



2013 Budget In Brief



ORGANIZATIONAL OVERVIEW

Commissioners Court

County Judge
Commissioner Pct. 1
Commissioner Pct. 2
Commissioner Pct. 3
Commissioner Pct. 4

Ramon Garcia
Joel Quintanilla
Hector "Tito" Palacios
Jose M. Flores
Joseph Palacios

County Officials

County Clerk
County Treasurer
County Sheriff
County Tax Assessor/Collector

Arturo Guajardo, Jr.
Norma G. Garcia
Guadalupe Treviño
Armando Barrera, Jr.

Constable Precinct 1
Constable Precinct 2
Constable Precinct 3
Constable Precinct 4

Celestino Avila
Gilbert Alaniz
Larry Gallardo
Jose E. Guerra

92nd District Court
93rd District Court
139th District Court
206th District Court
275th District Court
332nd District Court
370th District Court
389th District Court
398th District Court
430th District Court
449th District Court

Ricardo P. Rodriguez
Rodolfo Delgado
Roberto Flores
Rose G. Reyna
Juan R. Partida
Mario E. Ramirez, Jr.
Noe Gonzalez
Leticia Lopez
Aida Salinas Flores
Israel Ramon
Jesse Contreras

Court at Law 1
Court at Law 2
Court at Law 3 (Probate)
Court at Law 4
Court at Law 5
Court at Law 6
Court at Law 7
Court at Law 8

Rodolfo Gonzalez
Jaime J. Palacios
Homero Garza
Fred S. Garza, Jr.
Arnoldo Cantu, Jr.
Albert Garcia
Sergio Valdez
Rolando Cantu

Justice of the Peace, Pct 1, Pl. 1
Justice of the Peace, Pct 1, Pl. 2
Justice of the Peace, Pct 2, Pl. 1
Justice of the Peace, Pct 2, Pl. 2
Justice of the Peace, Pct 3, Pl. 1
Justice of the Peace, Pct 3, Pl. 2
Justice of the Peace, Pct 4, Pl. 1
Justice of the Peace, Pct 4, Pl. 2
Justice of the Peace, Pct 5

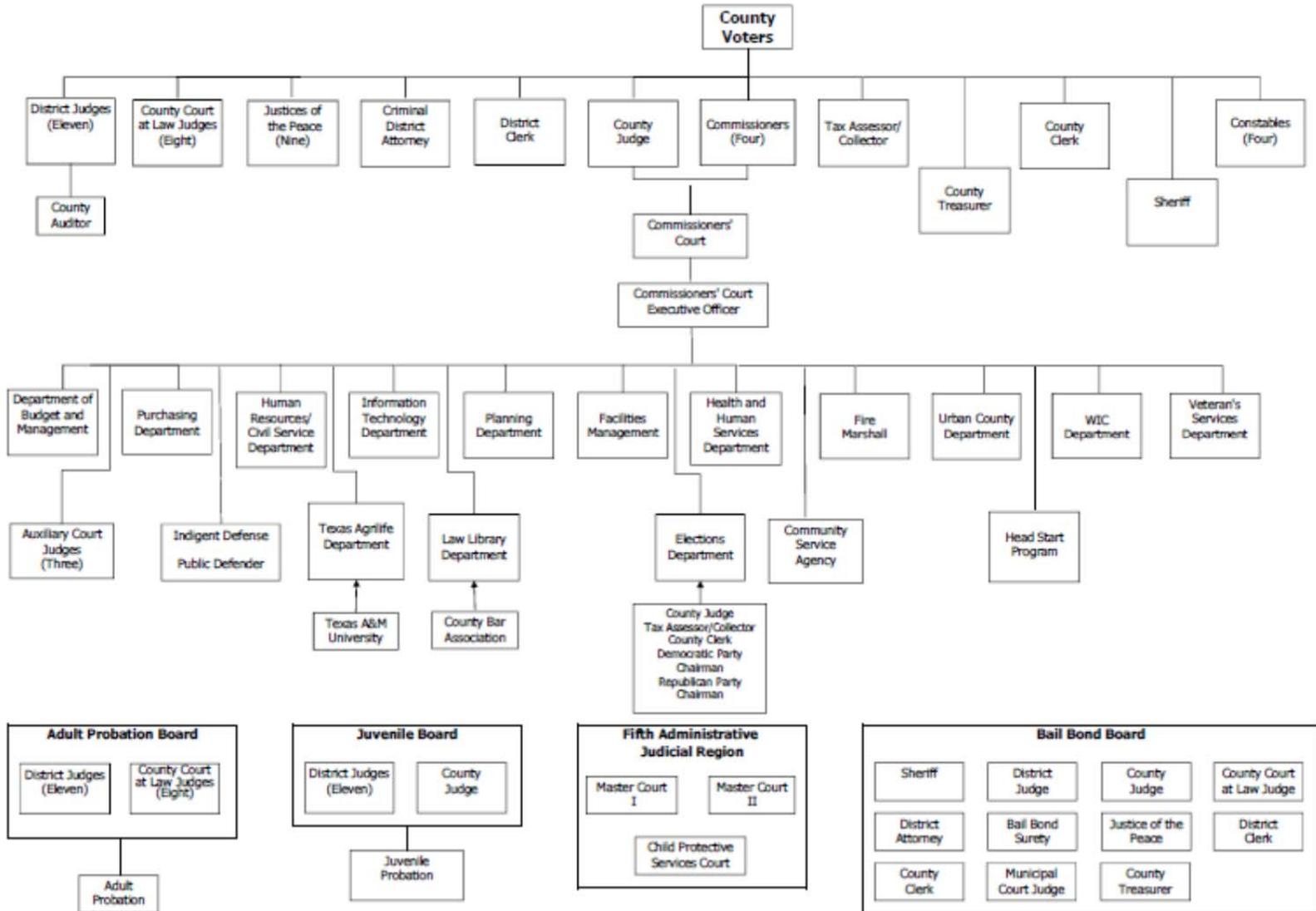
Gilbert Saenz
Jesus Morales
Robert Contreras
Rosa Treviño
Luis J. Garza
Ismael Ochoa
Charlie Espinoza
Mary A. Palacios
Esperidion Jackson

District Attorney
District Clerk
Auditor
Budget Officer
CC Executive Officer

Rene A. Guerra
Laura Hinojosa
Ray Eufrazio
Sergio Cruz
Valde Guerra



ORGANIZATIONAL CHART



MISSION & GOALS

Hidalgo County strives to fulfill the following core values and goals that reflect what is truly important to us as an organization.

Mission

Provide our citizens and community with the most effective and efficient delivery of services in a quality and cost effective manner with measurable outcomes.

Vision

The County of Hidalgo is committed to work with integrity, responsibility and honesty to achieve excellence for the good of all the citizens

Values

Provide sustainable economic development throughout Hidalgo County

Provide citizens with accessible local government

Provide the infrastructure necessary to ensure the most enjoyable quality of our residents

Provide the best in public service and protect, preserve and care for the County's environment and promote its natural and man-made beauty.

Goals

Balanced Budget

Implement a fiscally sound and transparent budget that matches service delivery demands to recurring revenues and provides for the long term financial health of the County.

The budget process will allocate available funding in a balanced systematic manner between the needs of the County and the needs of citizens for increased services while maintaining financial stability for the County.

Efficiency and Effectiveness

Each County department operates and provides services in an efficient and effective manner. Departments will be required to develop workload standards and performance measures to provide a foundation for evaluating office and department efficiency and effectiveness.

Fund Balance

Maintain an unreserved fund balance of 10 to 15 percent of the operating general fund budget for unforeseen emergencies and maintain the highest possible credit rating for the financing of major capital projects

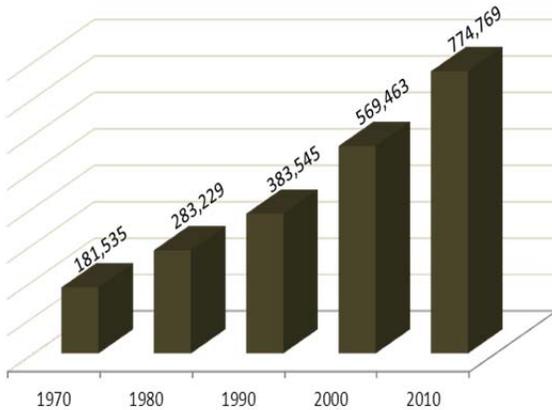


HIDALGO COUNTY DEMOGRAPHICS

Abutting the Mexican border along the Gulf of Mexico, Hidalgo County is one of the fastest growing counties in the United States and is the eighth most populous in Texas. Between 2000 and 2010 census the McAllen-Edinburg-Mission Metropolitan Area experienced the 2nd fastest population growth in Texas.

Population Growth - Hidalgo County

Year	Population	% Change
1970	181,535	--
1980	283,229	56.02%
1990	383,545	35.42%
2000	569,463	48.47%
2010	774,769	36.05%



Source: 1970-2010 U.S. Census

In the county of Hidalgo, the population was spread out with 34.70% under the age of 18, 10.80% from 19 to 24, 27.10% from 25 to 44, 18.20% from 45 to 64, and 9.20% who were 65 years of age or older. The median age was 28 years.

- Area in Square Miles: 1,582.9
- Officials Elected by Vote of the People: 42
- County Employees: 2,936
- Incorporated Municipalities: 22
- Organized School Districts in the County: 16

PRECINCTS

Precinct No. 1

Area in Square Miles: 322.30
Total Roads Square Feet: 78,868,580
Total Roads Lengths (In Miles): 626

Precinct No. 2

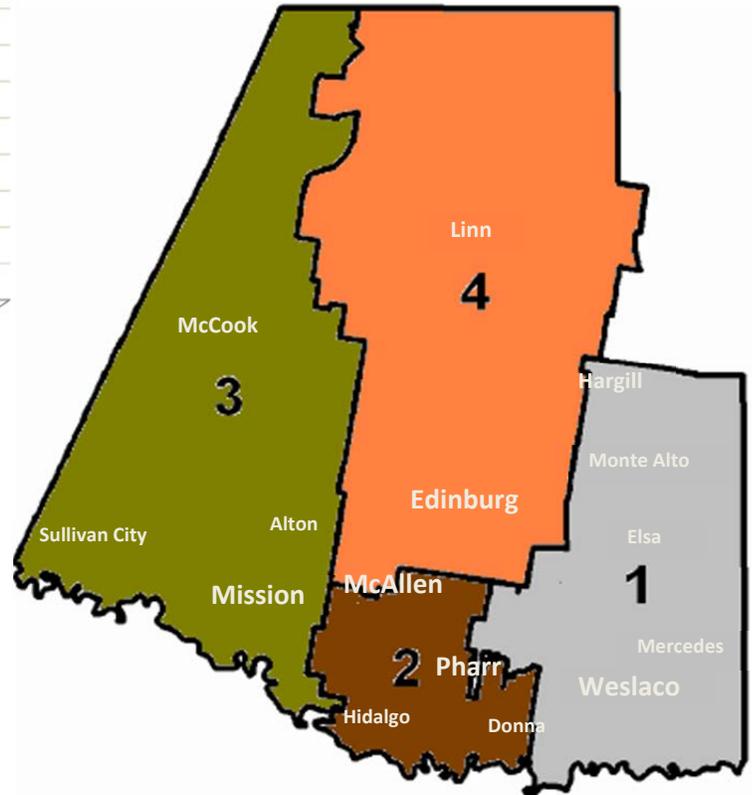
Area in Square Miles: 121.10
Total Roads Square Feet: 16,125,162
Total Roads Lengths (In Miles): 117

Precinct No. 3

Area in Square Miles: 504.65
Total Roads Square Feet: 68,773,436
Total Roads Lengths (In Miles): 532

Precinct No. 4

Area in Square Miles: 639.80
Total Roads Square Feet: 61,823,526
Total Roads Lengths (In Miles): 484



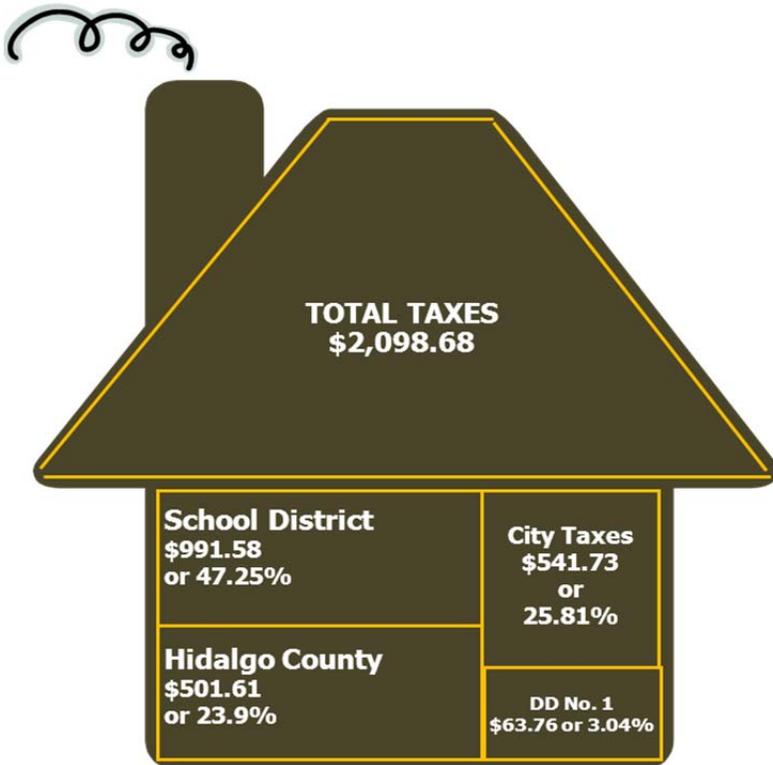
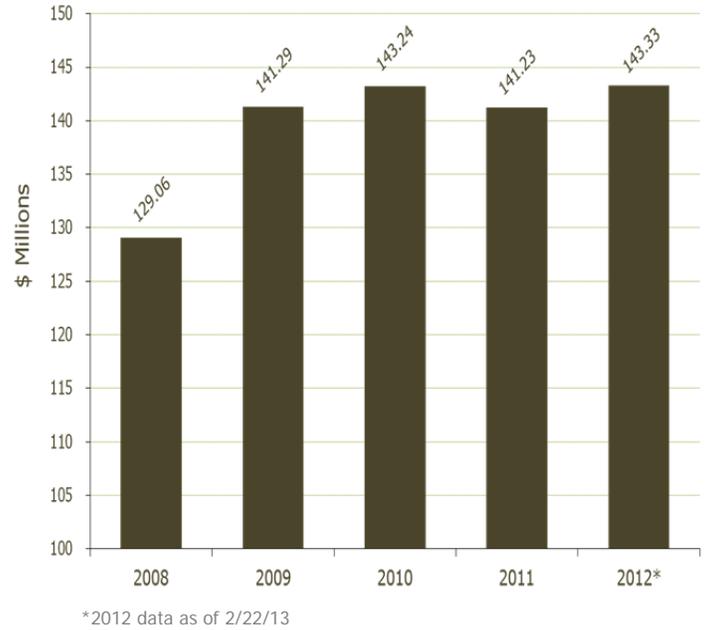
PROPERTY TAX ANALYSIS

The average taxable value for a homestead residence increased 2.33% from \$83,038 in 2011 to \$85,019 in 2012. Based on the tax rate for 2012 of \$0.5900 per \$100 of taxable value, the amount of taxes imposed on the average home was \$501.61 for Hidalgo County.

In Hidalgo County, property market value as reported by the Appraisal District, totaled \$35.46 billion in tax year 2011, and \$35.85 billion in tax year 2012; after homestead and other exemptions, the net taxable amounts were \$27.044 billion and \$27.32 billion respectively.

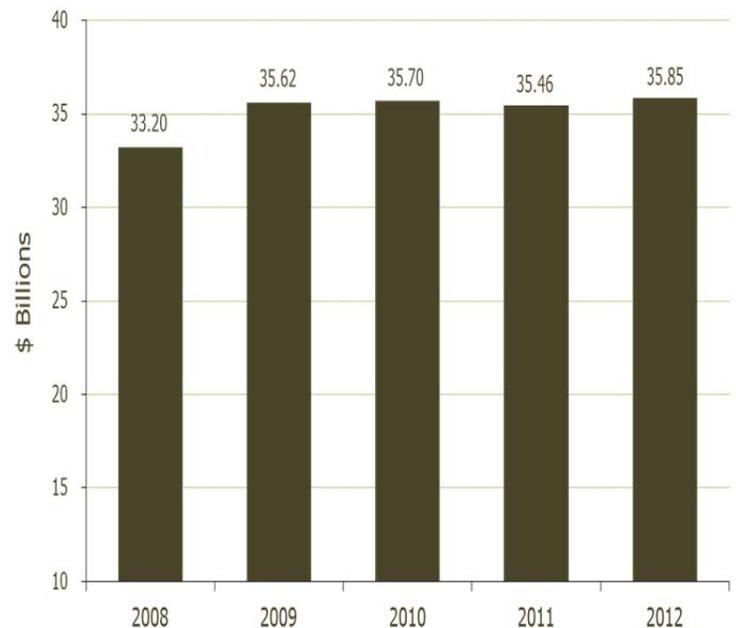
Over the past ten years Commissioner’s Court has maintained the tax rate at \$0.59.per \$100 value. Changes in an individual taxpayer’s county taxes are dependent on the specific change in property evaluation.

General Fund Tax Collection History



The above home illustrates a property tax analysis for the average \$85,019 home for tax year 2012. Average tax rate was used to determine tax amount for City and School Districts.

Hidalgo County Property Market Value



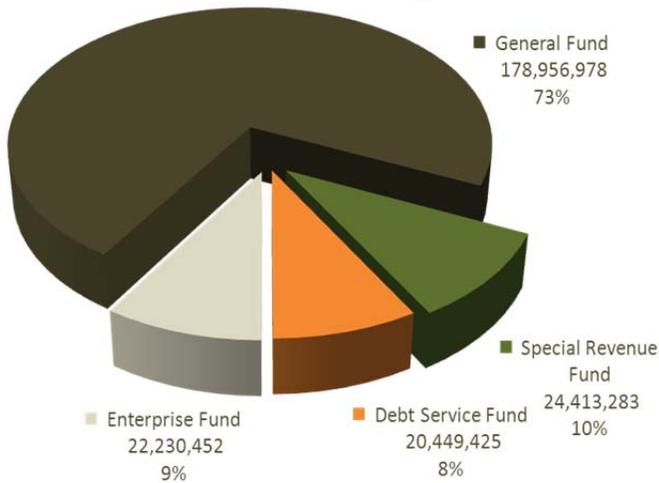
Source: HCAD Certified Totals 2008-2012

ADOPTED BUDGET

Total Hidalgo County Adopted Budget for 2013 is \$246,050,138, which includes a General Fund Budget (Maintenance & Operations) of \$178,956,978, **73%** of the Hidalgo County's total budget.

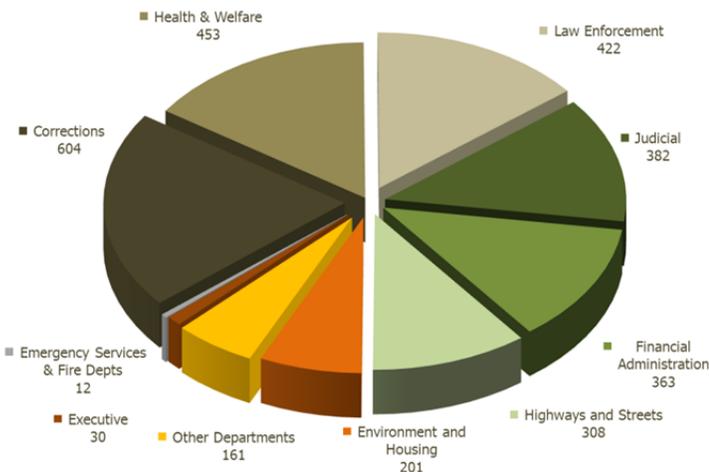
For 2013 the county provided a 3% cost-of-living adjustment (COLA) which had not been provided to employees since 2009. Furthermore, Law Enforcement received a one-step increase in addition to the 3% COLA.

2013 Adopted Budget



Budgeted positions for 2013 totaled **2,936** a slight decrease from 2012 Adopted Budget position count of 2,980.

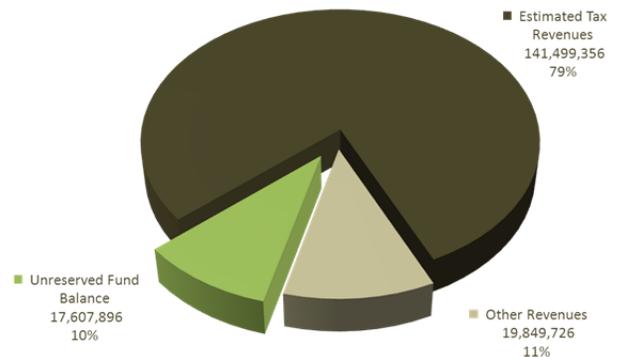
2013 Adopted Budget
Employee Summary by Function
2,936



GENERAL FUND

The General Fund is the County's primary operating fund. Its principle funding sources are property taxes, which account for **79%** of all funding sources. Fines, fees, business licenses, charges for services, and other miscellaneous revenues account for **11%** of the General Fund revenue not associated with property taxes.

General Fund
Where the money comes from

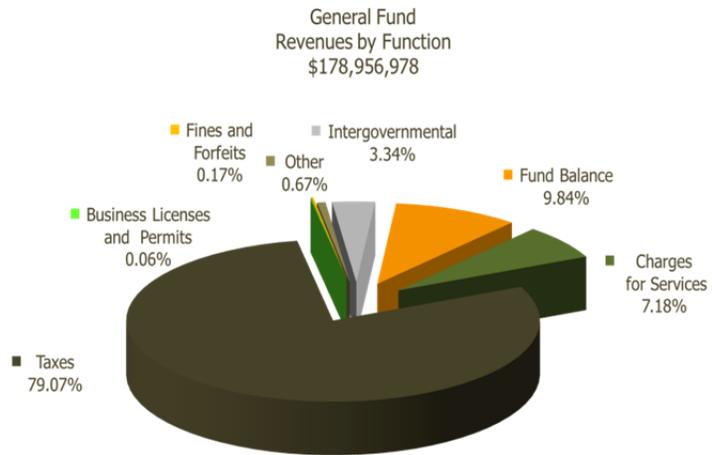
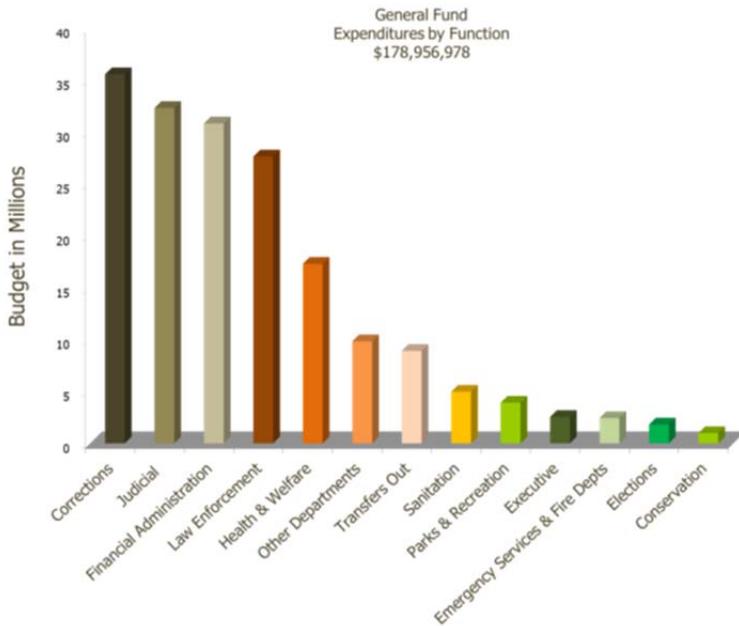


GENERAL FUND (continued)

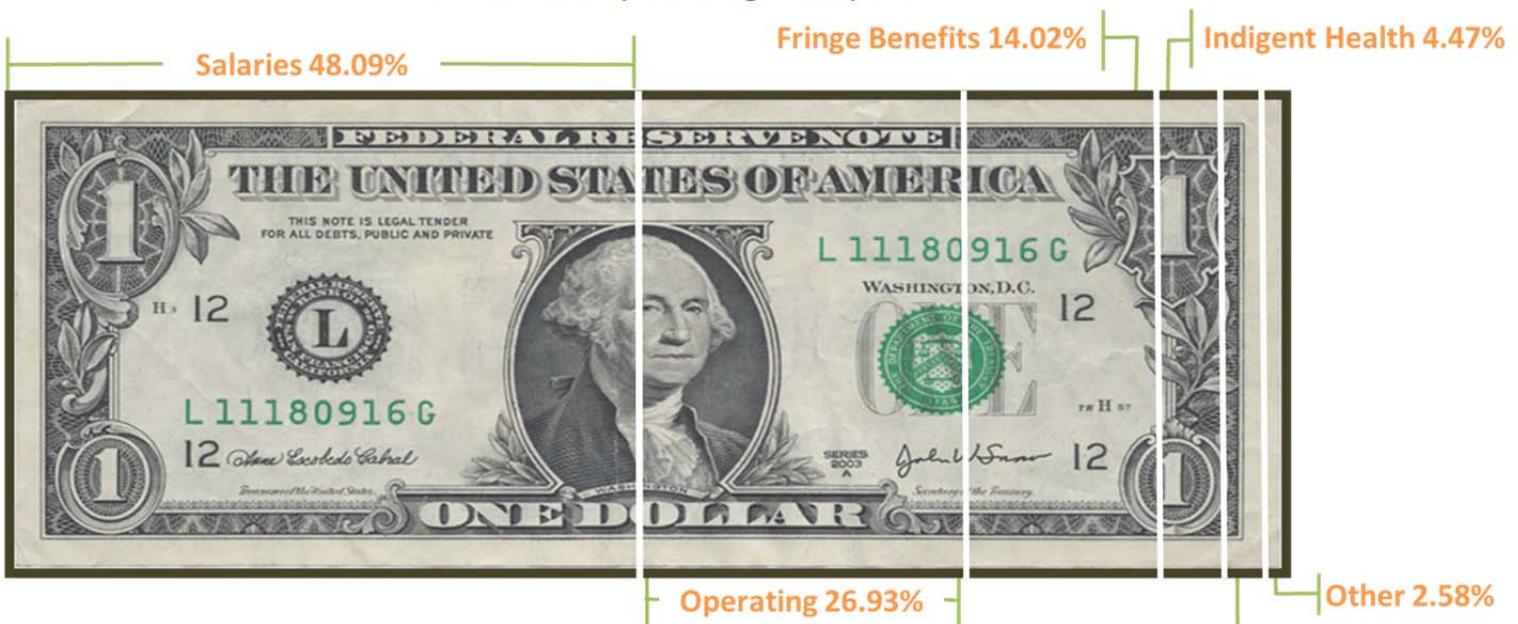
General Fund Expenditure by Function: For 2013 fiscal year, top three functions that are anticipated to incur the majority of the overall expenditures are County Corrections, Judicial System, and Financial Administration.

General Fund Revenues by Function:

Currently, Hidalgo County estimates Taxes will account for 79.07% percent of the overall revenues. The County anticipates the use of the General Fund Unreserved Fund Balance to subsidize any projected shortfall.



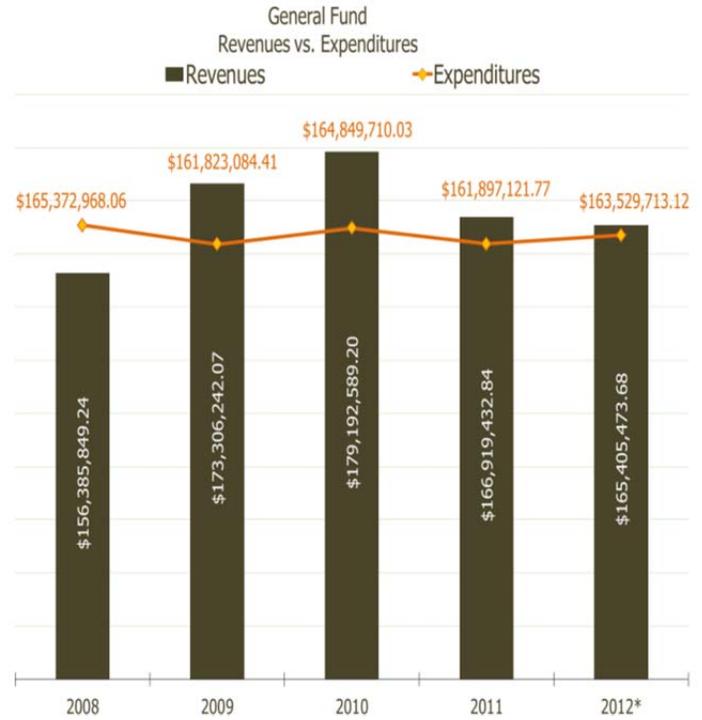
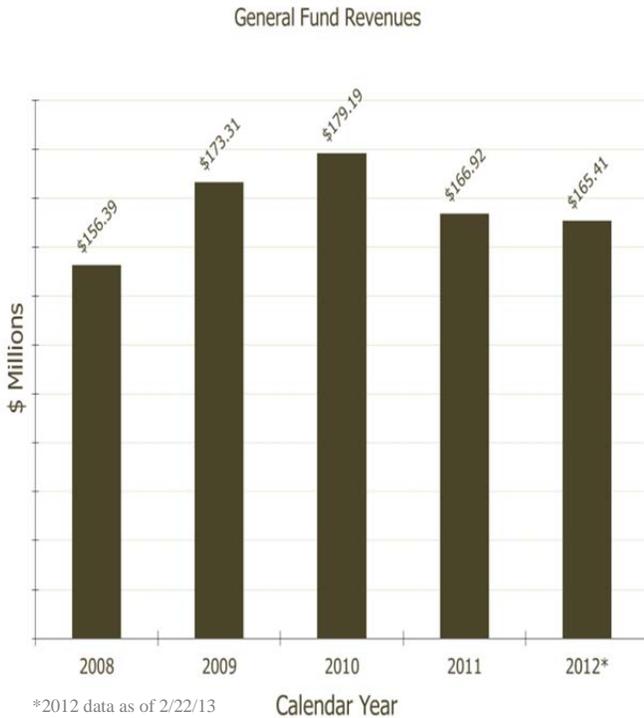
How Does County Funding Get Spent?



Summary: Salaries \$86.06M, Operating \$48.20M, Fringe Benefits \$25.09M, Indigent Health \$8.0M, Transfer Out – Road and Bridge \$6.97M. Other expenses consist of Sanitation \$1.63M (0.91%), Grants Cash Match \$1.33M (0.74%), Parks \$1.08M (0.60%), and Transfers Out – various departments \$0.599M (0.33%).

GENERAL FUND (continued)

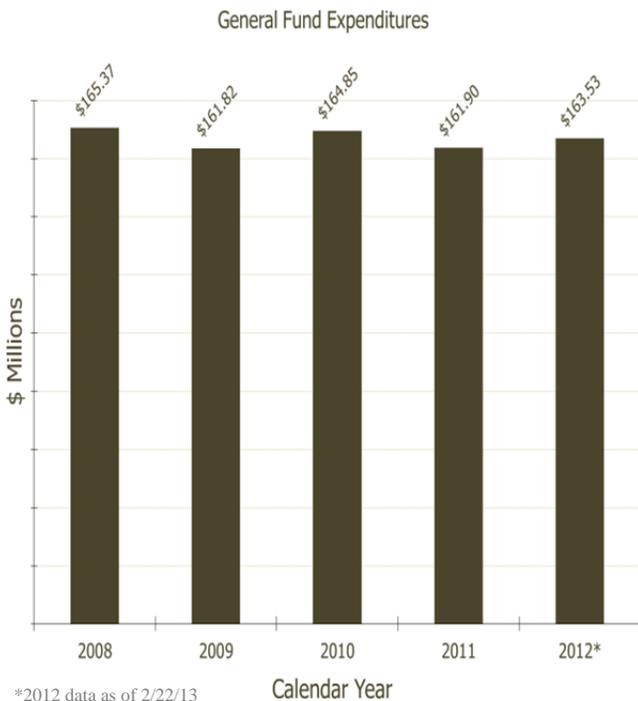
Hidalgo County has experienced difficult financial conditions due to decreased revenues; however, the county has demonstrated its ability to manage effectively during tough times and has been able to maintain a strong financial position.



*2012 data as of 2/22/13

FUND BALANCE

The estimated Unreserved Fund Balance at December 31, 2012 is projected at \$35 million 19.56% of the 2013 Adopted Budget.



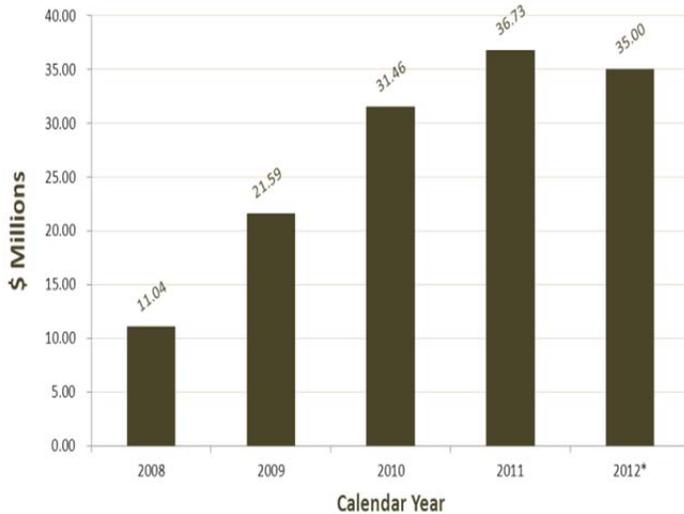
Fund Balance Management

Year	Adopted Budget	Projected Fund Balance (End of prior year)	% of Adopted Budget
2008	148.15	14.84	10.02%
2009	161.95	25.67	15.85%
2010	159.35	11.87	7.45%
2011	161.90	24.46	15.11%
2012	166.75	33.63	20.17%
2013	178.96	35.00	19.56%

Projected Fund Balance from Auditor's Estimated Revenues 2009-2013
Figures in millions

FUND BALANCE (continued)

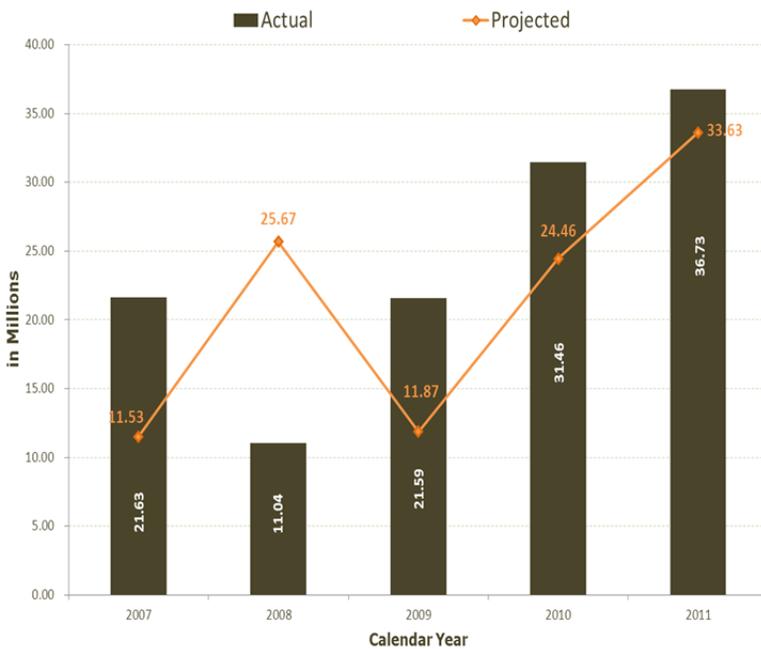
General Fund Unreserved Fund Balance



Auditor's CAFR 2008-2011

* - 2012 projection (Auditor's 2013 Estimated Revenue)

General Fund Unreserved Fund Balance Actual vs. Projected



Projected - Auditor's Estimated Revenues 2008-2012
Actual - CAFR 2007-2011

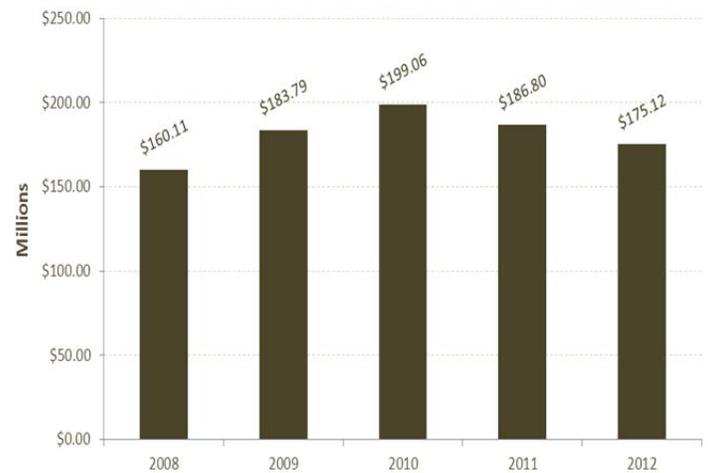
DEBT CAPACITY

With the current tax rate of 0.59, the 15% limit would be 0.0885. The debt service tax rate for 2013 is 0.0665.

Debt Reduction

Year	Amount Outstanding at year end	% Change
2008	\$160,111,312.26	-
2009	\$183,792,438.96	14.79%
2010	\$199,063,699.47	8.31%
2011	\$186,797,028.70	-6.16%
2012	\$175,120,986.34	-6.25%

Outstanding Debt



Auditor's Estimated Revenues: 2009-2013

BOND RATINGS

During the last ten (10) years, the County's credit ratings have increased from low investment grade of Baa/A-/NR, to Aa1/AA-/AA- by the three major rating agencies respectively.

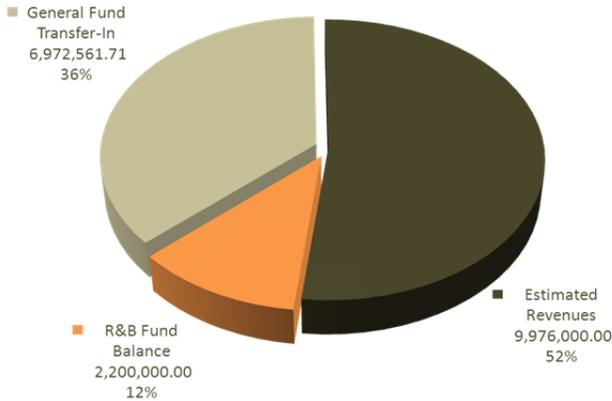
Hidalgo County Bond Rating

RATING AGENCY	FITCH RATINGS	MOODY'S INVESTORS SERVICE	STANDARD & POOR'S
Previous Rating	A+	A1	AA-
Current Rating	AA-	Aa2	AA-
Goal	AA	Aa1	AA

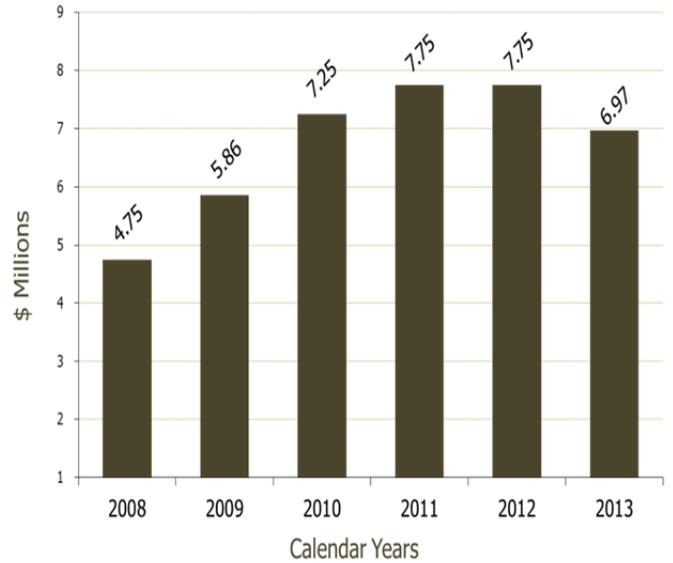
ROAD AND BRIDGE

The Road and Bridge Fund is the County's second largest operating fund and is comprised from vehicle registration fees, traffic fines, motor vehicle sales tax commissions and other fees. In 2013 estimated fund balance will be reduced by approximately \$2.2 million.

Road and Bridge
Where the money comes from

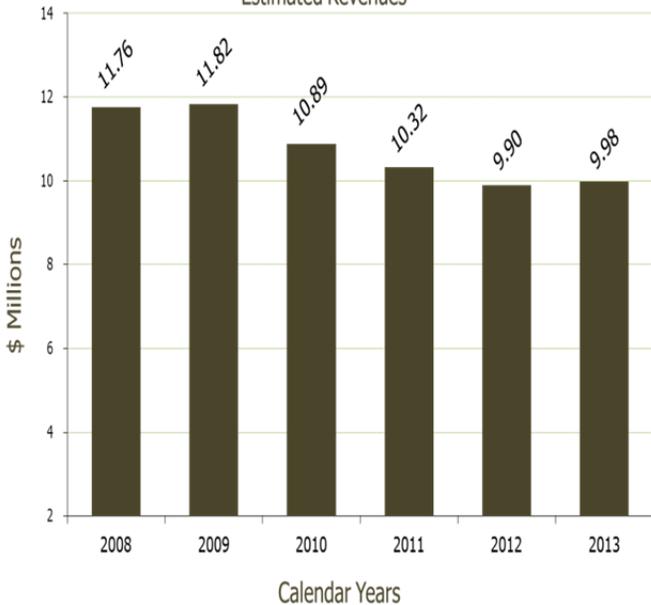


Road & Bridge
Transfer In - General Fund

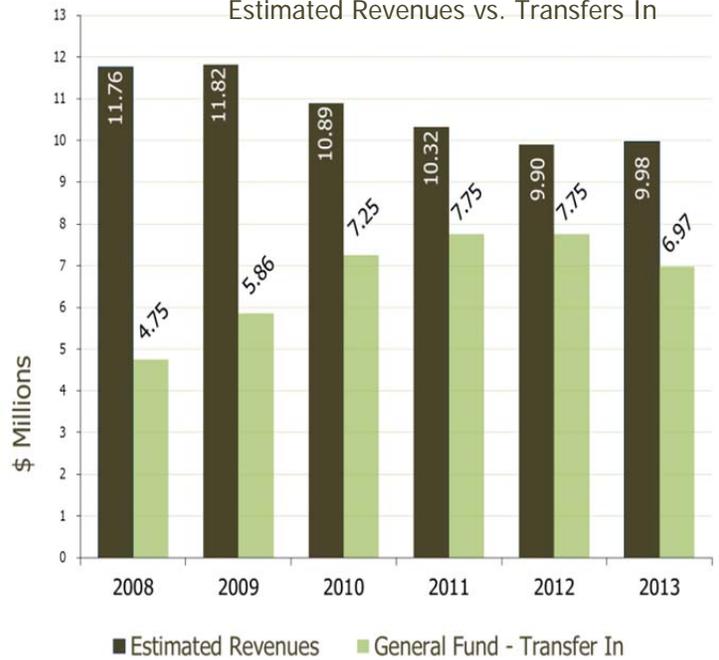


During the 2013 Budget Process, Commissioners' Court approved a 10% reduction of the Transfer-In from General Fund from 7.75 million to 6.97 million due to the estimated increase in Road and Bridge revenues.

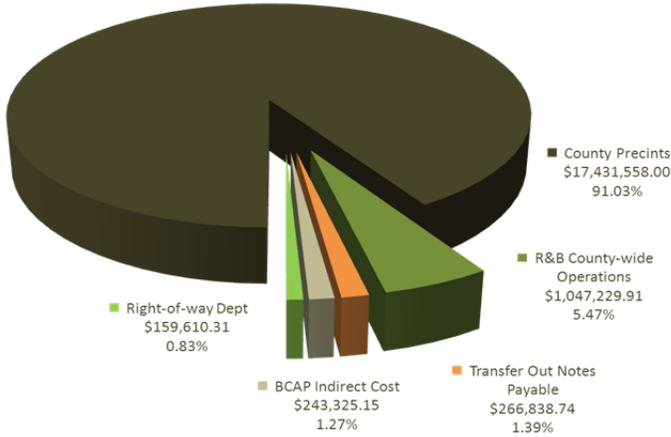
Road & Bridge
Estimated Revenues



Road & Bridge
Estimated Revenues vs. Transfers In



Road and Bridge
Expenditure by Allocation Category



Total 2013 available funding designated to the precincts, including scheduled transfers from General Fund total \$17,431,558, 91% of available funds for Road and Bridge

How Does Road and Bridge Funding Get Spent

Expense Type	Percentage	Budgeted Amount
Salaries	59.23%	\$11,341,792
Fringe Benefits	19.19%	\$3,674,946
Operating	20.18%	\$3,864,986
Transfer Out Notes Payable	1.39%	\$266,839

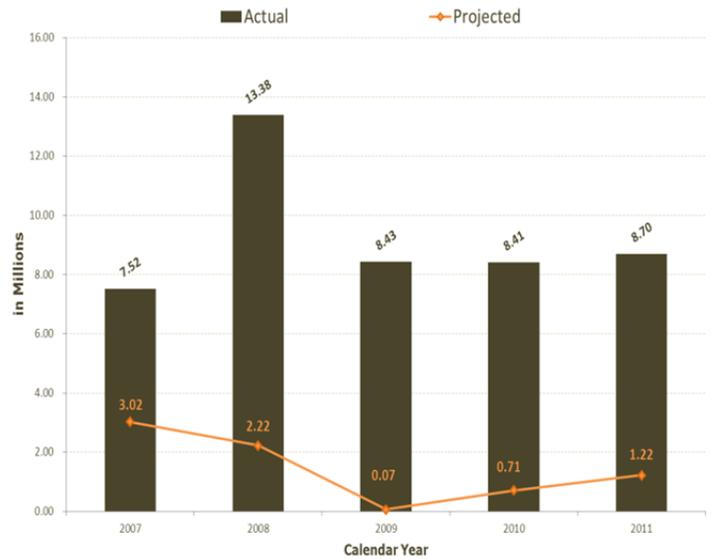
Total 2013 R&B Adopted Budget \$19,148,562

Road and Bridge Fund Balance

Year	Projected	Actual
2007	\$3,024,210.99	7,518,601.00
2008	\$2,223,244.98	13,383,766.00
2009	\$70,517.54	8,429,903.00
2010	\$710,200.36	8,411,274.00
2011	\$1,224,023.76	8,695,697.00
2012	\$2,282,438.41	-

Projected - Auditor's Estimated Revenues 2008-2012
Actual - CAFR 2007-2011

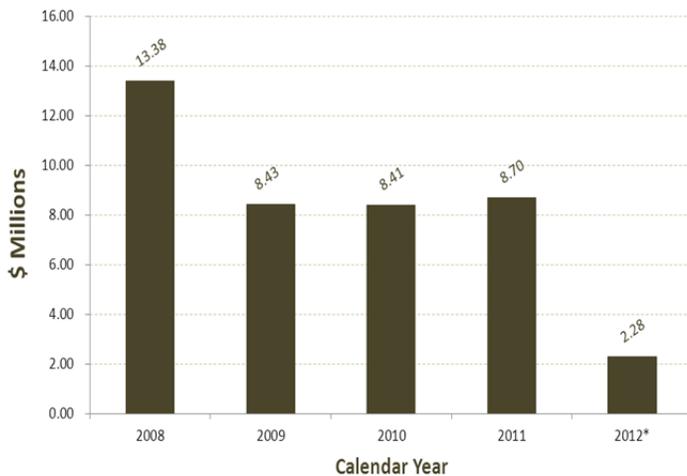
Road and Bridge
Fund Balance
Actual vs. Projected



Projected - Auditor's Estimated Revenues 2008-2012
Actual - CAFR 2007-2011

ROAD AND BRIDGE FUND BALANCE

Road and Bridge
Fund Balance



Auditor's CAFR 2008-2011
* - 2012 projection (Auditor's 2013 Estimated Revenue)