

STATE OF TEXAS
COUNTY OF COLLIN

COMMISSIONERS' COURT
MEETING MINUTES
MAY 2, 2011

On Monday, May 2, 2011, the Commissioners' Court of Collin County, Texas, met in Regular Session in the Commissioners' Courtroom, Jack Hatchell Administration Building, 4th Floor, 2300 Bloomdale Road, City of McKinney, Texas, with the following members present, and participating, to wit:

Judge Keith Self
Precinct 1 Commissioner Matt Shaheen
Precinct 2 Commissioner Cheryl Williams
Precinct 3 Commissioner Joe Jaynes
Precinct 4 Commissioner Duncan Webb

Judge Self led the Invocation.
Commissioner Shaheen led the Pledge of Allegiance.
Commissioner Williams led the Pledge of Allegiance to the Texas Flag.

1. Judge Self called to order the meeting of the Collin County Commissioners' Court at 6:02 p.m. and recessed into the Collin County Health Care Foundation.

President Self called to order the meeting of the Collin County Health Care Foundation at 6:02 p.m. and adjourned the meeting at 6:02 p.m.

President Self called to order the meeting of the Collin County Toll Road Authority at 6:02 p.m. and adjourned the meeting at 6:02 p.m.

Judge Self reconvened Collin County Commissioners' Court at 6:03 p.m.

2. Public Comments.

3. Presentation/Recognition.

4. **Consent agenda to approve:** Judge Self asked for any comments on the consent agenda. Commissioner Webb asked to pull items 4c1, d1b, d1c, d1d and d1e for discussion. There being no further comments, a motion was made to approve the consent agenda. (Time: 6:03 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Duncan Webb
Vote: 5 – 0 Passed

a. **AI-33543** Disbursements for the period ending April 26, 2011, Auditor.

COURT ORDER NO. 2011-275-05-02

b. **Filing of the Minute(s), County Clerk:**

1. **AI-33538** April 11, 2011.

COURT ORDER NO. 2011-276-05-02

c. **Receive and File – Final Audit Result(s), Auditor:**

1. **AI-33529**

District Clerk (1st, 2nd & 3rd Quarter FY2010).

Commissioner Webb expressed his concerns on the findings of the audit relating to fees. Commissioner Webb asked the County Auditor to perform a complete review of the three quarters in question to determine what fees were incorrectly charged and how much they total. Commissioner Williams agreed and suggested to Jeff May, County Auditor, to provide any help his office could to the District Clerk. The county needs to know how much was not collected; the audit only provided a sample, and they need to know the totals. Mr. May will complete the audit and bring it back to court with another report for review. Judge Self asked if the Court had a specific request that they would like to make for the audit. Commissioner Williams replied that the under collection of fees needs to be addressed; additionally, I.T. (Information Technology) should coordinate with the District Clerk to help address some of the Odyssey issues. Tyler Technologies should also be involved in order to help the District Clerk resolve the issues and get the fees entered correctly.

Randall Rice, Auditor's Office, came forward to give the Court information regarding the actions the Auditor is taking to resolve the issues in Odyssey. First, they are performing a complete review of every fee that is in the Law Library and tracking them back to the original source and then comparing it to the general ledger. Part of the project will come with the new ERP (Enterprise Resource Planning). There will be a line item for each fee. Secondly, software has been purchased that will enable an electronic audit of 100% of the books. The implementation should be complete over the next several months. The Court asked that the District Clerk be scheduled as a part of the next group in the implementation.

Patricia Crigger, District Clerk, came forward with comments regarding the Court's concerns. Ms. Crigger had met with the Commissioners to try and explain the issues. An email was also sent to the County Auditor; they want to do everything they can to make things right. Ms. Crigger wanted to be clear that her department is not missing \$400,000 which the Auditor knows; Mr. May confirmed the statement. They need to get a good balance in Odyssey so they do not have to keep manually balancing the books each month, although they will continue to manually balance until the Odyssey issue is resolved.

Ms. Crigger suggested having someone from the Auditor's office to check the fees; when fees change it is possible to miss one. If there is more than one department checking the fees as a backup, they can make sure all fees are entered. In closing, Ms. Crigger said her department is open to any suggestions to resolve the issues and is willing to accept any help offered.

Mr. Rice re-addressed the Court saying the Auditor's Office does not have access to view the fee tables because of how security is set. This is nothing that the Auditor or the District Clerk can do anything about; this is just the way Odyssey wrote the program. If someone has access to see a table where the fee is located, they also have access to make changes, which they do not want. While Commissioner Shaheen understands that some should not have access to the program's tables, he questioned not having the ability to access the information; there should be documentation somewhere of what is in the tables for review without having to go into the system.

Monika Arris, Budget and Finance, came forward saying the Law Library works with the departments to compile fees each year. This year they organizing a round table to meet with key department representatives to ensure the fees are correct and in Odyssey. The hope is to tackle the issue in the front end before the fee schedule takes place in October. A brief discussion regarding how the fees are set and entered in Odyssey followed. Motion to approve audit report. (Time: 06:12 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Joe Jaynes
Vote 5 – 0 Passed

COURT ORDER NO. 2011-277-05-02

d. Miscellaneous

1. Sale of Struck Off Property to the North Collin County Habitat for Humanity, McKinney and further authorize the County Judge to finalize and execute the Special Warranty Deed, County Judge:

a. AI-33547 407 Carver Street in the amount of \$2,500.

COURT ORDER NO. 2011-278-05-02

b. AI-33549 407 Wilson in the amount of \$2,500.

c. AI-33550 704 Rike Street in the amount of \$2,500.

d. AI-33551 1107 Fitzhugh Street in the amount of \$2,500.

e. **AI-33552** 1404 College Street in the amount of \$2,500.

Judge Self opened the discussion saying the Court will discuss consent agenda items d1b, d1c, d1d and d1e together. Commissioner Webb pulled these items because there were secondary offers which were higher than the first offer; he wanted to discuss which offer the county should accept. While three are fairly close to the primary offer, one is substantially higher. Judge Self questioned why the Court was brought a lesser offer; to his knowledge it has not happened during his tenure on the Court.

Bill Bilyeu, County Administrator, addressed the questions informing the Court that in history they are not aware of having received competing bids on property. The Habitat for Humanity bid came in first and the other one behind it; the county has sold properties in the past to Habitat for Humanity. The document was prepared based on them bidding first and that the county has sold to them before. State law allows the Court to choose a lower bid if it will be moving to urban renewal. Mr. Bilyeu suggested that the Court may want to go into Executive Session if they wanted to discuss other options such as pricing or counter offers. Because the taxes were filed in the county's name, the Court may decide which offer to choose; other entities must follow. Collin College had this item on a recent agenda and they voted to accept Habitat for Humanity; however, the choice is up the County Commissioners.

Judge Self does not think the Court should accept a lesser offer; however, he did suggest the Court ask for an alternative offer from Habitat for Humanity; going into Executive Session is not necessary. Commissioner Webb suggested that since Habitat for Humanity placed a bid without the knowledge of a competitor, the Court should allow them the opportunity to make another offer. Mr. Bilyeu stated that Habitat's bid was a generic bid that they always use and they most likely could offer more. Commissioner Jaynes commented on the good work Habitat has done in the county, especially in McKinney. They not only build homes, they can create a whole subdivision. If they are given a chance, in the long run, this could be additional tax revenue for the county. After a brief dialogue, a motion was made to allow Habitat for Humanity to present another offer for the properties listed in items d1b, d1c, d1d and d1e. (Time: 6:17 p.m.)

Motion by: Commissioner Duncan Webb

Second by: Commissioner Joe Jaynes

Vote: 5 – 0 Passed

COURT ORDER NO. 2011-279-05-02

2. **AI-33534** Reimbursement of fencing materials in the amount of \$3,032 to Mr. Mark Boehm for property along CR 675 and further authorize the County Judge to finalize and execute the Agreement for Release and Waiver of Liability, Public Works.

COURT ORDER NO. 2011-280-05-02

3. **AI-33572** Personnel Appointments, Human Resources.

COURT ORDER NO. 2011-281-05-02

4. AI-33573 Personnel Changes, Human Resources.

COURT ORDER NO. 2011-282-05-02

GENERAL DISCUSSION

5. AI-33524 FY2010 Comprehensive Annual Financial Report (CAFR) presentation, Auditor.

Jeff May, County Auditor, came forward with a power point presentation on the CAFR (Comprehensive Annual Financial Report). With the Court's approval, he discussed items 5, 6 and 7 consecutively. Mr. May informed the Court that a presentation has not been done on the CAFR in open court in the past. The presentation began with an overview of items to be discussed. The county's financial statements were audited by Patillo, Brown & Hill, L.L.P., which is an independent auditor. The independent auditor's report found no instances of non-compliance or reportable conditions and was found to be unqualified, or clean, which means the independent auditor can state without reservation, that the financial statements are in conformity with generally accepted accounting principles.

Mr. May clarified the difference between a CAFR, which is two financial statements that are reconciled together and the county's annual budget. A financial statement known as a Statement of Assets was shown to the court as well as a two year comparison of governmental revenue and expenditures. The financial results of 2010 versus 2009 show assets to exceed liabilities by \$401.4 million on a government-wide basis which is a decrease of \$49.4 million from 2009. Tax revenues total \$176 million, charges for services total \$38.6 million and operating grants and contributions total \$14.3 million.

The revenue variance was shown next. Revenues from charges for services decreased by 16.5%; operating grants and contributions decreased by 6.1%. Interest earnings on investments were down by 37.5% from FY 2009. A listing of changes in the fund balance was also shown to the court.

Mr. May then discussed budgetary highlights. The final amended expenditure budget was \$1.8 million higher than the original budget; however, actual expenditures were 12.4% or \$134.7 million less than the final amended budget. General fund revenues were higher than the final budget by \$2.2 million and general fund expenditures were lower than budgeted expenditures by \$19 million.

The general fund has approximately 12 months of operating expenditures in the unreserved fund balance, which is approximately \$129 million. Commissioner Shaheen clarified that this fund balance is what affects the county's AAA bond rating; the minimum standard for this rating is 3 months of operating expenditures.

Mr. May continued with an analysis showing a ratio of current assets to current liabilities which is 12:1. Additionally, approximately 6.5% of all governmental revenue is received through state and federal funding; property tax revenue is approximately 84.1% of the general funds total revenue.

In closing, Mr. May asked for any questions on the report. Commissioner Webb asked about the District Attorney's seized funds registry which shows no activity for a full year and had a balance of three dollars. Mr. May explained that is a checking account that acts as a holding place for un-adjudicated seizures when the county is involved. Most drug seizures are held by cities and awarded to the county; those funds are placed in a different fund.

Commissioner Williams asked for the impact on financials based on earlier actions taken by the Court when they eliminated the need for OPEB (Other Post Employment Benefits). Mr. May replied that last year the fund balance increased by \$5 million and will again this year unless there is further action by the Court. There was also an increase in the employee health care fund of \$1.3 million. The decision had a significant impact on the county's financial situation.

Chris Pruitt, Patillo, Brown & Hill, L.L.P., came forward to explain the audit; the CAFR is made up of three sections, introductory, financial and statistical. The introduction includes a copy of last year's certificate of achievement, which is given by the Government Finance Officers Association. This award has been received by the Collin County Auditor for the past 32 years. The current CAFR meets all criteria to again receive recognition and a plaque should be received by October or November.

The independent auditor's report is the first part of the financial section. The county has received an unqualified opinion (clean opinion) which is free of material misstatement. The last section is statistical data and includes a 10 year analysis of what the county has taken in as well as demographic and debt capacity information. The audit was performed in accordance with government auditing standards. The audit yielded no findings of material weakness in regards to compliance or internal control structure.

Regarding the reports for CSCD (Community Services and Corrections Department) and Juvenile, these are also in compliance with state mandated requests of how the reports are to be stated; there were no findings. Mr. Pruitt stated the audit went well and asked for any questions from the Court. Judge Self asked about a reconciliation document that will explain the difference between the county budget and the CAFR. Mr. May replied that the document should be attached to the court packet, if it is not he can provide that to the Court.

Judge Self asked that the document be posted; a lot of people wonder about the difference between the CAFR and the annual budget. Motion to accept items 5, 6 and 7. (Time: 6:42 p.m.)

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

COURT ORDER NO. 2011-283-05-02

6. AI-33522 Community Supervision and Corrections Department Financial Statements and Supplementary Information for the year ended August 31, 2010, Auditor.

COURT ORDER NO. 2011-284-05-02

7. AI-33523 Juvenile Probation Department Financial and Compliance Audit Reports for the year ended August 31, 2010, Auditor.

COURT ORDER NO. 2011-285-05-02

8. AI-33593 Grant application for the 2012 Indigent Defense Discretionary Grant Program in the amount of \$833,527 (20% County match for the first year) from the Task Force of Indigent Defense and further authorize the County Judge to finalize and execute same, County Judge.

Judge Self opened the discussion with compliments to the Grants Committee; there was a deadline to get a packet completed and submitted to the state by Friday evening which was done. This was just to give the county a place in line to get the grant. There was a second iteration Friday afternoon; the committee worked hard to get comments and a review of the grant which was substantially different. He commended the committee for their efforts. Judge Self then asked Jeff May, County Auditor, to give comments. Mr. May informed the Court that Judge Chris Oldner had wanted to present this to the Court, but was unable to attend. Mr. May continued saying the grant will fund a position for a Mental Health Defender Coordinator. A new attorney wheel will be created to allow access to attorneys who specialize in mental health cases. The purpose of this is to try to prevent a backlog in court cases. There appears to be a high need for specialized treatment for mental health cases. This grant will be funded as a step down, which means it will be funded at 80% the first year, 60% the second year, 40% the following year and 20% the year after that. Judge Self asked how many boards or task forces will need to be established to oversee the position. Mr. May replied there will be two; however, they have not yet been established. This is still in the application process and a lot of the details can be adjusted as the grant is implemented.

Judge Self questioned if the intention of the position was to process mental patients through the judicial system faster. Mr. May replied yes and also to prevent them from going into the system. Judge Self asked Dr. Randy Routon, LifePath Systems, if the state had enough beds should the county move these patients through the system faster.

Dr. Routon came forward to say that at this time, there are problems with the number of beds that are available; there probably are not enough hospital bed days. Commissioner Williams commented that her understanding of the grant was that it was a jail diversion program, not necessarily sending someone to a state hospital but letting them out of jail under some other type of program. A brief discussion regarding the county's jail diversion program followed. Judge Self asked about the Transicare staff and if they could manage the cases involving mental health. Randy Clark, Sheriff's Office, came forward in response saying when the grant application was revised one of the issues discussed was Transicare. There are a number of resources available through Value Options and their sub-contractors that would accommodate this program without having additional costs. Mr. Clark addressed Commissioner Williams' question about jail diversion.

This program does have some post book-in diversion aspects depending on the type of offense committed; attorneys are appointed quickly so some can process out of the system and out of jail faster. However, this is not intended to be a diversion program; it is intended to expedite people through the criminal justice system more quickly. That makes the program attractive from a jail management perspective. Regarding the beds in state hospitals, there is a waiting list that is not going to get any better in the years to come. This is strictly for low risk, non-violent offenders. Commissioner Webb asked if Transicare would be better equipped to manage these cases. Mr. Clark replied Transicare has no legal authority to work within the criminal justice system. They provide aftercare treatment that would be attached to this process once the offenders go through the criminal justice system; they would provide access to the mental health providers in the county. Commissioner Webb asked how many people would be in this type of program. Mr. Clark responded that since October 1st, 5800 people have gone through the indigent defense program. Of those, 293 were treated by the jail psychiatrist for serious mental illness. Approximately 300 have been treated for lesser degrees of mental health issues. When asked if he saw this as a value, Mr. Clark said what is most attractive to him is that it gets the courts involved quicker than they are seeing now. Currently the process is very slow and cumbersome; in his view, this is a very good foundation on which to build. Commissioner Williams asked to hold the item until a cost-benefit analysis could be completed. A discussion regarding the cost to the county and the need for this position followed. Item will be held until the next scheduled meeting. (Time: 7:07 p.m.)

HELD

9. AI-33571 Board/Committee Appointments, Commissioners Court.

Commissioner Jaynes appointed LuAnne Malnory to the Parks Foundation Advisory Board. (Time: 7:07 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Matt Shaheen
Vote: 5 – 0 Passed

COURT ORDER NO. 2011-286-05-02

10. Potential 82nd Legislative items, Commissioners Court:

a. AI-31816 Discussion and any action of legislative priorities

Judge Self opened this discussion informing the court that regarding items 10 and 11, an amendment was made to the TxDOT (Texas Department of Transportation) Sunset bill in the House that put the NTTA (North Texas Tollway Authority) under Sunset Review. It did not pass the Senate, so it will go to Conference. The county will continue to move forward with the RFQ (Request for Qualifications) for the local review until it is determined whether the bill passes.

Bill Bilyeu, County Administrator, came forward with additional information on the county's legislative priorities. Item number 12 regarding video teleconferencing in certain criminal proceedings has had movement, therefore, Mr. Bilyeu asked the Court for a resolution supporting the bill. Motion to approve a resolution supporting HB 2847. (Time: 7:09 p.m.)

Motion by: Commissioner Matt Sheen
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

COURT ORDER NO. 2011-287-05-02

Mr. Bilyeu continued informing the court that Item 14, which he has discussed with Sharon Rowe, Elections Administrator, is a bill that, beginning next year for even numbered years, puts the May election date in jeopardy for cities and schools. Because the run-off date for primaries rolls backwards, this would make it logistically impossible for the Elections Administrator to run the city and school elections for May. Commissioner Williams added that if cities and school districts have to run their own elections the cost would be significant. Mr. Bilyeu explained that what this bill would do is push the run-off elections up to the dates that the May elections were taking place and there is not enough equipment or man power. The purpose of the bill is to allow more time to get ballots out to overseas voters, which is a Federal requirement; it has passed the Senate and is now in the House. Mr. Bilyeu wanted make the Court aware that city, school and community colleges that hold elections in even numbered years in May would have to find someone other than the Elections Administrator to operate their elections or change term lengths. A brief discussion followed.

Commissioner Jaynes asked about Items 5, 6 and 8. Mr. Bilyeu replied there has been no movement on any of the three. (Time: 7:15 p.m.)

11. Possible future agenda items by Commissioners Court without discussion.

Judge Self requested discussion of the application for the Indigent Defense Discretionary Grant. Commissioner Williams requested Sharon Rowe, Elections Administrator, give the Court a briefing on the implications of SB 00100E. (Time: 7:15 p.m.)

EXECUTIVE SESSION

Judge Self recessed the meeting into Executive Session in accordance with Chapter 551 of the Government Code at 7:15 p.m. to discuss the following subjects:

Real Estate (551.072)

AI-33555 Counter offers from property owners adjacent to FM 2551 (Murphy Road), Special Projects.

Commissioner Williams informed the Court that she would step down from one of the items of discussion due to a conflict of interest.

Judge Self reconvened the meeting at 7:59 p.m. and asked for a motion on the discussion. Commissioner Williams did not participate in the discussion. Motion to accept staff recommendation of offer for Parcel 8. (Time: 8:00 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Duncan Webb
Vote: 4 – 0 Passed
Abstain: Commissioner Cheryl Williams

COURT ORDER NO. 2011-288-05-02

Motion to accept staff recommendation of offers for Parcels, 16, 21, 22, 27 and 33. (Time: 8:00 p.m.)

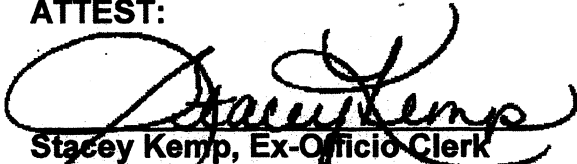
Motion by: Commissioner Joe Jaynes
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

COURT ORDER NO. 2011-289-05-02

There being no further business of the Commissioners' Court, Judge Self adjourned the meeting at 8:01 p.m.



ATTEST:


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



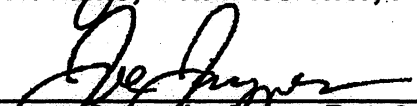
Keith Self, County Judge



Matt Shaheen, Commissioner, Pct. 1



Cheryl Williams, Commissioner, Pct. 2



Joe Jaynes, Commissioner, Pct. 3



Duncan Webb, Commissioner, Pct. 4