

STATE OF TEXAS

COMMISSIONERS' COURT SPECIAL SESSION
MEETING MINUTES

COUNTY OF COLLIN

AUGUST 15, 16, 17 & 18, 2016

On Monday, August 15, 2016, Tuesday, August 16, 2016, Wednesday, August 17, 2016, and Thursday, August 18, 2016, the Commissioners' Court of Collin County, Texas, met in a Special Session Workshop in the Commissioners' Courtroom, Jack Hatchell Collin County Administration Building, 4th Floor, 2300 Bloomdale Road, City of McKinney, Texas, with the following members present, and participating, to wit:

Judge Keith Self

Commissioner Susan Fletcher, Precinct 1

Commissioner Cheryl Williams, Precinct 2

Commissioner Chris Hill, Precinct 3

Commissioner Duncan Webb, Precinct 4

1. Judge Self called to order the meeting of the Collin County Commissioners' Court Budget Workshop Special Session at 4:05 p.m.

2. Public Comments.

MONDAY, August 15, 2016 at 3:00 P.M. – 5:00 P.M.

1. Overview of Budget Workshop Agenda

Monika Arris, Budget, came forward with an overview of the FY2017 Budget Workshop Agenda.

2. Recommended Budget Overview

a. General Fund

b. Road & Bridge Fund

c. Operating Fund

d. Health Care Trust

e. Total Combined Budget

Highlights of the recommended budget: The General Fund recommended budget is \$193.3 million. Without funding the one-time expenditures, which includes the second phase of the Sheriff's Office Public Radio System for \$7.5 million and the purchase of the Farmersville building for \$600,000, the General Fund recommended budget would be \$185.2 million for an increase of 5.5% over FY2016.

The Road & Bridge fund recommended budget has decreased 0.4%, or \$96,706, for a total of \$23.2 million. The Operating Fund's recommended budget consists of the General Fund, the Road & Bridge Fund and the Permanent Improvement Fund. When excluding the one-time expenditures for FY2017 this budget is increasing by 5.9% for a total budget of \$213.6 million. At the end of FY2015 the carryover for all funds into FY2016 was \$38 million which was on projects in their beginning phases. Going forward, Commissioner Williams asked Budget to identify, from the carryover funds, what dollars have been unspent from prior budgets which may be available versus items that have yet to be paid. The Permanent Improvement Fund recommended budget is \$5.3 million. This fund has \$92,724 more in revenues than expenditures for a revenue estimate of \$5.4 million. The Permanent Improvement Fund is receiving tax dollars for the first time since FY2009. The majority of the dollars in this fund is on loan to the Outer Loop. The Healthcare Fund Budget is \$4.3 million for a 7.4% increase over FY2016.

Without the one-time expenditures the total combined budget for FY2017 has an increase of 7.9%. If the \$6 million for the CCTRA (Collin County Toll Road Authority) is also taken out, the growth for the FY2017 total combined budget is 5.9%. The total combined recommended budget for FY2017 is \$327 million.

One-time expenditures from FY2016 were eliminated for a reduction of \$31.4 million. Increases to the FY2017 budget include: \$32.8 million in department improvements, \$1.6 million for new positions, \$6.3 million in debt service payment, \$7.1 million in salary and benefits and \$18.1 million for one-time expenditures.

There are 74 positions requested for FY2017, with 21 being recommended, for an increase of \$1.6 million. The requested positions and/or position changes include: A net of one-half position increase for IT; a net zero change for IT-Records; a net zero change for IT-GIS (Geographic Information System); a two position increase for County Court at Law Clerk; a one position increase for County Court at Law Clerk – Indigent Defense; a net zero for County Court at Law Clerk – Probate; a net one-and-a-half position increase for the Medical Examiner; a one position increase for the District Clerk; a one position increase for the County Auditor; a six position increase for the Tax Assessor; a net three position increase for the District Attorney; a one position increase for the Sheriff's Office; eight positions moving from Homeland Security to the Fusion Center; a one position decrease for the Fire Marshal; a ten position decrease for Homeland Security which has been split between the Fusion Center and Emergency Management;

a two-and-a-quarter position increase for Emergency Management; a six position increase for Juvenile Detention; a net zero change for Road & Bridge; a one position increase for Engineering; a net zero change for County Clerk Records; a net zero change for Healthcare; and a three-quarters position decrease for Bioterrorism.

The recommended salary and benefit changes include a 5% PFP (Pay for Performance) and an increase in medical from \$900 per month per full-time employee to \$1,050 per month for a total cost of \$7.1 million. (Time: 4:19 p.m.)

f. Permanent Improvement Fund – FY 2017 Recommended Projects

There are currently 42 PIPs (Permanent Improvement Project) recommended for a total of \$7,355,500. Of the 42 projects, 16 are budgeted for Facilities to do in-house, 19 are budgeted for the Construction & Projects Team, one budgeted for Public Works to do in-house and six have been added to the IT Badge Reader Project. The projects are given a points system based on the amount the staff can handle. Currently there are 42 recommended points.

Judge Self said the Court needs to start considering outsourcing every time it is possible to reduce personnel and costs. Ms. Arris said labor is not included in the \$7.35 million but some projects are contracted out depending on the project. The budget will be reduced by \$2.2 million automatically. Notification was just received from Wylie that they will be including the County in their rebuild. The \$2.2 million was budgeted in case the County needed to build a building to house the JP (Justice of the Peace) and Constable Offices which were severely damaged during a hailstorm. This will reduce the projects for the Construction & Projects Team to 18 projects. The County will be responsible for the finish-out of the offices but that is not in the FY2017 budget.

Commissioner Hill asked where the County would see savings if the recommended projects were outsourced. Ms. Arris said savings may be seen in terms of time by getting different contractors in sooner rather than staff having to do one project after another. Judge Self said this will require new thinking. The Court could allow County departments to bid alongside the commercial sector for the projects. Overtime this way would reduce staffing levels accordingly. Commissioner Webb is willing to look at the bidding approach, but said in some cases the County is spending more on consultants than what could be done in-house.

FY2017 PIPs (Permanent Improvement Project): The PIPs in the Administration Building include the installation of panic buttons and automatic locks on Motor Vehicle lobby doors for the Tax Office. These will be added to the IT Badge Reader Project. The Central Plant projects included upgrading generators, replacing carpeting, upgrading the County Energy Management System and the first year of a five year UPS (Uninterruptible Power Supply) upgrade across the County.

The Courthouse projects include the addition of a badge reader to restroom doors located next to the District Attorney's office, the removal of mobile shelving in the District Clerk's Office and the relocation of the MHMC (Mental Health Managed Counsel). The project for the Constable's office in Wylie has been removed. The project for Elections is the installation of a universal controller for the heaters and exhaust fans. The project for the Wylie WIC (Women, Infants and Children) is the construction of two walls to enclose front desks with a front counter. The Justice Center has several projects: 1) replacement of the roof; 2) replacement of the infirmary vinyl composition tile; 3) enclosure of the Sheriff's Office lobby with bullet proof materials; 4) cleaning of the ventilation system; 5) installation of the Duress Alarm System in Admissions, Classification and the Jail Case Coordinator's office; 6) installation of cameras in Lower Level Booking and Recreation Areas; 7) refinishing of the staff restroom floors; and 8) replacement of non-functioning towel hooks. The Juvenile Detention project is the renovation of the Juvenile Intake Processing Area. The Minimum Security projects are the replacement and coating of shower floors and upgrading the security camera system and door operator system. The Myers Park projects are replacing the concession stand floors in the Show Barn, working on the automatic roll up doors in the Show Barn and demolition of Baxter Barns. The Myers Park – The Landing project is upgrading of the EST2 fire panel. The Post Office Museum project is restoration and updates to meet current ADA (Americans with Disabilities Act) requirements. The Public Works – Farmersville project is installation of water fill stations. Public Works – McKinney has several projects; 1) installation of water fill stations; 2) replacement of a bulk storage tank; 3) replacement of a water fountain; 4) reconfiguration of the Parts Office; 5) replacement of carpet; 6) addition of badge access at the Red Barn; and 7) addition of employee lockers. The 920 Building in Plano projects are the installation of panic buttons and repair of an external glass door in the Tax Office. The Tax Office – Frisco projects are installation of panic buttons and replacement of an interior window. (Time: 4:32 p.m.)

Judge Self recessed the meeting of the **Collin County Commissioners' Court Budget Workshop Special Session** at 4:32 p.m. until 9:00 a.m. on Tuesday, August 16, 2016.

TUESDAY, August 16, 2016 at 9:00 A.M. – WEDNESDAY, August 17, 2016 at 5:00 P.M.

Judge Self reconvened the meeting of the **Collin County Commissioners' Court Budget Workshop Special Session** at 9:03 a.m. on Tuesday, August 16, 2016.

g. Outside Agency Budgets

Judge Barnett Walker, County Court at Law 2, came forward to ask for \$1,000 yearly for his Court Reporter, Kristen Kopp, for Real Time Transcription. Currently, Ms. Kopp is the only court reporter who provides this service for County Court at Law. The annual cost for the subscription is \$300 plus \$800 in updates each year. District Courts are required to have this and provide an annual \$1,000 stipend for court reporters who are certified.

Judge Walker is the only judge handling crimes against children cases which are first and second degree felonies, and he often uses the real time transcription to make his rulings. (Time: 9:11 a.m.)

Terri Green, CPS (Child Protective Services), came forward to address the Court. Ms. Green is asking for her budget to stay the same at \$46,330 but she would like the funds reallocated. They have eliminated the Drug Testing expenditure which has accounted for 46% of the prior year's approved funds and reallocated this money to other expenditure accounts. There is federal funding available for training, so Ms. Green asked for \$7,500 to be reallocated from Drug Testing to Education Conferences. Ms. Green also learned the federal government will reimburse for Personal Incidentals such as graduation caps and gowns. These had been budgeted under Special Needs but will now be referred to as Personal Incidentals to mirror the federal guidelines. Ms. Green proposed reallocating \$7,915 from Drug Testing and putting it in Special Needs/Personal Incidentals. The balance of the Drug Testing funds would then be reallocated to Clothing for a total of \$18,915. Ms. Green added that CPS is currently serving over 400 children in Collin County. (Time: 9:21 a.m.)

Leslie Scott, Prosper Community Library Director, came forward to request \$85,850 for Collin County libraries. McKinney and Allen libraries have opted out and the remaining libraries include Celina, Farmersville, Melissa, Princeton, Prosper and Wylie. The allocation of funds would be based on an even split between the six participating cities. Some of the many services offered by the libraries include voter registration, polling locations, tax forms and government information, outreach with the police and fire departments, classes such as ESL and GED, resume assistance, a meeting space, book talks, scouts, genealogy, disabled programs, summer reading programs, tutoring, senior programs and a safe place that is environmentally controlled.

Commissioner Williams said some of the larger libraries like Frisco and Plano have started charging for their services to people outside their city limits and asked why the smaller libraries are resistant to that idea. Ms. Scott likened libraries to parks which are free and feels the bulk of patrons come from the surrounding areas. There was a brief conversation regarding the formula which was used in the past for library accreditation. Ms. Scott said the balance of the funds for accreditation would have to come from other sources such as grants and donations. (Time: 9:35 a.m.)

Randy Routon, Ph.D. & CEO of LifePath Systems, came forward with a PowerPoint presentation. The three divisions of services offered at LifePath that are primarily state and federally funded are ECI (Early Childhood Intervention), IDD (Intellectual and Developmental Disabilities) and Behavioral Health. ECI and IDD are not requesting an increase to their budgets for FY2017. Behavioral Health Services has requested a budget of \$1,571,360 for FY2017 which is an increase of over \$1 million. The Department of State Health Services does not provide enough Crisis General Revenue to cover all of the services our County needs. Required services include Mobile Crisis Outreach and a 24/7 Mental Health Crisis Hotline. These services take up the majority of the State allocation of Crisis Funding.

Without a local hospital district to care for indigent mentally ill clients, an alternative to hospitalization is required. This alternative is an Extended Observation Unit. Dr. Routon said this is the most effective way to see most of the people who are going to be held for 24 to 48 hours. This is being built in McKinney and the LifePath Board has committed approximately \$3 million to renovate the building. There will also be a crisis respite facility in the same building where a person can voluntarily stay for up to five days. This gives a greater time to address the issues that caused the crisis. The total match request is \$2,166,018 and that generates \$32,100,439 for Collin County services in federal, state and local dollars. There was a brief discussion about the massive growth in the mental health budget. (Time: 9:54 a.m.)

Judge Self said when looking at the combined budget history over the last four years, including the FY2017 recommended budget, we were up 8% in FY2014, up 7.7% in FY2015, up 3% in FY2016 and are now up 7.9% for FY2017. Population growth and inflation numbers should determine how much the County should grow. Assuming a population growth of 3.5% and 1% inflation, the FY2017 budget should be \$324.5 million. Cutting \$10 million from the FY2017 recommended budget would give the County 4.5% growth. One of the ways to maintain a healthy fund balance is to not only look at the tax rate, but also the budget. The CAFR (Comprehensive Annual Financial Report) shows a general fund balance of \$180 million unrestricted over the last two years. The Judge said the Court should decide what is reasonable and what the expectations of budget growth are and work towards that. The Commissioners agreed to move in this direction. (Time: 10:08 a.m.)

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 10:08 a.m. The meeting was reconvened at 10:15 a.m.

3. Items for Court Consideration

a. Elected Officials / Department Heads who wish to address the Court

Elected Officials / Department Heads' presentations began at 2:35 p.m. following the Compensation / Benefits presentation.

b. Other Items for Court Consideration

These discussions began at 9:00 a.m. on Wednesday, August 17, 2016.

c. Compensation / Benefits – Discussion and any action

1. AI-41957 Uniform Pay Policy

Judge Self read the Uniform Pay Policy at 4:49 p.m. on Tuesday, August 16, 2016.

2. AI-41958 Elected Officials Salaries Proposal

This vote was taken without discussion at 11:48 a.m. on Thursday, August 18, 2015.

3. AI-42068 Performance Budget

Cynthia Jacobson, Human Resources, gave a PowerPoint presentation on the Collin County 2016 Benefits. From 2014 to 2015 there was a \$3 million increase in total claims costs. The average number of employees covered is approximately the same as in prior years. Employees pay a fixed rate for coverage and the County picks up the remainder of the cost. In 2015 money had to be transferred to cover the overage in employee claims. It is expected that claims will be higher than what is budgeted in 2016 so there will again be a transfer of funds.

When compared to several cities and counties, Collin County was on the high end of average premium cost per employee for the premium plan in 2015. The utilization of medical benefits is essentially 100% which is 6% above normal utilization. The average number of insured members is 3,274; and for every insured employee, the County also covered an average of 1.37 dependents. The biggest issue is high cost claims which are claims that exceed \$50,000. Almost 38% of the County's cost was due to high cost claimants for an increase of 4%. Catastrophic cases are 6% above the normal number of cases. There were 50 claims over \$50,000 in 2015 which is an increase of four claims. Of those, 34 claims were between \$50,000 and \$100,000 which is an increase of five claims. There were 16 claims over \$100,000 which is a decrease of one claim. Of those claims, six were over \$250,000 which is an increase of five claims. There was a 16% increase in the average cost of a high cost claim compared to a 7% increase the prior year.

Top diagnosis categories for the County are musculoskeletal system, injuries and poisonings, cancer, circulatory system and digestive system. Musculoskeletal claims decreased by 3% and are 10% higher than our peer group; 48% are high cost claims. Injuries and poisoning claims were equivalent to last year and are 5% higher than our peer group; 43% are high cost claims. Cancer claims were equivalent to last year and are 13% higher than our peer group; 57% are high cost claims. Circulatory system claims decreased by 5% and are 4% higher than our peer group; 53% are high cost claims. Digestive system claims decreased by 7% and are 5% higher than our peer group; 24% are high cost claims.

The County's pharmacy costs were almost \$5.4 million for the year which is 35% of total costs. This is an increase of 14% from 2014. The County's contribution is almost \$4.8 million of the \$5.4 million which is an increase of 16% from 2014. The employees' contribution is over \$620,000 which is approximately the same contribution total as last year. The employee cost share per prescription has decreased 3.5%. The top 15 drugs cost almost \$1.3 million, or 24% of total pharmacy costs. This area will continue to show issues for the County over the coming years. Specialty pharmacy costs totaled 21% of the total pharmacy costs.

Twenty-one percent of the total pharmacy costs were spent on specialty medications such as growth hormones and rheumatoid arthritis medications. Specialty drug costs increased 20%, more than \$200,000 from the previous year. This represents 0.6% of utilizers. Ms. Jacobson explained that the specialty drugs are used by those who have used other drugs and are now at a need for a higher level of care. Specialty drugs are not typically prescribed as a first line of defense.

Major cost drivers for the County include orthopedics, diabetes and cancer. These were the highest in spend and prevalence. Musculoskeletal system diagnoses surpassed circulatory system diagnoses as the primary clinical cost driver. Those with more than \$50,000 in medical net payments represent 1.5% of claimants and 38% of medical costs.

Collin County's deductible is lower than the average and is in the lower quartile though the state still has a zero deductible plan. The County is also low on out-of-pocket expenses. Primary physician copay is low to encourage the use of primary physicians. The average primary care physician cost is \$57.55 per member per month. The County has one of the largest differentials between the primary physician copay and the specialist copay. The average specialist cost is \$199.72 per member per month which encourages members to see their primary care physician first. Collin County has one of the lowest percentages of services paid at 75%, but in-patient hospital stays and outpatient surgeries are covered at 100% after applicable copay and deductibles. The County's out-of-pocket maximum is at \$2,000 which is lower than the average of \$3,000. The ACA (Affordable Care Act) limits what can be done with out-of-pocket maximums.

The dental plan is basic and everyone has a deductible of \$50 which is consistent with our counterparts. The plan maximum is \$1,000 and is lower than the majority of our counterparts. Of the 1,391 insured, 94 used the maximum level of benefits.

Ms. Jacobson explained insurance changes are based on the fact that there are a large number of employees with salaries under \$50,000. Collin County's employee only contribution is above the average. Employee/spouse and employee/family premiums are in the lowest quartile. Employee/child(ren) contribution is in the second quartile. The dental plan is a two-tiered premium design while the majority of plans have a four-tiered premium design. Both of the County's premium tiers are in the lowest quartile for premium payment. The majority of employees enroll in the Advantage Plus plan which offers a higher level of benefits and a lower deductible than the Advantage plan. The plan demographics show 910 employees are enrolled in the Advantage Plus plan and 515 are enrolled in the Advantage plan. The younger population tends to enroll in the Advantage plan while the more mature population enrolls in the Advantage Plus plan. The employee contribution percentage survey showed that Collin County is in the lower end of the peer group for the percentage paid by employee for employee/spouse and employee/child coverage.

Virtual visits were added in 2016. This allows employees to see a doctor from a mobile device or computer for basic care needs. The copay for this service is \$25 which is equivalent to an urgent care visit copay. A toll-free nurse line and employee assistance program was also added. Employees have access to nurses and counselors to assist with personal, legal, financial and emotional needs. The pharmacy network was changed in 2016. This included large retailers such as Walgreens, Walmart and Kroger and excluded CVS. The six month savings has been almost \$70,000 with a \$150,000 savings predicted for the one year mark.

The County has an on-site Nurse Liaison who has engaged over 250 unique individuals on a one-to-one basis. In 2015, the Nurse Liaison primarily focused on diabetes, identification of high risk employees and emergency room visits. She worked with 12 participants in October 2015 on cancer prevention and has created a diabetes support group to address various topics.

Regarding diabetes, the number of claims with a diagnosis of diabetes with complications has increased 12%, but the claims paid per member per month has decreased 10% and is 53% lower than our peer group. The number of claims with a diagnosis of diabetes without complications has increased 13%, but the claims paid per member per month has decreased 11% and is 13% lower than our peer group.

Hospital inpatient admission increased 13% in 2015, and emergency room visits increased 11% which is 21% lower than our peer group. The number of urgent care visits increased almost 25%.

Employers are required to report employer contributions to retiree benefits on their CAFR (Comprehensive Annual Financial Report) as a liability due to GASB (Government Accounting Standards Board) rules. Retiree insurance costs increased in 2016. Four retirees are currently enrolled in medical insurances as of July 1, 2016 and there have been no new enrollments in retiree medical coverage since October 1, 2015.

The ACA requires a very detailed set of calculations annually that show we are covering an appropriate level of healthcare costs. Children are required to be covered until the age of 26. Collin County's Advantage plan meets affordability and coverage requirements and must be re-evaluated annually. ACA charges additional fees: a PCORI (Patient-Centered Outcome Research Institute) fee which is minimal at \$2.17 per covered member and a Transitional Reinsurance fee which was a three year fee to help insurance companies with some of the high claim situations occurring under ACA. The Transitional Reinsurance fee is set to expire this year.

The Cadillac Tax implementation has moved to 2020. There are new IRS (Internal Revenue Service) tax forms for CSCD (Community Supervision and Corrections Department) employees because the County does their payroll.

The Collin County Wellness Program includes annual physicals, cholesterol screening, well man/woman examinations and an online health assessment. Employees must have their height, weight and BMI (Body Mass Index) measured. The program is ACA and HIPAA (Health Insurance Portability and Accountability Act) compliant. UHC (United Healthcare) recognized Collin County as having the highest wellness utilization of their book of business. The County's BMI statistics showed that 52.4% of employees are in the obese category and 31.9% are in the overweight category. Ms. Jacobson said her department is open to suggestions on weight loss programs to help get these numbers down. The previous year-long program which focused on weight loss, behavioral modification and exercise was not a success overall. Commissioner Williams asked if the County has the legal ability to charge those people a surcharge. Ms. Jacobson said this could be done if we are not doing it from a medical standpoint. If a person has a medical reason for the weight, they cannot be charged a surcharge. Commissioner Fletcher was not in favor of charging those employees but rather providing programs to help them.

Ms. Jacobson reviewed some of the plan design change considerations. Considerations include: 1) place a service tier pricing or narrow the service networks for a savings of \$250,000; 2) change hospitalization from 100% with a copay to the same coinsurance percentage as other services for the Advantage Plus plan for a savings of \$60,000; 3) increase specialist copay to \$50 for the Advantage Plus plan for a savings of \$101,000; and/or 4) provide for a medical necessity review of bulk chemical/compounded medications in excess of a \$1,000 copay for a savings of \$599,000. If all options are chosen, the savings to the County would be close to \$1 million. The Court would like to see numbers on raising the deductible and implementation of the other considerations in term of costs, savings and peer comparison.

As for pharmacy considerations there are two possible options. Option one savings is \$1 million and the second option saving is \$830,000. This would introduce coinsurance into the pharmacy plan with minimum and maximum copayment amounts for each tier within both options. There will still be an out-of-pocket maximum of \$2,000 which includes drugs.

Wellness update incentive options include: increase employee wellness payment from \$200 to \$400; increase spouse wellness payment from \$200 to \$400; and eliminate discount on monthly insurance premiums. The majority of employees are already completing the wellness forms for the current discounts; therefore, the Court did not see this as a favorable option. (Time: 11:19 a.m.)

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 11:20 a.m. The meeting was reconvened at 11:30 a.m.

Cynthia Jacobson, Human Resources, returned with a presentation on TCDRS (Texas County and District Retirement System). The plan has a 7% deposit rate, 200% matching rate, an eight-year vesting period and a 7% guaranteed interest rate. Ms. Jacobson compared the County's plan to 11 counties and six cities. If TCDRS does not make the guaranteed 7% rate of return, the County is required to make up the differential.

Currently there is no unfunded liability using the five-year asset recognition method. As of December 2015, our plan has a reserve of \$11,689,647 which is a funded ratio of 103.1%. Gains or losses that are smoothed are not reflected in the overfunded/unfunded liability. If an immediate asset recognition method were used instead of a delayed asset recognition, the unfunded liability would be \$23,468,041 which is a funded ratio of 93.7%. The minimum required contribution rate for 2017 is 6.22%. TCDRS did not reach their investment return goal of 8% for 2015. Actuarial gains and losses are smoothed over five years and will be recognized over time.

TCDRS is going to make some changes that will impact employees. They are going to change the time in terms of how long they think former employees continue into their retirement. Everything that goes into the plan will be using the new calculations. This is due to the fact that people are living longer. The rates will apply to all deposits effective 1/1/2018 onward. There will be no impact to benefits already earned or to current retirees. They will also do a new actuarial study in 2017 which may affect 2018 rates.

GASB (Governmental Accounting Standards Board) Statement 68 requires Collin County to report TCDRS pension liability/assets on the CAFR. Automatic COLAs (Cost of Living Adjustments) increase the calculated rate of funding, as they assume annual COLAs for all plan participants continuously into the future and require funding of this liability to be reported on the CAFR. Collin County has historically adopted various COLA options including 60% to 100% of CPI (Consumer Price Index), 3% to 8% flat rate and no COLA. Last year a COLA was not approved for plan year 2016. Beginning in 2017, we will be eligible to adopt a COLA without an automatic COLA designation for that year. In general we will be eligible for a COLA going forward every three years. There are 711 individuals currently collecting TCDRS benefits, 306 current employees are eligible to retire now, and 333 additional employees will be eligible to retire in the next five years. Ms. Jacobson reviewed the cost estimates for the COLA options for the 2017 plan year.

The Court needs to determine if the employer contribution rate is to remain at 8% and make a determination of any retiree COLA. (Time: 11:42 a.m.)

Ms. Jacobson's next presentation was on Legal Compensation which focused on reviewing the salary ranges for attorney positions in the District Attorney's office. The positions included Misdemeanor Prosecutor, Chief Misdemeanor Prosecutor, Felony Prosecutor, Felony Appellate Attorney, Chief Felony Prosecutor, Chief Appellate Attorney and 1st Assistant District Attorney. Five other counties and the State of Texas were used for comparisons. Collin County ranks well on salaries for misdemeanor prosecutor and appellate attorney positions.

The turnover rate annualized for 2016 is currently projected at 18% overall for the DA's office and 26% for the prosecutors only. This is the highest turnover rate in the DA's office since 2011 when it was 31.5%.

The positions with a minimum and maximum variance of +/- 10% of the comparison averages were identified. None of the positions reviewed exceeded the 10% variance from the average. Felony Appellate Attorney does not meet our variance requirements but ranks five out of five in both pay range minimum and maximum. Ms. Jacobson recommended increasing Legal pay ranges by 3% which is in line with the market and moving Misdemeanor Prosecutor to pay grade 580. There was a lengthy conversation regarding moving the range and moving the people on the range. (Time: 12:14 p.m.)

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 12:14 p.m. The meeting was reconvened at 1:00 p.m.

Commissioner Hill gave a short presentation regarding market ranges and the midpoints on the ranges. The sum of all midpoints will determine the optimum level for payroll. Subtracting the payroll total from the sum of all midpoints will show how close or far we are from the optimum position. If the ranges are moved and the people on the range are not moved, this will cause the gap to grow. Salaries will remain static and this creates wage compression. However, if everyone on the range is moved with the range, this does not give enough credence to competition. The Commissioner explained how to bridge the gap and accomplish both. For example, if a range was moved 3%, the midpoint would grow by 3% but nothing has changed with the salaries. The 3% movement in range funds and PFP (Pay for Performance) funds could then be distributed using a merit-based process. Judge Self said everyone does not need to receive the same amount. He suggested moving the star performers faster and the marginal performers at a slower rate. A lengthy conversation ensued. (Time: 1:24 p.m.)

Cynthia Jacobson, Human Resources, presented a PowerPoint presentation on Ancillary Benefits. These include employee-paid voluntary benefits and County-paid ancillary benefits. The largest benefit is PTO (Paid Time Off) which is based on years of service. When compared to other counties and cities, Collin County is on the lower end for PTO. CTO (Catastrophic Time Off) is no longer offered. Approximately 43% of employees still carry a CTO balance which is down 6% from last year. The total dollar amount liability for CTO is \$3.8 million. This does not have to be paid out if the employee leaves the County.

Compensatory Time Off is accrued for hours worked over 40 per week. There are two types – straight and premium compensatory time. The current liability for straight compensatory time is \$157,621 which is a 26% decrease. Current liability for premium compensatory time is \$933,619 which is a 12% increase. There was a brief conversation regarding compensatory time for exempt employees. Exempt employees can earn only straight comp time while non-exempt employees can earn straight or premium comp time. Employees with a combined comp time balance over 100 hours as of January 1st each year must reduce it to 100 hours or use 30% of their total comp time balance (whichever reduction is less) before PTO may be used for the year. Total comp time balances for employees having more than 100 hours decreased by 5% from January 2015 to January 2016. Four people have yet to reduce their time by the required amount and all four have reached their maximum PTO accrual.

A limited number of departments pay overtime. These include the Sheriff's Office, Animal Services, Road & Bridge, Medical Examiner, Elections and Facilities. There were 36,546 hours paid to County employees last year at a cost of \$1,097,409. In addition to this, Collin County paid \$114,251 to election workers for overtime. When compared to other counties and cities, Collin County is on the lower end for overtime pay.

Regular full-time employees are eligible for ten paid holidays a year which is average compared to cities and counties. Longevity pay was discontinued for new employees after December 18, 2007. Of the 1,709 County employees, 711 are eligible for longevity pay. Last year \$3,559,124 was paid in longevity pay which is a 1% decrease from the prior year. For comparison, other entities generally do some form of longevity pay.

Shift differential is a premium paid to employees who work the second and third shifts for the Sheriff's Office, Juvenile Detention and Facilities as part of their regular schedule. Last year \$351,990 was paid for shift differential. This is not a standard benefit and most other entities do not offer this.

Call-in pay provides a guaranteed minimum of two hours pay for non-exempt employees who are called back to work after leaving their work location or are called in to work on a scheduled day off. The County paid \$4,580 in call-in pay to 47 employees last year.

Court reporters in a district court or county court at law receive 240 compensatory time hours per calendar year. The hours are to be used when the court reporter is unable to perform their duties due to other official work. Any remaining balance is forfeited at the end of the calendar year. Last year \$86,347 was paid in court reporter compensatory time.

Four employees in Juvenile Probation receive a stipend as ordered by the Collin County Juvenile Board. These stipends began in October 2012. The money for these stipends comes from Juvenile Probation's out-of-county sex offender revenues. There are two categories of stipends provided to qualified CSCD (Community Supervision and Corrections Department) employees – specialized caseload and language. These stipends do not have to be renewed each fiscal year. A court order is provided by the Director of CSCD and continues until the employee terminates or until the Director suspends the stipend.

Collin County pays employees for their time off when they are summoned to serve on a jury. Prior to FY2014, wages were reduced by the amount of jury pay received from the state. This practice was eliminated effective October 1, 2013.

Collin County pays the entire cost of short term and long term disability benefits. Short term is self-funded and long term is fully insured. Short term disability is not offered by the other counties in the comparison because those entities do not have a maximum sick leave accrual limit. Denton County's maximum sick accrual is 960 hours, or 24 weeks.

The County provides full-time employees with \$50,000 in life insurance and \$50,000 in accidental death and dismemberment. Premiums totaled \$57,658 last year which was a 70% increase. Employees can purchase supplemental life policies that are one or two times their annual salary.

Collin County offers three 457 deferred compensation plans. Long term care provides nursing and custodial care benefits for assistance with daily life activities. This coverage is provided at no cost to the employee if they are regular full-time and have at least eight years of eligible service. Employees with less than eight years of service are responsible for the full cost. When compared to other counties and cities, Collin County is the only one to provide this coverage.

Tuition assistance is offered to encourage the enhancement of job related skills. The employee must remain employed with the County for a defined number of years based on the amount of assistance they received each calendar year. The County paid \$165,002 in tuition assistance to 37 employees which is a 12% decrease. Of the 190 employees who have used this program, only seven have defaulted.

Workers' Compensation insurance provides for medical, surgical and hospital treatment as well as compensation for lost wages in the event an employee is injured on the job. There was a 29% decrease in indemnity payments, a 10% decrease in medical bill payments and a 63% decrease in miscellaneous charge payments.

Elected Official Motivation and Safety Pay for 2015 totaled \$5,145 for motivation pay and \$46,750 for safety pay. The safety pay was weather related.

There are a few ancillary benefits offered by other counties that Collin County does not provide. There were no recommendations for ancillary benefits. (Time: 1:58 p.m.)

The next presentation was on Law Enforcement Compensation focusing on reviewing the salary ranges for various law enforcement positions throughout Collin County. There are approximately 426 employees, or 89%, in the 17 benchmark law enforcement positions with an average length of service of ten years. Ms. Jacobson reviewed benchmark position turnover. Turnover runs higher in the entry level positions. Overall the turnover for FY2015 for benchmark positions was 15%. The overall turnover excluding Detention Officers was 8%. Turnover calculations include everyone who is no longer with the County, even those who retired.

When looking at pay-in-grade for non-exempt benchmark positions, 42% are in the first quartile and 34% are in the fourth quartile. For exempt benchmark positions 32% are in the third quartile and 45% in the fourth quartile. Responses to the exit interview inquiry showed that 78% of respondents agreed or strongly agreed that they were provided an adequate rate of pay for their job.

Regarding supplemental pay, all cities and counties are state mandated to pay longevity pay. Most do not offer special teams pay and a few offer education pay; Collin County offers neither of those but does offer training officer pay. All comparable cities and counties offer TCOLE (Texas Commission on Law Enforcement) Certification pay except Collin County, but only Collin and Tarrant Counties offer shift differential.

Ms. Jacobson then shared additional information by position. There are 242 authorized Detention Officer positions with 218 incumbents. The average length of service is seven years and the starting salary is \$35,195. Thirty percent of the Detention Officers are in the top quartile and 52% are in the first quartile. Collin County is above average, ranking three out of eight, for minimum and maximum salary.

There are 26 authorized Transfer Officer positions which are filled. The average length of service is seven years with a starting salary of \$40,319. Twenty-seven percent are in the top quartile but none are at the pay grade maximum. Collin County's minimum and maximum pay ranks four out of five for the surveyed counties. Two of the surveyed counties use peace officers in this position and two use detention officers. Collin County went between the two groups to get the salary range.

There are 13 Lieutenant positions as assigned to the jail. Of those, ten are assigned to house and three to various other jail areas. The average length of service is 17 years. The pay range for this position is \$65,357 to \$87,606. The housing Lieutenant position performs first-line supervision of detention officers. Therefore, the position was matched to positions at other organizations that also perform first-line supervision duties in detention facilities. Lieutenants are typically promoted from within, so minimum pay is generally not applicable. Collin County's maximum salary is the second highest of all matches at other organizations.

There are four Captains assigned to the jail with an average length of service of 24 years. The pay range for this position is \$75,917 to \$101,749. Two Captains are in the top quartile of the pay range, but none are at the pay range maximum. The County's minimum salary is 6% above the market average and the maximum is 1% above. Captains are typically promoted from within, so minimum pay is generally not applicable.

Collin County has one Jail Administrator who has served 26 years. The pay range for this position is \$88,961 to \$119,218. The County's minimum pay is 1% above the market average and 3% below for maximum pay.

There are some jail positions which are not benchmarked because the County entity is unique; therefore, the positions are compared by job duties within the range. There are 20 authorized Dispatcher positions with an average length of service of eight years. The pay range is \$37,676 to \$50,500 which was moved last year. Even after the move, Collin County ranked three out of seven for minimum salary, or 3.5% over the city/county average. The County ranked five out of seven for maximum salary, or 3% below the city/county average.

The County has two Deputy Sheriff – Recruit positions. Collin County ranked five out seven for minimum salary. Hires for this position are brought in at a range minimum of \$49,477.

There are 67 authorized Deputy Sheriff positions with an average length of service of 11 years. The pay range for this position is \$53,024 to \$71,041. Twenty-six incumbents, or 41%, are in the top quartile of the pay range of which 23 are within 2% of the pay range maximum. Collin County ranked six out of 11 for minimum and maximum salary, but is slightly above the city/county averages for both.

Collin County has 11 authorized Criminal Investigator positions with an average length of service of eight years. The pay range for this position is \$56,548 to \$75,795. Nine incumbents, or 82%, are in the top quartile of the pay range and are within 2% of range maximum. The County ranked one out of five for minimum salary and two out of five for maximum salary.

There are six authorized Sergeant positions: three assigned to Patrol and three assigned to Investigations. The job match for these positions are matched to Sergeants with patrol duties at other organizations. The average length of service is 13 years. The pay range for this position is \$60,351 to \$80,895. Half of the incumbents fall into the second quartile and the other half fall into the third quartile. The County is ranked four out of eight for minimum salary and five out of eight for maximum salary.

The County has eight non-jail Lieutenant positions: three assigned to Patrol and five assigned to areas other than Patrol or Jail. The average length of service is 19 years. The pay range for this position is \$65,357 to \$87,606. Five incumbents, or 63%, are in the top quartile of the pay range and are within 2% of pay range maximum.

Minimum pay is generally not applicable because Lieutenants are typically promoted from within. Collin County's average lieutenant salary is in line with the comparison county average.

There are two authorized Deputy Chief positions. The average length of service is 12.7 years. The pay range for this position is \$96,080 to \$128,747. Collin County ranked four out of seven for minimum salary which is 2% below the city/county average and ranked three out of seven for maximum salary which is 3% below the city/county average.

For benchmarked Constable positions, the County ranked two out of six for both minimum and maximum salary ranges. There are 19 authorized Deputy Constable positions. The average length of service is ten years. The pay range for this position is \$49,477 to \$66,311. Four incumbents, or 21%, are over range maximum as a result of title consolidation from FY2013 and two incumbents are at the maximum. Collin County is 5% above the county average for minimum salary and 2% above the average for maximum salary. Non-benchmarked Constable positions include the Chief Deputy Constable and the Deputy Constable II. There were no comparable positions with a 75% match to how our positions operate. The Court asked to see information on how these two positions are different.

The DA (District Attorney) has positions on the law enforcement scale. The Felony Investigator is a benchmarked position. There are 16 authorized Felony Investigator positions with an average length of service of 12 years. The pay range for this position is \$56,548 to \$75,795. Six incumbents, or 40%, are in the top quartile of the pay range; one within 2% of pay grade maximum and one over the maximum. Collin County's minimum and maximum ranked two out of four. The County is 6% above the county average for minimum and slightly under the average for maximum. Non-benchmarked positions include the Chief Criminal Investigator, Deputy Chief Investigator and the Misdemeanor Investigator.

There are 20 authorized Court Officer positions. The average length of service is 15 years. The pay range for this position is \$45,953 to \$61,537. Eleven incumbents, or 55%, are in the top quartile of pay grade, four are within 2% of the pay range maximum. Collin County's minimum salary ranked two out of six which is 5% above the county average for minimum. The County ranked four out of six for maximum salary and is slightly above the county average.

Based on regression analysis, it is recommended that the non-exempt law enforcement pay grades be increased by 3% and the exempt law enforcement pay grades be increased by 1% for FY2017. (Time: 2:26 p.m.)

Ms. Jacobson then presented a PowerPoint presentation on Exempt and Non-exempt Compensation. Legal and law enforcement salary ranges are separate from the exempt and non-exempt salary ranges. It is common for public entities to evaluate these grades independent of regular exempt/non-exempt scales usually resulting in different market pay adjustments and range spread.

Final changes to the overtime exemption rules for employees who may work more than 40 hours per week without being paid overtime were issued in May by the DOL (Department of Labor). These changes will affect two jobs – the Administrative Manager and Court Coordinator. Update to the exemption statuses must be implemented by December 1, 2016.

Exempt and non-exempt pay scale positions were benchmarked against five private sector groups, three neighboring counties and four cities within Collin County. There were 51 out of 57 exempt positions and 115 out of 145 non-exempt positions benchmarked. Positions selected to be used as a benchmark were based upon the quality and quantity of private and public sector matches.

Based on regression analysis, it is recommended that the exempt pay ranges be increased by 1.5% and the non-exempt pay ranges be increased by 3% for FY2017. This is reflective of the market value of the pay ranges and is not a salary increase recommendation. Individuals whose salary falls below the new minimum after annual increases would be adjusted to the new grade minimum on October 1, 2016. Individuals at the maximum of the pay range will have more base compensation available. (Time: 2:29 p.m.)

Ms. Jacobson's last PowerPoint presentation was on Final Compensation. PFP (Pay for Performance) budgeted increase is based on the Court's discretion. This decision is based on financial reality, market movement and County pay alignment in relation to the market. The current budget has 5% budgeted for PFP as a placeholder for the final decision. Ms. Jacobson showed the compensation history for the past five years for exempt/non-exempt, law enforcement employees, legal employees and the history of salary increases compared to other public entities.

The decisions required for FY2017 are: 1) PFP increase budget; 2) range movement for legal, law enforcement exempt and non-exempt and general exempt and non-exempt; 3) TCDRS COLA, 4) TCDRS contribution rate; and 5) benefit changes to medical, pharmacy and wellness. (Time: 2:35 p.m.)

Constable Gary Edwards, Precinct 2, came forward to address the Court on behalf of all the Constables. Constable Edwards first explained the mandated core functions of a Constable. The four budget items for consideration are in-car cameras, MDC (Mobile Digital Computer) for reserve unit/vehicle, rifle racks for patrol units and rifle helmets and plate carrier vests. The in-car cameras will enhance officer safety and reduce/mitigate liability to the officer, department and County. The cameras will reduce time and enhance quality of time spent on investigations by providing valuable visual information. The cameras are county standard and standard equipment in all CCSO (Collin County Sheriff's Office) patrol units.

The MDCs would go in the four reserve units. These provide critical real-time information to officers in the field. Since most reserves work the same hours to supplement staffing for officers, borrowing an MDC from another deputy is not a viable option.

The rifle racks enhance officer safety and may mitigate liability against the County. Rifles are currently carried in the trunk of the car and this would give the officer immediate access to the rifle. There are many documented situations in which officers dealt with a suspect using a rifle.

Lastly, the rifle helmets and plate carrier vests provide an additional level of protection against a threat using a rifle against officers. Constable Edwards said his officers are just as likely to be closest to an active shooter as the Sheriff's patrol. Vests currently worn by officers only protect against pistol calibers up to .44 Magnum and .357 SIG. The helmets and vests will mitigate liability by providing additional levels of protection.

Judge Self said another way to protect Constables is to take the markings off of the vehicles. Camouflage is better than outfitting everyone. The Judge presented three months of statistics on traffic stops made by Constables. Constable Edwards said his department does not make traffic stops, but they can be dispatched to a knifing. If a Deputy Sheriff needs back-up and a Deputy Constable is closest, he will be dispatched.

Caren Skipworth, CIO, said in FY2017 Constable MDCs will be on the refresh list so there will be four available to reuse. Commissioner Webb asked if there is a restriction on the number of reserves a Constable can have. Constable Edwards is not aware of any restrictions on this. Ms. Skipworth said while the MDCs are used, they will require a license. The total cost is approximately \$5,700 per unit. (Time: 3:01 p.m.)

Sheriff Terry Box came forward to address the Court. Sheriff Box is asking for two transfer officers to be added to his staff. In FY2000, 11 courts were added. During this time there were 12 additional transfer officers added to the court holding staff bringing the total to 26 transfer officers. There are now 22 courts and no new transfer officers have been added. There are 21 bailiffs but no relief bailiffs in the court system. In 2015 the transfer staff conducted 725 off-site transports. These transports require two deputies and last from two to eight hours. There were 4,636 inmates and 2,294 inmates safely coordinated through the jail plea system. There were 8,354 hours of security provided by transfer staff when inmates were admitted into local hospitals. 6,347 hours were spent providing a sworn deputy to relieve the court bailiffs in 2015. This is a strain on overtime in the Sheriff's Office because there are no relief officers for bailiffs and transfer officers. The cost for the two transfer officers is \$120,000.

The Sheriff is requesting two additional transfer officers to maintain a safe and secure court holding facility for both the employees of Collin County and our citizens. Sheriff Box will let the Court know what the cost is for the compensatory time and overtime created by the staff shortage.

The next item the Sheriff is requesting is 33 additional rifles (\$47,000), body armor (\$61,189) and helmets (\$25,500) for first responders to include civil deputies, mental health deputies and lieutenant supervisors in the Criminal Investigation Division. Deputy Chief Randy Clark explained there is a policy specifically for how these items will be utilized. They will not be used for regular traffic stops but rather for high-risk building searches and shooter situations. The rifles will be stored in an electronic gun rack in patrol vehicles. These officers serve felony warrants and perform felony transfers.

The next request is for three ballistic vests for reserve officers to replace the vests that are now out of compliance. The request also includes tasers for reserve officers. The total cost for these items is \$14,000. Monika Arris, Budget, said she is looking to the Court for recommendations because there is no current policy or direction for reserve officers for either the Sheriff's Office or Constables. There was a brief conversation regarding reserves.

The next item pertains to the travel and training budget for HLS (Homeland Security). The Sheriff is requesting either a car allowance or a car for the Fusion Center Director. This person is the head of a 16-county tactical fusion center and will be traveling over 16 counties. Commissioner Williams suggested using a vehicle from the County's motor pool. Commissioner Webb is concerned that by splitting HLS and Emergency Management they are now duplicating services and he has issues with Collin County taxpayers supporting a regional Fusion Center. Sheriff Box said they will look for grant funding and partnerships with the other counties for funding. In addition, Caren Skipworth, CIO, said the Fusion Center's current system is outdated, and the new technology needs a data warehouse to feed off of. Even if HLS had not split up, it would still need the new data system. The current system is at capacity. The environment that IT is proposing for \$115,000 has a seven-year shelf life which is much less expensive than paying annual Cloud services.

Lastly, Sheriff Box requested benchmarks from starting pay to top pay. For example, Major Mike Anderson was hired as a Major. When he retired after ten years of service with the County, he had just made it to the midpoint of his pay range. Of the 500 employees in the Sheriff's Office, only seven have reached top pay. When a new employee is hired, there is no way of telling him/her when they will reach the midpoint of their pay range. The Sheriff would like a roadmap to show employees where they will be in five years. A lengthy conversation ensued. (Time: 4:10 p.m.)

Dr. William Rohr, Medical Examiner, came forward to request a sixth field agent. The last time a field agent was added was in FY2014. Dr. Rohr reviewed the statistics and history of growth in the Medical Examiner's Office. Adding this position would give his office the ability to reduce hours worked down from a 24-hour day to a 12-hour day. With one more field agent, Dr. Rohr said this will get them closer to shift work and promote longevity. Adding another field agent every two years would be ideal. (Time: 4:32 p.m.)

Alyse Ferguson, MHMC (Mental Health Managed Counsel), came forward. Ms. Ferguson has been a contract employee since the program's inception in 2012. The program staff are employees of LifePath Systems contracted through the County. The proposal is to make it a department with the current staff members. There are two clerks that report to Stacey Kemp, County Clerk, who handle indigent defense appointments. Ms. Kemp has requested an additional clerk to help with the growing caseload. Those functions are more closely aligned with MHMC. The possibility of moving those three clerks over to MHMC was discussed. The cost to bring the MHMC Department over versus Ms. Ferguson being a contract employee totals \$50,289. The cost for an additional clerk is \$53,880.

Commissioner Webb said the objective of accepting this grant was to generate cost savings by diverting people from the jail system. He asked how effective the program has been. Ms. Ferguson said the program has saved \$1.6 million over the last three and a half years and that is the base cost measured by days in jail. Commissioner Williams said the program has been effective in reducing jail time, and there have been some ancillary benefits as well. Judge Self said the budget and staffing for this department would be under the Court's control, and these would not become employees of the Board of District Judges. Supervision, however, would be under the Board of District Judges. Ms. Ferguson said there was a permanent improvement request made to move to an empty office upstairs to provide additional space. (Time: 4:44 p.m.)

Jason Browning, Fire Marshal, came forward to request keeping his Tech 1 position. The recommendation to eliminate this position was due to the elimination of Burn Permits. The department's revenues indicate they are busy with an increased number of new construction permits, plan reviews and commercial business inspections. Nuisance complaints are being addressed, and cases pending are going down. The Fire Marshal has a minimal staff and two office personnel are necessary to keep these numbers where they are and to handle the day to day workload. Bill Bilyeu, County Administrator, supports keeping this position. (Time: 4:49 p.m.)

Judge Self read the Uniform Pay Policy: "The salary of county employees is based upon a 40-hour week unless otherwise noted. Upon failure to accumulate 40 hours of approved time, the employee shall be compensated at a pro-rata hourly rate. Approved time shall be calculated according to pay provisions incorporated in the adopted budget. Specifically, time clock or badge readers shall be used to record employee time." A motion was made to approve the Uniform Pay Policy. (Time: 4:51 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

COURT ORDER NO. 2016-603-08-16

Jeff May, County Auditor, had a request from Chief Justice Carolyn Wright of the 5th Court of Appeals to assist in funding the salary supplements for the Justices of the Appellate Court. Dallas County currently funds the supplements and all other expenses related to the Appellate Court with the exception of salaries for the Justices which are funded by the state. The request from the 5th Court of Appeals is to fund salary supplements equal to the total supplement pro-rated by the population of each county serviced under the Appellate Court excluding Dallas County because they pay for all the other expenses. The amount of salary supplement per Justice is \$9,000. There are 13 Justices including the Chief Justice for a total salary supplement of \$117,000. Collin County's portion based on population would be \$80,115.17. Statute authorizes counties to provide a supplement to the Appellate Courts but there is no law that requires it. Collin County was asked to take the lead in funding the supplements. If the counties within this Appellate Court decide to not fund the supplements, Dallas County could try to get the law changed where they could bill out all costs associated with the Appellate Court to the counties which could be more than the \$80,115.17. This item was put on the add/delete list. (Time: 5:02 p.m.)

Judge Self recessed the meeting of the **Collin County Commissioners' Court Budget Workshop Special Session** at 5:02 p.m. until 9:00 a.m. on Wednesday, August 17, 2016.

d. Commissioners Court changes to Recommended Budget

Judge Self reconvened the meeting of the **Collin County Commissioners' Court Budget Workshop Special Session** at 9:00 a.m. on Wednesday, August 17, 2016.

Discussion on library funding continued. Monika Arris, Budget, said in July the County received a check from the state for \$71,389 which went into the Economic Development Fund. It was recommended that \$40,000 of that amount be allocated to the CAC (Children's Advocacy Center) and the remainder, \$31,389, allocated toward the library funding request of \$85,000. This would cut down on the amount coming out of the General Fund for library funding. (Time: 9:10 a.m.)

The Court then discussed items on the FY2017 recommended department requests.

The first item discussed was the \$6 million for the Outer Loop ROW (Right of Way). Commissioner Webb proposed allocating \$6 million of the \$50 million in reserve for US75 for the Outer Loop ROW. Monika Arris, Budget, said this will not change the amount of the budget. It will reduce the committed funds amount and free up the fund balance. The \$50 million is not budgeted but is just committed on a balance sheet. Commissioner Williams does not believe the \$6 million will be used this year.

There was a lengthy discussion on reducing the budget balance by removing the \$6 million. A motion was made to remove the \$6 million for the Outer Loop ROW from the budget. (Time: 9:19 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

The \$1.5 million jail roof replacement was the next item discussed. Judge Self asked Dan James, Facilities, to explain the condition of the 24-year old roof. Mr. James said over the last five years an average of \$171,000 has been spent per year on repairs. There were two recommendations: 1) overlay the existing roof; or 2) completely replace the roof. The overlay would be a five to ten year fix versus a 20-25 year life with a new roof. Mr. James said a new roof is the better deal. There are no other large expenses in regard to roofs in the next few years. What is coming up is the age of the Public Works package units. Discussion continued. The jail roof was put on the add/delete list.

Commissioner Webb asked if the \$1.5 million in the Mental Health budget could be pulled out. Commissioner Williams believed this was a placeholder in case a match was needed and Bill Bilyeu, County Administrator, confirmed. A motion was made to remove the \$1.5 million from the Mental Health budget. (Time: 9:35 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

The next item was the \$600,000 for the Farmersville building. Mr. Bilyeu said the County has occupied the building for 20 years. The owner has offered to sell it to the County if interested. If not, the County can keep leasing it. A recommendation was made to discuss this matter in Executive Session.

PeopleSoft was the next item to be discussed. Judge Self asked Caren Skipworth, CIO, to explain what the move to Fusion means for the County. Ms. Skipworth said Fusion is a Cloud solution provided by Oracle which is equivalent to an ERP (Enterprise Resource Planning) system. It has the Human Resources and Payroll module. Over the next five to ten years it is anticipated PeopleSoft will be moving toward Fusion. IT has been trying to get to a clean core and get modifications out of the application to be able to bring in the PeopleSoft updates four times a year to stay compliant with federal laws. To date \$6.2 million has been put into the PeopleSoft application. 2017 and 2018 will increase that amount to \$8 million. Judge Self asked if there are other programs out there that can do what PeopleSoft can do for the County. Ms. Skipworth said there are options out there. The question would be if the County will be looking at vendors who are government vendors which have their core application already built to do government processes or another private sector vendor like PeopleSoft.

PeopleSoft does run in other government offices but 41% of their market are companies with revenues over \$1 million. Collin County has 491 customizations for the application which is what increases the costs. Ms. Skipworth said 90% of the customizations are related to getting PeopleSoft to do what the County needs it to do.

Commissioner Webb asked if we could find a product that is more government focused and doesn't require all the customizations. Ms. Skipworth said the simple answer is no, generally there is an 80% fit to functionality which is good. Typically vendors who provide applications to governments build city/county customizations into the core application so all their government customers benefit. Commissioner Webb asked if there are cost effective options. Ms. Skipworth said Oracle is a tier 1 product which is made to be customized and is on the higher end when it comes to supporting, funding and using. Some of the newer technology products on the market have a lower cost and more capability. Cynthia Jacobson, Human Resources, said Human Resource systems are the most complex systems within a company. The risk factor for changing is fairly significant. Discussion continued regarding the cost effective options in hiring a high level PeopleSoft programmer versus bringing in consultants to maintain and update the system. Ms. Skipworth said currently there are two programmers from Oracle working onsite cleaning the core. We are in phase two of the three year process which was approved in FY2016. The work could be done with one but it may take four or five years to complete the process. The downside to that would be keeping up with updates; however, updates can be done without a clean core. The Court would like to know the cost benefit in hiring a high level programmer, what the impacts would be if core cleaning were stopped and more info on an RFI (Request for Information) on a new system.

Commissioner Webb asked if the \$654,042 for the phone system refresh is needed for FY2017. Ms. Skipworth said this is the third and final phase of replacing the old phone system which was installed in 2004. The last two locations are the Sheriff's Office/Jail and the Courthouse. The current phones and backend system are no longer under maintenance and service. There was a brief discussion on whether to fund the third phase, split the phase between FY2017 and FY2018 or put off phase three until FY2018. Ms. Skipworth was asked which project could wait a year: the third phase of the phone system or the EOL (End-of-Life) switch/router replacements. Ms. Skipworth said the EOL project is based on meeting CJIS (Criminal Justice Information Services) security policy requirements for law enforcement; therefore, she would have to choose security first to stay compliant. The same goes for the AT&T SEG gateway. Commissioner Webb asked about the cellular antenna upgrade in the courthouse. Ms. Skipworth said the original tower was installed in 2007 in order to have cellular access. Without the antenna cell phones do not work inside the building. The current antenna is through AT&T and the upgrade will be for all carriers with a higher broadcast range. This is the lowest priority under Telecom for FY2017 so it could be held off a year. The phone system refresh and the cellular antenna upgrade were put on the add/delete list.

The next item to be discussed was the IBRS (Incident Based Reporting System) which is a case records system for all four Constable offices. The cost per office is \$25,000 to \$38,000. These are not critical for FY2017 but they must be implemented by September 1, 2019 to be secure and compliant by CJIS security requirements set by the Federal Bureau of Investigation and the state. All four IBRS systems were put on the add/delete list.

Judge Self asked Constable Sammy Knapp, Precinct 3, if operational taser cartridges could roll over each year to be used for training purposes instead of purchasing actual training cartridges every year. Constable Knapp said the operational cartridges do have a shelf life but there is no reason the old operational cartridges could not be used for training. The training cartridges were put on the add/delete list.

Judge Self said the portable DVD players for the County Clerk's Office have been removed from the recommended department requests.

Commissioner Williams wanted the remote deposit check scanner put on the add/delete list. This item should be provided by the bank. These are routinely given to large depositors and should be in every office we have. Jeff May, County Auditor, will look into this matter.

The next item discussed was the Quality Control Clerk II – Criminal under the County Clerk. Judge Self asked Stacey Kemp, County Clerk, if the position could be outsourced for the first review of criminal electronically filed documents. The Judge would like to speed up the process due to the drastically increasing number of filings. Ms. Kemp said if the position was outsourced, the documents would still have to be rechecked for quality control when received in her office before being sent to action. This is because the responsibility lies on the County Clerk to ensure the documents are correct. Judge Self would like Ms. Kemp to look into options to split the first review and the action by outsourcing for FY2018.

Commissioner Webb added The Victims Assistance Coordinator – Domestic Violence for the District Attorney's Office to the add/delete list. The Commissioner also added the Grand Jury – Felony Prosecutor to the add/delete list. This is a full-time position that is part-time budgeted by the County and part-time funded by the Pretrial Intervention Fund. He questioned why this should change to be fully budgeted by the County.

Commissioner Hill added the Domestic Violence Unit Chief Misdemeanor Prosecutor at a cost of \$104,420 to the add/delete list.

Lynne Finley, District Clerk, came forward to discuss the request for on-line production of certified documents. Ms. Finley was asked if there will be cost savings with personnel at the front counter by implementing this process thus not needing the additional Deputy Clerk I. Monika Arris, Budget, explained IT is working with Odyssey to incorporate the on-line production of certified documents in their system.

Once it is implemented it would be funded from the debt services project and not impact the budget. Caren Skipworth, CIO, said this is part of the CJIS and part of the portal which is currently being installed. It will not be ready for another six to twelve months; however, there are still legality questions on certified stamps online. No workload will be taken off the front counter clerks this year.

Commissioner Webb questioned the increase in postage and supplies for passports because this is not a core function of the District Clerk. He wanted to make sure it is still cost effective. Ms. Arris said the net increase from the collected fees to the County will be an additional \$600,000-\$700,000. (Time: 10:48 a.m.)

Commissioner Williams would like to look at a more permanent solution to the request for cubicle panels between the lunch and work areas in the criminal section of the District Clerk's Office. The request was for a ten-foot cubicle panel to act as a sound barrier. Dan James, Facilities, said a permanent wall would be a minor thing in the scope of work. Commissioner Williams asked Ms. Finley to look and see if a permanent wall would work for the space. The item was added to the add/delete list. (Time: 10:53 a.m.)

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 10:54 a.m. The meeting was reconvened at 11:06 a.m.

Commissioner Fletcher was concerned with Public Works having enough staff and/or resources to complete normal work on top of work that is a result of bad weather events. Jon Kleinheksel, Public Works, stated currently the department is 18-24 months behind on projects. The FDR (Full-Depth Reclamation) runs ten hours a day five days a week and is still 24 months behind. A contractor did begin work on Monday on eight roads which were delayed because of bad weather. It will take approximately one week per road for the contractor to complete, then Public Works will seal the roads. Storm repairs are all caught up. However, another two to three storms will put the department behind again. There was a brief discussion on setting aside funding for temporary contracts in the Public Works budget. Judge Self said it is time to look into purchasing a second FDR because there will be continued maintenance of roads and it is cheaper than contracting out.

Commissioner Fletcher asked about the Full Transport Agent position which was not recommended. Ms. Arris clarified that another position within the department was changed to the Full Transport Agent. Mr. Kleinheksel said they are not receiving applications for the position even though Public Works has been a part of three job fairs. Because this position is one that requires numerous credentials, a veteran would be an ideal applicant. It was suggested that Mr. Kleinheksel speak with Gary Jackson, Veterans Services, to get with the Veterans Center of North Texas to find potential applicants.

Commissioner Webb asked about the patch truck and the Kenworth truck tractor. These two were below the 30-point threshold. Mr. Kleinheksel said there are constant repairs needed on the two units. In one year the points may reach 50. There was a brief discussion regarding the point system with the two trucks. Commissioner Webb put the patch truck on the add/delete list.

Commissioner Hill asked what is pushing the gradall excavator over the point threshold and could replacement be deferred a year. Mr. Kleinheksel said it is close to having a blown engine and is in constant repair. Other than the FDR and the paving equipment, the three gradall excavators are the most important pieces of equipment for Road & Bridge and are worked every day. This one excavator has major hydraulic problems and electrical issues caused by lightening. Repairs to hydraulic systems can take one to two weeks. The Court asked for options on overhauling the hydraulic system. (Time: 11:29 a.m.)

Judge Self asked Dan James, Facilities, to come forward to discuss outsourcing landscape maintenance. There is approximately \$46,000 requested under landscape maintenance. Mr. James said there are 44 acres of manicured land which is tended to every five days by a crew of five. Outsourcing would cost the County almost twice as much with the capital expense. Maintenance includes more than mowing; it includes tree work, mulching, beds and irrigation which would cost extra to outsource. In the holiday months the crew takes comp-time which has built up during the mowing season. They are then moved to Facilities to change out light bulbs throughout the County buildings and open buildings in bad weather. This cannot be done for less money than the cost of the crew including their benefits. (Time: 11:38 a.m.)

Mr. Kleinheksel returned. Commissioner Hill asked about the opportunity lost if the \$25,000 request for the replacement and relocation of the existing overhead fill station and the addition of one overhead water fill station at the Farmersville location is delayed a year. Mr. Kleinheksel said the request should be for one water fill station to water down aggregate stock piles. The County has received numerous dust complaints from neighboring properties. This project can be delayed but it is more convenient to use our own satellite locations for water. Another reason this project is important is it will allow for the aggregate to be washed again before traveling to a job site to be laid with asphalt.

There have been issues with the aggregate not being clean enough to stick to the asphalt. Commissioner Hill asked if the McKinney request is for two fill stations. Mr. Kleinheksel said the request for McKinney is also for one fill station. The difference in the price is the cost to tie into the water district in the area. Discussion continued on the tie in costs for both locations. Commissioner Williams said there needs to be a discussion between the County and the utility district about waiving the fee for a government entity.

Commissioner Hill asked if the carpet replacement request for all carpeted areas in the Public Works building, located at 700 A. Wilmeth Road, could be deferred a year. Ms. Arris said the carpet has already been deferred a year. Facilities will be doing the installation so the cost is just for materials. Commissioners Williams and Webb would like to know costs for hard surfaces versus carpeting in certain areas in certain buildings. Also, Commissioner Williams would like deferred items clearly marked as deferred when moved to the next fiscal budget. (Time: 11:53 a.m.)

Clarence Daugherty, Engineering, came forward to clarify the \$6 million for the Outer Loop ROW which was voted on previously. Mr. Daugherty said the requested \$6 million is in addition to the \$21 million in the CCTRA (Collin County Toll Road Authority) to continue with officers, appraisals, schematics and condemnation processes for rights-of-way. He cannot say all \$27 million will be spent, but if it is not there, the processes could come to a halt. There is \$9 million in the bond fund for long-term debt which has been sold and allocated. So it is an option to cash flow those funds because they will not be needed for a while. There was a lengthy conversation on road construction and deferring a year. A motion was made to put the \$6 million back on the add/delete list. (Time: 12:12 p.m.)

Motion by: Commissioner Susan Fletcher

Second by: Commissioner Duncan Webb

Vote: 3 – 2 Passed

Nay: Commissioner Cheryl Williams and Commissioner Chris Hill

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session into Executive Session at 12:12 p.m. in accordance with Chapter 551.072, Real Estate. The meeting was reconvened at 1:00 p.m.

Commissioner Hill asked that the following items be discussed or put on the add/delete list:

The first item was the overhead water fill station in McKinney for \$114,000 and Farmersville for \$25,500. Bill Burke, Construction & Planning, came forward to explain the breakdown for Farmersville is \$12,000 for the tap and digging the line over to the fill station, \$3,500 for an engineer and \$10,000 for the tap fee. The McKinney fill station is more because the water line is significantly longer and will cost \$84,000. The water line could be shortened but then the trucks would not be able to go directly onto the access road and would have to turn around. The main purpose of the fill stations is to wash down the aggregate before laying it since it will not adhere if the dust and dirt is not removed. The fill stations will also be used to water the stock piles for dust control. The McKinney water fill station was put on the add/delete list.

The next item was the Minimum Security door operating system in the Sheriff's Office. Commissioner Hill asked if the door was malfunctioning. Mr. Burke said the equipment is outdated but functioning. Changing to a touchscreen operating system will update Minimum Security's door operating system to match the same touchscreen system as the main jail. Mr. Burke said there would be no security issues if this item was deferred for a year. This was put on the add/delete list.

Commissioner Hill requested Priorities #66, 67 and 70 for Myers Park be put on the add/delete list.

Commissioner Hill requested item #48 regarding air quality in the Adult Detention Center be put on the add/delete list. Dan James, Facilities, explained the grills are set and cannot be easily removed. The scope of the work was changed from a complete cleaning of the ductwork at a minimal cost of \$500,000 to just cleaning the intake and diffuser areas at a cost of \$200,000. There are no issues with the air quality. Cleaning the intake and diffuser areas would give things a better look and be significantly cheaper. Commissioner Webb would like the ducts tested for mold. If there is no mold, the Commissioner suggested doing the work in stages over the next few years. This was added to the add/delete list.

The next item was Priority #15 for the UPS (Uninterruptible Power Supply) upgrade for the Central Plant. Monika Arris, Budget, explained this was split up into a five-year roll out replacing the oldest most critical in the first year. There are 127 UPSs throughout the County that backup various systems such as servers, telecom and security programs. This was not added to the add/delete list.

The next item discussed was the Elections Tabulation Room. If this went down during an election, that would be a core issue. Bill Bilyeu, County Administrator, explained when there is a power glitch, there have been failures. We have been replacing batteries and maintaining units that are well outside their maintenance period. A systematic replacement of the equipment would be best. Caren Skipworth, CIO, said there have been substantial outages that cost a significant amount of money to repair. Ninety percent of the outages are related to old UPSs, and some of these can take weeks to fix. Judge Self would like to leave this in the budget. Commissioner Hill made a motion to drop this from \$500,000 to \$300,000. There was a lengthy discussion regarding how to choose from the priority replacement list. The motion died for lack of a second.

Next was Priority item #12 to upgrade generators in Clusters 1, 3 and 4 at the Adult Detention Facility. The equipment needs to be retrofitted with emissions controls to meet new EPA standards. Dan James, Facilities, said to be in all revenue programs the County must be in compliance. This item was put on the add/delete list.

Priority item #14 requesting a software upgrade for the County Energy Management System(s) was the next item and is strongly supported by the IT Department. Caren Skipworth, CIO, said this is a security issue because we would be vulnerable to viruses since we no longer have Microsoft support.

Next Commissioner Hill asked if the increase to the computer supplies budget to cover costs of the more expensive color printers could be lowered. Monika Arris, Budget, explained the consolidation to fewer printers means more people are networked to those printers and several black and white printers were replaced with color printers. Commissioner Webb thought the consolidation would save money but it seems to have gone the other way. Judge Self asked if the number of people who use color copies can be limited. Caren Skipworth, CIO, said there are tools that can do that but it would cost \$25,000 to \$30,000. Ms. Skipworth recommended talking to departments about reducing. Ms. Skipworth will look into having printers set to default to black and white instead of color. This was put on the add/delete list to drop the amount from \$150,000 to \$50,000. If necessary, a budget amendment can be done to increase the amount.

Commissioner Hill pulled the computer hardware refresh and asked if that amount could be reduced. Monika Arris, Budget, said this is the second year into the refresh and an entire department is done at one time. This would be reducing an entire department and would increase the budget by this amount for next year.

Judge Self asked about the printer consolidation for \$75,000. Caren Skipworth, CIO, said they have reached out to the departments coming up for the refresh to check on usage. IT's refresh is coming up. In one area there are four printers but one has low usage, so that unit will be removed. They are still looking at reducing based on usage. Monika Arris, Budget, said her department is being looked at also for the refresh and all of her printers came in as low usage so they have been removed from the refresh as well.

Judge Self asked about an unmarked administrative vehicle for Deputy Chief Sanderson in the Sheriff's Office. Monika Arris, Budget, explained that the employee previously in this position chose to have the car allowance, but Deputy Chief Sanderson would prefer the vehicle instead of the allowance.

The next item was for vests and tasers for reserves for the Sheriff's Office. Currently there are eight reservists. Commissioner Webb said the new Sheriff may grow the reserves to substantially more than eight. The Commissioner is not opposed to providing equipment to the reserves but would like to set a limit. There was a lengthy conversation regarding reserves and how often they are used. The reserves are filling a need because there is no overtime for patrol. Judge Self would like the Sheriff to include the reserves in his manpower study. The item was put on the add/delete list.

The Court discussed equipment for Constable Reserves. Judge Self has issues with the mission of the constables and would prefer to unmark their cars. Constable Sammy Knapp, Precinct 3, said they decided to leave their cars as they are and, when it comes time to replace them, they will make the determination as to how to mark or unmark them. They have been called upon to back up Sheriff's deputies, and they cannot turn a blind eye to something they see. They are bound by oath to do this. Commissioner Webb said there is a legal responsibility to equip constables but he doesn't feel the same about constable reservists. Constable Knapp said the reserves do the same job as the constables. Commissioner Fletcher does not want our people out there unprotected. This item was not recommended, and Judge Self recommended not putting this item on the add/delete list.

\$50,000 for the Post Office Museum was removed from the recommended budget and put on the add/delete list.

Commissioner Webb questioned dues and subscriptions for Constant Contact and would like to know if there is a county-wide subscription.

Commissioner Webb asked to have the technician for the Fire Marshal put on the add/delete list.

The next item was the pay grade change for the Records Management Officer position in IT. This job is no longer just paper based and requires more computer skills.

Greg Willis, District Attorney, came forward regarding changing the part-time funded Felony Prosecutor position in Grand Jury to a full-time county-funded position. The DA would like to free up that person to do more Grand Jury work which has increased by more than 20% in the last five years. The DA cannot use diversion funds to pay for someone who is not exclusively working on diversion issues. To get more Grand Jury time, the employee must be a county employee. There was a brief description of this person's current Grand Jury duties. The DA would then need a full-time diversion person to run that program and that would be funded through the Pretrial Intervention Fund. The DA was also requesting a Victim's Assistance Coordinator. Judge Self asked the DA to prioritize between the two positions.

Commissioner Webb suggested waiting until they reach a certain caseload before getting a second position. Judge Willis said they are at capacity, and are always playing catch up because there is so much work to do. Both positions are needed.

Commissioner Hill said the Domestic Violence Chief Misdemeanor Prosecutor position is on the non-recommended list. The DA explained one domestic violence case can easily be five to ten times the work of other misdemeanor cases and requires more from the criminal justice system and the DA's Office.

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 3:34 p.m. The meeting was reconvened at 3:43 p.m.

A podium for \$2,000 was on the recommended budget. Monika Arris, Budget, said this was already reduced from a much higher quality podium costing \$45,000. There is no electronic equipment in the podium. Judge Self recommended finding a less expensive podium. This was added to the add/delete list.

The next item was a Spindlemedia VIT2 Program. Ms. Arris said this program is for the Tax Office. It automates the steps for calculating UPT (Unit Property Tax). With the amount of new dealerships moving into the area, this will help them keep up with the workload. Judge Self did not recommend taking this off the recommended budget.

The next item was for a Nurse. The current TB Outreach employee has been with the County for many years. She is leaving the County and Candy Blair, Healthcare Services, would like to exchange the TB Outreach position with a Registered Nurse position as the duties of the STD clinic require a clinician with nursing skills at the level of a Registered Nurse. This item was not put on the add/delete list.

Judge Self asked about the Laser Scanner 3D Mapping/Measuring Scanner for the Sheriff's Office for \$103,000. The Judge believes COG (Council of Governments) purchased several sets of these and made them available as regional assets. This was added to the add/delete list, and the Judge asked the Sheriff to check with COG.

Commissioner Williams referenced the chip readers for credit card machines in the Tax Office for \$13,200 and asked why the vendor is not providing these at no charge. Caren Skipworth, CIO, said very few merchants are offering those machines at no cost. The Commissioner suggested informing the vendor that the County may rebid this and find a contract that would provide these readers at no charge. This item was added to the add/delete list.

Commissioner Williams also questioned a refrigerator and educational supplies for a cheese workshop for the Farm Museum. The Commissioner asked if the County is charging for the classes and, if so, will the fees cover these costs. Monika Arris, Budget, said the fees would cover the costs.

Commissioner Fletcher said the Constables are not asking for the vests and helmets for their reserves. This requested equipment is for active duty full-time employees. This item was added to the add/delete list.

Commissioner Fletcher asked to have Judge Walker's request for \$1,000 for the Real Time Reporting subscription added to the add/delete list.

Monika Arris, Budget, informed the Court that the inmate healthcare contract will increase for FY2017. The total increase for both juvenile and adult is \$158,257.86.

Commissioner Hill wanted to add the Special Prosecutor pay to the add/delete list. Judge Self does not think \$900,000 is enough and suggested raising it to \$2 million.

Jeff May, Auditor, said the remote deposit check scanners on Page 11 of the recommended budget are part of the bank contract, and they will provide up to three scanners so that is not needed in the budget.

Commissioner Williams wanted to address compensation and the midpoint of the pay range and PFP or range movement and PFP. Judge Self said it is too late to redesign the compensation system less than a week after getting the consultant's report. The equity analysis is 3.3% and translates to \$2.4 million. There is no way to distribute that money. Commissioners Williams and Webb said it should be distributed through PFP. Cynthia Jacobson, Human Resources, said the County's compensation ratio moves people along the range whereas the equity analysis would move people to the midpoint faster. There was a lengthy conversation and Ms. Jacobson was asked to provide the regression line dollar amount. (Time: 4:17 p.m.)

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 4:17 p.m. The meeting was reconvened at 4:58 p.m.

e. Final review of Add/Delete list

Monika Arris, Budget, distributed the add/delete list for review.

A motion was made to remove \$2.2 million from the recommended budget for the Wylie building. (Time: 5:00 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

A motion was made to remove the purchase of the Farmersville building from the recommended budget. (Time: 5:01 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

A motion was made to remove \$6 million from the recommended budget for the Outer Loop ROW (Right of Way). (Time: 5:03 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made to remove \$1.5 million from the recommended budget for the replacement of the jail roof. The motion also included noting on next year's budget that this item was deferred. (Time: 5:05 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Chris Hill
Vote: 3 – 2 Passed
Nay: Commissioners Susan Fletcher and Duncan Webb

A motion was made to remove \$654,042 from the recommended budget for the EOL/EOS desk phones. (Time: 5:05 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Commissioner Susan Fletcher

A motion was made to reduce the cleaning of the air duct system in the Justice Center from \$500,000 to \$100,000. (Time: 5:06 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to remove \$600,000 to upgrade the generators in the Central Plant. (Time: 5:07 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made for an increase to \$1 million in Special Prosecution. (Time: 5:08 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Judge Keith Self
Vote: 2 – 3 Denied
Nay: Commissioners Cheryl Williams, Susan Fletcher and Chris Hill

A motion was made to approve the 33 AR-15 Rifles for the Sheriff's Office. (Time: 5:10 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to approve the eight Reserve tasers for the Sheriff's Office.
(Time: 5:10 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

A motion was made to approve the three Reserve Bullet Proof Vests for the Sheriff's Office. (Time: 5:11 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to approve the Fusion Center Storage. (Time: 5:12 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to approve the Transfer Officers for the Sheriff's Office.
(Time: 5:13 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 3 – 2 Passed
Nay: Judge Keith Self and Commissioner Duncan Webb

A motion was made to approve the Chief MHMC (Mental Health Managed Counsel) Attorney. (Time: 5:14 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to approve the Field Agent for the Medical Examiner's Office.
(Time: 5:14 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made to approve the Tech I for the Fire Marshal. (Time: 5:14 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made to approve the used MDC Units for Constables' reserve vehicles. There was no second to this motion. (Time: 5:15 p.m.)

A motion was made to approve the Constables' rifle helmets. (Time: 5:15 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Chris Hill
Vote: 3 – 2 Passed
Nay: Judge Keith Self and Commissioner Cheryl Williams

A motion was made to approve the Constables' plate carrier vests. (Time: 5:15 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Chris Hill
Vote: 3 – 2 Passed
Nay: Judge Keith Self and Commissioner Cheryl Williams

A motion was made to put Appellate Justices Supplement in contingency. (Time: 5:16 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

A motion was made to use \$31,389 of the Economic Development Fund on libraries and \$40,000 on CAC (Children's Advocacy Center). (Time: 5:18 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to remove the Courthouse cellular antenna from the recommended budget. (Time: 5:18 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

A motion was made to remove the Constables' IBRS from the recommended budget. (Time: 5:19 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

A motion was made to remove \$800 from the \$1,650 budgeted for Constable 4 Taser cartridges. (Time: 5:20 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to remove \$3,150 for the remote deposit check scanner for the County Clerk. (Time: 5:21 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

A motion was made to approve the Victim Assistance Coordinator position for the DA's Office. (Time: 5:21 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Chris Hill
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made to approve the change from Grand Jury part time position to a full-time Chief Felony Prosecutor for the DA's Office. (Time: 5:22 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Chris Hill
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made to add the Domestic Violence Unit Chief Misdemeanor Prosecutor position to the DA's Office. (Time: 5:23 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Susan Fletcher
Vote: 2 – 3 Denied
Nay: Judge Keith Self, Commissioners Cheryl Williams and Duncan Webb

A motion was made to remove \$7,500 for cubicle panels in the District Clerk's Office and add \$500 to build a wall. (Time: 5:23 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

A motion was made to remove the 2008 IHC Patch Truck replacement cost and make ready costs from the budget, and add in the \$58,000 to repair the truck. There was no second to this motion so the truck replacement and make ready costs remain in the recommended budget. (Time: 5:25 p.m.)

A motion was made to remove \$430,640 from the recommended budget for the replacement cost of the Gradall Excavator and make ready costs, and add \$100,000 to the recommended budget to repair the excavator. (Time: 5:26 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 3 – 2 Passed
Nay: Commissioners Susan Fletcher and Duncan Webb

A motion was made to keep the McKinney Water Fill Station in the recommended budget. (Time: 5:26 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

A motion was made to remove the Minimum Security upgrade to the door operating system from the recommended budget. (Time: 5:27 p.m.)

Motion by: Commissioner Chris Hill
Second by: Judge Keith Self
Vote: 3 – 2 Passed
Nay: Commissioners Susan Fletcher and Duncan Webb

A motion was made to keep the refinishing of the Myers Park Show Barn concession stand floor in the recommended budget. (Time: 5:27 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 4 - 1 Passed
Nay: Commissioner Chris Hill

A motion was made to remove the Myers Park Show Barn roll up doors from the recommended budget. (Time: 5:29 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 3 – 2 Passed
Nay: Commissioners Susan Fletcher and Duncan Webb

A motion was made to keep the upgrade to the EST2 panel in the Myers Park Landing in the recommended budget. (5:30 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Duncan Webb
Vote: 4 – 1 Passed
Nay: Commissioner Chris Hill

A motion was made to reduce \$150,000 in the recommended budget for Increased Computer Supplies to \$50,000. (Time: 5:30 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to remove the Post Office Museum. (Time: 5:30 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

A motion was made to reduce the cost of the podium for the Sheriff's Office from \$2,000 to \$800. (Time: 5:31 p.m.)

Motion by: Commissioner Chris Hill
Second by: Judge Keith Self
Vote: 5 – 0 Passed

A motion was made to put \$1,000 for County Court at Law 2 Court Reporter Real Time Certification into the recommended budget. There was no second to this motion. (Time: 5:34 p.m.)

A motion was made to keep \$158,258 in the recommended budget for the Adult and Juvenile Inmate Health increase. (Time: 5:35 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

Cynthia Jacobson, Human Resources, distributed a spreadsheet showing the total payroll, 3% increase to budget, range movement and the sum of midpoints. A lengthy discussion followed. (Time: 6:18 p.m.)

Judge Self recessed **Collin County Commissioners' Court Budget Workshop Special Session** at 6:19 p.m. until 9:00 a.m. on Thursday, August 18, 2016.

THURSDAY, August 18, 2016 at 9:00 A.M. – FRIDAY, August 19, 2016 at 5:00 P.M.

Judge Self reconvened the meeting of the **Collin County Commissioners' Court Budget Workshop Special Session** at 9:03 a.m. on Thursday, August 18, 2015.

Judge Self asked for comments on the add/delete list. A lengthy conversation ensued regarding the jail roof, generators and \$6 million for the Outer Loop ROW (Right of Way). The Court decided to revisit these three items following discussion regarding compensation.

Cynthia Jacobson, Human Resources, handed out a detailed midpoint spreadsheet by classified groups based on a person by person report. The spreadsheet showed budgeted salary, midpoints, differential and percentages. The legal group was the most off from midpoint. Commissioner Fletcher asked how to reconcile the difference between the new people who are low on the scale and those with experience who are not at the midpoint when moving the ranges. Ms. Jacobson said the goal for compensation, in aggregate, is to get the groups to the average of midpoint. At the aggregate level, pay is at a rate that is highly market competitive. Typically movement is faster to the midpoint and slower beyond the midpoint. Commissioner Williams said how the number is determined and the way to distribute the money are different discussions. Commissioner Hill said the Court agreed this year would be a flat roll out to employees and next year the matrix would be changed to give each category a certain percentage to move closer to midpoint. He recommended using the PFP (Pay for Performance) tool the County uses to distribute the increase based on merit. Discussion continued regarding the PFP process within departments. It was suggested the PFP maximum be increased to 200% from 150% which would give more to high performers. Department heads and elected officials will need to make the choice to reward high performers which will in fact leave some employees making less. It is disadvantageous to rate all high in the PFP system because if all are rated threes no one will be a three.

Judge Self referred to the presentation made by the compensation consultant and said what the Court is trying to do in four days should take one year to decide. Commissioner Williams said anything we do that is less than 2.92% will result in greater wage compression. Anything above will start to make an improvement. Commissioner Webb was willing to do 3% PFP and as much midpoint correction as possible and do more work on the midpoint next year. Commissioner Hill agreed with 3% and was comfortable with 1%-1.5% range movement this year. Commissioner Williams agreed with the suggestions as long as distribution is through PFP and 1%-1.5% is distributed to impact the areas of greatest need.

Commissioner Webb said now is the time to accelerate because the County is in the best state it has ever been in terms of growth; however a recession is coming. He was not willing to go over the 5% which is already in the budget. Commissioner Hill said with a 4%-4.5% increase overall, which is less than what has been budgeted, there will be room for the generators and jail roof. Judge Self said the Court needs to look at the taxpayer. Hourly compensation for the taxpayers went down and housing went up. Taxpayers in the civilian sector are not doing as well as governments. He said he was not willing to do much more than 3%.

Commissioner Hill is willing to go to the taxpayers to explain a 3% annual raise and a percentage increase to work on wage compression. Commissioner Fletcher was in agreement. Judge Self said there is opportunity to look at this further with three public hearings before the final vote. Commissioner Fletcher said messaging is important and we need to explain the “why” for our decisions on the PFP and range movement to the taxpayers. Commissioner Webb said he takes pride in saying Collin County has the lowest number of employees per capita than its peers which is the best sign of a conservative county. A lengthy discussion followed on what would be left of the 5% budgeted for PFP if some of the deferred items were put back in the budget. Election equipment will be in the FY2018 which will be \$10 million. Due to this, the Court would like to add the jail roof and generators, \$2.1 million, back into the budget. Ms. Arris said the reduction from the combined budget for the 3% PFP and 1% range adjustment is \$1,144,497. (Time: 10:27 a.m.)

A motion was made to add the \$1.5 million back into the budget for the jail roof. (Time: 10:27 a.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

A motion was made to add \$600,000 back into the budget for the Central Plant generators. (Time: 10:28 a.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

A motion was made to offer a 3% market based compensation adjustment and a 1% sum of the midpoint adjustment for a total compensation change of 4%. (Time: 10:28 a.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Susan Fletcher
Vote: 4 – 1 Passed
Nay: Judge Keith Self

A motion was made to distribute the 4%, 3% market based compensation adjustment and 1% sum of the midpoint adjustment, through the PFP tool. (Time: 10:28 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 4 – 1 Passed
Nay: Judge Keith Self

COURT ORDER NO. 2016-605-08-18

A motion was made to increase the PFP maximum spread from 150% to 200%. (Time: 10:29 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

A motion was made to move the FARO laser scanner from the Sheriff's Office budget into the contingency budget pending the ability to receive the scanner from NCTCOG (North Central Texas Council of Governments). (Time: 10:31 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 10:33 a.m. The meeting was reconvened at 11:45 a.m.

A motion was made to increase elected officials' salaries by 3%. (Time: 11:48 a.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

COURT ORDER NO. 2016-604-08-18

A motion was made to approve a range movement of 3% for legal, moving misdemeanor prosecutors from pay grade 581 to 580, 1% for law enforcement exempt, 3% for law enforcement non-exempt, 1.5% for general exempt, and 3% for general non-exempt. (Time: 11:50 a.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

There was a lengthy discussion on plan design changes for healthcare benefits. The court requested a presentation on specifics for deductible cost options as well as pharmacy coinsurance options. (Time: 12:15 p.m.)

Judge Self recessed the meeting of the Commissioners' Court Budget Workshop Special Session at 12:15 p.m. The meeting was reconvened at 1:26 p.m.

4. Court Recommended Budget Review

a. General Fund

b. Road & Bridge Fund

c. Operating Funds

d. Health Care Trust

e. Total Combined Budget

Monika Arris, Budget, gave an update with the changes made during Budget Workshop. The General Fund Budget five-year trend shows \$181.4 with an additional \$7.5 million in one-time expenditures. Without the one-time expenditures, the increase is 3.4%. The Road & Bridge Fund decreased slightly to \$22.8 million which is a 2.1% decrease. The total Operating Funds Budget is \$207.6 million with \$7.5 million in one-time expenditures which is a 2.9% growth. The Healthcare Fund Budget remains the same at \$4.3 million which is 6.8% growth. The Total Combined Budget is \$315 million with the \$7.5 million in one-time expenditures. Without the \$7.5 million it would be an increase of 3.9%. (Time: 1:28 p.m.)

5. Discussion of Proposed FY 2017 Tax Rate

a. Effective Tax Rate

b. Rollback Tax Rate

c. M & O Tax Rate

d. Debt Service Tax Rate

e. AI-41961 Total Tax Rate – Record Vote to Propose Tax Rate

Ms. Arris then explained truth-in-taxation calculations. The effective tax rate is a hypothetical property tax rate that provides the County with the same amount of revenue it had in the previous fiscal year for properties that existed in both tax years. Last year's adjusted property taxes divided by the current year's adjusted property value equals the effective tax rate. This year's effective tax rate is \$0.208395. This rate will vary depending on increases or decreases in the appraised values of the same properties since the previous fiscal year. If appraised values go up, the effective tax rate goes down and vice versa. If the appraised value stays the same, the effective tax rate will also stay the same.

The rollback rate is a calculation that splits the tax rate into two separate components, the M&O (Maintenance and Operations) rate and the debt service rate, in order to avoid injuring a taxing unit's ability to pay its debt. The rollback rate allows the County to raise the same amount in operations as in the prior year plus provides an additional 8% cushion. This year's total rollback rate is \$0.225051. The operating tax rate of \$0.16980 plus the debt tax rate of \$0.055200 equals the total rollback rate.

The current tax rate is \$0.22500 per \$100 valuation. Collin County has not raised taxes since 1993. If the current tax rate or less is adopted, this will be the 24th year with no tax rate increase. The 5% homestead exemption has been in place for seven years.

The certified adjusted taxable value for Collin County is \$107.7 billion. This equates to an 11.9% increase from the 2015 tax year.

The average home in Collin County for tax year 2015 is valued at \$317,599 according to statistics compiled by the Central Appraisal District of Collin County. With the tax rate at \$0.22500 per \$100 valuation, and a 5% homestead exemption, the average home owner will pay \$678.87 in county taxes for the 2016 tax year.

Commissioner Williams said there is a potential \$300 million in future bond sales and \$50 million set aside for US75. Since US75 has gone in a different direction, both may not be needed. The Commissioner said lower tax rate options are more tolerable if the \$50 million was put back as unrestricted. Commissioner Webb does not want to pull the \$50 million out in case we are the next major project and need money to purchase rights-of-way. Judge Self suggested renaming it the LARs (Limited Access Roadways) Fund.

A motion was made to adopt \$0.208395 as the FY2017 Total Tax Rate. With a show of hands the motion passed. (Time: 2:02 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

COURT ORDER NO. 2016-606-08-18

6. Five-Year Plan Review

a. General Fund

b. Road & Bridge Fund

c. Permanent Improvement Fund

d. Health Care Trust

7. AI-41962 Schedule Public Hearings

A motion was made to hold the FY2017 Tax Rate hearings on Tuesday, September 6, 2016, at 1:30 p.m. in the Jack Hatchell Administration Building, Commissioners' Courtroom; Monday, September 12, 2016, at 1:30 p.m. in the Jack Hatchell Administration Building, Commissioners' Courtroom; and Monday, September 19, 2016, at 1:30 p.m. in the Jack Hatchell Administration Building, Commissioners' Courtroom. (Time: 2:03 p.m.)


Motion by: Judge Keith Self
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

COURT ORDER NO. 2016-607-08-18

EXECUTIVE SESSION

The Court did not recess into Executive Session. There being no further business of the Court, Judge Self adjourned the meeting at 2:04 p.m.



ATTEST:

Stacey Kemp, Ex-Officio Clerk
Commissioners Court
Collin County, T E X A S

Not Present


Keith Self, County Judge

Not Present

Susan Fletcher, Commissioner, Pct. 1



Cheryl Williams, Commissioner, Pct. 2



Chris Hill, Commissioner, Pct. 3



Duncan Webb, Commissioner, Pct. 4