

# The Budget Process

## Effective Budgeting in County Government

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# WHAT IS THE BUDGET

- **A statement of revenue, expenses and fund balances for the County**
- **A legal document of approved expenditures**
- **A plan of action for the fiscal year**
- **A policy statement by the Commissioners Court**
- **A vision statement for the County**



# The key to a successful budget.....



Let everyone have everything they  
ask for.

# Rules of Effective Budgeting

## Rule 1:

Set a goal....



# Rules of Effective Budgeting

## Rule 2:

### Communicate...

- with Commissioners Court
- with Department Heads/Elected Officials
- with your employees
- with the media
- with the public



# Rules of Effective Budgeting

## Rule 3:

Work together....



# Rules of Effective Budgeting

## Rule 4:

When all else fails...

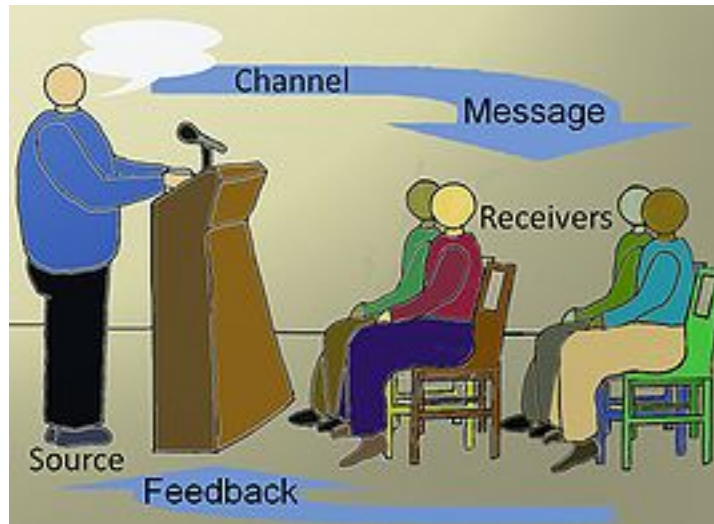


read the Local Government Code!

# Rules of Effective Budgeting

## Rule 5:

Be transparent....

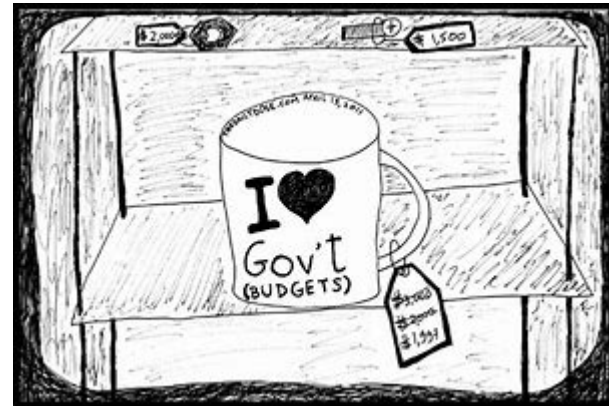




# The Budget Calendar

## The most helpful tool in effective budgeting

- Breaks process down to logical steps
- Improves accountability and cooperation
- Keeps everyone informed



# **Local Government Code Chapter 111**

**Subchapters A, B, C**

# **Chapter 111**

## **Local Government Code**

- **Population up to 125,000**
- **Governed by Subchapter A**
- **County Judge is Budget Officer**

# **Chapter 111**

## **Local Government Code**

- **Population 125,000 – 225,000**
- **May choose Subchapter A or C**
- **A = County Judge is Budget Officer**
- **C = Commissioners Court appoints a County Budget Officer**

# **Chapter 111**

## **Local Government Code**

- **Population over 225,000**
- **May choose Subchapter B or C**
- **B = Auditor is Budget Officer**
- **C = Commissioners Court appoints a County Budget Officer**

# The Budget Process



# The Budget Process

- **Budget Officer prepares proposed budget during 7<sup>th</sup> or 10<sup>th</sup> month of the fiscal year (generally April or July)**
- **filed with County Clerk (LGC 111.006)**
- **posted on County's website (Clerk's duty)**
- **If requires more revenue from property taxes than previous year, must contain cover sheet (LGC 111.003)**
- **available for public inspection and posted on county website**

# The Budget Process

- **Commissioners Court holds public hearing**
  - must be a date after the 15<sup>th</sup> day of the month following the month the budget was prepared (LGC 111.007)
- **Notice**
  - must state date, time and location of hearing
- **Must be published in a newspaper of general circulation in the county (LGC 111.0075)**
  - not earlier than the 30<sup>th</sup> day before the date of the hearing
  - not later than the 10<sup>th</sup> day before the date of the hearing



# The Budget Process

- **Commissioners Court may adopt budget anytime after hearing**
  - **must be a record vote**
  - **may make changes to budget that are warranted by law and in the interest of the taxpayers**
  - **if raises more revenue from property taxes than previous year, must have a separate vote of the court to ratify the property tax increase (LGC 111.008)**
    - *This vote is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate.*

# **PUBLIC NOTICE**

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**DUE TO RECENT BUDGET CUTS,  
THE RISING COST OF ELECTRICITY,  
GAS AND OIL, PLUS THE CURRENT  
STATE OF THE ECONOMY, THE  
LIGHT AT THE END OF THE TUNNEL  
HAS BEEN TURNED OFF**

*————— "Have a Nice Day!" —————*

# Preparing the Budget

**LGC Sec. 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.

# Preparing the Budget

## Budgeted Positions for the Judiciary LCG 111.096

- Commissioners Court shall determine the number of additional positions authorized under Gov. Code 75.401 (court administration)
- Number of positions should be included in the budget
- Can include maximum compensation for those positions

# Chapter 152

## Local Government Code

.....deals with compensation of county officers and employees



# Salary Grievance Procedure

## LGC 152

- Before filing the budget, Commissioners Court must give written notice to each officer of their salary and personal expenses
- Must publish in newspaper of general circulation in the county
  - any salaries, expenses or allowances that are proposed to be increased; and
  - the amount of the proposed increase
- Publication must be at least 10 days before the date of meeting to set salaries (LCG 152.013)

# Salary Grievance Procedure

- Request for hearing must be:
    - In writing
    - Delivered to the committee chairman within five days after officer receives notice of the salary or expenses; and
    - State the desired change in salary or personal expense
- LGC 152.016

# Salary Grievance Procedure

## Salary Grievance Committee (LGC 152.014)

- County Judge (Chair – does not vote)
- Sheriff
- Tax Assessor Collector
- Treasurer
- County Clerk
- District Clerk
- County Attorney or Criminal District Attorney
- Three public members

*Alternate Option: Nine members of the public (requires vote by Commissioners Court for this option)*



# Salary Grievance Procedure

- If request gets 6 or more votes, recommendation is submitted to Commissioners Court in writing
- If 6 to 8 members vote to recommend the increase, the Commissioners Court must consider the recommendation at its next meeting
- If 9 members vote to recommend and sign the recommendation, the commissioners court shall include the increase in the budget before it is filed.  
LGC 152.016

# After the Budget is Adopted

**A BUDGET TELLS US  
WHAT WE CAN'T  
AFFORD, BUT IT  
DOESN'T KEEP US  
FROM BUYING IT.**



William Forstner  
American Author

QUOTEHD.COM

1889 - 1981

# After the Budget is Adopted

## LCG 111.010

- Commissioners Court must spend funds in strict compliance with budget
- Exception – can amend for emergency
  - *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
  - Court must file a copy of its order amending budget with county clerk who will attach it to original budget
- Budget can be amended by transferring funds from one line item to another without declaring an emergency

# After the Budget

*GA-0037*

- Commissioners Court has discretionary authority to approve an expenditure proposed by a county officer after the annual budget is adopted, although the court may not, by refusing to approve a requested expenditure, interfere with an elected officer's ability to perform his or her duties.
- Commissioners Court may not "freeze" a vacant position or impose other conditions that interfere with an elected officer's authority to appoint an employee of his or her choosing to a position that is established in the budget.

# Special Funds

- Law Library Fund
  - Courthouse Security Fund
  - Records Management Fund
  - Justice Court Technology Fund
  - County & District Court Technology Fund
  - Attorney Check Funds
  - Forfeiture Funds
- ....just to name a few

Anderson Andrews Angelina Aransas Archer Armstrong Atascosa Austin Bailey Bandera Bastrop Baylor Bee Bell Bexar Blanco Borden Bosque Bowie Brazoria Brazos Brewster Briscoe Brooks Brown Burleson Burnet Caldwell Calhoun Callahan Cameron Camp Carson Cass Castro Chambers Cherokee Childress Clay Cochran Coke Coleman Collin Collingsworth Colorado Comal Comanche Concho Cooke Coryell Cottle Crane Crockett Crosby Culberson Dallam Dallas Dawson Deaf Smith Delta Denton De Witt Dickens Dimmit Donley Duval Eastland Ector Edwards Ellis El Paso Erath Falls Fannin Fayette Fisher Floyd Foard Fort Bend Franklin Freestone Frio Gaines Galveston Garza Gillespie Glasscock Goliad Gonzales Gray Grayson Gregg Grimes Guadalupe Hale Hall Hamilton Hansford Hardeman Hardin Harris Harrison Hartley Haskell Hays Hemphill Henderson Hidalgo Hill Hockley Hood Hopkins Houston Howard Hudspeth Hunt Hutchins Irion Jack Jackson Jasper Jefferson Jeff Davis Jim Hogg Jim Wells Johnson Jones Karnes Kaufman Kendall Kent Kerr Kimble King Kinney Kleberg Knox Lamar Lamb Lampasas La Salle Lavaca Lee Leon Liberty Limestone Lipscomb Live Oak Llano Loving Lubbock Lynn McCulloch McLennan McAllen McMillen Madison Maricopa Martin Mason Matagorda Maverick Medina Menard Mitchell Mission Mills Morrell Montague Montgomery Moore Morris Motley Nacogdoches Navarro Newton Nolan Nueces Ochiltree Oldham Orange Palo Pinto Parker Parkes Parmer Pecos Polk Potter Presidio Rains Randall Reagan Real Red River Reeves Refugio Roberts Robertson Rockwall Runnels Rusk Sabine San Augustine San Diego San Francisco San Jacinto San Saba Saniskelton Scurry Shackelford Shelby Sherman Smith Somervell Starr Stephens Sterling Stonewall Sutton Swisher Tarrant Taylor Terrell Terry Throckmorton Titus Tom Green Travis Trinity Tyler Upshur Upton Uvalde Val Verde Van Zandt Victoria Walker Waller Ward Washington Webb Wharton Wheeler Wichita Wilbarger Willacy Williamson Wilson Winkler Wise Wood Yoakum Young Zapata Zavala



# SPECIAL & DEDICATED FUNDS 2017

*Basic Information for County Officers*

# Special Funds

## 1. County Clerk Errors and Omissions Contingency Fund

(Local Gov't Code §82.003(c))

- **Source:** Civil court filing fee not to exceed \$5.
  - Optional, may be set by commissioners court if the county clerk determines insurance coverage is unavailable at a reasonable cost.
- **Controlled by:** Commissioners Court
- **Purpose:** To provide insurance or similar coverage for county clerk's errors and omissions in an amount of at least \$10,000 but not to exceed \$500,000.
  - The amount of coverage required within the statutory range is determined by reviewing the maximum amount of fees collected in any year during the term of office preceding the term for which the insurance is obtained.
- **Limitation:** When the contingency fund reaches the required amount, the clerk shall stop collecting the additional fee.

# Special Funds

## 2. County and District Court Technology Fund (Code Crim. Proc. art. 102.0169)

- **Source:** Fee assessed against those convicted of a criminal offense in a county court, statutory county court, or district court - \$4.
- **Controlled by:** Commissioners Court
- **Purposes:** To pay the cost of continuing education and training for county court, statutory county court, or district court judges and clerks regarding technological enhancements
  - purchase and maintenance of technological enhancements including: computer systems, networks, hardware and software; imaging systems; electronic kiosks; and docket management systems.



# Special Funds

## 3. County Clerk Records Archive Account (Local Gov't Code §§118.011(f), 118.025)

- **Source:** Fees paid for recording or filing services, set by the commissioners court, not to exceed \$10.
  - *Note: Effective September 1, 2019, the filing/recording maximum fee will decrease from \$10 to \$5.*
- **Controlled by:** County Clerk and Commissioners Court, by agreement, subject to annual public hearing and commissioners court budgetary authorization.
  - **Additional Requirements:** Fee set by commissioners court as part of budget process. County clerk designates public documents that are part of records archive and prepares plan to pay for preservation and restoration of records archive, subject to approval by the commissioners court. Public hearing required.
- **Purposes:** preservation and restoration services performed by the county clerk to maintain a county clerk's records archive on designated public documents

# Special Funds

## 4. County Clerk Records Management and Preservation Fund

(Local Gov't Code §§ 118.011(b)(2), 118.0216; Code Crim. Proc. art. 102.005(f)(2); see also Local Gov't Code §203.003)

- **Source:** Filing fees for recording services for non-court-related documents – not to exceed \$10 ; and fee imposed on defendants convicted of offense in county court or county court at law) - \$2.50 (mandatory).

*Note: Effective September 1, 2019, the filing/recording maximum fee for non-court related documents will decrease from \$10 to \$5.*

- **Controlled by:** County Clerk and Commissioners Court, by agreement, subject to commissioners court budgetary authorization.
- **Purposes:** Used for specific records management and preservation, including for automation purposes.

# Special Funds

## 5. County Records Management and Preservation Fund

(Local Gov't Code §§118.052(3)(G), 118.0546, 118.0645; Gov't Code §§51.317(b)(4) and (c)(1); Code Crim. Proc. art. 102.005(f)(1); see also Local Gov't Code §203.003(6))

- **Source:** Fee for filing civil case - \$5; and fee imposed on defendant convicted of an offense in county court, county court at law, or a district court - \$22.50.
- **Controlled by:** Commissioners Court
- **Purpose:** Records management preservation or automation purposes in the county.
- **Limitations:** Expenditures from the fund require prior approval of the commissioner court.

# Special Funds

## 6. County Records Preservation Account

(Gov't Code §51.708)

- **Source:** Filing fee in civil cases filed in county court, statutory county court, and district court, not to exceed \$10.
- **Controlled by:** Commissioners Court
- **Purposes:** Digitize court records and preserve the records from natural disasters.



# Special Funds

## 7. Electronic Filing Fee for District and County Clerk

(Gov't Code §51.851)

- **Source:** Mandatory filing fee for:
  - civil action or proceeding requiring a filing fee in district court, county court, statutory county court, or statutory probate court - \$30; also
  - any civil action or proceeding requiring a filing fee in justice court - \$10;
  - defendant convicted of a criminal offense in district court, county court, or statutory county court - \$5.
- **Controlled by:** Commissioners Court
- **Purposes:** Support a statewide electronic filing technology project for courts. Remitted to Comptroller

# Special Funds

## 8. County and District Court Technology Fund

(Code Crim. Proc. art. 102.0169 )

- **Source:** Fee assessed against those convicted of a criminal offense in a county court, statutory county court, or district court - \$4
- **Controlled by:** Commissioners Court
- **Purposes:**
  - cost of continuing education and training for county court, statutory county court, or district court judges and clerks regarding technological enhancements;
  - purchase and maintenance of technological enhancements including: computer systems, networks, hardware and software; imaging systems; electronic kiosks; and docket management systems.

# Special Funds

## 9. District Clerk Records Management and Preservation Fund

(Gov't Code §51.317(b)(4) and (5); Code Crim. Proc. art. 102.005(f)(2))

- **Source:** Filing fees in civil cases – varying amounts:
  - Gov't Code §51.317(b)(4) (\$10) and (b)(5) - not to exceed \$10
  - Fee imposed on defendant convicted of an offense in district court - \$2.50.
    - *Note: Effective September 1, 2019, the archiving fee is reduced from \$10 to \$5.*
- **Controlled by:** Commissioners Court
- **Purposes:** To pay for specific records management and preservation, including automation, on approval by the commissioners court of a budget.

# Special Funds

## 10. District Court Records Technology Fund

Gov't Code §51.305(b)

- **Source:** Optional fee not to exceed \$10 for filing of a suit
  - Includes appeal from inferior court, or cross-action, counterclaim, intervention, contempt action, motion for new trial, or third party petition
  - *Note: Effective September 1, 2019, the maximum archiving fee is reduced from \$10 to \$5.*
- **Controlled by:** Commissioners Court
- **Purpose:** For the preservation and restoration of the district court records archive.
- **Limitations:** District clerk must prepare an annual plan for preservation and restoration of the district court records archive.
  - The commissioners court shall publish notice of a public hearing in a newspaper of general circulation in the county not less than 15 days before the hearing. After the hearing, the commissioners court shall decide whether or not to adopt the plan.



# Special Funds

## 11. District Clerk Errors and Omissions Contingency Fund

(Gov't Code §51.302(e))

- **Source:** Civil court filing fee not to exceed \$5.
  - Optional, may be set by commissioners court if the district clerk determines insurance coverage is unavailable at a reasonable cost.
- **Controlled by:** Commissioners Court
- **Purpose:** To provide insurance or similar coverage for district clerk's errors and omissions in an amount of at least \$20,000 but not to exceed \$700,000.
  - The amount of coverage required within the statutory range is determined by reviewing the maximum amount of fees collected in any year during the term of office preceding the term for which the insurance is obtained.
- **Limitation:** When the contingency fund reaches the required amount, the clerk shall stop collecting the additional fee.

# Tips for Success

- Search for common goals
- Establish trust and respect
  - Keep your commitments
  - Never blindside a co-worker
- Pursue collaboration
  - Help other departments find their greatness
- No blame game
- Bring solutions to the table
- Remember verbal and non-verbal communications matter
- Share credit for accomplishments



# When all else fails...

## Call TAC Helpline

- Call TAC's Toll Free Helpline **(888) ASK-TAC4** or **(888) 275-8224** to request Legal Department assistance with legal research questions or for greater information about legal deadlines. Calls are answered from 8 a.m. - 5 p.m.

