



# Travis County Commissioners Court Agenda Request

**Meeting Date:** November 12, 2013

**Prepared By/Phone Number:** Travis R. Gatlin, 854-9065

**Elected/Appointed Official/Dept. Head:** Leslie Browder, County Executive, Planning and Budget 

**Commissioners Court Sponsor:** Judge Samuel T. Biscoe

**AGENDA LANGUAGE:** CONSIDER AND TAKE APPROPRIATE ACTION ON RECOMMENDATIONS ON THE USE OF EXISTING CERTIFICATES OF OBLIGATION BALANCES AND A CORRECTION TO THE FY 2014 ADOPTED CERTIFICATES OF OBLIGATION PROJECT LIST.

**BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:**

Please see attached documentation.

**STAFF RECOMMENDATIONS:**

Please see attached documentation.

**ISSUES AND OPPORTUNITIES:**

Please see attached documentation.

**FISCAL IMPACT AND SOURCE OF FUNDING:**

Please see attached documentation.

**REQUIRED AUTHORIZATIONS:**

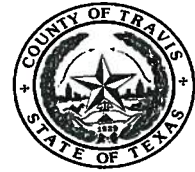
**Leslie Browder, Planning and Budget Office (512) 854-9106**

**Jessica Rio, Planning and Budget Office, (512) 854-9106**

**David Salazar, County Judge's Office, (512) 854-9555**

**AGENDA REQUEST DEADLINE:** All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, [Cheryl.Aker@co.travis.tx.us](mailto:Cheryl.Aker@co.travis.tx.us) by Tuesdays at 5:00 p.m. for the next week's meeting.

**PLANNING AND BUDGET OFFICE**  
**TRAVIS COUNTY, TEXAS**



314 W. 11th Street  
P.O. Box 1748  
Austin, Texas 78767

**MEMORANDUM**

**TO:** Commissioners Court *Travis R. Gatlin*  
**FROM:** Travis R. Gatlin, Assistant Budget Director  
**DATE:** November 12, 2013  
**SUBJECT:** Use of Existing Certificates of Obligation (COs) for FY 2014 Capital Items and Correction to FY 2014 Project List

Use of Existing Balances

The Planning and Budget Office annually recommends funding an eligible subset of budgeted capital projects with available existing balances from previously issued COs instead of issuing new debt. This process, informally known as “scrubbing”, involves thorough review and collaboration with the County Attorney’s Office and the County Auditor’s Office. The Planning and Budget Office is making these recommendations after the actual balances from the close of prior fiscal year are known, but before the Court has finalized its COs project list in order to maximize the benefits of this process and to help ensure accuracy.

We have identified the Building 12 Boiler Upgrade Project, Phase II of the Upgrade to Perimeter Security Fencing at the Travis County Correctional Complex, and the purchase of centrally budgeted vehicles and heavy equipment as approved projects that can use available COs. The identified resources would fully fund the Building 12 Boiler Upgrade Project and partially fund the remaining projects with the needed project balances included in the spring issuance. These recommendations have been reviewed with the County Attorney’s Office and County Auditor’s Office to ensure that the projects meet the specific legal and accounting guidelines for the use of the existing COs. As in years past, the Planning and Budget Office has aggressively tried to identify all potential resources from existing COs in order to reduce the proposed spring issuance and efficiently use existing resources. These balances represent a combination of project savings and investment income. In the event there are cost overruns or accounting adjustments such a change in fair market value of invested proceeds, the General Fund may be required to cover any shortfall. The Planning and Budget Office does not believe such circumstances are likely. Attached is a table with additional details for the recommendations that total \$1,719,779. They are summarized by project, funding source and amount below.

<b>Results of “Scrubbing”</b>			
<b>Project</b>	<b>Department</b>	<b>Amount</b>	<b>Fund</b>
Building 12 Boiler Upgrade Project	TCSO	\$534,520	4038 (2003 COs)
Phase II of Upgrade to Perimeter Security Fencing at the TCCC	TCSO	65,000	4081 (2013 COs)
<b>Subtotal for Travis County Sheriff’s Office</b>		<b>\$599,520</b>	
Centrally Budgeted Vehicles and Heavy Equipment	TNR	241,065	4059 (2009 COs)
Centrally Budgeted Vehicles and Heavy Equipment	TNR	378,072	4063 (2010 COs)
Centrally Budgeted Vehicles and Heavy Equipment	TNR	81,122	4068 (2011 COs)
Centrally Budgeted Vehicles and Heavy Equipment	TNR	420,000	4072 (2012 COs)
<b>Subtotal for Transportation and Natural Resources</b>		<b>\$1,120,259</b>	
<b>Total of “Scrubbing” Recommendations</b>		<b>\$1,719,779</b>	

The FY 2014 Adopted Budget includes a proposed issuance of \$20,904,150 in COs. This is before the addition of the final approved amount for the Maha Loop Road: Pearce Lane to State Highway 71 Project or other changes that might be made by the Commissioners Court. With the Planning and Budget Office's recommendation to reallocate \$1,719,779 of existing COs, the revised project list based on the adopted budget is \$19,184,371. The Planning and Budget Office also requests approval to process the scrub related budget amendments to move resources from the applicable COs allocated reserves to departments to be processed as an automatic.

#### Correction to FY 2014 Project List

The FY 2014 Adopted Budget included \$619,000 for Facility Management's Granger Building Renovations Project that inadvertently remained after the Commissioners Court approved an internal reallocation to fund this phase of the project with FY 2013 resources. The Planning and Budget Office considers removing the project a technical correction. Removing the \$619,000 in funding from the project list along with the scrub related recommendations would reduce the proposed list based on the Adopted Budget by \$2,338,779 to a revised total of \$18,565,371.

#### Additional Forthcoming Capital Items

The Planning and Budget Office is working to provide a debt presentation on November 19, 2013 that includes an updated FY 2014 project list. This analysis will reflect any approved changes related to the Maha Loop Road Project and can also incorporate any changes that Court may approve to be included in the FY 2014 debt issuance. The Planning and Budget also proposes to present any outstanding requests for reimbursement resolutions on November 26, 2013.

Please let me know if you have any questions.

cc: David Escamilla, County Attorney  
John Hille, County Attorney's Office  
Nicki Riley, County Auditor  
Melinda Grahmann, Hannah York, County Auditor's Office  
Leslie Browder, Jessica Rio, Diana Ramirez, Alan Miller, PBO  
Steven Manilla, Cynthia McDonald, Donna Williams-Jones, Isabelle Lopez, Christina Jensen, Mike Joyce, TNR  
Roger El-Khoury, John Carr, Amy Draper, FMD  
Greg Hamilton, Travis County Sheriff  
Major Darren Long, Captain Michael Gottner, Captain Wes Priddy, Paul Mathews, Maria Wedhorn, Meg Seville, TCSO

**Detailed Summary of Available Certificates of Obligation for FY 2014  
Approved Capital Projects and Remaining Balances After Proposed  
Reallocations**

<b>From/ To</b>	<b>Fund</b>	<b>Dpt</b>	<b>Dpt Name</b>	<b>Actual Comm Item Description</b>	<b>Amount</b>
From	4038	149	Reserves	Reserves-Allocated	577,429.61
To	4038	137	TCSO	Departmental Commitment Items for Building 12 Boiler Upgrade Project	534,520.00
	Reserve Balance				42,909.61

From	4059	198	Reserves	Reserves-Allocated	241,065.80
To	4059	149	TNR	Departmental Commitment Items for Centrally Budgeted Vehicles	241,065.00
	Reserve Balance				0.80

From	4063	198	Reserves	Reserves-Allocated	378,072.95
To	4063	149	TNR	Departmental Commitment Items for Centrally Budgeted Vehicles	378,072.00
	Reserve Balance				0.95

From	4068	198	Reserves	Reserves-Allocated	81,122.01
To	4068	149	TNR	Departmental Commitment Items for Centrally Budgeted Vehicles	81,122.00
	Reserve Balance				0.01

From	4072	198	Reserves	Reserves-Allocated	688,507.56
To	4072	149	TNR	Departmental Commitment Items for Centrally Budgeted Vehicles	420,000.00
	Reserve Balance*				268,507.56

From	4081	198	Reserves	Reserves-Allocated	214,243.03
To	4081	137	TCSO	Departmental Commitment Items for Phase II of Upgrade to Perimeter Security Fencing at the TCCC	65,000.00
	Reserve Balance				149,243.03

<b>Total Amount From Existing Certificates of Obligation</b>					<b>\$ 1,719,779.00</b>
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\*The Facilities Management Department will soon present a request to reduce the Allocated Reserve in Fund 4072 by \$220,325.25 for funds that reverted to the ending balance 2013, but are needed to complete an approved project. The balance after this transfer would be \$48,182.31.