time Positions	5.5	5.5	5.5	5.5	5.5

Department Notes

From FY06 to FY07, the 20% increase in fringe benefits is due to a change in retirement requirements for part-time workers and agents.

The performance measures include changes in measurements with reductions in on-site contacts and mass mailing and increased contacts through e-mail and web-site contacts. Additionally, contacts by volunteers are now recorded. This shift reflects the departments attempt to reduce costs, i.e. fuel and postage and utilize volunteers, while maintaining contacts with the public.

GENERAL GOVERNMENT FUNCTION

Human Resources

The Human Resources Director is appointed by the Commissioners Court and administers the County's personnel policies and procedures.

Activity: General Operations

Department activities include administering the County's hiring and termination procedures, supervising the 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.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Output</u>					
Job Postings	80	81	74	75	
New Hires	149	105	185	223	
Applicants	2,156	2,228	1,262	1,333	
Reportable Accidents for Workers Compensation	43	66	48	48	
Workers Comp. Paid	\$159,420	Unavailable	\$137,468	\$18,485	
No. of safety meeting held	45	29	32	33	
No. attending safety meetings	861	209	362	372	

Fund: GENERAL FUND

Organization: HUMAN RESOURCES

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$108,426	\$111,497	\$112,813	\$116,353	\$123,699
Fringe Benefits	36,991	35,651	38,591	38,955	44,155
Operating Expenses	12,697	12,987	12,755	13,465	13,958
Capital Outlay	0	0	999	0	0
Total Expenses	\$158,114	\$160,135	\$165,158	\$168,773	\$181,812
Full-Time Positions	3	3	3	3	3

Department Notes

Performance Measures: Outputs show the trend activity produced by the department. Other types of performance measures will be shown as developed.

Additional jail staff required to meet jail standards has influenced the workload of the Human Resources Department.

GENERAL GOVERNMENT FUNCTION

Information Services

The Information Services Director is appointed by the Commissioners Court. The information services department provides planning, testing, implementation, and ongoing support services related to hardware and software for all County departments.

Activity: General Operations

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Software Assistance calls	1,085	1,316	1,211	1,637	*
Hardware Assistance calls	289	290	391	425	*
Printer calls	283	262	340	309	*
E-mail calls	158	124	155	144	*
Employee Configuration.	106	149	145	253	*
Network calls	89	69	80	113	*
Failed Login calls	79	246	236	316	*
Website calls	70	65	72	87	*
Other calls	52	48	78	154	*
Internet calls	39	53	64	84	*
IS Project calls	32	34	35	28	*
Loaner Equipment calls	6	13	21	21	*
Thank you calls	4	17	5	14	*
Total calls for assistance	2,294	2,686	2,833	3,585	*

*Projections not provided

GOALS and ACCOMPLISHMENTS:

ACCOMPLISHMENTS FOR FY06-07

- Upgraded the tax collection software system and server hardware to next generation.
- Replaced hubs with switches to improve performance.
- Installed network drops, computers, monitors, printers, inmate tracking scanners on the third floor of the North Jail when the contract with MTC ended.
- Provided network connectivity to the new Records Management building at the Airport.
- Replaced old PCs that failed and were no longer under warranty.
- Replaced old printers and inmate tracking scanners as they failed.
- Established TLETS/NCIC, judicial system access, Dispatch status update capability in Sheriff squad cars.
- Provided capability for video arraignments.
- Replaced aged indigent health care system software with web-based application.

Information Services (continued)

- Deployed wireless access points throughout the courthouse.
- Migrated Elections Administration from the State’s TVRS system to the State’s new TEAM system.
- Reduced employee costs by outsourcing Database Administrator duties.
- Deployed new laptops to replace aged court reporting hardware.
- Deployed new hardware to replace aged file server.
- Configured and deployed computers and printers and set up user accounts for the new Collections Office.
- Outsourced disposal of computer equipment to reduce costs, increase efficiency and ensure EPA standards are met.

GOALS FOR FY07-08

- Upgrade judicial software system and server hardware to next generation.
- Upgrade the channelized T1 wide area network to DS3 to provide full T1 connectivity at each remote location.
- Replace old PCs that fail and are no longer under warranty.
- Replace old printers and scanners as they fail.
- Install a server rack in Dispatch.
- With the assistance of DPS and our software vendors, upgrade TLETS to TCP/IP.
- Continue to outsource disposal of computer equipment to reduce costs, increase efficiency and ensure EPA standards are met.

Fund: GENERAL FUND

Organization: INFORMATION SERVICES

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$290,057	\$298,073	\$298,416	\$299,208	\$286,539
Fringe Benefits	91,489	89,199	95,780	91,828	95,560
Operating Expenses	414,526	437,268	422,518	410,559	543,104
Capital Outlay	123,979	114,946	149,172	118,362	125,900
Total Expenses	\$920,051	\$939,486	\$965,886	\$919,957	\$952,126
Full-Time Positions	7	7	7	7	6

Department Notes

Overall department expenditures were reduced in FY07 due to changes in accounting procedures. Procurement of hardware equipment and leased equipment are charged to the Information Services department, while lease purchase amounts are accounted for in the Debt Service-Capital Lease department. Software upgrades for the judicial system and tax office are accounted for in Fund 472 Computer Upgrade Project, a capital project fund (see pages 41-43).

During FY07 the oracle technician retired and the remaining positions were given salary adjustments and will share the remaining duties. The capital outlay category expenditures fluctuate according to replacement factors mentioned earlier.

GENERAL GOVERNMENT FUNCTION

Non-Departmental Expenses

The Non-Departmental organization is utilized for County-wide expenses which cannot be identified with a specific department. The fringe benefits' category consists of salary and fringe benefit adjustments related to budgetary timing fluctuations in workman's compensation, unemployment compensation, and insurance premiums and sometimes payroll accruals and salary adjustments. Operating expenditures consist of legal, appraisal district, insurance consultant, independent auditor services and communications charges at the courthouse complex.

Fund: GENERAL FUND

Organization: NON-DEPARTMENTAL

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	42,806	-30,321	0	57	84,000
Operating Expenses	2,129,913	1,930,477	1,897,567	1,926,276	2,765,120
Capital Outlay	0	28,604	0	0	0
Total Expenses	\$2,172,719	\$1,928,760	\$1,897,567	\$1,926,333	\$2,849,120

Department Notes

The FY08 budget shows a 16% increase over the original FY07 budget of \$2,456,106. The departmental budget was reduced by \$500,000, when funds were transferred to cover contingencies and shortfalls in other departments. The FY08 total includes an additional \$300,000 for assisting the City of Longview in a park project and \$90,000 in Child Welfare Board contributions due to changes in accounting.

In FY05 the negative balance in the fringe benefits category reflects a workman's compensation refund adjustment. For accounting purposes, the Auditor's Office has shifted property and liability insurance and postage expense from the non-departmental organization to the individual departments directly incurring the expense.

The Gregg Appraisal District (GAD) is statutorily supported by all taxing units in the County. Since 2003, the County's allocation has increased 82%, from \$168,001 to \$305,779. Allocations are calculated by dividing the GAD budgetary expense by all tax entities based on their tax base. From FY07 to FY08 the County's allocation increased by 24% due to state mandates and taxation/appraisals changes.

Contingencies of \$215,000 were budgeted in Non-Departmental organization to cover unknown factors that might arise throughout the fiscal year. These unknown factors include fluctuations in fuel and utility costs and other minor expenditures such as repairs and maintenance and conference expenses.

Postal Services

Activity: General Operations

The Postal Services department was created in FY07 to better account for postage machine activities. Purchases to refill the postage meter are accounted for as receivables. Departmental transactions are recorded daily and charged to departments at the end of each month after reconciliation is performed. Operating expenses include, but are not limited to meter rental and postage machine maintenance and applicable upgrades.

GOALS and ACCOMPLISHMENTS:

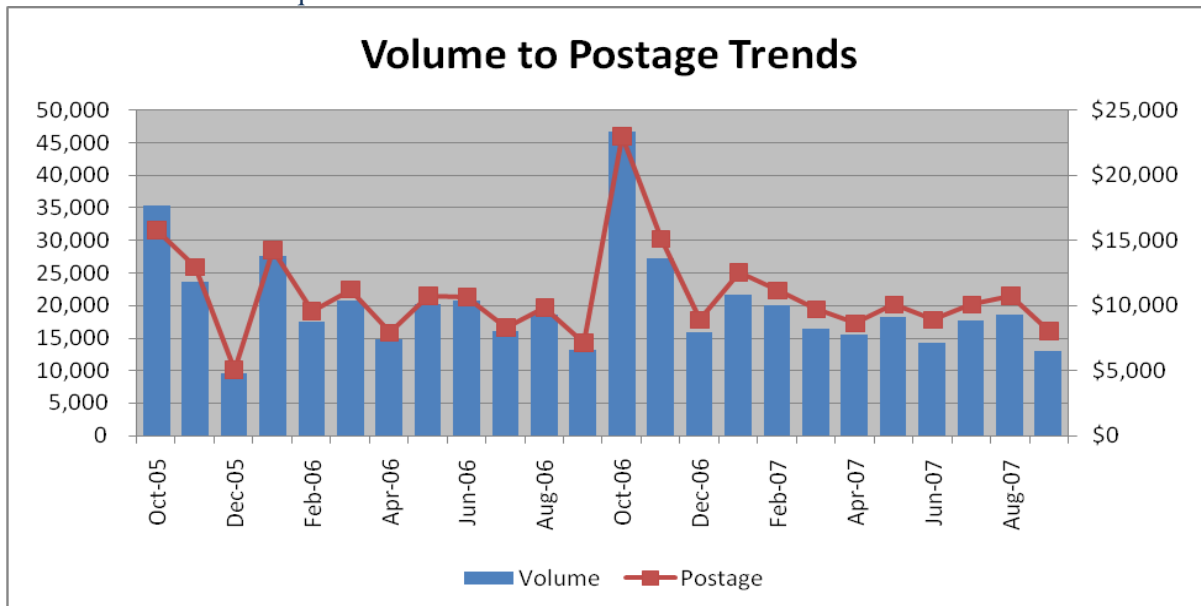
- During FY05, the maintenance print shop was notified that their postage meter would be removed from service early FY07. (By federal law postage meters are rented from one of three vendors.)
 - *In July 2005, the 18 year old machine postage machine was replaced with a new postage machine purchased through the state contract.*
- The new machine will allow evaluation of departmental workloads by parcel in addition to the total dollars spent by department.

Fund: GENERAL FUND

Organization: POSTAL SERVICES

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$0	\$0	\$0	\$0	\$0
Fringe Benefits	0	0	0	0	0
Operating Expenses	0	0	0	9,280	39,610
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$9,280	\$39,610

The following chart shows two trends. First, the volume peaks with tax mail: statements, receipts and delinquent tax notices. Second, the cost to mail the same number of items has increased due to new U.S. Postal Service item size requirements.



GENERAL GOVERNMENT FUNCTION

Purchasing

A Board of Judges comprised of three District Judges and the County Judge appoints the County Purchasing Agent. The Board approves the budget for the purchasing department, which is funded by Commissioners Court.

Activity: General Operations

The duties of the Purchasing Agent and staff include purchasing of all goods, services, materials and equipment, contracting for all repairs, supervision of purchases and sales 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. The Purchasing Agent oversees most capital projects, coordinating with the architect and/or contractor(s) to ensure project costs are on target.

Mission Statement:

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

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Output</u>					
Purchase Orders Processed	10,408	7,728	7,097	7,293	7,000
Requisitions Processed	*	7,726	7,106	7,202	7,000
PO Cancellations	*	*	*	251	200
Change Orders Processed	*	1,445	921	1,237	1,100
Inventory Transfers	*	*	284	172	200
Inventory Tagging	*	*	450	401	350
Miscellaneous Requests	*	*	*	168	150
Quotations	*	67	62	120	75
Bids, Proposal, Qualifications, Quotes & Contracts Processed	*	21	65	52	50
<u>Efficiency</u>					
Hours to process, administer & file requisitions, purchase orders, change orders & cancellations	*	*	1,019	1,020	1,000
Hours to process & administer Fixed Assets transactions	*	*	902	928	900
Hours to process, administer & file inventory transfers, tagging and sales	*	*	745	800	800
<u>Effectiveness / Outcomes</u>					
% of time to process, administer & file requisitions, purchase orders, change orders & cancellations	*	*	26%	25%	25%
% of time to process & administer fixed asset transactions	*	*	23%	25%	25%
% of time to process, administer & file inventory transfers, tagging and sales	*	*	19%	20%	20%
% of time for the administration of bids, proposals, qualifications, quotations, & contracts are intangible	*	*	40%	40%	40%
% of time for telephone work	*	*	10%	15%	10%
% of time for vendor work	*	*	5%	5%	5%

Purchasing (continued)

GOALS and ACCOMPLISHMENTS:

Capital projects recently completed include:

- *Renovation of the 188th and 124th District Courtrooms;*
- *Renovation of the courthouse corridors and ADA compliance issues*
- *Construction of the new records storage facility;*
- *Design and construction of the signs at the airport and airpark entrances.*

Projects scheduled for FY08 include renovation of the 307th District Courtroom and an asbestos abatement and related repairs at the airport facility.

The Purchasing Agent consistently reviews operations for efficiency and seeks to utilize technological advances whenever possible.

- The former process of approving purchase orders was cumbersome and time consuming with personnel faxing purchase orders to vendors and hand delivering purchase orders to departments.
 - *Purchase orders are now electronically disbursed to departments instantly through e-mail, saving time and materials.*
 - *Streamlining this process allowed the elimination of a part-time position in FY06.*
- Several office machines were eliminated and one machine is utilized for copying, printing and faxing.
 - *Combining these resources increased office space and reduced the cost of supplies and electricity.*
- Use of state and municipal contracts continues to reduce the quotation and bid process work.
- In late FY07 the Board of Judges approved a purchasing policy for use of procurement cards.
 - *This process will streamline departmental purchases and reduce paper flow.*

Fund: GENERAL FUND

Organization: PURCHASING DEPARTMENT

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$95,824	\$97,693	\$98,358	\$101,940	\$107,991
Fringe Benefits	28,002	27,839	29,715	30,373	34,090
Operating Expenses	8,161	9,700	8,266	7,094	8,300
Capital Outlay	0	0	0	0	0
Total Expenses	\$131,987	\$135,232	\$136,339	\$139,407	\$150,381
Full-Time Positions	2.5	2.5	2.5	2	2

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.

Activity: General Operations

Duties include calculating taxes on appraised property, agricultural land, timber land, and railroad rolling stock, mailing tax bills and collecting taxes. Additionally, this office is responsible for motor vehicle registrations and the collection of other fees and taxes, such as alcoholic beverage licenses.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Motor Vehicle Registrations	119,500	119,488	125,254	131,438	132,000
Motor Vehicle Titles Issued	42,803	43,395	44,968	47,734	48,000
Tax certificates issued (1)	4,892	5,046	5,291	3,914	3,900
Alcohol licenses issued (1)	361	359	337	327	330
Items sent to delinquent tax atty (2)	\$1,242,175	\$3,070,326	\$3,594,155	\$4,261,734	4,300,000
Tax statements mailed (1)	215,826	354,836	539,203	550,033	550,000
Second notices mailed (1)	43,399	33,802	43,594	62,330	60,000
Tax receipts processed (1)	552,061	982,446	817,321	797,117	800,000
Entities with tax service agreements	14	14	15	15	15
Parcels on tax service agreements	180,024	262,611	277,283	304,663	305,000
<u>Efficiency</u>					
Property Taxes Collected	97%	97%	98%	98%	98%
% of County Taxing Units contracted for tax collection service	77%	77%	77%	77%	77%
% of Employees attending certification courses	16%	26%	30%	31%	31%
<u>Effectiveness / Outcomes</u>					
Employees certified as registered tax collectors (RTC)	4	4	5	5	5
Employees certified as registered tax assessors/collectors (RTA)	3	3	2	2	2

(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.

Tax Assessor – Collector (continued)

GOALS and ACCOMPLISHMENTS:

- Evaluation of workload levels and the need for public assistance at various office locations.
 - *The tax office has reduced positions through attrition.*
- Offer tax collection services to other taxing entities within Gregg County in order to reduce the cost of service for the taxpayer.
 - *Of the 18 taxing entities in Gregg County, the tax office provides collections service for 15 entities.*

Fund: GENERAL FUND

Organization: TAX ASSESSOR COLLECTOR

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$792,504	\$831,842	\$845,242	\$864,166	\$931,192
Fringe Benefits	323,973	302,811	329,292	331,125	385,640
Operating Expenses	161,815	176,165	179,258	189,662	208,900
Capital Outlay	0	1,715	0	0	0
Total Expenses	\$1,278,292	\$1,312,533	\$1,353,792	\$1,384,953	\$1,525,732
Full-Time Positions	31	30	30	30	30

Department Notes

Performance Measures: Outputs indicate major workload increases between 2004 and 2005 for the following: items sent to delinquent tax attorneys, second notices mailed, tax receipts processed, parcels on tax service agreements. These increases are largely due to the addition of City of Kilgore, Kilgore ISD, Kilgore College in April of 2004 and Sabine ISD in July 2004.

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.

Activity: General Operations

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

GOALS and ACCOMPLISHMENTS:

Gregg County currently has separate networks for voice and data communications. The PBX located at the courthouse provides voice communications to five additional facilities through off premise extensions. During FY08, information services department is upgrading the T-1 data communications network to all County facilities.

During FY07, a consultant was hired to audit our telecommunications infrastructure and make recommendations for future growth. There are several options available to reduce telecommunications cost. The existing PBX, when upgraded with the newest software, is capable of expansion, including interfacing with the data network to provide voice at the remote locations. The audit results will be presented to Commissioners Court in December, 2007. Funding for major telecommunication upgrades will be considered during the FY09 budget process.

Fund: GENERAL FUND**Organization: TELECOMMUNICATIONS**

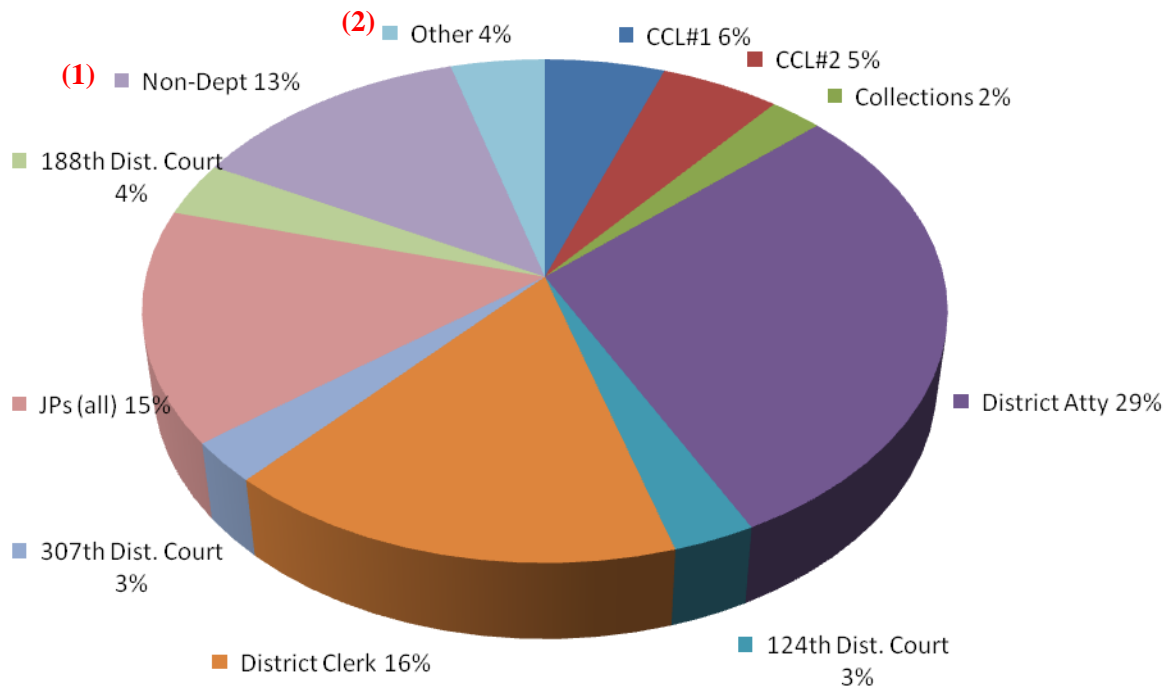
	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$32,602	\$33,923	\$34,428	\$35,318	\$39,655
Fringe Benefits	3,630	3,821	5,507	6,063	7,030
Operating Expenses	0	0	0	101	200
Capital Outlay	0	0	0	0	0
Total Expenses	\$36,232	\$37,744	\$39,935	\$41,482	\$46,885
Full-Time Positions	0	0	0	0	0

Department Notes

Increased costs in fringe benefits are due to mandatory participation in the retirement system.

Departmental telecommunications expenditures are charged at the department when identifiable. All other telecommunications expenses, pertaining to the County's PBX are charged to the Non-Departmental budget.

JUDICIAL FUNCTION



The Judicial function includes departments whose primary duties are court related. Consolidated court activity reports from the Texas Office of Court Administration are provided at the front of this section, followed by departmental information.

- (1) Non-Departmental includes pooled funds for court appointed attorneys and other professional services used by the courts.
- (2) Other expense includes court of appeals, attorney general master, bail bond board, juror expenses and law library departments.

JUDICIAL FUNCTION

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County & District Court Activity Schedules

The schedules on pages 140-146 depict Gregg County’s combined court activity at district and county levels as reported to the Office of Court Administration (OCA) by the District and County clerks. The data is available on the OCA website: www.courts.state.tx.us and, unless otherwise noted, reports were processed according to the County’s fiscal year, October 1, through September 30. The justices of the peace also report activity to the OCA. This data is reported individually by precinct on pages 160, 162, 164, and 166.

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 OCA website. Gregg County data, along with the State comparative data, is listed below.

	FY04		FY05		FY06		FY07	
	Gregg Co.	Statewide Data	Gregg Co.	Statewide Data	Gregg County	Statewide Data	Gregg County	Statewide Data
Civil Cases								
Clearance Rate	101.7%	96.1%	84.1%	89.0%	97.4%	84.4%	102.5%	93.7%
Backlog Index	1.1	1.2	1.0	1.2	1.2	1.2	1.4	1.3
Criminal Cases								
Clearance Rate	97.0%	95.2%	69.6%	98.3%	83.4%	94.5%	95.5%	96.7%
Backlog Index	0.8	0.9	1.0	0.9	1.1	0.9	1.4	.9
Juvenile Cases								
Clearance Rate	193.0%	94.9%	93.0%	96.4%	102.0%	94.6%	96.1%	94.1

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 has significantly increased 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>.

JUDICIAL FUNCTION

The County’s approved indigent defense expenditures and the state’s corresponding financial assistance is listed on the following table. The County files the annual report by November 1st each year and the state’s allocation is distributed during the County’s next fiscal year.

Fiscal Year Reported	Eligible Indigent Defense Expenses	State Financial Assistance	Percent of State Assistance
FY01	\$569,051	\$37,855	6.6%
FY02	\$636,231	\$57,084	8.9%
FY03	\$671,055	\$56,471	8.4%
FY04	\$706,424	\$64,091	9.0%
FY05	\$768,655	\$64,845	8.4%
FY06	\$804,213	\$59,224	7.3%
FY07	\$837,520	-	-

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 appointed attorney expenditures by court are shown on the next page, under Non-Departmental - Judicial Expenses.

Court appointed attorneys are paid more for services performed in major felony cases and capital murder trials, due to the time involved with the case. The following table reports the number of attorneys paid \$2,000 or more for a case and the annual cost ratio of these higher profile cases.

	Number of cases paid over \$2,000	Total annual costs of higher profile cases	Percent of Annual Attorney’s Costs
FY04	19	\$111,147	14%
FY05	19	\$76,839	10%
FY06	17	\$61,373	7%
FY07	21	\$97,273	11%

Court Activity Summary

	DISTRICT LEVEL				COUNTY LEVEL			
	FY04	FY05	FY06	FY07	FY04	FY05	FY06	FY07
CIVIL CASES								
Pending 10/1	4,512	4,537	5,337	5,404	429	468	473	476
Docket Adj.	(72)	(39)	(56)	(17)	(2)	0	(1)	0
Cases Added	4,327	5,253	4,646	3,984	747	690	656	611
Cases Disposed	4,230	4,414	4,523	3,805	706	685	652	612
Pending 9/30	4,537	5,337	5,404	5,566	468	473	476	475
CRIMINAL CASES								
Pending 10/1	1,037	1,170	1,613	1,904	6,092	5,481	5,721	5,403
Docket Adj.	0	0	0	0	(310)	(1)	(1)	0
Cases Added	1,392	1,587	1,749	1,364	6,665	6,216	6,349	6,131
Cases Disposed	1,259	1,144	1,458	1,398	6,966	5,975	6,666	6,407
Pending 9/30	1,170	1,613	1,904	1,870	5,481	5,721	5,403	5,127
JUVENILE CASES								
Pending 10/1	43	32	41	37	0	0	0	0
Docket Adj.	0	0	0	0				
Cases Added	117	156	196	155				
Cases Disposed	128	147	200	149				
Pending 9/30	32	41	37	43	0	0	0	0
TOTAL CASES								
Pending 10/1	5,592	5,739	6,991	7,345	6,521	5,949	6,194	5,879
Docket Adj.	(72)	(39)	(56)	(17)	(312)	(1)	(2)	0
Cases Added	5,836	6,996	6,591	5,503	7,412	6,906	7,005	6,742
Cases Disposed	5,617	5,705	6,181	5,352	7,672	6,660	7,318	7,019
Pending 9/30	5,739	6,991	7,345	7,479	5,949	6,194	5,879	5,602
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.								

District Level Civil Docket Summary

	Injury or Damage Involving Motor Vehicle	Injury or Damage Other Than Motor Vehicle	Workers' Compensation	Tax Cases	Condem- nation	Accounts, Contracts, & Notes	Recip- rocals UIFSA	Divorce	All Other Family Matters	Other Civil Cases	Total Cases
Pending 9/30/2003	326	55	2	1,159	1	425	44	725	838	937	4,512
Docket Adjustment	(1)	0	0	(6)	0	(4)	0	(5)	(41)	(15)	(72)
Cases Added	152	14	0	534	5	394	0	781	1,787	660	4,327
Cases Disposed	194	19	1	528	4	357	1	812	1,629	685	4,230
Pending 9/30/2004	283	50	1	1,159	2	458	43	689	955	897	4,537
Docket Adjustment	0	0	0	0	1	(2)	0	(3)	(34)	(1)	(39)
Cases Added	159	20	0	663	1	407	37	854	2,597	515	5,253
Cases Disposed	130	25	1	527	4	342	12	731	2,130	512	4,414
Pending 9/30/2005	312	45	0	1,295	0	521	68	809	1,388	899	5,337
Docket Adjustment	0	0	0	0	0	(2)	0	(11)	(38)	(5)	(56)
Cases Added	138	15	0	601	1	617	42	812	1,929	491	4,646
Cases Disposed	124	14	0	610	1	452	25	834	2,030	433	4,523
Pending 9/30/2006	326	46	0	1,286	0	684	85	776	1,249	952	5,404
Docket Adjustment	0	0	0	0	0	0	0	(2)	(13)	(2)	(17)
Cases Added	169	7	0	450	4	543	41	818	1,456	496	3,984
Cases Disposed	140	13	0	415	3	459	32	824	1,510	409	3,805
Pending 9/30/2007	355	40	0	1,321	1	768	94	768	1,182	1,037	5,566

AGE OF CASES DISPOSED^(a)

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
2003-2004	4,230	36%	24%	20%	10%	10%
2004-2005	4,414	42%	24%	20%	6%	8%
2005-2006	4,523	37%	25%	22%	8%	8%
2006-2007	3,805	35%	22%	22%	10%	10%
Statewide Average	538,665	32%	18%	21%	9%	21%

Source: Office of Court Administration website

Report: District Court Activity Summary by Case Type from Oct 1 to Sep 30

(a) District Courts; Age of Cases Disposed During Oct 1 to Sep 30

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 Possession	Felony D.W.I.	Other Felony	All Misdemeanors	Total Cases
Pending 9/30/2003	8	7	72	10	34	31	76	224	23	4	37	217	66	228	0	1,037
Docket Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cases Added	2	7	104	10	38	48	118	220	24	1	87	261	124	347	1	1,392
Cases Disposed	3	6	74	10	37	60	116	210	22	1	80	241	103	295	1	1,259
Pending 9/30/2004	7	8	102	10	35	19	78	234	25	4	44	237	87	280	0	1,170
Docket Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cases Added	5	8	126	15	41	49	127	175	31	4	201	348	107	349	1	1,587
Cases Disposed	1	8	82	8	23	32	79	124	26	2	125	283	82	268	1	1,144
Pending 9/30/2005	11	8	146	17	53	36	126	285	30	6	120	302	112	361	0	1,613
Docket Adjustment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cases Added	2	13	126	8	53	59	153	191	41	1	124	479	131	365	3	1,749
Cases Disposed	5	7	91	11	37	45	118	170	42	2	119	387	107	315	2	1,458
Pending 9/30/2006	8	14	181	14	69	50	161	306	29	5	125	394	136	411	1	1,904
Docket Adjustment	0	0	0	0	0	0	7	(5)	(2)	0	1	13	(14)	6	(6)	0
Cases Added	3	2	107	13	35	46	104	174	34	4	64	361	134	275	8	1,364
Cases Disposed	3	7	122	8	28	38	130	144	30	3	62	412	112	296	3	1,398
Pending 9/30/2007	8	9	166	19	76	58	142	331	31	6	128	356	144	396	0	1,870
AGE OF CASES DISPOSED ^(a)																
	Total Cases	60 Days or Less	61 Days to 90 Days	91 Days to 120 Days	Over 120 Days											
2003-2004	1,259	25%	13%	14%	48%											
2004-2005	1,144	40%	13%	10%	37%											
2005-2006	1,458	43%	13%	10%	34%											
2006-2007	1,398	34%	10%	9%	47%											
Statewide Average	271,960	33%	10%	9%	49%											
Source: Office of Court Administration website																
Report: District Court Activity Summary by Case Type from Oct 1 to Sep 30																
(a) District Courts; Age of Cases Disposed During Oct 1 to Sep 30																

District Level – Other Activity

JURY ACTIVITY ^(a)	2003-04	2004-05	2005-06	2005-07
Civil Cases				
Jury Fee Paid/Oath	256	209	208	216
Panel Examined	31	23	10	13
Sworn Evidence Presented	31	21	10	13
Final Judgement:				
By Jury	31	21	10	13
Directed Verdict	0	0	0	0
Criminal Cases				
Panel Examined	46	19	18	29
Sworn Evidence Presented	46	19	18	29
Conviction:				
Guilty Plea	59	27	28	29
Not Guilty Plea	0	7	10	30
Acquittal:				
Jury Verdict	7	5	5	9
Directed Verdict	0	0	0	0
Cases in Which Atty Appointed	833	691	956	801
DEATH / LIFE SENTENCES IMPOSED ^(b)				
Death Sentences Imposed	0	0	0	0
Life Sentences Imposed	6	3	7	2
Lesser Offense Convictions	17	17	35	55
OTHER COURT PROCEEDINGS ^(c)				
Post Conviction Writs of Habeas Corpus	32	33	33	29
Other Writs of Habeas Corpus	24	16	26	12
Contempt, Extradition, & Other Proceedings	0	0	0	0
Bond Forfeiture Proceedings	56	40	32	24
JUVENILE ACTIVITY ^(d)				
	Total Cases			
Pending 8/31/2003	43			
Docket Adjustment	0			
Cases Added	117			
Cases Disposed	128			
Pending 8/31/2004	32			
Docket Adjustment	0			
Cases Added	156			
Cases Disposed	147			
Pending 8/31/2005	41			
Docket Adjustment	0			
Cases Added	196			
Cases Disposed	200			
Pending 8/31/2006	37			
Docket Adjustment	0			
Cases Added	155			
Cases Disposed	149			
Pending 8/31/2006	43			
Source: Office of Court Administration website				
(a) District Court Summary of Jury Activity				
(b) District Court Death / Life Sentences Imposed				
(c) District Court Other Proceedings				
(d) District Court Activity Summary by Case Type				

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 9/30/2003	7	11	1	27	0	0	383	429
Docket Adjustment	0	0	0	0	0	0	(2)	(2)
Cases Added	1	0	0	20	0	0	726	747
Cases Disposed	1	1	0	16	0	0	688	706
Pending 9/30/2004	7	10	1	31	0	0	419	468
Docket Adjustment	0	0	0	0	0	0	0	0
Cases Added	0	2	0	14	0	0	674	690
Cases Disposed	0	0	0	14	0	0	671	685
Pending 9/30/2005	7	12	1	31	0	0	422	473
Docket Adjustment	0	0	0	0	0	0	(1)	(1)
Cases Added	2	5	0	25	0	0	624	656
Cases Disposed	0	5	0	22	0	0	625	652
Pending 9/30/2006	9	12	1	34	0	0	420	476
Docket Adjustment	0	0	0	0	0	0	0	0
Cases Added	2	1	0	24	0	0	584	611
Cases Disposed	3	3	0	39	0	0	567	612
Pending 9/30/2007	8	10	1	19	0	0	437	475
AGE OF CASES DISPOSED ^(a)								
	Total Cases	3 months or Less	Over 3 to 6 Months	Over 6 to 12 Months	Over 12 to 18 Months	Over 18 Months		
2003-2004	706	50%	33%	13%	12%	3%		
2004-2005	685	55%	29%	14%	1%	1%		
2005-2006	652	59%	25%	12%	2%	2%		
2006-2007	612	59%	20%	12%	3%	6%		
Source: Office of Court Administration website								
Report: County Court Activity Summary by Case Type from Oct 1 to Sep 30								
(a) County Courts; Age of Cases Disposed During Oct 1 to Sep 30								

County Level Criminal Docket Summary

	DWI or DUID	Theft or Worthless Check	Drug Offenses	Assault	Traffic	Other Criminal Cases	Total Cases
Pending 9/30/2003	658	3,314	388	665	240	827	6,092
Docket Adjustment	(300)	(230)	(56)	(109)	(70)	455	(310)
Cases Added	858	2,427	771	889	356	1,364	6,665
Cases Disposed	901	2,744	719	893	346	1,363	6,966
Pending 9/30/2004	315	2,767	384	552	180	1,283	5,481
Docket Adjustment	0	0	0	0	(1)	0	(1)
Cases Added	817	1,963	839	846	252	1,499	6,216
Cases Disposed	759	1,948	801	795	287	1,385	5,975
Pending 9/30/2005	373	2,782	422	603	144	1,397	5,721
Docket Adjustment	0	(1)	0	0	1	(1)	(1)
Cases Added	1,002	1,920	973	796	123	1,535	6,349
Cases Disposed	897	2,225	928	823	170	1,623	6,666
Pending 9/30/2006	478	2,476	467	576	98	1,308	5,403
Docket Adjustment	(1)	0	0	0	1	0	0
Cases Added	913	1,761	996	713	396	1,352	6,131
Cases Disposed	875	1,940	1,021	765	391	1,415	6,407
Pending 9/30/2007	515	2,297	442	524	104	1,245	5,127
AGE OF CASES DISPOSED ^(a)							
	Total Cases	60 Days or Less	61 Days to 90 Days	91 Days to 120 Days	Over 120 Days		
2003-2004	6,966	25%	13%	10%	52%		
2004-2005	5,975	23%	14%	12%	51%		
2005-2006	6,666	20%	12%	12%	56%		
	<i>New Criteria</i>	30 Days or Less	31 Days to 60 Days	61 Days to 90 Days	Over 90 Days		
2006-2007	6,407	21%	12%	12%	55%		
Source: Office of Court Administration website							
Report: County Court Activity Summary by Case Type from Oct 1 to Sep 30							
(a) County Courts; Age of Cases Disposed During Oct 1 to Sep 30							

County Level – Other Activity

	2003-04	2004-05	2005-06	2006-07
JURY ACTIVITY ^(a)				
<u>Civil Cases</u>				
Final Judgement by Jury	0	0	0	0
<u>Criminal Cases</u>				
Conviction Guilty Plea	6	6	2	5
Conviction Not Guilty Plea	0	0	0	0
Acquittal Jury Verdict	3	11	8	2
Acquittal Directed Verdict	0	0	0	0
PROBATE & MENTAL HEALTH ^(b)				
<u>Probate</u>				
Cases Filed	416	443	372	388
Hearings Held	426	537	434	673
<u>Mental Health</u>				
Cases Filed	89	81	94	142
Hearings Held	75	68	89	126
Release Prior to Final Hearing	4	9	6	3
Disposition at Final Hearing:				
Released	0	1	0	0
Order: Inpatient/Outpatient	85	70	88	127
CRIMINAL - OTHER ACTIVITY ^(b)				
Cases:				
Unapprehended Defendants	not avail.	3,730	3,510	3,226
Where Atty Appointed as Counsel	not avail.	1,128	1,354	1,235
Source: Office of Court Administration website				
(a) County Court Summary of Jury Activity				
(b) County Court Activity Summary by Case Type				

JUDICIAL FUNCTION

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. The Judge’s salary is paid by the State of Texas. The Judge serves as a member on various boards that oversee the following departments: Purchasing, Auditor’s office, Community Supervision and Corrections, and Juvenile Probation/Detention.

Activity: General Operations

This Court has general jurisdiction. The Court 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.

Mission Statement:

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

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
<u>Outputs</u>					
Criminal Cases Filed	637	613	631	477	500
Criminal Cases Disposed	512	475	534	564	425
Civil Cases Filed	253	250	312	285	290
Civil Cases Disposed	264	223	241	237	247
<u>Efficiency</u>					
Criminal Cases disposed as % of added	80%	77%	85%	118%	85%
Civil Cases disposed as % of added	104%	89%	77%	83%	85%
<u>Effectiveness/Outcomes</u>					
Average cases per week	17	14	16	12	12

Source: Juvenile probation department provided juvenile statistics. All data based on fiscal year reports from the judicial system. Other activity is combined with district and county schedules found on pages140-146.

Fund: GENERAL FUND

Organization: 124TH DISTRICT COURT

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries *	\$66,741	\$70,604	\$71,736	\$74,321	\$81,731
Fringe Benefits*	23,771	23,245	25,210	25,496	29,300
Operating Expenses	81,933	64,806	38,082	44,968	61,200
Capital Outlay	0	0	4,701	0	0
Total Expenses	\$172,445	\$158,655	\$139,729	\$144,785	\$172,231
Full-Time Positions	2	2	2	2	2

Department Notes

Salary and fringe benefits 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.

Operating expenses of \$81,933 in FY04 include capital murder trial expenses. Capital outlay expenditures in FY06 include the purchase of new office furniture for the court clerk, reporter and bailiff. The courtroom renovation project was funded through a capital project fund in FY06.

JUDICIAL FUNCTION

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. The judge’s salary is paid by the State of Texas. The Judge serves as a member on various boards that oversee the following departments: Purchasing, Auditor’s office, Community Supervision and Corrections, and Juvenile Probation/Detention.

Activity: General Operations

This Court has general jurisdiction. The Court 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.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
<u>Outputs</u>					
Criminal Cases Filed	699	970	1,115	882	
Criminal Cases Disposed	715	909	1,101	916	
Civil Cases Filed	258	253	319	300	
Civil Cases Disposed	415	282	279	231	
Juvenile Detention hearings	0	0	2		
<u>Efficiency</u>					
Criminal Cases disposed as % of added	102%	94%	99%	104%	
Civil Cases disposed as % of added	160%	111%	87%	77%	
<u>Effectiveness/Outcomes</u>					
Average cases per week	24	27	28	23	

Source: Juvenile probation department provided juvenile statistics. All data based on fiscal year reports from the judicial system. Other activity is combined with district and county schedules found on pages 140-146.

Fund: GENERAL FUND

Organization: 188TH DISTRICT COURT

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries*	\$68,382	\$71,387	\$74,658	\$84,121	\$90,437
Fringe Benefits*	22,779	23,481	25,668	26,677	30,895
Operating Expenses	28,455	44,602	46,626	52,654	84,185
Capital Outlay	0	0	0	0	0
Total Expenses	\$119,616	\$139,470	\$146,952	\$163,452	\$205,517
Full-Time Positions	2	2	2	2	2

Department Notes

Salary and benefits 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.

This Judge serves as the Administrative District Judge for Gregg County.

JUDICIAL FUNCTION

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. 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.

Activity: General Operations

This Court has general jurisdiction and is authorized to decide cases, and conduct jury trials if necessary, dealing with such family law matters as divorce, protective orders, adoption, child support and child custody issues, and child abuse and neglect cases.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
<u>Outputs</u>					
New Cases Filed	2,603	3,479	2,775	2,314	2,350
Cases Disposed	2,511	2,881	2,934	2,386	2,350
Juvenile Detention hearings	0	0	1	0	0
<u>Efficiency</u>					
Cased Dispositions as % of cased added	97%	83%	106%	103%	100%
<u>Effectiveness/Outcomes</u>					
Average cases per week	53	67	56	48	48

Source: Juvenile probation department provided juvenile statistics. All data based on fiscal year reports from the judicial system. Other activity is combined with District and county schedules found on pages 140-146.

Fund: GENERAL FUND

Organization: 307TH DISTRICT COURT

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$84,926	\$87,421	\$88,057	\$90,397	\$96,950
Fringe Benefits	26,777	25,826	28,031	28,254	32,065
Operating Expenses	16,420	9,647	15,620	23,231	26,850
Capital Outlay	4,226	1,003	0	0	0
Total Expenses	\$132,349	\$123,897	\$131,708	\$141,882	\$155,865
Full-Time Positions	2	2	2	2	2

Department Notes

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.

Attorney General Master

Activity: General Operations

The Attorney General Master is part of the federal child support enforcement program. This Judge hears child support cases filed by the Texas Attorney General. All cases are eligible for appeal to the 307th District Court.

Fund: GENERAL FUND

Organization: ATTORNEY GENERAL MASTER

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$8,000	\$9,200	\$9,600	\$9,598	\$10,200
Capital Outlay	0	0	0	0	0
Total Expenses	\$8,000	\$9,200	\$9,600	\$9,598	\$10,200

Department Notes

Operating expenses include contract services for a court reporter and/or interpreter, as needed.

Bail Bond Board

The Bail Bond Board was created in FY03 to regulate bail bond business in Gregg County in accordance with the Revised Texas Statutes.

Activity: General Operations

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.

Fund: GENERAL FUND

Organization: BAIL BOND BOARD

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salary	\$ 1,693	\$ 1,396	\$ 1,109	\$ 196	\$ 3,500
Fringe Benefits	0	0	819	69	620
Operating Expenses	456	574	133	211	2,450
Capital Outlay	0	0	0	0	0
Total Expenses	\$2,149	\$1,970	\$2,061	\$476	\$6,570

Department Notes:

For fiscal year 2007 there were 3 bail bond applications received, all were accepted. It takes from 3 to 5 hours to process an application.

Collections

Activity: General Operations

The Collections department was created in FY07 to comply with state mandates concerning collection of court costs, fees, and fines imposed in criminal cases.

GOALS and ACCOMPLISHMENTS:

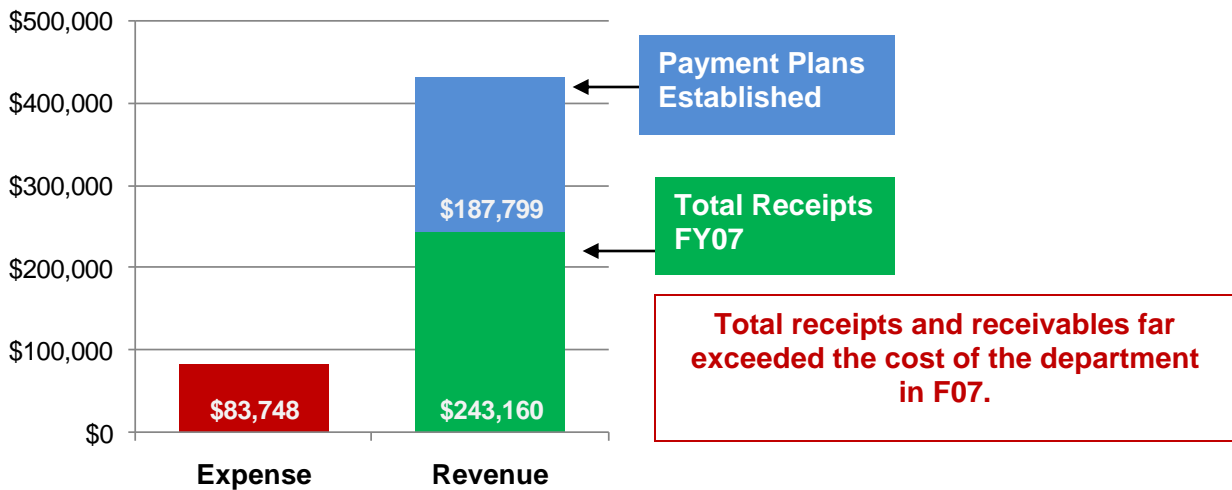
- Establish the following in compliance with the Office of Court Administration:
 - *Established procedures for office operations, and collections*
 - *Coordinated collection efforts with the Community Supervision Corrections Department*
 - *Coordination with Information Services department concerning hardware and software*

For the six month time period 04-01-2007 through 09-30-2007:

Total cases set up for payment	1,780
Number of receipts issued	2,457
Number of cases waived by Paupers Affidavit	158
Amount waived by Paupers Affidavit	\$43,924
LOJ (fines laid out in jail)	\$3,590
Paid in the office	\$137,130
Paid through Traffic Payment (online)	<u>\$106,030</u>
Total receipts as of 9-30-2007	\$ 243,160
Outstanding amount (receivables)	<u>\$187,799</u>
Total including receivables	\$430,959

Fund: GENERAL FUND
Organization: COLLECTIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salary	0	0	0	\$ 49,811	\$ 91,349
Fringe Benefits	0	0	0	18,905	38,360
Operating Expenses	0	0	0	10,081	12,000
Capital Outlay	0	0	0	4,951	0
Total Expenses	0	0	0	\$83,748	\$141,709



County Clerk

Activity: Criminal Records Management

The County Clerk’s Criminal Records Management Fund consists of state authorized fees and is restricted to the preservation of criminal records in the County Clerk’s office. The 79th Legislature created the fee and collections began on cases filed as of January 1, 2006.

Fund Overview:

	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$0	\$2,165	\$7,084
Total Revenue	2,130	4,919	4,000
Total Expenditures	0	0	4,000
Other Financing Sources over Other Financing Uses	35	0	0
Ending Fund Balance	\$2,165	\$7,084	\$7,084

Fund: COUNTY CLERK CRIMINAL RECORDS MANAGEMENT FUND

Organization: COUNTY CLERK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$4,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$4,000

JUDICIAL FUNCTION

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 also serves on the board of judges presiding over the Community Supervision Corrections and Juvenile departments.

Activity: General Operations

This Court is authorized by law to decide the following types of cases: criminal misdemeanors and felonies (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.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
<u>Outputs</u>					
New Criminal Cases Filed	6,586	6,186	6,346	6,135	6,222
Criminal Cases Disposed	6,804	5,960	6,661	6,409	6,471
New Civil Cases Filed	294	248	219	191	191
Civil Cases Disposed	305	246	222	189	191
New Probate/Guardian Cases Filed	209	218	177	186	195
Juvenile Cases	185	148	320	322	325
<u>Efficiency</u>					
Criminal Cases disposed as % of cases added	103%	96%	105%	104%	104%
Civil Cases disposed as % of cases added	103%	99%	105%	99%	100%
<u>Effectiveness/Outcomes</u>					
Average cases heard per week	152	140	148	143	145

Source: Juvenile probation department provided juvenile statistics. All data based on fiscal year reports from the judicial system. Other activity is combined with district and county schedules found on pages 140-146.

Fund: GENERAL FUND

Organization: COUNTY COURT AT LAW #1

	FY04 Actual	FY05 Actual	FY06 Audited	FY07 Unaudited	FY08 Budgeted
Salaries	\$201,116	\$204,278	\$212,470	\$221,992	\$234,743
Fringe Benefits	54,775	52,285	57,391	74,850	67,615
Operating Expenses	8,588	7,687	15,698	9,923	20,185
Capital Outlay	0	0	1,099	0	0
Total Expenses	\$264,479	\$264,250	\$286,658	\$306,765	\$322,543
Full-Time Positions	3.5	3.5	3.5	3.5	3.5

Department Notes

The County Court at Law #1 Judge received a statutory salary increase during FY06. Operating expenditures includes \$4,800 for drug testing, which began in FY06.

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 also serves on the board of judges presiding over the Community Supervision Corrections and Juvenile departments.

Activity: General Operations

This court 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.

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
<u>Outputs</u>					
New Criminal Cases Filed	116	5	4	5	
Criminal Cases Disposed	176	4	4	4	
New Civil Cases Filed	1,699	1,869	1,884	1,659	
Civil Cases Disposed	1,589	1,559	1,746	1,537	
New Probate/Guardianship Cases Filed	209	225	197	203	
Jury Trials	n/a	n/a	34		
<u>Efficiency</u>					
Criminal Cases disposed as % of cases added	152%	80%	100%	80%	
Civil Cases disposed as % of cases added	90%	83%	93%	93%	
<u>Effectiveness /Outcomes</u>					
Average cases heard per week	36	36	38	32	

Source: Juvenile probation department provided juvenile statistics. All data based on fiscal year reports from the judicial system. Other activity is combined with district and county schedules found on pages140-146.

Fund: GENERAL FUND

Organization: COUNTY COURT AT LAW #2

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$186,334	\$188,710	\$197,728	\$205,102	\$227,948
Fringe Benefits	51,788	49,704	55,151	55,571	66,345
Operating Expenses	14,873	19,089	14,920	28,176	26,450
Capital Outlay	1,212	0	8,882	1,608	0
Total Expenses	\$254,207	\$257,503	\$276,681	\$290,457	\$320,743
Full-Time Positions	3.5	3.5	3.5	3.5	3.5

Department Notes

The County Court at Law #2 judge received a statutory salary increase during FY06.

Performance Measures: Performance measures in FY04 reflect 152% case disposition as a percent of criminal cases added. This is due to transfers from other courts.

Court of Appeals

Activity: General Operations

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.

Fund: GENERAL FUND

Organization: COURT OF APPEALS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$10,815	\$10,815	\$10,657	\$13,008	\$13,008
Fringe Benefits	834	830	806	996	2,235
Operating Expenses	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenses	\$11,649	\$11,645	\$11,463	\$14,004	\$15,243

Department Notes

Fringe benefits increased in FY08 due to mandatory participation in the retirement system.

JUDICIAL FUNCTION

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.

Activity: General Operations

In Gregg County, the D.A.’s activities are focused on the prosecution of felony and misdemeanor criminal offenses. The District Attorney also provides county and state officials with legal advice upon request.

Mission Statement:

To prosecute persons who violate the laws of the State of Texas;
 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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Felony Cases (1)					
--Cases Received	2,437	2,622	2,995	2,549	2,800
--Cases Filed	1,089	1,323	1,749	1,364	1,500
--Dispositions	1,025	928	1,458	1,398	1,450
--Jury Trials	67	48	43	59	40
Misdemeanor Cases (1)					
--Cases Received	6,840	6,828	7,233	6,827	6,900
--Cases Filed	5,963	5,682	6,349	6,114	6,200
--Dispositions	5,951	5,574	6,666	6,407	6,500
--Jury Trials	9	15	10	7	10
<u>Hot Check Division:</u>					
No. of checks received from merchants	12,431	11,003	9,112	6,306	6,000
No. of receipts issued	5,537	8,003	7,775	6,903	6,800
Amt returned to merchants	\$755,178	\$860,005	\$873,007	\$678,506	\$650,000
<u>Efficiency</u>					
Felony cases filed as a % of cases received	45%	50%	58%	53%	53%
Felony cases disposed as a % of cases filed	94%	70%	83%	102%	97%
Misdemeanor cases filed as a % of cases received	87%	83%	88%	90%	90%
Misdemeanor cases disposed as a % of cases filed	99.7%	98.1%	105%	105%	105%

(1) Based on Gregg County’s fiscal year October 1 thru September 30 from activity reports submitted to the Office of Court Administration.

District Attorney (continued)

GOALS and ACCOMPLISHMENTS:

- This department has experienced turnover in the Assistant District Attorney positions, primarily due to monetary issues. (Salaries for equivalent staff positions in neighboring counties range from 5 to 25% more.)
 - *Department has sought all available grant funding to increase these critical positions.*
 - *Department evaluates positions each time an employee leaves and restructures in order to retain knowledgeable and efficient attorneys. (e.g. during FY06 reduced one position through attrition and redistributed the salary to existing positions.)*
 - *The FY08 budget includes salary adjustments to all felony prosecutor positions and adds two felony prosecutor positions to address the monetary and workload structure.*

(1) Based on Gregg County’s fiscal year October 1 thru September 30 from activity reports submitted to the Office of Court Administration.

Fund: GENERAL FUND

Organization: DISTRICT ATTORNEY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$809,147	\$939,074	\$971,218	\$1,064,813	\$1,214,445
Fringe Benefits	286,088	299,003	321,056	332,844	417,255
Operating Expenses	44,917	48,240	57,437	67,782	78,410
Capital Outlay	0	0	0	578	0
Total Expenses	\$1,140,152	\$1,286,317	\$1,349,711	\$1,466,017	\$1,710,110
Full-Time Positions	24	26	25	25	27

Department Notes

Performance Measures: Misdemeanor cases are more likely to be filed and disposition is higher than felony cases. All performance measures include motions based on revocation of probation.

JUDICIAL FUNCTION

District Clerk

The District Clerk is a public official elected on a countywide basis to a four year term and serves as the official record keeper for three State District Courts and two County Courts-at-Law. Activities include general operations and civil and criminal records management.

Activity: General Operations

Duties include maintaining 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 collects statutory fees and handles the records related to all criminal cases, including indictments, judgments, and transfers to the Texas Department of Corrections.

Mission Statement:

This office strives to provide the citizens of Gregg County with the best integrated document recording and records management system in the State of Texas.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Civil Cases Filed	4,441	4,840	4,509	3,828	4,100
Criminal Cases Filed	1,382	1,445	1,501	1,235	1,300
Jury Notices Mailed (see page 162 for additional juror data)	19,668	27,470	31,246	31,500	32,000
Child Support Transactions	11,267	8,073	5,496	3,500	0
<u>Efficiency</u>					
Avg. # of civil cases file weekly	85	93	86.7	89	88
Avg. # of child support transactions per week	217	155	106	80	0

Fund: GENERAL FUND

Organization: DISTRICT CLERK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$505,048	\$505,185	\$549,262	\$559,276	\$603,911
Fringe Benefits	210,973	197,197	228,344	228,709	261,225
Operating Expenses	61,839	58,043	55,029	58,621	64,500
Capital Outlay	0	0	0	1,082	0
Total Expenses	\$777,860	\$760,425	\$832,635	\$847,688	\$929,636
Full-Time Positions	21	21.5	21.5	21.5	21.5

GOALS and ACCOMPLISHMENTS:

- Integration of technology in all divisions
 - *Implementation of a 'paperless' courtroom*
 - *Electronic filing of legal documents*
 - *Public access to computerized records.*
- Organization of the new records management facility
 - *Move records from the older records facility to the designated area in the new facility*
 - *Maintain electronic access at records storage facility to enhance 'paperless' goals.*

Department Notes

Performance Measures: The number of child support transactions began their decline when the State Attorney General's Office began a statewide collection process during 2001. Child support transactions will cease effective January 1, 2008. Jury notices have increased due to activity increase in the five courts.

District Clerk (continued)

Activity: District Clerk’s Civil Records Management

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.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$0	\$8,255	\$19,826	\$34,212	\$28,410
Total Revenue	8,255	11,571	14,386	15,422	16,500
Total Expenditures	0	0	0	-21,224	-30,005
Other Financing Sources over Other Financing Uses	0	0	0	0	0
Ending Fund Balance	\$8,255	\$19,826	\$34,212	\$28,410	\$14,905

Fund: DISTRICT CLERK CIVIL RECORDS MANAGEMENT FUND

Organization: DISTRICT CLERK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$0	\$0	\$21,224	\$30,055
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$21,224	\$30,055

Activity: District Clerk’s Criminal Records Management

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, however, there are very few cases collected to date.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$0	\$0	\$0	\$67	\$67
Total Revenue	0	0	67	0	0
Total Expenditures	0	0	0	0	0
Other Financing Sources over Other Financing Uses	0	0	0	0	0
Ending Fund Balance	\$0	\$0	\$67	\$67	\$67

Fund: DISTRICT CLERK CRIMINAL RECORDS MANAGEMENT FUND

Organization: DISTRICT CLERK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$0
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$0	\$0

JUDICIAL FUNCTION

Judicial Expenses

Activity: General Operations

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. The District Clerk’s office administers juror pay for all courts and maintains the juror selection process.

Fund: GENERAL FUND

Organization: JUDICIAL EXPENSES

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$61,725	\$62,319	\$111,531	\$142,490	\$150,500
Total Expenses	\$61,725	\$62,139	\$111,531	\$142,490	\$150,500

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Estimate	2008 Estimate
<u>Outputs</u>					
Civil juries impaneled	48	14	12	17	25
Civil jurors summoned	7,680	8,163	10,098	10,800	11,000
Criminal juries impaneled	59	51	50	68	75
Criminal jurors summoned	12,980	19,307	21,148	31,500	32,000
<u>Effectiveness/Outcomes</u>					
% Increase in Juror expenses	9.4%	0.6%	79%	78%	-

Department Notes

The budget for judicial expenses has increased 143% from FY04 to FY08 due to the state mandated increase to juror pay. The FY08 budget includes \$50,500 for expenses and \$55,000 for revenue.

Justice Court Technology Fund

The Justice Court Technology Fund consists of state authorized fees to be used for technology purchases and upgrades for the justices of the peace courts.

Activity: General Operations

Technology purchases are coordinated with the information services department to ensure hardware and software compatibility.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$14,257	\$7,730	\$25,083	\$51,509	\$76,581
Total Revenue	4,458	26,276	29,923	35,215	40,500
Total Expenditures	-10,985	-8,923	-3,497	-10,142	-30,000
Other Financing Sources over Other Financing Uses	0	0	0	0	0
Ending Fund Balance	\$7,730	\$25,083	\$51,509	\$76,581	\$87,081

Fund: JUSTICE COURT TECHNOLOGY FUND

Organization: Various (see below)

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses					
Combined	\$10,985	\$8,923	\$3,497	\$10,142	15,000
JP, Precinct #1	*	*	*	*	5,000
JP, Precinct #2	*	*	*	*	0
JP, Precinct #3	*	*	*	*	5,000
JP, Precinct #4	*	*	*	*	5,000
Capital Outlay					
Combined	\$0	\$0	\$0	\$0	\$0
JP, Precinct #1	*	*	*	*	0
JP, Precinct #2	*	*	*	*	0
JP, Precinct #3	*	*	*	*	0
JP, Precinct #4	*	*	*	*	0
Total Expenses	\$10,985	\$8,923	\$3,497	\$10,142	\$30,000

Justices 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. Prior to September 1, 2007, the justice courts had original jurisdiction in civil claims where the amount in controversy did not exceed \$5,000. The 80th Legislature increased the civil claims limit up to \$10,000. Other responsibilities include fine collections; issuance of peace bonds; arrest and search warrants; conducting 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

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
Total Cases Filed	14,570	14,868	15,679	15,846	15,310
Total Cases Disposed	12,802	12,351	13,192	14,869	14,163
Total Cases Appealed	14	29	32	39	34
Examining Trials	14	21	21	12	15
Inquests	269	254	279	282	280
Collections reported to State	\$1,299,771	\$1,369,795	\$1,450,873	\$1,515,372	*

Notes on Justice of the Peace Output Indicators:

- ◆ Data is available online at the Office of Court Administration (OCA) website: www.courts.state.tx.us
- ◆ 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.
- ◆ All other data is provided by the individual JP courts.
- ◆ Failure to Attend refers to cases involving juvenile truancy and includes parents contributing to the truancy.

Justices of the Peace (continued)

Significant Changes for Justices of the Peace

Autopsy Expenses: Gregg County is fortunate to have officials who are willing to pool resources, such as our Justices of the Peace, who developed a rotation schedule for inquests calls in order to alleviate the workload for precincts most susceptible to hospital and traffic fatality calls. Prior to FY05 there were accounting inequities regarding autopsy expenses. In the current accounting system, when a judge orders an autopsy that precinct budget is expensed for the autopsy, regardless of what precinct the fatality occurred in. Additionally, autopsy expense has increased by 153% in the last 4 years, going from \$790 to as much as \$2,000 per autopsy. Transportation charges to and from the Dallas Institute of Forensic Sciences and the Southeast Texas Forensic Center, in Tyler, have also increased due to the rising cost of fuel.

Travel Allowance: Due to rising fuel costs, the FY08 includes a \$4,000 travel allowance for each of the Justices of the Peace. Justices of the Peace are called to respond to fatalities in all four precincts and the allowance is designed to offset the expense of the justice using their own vehicle to travel to the site. Providing an allowance is expected to save personnel and fuel costs for the Sheriff's and/or Constable's budget (formerly officers were sent to transport the JP to and from the site).

Emergency Detention Warrants – During 2005, the County Judge, Justices of the Peace and Sheriff's Office implemented a 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. The mental health emergency detention warrant (EDW) data is for a period of about 4 months in 2005.

JUDICIAL FUNCTION

Justice of the Peace - Precinct #1

The Justice of the Peace, Precinct #1 is elected to a four year term of office by the citizens of Precinct #1. This precinct office is located in Longview at the courthouse and is the nearest Justice of the Peace office to the County’s jail and two hospitals.

Activity: General Operations

Duties include administering justice in criminal Class C misdemeanor cases and civil cases not exceeding \$10,000, handling the magistrate’s “jail call,” issuing felony warrants, issuing emergency protective orders, appointing attorneys for felony defendants, and serving 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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
CASES FILED					
Traffic	2,352	2,114	2,067	2,436	2,240
Non-Traffic	1,013	830	1,176	1,402	1,105
Small Claims Suits	108	294	137	135	160
Forcible Entry and Det.	222	245	279	239	240
Other Civil Suits	391	406	482	498	490
Total Cases Filed	4,086	3,889	4,141	4,710	4,235
CASES DISPOSED					
Traffic	1,956	1,810	1,901	2,419	2,100
Non-Traffic	862	592	816	1,264	885
Small Claims Suits	100	114	123	111	115
Forcible Entry and Det.	193	217	237	220	220
Other Civil Suits	431	442	529	533	490
Total Cases Disposed	3,542	3,175	3,606	4,547	3,810
Total Cases Appealed	8	4	5	5	5
Juvenile Activity	2	22	27	22	25
Juv. Failure to Attend School/ Parent Contributing	34	121	419	678	650
Misd. Complaints Accepted	13	3	7	9	10
Felony Complaints Accepted	353	430	384	375	375
Examining Trials Conducted	14	21	21	12	15
Inquests Conducted	121	94	112	110	110
Safety Responsibility Hearings	25	29	15	18	20
Arrest Warrants Issued	867	714	1,205	1,038	1,000
Magistrate’s Warnings Given	4,837	5,247	5,268	5,251	5,200
Emg. Mental Health Hearings	0	18	171	201	200
Orders for Emergency Protection	202	208	276	257	250
<u>Efficiency</u>					
Dispositions as % of cases filed	87%	82%	87%	97%	90%
Avg. # of receipts issued per month	244	206	211	225	225
<u>Effectiveness/Outcomes</u>					
Collections reported to state	\$380,601	\$315,647	\$332,908	\$406,760	-
Percent change in cases filed	-5.8%	-4.8%	+6.4%	+13.7%	-

Justice of the Peace - Precinct #1 (continued)

GOALS and ACCOMPLISHMENTS:

- Texas and its counties 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.*

Fund: GENERAL FUND

Organization: JUSTICE OF THE PEACE – PRECINCT #1

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$106,204	\$112,819	\$133,908	\$136,718	\$152,003
Fringe Benefits	40,350	40,032	52,590	51,285	63,615
Operating Expenses	68,439	52,390	53,463	46,936	65,586
Capital Outlay	0	0	0	0	0
Total Expenses	\$214,993	\$205,241	\$239,961	\$234,939	\$281,204
Full-Time Positions	4	4	5	5	5

Department Notes

Performance Measures: Cases filed and disposed continue to increase.

Justice of the Peace - Precinct #2

The Justice of the Peace, Precinct #2 is elected to a four year term of office by the citizens of Precinct #2. This precinct office is located in Longview at the Greggton facility.

Activity: General Operations

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
CASES FILED					
Traffic	1,525	1,193	903	1,161	1,375
Non-Traffic	237	165	219	183	210
Small Claims Suits	115	107	89	86	100
Forcible Entry and Det.	205	262	234	232	300
Other Civil Suits	99	87	99	238	255
Total Cases Filed	2,181	1,814	1,544	1,900	2,240
CASES DISPOSED					
Traffic	1,265	1,177	795	1,134	1,350
Non-Traffic	118	103	129	158	198
Small Claims Suits	96	74	94	83	95
Forcible Entry and Det.	194	248	232	242	275
Other Civil Suits	69	60	70	96	190
Total Cases Disposed	1,742	1,663	1,320	1,713	2,108
Total Cases Appealed	0	2	14	7	9
Juvenile Activity	31	6	30	85	110
Juv. Failure to Attend School/ Parent Contributing	46	88	152	94	115
Misd. Complaints Accepted	4	1	0	2	5
Felony Complaints Accepted	11	47	41	25	34
Examining Trials Conducted	0	0	0	0	0
Inquests Conducted	52	58	64	54	60
Safety Responsibility Hearings	0	2	0	0	0
Arrest Warrants Issued	186	426	264	220	355
Magistrate's Warnings Given.	505	319	509	591	640
Emg. Mental Health Hearings	0	0	25	45	57
Orders for Emergency Protection	0	0	0	0	0
<u>Efficiency</u>					
Dispositions as % of cases filed	80%	92%	85%	90%	94%
Avg. # of receipts issued per month	132	127	106	126	126
<u>Effectiveness/Outcomes</u>					
Collections reported to state	\$150,906	\$164,678	\$137,088	\$172,039	-
Percent change in cases filed	+53%	-16%	-15%	+23%	-

Justice of the Peace - Precinct #2 (continued)

Fund: GENERAL FUND

Organization: JUSTICE OF THE PEACE – PRECINCT #2

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$71,472	\$75,279	\$77,473	\$81,620	\$88,400
Fringe Benefits	23,885	22,956	25,807	26,642	30,295
Operating Expenses	7,168	21,132	34,841	24,179	42,200
Capital Outlay	0	0	3,308	0	0
Total Expenses	\$102,525	\$119,367	\$141,429	\$132,441	\$160,895
Full-Time Positions	2.5	2.5	2.5	2.5	2.5

GOALS and ACCOMPLISHMENTS:

- Continue work with truancy officer and juvenile department concerning failure to appear and parent contributing (formerly called truancy) issues.

Department Notes

Operating expenses increased due to accounting changes for autopsy expense and the new travel allowance for the Justice of the Peace.

Justice of the Peace - Precinct #3

The Justice of the Peace, Precinct #3 is elected to a four year term of office by the citizens of Precinct #3. Since Precinct #3 contains the largest land area among the precincts, the J.P. maintains an office in Gladewater and Kilgore.

Activity: General Operations

This office conducts civil cases with \$10,000 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. 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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
CASES FILED					
Traffic	4,880	5,403	6,335	5,018	5,000
Non-Traffic	938	995	1,074	888	800
Small Claims Suits	52	73	63	58	55
Forcible Entry and Det.	200	211	220	238	230
Other Civil Suits	104	119	234	281	350
Total Cases Filed	6,174	6,801	7,926	6,483	6,435
CASES DISPOSED					
Traffic	4,164	4,424	4,967	4,709	4,500
Non-Traffic	840	812	1,031	1,103	1,100
Small Claims Suits	56	64	69	47	50
Forcible Entry and Det.	189	197	222	223	220
Other Civil Suits	92	121	171	255	300
Total Cases Disposed	5,341	5,618	6,460	6,337	6,170
Total Cases Appealed	5	16	5	10	10
Juvenile Activity	207	153	79	25	25
Juv. Failure to Attend School/ Parent Contributing	492	551	590	496	450
Misd. Complaints Accepted	38	41	58	42	40
Felony Complaints Accepted	55	40	56	53	50
Examining Trials Conducted	0	0	0	0	0
Inquests Conducted	60	63	63	74	70
Safety Responsibility Hearings	0	0	0	0	0
ArrestWarrants Issued	1,042	1,520	1,687	1,766	1,700
Magistrate’s Warnings Given	544	422	542	579	570
Emg. Mental Health Hearings	0	7	22	48	50
Orders for Emergency Protection	0	2	12	4	2
<u>Efficiency</u>					
Dispositions as % of cases filed	86%	83%	82%	98%	96%
Avg. # of receipts issued per month	321	375	454	400	400
<u>Effectiveness/Outcomes</u>					
Collections reported to state	\$550,254	\$672,038	\$774,546	\$730,242	-
Percent change in cases filed	+18.8%	+10%	+16.5%	-18%	-

Justice of the Peace - Precinct #3 (continued)

GOALS and ACCOMPLISHMENTS:

- This Justice of the peace precinct contains more major, non-municipal thoroughfares than precincts 1, 2, and 4. Therefore, the department works closely with the State Highway Patrol, Sheriff and Constable’s offices on more traffic violations than any other precinct.
 - *In response to the workload increase, the department began sharing an additional part-time clerk with the constable in precinct #3. In FY08 the part-time clerk position is no longer shared with the constable and was increased from 14.5 to 25 hours per week.*

Fund: GENERAL FUND

Organization: JUSTICE OF THE PEACE – PRECINCT #3

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$100,681	\$109,578	\$111,970	\$117,412	\$129,909
Fringe Benefits	41,115	40,267	44,840	45,446	52,305
Operating Expenses	35,677	43,080	37,678	54,292	55,880
Capital Outlay	0	0	1,514	0	0
Total Expenses	\$177,473	\$192,925	\$196,002	\$217,150	\$238,094
Full-Time Positions	4	4.25	4.25	4.25	4.5

Department Notes

With Interstate 20 being the major corridor between Dallas, Texas and Shreveport, Louisiana, a higher percent of traffic citations involve commercial and/or out of state vehicles, which could delay case disposition. (Nine and a half miles of I-20 are located in Precinct #3.)

JUDICIAL FUNCTION

Justice of the Peace - Precinct #4

The Justice of the Peace, Precinct #4 is elected to a four year term of office by the citizens of Precinct #4. This precinct office is located in Longview at the Longview Eastman Road facility.

Activity: General Operations

Mission Statement:

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

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
CASES FILED					
Traffic	1,688	1,783	1,429	1,959	1,750
Non-Traffic	101	193	208	328	250
Small Claims Suits	81	54	55	42	50
Forcible Entry and Det.	229	307	350	362	320
Other Civil Suits	30	27	26	62	30
Total Cases Filed	2,129	2,364	2,068	2,753	2,400
CASES DISPOSED					
Traffic	1,753	1,440	1,263	1,596	1,520
Non-Traffic	120	134	172	253	190
Small Claims Suits	69	48	46	41	50
Forcible Entry and Det.	214	259	305	352	290
Other Civil Suits	21	14	20	30	25
Total Cases Disposed	2,177	1,895	1,806	2,272	2,075
Total Cases Appealed	1	7	8	17	10
Juvenile Activity	17	0	0	0	0
Juv. Failure to Attend School/ Parent Contributing	7	28	74	181	150
Misd. Complaints Accepted	1	0	0	0	0
Felony Complaints Accepted	1	0	0	3	1
Examining Trials Conducted	0	0	0	0	0
Inquests Conducted	36	39	40	44	40
Safety Responsibility Hearings	0	0	0	0	0
Arrest Warrants Issued	421	432	521	270	270
Magistrate's Warnings Given	362	322	504	427	425
Emg. Mental Health Hearings	0	0	0	0	0
Orders for Emergency Protection	0	0	0	0	0
<u>Efficiency</u>					
Dispositions as % of cases filed	102%	80%	87%	83%	86%
Avg. # of receipts issued per month	151	155	138	153	150
<u>Effectiveness/Outcomes</u>					
Collections reported to state	\$218,010	\$217,432	\$206,331	\$254,537	-
Percent change in cases filed	+15.9%	+11%	-12.5%	+33%	-

Justice of the Peace - Precinct #4 (continued)

GOALS and ACCOMPLISHMENTS:

- This department experienced turnover in the administrative staff and constable’s office during the last few years, which added stress to existing staff and created a need for additional training for new staff.
 - *Replaced staff members are trained on the job in order to insure workload efficiency.*

Fund: GENERAL FUND

Organization: JUSTICE OF THE PEACE – PRECINCT #4

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$84,468	\$81,985	\$83,625	\$85,410	\$94,738
Fringe Benefits	30,592	30,110	33,035	34,230	38,760
Operating Expenses	33,533	38,782	32,951	28,904	28,855
Capital Outlay	0	0	0	0	0
Total Expenses	\$148,593	\$150,877	\$149,611	\$148,544	\$162,353
Full-Time Positions	3	3	3	3	3

Department Notes

Performance Measures: Traffic cases filed have increased by 16% from FY04 to FY07, while other cases filed increased 80%.

With Interstate 20 being the major corridor between Dallas, Texas and Shreveport, Louisiana, a higher percent of traffic citations involve commercial and/or out of state vehicles, which could delay case disposition.

Justice of the Peace Security Fund

The Justice of the Peace Security Fund consists of state authorized fees to fund security for Justice of the Peace offices not located at the County courthouse.

Activity: General Operations

Three of the four Justice of the Peace offices are located outside the County courthouse and have different security issues. Expenditures are presented to the Commissioners Court as needed.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$0	\$0	\$0	\$4,145	\$12,071
Total Revenue	0	0	4,495	7,926	8,500
Total Expenditures	0	0	-350	0	-4,500
Other Financing Sources over Other Financing Uses	0	0	0	0	0
Ending Fund Balance	\$0	\$0	\$4,145	\$12,071	\$16,074

Fund: JUSTICE COURT SECURITY FUND

Organization: Various (see below)

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses					
Combined	\$0	\$0	\$350	\$0	2,000
JP, Precinct #2	*	*	*	*	0
JP, Precinct #3	*	*	*	*	2,500
JP, Precinct #4	*	*	*	*	
Capital Outlay					
Combined	\$0	\$0	\$0	\$0	\$0
JP, Precinct #2	*	*	*	*	0
JP, Precinct #3	*	*	*	*	0
JP, Precinct #4	*	*	*	*	0
Total Expenses	\$0	\$0	\$350	\$0	\$4,500

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. A committee (appointed by the Commissioners Court) oversees the law library functions. Salaries and fringe benefits include a stipend for one assistant District attorney and one part-time librarian (.25 FTE). The law librarian position also includes records management duties (.5FTE) and provides secretarial assistance to the constable of precinct #1 (.25 FTE).

Activity: General Operations

State authorized fees and interest income are the sole funding source for this fund. Use of these fees is restricted for the provision and upkeep of the County’s law library. Laws are available through contracts with entities that provide legal software. Public access is limited to the County’s regular business hours.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$129,768	\$129,688	\$140,696	\$151,577	\$161,895
Total Revenue	61,354	68,592	71,613	73,949	64,000
Total Expenditures	-61,594	-57,584	-60,732	-63,631	-66,651
Other Financing Sources over Other Financing Uses	160				
Ending Fund Balance	\$129,688	\$140,696	\$151,577	\$161,895	\$159,244

Fund: LAW LIBRARY FUND

Organization: LAW LIBRARY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$6,977	\$7,150	\$11,459	\$14,318	\$14,081
Fringe Benefits	2,766	2,658	2,876	4,928	4,370
Operating Expenses	48,723	47,776	46,397	46,188	48,200
Capital Outlay	3,128	0	0	0	0
Total Expenses	\$61,594	\$57,584	\$60,732	\$65,434	\$66,651
Full-Time Positions	.25	.25	.25	.25	.25

Department Notes:

Expenses have remained relatively flat, with 8% growth from FY04 to FY08. Revenue has increased 4% from FY04 to FY08, a conservative estimate of \$64,000 is budgeted for FY08. Fund balance increased 16.8% from FY04 to FY06. Overall, the law library fund remains stable, with slow increases due to conservative management.

Non-Departmental – Judicial Expenses

Activity: General Operations

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 the 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 and interpreter services that are collected through the Community Supervision Corrections Department are recorded as reimbursements to this department.

Fund: GENERAL FUND

Organization: NON-DEPARTMENTAL – JUDICIAL EXPENSES

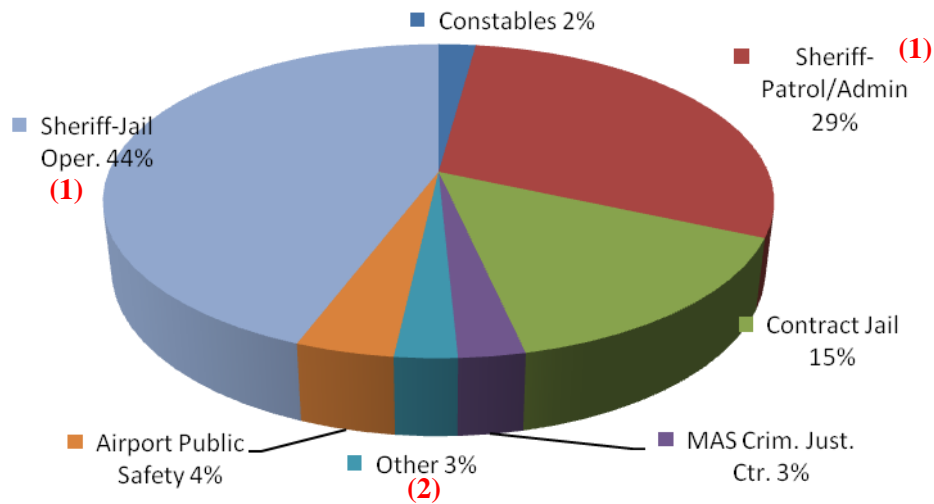
	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
<i>Court Appt Atty Fees</i>					\$710,000
<i>124th District Court</i>	\$239,561	\$144,820	\$174,577	\$186,010	
<i>188th District Court</i>	167,566	240,826	287,176	307,664	
<i>307th District Court</i>	120,757	67,937	88,489	99,449	
<i>Co Court at Law #1</i>	173,191	206,293	247,776	227,180	
<i>County Court</i>	15,400	16,400	16,190	25,000	
<i>Mental Commitments</i>	31,684	29,170	39,966	36,465	
<i>Co Court at Law #2</i>	75,144	47,026	50,519	50,074	
<i>Investigator, Expert Witness & Interpreters</i>	7,987	28,422	9,057	25,179	
<i>Other Professional Svc.</i>	0	0	0	1,134	-
<i>Interpreter Services</i>	0	0	0	14,385	48,000
<i>Insurance Premiums</i>	0	0	0	12,456	14,900
<i>Court Ordered Psychiatric Evaluations</i>	0	0	0	0	10,000
Total Operating Expenses	\$831,291	\$780,894	\$913,383	\$817,531	\$782,900
<i>Attorney Fees Reimb. through CSCD</i>	(138,595)	(168,846)	(145,124)	(166,249)	-
<i>Reimb. Interpreter Svc.</i>	0	(16)	(838)	(1,216)	(28,000)
Total Less Reimbursements	\$692,696	\$612,033	\$767,788	\$650,066	\$754,900

Shading represents pooled accounts

Department Notes

In FY07, funding for interpreter services, insurance premiums and court ordered psychiatric evaluations was moved from the non-departmental organization to better account for judicial expenses.

PUBLIC SAFETY FUNCTION



The Public Safety function is the largest function of the County. It includes all Sheriff's Office and jail activities, Contract Jail, Marvin A. Smith Criminal Justice Center, Airport Public Safety, and Constables.

- (1) Sheriff patrol, administration, and jail operations are included in the Sheriff's General Operations. All other divisions are reported as separate activities.
- (2) Other includes Juvenile Board and the following State agencies: Department of Public Safety, Texas Parks and Wildlife, and the Texas Alcoholic Beverage Commission.

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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.

Significant Changes for Constables

Insurance premiums: All insurance premiums were expensed in Non-Departmental prior to FY2004. In 2004, property and liability insurance premiums were distributed to the associated department in order to provide a better picture of departmental expenses. Precinct #2 and Precinct #3 premiums are higher because they include premiums for county issued vehicles.

Travel Allowance: Due to rising fuel costs, in FY07 a \$2,400 travel allowance for Constables in precinct's #1 and #4 was approved. This allowance was continued in FY08. Constables in precinct #2 and #3 utilize county issued vehicles and are appropriated funds for vehicle and fuel expense.

PUBLIC SAFETY FUNCTION

Constable - Precinct #1

The Constable of Precinct #1 is a public official elected to four year terms of office by the citizens of Precinct #1. This Constable has an office in the county courthouse.

Activity: General Operations

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Estimate	2008 Estimate
<u>Outputs</u>					
Civil Process Received	400	527	411	505	550
Civil Process Served	390	465	374	475	500
Civil Process Returned	n/a	62	37	30	30
Evictions	n/a	267	233	275	300
Writs of Execution/ Possession	n/a	53	36	56	65
Traffic Citations	n/a	n/a	n/a	n/a	n/a
Arrests	n/a	3	6	6	5
<u>Effectiveness/Outcomes</u>					
Civil process executed as % of received	97.5%	88%	91%	94%	91%

Fund: GENERAL FUND

Organization: CONSTABLE – PRECINCT #1

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$43,618	\$44,900	\$45,772	\$49,452	\$51,180
Fringe Benefits	16,933	15,405	17,295	17,404	19,445
Operating Expenses	1,055	5,800	6,752	2,545	2,620
Capital Outlay	0	0	0	0	0
Total Expenses	\$61,606	\$66,108	\$69,819	\$69,401	\$73,245
Full-Time Positions	1.25	1.25	1.25	1.25	1.25

Department Notes

FY05 and FY06 show increases due to set up costs for the new Constable. This Constable utilized his personal vehicle for all activities and FY06 included reimbursement of travel expenses. FY07 and FY08 include travel allowance of \$2,400.

Performance Measures: Output indicators were provided by Constable Precinct #1 based on the calendar year. In November 2004, a new Constable was elected to office. Other prior activity is not available.

PUBLIC SAFETY FUNCTION

Constable - Precinct #2

The Constable of Precinct #2 is a public official elected to four year terms of office by the citizens of Precinct #2. This Constable has an office in the Greggton facility.

Activity: General Operations

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

Performance Measures	2004 Actual	2005 Actual	2006 Actual	2007 Estimate	2008 Estimate
<u>Outputs</u>					
Civil Process Received	572	772	1,360	1,313	1,300
Civil Process Executed	562	629	*	1,150	1,200
Civil Process Returned	10	157	*	163	140
Evictions	215	206	*	233	200
Writs of Execution/Possession	*	*	*	50	50
Traffic citations	106	49	48	45	50
Arrests	20	13	3	38	12

<u>Efficiency</u>					
Civil process executed as a % of received	98%	81%	*	87%	92%

* Information not available

Fund: GENERAL FUND

Organization: CONSTABLE – PRECINCT #2

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$37,000	\$38,110	\$38,872	\$40,038	\$41,239
Fringe Benefits	14,326	13,792	14,499	14,225	15,825
Operating Expenses	557	3,565	5,463	6,901	7,806
Capital Outlay	0	0	0	0	0
Total Expenses	\$51,883	\$55,467	\$58,834	\$61,164	\$64,870

Full-Time Positions	1	1	1	1	1
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Department Notes

This Constable was issued a county vehicle in FY05 which increased operating expenses for vehicle insurance, repairs and fuel.

Performance Measures: Output indicators were provided by Constable Precinct #2 based on the calendar year. **This Constable helps reduce personnel cost and workload for the County by serving papers for the Sheriff's civil division.**

% of Constable Precinct #2 Civil Processes Served for Sheriff's Civil Division:

In 2005.....59%
In 2006.....69%
In 2007.....62%

PUBLIC SAFETY FUNCTION

Constable - Precinct #3

The Constable of Precinct #3 is a public official elected to four year terms of office by the citizens of Precinct #3. This Constable has an office at the county's facility in Gladewater.

Activity: General Operations

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Estimate	2008 Estimate
Civil Process Received	564	687	694	450	450
Civil Process Executed	527	622	674	420	417
Civil Process Returned	37	65	20	33	33
Evictions	151	218	235	221	221
Writs of Execution/ Possession	29	47	44	70	72
Traffic Citations	399	4	5	5	10
Arrests	16	6	2	4	5

Fund: GENERAL FUND

Organization: CONSTABLE – PRECINCT #3

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$37,000	\$44,896	\$45,449	\$48,618	\$56,869
Fringe Benefits	14,326	14,976	15,681	15,555	18,605
Operating Expenses	8,390	11,976	11,379	11,854	14,364
Capital Outlay	0	0	0	0	0
Total Expenses	\$59,716	\$71,848	\$72,509	\$76,027	\$89,838
Full-Time Positions	1	1	1.25	1.25	1.5

Department Notes

This Constable was provided a county vehicle purchased with grant funds and grant funds paid for the upkeep of the vehicle until FY04.

Prior to FY06 the Constable received grant funding for a part time clerical position. When the funding ceased, the position was shared with the Justice of the Peace, Precinct #3 for FY06 and FY07. In FY08 the Constable and the justice of the peace have separate part-time positions.

Performance Measures: Output indicators were provided by Constable Precinct #3 based on the calendar year.

PUBLIC SAFETY FUNCTION

Constable - Precinct #4

The Constable of Precinct #4 is a public official elected to four year terms of office by the citizens of Precinct #4. This Constable has an office at the county's facility in Gladewater.

Activity: General Operations

Mission Statement:

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

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Estimate	2008 Estimate
<u>Outputs</u>					
Civil Process Received	360	408	451		
Civil Process Served	350	397	432		
Civil Process Returned	10	11	19		
Evictions	229	307	350		
Writs of Execution/Possession	21	24	41		
Traffic Citations	0	0	0		
Arrests	0	0	0		
<u>Effectiveness / Outcomes</u>					
Civil process executed as a % of received	97%	97%	96%		

Fund: GENERAL FUND

Organization: CONSTABLE - PRECINCT #4

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$37,000	\$38,110	\$36,709	\$42,462	\$43,639
Fringe Benefits	13,938	13,431	12,871	14,075	16,250
Operating Expenses	2,455	3,175	6,070	3,927	4,965
Capital Outlay	0	0	0	0	0
Total Expenses	\$53,393	\$54,716	\$55,650	\$60,464	\$64,854
Full-Time Positions	1	1	1	1	1

Department Notes

The FY07 and FY08 budgets include \$2,400 annual travel allowance for the Constable.

Performance Measures: Output indicators were provided by Constable Precinct #4 based on the calendar year.

Department of Public Safety

The Department of Public Safety 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.

Activity: General Operations

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.

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 Indicators:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
DWI Arrests	185	269	271	*	*
Criminal Misdemeanor Arrests	661	667	339	*	*
Criminal Felony Arrests	121	140	94	*	*
Total Criminal Arrests	782	807	433	*	*
Total Accidents Investigated	798	861	797	*	*
Motorist Assists/Agency Assists	587	643	645	*	*
Total Vehicles Stopped for Traffic Violations	11,644	14,224	16,811	*	*

PUBLIC SAFETY FUNCTION

Department of Public Safety (continued)

Fund: GENERAL FUND

Organization: TEXAS DEPARTMENT OF PUBLIC SAFETY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$30,692	\$36,015	\$37,601	\$37,297	\$40,429
Fringe Benefits	10,599	10,992	12,662	12,773	14,535
Operating Expenses	4,696	4,767	5,082	5,703	6,550
Capital Outlay	0	0	0	0	0
Total Expenses	\$45,987	\$51,774	\$55,345	\$55,773	\$61,514
Full-Time Positions	1.5	1.5	1.5	1.5	1.5

Department Notes

Performance Measures: Output indicators were provided by DPS for calendar years 2004, 2005 and 2006.

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.

Fund: GENERAL FUND
Organization: JUVENILE BOARD

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$78,255	\$78,255	\$78,255	\$90,390	\$85,635
Fringe Benefits	34,013	32,169	31,850	33,625	37,015
Operating Expenses	0	0	0	0	0
Capital Outlay	0	0	0	0	0
Total Expenses	\$112,268	\$110,424	\$110,105	\$124,015	\$122,650
Full-Time Positions	3	3	3	3	3

Department Notes

All salary and fringe benefit increases in FY07 are due to state mandates regarding judicial pay.

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.

Parks & Wildlife

Gregg County provides office space and a phone line for a Texas Parks and Wildlife game warden and a game biologist at the service center. This department accounts for occasional expenses related to these officers.

Fund: GENERAL FUND

Organization: PARKS AND WILDLIFE

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$0	\$534	\$79	\$900
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$534	\$900	\$900

Sheriff

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.

Activity: General Operations

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Jail Book-ins	11,071	11,449	10,909	12,421	11,300
Warrants Executed	4,615	5,065	5,543	5,157	5,500
Peace Officers / Emergency	304	226	321	483	350
Detention Warrants					
Civil Process Served	7,798	8,775	4,795 ⁽¹⁾	4,142 ⁽¹⁾	5,000 ⁽¹⁾
Report Requiring C.I.D.	2,300	2,282	2,312	2,280	2,360
Follow-up					
Mental Transports	388	315	420	604	450
Avg. inmate meals per week	*	*	19,950	19,950	19,950
<u>Efficiency</u>					
Civil Process served per FTE	*	*	*	1,060	1,060
Jailer to inmate ratio	*	*	*	1:48	1:48
Avg. cost per inmate meals	*	*	*	\$ 0.67	\$ 0.67

(1) Reporting method altered.
* Data not available for prior years.

Effectiveness/Outcomes:

County dollars saved through use of inmate labor:

- Inmate labor utilized for county projects in addition to jail services results in an estimated savings of over \$100,000.00 annually.
- Since 2001, inmates have maintained the courthouse lawn which resulted in a cost savings of \$30,000.00 annually.
- Other projects are included, but not limited to, general maintenance, remodeling, painting, landscaping, litter clean-up and vehicle maintenance.

Community assistance provided/special events:

- Provide inmate labor to other political subdivisions located within the county.
- Provide inmate labor for non-profit organizations located within the county to assist with community needs and special events.
- Provide Sheriff’s Deputies for traffic control, crowd control and security at special events.

Sheriff (continued)

GOALS and ACCOMPLISHMENTS:

Maximize use of county jail bed space:

- *Continue to provide necessary bed space for Gregg County offenders.*
- *Convert leased jail beds from private contractor to county operated lease to maintain or increase revenue.*
- *Secured inmate housing contracts with U.S. Marshal Service; Smith County, Texas; Harrison County, Texas; and Nacogdoches County, Texas.*
- *Continue negotiations with other counties and federal agencies for additional inmate housing contracts.*

Communication Interoperability:

- *Complete upgrade of radio communication system including dispatch center, vehicles and individual hand held radios.*
- *Acquired and installed technology in the Sheriff's dispatch center, the Mobile Command Center and Emergency Operations Center to ensure communication between agencies.*
- *Installed equipment and software to implement a mobile network system which includes access to RMS and TLETS.*

Continue to Maintain Jail Certification:

- *Addition of 33 jailers over a 5 year span to meet inmate to jailer ratio.*
- *Entry level jail positions received additional salary adjustment.*
- *In 2006 the Marvin A. Smith Regional Juvenile Center was re-established as the Marvin A. Smith Criminal Justice Center and modified to house minimum security inmates. This facility added 40 inmate beds to the jail system.*

Provide security at Courthouse and all annex facilities:

- *Each of the three entrances to the Courthouse is equipped with a security checkpoint.*
- *This checkpoint includes an armed Sheriff's Deputy, X-Ray Screening Machine and a Magnetometer.*
- *Each of the six Courts is assigned a bailiff to provide safety and security during courtroom proceedings.*
- *An armed deputy is assigned to Community Service Corrections Division to provide enhanced security.*

Fund: GENERAL FUND

Organization: SHERIFF'S OFFICE

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$4,146,704	\$4,450,030	\$4,935,361	\$5,332,806	\$5,963,879
Fringe Benefits	1,736,441	1,776,930	2,010,030	2,106,371	2,555,075
Operating Expenses	741,737	1,056,992	1,220,558	1,263,709	1,463,270
Capital Outlay	73,965	180,120	286,048	177,891	134,500
Total Expenses	\$6,698,847	\$7,519,072	\$8,451,997	\$8,880,777	\$10,089,724
Full-Time Positions*	146	159	166.5	177	181

Sheriff (continued)

Department Notes

Due to Texas Jail Commission mandates the number of Sheriff's Office positions increased 28% over a five year span (FY03 to FY07). In FY08 one position was added for the SISD Resource Officer. A Communications Supervisor / Tech analyst position was created from two part-time positions (one in the 9-1-1 Addressing department) and two mental health deputy positions were moved from a grant fund due to a change in accounting procedures.

Capital expenditures include patrol and fleet cars which are replaced based on the unit's condition.

Significant operational increases result from changes in jail population, which directly affect daily administrative expenses (up 29%), costs to feed inmates (up 37%), facility/equipment repair (up 7%), and medical/hospital services for inmates (up 56%). Other operational increases are due to economic factors such as repairs to older fleet vehicles, increased fuel and tire costs for patrol cars and communications expenses (up 22%).

Performance Measures: Performance measures show a steady increase in most activities of the Sheriff's office. One major challenge is continuing to find ways to cut costs without losing quality. Gregg County is fortunate to have a Sheriff's office that continually reviews its operations to provide valuable and cost efficient services to all citizens.

Sheriff (continued)

Activity: Contract Jail Operation

This department was created in FY07 to account for Contract Jail Operations of the Sheriff’s Office. Prior to February 2007, jail space was leased for occupancy by Management Training Corporation (MTC). Contracts are in place to lease beds to the United States Marshal Service, Texas counties of Smith, Harrison, and Nacogdoches.

Fund: GENERAL FUND

Organization: CONTRACT JAIL OPERATIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$0	\$0	\$0	\$389,253	\$1,106,601
Fringe Benefits	0	0	0	147,597	500,965
Operating Expenses	0	0	0	114,048	368,125
Capital Outlay	0	0	0	25,496	64,000
Total Expenses	\$0	\$0	\$0	\$676,394	\$2,039,691
Full Time Positions	0	0	0	26	40

Department Notes

FY07 included seven months (March to September) of operations at less than 100% occupancy. The FY08 budget includes 12 new jailer and 2 new nurses positions.

Activity: Criminal Justice Operation

The Marvin A. Smith Corrections Facility houses minimum risk offenders and adds 40 additional jail beds to Gregg County.

Fund: GENERAL FUND

Organization: CRIMINAL JUSTICE OPERATIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$0	\$0	\$77,942	\$207,677	\$194,608
Fringe Benefits	0	0	25,724	84,829	98,610
Operating Expenses	0	0	52,616	50,173	76,400
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$156,282	\$342,679	\$369,618
Full Time Positions	0	0	8	8	8

Department Notes

FY06 operations began in June, 2006. The FY07 budget is based on a full year of operations.

Sheriff (continued)

Activity: Jail Lease Facility Fund

The Jail Lease Facility fund operates under the direction of the County Sheriff and used for law enforcement / detention operations located at the North Jail facility. Revenue is generated from the inmate phone system.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$47,611	\$117,752	\$143,295	\$147,360	\$147,360
Total Revenue	72,470	65,518	73,905	50,000	50,000
Total Expenditures	-76,516	-39,975	-69,841	-60,000	-60,000
Other Financing Sources over Other Financing Uses	74,187	0	0	0	0
Ending Fund Balance	\$117,752	\$143,295	\$147,360	\$137,360	\$137,360

Fund: JAIL LEASE FACILITY FUND

Organization: JAIL FACILITY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$61,901	\$39,975	\$49,560	\$54,832	\$60,000
Capital Outlay	14,615	0	20,280	0	0
Total Expenses	\$76,516	\$39,975	\$69,840	\$54,832	\$60,000

Department Notes

The Jail Lease Facility fund reserves increased 209% from the FY04 beginning fund balance of \$47,611 to the FY06 unaudited ending balance of \$147,360. Appropriations are based on anticipated expenditures *as well as* the available fund balance each year.

In FY04 the Jail Improvement capital project fund was closed and all remaining funds were transferred to this fund. Capital outlay expenses include kitchen flooring and equipment purchase for the kitchen, control room and laundry room.

PUBLIC SAFETY FUNCTION

Sheriff (continued)

Activity: Airport Public Safety

During FY05 the Commissioners Court restructured the Airport Public Safety department to improve Homeland Security. This department operates directly under the County Sheriff. The officers at the airport hold dual certifications in fire and rescue and law enforcement. As of July 2005, salaries and fringe benefits associated with airport public safety personnel were moved from the Airport – Administrative department to Airport Public Safety

Fund: AIRPORT MAINTENANCE FUND

Organization: PUBLIC SAFETY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$0	\$65,131	\$45,772	\$49,452	\$51,180
Fringe Benefits	0	18,823	17,295	17,404	19,445
Operating Expenses	26,661	36,968	6,752	2,545	2,620
Capital Outlay	3,387	25,649	0	0	0
Total Expenses	\$30,828	\$146,571	\$69,819	\$69,401	\$73,245
Full-Time Positions	0	9	9	10	

Department Notes

FY05 expenses show a partial year from July through September. In FY07 the airport lieutenant took over fire marshal responsibilities and one employee was transferred from the Sheriff’s office to comply with workforce regulations.

FY08 includes the final year of a three year salary equalization plan intended to equalize the salaries of the airport public safety positions due to the dual certification of the officers.

Sheriff (continued)

Activity: 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. Revenue for the building security fund is collected in the Justice of the Peace and County and District courts upon conviction of an offense.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$15,364	\$12,730	\$25,841	\$34,219	\$41,910
Total Revenue	75,174	77,536	78,672	82,862	88,500
Total Expenditures	-135,807	-130,425	-111,645	-90,171	-101,463
Other Financing Sources over Other Financing Uses	58,000	66,000	41,351	15,000	15,000
Ending Fund Balance	\$12,730	\$25,841	\$34,219	\$41,910	\$43,947

Fund: BUILDING SECURITY FUND

Organization: BUILDING SECURITY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$59,556	\$60,115	\$77,350	\$62,879	\$68,903
Fringe Benefits	25,302	23,566	30,880	24,324	28,860
Operating Expenses	50,949	42,645	3,415	0	3,700
Capital Outlay	0	4,099	0	2,9690	0
Total Expenses	\$135,807	\$130,425	\$111,645	\$90,172	\$101,463
Full-Time Positions	2	2	3	2	2

Department Notes

An additional deputy position was added for the Community Corrections Supervision Department during FY06. The State was expected to reimburse the county for this position. The state denied reimbursement and the position was moved into the Sheriff’s office budget in General Fund.

Expenses for the two deputy positions funded from the Building Security fund exceed revenue received; therefore, the General Fund subsidizes this fund. (All other security personnel positions are located in the Sheriff’s office in General Fund.) Fund balances directly result from General Fund subsidies and these reserves are carried forward each year. Operating expenses include minor equipment and repairs to equipment used by the deputies at each entrance of the courthouse.

Texas Alcoholic Beverage Commission

This department accounts for occasional expenses related to Texas Alcoholic Beverage Commission activity.

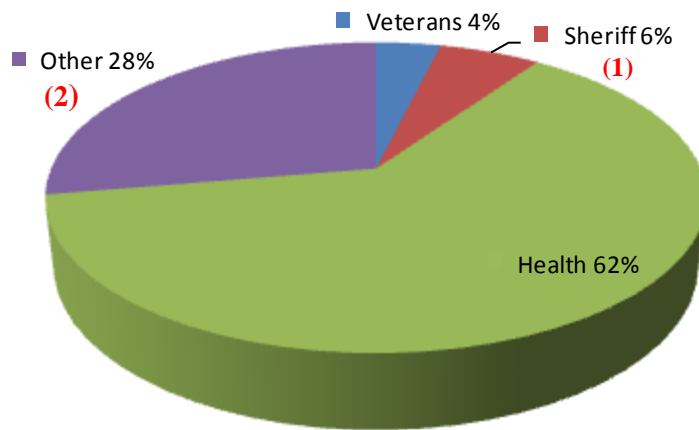
Fund: GENERAL FUND

Organization: TEXAS ALCOHOLIC BEVERAGE COMMISSION

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$0	\$0	\$0	\$250
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$0	\$0	\$250	\$250

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HEALTH AND HUMAN SERVICES FUNCTION



The Health and Human Services function includes departments whose primary duties are involved in improvement of public health and providing public assistance to economically disadvantaged citizens of Gregg County.

- (1) Sheriff includes 9-1-1 Addressing/Emergency Management and Civil Defense activities.
- (2) Other expense includes contributions, environmental protection, industrial airpark and historical commission.

HEALTH AND HUMAN SERVICES FUNCTION

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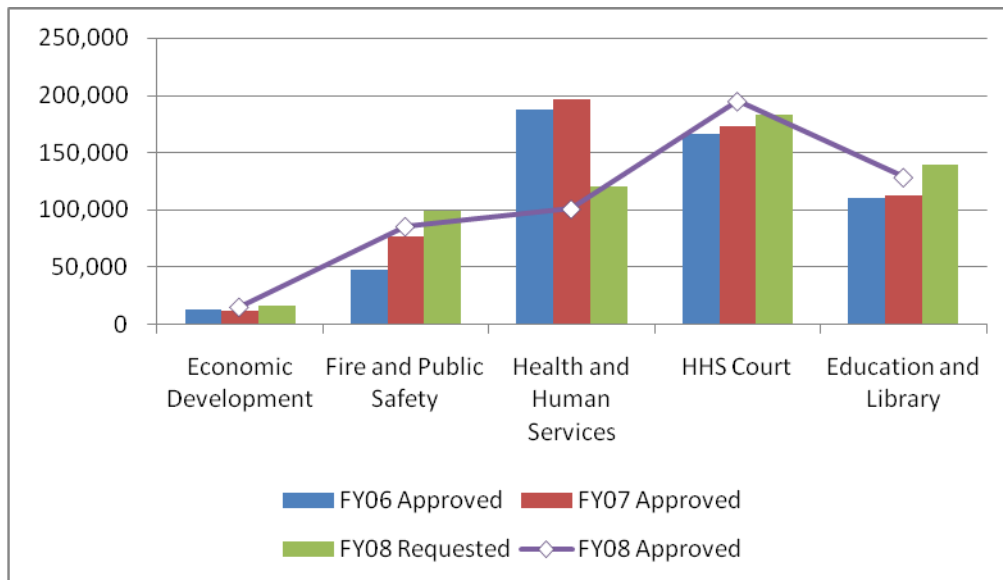
HEALTH AND HUMAN SERVICES FUNCTION

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.

Fund: GENERAL FUND
Organization: CONTRIBUTIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$494,166	\$501,400	\$520,909	\$563,000	\$541,300
Total Expenses	\$494,166	\$501,400	\$520,909	\$563,000	\$541,300



Department Notes

Overall departmental expenses have decreased from FY07 to FY08 due to changes in accounting. In FY07 the Child Welfare Board transferred financial duties to the County Auditor’s office. Because these activities are accounted for in a separate fund, the Health and Human Services contributions appear to have reduced significantly. Of the \$558,330 requests for funding, \$541,300 was awarded in FY08. Changes to funding levels include slight increases in all categories.

Economic Development:
 Chambers of Commerce at Gladewater, Kilgore, and Liberty City and Longview Partnership

Fire & Public Safety:
 VFD's at Clarksville-Warren City, Elderville/Lakeport, Easton, West Harrison, Judson Metro, and Sabine; civil air patrol; and Kilgore Rescue Unit

Education and Library:
 Libraries at Gladewater, Kilgore, White Oak, Longview, Historical Museum, East Texas Literacy Council

Health and Human Services:
 ARC, Greater Longview United Way, Humane Society, Kilgore Crisis Center, Upshur/Gregg Soil Conservation District, Women's Center, ETCOG Council on Aging, Camp Fire USA, Martin Charities, Longview Child Development

HHS Court Related:
 East Texas Council on Alcoholism and Drugs, East Texas CASA, Longview Teen Court, Parenting Resource Center, Community HealthCore

HEALTH AND HUMAN SERVICES FUNCTION

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.

Fund: GENERAL FUND

Organization: ENVIRONMENTAL PROTECTION

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$16,483	\$5,477	\$4,592	\$0	\$23,000
Capital Outlay	0	0	0	0	0
Total Expenses	\$16,483	\$5,477	\$4,592	\$0	\$23,000

HEALTH AND HUMAN SERVICES FUNCTION

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 spent on 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 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. For FY08, the estimated ending fund balance is 7.5% of the ending fund balance of all budgeted funds.

Fund: HEALTH CARE FUND

Organization: HEALTH CARE

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Health Care Contributions	\$40,000	\$20,000	\$20,000	\$80,000	\$100,000

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
FY2006	95,155	101,948	20,000	2,470,329
FY2007	99,215	106,477	80,000	2,596,021
FY2008 Budget	55,000	120,000	100,000	2,671,021
Total All Years	\$2,395,634	\$793,659	\$518,272	--

The Commissioners Court increased FY08 expenditures based on interest earned in prior years. It has been the intent of the court that disbursements are derived from interest earned and not the corpus of the funds.

HEALTH AND HUMAN SERVICES FUNCTION

Health Department

The Health Department operates under the Gregg County Health Authority, a licensed physician appointed by the Commissioners Court. The Doctor contracts with the County to oversee activities of the health department, and provide medical services for eligible indigents, inmates, and detained juveniles.

Activity: General Operations

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.

Mission Statement:

To protect and promote the health of Gregg County residents by providing quality preventive medical intervention services and supporting community initiatives.

Performance Measures	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimate
<u>Outputs</u>					
<u>Health Clinic</u>					
Patients Seen/charts reviewed by Physician	1,140/*	1,196/*	1,115/ 2,112	1,193/1,874	
Patients Seen by Nurse	1,352	1,236	1,633	1,688	
Prescriptions Filled	10,620	4,357	6,420	6,162	
Immunizations	11,298	11,157	12,637	13,301	
Welfare Applicants	8,699	1,977	1,348	1,302	
STD/HIV Patients	2,773	992	1,355	1,205	
<u>Health Inspector</u>					
Onsite Sewage Facility (OSSF) Applications/Insp.	165	150	141	147	
OSSF Complaint Investigated	120	98	88	75	
OSSF Violations Issued	19	19	30	36	
OSSF Court Cases Filed	10	25	1	5	
Animal Control Calls	*	*	88	101	
Illegal Dumping Court Cases filed	*	*	13	97	
Fire investigations and inspections	*	*	19	15/24	
<u>Efficiency</u>					
Avg. # of prescriptions per patient	*	*	5.6	5	
Avg. # of prisoners seen/ charts reviewed per week	*	*	25 / 30	33/35	
Avg. # of clients receiving immunizations	*	*	6,341	5,567	
Avg. # of immunization records requested	*	*	500	466	
<u>Effectiveness/Outcomes</u>					
Percent change in direct medical expenses	+33%	-8%	-26%	+34%	+1%
Percent change in operating expenses	+11%	-68%	+53%	+55%	-38%

Health Department (continued)**GOALS and ACCOMPLISHMENTS:**

- Continue to seek sources of funding for public health and public health preparedness programs to benefit the citizens of Gregg County and surrounding areas. All grants are accounted for in funds that are separate from this document.
 - *Bio-terrorism grants received from 2003 to 2007 for a total amount of \$845,647.*
 - *Dual diagnosis for mental health and substance abuse (SAMHSA) grants received from 2002 to 2005 for a total amount of \$1,289,464.*
 - *Pandemic Preparedness grants received from 2006 to 2007 for a total amount of \$104,538.*
- Restructure of County poverty guidelines to match federal guidelines.
 - *Restructuring in FY05 allowed a more concentrated focus on providing services for the citizens of Gregg County.*

Fund: GENERAL FUND**Organization: HEALTH DEPARTMENT**

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$279,851	\$267,932	\$240,672	\$277,474	\$303,379
Fringe Benefits	97,566	90,655	89,960	98,708	114,120
Operating Expenses	1,166,063	1,061,453	828,130	1,070,739	1,077,275
Capital Outlay	0	0	22,967	0	22,444
Total Expenses	\$1,543,480	\$1,420,040	\$1,181,729	\$1,446,921	\$1,517,218
Full-Time Positions	9.5	9.5	9.5	9	9

Department Notes

Performance Measures: The percent of change in direct medical expenses versus total operating expenses reflect similar fluctuating trends. Decreases to expenses can indicate that less serious conditions were treated, or that less patients were seen. Likewise increased expenses can indicate more patients were treated, or patients had more serious medical diagnosis.

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.

Historical Commission

The Gregg County Historical Commission (GCHC), created by the Commissioners Court in 1962, functions as an arm of county government. The GCHC’s members are appointed for two-year terms of office in January of odd numbered years. 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.

Activity: General Operations

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

Fund: GENERAL FUND

Organization: HISTORICAL COMMISSION

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$6,818	\$6,735	\$6,150	\$8,274	\$6,525
Capital Outlay	0	0	0	2,404	0
Total Expenses	\$6,818	\$6,735	\$6,150	\$10,678	\$6,525

GOALS and ACCOMPLISHMENTS:

- Structural reorganization of the Gregg County Historical Commission
 - *County property, historical data and artifacts was moved to a new location in the courthouse law library.*
 - *Inventory was performed on files and property.*
 - *The historical book was completed and published. All copies sold.*
 - *By-laws were reviewed and amended.*
 - *New members were recommended for appointment..*

HEALTH AND HUMAN SERVICES FUNCTION

Industrial Airpark

This department moved to the Airport Maintenance Fund in FY07.

Fund: GENERAL FUND

Organization: INDUSTRIAL AIRPARK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$6,003	\$28,489	\$25,856	\$0	\$0
Capital Outlay	1,270	815	1,391	0	0
Total Expenses	\$7,273	\$29,304	\$27,247	\$0	\$0

HEALTH AND HUMAN SERVICES FUNCTION

Sheriff's Office

Activity: 911 Addressing / Emergency Management

This department is a division of the Sheriff's Office. The **911 Addressing** duties include 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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Average number of address changes per year	3,000 to 4,000	700 to 800	220 to 250		
Hours/time spent on research with post office, GAD, etc.	8-10 hrs / wk	2-4 hrs / wk	2 -4 hrs/wk		
No. of emergency responses					
<u>Efficiency</u>					
Percent of employees' time spent					
---on 9-1-1 Addressing	100%	50%	50%		
---on EMC/LEPC work		25%	25%		
---on dispatch		25%	25%		
Average no. of hours per emergency response	80 to 100	150 to 225	80 to 100		
<u>Effectiveness/Outcomes</u>					
Percent of project mail-out complete	100%	100%	100%		

GOALS and ACCOMPLISHMENTS:

- Standardize physical addressing within the jurisdiction of the County and maintaining County maps.
 - *Physical addresses have been assigned county-wide and the current status of the addressing is maintenance of adds and changes.*
- 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 9-1-1 Addressing/Emergency Coordinator provided 1,984 hours in assistance and monitored 12 facilities.*

HEALTH AND HUMAN SERVICES FUNCTION

Sheriff's Office (continued)

Fund: GENERAL FUND
Organization: 911 ADDRESSING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
9-1-1 Addressing					
Salaries	\$54,524	\$66,903	\$62,443	\$65,513	\$68,443
Fringe Benefits	23,175	22,689	24,973	24,361	28,150
Operating Expenses	9,350	15,024	5,987	4,370	32,895
Capital Outlay	1,541	0	0	0	0
<i>Sub-Total Expenses</i>	<i>\$88,590</i>	<i>\$104,616</i>	<i>\$93,403</i>	<i>\$94,244</i>	<i>\$129,488</i>
Civil Defense/ Emergency Mgmt.					
Operating Expenses	\$1,515	\$3,320	\$2,800	\$1,000	\$14,242
<i>Sub-Total Expenses</i>	<i>\$1,515</i>	<i>\$3,320</i>	<i>\$2,800</i>	<i>\$1,000</i>	<i>\$14,242</i>
Total Expenses	\$90,105	\$107,936	\$96,203	\$95,244	\$143,730
Full-Time Positions	2	2	2.5	2.5	2

Department Notes

Salaries have increased due to added emergency management responsibilities. The FY08 budget includes \$20,000 in professional services in anticipation of new mapping for 9-1-1 addressing work.

Performance Measures: The decline in 9-1-1 Addressing duties (such as address changes and hours worked) does not change the completion status of the .project mail-outs, which are now at maintenance levels.

HEALTH AND HUMAN SERVICES FUNCTION

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.

Performance Measures:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
<u>Outputs</u>					
Interviews conducted	3,057	2,800	2,656	*	*
Calls handled	9,171	8,400	7,968	*	*
Claim and Support Statements Issued	*	*	758	*	*
<u>Efficiency</u>					
Avg. # of interviews per day	12.3	11.2	10.7	*	*
Avg. # of calls taken per day	36.8	33.7	32.0	*	*
Claim /Support Statements Issued per interview	*	*	3.0	*	*
<u>Effectiveness/Outcomes</u>					
Veteran Population (1)	10,060	9,948	9,670	*	*
Compensation and Pension(1)	\$15,381,420	\$15,124,000	\$15,780,000	*	*
Readjustment and Vocational Rehab(1)	\$1,156,570	\$904,000	\$796,000	*	*
Insurance and Indemnities(1)	\$675,139	\$625,000	*	*	*
Medical Services & Admin.	*	*	\$13,265,000	*	*
Total Benefits Awarded (1)	\$17,213,129	\$16,653,000	\$29,296,000	*	*

Note(1): Federal data as listed on the U.S. Department of Veterans' Affairs website: www.va.gov

* Texas Veterans Commission data will not be available until April/May of 2008

Fund: GENERAL FUND

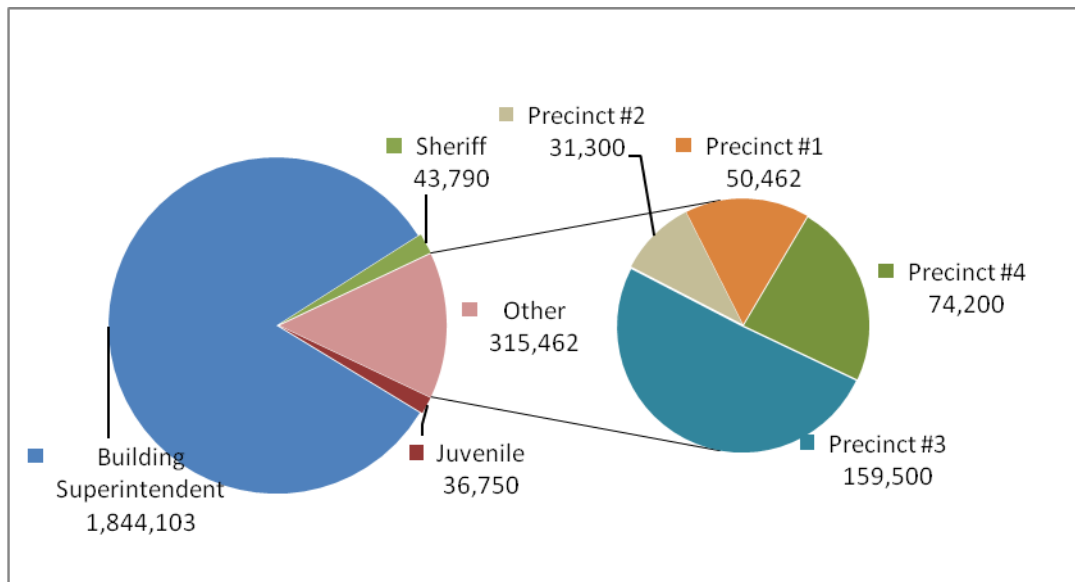
Organization: VETERANS SERVICES

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$58,341	\$60,192	\$62,633	\$62,961	\$66,917
Fringe Benefits	16,540	16,098	15,594	11,074	12,185
Operating Expenses	11,265	11,244	10,915	11,597	12,645
Capital Outlay	0	0	1,495	0	0
Total Expenses	\$86,146	\$87,533	\$90,637	\$85,632	\$91,747
Full-Time Positions	2	2	2	2	2

Department Notes

During FY06 the County hired a second veteran with existing insurance to replace a retiring civilian with County benefits. This resulted in an overall reduction in fringe benefits.

PUBLIC FACILITIES FUNCTION



The Public Facilities function is associated with building maintenance and operations activities. The chart shows the budget for each department that is responsible for managing facilities. Each commissioner is responsible for oversight of community buildings and parks within their jurisdiction. Precinct facility expenditures are included as part of the transportation function.

PUBLIC FACILITIES FUNCTION

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Juvenile – Facility Maintenance

Activity: 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.

Fund: GENERAL FUND

Organization: YOUTH DETENTION CENTER

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$27,434	\$31,017	\$55,322	\$29,088	\$36,750
Capital Outlay	0	0	32,703	26,697	0
Total Expenses	\$27,434	\$31,017	\$88,025	\$55,785	\$36,750

Department Notes

Capital expenses in FY06 included capital repairs flooring, remodeling. FY07 capital included replacing the air conditioning and alarms systems. Increases are due to the rising costs of utilities. Utilities are the only operating expense budgeted in this department.

Other – Facility Maintenance

Activity: 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 with 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 funded with state allocations and, as its operations are separate from the county, it is not included in the County’s budget.

In 2003, the Commissioners Court funded 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 the CSCD community service staff are located there. In FY06 the county funded a new roof for this building.

Fund: GENERAL FUND

Organization: CSCD ANNEX BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Capital Outlay	\$0	\$0	\$8,640	\$0	\$0
Total Expenses	\$0	\$0	\$8,640	\$0	\$0

Precinct #1 – Facility Maintenance

Activity: Judson Community Building

The Judson community building was built in 1951 and is used for civic activities.

Fund: GENERAL FUND

Organization: JUDSON COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$1,744	\$4,163	\$6,342	\$3,406	\$5,675
Capital Outlay	0	0	0	0	0
Total Expenses	\$1,744	\$4,163	\$6,342	\$3,406	\$5,675

Activity: 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 historical. 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. Capital Project activity is accounted for in a separate fund, see page 41-43 for more information.

Fund: GENERAL FUND

Organization: LONGVIEW WHALEY STREET COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$14,280	\$14,248	\$11,981	\$13,018	\$18,012
Fringe Benefits	2,298	8,968	9,188	4,821	11,210
Operating Expenses	7,744	9,614	9,376	9,079	11,365
Capital Outlay	2,257	0	0	0	0
Total Expenses	\$26,579	\$32,830	\$30,545	\$26,918	\$40,587
Full-Time Positions	.5	.5	.5	.5	.5

Activity: West Harrison Volunteer Fire Department Building

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

Fund: GENERAL FUND

Organization: SERVICE CENTER BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$1,351	\$4,421	\$4,133	\$2,124	\$4,200
Capital Outlay	0	0	0	0	0
Total Expenses	\$1,351	\$4,421	\$4,133	\$2,124	\$4,200

Precinct #2 – Facility Maintenance

Activity: 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.

Fund: GENERAL FUND

Organization: SERVICE CENTER BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$2,834	\$2,881	\$3,495	\$3,505	\$6,210
Fringe Benefits	665	606	850	826	1,365
Operating Expenses	13,988	18,856	27,867	24,766	23,725
Capital Outlay	0	0	0	0	0
Total Expenses	\$17,487	\$22,343	\$32,212	\$29,097	\$31,300
Full-Time Positions	.5	.5	.5	.5	.5

Department Notes

Increases to operating expenses have resulted from extensive repairs of this aging facility. In late FY06 water damage was extensive due to flooding from a broken water heater over a weekend. Repairs were made, but the incident prompted discussion about the cost efficiency of this facility and its upkeep.

Precinct #3 – Facility Maintenance

Activity: Garfield Hill Community Building

The Garfield Hill community building was built in 195, is located in Gladewater and is used for various civic activities.

Fund: GENERAL FUND

Organization: GARFIELD HILL COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$2,898	\$2,651	\$3,824	\$1,931	\$7,225
Capital Outlay	0	0	0	688	0
Total Expenses	\$2,898	\$2,651	\$3,824	\$2,619	\$7,225

Activity: Gladewater Commerce Street Building

The county purchased the land and built 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.

Fund: GENERAL FUND

Organization: SERVICE CENTER BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$8,025	\$9,319	\$11,198	\$10,332	\$14,425
Capital Outlay	5,127	0	0	0	0
Total Expenses	\$13,152	\$9,319	\$11,198	\$10,332	\$14,425

Department Notes

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

Activity: Gladewater Senior Citizens Building

This facility was built in the early 1940's and is currently leased to the Gladewater Historical Foundation to use as a museum.

Fund: GENERAL FUND

Organization: GLADEWATER SENIOR CITIZENS BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$1,200	\$0	\$0	\$0
Capital Outlay	0	0	0	0	0
Total Expenses	\$0	\$1,200	\$0	\$0	\$0

Precinct #3 – Facility Maintenance (continued)

Activity: Hugh Camp Memorial Park

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

Fund: GENERAL FUND

Organization: HUGH CAMP MEMORIAL PARK

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$8,633	\$7,914	\$15,092	\$11,356	\$19,225
Capital Outlay	4,638	0	0	0	5,000
Total Expenses	\$13,271	\$7,914	\$15,092	\$11,356	\$24,225

Department Notes

In FY04 and FY07, capital outlay includes new playground equipment.

Activity: Kilgore Community Building

This building was built in 1951 and is located in downtown Kilgore. 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 and juvenile office.

Fund: GENERAL FUND

Organization: KILGORE COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$21,622	\$22,180	\$23,719	\$25,693	\$25,525
Fringe Benefits	11,399	10,631	11,714	10,632	12,945
Operating Expenses	29,239	21,856	25,637	24,022	36,325
Capital Outlay	0	2,375	0	4,847	8,000
Total Expenses	\$62,260	\$57,042	\$61,070	\$65,194	\$82,795
Full-Time Positions	1	1	1	1	1

Department Notes

In FY05 capital outlay included a new ice machine. FY07 included a commercial dishwasher and stack washer and dryer. FY08 includes a sprinkler system for the lawn.

Precinct #3 – Facility Maintenance (continued)

Activity: Liberty City Community Building

The Liberty City community building was built in 1938 and is regularly used for civic activities, including elections.

Fund: GENERAL FUND

Organization: LIBERTY CITY COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$14,214	\$26,443	\$13,447	\$18,451	\$15,005
Capital Outlay	0	0	945	1,875	5,000
Total Expenses	\$14,214	\$26,443	\$14,392	\$20,326	\$20,005

Activity: Olivia R. Hilburn Community Building

The Olivia R. Hilburn community building is located in the Liberty City area.

Fund: GENERAL FUND

Organization: OLIVIA R. HILBURN COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$5,882	\$6,197	\$8,904	\$7,829	\$10,825
Capital Outlay	880	0	0	0	0
Total Expenses	\$6,762	\$6,197	\$8,904	\$7,829	\$10,825

Precinct #4 – Facility Maintenance

Activity: Easton Community Building

Easton community building was built in 1953 and is used for civic activities.

Fund: GENERAL FUND

Organization: EASTON COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$10,602	\$6,882	\$5,364	\$4,427	\$15,225
Capital Outlay	2,000	0	0	0	0
Total Expenses	\$12,602	\$6,882	\$5,364	\$4,427	\$15,225

Department Notes

In FY04, a new gas range was installed.

Activity: Elderville Community Building

Elderville community building was built in 1952 and is used for civic activities.

Fund: GENERAL FUND

Organization: ELDERVILLE COMMUNITY BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$10,454	\$11,694	\$13,671	\$20,278	\$30,225
Capital Outlay	0	0	0	0	0
Total Expenses	\$10,454	\$11,694	\$13,671	\$20,278	\$30,225

Department Notes

FY06 operating expensed included re-pavement of the parking lot.

Activity: Kilgore South Street Building

This community center is located on South Street in Kilgore and is used for civic activities.

Fund: GENERAL FUND

Organization: KILGORE SOUTH STREET BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$2,563	\$4,307	\$1,965	\$3,307	\$20,225
Capital Outlay	1,090	0	0	498	0
Total Expenses	\$3,653	\$4,307	\$1,965	\$3,805	\$20,225

Department Notes

FY04 capital outlay included replacing floor burnisher.

PUBLIC FACILITIES FUNCTION

Precinct #4 – Facility Maintenance (continued)

Activity: Longview Eastman Road Building

The county purchased the land and built this building in 1991 to be used for the offices of justice of the peace precinct #4 and constable precinct #4.

Fund: GENERAL FUND

Organization: LONGVIEW EASTMAN ROAD BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$0	\$0	\$0	\$16,816	\$8,525
Capital Outlay	0	0	0	3,307	0
Total Expenses	\$0	\$0	\$0	\$20,123	\$8,525

Department Notes

Prior to FY07 facility expense was accounted for in the justice of the peace precinct #4 department. The 2007 capital outlay included installation of a new telephone system and major roof repairs.

Sheriff – Facility Maintenance

Activity: Marvin A. Smith Criminal Justice Center

The Marvin A Smith Regional Juvenile Center 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 with the use of State grant funds.

In 2005, the Juvenile Board voted to close the juvenile center 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. In FY06, \$33,086 was budgeted for renovations that converted the facility from juvenile justice to jail standards.

Fund: GENERAL FUND

Organization: CRIMINAL JUSTICE CENTER

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$23,096	\$21,911	\$57,558	\$42,545	\$43,790
Capital Outlay	0	0	2,176	0	0
Total Expenses	\$23,096	\$21,911	\$59,734	\$42,545	\$43,790

Department Notes

Utilities are the only operating expense budgeted in this department.

Superintendent – Facility Maintenance

The County Superintendent works with the Commissioners on road and bridge projects; he serves as the flood plain administrator and 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.

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.

Activity: Courthouse Building

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, historical commission, maintenance, information services, purchasing, and the sheriff’s office and jail. The local United States Congressman and Texas State Senator lease office space as well.

Fund: GENERAL FUND

Organization: COURTHOUSE BUILDING

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$417,472	\$442,553	\$454,658	\$442,696	\$470,243
Fringe Benefits	202,864	194,680	208,538	198,185	226,215
Operating Expenses	569,033	601,082	685,368	686,688	717,735
Capital Outlay	3,825	26,029	74,707	71,969	0
Total Expenses	\$1,193,194	\$1,264,344	\$1,423,271	\$1,399,538	\$1,414,193
Full-Time Positions	19	19	19	18	17

Department Notes

In FY07, one maintenance position was moved to the sheriff’s office division, to supervise inmates who perform maintenance operations on county facilities. In FY08, the print shop technician was moved to an enterprise fund for accounting purposes. Utilities account for 70 to 76% of operating expenses.

Superintendent – Facility Maintenance (continued)**Activity: 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.

Fund: GENERAL FUND**Organization: SERVICE CENTER BUILDING**

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$27,339	\$28,056	\$28,488	\$29,420	\$31,605
Fringe Benefits	12,940	12,151	12,858	12,606	14,270
Operating Expenses	4,855	5,178	5,738	5,458	10,400
Capital Outlay	11,600	0	0	0	0
Total Expenses	\$56,734	\$45,385	\$47,084	\$47,484	\$56,275
Full-Time Positions	1	1	1	1	1

Activity: North Jail Building

The North jail building, located within one block of the courthouse, was built in 1993 and houses the Community Supervision Corrections Department (a state office) and 683 beds. A portion of these beds are leased to other governmental agencies. Operational expenses include janitorial supplies, repairs and maintenance, and utilities expense, with utilities accounting for 75 to 85 % of the costs.

Fund: GENERAL FUND**Organization: NORTH JAIL BUILDING**

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$168,908	\$175,651	\$206,215	\$234,430	\$336,135
Capital Outlay	0	0	0	0	0
Total Expenses	\$168,908	\$175,651	\$206,215	\$234,430	\$336,135

Department Notes

Utility and other costs at this facility directly result from inmate fluctuations as well.

PUBLIC FACILITIES FUNCTION

Superintendent – Facility Maintenance (continued)

Activity: Service Center Building

This facility was built in 1979 and updated in 1993. 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.

Fund: GENERAL FUND

Organization: SERVICE CENTER BUILDING

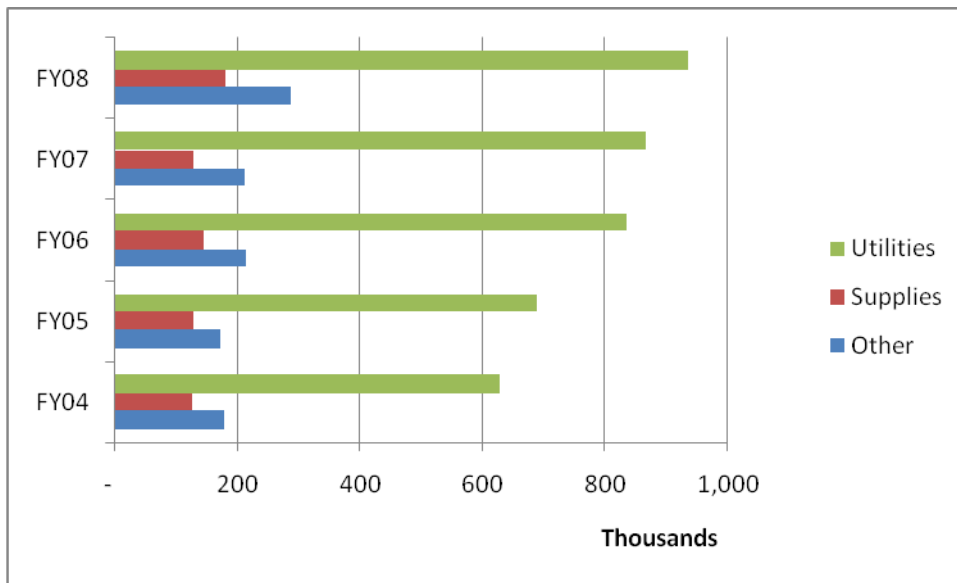
	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$24,215	\$23,102	\$30,401	\$26,023	\$37,500
Capital Outlay	0	0	0	0	0
Total Expenses	\$24,215	\$23,102	\$30,401	\$26,023	\$37,500

TOTAL EXPENSE FOR ALL PUBLIC FACILITIES

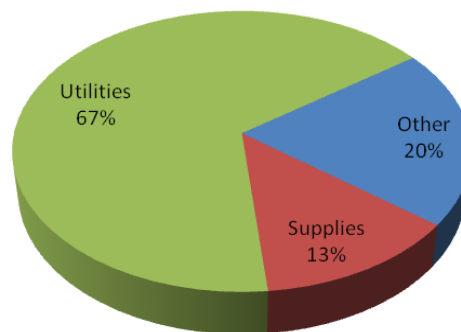
	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$483,547	\$509,918	\$522,341	\$514,332	\$551,595
Fringes	230,166	227,036	243,148	227,070	266,005
Operations	934,878	993,458	1,196,062	1,182,356	1,404,505
Capital Outlay	31,417	28,404	110,531	109,881	18,000
Total Expenses	\$1,680,008	\$1,758,816	\$2,072,082	\$2,033,639	\$2,240,105

Public Facilities Analysis

Utilities represent 67 to 75% of operating expenses. Supplies include cleaning supplies, paper goods, and minor tools and equipment (items under \$500). Other operating expenses are insurance premiums, professional services, communications, conferences, uniforms and repairs and maintenance. Capital outlay includes non-capitalized items that exceed \$500, such as floor burnishers, vehicles, and lawn equipment.



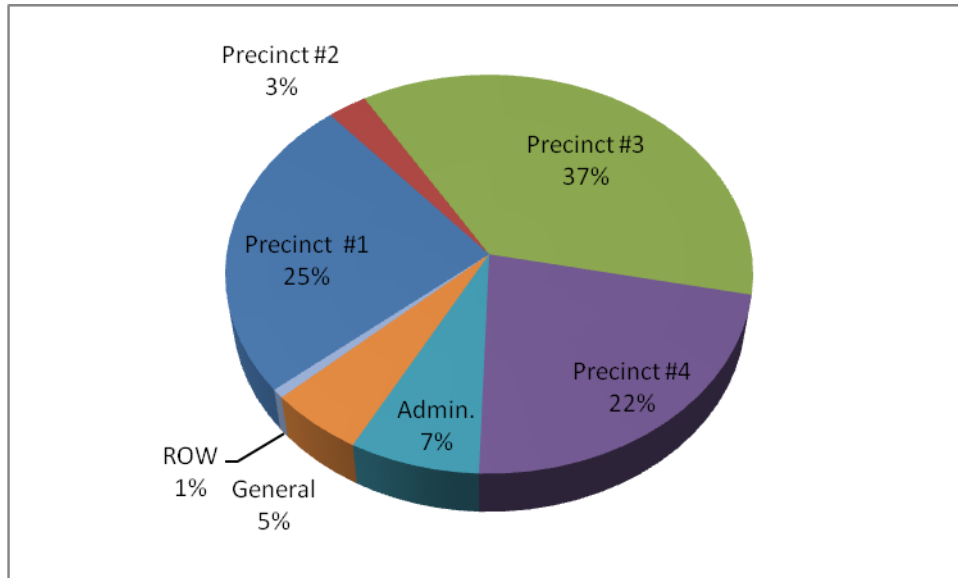
FY08 Operating Expense



PUBLIC FACILITIES FUNCTION

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TRANSPORTATION FUNCTION



The Transportation function includes all Road and Bridge activity. Administrative activities include liability insurance and salaries and fringe benefits of the four Commissioners.

TRANSPORTATION FUNCTION

Road & Bridge Fund

The Road and Bridge fund is restricted for the purpose of building and maintaining County roads, bridges, signs, and right-of-ways. Monthly reports of all activity are submitted to the Commissioners Court. By statute the County can enter into interlocal agreements with cities, schools, and emergency services districts, whereby the county provides employees and equipment for a project (examples: repaving school parking lots, working on city roads, etc.) and the entity provides the materials. Statutorily, this labor and equipment are not subject to reimbursement.

Additionally, road and bridge equipment, employees and materials are used for projects at the County’s parks, community centers, airport and office facilities. Transfers from General Fund are segregated on the balance sheet to cover the cost of ‘non-road’ projects. Quarterly reports are presented to the Commissioners Court and, upon their approval, these reserves are reduced to reflect non-road activities.

Fund Overview:

	FY04	FY05	FY06	FY07 Unaudited	FY08 Estimate
Beginning Balance	\$319,782	\$976,263	\$1,568,734	\$1,718,663	\$1,798,083
Total Revenue	4,544,691	4,178,012	4,438,381	5,024,342	5,642,779
Total Expenditures	-3,940,562	-3,580,151	-4,407,279	-5,403,278	-5,703,374
Other Financing Sources over Other Financing Uses	52,352	-5,390	118,827	458,356	100,000
Ending Fund Balance	\$976,263	\$1,568,734	\$1,718,663	\$1,798,083	\$1,837,488

During the budget process the Commissioners determine the significant road projects they plan to accomplish during the next fiscal year. Once annual expenditures are determined and revenue is estimated, tax rate distributions are estimated for the Road and Bridge Fund.

Road & Bridge Fund

Activity: 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. 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.

Fund: ROAD AND BRIDGE FUND

Organization: ADMINISTRATION

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$232,300	\$232,300	\$236,946	\$244,056	\$251,378
Fringe Benefits	70,688	65,877	69,589	68,464	76,990
Operating Expenses	62,558	53,578	73,092	71,282	87,380
Capital Outlay	0	0	0	0	0
Total Expenses	\$365,545	\$351,755	\$379,627	\$383,802	\$415,748
Full-Time Positions	4	4	4	4	4

Activity: General Operations

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.

Fund: ROAD AND BRIDGE FUND

Organization: GENERAL OPERATIONS

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$302,687	\$501	\$299,592	\$300,800	\$304,635
Capital Outlay	0	0	0	0	0
Total Expenses	\$302,687	\$501	\$299,592	\$300,800	\$304,635

Road & Bridge Fund (continued)

Activity: 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. See page 47 for further information on state highway projects.

Fund: ROAD AND BRIDGE FUND

Organization: RIGHT-OF-WAY

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Operating Expenses	\$32,476	\$25,000	\$120,467	\$42,000	\$40000
Capital Outlay	0	0	0	0	0
Total Expenses	\$32,476	\$25,000	\$120,467	\$42,000	\$40000

Road & Bridge Fund - Precinct #1

Activity: General Operations

Operations at Precinct #1 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. Other duties include supervising the maintenance and use of county facilities in precinct #1 and assisting other county entities upon request.

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

Fund: ROAD AND BRIDGE FUND

Organization: PRECINCT #1

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$459,552	\$497,609	\$497,505	\$498,799	\$588,692
Fringe Benefits	204,564	211,525	211,963	187,556	239,785
Operating Expenses	357,463	327,943	341,520	452,615	487,501
Capital Outlay	54,081	9,783	85,119	544,546	100,000
Total Expenses	\$1,075,660	\$1,046,860	\$1,136,107	\$1,683,516	\$1,415,978
Full-Time Positions	14	14	15	14	15

Department Notes

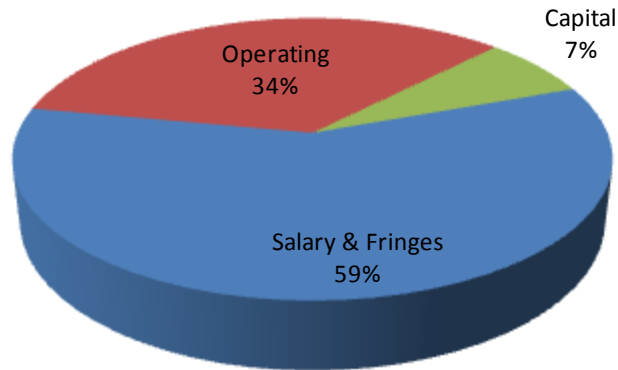
The FY07 capital outlay budget includes a motor grader and reclaimer on the buy-back program.

One operator position was transferred to Precinct #3 at the end of FY06. An additional operator was budgeted for FY08.

Precinct #1 increased their road project activities for FY08 and the cost of road materials increased along with the price of oil. Fuel and lubrication increased due to the fluctuating fuel costs. All other operations remained relatively flat.

Road & Bridge Fund - Precinct #1 (continued)

**FY08 Adopted Budget
R&B Precinct #1**



FY08 Project List for Precinct #1

Asphalt List	Miles	Feet	Width	Tons	Estimated Cost
Lonesome Pine (east end)	0.90	4,752.00	20.0	633.60	\$ 34,848.00
Smelley	0.04	211.20	20.0	28.16	\$ 1,548.80
English	0.79	4,171.20	22.0	611.78	\$ 33,647.68
Skinner Lane	0.80	4,224.00	20.0	563.20	\$ 30,976.00
Total	2.53				\$ 101,020.48
Re-Oil List	Miles	Barrels	Gallons	\$/gallon	Est. Cost
Loyd Court	0.41	50.00	2,100.00	\$1.38	\$ 2,887.50
Lloyd Circle	0.51	50.00	2,100.00	\$1.38	\$ 2,887.50
Burnam Rd.	0.50	60.00	2,520.00	\$1.38	\$ 3,465.00
Huckaby	0.60	60.00	2,520.00	\$1.38	\$ 3,465.00
Pony Dr.	0.20	40.00	1,680.00	\$1.38	\$ 2,310.00
Total	2.22				\$ 15,015.00
Patching & Driveways					\$ 45,425.52
Total Asphalt, Re-oil and Patching					\$ 161,461.00

Roads	Miles	Yards	Width/yds	Sq. Yds.	Est. Cost
Hamby	2.40	4,224.00	7.33	30,976.00	\$ 54,208.00
Johnson Road	0.58	1,013.76	7.33	7,434.51	\$ 13,010.40
South Fuller Road	1.01	1,777.60	7.33	13,035.73	\$ 22,812.53
Seven Pines Cutoff	0.10	176.00	7.33	1,290.67	\$ 2,258.67
Peanut Circle	0.12	211.20	7.33	1,548.80	\$ 2,710.40
Total Chipseal					\$ 95,000.00

Road & Bridge Fund - Precinct #2

Activity: General Operations

Duties include coordinating maintenance on 21 county roads totaling approximately 12 miles; Coordinating assistance for street maintenance/repairs when requested by other county entities; and, operating and managing the Greggton Community Building.

Mission Statement: To 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; to responds in a timely manner to taxpayer requests; and to provide good leadership and management of overall county operations;

Fund: ROAD AND BRIDGE FUND

Organization: PRECINCT #2

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$26,324	\$26,545	\$28,613	\$30,254	\$31,917
Fringe Benefits	10,299	9,977	11,285	11,423	13,020
Operating Expenses	6,873	26,168	29,700	37,563	106,813
Capital Outlay	0	0	0	0	0
Total Expenses	\$43,496	\$62,691	\$69,598	\$79,240	\$151,750
Full-Time Positions	1	1	1	1	1

(1) Salaries include \$2,000 for temporary help.

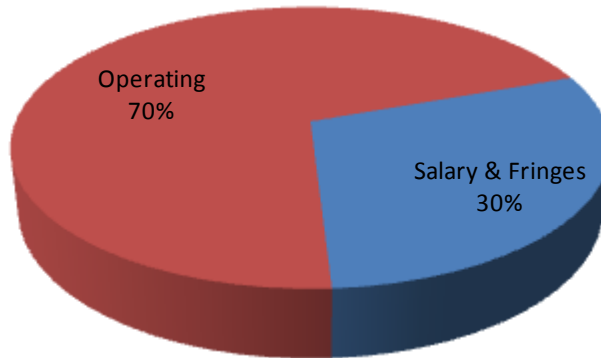
Department Notes

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 the Precinct #2 Commissioner.

Operating increases are due to increased road and bridge activity. In FY08 \$96,088 is budgeted for road activity.

Road & Bridge Fund - Precinct #2 (continued)

**FY08 Adopted Budget
R&B Precinct #2**



FY08 Project List for Precinct #2*

Road	Type	Length	Width	Tonnage	Estimated Cost
Ambassador Road	Asphalt	7,467	50	822	\$ 46,032
Valentine	Asphalt	1,584	22	426	\$ 23,856
Sabine Street (E)	Asphalt	400	40	200	\$ 11,200
Misc. Road Repair and Maintenance					\$15,000

Totals for Road and Bridge Precinct #2 for FY2007-08

Asphalt projects	\$ 81,088
Misc. road repair	<u>\$ 15,000</u>
Total	\$ 96,088

*Prepared by Precinct #4.

Road & Bridge Fund - Precinct #3

Activity: General Operations

Duties include maintaining the roads and bridges in the county’s largest precinct with 144.454 miles of roads (52% of the total county); managing county property located in precinct #3; and, providing assistance to other county entities when requested.

Mission Statement: 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.

Fund: ROAD AND BRIDGE FUND

Organization: PRECINCT #3

	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salary & Fringes	\$521,173	\$515,1018	\$556,626	\$615,848	\$676,845
Operating Expenses	235,927	224,683	234,688	233,254	278,445
Operating Expenses	624,792	576,327	626,318	744,823	1,084,730
Capital Outlay	2,400	50,764	48,744	68,499	61,600
Total Expenses	\$1,384,292	\$1,366,875	\$1,466,376	\$1,662,424	\$2,101,620
Full-Time Positions	17	16	16	17	18

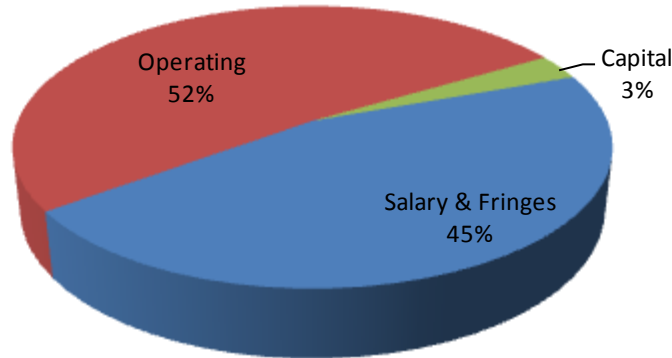
Department Notes

One position was eliminated in FY05. At the end of FY06 an operator position was transferred from Precinct #1 to Precinct #3. In anticipation of increased road project, a new operator position was added in FY08.

Additional road projects were budgeted in FY08. The road materials budget increased 51% due to the additional projects and the rising cost of oil. Fuel and lubrication increased due to the fluctuating fuel costs. All other operations remained relatively flat.

Road & Bridge Fund - Precinct #3 (continued)

**FY08 Adopted Budget
R&B Precinct #3**



FY08 Project List for Precinct #3

Asphalt List	Type	Length	Width	Tonnage	Estimated Cost
CR3604 Rice Road	Type D	3,410'	22'	1,000	\$55,000
	Limestone				\$ 2,750
	<i>Subtotal</i>				<i>\$57,750</i>
CR3648 Smallwood Rd	Type D	5,870'	21'	2,000	\$110,000
	Limestone			150	\$ 4,125
	<i>Subtotal</i>				<i>\$114,120</i>
CR3744 Ronnie Brown	Type D	5,700'	20'	2,020	\$11,200
	Limestone			500	\$ 13,750
	<i>Subtotal</i>				<i>\$124,850</i>
CR 3634 Access Road	Type D	4,752'	22'	1,400	\$77,000
	Limestone			100	\$ 2,750
	<i>Subtotal</i>				<i>\$79,750</i>
CR3477 E. Wilkins Rd	Type D	5,950'	20'	1,700	\$93,500
CR3180 River Road	Type D	5,870'	21'	1,800	\$99,000
CR4657 Duncan Road	Road Oil				\$18,900
CR 3772 Carrie Road	Road Oil				\$5,400
CR 3536 McKain Road	Road Oil				\$8,100

Asphalt for Driveways & Patching	3,000 tons @ \$55.00/ton	\$165,000
Asphalt Total for Overlay	8,420 tons @ \$55.00/ton	\$ 463,100
Road Oil		\$32,400
Tack Oil		\$ 4,000
Total for Road Oil & Asphalt Account		\$ 664,500

Limestone for soft spots & culverts	1,150 tons @ \$27.50/ton	\$ 31,625
Limestone to prepare roads for overlay	850 tons @ \$27.50/ton	\$ 23,375
Sub-Total Limestone		\$ 55,000
Sackrete		\$ 10,000
Total for Gravel, Sand & Cement Account		\$65,000

Road & Bridge Fund - Precinct #4

Activity: General Operations

Responsibilities 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; and assisting other entities within the county upon request (as approved by the Commissioners Court).

Mission Statement: 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.

Fund: ROAD AND BRIDGE FUND

Organization: PRECINCT #4

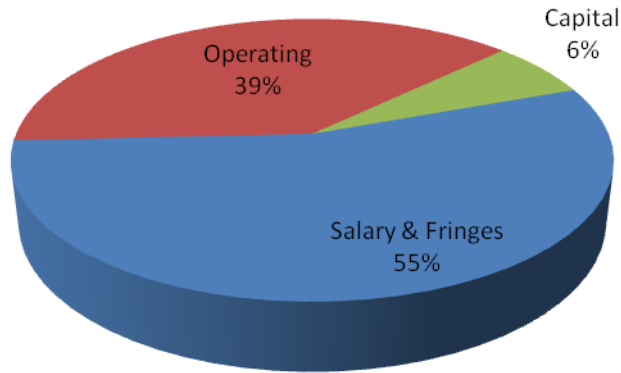
	FY04 Actual	FY05 Actual	FY06 Actual	FY07 Unaudited	FY08 Budgeted
Salaries	\$368,383	\$386,489	\$389,996	\$417,444	\$494,618
Fringe Benefits	173,957	168,847	171,304	161,590	203,175
Operating Expenses	129,065	171,133	284,008	276,211	492,650
Capital Outlay	65,000	0	90,204	127,661	83,200
Total Expenses	\$736,405	\$726,469	\$935,512	\$982,906	\$1,273,643
Full-Time Positions	14	13	13	12	13

Department Notes

The FY08 road materials budget increased 46% over FY07. Fuel and lubrication increased by 19% due to the fluctuating fuel costs.

Road & Bridge Fund - Precinct #4 (continued)

**FY08 Adopted Budget
R&B Precinct #4**



FY08 Project List for Precinct #4

Road	Type	Length	Width	Tonnage	Estimated Cost
Whittington Road	Asphalt	9,504	20	2,324	\$130,144
Old Easton Road	Asphalt	5,280	20	1,291	\$72,296
Overlay Parking Lot at Precinct #4	Asphalt	67,750 sq. ft.		830	\$46,480

Totals for Road and Bridge Precinct #4 for FY2007-08

Asphalt projects	\$ 248,920
Misc. road repair	<u>\$ 51,080</u>
Total	\$ 300,000



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.

Activity – Department operations directed to attaining specific purposes or objectives.

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

Ad Valorem Tax - A tax levied on an assessed valuation of real and/or personal property. Valuations are assessed by Gregg Appraisal District (GAD).

Adopted Budget – Original appropriated budget as approved by Commissioners Court.

Agency Fund(s) – Account for assets held by a government in a purely custodial capacity.

Amended Budget – The title assigned to the original budget once changes are legally approved and applied.

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

Appraisal Value – 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.

Basis of Accounting – The timing of recognition, that is, when the effects of transactions or events should be recognized for financial reporting purposes.

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) - Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. 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(s) – Account for financial resources to be used for the acquisition or construction of major capital facilities. 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.

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.

Glossary

Debt Service Fund(s) – Account for the accumulation of resources for, and the retirement of, general long-term debt principal and interest. 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 good and/or services. 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.

Fiduciary Fund(s) – Account for assets held by the government as trustee or agent and that cannot be used to support the government’s own programs.

Fines and Forfeitures (Revenue) – Monies derived from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations, and for the neglect of official duty. Forfeitures are monies derived from confiscating deposits held as performance guarantees.

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.

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.

Glossary

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

General Fund - Accounts for all financial resources except those required to be accounted for in another fund.

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.

Government Finance Officers Association (GFOA) – An association of public finance professionals founded in 1906. The GFOA has played a major role in the development and promotion of GAAP for state and local government since its inception and sponsors the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.

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.

Improvement – An addition made to, or change made in, a capital asset, other than maintenance, to prolong its life or to increase its efficiency or capacity.

Interfund Transfers - The flow of assets between funds of the same governmental entity, without equivalent flows or assets in return and without a requirement for repayment.

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

Internal Service Fund(s) – Account for the financing of goods or services provided by one fund, department, or agency to other funds, departments, or agencies of the financial reporting entity, or to other governments, on a cost-reimbursement-basis.

Interest earned – Compensation for the use of financial resources over a period of time.

Investment(s) – The outlay of money to earn interest income. Texas statutes are fairly strict concerning investment of public funds.

JP – Justice of the Peace.

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

Licenses and Permits – revenue derived from license or permits issued to business before doing business within government's jurisdiction (e.g. Alcohol beverage license); also revenue derived from license or permits issued to individuals according to the benefits presumably conferred by the license or permit (e.g. motor vehicle license, marriage license, etc.)

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.

Match or Matching Requirement – A requirement that a grant recipient contribute resources to a program that equal or exceed a predetermined percentage of amounts provided by the grantor.

Glossary

Modified Accrual Basis of Accounting – Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) 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.

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.

Other Financing Sources (OFS) - An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends. This includes transfers from other funds, sale of fixed assets, insurance proceeds, bond proceeds, and other items so classified by GAAP.

Other Financing Uses (OFU) – A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends. This includes transfers to other funds and other funding so classified by GAAP.

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.

Passenger Facility Charges – (PFC) – A fixed fee authorized by the FAA that airports may impose on each departing passenger for use in eligible construction projects or for related debt service. This charge is collected by whoever sells the ticket and then remitted to the airport.

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.

Refunding – The issuance of new debt whose proceeds are used to repay previously issued debt.

Reimbursement Grant – A grant for which a potential recipient must first incur qualifying expenditures to be eligible.

Rents and Royalties – financial resources derived from the use by others of the government's tangible and intangible assets.

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.

Glossary

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.

Sales and Use Tax – Taxes imposed upon the sale or consumption of goods and/or services, generally with few or limited exemptions.

Special Revenue Funds – Account for the proceeds of specific revenue sources (other than those for major capital projects) that are restricted legally to expenditure for specific purposes.

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.

Unqualified Opinion – An opinion rendered without reservation by the independent auditor that financial statements are fairly presented.

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 \$2.4 million. Timber sales.

Recreation: Water activities on lakes, hunting, varied cultural events

Economy: Manufacturing, tourism, conventions, agribusiness and lignite coal production.

General Information⁽¹⁾

County Seat	Longview
Land Area, square miles	274
Persons per square mile ⁽¹⁾	419.8
Average annual rainfall	49 inches

Vehicles, Highway Miles, Highway Construction⁽²⁾

Centerline Miles, as of 09/01/2006	260.9
Lane Miles, as of 09/01/2006	786
Daily Vehicle Miles, as of 09/01/2006	2,731,184
Vehicles Registered, 09/2005 – 08/2006	125,254
State Construction, FY06	\$9,775,017
Non-Contracted State Maintenance, FY06	\$2,222,454
Contracted Maintenance, FY06	\$3,703,699

Population by City/Place⁽³⁾

	<u>2000 Census</u>	<u>Jan. 1, 2007 Est.</u>
Clarksville City	806	879
Easton	524	569
Gladewater (partially in Upshur Co.)	6,078	6,459
Kilgore (partially in Rusk Co.)	11,301	12,07
Lakeport	861	973
Liberty City CDP	1,935	2,041
Longview	73,344	77,904
Warren City	343	368
White Oak	5,624	6,116
Unincorporated areas	10,563	8,701
Total County Population	111,379	116,077

County of Gregg

Demographics

<u>Unemployment Data</u> ⁽⁴⁾	<u>2006</u>	<u>2007</u>
Labor Force.....	62,901	61,942
Employment	59,627	59,257
Unemployment.....	3,274	2,685
Unemployment rate.....	5.2%	4.3%

<u>Employment By Industry</u> ⁽⁴⁾	<u>Firms</u>	<u>Employees</u>	<u>Total Wages</u>
Natural Resources and Mining	188	4,258	\$63,757,809
Construction	297	4,840	\$47,395,914
Manufacturing	226	12,010	\$145,548,579
Trade, Transportation, & Utilities	870	15,244	\$136,231,096
Information	50	1,327	\$12,515,324
Financial Activities	349	2,999	\$29,201,510
Professional & Business Services	520	6,525	\$53,376,000
Education & Health Services	392	15,288	\$119,199,455
Leisure & Hospitality	270	6,586	\$20,153,951
Other Services &Unclassified	360	2,128	\$14,351,344
Public Administration	39	1,931	\$18,571,711
Totals (June, 2007)	3,561	73,136	\$660,302,693
<i>State, Federal, & Local Government*</i>	<i>60</i>	<i>7,174</i>	<i>\$58,133,169</i>

*State, Federal & Local Government figures are shown for comparative purposes, and are already included the appropriate industry classification. For example. teachers are classified in education & health services, utility workers are classified in trade, transportation, and utilities, etc.

Travel and Tourism, 2006⁽⁵⁾

Gregg County's rank in travel and tourism.....	26th out of 254 counties
Total Spending.....	\$200,340,000
Visitor (Destination) Spending	\$197,080,000
Earnings	\$46,870,000
Employment.....	2,580
State Tax Receipts	\$12,660,000
Local Tax Receipts	\$2,840,000

Voter Registration Figures⁽⁶⁾

<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%
2006 (Gubernatorial)	72,046	24,268	33.68%	12,093	16.78%

County of Gregg

Demographics

Source List:

- (1) Texas State Almanac 2006-2007, courtesy of Kilgore Public Library
- (2) Texas Department of Transportation, Tyler Division, www.dot.state.tx.us
- (3) Texas State Demographer, <http://txsdc.ustsa.edu> November 2007, 'Estimates of the Total Population of Counties and Places in Texas for July 1, 2006 and January 1, 2007'
- (4) Texas Workforce Commission, www.tracer2.com
- (5) Office of the Governor, Economic Development & Tourism, <http://travel.state.tx.us/EconomicImpact.aspx>
2006 Full Report (September 2007), 'Economic Impact of Travel on Texas'
- (6) Texas Secretary of State, www.sos.state.tx.us/elections

Principal Taxpayers 2006

TAXPAYER	BUSINESS TYPE	MARKET VALUE
LeTourneau Inc	MANUFACTURING	\$115,048,430
XTO Energy	MINERALS/UTILITY	109,626,250
AEP Southwestern Electric Power Co	UTILITY	98,381,930
TXOK Texas Energy Resources LP	MINERALS	95,120,910
Chinn Exploration	MINERALS	69,979,900
Wal-Mart Stores/Sam's	RETAIL	64,807,650
Longview Medical Center/Longview Regional Hospital	MEDICAL	63,108,130
Halliburton Co-Halliburton Energy-Services	INDUSTRIAL	56,718,420
Trinity Industries	INDUSTRIAL	53,392,490
ExxonMobil	MINERALS	43,614,080
Southwestern Bell Telephone	UTILITY	41,632,510
EOG Resources In	MINERALS	37,591,860
Geo-Vest of Texas	MINERALS	33,135,790
GSHS Inc/Good Shepherd Hospital	MEDICAL	31,024,090
Dowell Schlumberger Inc	INDUSTRIAL	30,294,730
J W Power Co	INDUSTRIAL	27,354,460
BJ Services Co USA	INDUSTRIAL	25,593,710
Danmark Energy Services LP	MINERALS	24,708,240
Cudd Pressure Control	INDUSTRIAL	23,033,980
Hanover Compressor Co	INDUSTRIAL	22,773,830

Principal Taxpayers 2007

TAXPAYER	BUSINESS TYPE	MARKET VALUE
LeTourneau Inc	MANUFACTURING	\$183,476,610
AEP Southwestern Electric Power Co	UTILITY	111,597,250
Halliburton Co-Halliburton Energy-Services	INDUSTRIAL	78,845,390
Wal-Mart Stores/Sam's	RETAIL	73,919,850
TXOK Texas Energy Resources LP	MINERALS	68,570,040
Longview Medical Center/Longview Regional Hospital	MEDICAL	67,985,090
Chinn Exploration	MINERALS	55,523,110
J W Power Co	INDUSTRIAL	47,440,940
Trinity Industries	INDUSTRIAL	45,363,530
Geo-Vest of Texas	MINERALS	44,291,960
Southwestern Bell Telephone	UTILITY	44,034,270
Dowell Schlumberger Inc	INDUSTRIAL	42,782,140
BJ Services Co USA	INDUSTRIAL	37,557,430
Burlington Resources Oil & Gas Co LP	MINERALS	30,794,500
GSHS Inc/Good Shepherd Hospital	MEDICAL	30,794,360
ExxonMobil	MINERALS	30,346,910
Danmark Energy Services LP	MINERALS	29,066,490
EOG Resources In	MINERALS	28,807,650
Hanover Compressor Co	INDUSTRIAL	23,742,000
Liberty Pressure Pumping LP	INDUSTRIAL	23,152,500
Air Liquide	INDUSTRIAL	23,110,420
Norris Cylinder Co	INDUSTRIAL	22,191,520
Longview Mall/Simon Property Group	RETAIL	21,841,210
Alcoa Inc-Southern Plastics	MANUFACTURING	21,651,870
General Dynamics Satcom Tech	INDUSTRIAL	21,648,770

Note: Provided by Gregg Appraisal District

Juvenile Services Fund FY08 Adopted Budget

Revenue	Actual 03/04	Actual 04/05	Actual 05/06	Unaudited 06/07	Adopted 07/08
Intergovernmental Revenue					
State aid	\$328,315	\$109,663	\$91,386	\$91,386	\$82,247
Progressive Sanctions - JPO	0	137,428	115,385	115,385	103,846
Progressive Sanctions - ISP	0	22,700	20,605	22,700	20,430
Progressive Sanctions - 123	0	35,248	29,373	29,373	26,436
Federal Grant	302,164	20,984	432,265	0	0
Title IV-E	0	0	0	245,577	200,000
Gregg County Contribution	0	1,008,333	1,047,635	1,054,167	1,054,167
State Grant	294,106	153,531	176,220	170,589	0
State Grant - TJPC Other	267,132	163,765	38,190	0	0
State Grant - Community Corrections	0	0	0	0	154,661
State Grant - Intensive Community	0	0	0	0	67,214
State Grant - Diversionary Placement	0	0	0	0	48,600
State Grant - TJPC Salary Adjustment	0	30,908	61,631	48,687	63,056
Subtotal	1,191,717	1,682,560	2,012,690	1,777,864	1,820,657
Charges for Services					
Supervision	9,753	11,403	8,479	8,650	0
Contract services	521,890	426,994	261,483	376,066	365,280
Subtotal	531,643	438,397	269,962	384,716	365,280
Interest Income					
Interest income	1,472	10,007	16,620	25,837	0
Subtotal	1,472	10,007	16,620	25,837	0
Miscellaneous					
Miscellaneous	2,439	50	12,292	3,147	0
Subtotal	2,439	50	12,292	3,147	0
Other Financing Sources					
Sale of fixed assets	37	0	253	0	0
Transfer in	1,008,333	122,444	0	0	0
Subtotal	1,008,370	122,444	253	0	0
Total Resources	\$2,735,641	\$2,253,458	\$2,311,817	\$2,191,564	\$2,185,937
Expenditures					
Total Salaries	1,504,118	1,502,828	1,364,424	1,387,890	1,489,958
Total Fringe Benefits	514,445	482,877	479,650	471,448	469,196
Total Operating Expenses	315,502	264,265	342,514	280,800	433,780
Total Capital Outlay	25,141	9,859	38,752	8,352	35,000
Total Expenditures	\$2,359,206	\$2,259,829	\$2,225,340	\$2,148,490	\$2,427,934

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 (continued)
FY08 Adopted Budget

Output Indicators:	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Estimated
Juveniles Referred	1,271	1,339	1,372	1,391	11,400
Case Dispositions	1,287	1,265	1,467	1,388	1,450
Juveniles Detained	759	700	827	813	800
Hearings	801	779	751	763	770
Cert. Probation Officers	13	13	13	13	13
Avg. Daily Population	24	24	28	25	24
Avg. Probation Caseload	50	50	50	50	50
Avg. ISP Caseload	20	20	20	20	20
Community Service Hours	12,852	11,705	12,476	11,650	12,500
Supervision Contacts	24,473	29,869	31,263	30,765	31,000
Juveniles Placed Outside of County	16	15	16	13	15
Juveniles Placed in County Programs	15	2	0	0	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

Gregg County Courthouse
101 E. Methvin
Longview, Texas 75601
(903) 758-6181

See our website for additional information:

www.co.gregg.tx.us

Commissioners Court

Bill Stoudt, County Judge
101 E. Methvin, Suite 300
Longview, Texas 75601
(903) 236-8420 fax 237-2699

Charles W. Davis, Commissioner Pct. 1
1109 FM 449
Longview, Texas 75605
(903) 663-0400 fax 663-2475

R. Darryl Primo, Commissioner Pct. 2
3211-C W. Marshall
Longview, Texas 75604
(903) 759-3611 fax 759-6707

Bob Barbee, Commissioner Pct. 3
Rt. 4, Box 648
Longview, Texas 75604
(903) 759-8962 fax 297-9140

John Mathis, Commissioner Pct. 4
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Kilgore, Texas 74662
(903) 984-2417 or 981-1117 fax 981-1119

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Virginia Hall, Manager
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Longview, Texas 75603
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Quin Tillery, Director
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Longview, Texas 75606
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Longview, Texas 75601
(903) 236-8430 fax 237-2574

Constables

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Historical Commission

Harold Wells
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District Clerk

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(903) 236-8428 fax 758-3345

Information Services

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Longview, Texas 75601
(903) 236-8435 fax 758-1148

Judge - County Court at Law #1

Rebecca Simpson, Judge
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Judge - 124th District Court

Alvin Khoury, Judge
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Judge - 188th District Court

David Brabham, Judge
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Judge - 307th District Court

Robin Sage, Judge
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Justices of the Peace

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Sheriff

Maxey Cerliano
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Social Services / Health-Welfare

Dr. Lewis Browne, Administrator
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Tax Assessor-Collector

Kirk Shields, Tax Assessor-Collector
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Voter Registration / Elections

Kathryn Nealy, Elections Administrator
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