



Nacogdoches County

JOE ENGLISH

County Judge

Commissioners
Jerry Don Williamson, Pct. I
Charles Thomson, Pct. II

Shannon Burkley
Admin. Court Assistant

Commissioners
Jim Elder, Pct. III
Elton Milstead, Pct. IV

PRESS RELEASE FOR TUESDAY, JULY 31, 2012

Nacogdoches County Judge Joe English, with input from the Commissioner's Court, has prepared a preliminary budget for the 2012 – 2013 fiscal year. According to the Texas Local Government Code 111.006, the Judge will file the report Tuesday afternoon with the County Clerk. The public will have three different methods to review the proposed budget. First, purchase a copy from the County Clerk's office. Second, download a copy from the County website (www.co.nacogdoches.tx.us). Third, upon request, view a copy maintained in the County Judges office.

The next required action, in accordance with Local Government Code 111.007, the public will have an opportunity to participate in a Public Hearing held in Commissioner's Court on Tuesday, September 25th at 8:00 am. Following the public hearing, any necessary changes will be made and the Court will adopt the proposed budget according to Local Government Code 111.007a.

OVERVIEW OF PROPOSED BUDGET

Nacogdoches County experienced a boom in Natural Gas exploration for many years, and was fortunate enough to reap excess tax revenue from that development. Past Commissioner's Courts were wise to save as much as possible and build a strong fund balance. Unfortunately, since 2009, values have dropped and the County has realized a drop in almost \$2 million in property tax revenue each year. In addition to these loses, the County is experiencing a drop in revenue from fines, fees, and charges, totaling almost \$400,000 per year. This seems to be a trend statewide, but that fact is little help to the County. The past two budget cycles saw the County dip into reserves approximately \$3.2 million in total, while reducing expenses \$700,000 last year alone. Seven positions in Road and Bridge, and one in Teen Court, were eliminated last year in an effort to reduce expenses. Each county department budget was trimmed as closely as possible. An increase of \$46.00 for each employee's health insurance premium was passed on to the employee for the first time ever.

As the budget cycle began for the 2012-2013 fiscal year, we once again faced a \$2 million shortfall. As our healthy fund balance is shrinking, we are faced with serious

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decisions to help maintain the required reserves. This year we are proposing a \$.02 increase in the property taxes, which will be the first increase in over five years. We are proposing a reduction of approximately \$1 million in expenses, with a \$14 million total budget; and we still need to use \$675,000 of reserves to balance this budget.

Notable changes in this budget will reflect the loss of 4 positions in the Courthouse, including the Tax Assessor's office, the District Attorney's office, Elections and Security. Several positions will be reduced in hours. In that the budgets for Law Enforcement include over \$6 million of the \$14 million total budget, they have received the largest amounts of reductions in this budget. Two positions in the Sheriff's Department, 9 part-time positions in the Jail, and 1 in the Deputy Constable position have been eliminated. Workforce reduction is a painful and difficult event. We must realize, however, that payroll and payroll related costs represent almost \$11 million of our \$14 million budget.

IMMEDIATE NEEDS ADDRESSED

While we have tried desperately to reduce expenses in this budget, we have two safety issues that must be addressed. First, the electrical hardware in the existing Exposition Center is in desperate and dangerous condition. Life safety issues have been reported in the concession booth and other areas. In 2012, the Commissioner's Court commissioned the Pax-sun Engineering firm to do an extensive study of the electrical needs of the facility. We have determined the priority needs, and have funded the Exposition repair budget and additional \$60,000 to address some of the immediate needs. This will not fix all of our problems, and future Courts will need to continue the improvements on the aging building. Second, the severe drought of 2011 has exposed many dying and decaying trees throughout the County. Recent wind and rain storms that passed through our county, have shown us the need to prepare for the upcoming nightmare of downed trees on power lines and county roads during the upcoming winter and spring seasons. Our Road and Bridge Department has been extremely overburdened with calls already. Remember, last year we eliminated 7 positions in that department. The County will contract with local tree services for help in taking down these trees, and hopefully avert future trouble. We have put \$300,000 into the budget for the upcoming year to assist in this endeavor. We have also reached out to the State for assistance, but there is no movement on that issue at this time.