

# **BEXAR COUNTY**

## **STATEMENT OF FINANCIAL POLICIES**

**Last Revision November 1, 2016**

### **I. GENERAL**

- 1.1 The County will operate on a fiscal year which begins on October 1<sup>st</sup> and ends on September 30<sup>th</sup>.
- 1.2 The County will conduct its financial affairs in conformity with State and Federal laws. This Statement of Financial Policies shall be approved by Commissioners Court and reviewed on an annual basis as a part of the budget process.

### **II. ACCOUNTING, AUDITING, & FINANCIAL PLANNING**

- 2.1 The Bexar County Auditor's Office maintains records on a basis consistent with accepted principles and standards for local government accounting, as determined by GASB and GFOA.
- 2.2 Regular monthly and annual financial reports are issued summarizing financial activity. The monthly financial reports are presented to Commissioners Court and are distributed to offices and departments.
- 2.3 A financial audit is performed annually by an independent public accounting firm, and an official opinion and annual financial report is published and issued.
- 2.4 Annually, Commissioners Court will accept the audited Comprehensive Annual Financial Report for the past fiscal year.
- 2.5 Full disclosure is provided in the annual financial and budget reports and bond representations.

### **III. BUDGETING**

- 3.1 The County budgets resources on a fiscal year which begins October 1<sup>st</sup> and ends on the following September 30<sup>th</sup>.
- 3.2 Bexar County prepares and maintains a long range five year financial forecast which:
  - a) develops a local, regional, state and national economic outlook and describes the potential impact on Bexar County
  - b) updates reserve and expenditure projections for the next five years
  - c) projects capital improvement requirements over the five-year period, including future operating costs associated with all projects
  - d) updates revenue and expenses for each year in the period
  - e) describes the strategic issues that present the County with challenges and

opportunities for the future and, in some cases, assesses their fiscal impact

- 3.3 'Budget manuals for annual preparation, which include forms and instructions as necessary, shall be distributed to County offices and departments no later than April 30<sup>th</sup> in each year. All offices and departments must return their proposals no later than June 15<sup>th</sup> in that year.
- 3.4 The proposed budget shall be prepared and distributed to all of the Commissioners Court members on or before August 30<sup>th</sup> of the preceding fiscal year.
- 3.5 The proposed budget shall be presented in the following format:
  - a) Fund balance schedules
  - b) Revenue estimates
  - c) Operating and maintenance expenditures by office or department and major expense categories
  - d) Capital projects' funding
  - e) Debt service summarized by issues by fund
- 3.6 The proposed budget shall also contain:
  - a) Program summaries for each office and department
  - b) Performance indicators that include workload, efficiency, and effectiveness measures for each office and department
  - c) Descriptions and detailed cost analysis of proposed program changes
  - d) A discussion of capital projects proposed for funding
  - e) A list of proposed authorized positions by section, where appropriate, for each office and department
  - f) Any additional information, data, or analysis requested of management by the Commissioners Court
- 3.7 The proposed budget submitted by August 30 shall be balanced.
- 3.8 The initial proposed budgeted revenues are provided by the County Auditor's Office no later than June 30<sup>th</sup>. Revenue projections are revised by the County Auditor's Office by August 10<sup>th</sup> thereafter to reflect the certified tax roll data.
- 3.9 Commissioners Court shall adopt the tax rate and the budget by Court Order before September 23<sup>rd</sup> to allow sufficient time to send out property tax statements to the citizens.
- 3.10 The Budget Department will prepare a report on the budget status and trends and submit it to Commissioners Court quarterly.

- 3.11 The County budgeting procedures attempt to identify distinct functions and activities performed by the County, and allocate adequate budget resources to perform these functions and activities at a specified level of service. The budget process will be coordinated with the Countywide strategic planning process and will reflect the goals and objectives developed through this process.
- 3.12 The County will continue to integrate performance measurement and productivity indicators with the budget process where appropriate. The County will use efficiency and effectiveness measures.
- 3.13 The County will continually strive to improve the budget development and monitoring process and will evaluate and utilize, when appropriate, innovative, alternative approaches to costing and budgeting.
- 3.14 Appropriations as approved by the Commissioners Court, are set upon the books of the County by the County Auditor.

a) The following general categories are used to appropriate funds annually:

1. Personnel Services
2. Travel and Remunerations
3. Operational Costs
4. Supplies and Materials
5. Capital Expenditures
6. Debt Requirements
7. Contingencies
8. Interfund Transfers

Detailed expenditures in each of these categories are maintained by the County Auditor.

b) Annually, the budget will be developed for each office and department *at the division and/or section level* to better represent their organization structures. However, the budget document will appropriate funds at the office and department level and fiscal control shall occur at this level.

c) Exceptions to this are budgets that are controlled at the division level which are:

1. BiblioTech
  - a. Administration
  - b. Pleasanton BiblioTech (Precinct 1)
  - c. Ricardo Romo BiblioTech (Precinct 2)
  - d. Wheatley Courts BiblioTech (Precinct 4)
2. Civil District Courts
  - a. Administration
  - b. Children's Court
  - c. Family Drug Court
3. County Courts-at-Law
  - a. Administration
  - b. County Court 1
  - c. County Court 2
  - d. County Court 3
  - e. County Court 4

- f. County Court 5
  - g. County Court 6
  - h. County Court 7
  - i. County Court 8
  - j. County Court 9
  - k. County Court 10
  - l. County Court 11
  - m. County Court 12
  - n. County Court 13
  - o. County Court 14
  - p. County Court 15
4. Criminal District Courts
- a. Administration
  - b. 144<sup>th</sup> District Court
  - c. 175<sup>th</sup> District Court
  - d. 186<sup>th</sup> District Court
  - e. 187<sup>th</sup> District Court
  - f. 226<sup>th</sup> District Court
  - g. 227<sup>th</sup> District Court
  - h. 290<sup>th</sup> District Court
  - i. 379<sup>th</sup> District Court
  - j. 399<sup>th</sup> District Court
  - k. 437<sup>th</sup> District Court
5. Economic and Community Development
- a. Administration
  - b. Guardianship
6. Facilities Management – Administration
- a. Administration
  - b. Facilities Improvement Maintenance Projects
  - c. Mailroom
7. Information Technology
- a. Management, Finance & Administration
  - b. Legacy Systems
  - c. Technical Support Services
  - d. Infrastructure Services
  - e. eServices & Applications Development
  - f. Quality Management
  - g. Enterprise Business Systems
  - h. Project Management Office
  - i. Application Development & Analytics
  - j. Technology Contracts
8. Judge and Commissioners
- a. Administration
  - b. County Judge
  - c. Precinct 1
  - d. Precinct 2
  - e. Precinct 3
  - f. Precinct 4
9. Office of Criminal Justice, Policy, Planning & Programs
- a. Administration

- b. Court Collections
  - c. Pre-Trial
  - d. Re-Entry Service Center
10. Juvenile District Courts
- a. Administration
  - b. 289<sup>th</sup> District Court
  - c. 386<sup>th</sup> District Court
  - d. 436<sup>th</sup> District Court
11. Probate Courts
- a. Probate Court #1
  - b. Probate Court #2
12. Environmental Services Department – Animal Control Services
- a. Animal Control Services
  - b. Bexar Animal Facility
13. Sheriff's Office – Adult Detention
- a. Work Release
  - b. Classification
  - c. Laundry/Clothing
  - d. Intake/Release
  - e. Law Library
  - f. Sheriff ADC Administration
  - g. Human Services
  - h. Inmate Banking, Laundry/Clothing
  - i. Video Visitation
  - j. Justice Intake Assessment Center
  - k. Contraband Abatement Team
  - l. South Tower
  - m. Adult Detention Center – Comal
  - n. Adult Detention Center – Annex
14. Sheriff's Office – Law Enforcement
- a. Sheriff's Office Administration
  - b. Professional Standards & Integrity
  - c. BCSO Communications
  - d. Central Records
  - e. Property
  - f. Narcotics/Vice
  - g. Criminal Investigations
  - h. Mental Health
  - i. Courthouse Security
  - j. Patrol
  - k. Traffic
  - l. Dispatch/Communications
  - m. Sheriff's Academy
  - n. Cadets
  - o. Warrants
  - p. Civil
  - q. Judicial Services
15. Sheriff's Office – Support Services
- a. Personnel
  - b. Technical Services

- c. Business Office
- d. Warehouse
- e. Support Services Administration
- f. Archives
- g. Psychology

16. Tax Office

- a. Motor Vehicle Registration
- b. Property Tax
- c. Administration
- d. Financial Reporting

17. Storm Water Fund

- a. Environmental Services
- b. Solid Waste Program
- c. Storm Water

18. Public Works – County Road and Bridge Fund

- a. Public Works Administration
- b. Heavy Equipment Division
- c. Alamo RMA Administration

- d) Appropriations in the Capital Projects Funds are made on a project basis across multiple fiscal years rather than on a single fiscal year basis and are carried forward until the projects are completed.
- e) Appropriations in the Grant Funds are made on a grant year basis by project rather than on a County fiscal year basis.

- 3.15 Except for capital project, grant and federal entitlement appropriations, or for encumbrances outstanding in any fund, unused appropriations lapse at the end of each fiscal year.
- 3.16 Commissioners Court shall approve all budget transfer in amounts over \$100,000. The County Manager/Budget Officer shall approve all budget transfers in amounts up to \$100,000.
- 3.17 For budget transfers taking funds from Appropriated Fund Balance, and for budget transfer amounts over the \$100,000, Commissioners Court approval is required
- 3.18 Under the more flexible, higher level of budgetary control in effect, offices and departments are accountable for not exceeding their annual budgetary appropriations.
- 3.19 Bexar County will, during the annual budget process, identify areas for performance reviews to judge the effectiveness and efficiencies of County services. Annually, the Commissioners Court will adopt a work plan for the performance reviews that will be completed during the fiscal year.
- 3.20 Cost/benefit studies will be conducted, where appropriate and applicable, on non-recurring expenditures, capital projects, and operational alternatives.

#### **IV. REVENUES AND TRANSFERS**

- 4.1 Bexar County will maintain a diversified and stable revenue base to shelter it from short term fluctuations in any one revenue source by doing the following:
- a. Establishing user charges and fees as permitted by law at a level related to the cost of providing that service including indirect costs when appropriate
  - b. Pursuing legislative change, where necessary, to permit increases in user charges and fees to allow the County to recover the full cost of services
  - c. Aggressively collecting property tax revenues, including the filing of suit where appropriate and necessary, as authorized by the Texas Property Tax Code
  - d. Aggressively collecting all other fines, fees and revenues due to the County
- 4.2 Bexar County will a goal minimizing its reliance on non-recurring sources of revenue, including the use of prior year fund balances for recurring expenditures.
- 4.3 Bexar County will actively pursue intergovernmental grant funding to fund programs that have been identified as important to meet the County's mission, vision, goals and objectives.

#### **V. RESERVES**

- 5.1 The County will maintain an operating reserve for use in the event of unanticipated, extraordinary expenditures and/or the loss of a major revenue source. The operating reserve and specified contingencies shall be established at a minimum of one tenth operating expenditures for any year. These funds can only be appropriated by an affirmative vote of four of the five Commissioners Court members.
- Therefore, it will be necessary for officials and department heads to review and control expenditures such that the rate of expenditure does not exceed the approved budget.
- 5.2 The County will maintain a reserve requirement of not less than 15 percent of annual Debt Service. The Debt Service reserve funds can only be appropriated by an affirmative vote of four of the five Commissioners Court members.
- 5.3 Insurance reserves are established at a level, which, together with purchased insurance policies, adequately cover the County and its officers against loss.

#### **VI. PERSONNEL**

- 6.1 At no time shall the number of regular employees on the payroll in each office or department exceed the total number of positions authorized by the Commissioners Court when approved as part of the annual budget or authorized by the County Manager outside of the annual budget process. All personnel actions shall at all times be in strict conformance with applicable federal, state, and County policies.
- 6.2 Compensation for overtime worked will be given in the form of compensatory time. No overtime compensation shall be paid unless Commissioners Court specifically approves an exception and authorizes payment in advance. All employees, regardless of the source of funding for the position, accrue compensatory time at the rate of one hour for every hour for exempt employees. Non-exempt employees that work over 40 hours in a regular

work week are not eligible for overtime compensation, unless approved otherwise by Commissioners Court.

- 6.3 Deletions and/or downgrades of positions may occur at any time during the fiscal year at the department head or official's request or if a review of workload statistics indicates that a reduction in force is practical in an office or department. All funds appropriated for such deleted positions will be returned to the appropriate fund in the Contingencies - Undesignated Funds account.
- 6.4 Additions, position reclassifications, reorganizations, etc., are prepared by the requesting office or department and reviewed by the Budget Department. The Budget Department will work with the initiating office or department to bring the proposal for Commissioners Court consideration or to the County Manager if the request is made outside of the County's annual budget process.
- 6.5 The County Manager has the authority to add, delete, hire, terminate, discipline, demote, promote, compensate, direct, and supervise all functions and staff that report to the County Manager.
- 6.6 The Court may institute a freeze during the fiscal year on hiring, promotions, transfers, and capital equipment purchases. Such action will not be used arbitrarily and will allow for exceptions in appropriate areas to comply with emergency needs such as natural disasters and/or loss of major revenue sources.
- 6.7 Commissioners Court shall approve all authorized positions and changes to them (this does not include actions affecting the actual employees holding these positions) as part of the annual budget process. The County Manager has the authority to review and, if appropriate, approve all authorized positions, including adding and deleting positions, and changes to them, including reclassifications and compensation changes, if a request is made outside of the annual budget process by a County office or department.
- 6.8 Offices and departments may hire temporary help if:
  - a. Funds are available in the Salary Temporary line item in the office or department's adopted budget appropriations (organization level one); or
  - b. The adopted budget authorizes a temporary position(s)

In all other cases, Commissioners Court shall approve hiring temporary help.

- 6.9 The County maintains written Personnel Rules adopted by Commissioners Court and available from the Human Resources Department.

## **VII. PURCHASING & FIXED ASSETS**

- 7.1 All capital expenditure purchases will be initiated prior to August 15<sup>th</sup> each fiscal year; all non-capital expenditure purchases will be initiated prior to September 10<sup>th</sup> each fiscal year. Exceptions can occur at the Purchasing Agent's and County Auditor's discretion. Capital projects and grant funded purchases are exempt from these deadlines.
  - a. Prior to adoption of the annual budget, the Purchasing Office will annually provide a list of purchases that are not anticipated to be delivered until the next fiscal year. The list of capital expenditures should be completed by August 31<sup>st</sup> or as soon as possible thereafter and non-capital expenditures by September 15<sup>th</sup> or as soon as possible thereafter.



- 7.2 All purchases of fixed assets with a value of \$5,000 or more will be placed on the County inventory.
- 7.3 Each County office and department will protect the County's investment in capital assets by performing and reporting to the County Purchasing Agent and County Auditor a complete inventory at least once annually.
- 7.4 Capital expenditures for projects are budgeted by project and must be spent accordingly. Any request for unbudgeted capital projects throughout the fiscal year must be submitted to the Budget and Financial Services Division and approved by Commissioners Court.
- 7.5 Where possible, items in good, safe, useable condition placed in surplus will be used:
- a. To supplement expenditures for new budgeted capital purchases;
  - b. To supplement expenditures for replacement/budgeted capital purchases;
  - c. To supply needed unbudgeted new and replacement equipment.
- The Purchasing Agent transfers surplus supplies, materials and equipment.
- 7.6 Offices and departments will make every effort to use furniture refurbished through the Sheriff's Office Jail Industries Program.
- 7.7 Prior to submission of the requisition, the executive in charge of the Information Services Division shall approve all purchases of information and communication technology including but not limited to: all mainframe and microcomputer software; all mainframe hardware and peripherals; all microcomputer hardware and peripherals; all telecommunications and data systems hardware and software.

## **VIII. DEBT MANAGEMENT**

- 8.01 The County maintains a written Debt Management Policy adopted by Commissioners Court and included in the Administrative Policies book.

## **IX. INVESTMENT AND CASH MANAGEMENT**

- 9.01 The County maintains a written Investment Policy adopted by Commissioners Court and included in the Administrative Policies book.

## **X. APPROVAL OF SPENDING BY CERTAIN COUNTY AND PRECINCT OFFICERS**

- 10.01 When an officer of Bexar County is not renominated or reelected during the time following the date of the announcement of the results of the official canvass of the primary or election returns, while that officer remains in office, the Commissioners Court must approve all expenditures for Overtime Pay and all expenditures within an appropriation unit after one twelfth (1/12) of the total amount of the appropriation unit is reached in a month.

Example: A county officer not renominated during the primary has 9 months remaining in office. During each of those 9 months, if the cumulative amount of monthly expenses for an appropriation unit reaches 1/12 of the annual budget for the appropriation unit, all expenses within that appropriation unit must be approved by Commissioners Court for the remainder of the month.

Annual Budget for an Appropriation Unit	\$60,000
Cumulative Amount of Monthly Expenses Threshold (\$60,000 / 12)	\$5,000