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Budget considerations discussed

During a special meeting on Tuesday, August 16, Ellis County Commissioners opened discussions regarding very difficult budget decisions that must be made in the next few weeks.

"It is no surprise to anyone that we have been in a downturn since 2008, and the County is no exception to that," said County Judge Carol Bush. "We have an obligation to make this organization as lean as possible; but, if you are too lean, you are sickly. If you are sick, you can't function; and, if you can't function, you are not giving the public what they need."

Bush noted that all the members of the Court have had many opportunities in the last few months to meet with County Auditor Mike Navarro regarding what she called the "budget facts."

"We waited to see what was going to happen with the legislative session, and to see what the Federal mandates would do to us, and then to receive the certified tax rolls to see what number we have," she added. "We have done some things to spare our bottom line, made some cuts, not replaced some positions that we've lost through attrition."

Bush said she and Special Projects Director Kathy Eriksen had been successful in working with Representative Jim Pitts to gain legislation delaying a requirement to open a Juvenile Justice Alternative Education Program.

"All of the local superintendents feel that they have programs in place that handle the educational needs of those juveniles that would otherwise be required to attend a JJAEP," she said. "This legislation raised the threshold for Ellis County to a population of 180,000."

Previous law would have required opening the school when the County exceeded 125,000 in population on the U.S. Census. Operation of an alternative educational program would cost an estimated \$200,000 to \$250,000 per year in personnel alone.

Navarro told the Court that the County's fund balances have been in a decline since 2008, with the general fund balance standing at 21.9 percent of the annual operating fund, and road and bridge fund balances at 34.91 percent.

"I always recommend that the County carry over as fund balance at least a minimum of 25 percent of the respective operating fund, in order to get through October, November and December

of the following year,” he said. “An ideal fund balance, and an indicator of good financial health, would be one that exceeds 35 percent.”

Navarro gave four reasons for the declining fund balances: use of one-time, non-recurring revenues to balance ongoing operation expenses; increase in expenses; use of fund balance to fund capital purchases routinely; and a decrease in non-property tax revenues. The Court, he said, had direct control of all but the last of those reasons. He asked the Commissioners to give him specific directions about where they would like to see the cuts that will be necessary to balance the budget.

“This is exactly what I was talking about when I said we need to be looking at the big picture,” said Commissioner Bill Dodson, pct. 2, noting that mandates, such as rules set by the State Jail Standards Commission, preclude some cuts, while the well-being of the community precludes others.

“The more we cut from Road and Bridge, which is our lifeline inside the County, the more deteriorated the roads become,” said Commissioner Heath Sims, pct. 3. “Roads are important.”

Commissioner Dennis Robinson also recognized the importance of funding for road maintenance, and added that straight “across the board” percentages for budget cuts would not be effective. “You will do more harm than good going to the small departments with those types of cuts – their operating costs are bare bone already, so you are only looking at staffing,” he said. “You are going to have to look to some of the big departments.”

The budget discussion began earlier in the meeting when Commissioners voted on how to fund a 6.33 percent increase in the cost of employee health insurance premiums.

“This year, we experienced an increase in premiums of 6.33 percent, which is well below the national and state averages of about 10 percent,” said Human Services Director Diana Buckley. “This increase reflects the fact that because the amount of the surplus in the entire pool was significantly less this year than last, the amount of our renewal credit this year will be significantly less than last year.”

All members of the Court hesitated to pass along additional costs to the employees, who have not had any cost of living adjustment since 2008 and have already absorbed other benefit losses.

“I have harped on this since I’ve been on the Court, that I wish we could have a cafeteria plan where the employees could choose what deductible they wanted and so on,” said Commissioner Ron Brown, pct. 4.

“The shortfalls we are experiencing now are not the fault of the employees,” Bush said. “It is shortsighted and misplaced to ask the employees to bear this.”

In the end, with Bush and Dodson dissenting, the Court voted to pass along the increase on dependent insurance coverage and retiree insurance coverage only, with the County absorbing the remainder of the cost. A motion by Dodson to absorb the entire increase in the budget had previously failed, with the three-two vote splitting along the same lines.

In other business, Commissioners:

- Approved the addition of a change order to Corbet Construction for security fencing and wastewater treatment at the Juvenile and Sheriff’s Facilities at the County Farm;
- Entered into a contract with Bearcom Wireless to inspect and/or repair the County’s voter radio system at a rate of \$95 an hour, in hopes of saving significant dollars while at the same time working to meet the January 2013 federal deadline for narrow-banding of radio communications;
- Entered into a Cooperative Purchasing Agreement with the City of Forth Worth to purchase like goods and services to avoid duplicate procurement efforts and obtain the benefits of volume purchasing.

