

STATE OF TEXAS
COUNTY OF COLLIN

COMMISSIONERS' COURT
MEETING MINUTES
MAY 7, 2012

On Monday, May 7, 2012, the Commissioners' Court of Collin County, Texas, met in Regular Session 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 Matt Shaheen, Precinct 1
Commissioner Cheryl Williams, Precinct 2
Commissioner Joe Jaynes, Precinct 3
Commissioner Duncan Webb, Precinct 4

Commissioner Jaynes led the Invocation.
Commissioner Webb led the Pledge of Allegiance.
Judge Self led the Pledge of Allegiance to the Texas Flag.

Judge Self called to order the meeting of the Collin County Commissioners' Court at 1:30 p.m. and adjourned the meeting at 4:07 p.m.

President Self called to order the meeting of the Collin County Health Care Foundation at 4:07 p.m. and adjourned the meeting at 4:15 p.m.

DECISIONS MANDATED BY LEGAL ENTITIES OUTSIDE OF COMMISSIONERS COURT AUTHORITY:

1. AI-35142 Personnel Changes, Human Resources.

FYI NOTIFICATION

1. AI-34688 Outstanding Agenda items, Commissioners Court.
2. AI-35120 Addendum No. 1 to Waterproofing of Cooling Tower (IFB No. 03183-12) to make various changes to the Invitation For Bids, Purchasing.

3. **AI-35137** Budget amendment in the amount of \$90,490 for the FY2012 Public Health Emergency Preparedness (BT) Grant budget revision, Auditor.

Commissioner Webb pulled the item to understand where the \$90,490 figure came from since it was not noted in the amendment. Jeff May, County Auditor, responded saying the budget amendment was due to an extension of the grant period. The amount was referenced in other documents that were not attached to the amendment.

(Time: 3:42 p.m.)

4. **AI-35146** NTTA minority business outreach, County Judge.

5. **AI-35169** 2012 Certified Estimate of Taxable Value from the Collin Central Appraisal District, County Judge.

2. Public Comments.

3. Presentation/Recognition:

a. **AI-35132** Plaque presentation by the McKinney Veterans Armed Services Board, Administrative Services.

Ralph French, McKinney Veteran's Armed Services Board, presented a plaque to the Commissioners' Court for their efforts in building the Veteran's Memorial Park in McKinney. The plaque was made of the same granite that makes up the Wall of Honor at the Memorial Park. In addition, a challenge coin was given to each of the court members. Judge Self thanked Mr. French for the honor and accepted the plaque on behalf of the citizens of Collin County who fought for our nation. (Time: 1:35 p.m.)

b. Service Pins, Human Resources.

Greg Willis, District Attorney, presented a service pin to the Kathy Decker in recognition of 10 years of dedicated service to the citizens of Collin County.

4. **Consent agenda to approve:** Judge Self asked for any comments on the consent agenda and informed the Court and audience that the County Auditor pulled items 4f2a and 4h1. Commissioner Webb requested items FYI 3, 4a, 4c1, 4f2b, 4h1 and 4h3 be pulled for discussion. There being no further comments, a motion was made to approve the remainder of the consent agenda. (Time: 3:48 p.m.)

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

a. **AI-35153** Disbursements for the period ending May 1, 2012, Auditor.

Commissioner Webb pulled the disbursement to Mitch Nolte for \$21,305; he wanted to point out how much is being spent on indigent defense. The Commissioner expressed concern over the rise in indigent defense costs which was approximately 20% over last year. Jeff May, County Auditor, responded saying the expenses were not for capital murder cases; they were multiple adult and juvenile cases. Commissioner Jaynes questioned why the expenses were not broken down; Mr. May said his office has each invoice; they only add the total amount due on the disbursement list.

Commissioner Webb also questioned the disbursement to Nolan's Landscaping in the amount of \$11,700. When he saw the disbursement, he wanted to know what it was for and found out it was for plantings in an area behind a wall next to the service dock. He pointed out that the county needs to look at the designs when building facilities and use common sense; they need to question what the consultants are suggesting. Commissioner Williams questioned if the county was trying to comply with city landscaping standards. Bill Bilyeu, County Administrator, came forward saying the county does comply with the city standards. The area in question backs up to a wall that it supports. A decision had to be made whether to compress the dirt to hold it in place or to plant an evergreen; they chose an evergreen. When trees are taken out, other trees are planted. After a brief discussion, a motion was made to approve the disbursements. (Time: 3:49 p.m.)

Motion by: Commissioner Duncan Webb

Second by: Commissioner Joe Jaynes

Vote: 5 - 0 Passed

COURT ORDER NO. 2012-259-05-07

b. **AI-35111** Tax refunds totaling \$128,300.21, Tax Assessor Collector.

COURT ORDER NO. 2012-260-05-07

1. **AI-35141** Uniform & Miscellaneous Rental & Laundry Services (IFB No. 04205-12), Facilities.

Commissioner Webb asked for clarification regarding inconsistencies in the uniforms listed in the packet. Frank Ybarbo, Purchasing, came forward. Mr. Ybarbo explained that there was a typo in the packet; the written amounts are correct.

The packet will be correct before it goes out. Motion to approve item as submitted.
(Time: 3:39 p.m.)

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

COURT ORDER NO. 2012-261-05-07

d. Agreement(s):

1. **AI-35049** Restated Interlocal Agreement with the City of Sachse and the City of Wylie for the construction of improvements to Woodbridge Parkway from SH 78 to Hensley Lane (Bond Project No. 03-072), budget amendment in the amount of \$782,500 (County participation NTE \$1,351,750) and further authorize the County Judge to finalize and execute same, Engineering.

COURT ORDER NO. 2012-262-05-07

2. **AI-35134** Novation Agreement for Services, Janitorial (IFB No. 01390-08) to change the name from James Enterprise to James Janitorial Services, LLC and further authorize the Purchasing Agent to finalize and execute same, Purchasing.

COURT ORDER NO. 2012-263-05-07

e. Ratification of the County Judge's prior approval:

1 **AI-35076** Grant Adjustment Notice with the Texas Department of Public Safety for the 2009 Homeland Security Grant Program (HSGP) in the amount of \$400,905.46 (\$3,280.46 increase in grant funds), Homeland Security.

COURT ORDER NO. 2012-264-05-07

2. **AI-35077** Grant Adjustment Notice with the Texas Department of Public Safety for the 2009 Homeland Security Grant Program (HSGP) to reflect a decrease in grant funds in the amount of \$10,125.16, Homeland Security.

COURT ORDER NO. 2012-265-05-07

3. **AI-35083** Grant Adjustment Notice with the Texas Department of Public Safety for the 2009 Homeland Security Grant Program (HSGP) to extend the grant period through and including May 15, 2012, Homeland Security.

COURT ORDER NO. 2012-266-05-07

4. **AI-35078** Grant Adjustment Notice with the Texas Department of Public Safety for the 2011 Homeland Security Grant Program (HSGP) to reflect an increase in grant funds in the amount of \$17,000, Homeland Security.

COURT ORDER NO. 2012-267-05-07

5. **AI-35164** Personnel Appointments, Human Resources.

COURT ORDER NO. 2012-268-05-07

f. **Receive and File, Auditor:**

1. **Monthly Financial Report(s):**

a. **AI-35116** October 2011.

COURT ORDER NO. 2012-269-05-07

b. **AI-35118** November 2011.

COURT ORDER NO. 2012-270-05-07

c. **AI-35123** December 2011.

COURT ORDER NO. 2012-271-05-07

d. **AI-35125** January 2012.

COURT ORDER NO. 2012-272-05-07

e. **AI-35147** February 2012.

COURT ORDER NO. 2012-273-05-07

2. **Final Audit Result(s):**

a. **AI-34977** Tax Assessor Collector (4th Quarter FY2010).

HELD

b. **AI-35131** Justice of the Peace, Precinct 3-2 (2nd Quarter FY2011).

Commissioner Webb pulled the report and expressed concerns because this office's financials have not been reconciled. They are also using Quick Books on a personal computer in an effort to reconcile which is a major issue; they are putting county information on a personal laptop. This is an issue and something needs to be done.

Commissioner Williams commented that she spoke to the Judge and he is aware that using Quick Books is unacceptable; she asked that Brenda Terrell, JP 3-2, come forward to address the Court's concerns.

Ms. Terrell informed the Court, the previous administration did not use anything to reconcile the accounts; when Ms. Terrell came into the office as Court Administrator in April of 2010 she could not find standard procedures for reconciling their accounts.

Since the county did not have any procedures for her to follow, she brought her personal computer and Quick Books to see if she could reconcile to the bank statement.

Ninety days ago an auditor came to the office and spelled out exactly what is expected. She asked for something in writing from the Auditor that tells her what she should do. Once she understood what the Auditor expected, she went back to previous accounting periods and entered the information into spreadsheets. Ms. Terrell also informed the Court that some of the issues are arising from Odyssey. This is because actions taken in Case Manager do not always flow over into OFM (Odyssey Financial Manager). She assured the court that there is no money missing and there has never been any misappropriation of any of their funds. The reason she thought using Quick Books was a good idea is because she was thinking of bank reconciliation. She now realizes that the Auditor will not accept Quick Books for reconciliation; they want her to use excel. Ms. Terrell also informed the Court that there is still the issue of not having anything in writing specifying what is expected.

Commissioner Webb acknowledged that Ms. Terrell and the Auditor appear to have cleared up any outstanding issues and is looking forward to the next report. A brief discussion followed. A motion was made to accept the audit report. (Time: 4:00 p.m.)

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

COURT ORDER NO. 2012-274-05-07

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

1. **AI-35139** April 16, 2012.

COURT ORDER NO. 2012-275-05-07

h. Miscellaneous

1. **AI-35124** Updated Cash Handling Policy, Auditor.

Jeff May, County Auditor, addressed the Court with comments on the Cash Handling Policy updates. He requested the policy be held at this time due to some feedback he has received from county officials.

In addition, he discovered some duplications from the Internal Control Policy which he thinks should be merged into one best practices policy. He would like to re-write the policy and bring it back to a future court for approval.

Mr. May also commented on the issues brought before the court regarding reconciliation procedures. He will write guidelines that will benefit county and elected officials when performing monthly reconciliations.

Commissioner Williams gave comments on the importance of having a standard in place for certain practices. She asked if they could see something in the future that would benefit each individual department's needs. Mr. May responded that he would prefer to write something to cover the county as a whole rather than single out a department. Mr. May also commented that his office needs to do a better job in communicating their policies. (Time: 4:04 p.m.)

HELD

2. **AI-35150** Re-plat of Holiday Harbor Estates lots 108–110 into one lot 108R, Engineering.

COURT ORDER NO. 2012-276-05-07

3. **AI-35133** Grant application for the FY2012/2013 CoServ Charitable Foundation Grant to support the purchase of hazmat equipment and supplies for a newly developed hazmat team in northern Collin County, Fire Marshal.

Commissioner Webb pulled the item to get clarification on the expected re-supply from the county's general funds. Mike Smith, Fire Marshal, came forward to address the question saying there will not be any money needed from the county. They have an agreement with a clean-up contractor that says they will re-supply the trailer for anything that was used and charge the cost back to the person(s) responsible for the spill. Commissioner Webb is in favor of the idea and thanked Fire Marshal Smith for his efforts. Commissioner Webb then made a motion to approve the application.

Judge Self commented that they cannot recoup all of the costs. Even if the items are not used, they will go out of standard. He had concerns on the shelf life of some of the items on the inventory list and asked how long they would be usable. Mr. Smith informed the court that some of the items on the list included replacing unused items. If something is good for five years, then after that time they can re-evaluate and find another means to pay for the replacement costs.

A brief discussion followed. Motion to approve the item as submitted. (Time: 4:08 p.m.)

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

COURT ORDER NO. 2012-277-05-07

4. **AI-35129** Re-designation of County Road 635 to East Line Road (on the north side of N. State Hwy 121) with associated address updates, GIS/Rural Addressing.

COURT ORDER NO. 2012-278-05-07

5. **AI-35122** Declare property as surplus, authorize additions and/or deletions to the list as deemed necessary, authorize the Purchasing Agent to sell same via on-line auction and advertise for same, Purchasing.

COURT ORDER NO. 2012-279-05-07

6. **AI-35143** Personnel Appointments, Human Resources.

COURT ORDER NO. 2012-280-05-07

7. **AI-35144** Personnel Changes, Human Resources.

COURT ORDER NO. 2012-281-05-07

GENERAL DISCUSSION

5. **AI-35130** Public Hearing – Adoption of the Collin County Regional Trail Master Plan, Special Projects.

Jeff Durham, Special Projects, came forward with a brief overview. In 2009 the Commissioners' Court authorized the use of open space funds to develop a Regional Trail Master Plan. Previously in 2001 the cities of Plano, Dallas, Richardson, Garland, Allen and McKinney came to together regionally to create a six (6) city trail plan. Collin County focused on the trails of that plan to develop a regional master plan. Halff Associates, who designed the trail plan for the cities, was asked to design a regional plan for Collin County. Trails and corridors in some of the unincorporated areas were also looked at which has never been done before. Every city in the county participated and some cities outside Collin County participated as well. Mr. Durham then introduced Adam Wood of Halff Associates who came forward to provide more details of the plan and its development.

Mr. Wood gave a power point presentation that included the overall goal of the project which was to provide coordination and connectivity between cities within the county for future trail development.

Objectives included building upon the planning efforts of the cities, define high-priority corridors, encourage corridor preservation, identify and address gaps and provide intercity linkages. Slides were shown that depicted the study area, which included 31 municipalities, as well as non-municipal agency coordination.

The plan was broken into two phases; phase one included maps of the demographic and growth forecast through the year 2030, an inventory of key destinations including regional and local parks, open spaces and lakes and a review of existing and planned trails.

Phase two included the connecting point of each of the trails as well as the surface mileage and level of service. Key intercity connections were analyzed to see what challenges might be faced. The presentation concluded with the recommendations and final report of the study. Mr. Wood asked for any questions from the Court.

Judge Self asked Mr. Durham to re-approach; he referenced page 83 of the bound study that was given to the court which listed an estimated cost per mile and on page 86 was listed an estimated maintenance cost per mile; the lowest of which is \$2,000 per mile. He asked if a total cost estimate had been performed to show what the county may have to commit to. Mr. Durham replied that they did not since this was a planning document and not a construction document. Most of the trails on the regional plans are trails the cities already have on their plan; nothing is being added to the cities' plan. There are approximately 163 additional miles, the majority of which are in the unincorporated areas. These will be based on population growth and he does not see anything being done in the foreseeable future. Judge Self requested a PDF copy of the plan.

Commissioner Webb asked if any of the cost estimates came from the cities. Mr. Wood responded that the estimates are from Halff Associates. As Civil Engineers and Designers they based their estimates on what a project like this would typically cost. These estimates do not include right of way costs. Commissioner Jaynes asked about feedback from landowners and if they had heard any concerns should a future trail route go across someone's property. Mr. Durham had not heard anything during the workshops. Most of the trails in the unincorporated area are in flood plains; they are not going through premium portions of land. Additional brief discussion followed. (Time: 2:03 p.m.)

There being no further discussion from the Court, Judge Self opened the Public Hearing at 2:03 p.m.

H.W. Kirk, McKinney, came forward with comments on the regional plan. Mr. Kirk has property on the proposed trail and thinks it is a really good thing for the county and cities to interact.

He has seen a really good change in the counties' policies regarding everyone getting together. He has been working a lot with the convention bureaus and sees a good change; this is a good way to get things together. We have to look to the future; Collin County has beautiful country and everyone should be able to access it. He is familiar with Halff Associates and thinks they have a very good plan that can help growth here in Collin County if something like this can be approved in the right way. It will give people something to do without having to leave our county. He suggested wider trails for more versatility in activities. Mr. Kirk thinks this is a great deal for Collin County.

Mike Freiberger, Allen, gave comments regarding the trail plan. He is a bicycle commuter who has ridden more than 13,000 miles since 2008. He is speaking in favor of today's proposal. The Court is very important in this process because while cities try to coordinate things like this, they do not always succeed. This Court, as an elected body, is his last line of defense in making sure this is coordinated. Mr. Freiberger referenced Judge Self's request for the plan on PDF saying that is a concern of his because this plan is a potential revision of the six (6) cities trail which is fantastic. He wants to make sure nothing from that plan will be eliminated.

Judge Self asked for any additional comments or discussion. Commissioner Williams asked if the county would receive the PDF copy so they can post it to the county website. Mr. Durham replied that they will get the electronic copy. Commissioner Williams made a motion to approve the Regional Trail Master Plan as submitted to the Court. Commissioner Webb seconded the motion.

There being no further comments, Judge Self closed the public hearing at 2:09 p.m.

Motion by: Commissioner Cheryl Williams

Second by: Commissioner Duncan Webb

Vote: 5 - 0 Passed

COURT ORDER NO. 2012-282-05-07

6. AI-35135 Collin County capital murder defense cost and presentation by the Regional Capital Public Defenders Office, Administrative Services.

Bill Bilyeu, County Administrator, came forward regarding the capital murder defense expenses incurred by Collin County. An extensive study was conducted exclusively on Collin County cases and a power point presentation was presented to show the results.

There are two types of capital murder cases; death penalty and non-death penalty also known as mini-caps. From 2007 through current day, there have been 35 capital murder cases that have been coded in the county's system. Some of these are old cases that are in the appellate system; these still get coded to Collin County to pay the legal expenses.

There has never been a capital murder case in Collin County that did not include a court appointed attorney. During this time period there have been five (5) death penalty cases. Approximately \$4.8 million have been spent so far on these cases; 70% of which are attorney's fees. Other costs include consultants, psychological examinations, court reporter's records, witness costs and investigation expenses.

A chart was displayed to show costs in a given year. The low year was 2007 at \$501,381; the high year was 2009 at \$1,159,718. There are seven (7) active cases for which Collin County is paying legal expenses as of this year; the costs so far have been \$153,672.32.

Next charts showing the indigent defense costs and trial activity were displayed. In 2007 there was one (1) death penalty trial; in 2008 and 2009 there was one (1) death penalty trial and two (2) mini-caps; in 2010 and 2011 there was one (1) mini-cap.

Mr. Bilyeu showed five specific cases where Collin County is still paying costs; one case dates back to 1990. One of the biggest cost drivers is the time and trial. The average time from indictment to jury verdict is 490 days. The average cost for a death penalty case is \$510,320; 63% is attorney's fees which averages \$149,000. The average cost for a mini-cap case is \$54,088 which is approximately 78% of total trial costs.

The appeal process incurs continuous costs. The average time spent on a death penalty appeals is 1,109 days or approximately three (3) years. Collin County's cost for death penalty appeals over the last five (5) years has been \$1,513,709 or \$302,741 per case. Judge Self commented that the actual cost per case would be more than \$800,000 when adding the initial trial cost and the appeals cost.

Fees for the appellate attorneys in these cases totaled \$867,858 or \$173,579 per case. In comparison, the average time spent on a mini-cap appeal is 650 days or approximately one and a half years; the average appellate cost is \$327,142 or \$39,349 per case. This was averaged over nine (9) cases that went to trial. The average appellate attorney fee for each mini-cap was \$26,475.

Mr. Bilyeu ended the presentation and informed the Court they would not be taking any action today; he is just providing them with information on what the county is paying for indigent defense in capital cases. Commissioner Webb asked for the attorney's fees for a first chair versus a second chair and an appellate.

Mr. Bill Bilyeu introduced Jack Stoffregen from the Regional Capital Public Defender Office, a program that started in west Texas to assist counties with the state mandate of providing legal defense for those who qualify as indigent.

Mr. Stoffregen came forward with additional information on trial and appellate costs. A large part of the appeal expense is in writs. In death penalty cases there is not only the direct appeal, there is also a state writ. The difference is, in a direct appeal the attorney is limited to what was developed during the trial; they cannot go beyond the court record. When there is a writ, the attorney will get an investigator and mitigation specialist which the county is required to pay. They reinvestigate the case and re-interview all witnesses to see if the trial counsel was deficient in any way; this can be very costly.

Recently the state developed an Office of Capital Writs which eliminates the counties costs on new cases; they will have only the expense of the direct appeal. Collin County has many cases that pre-date the Office of Capital Writs so it continues to pay for the costs of the writs. Judge Self requested that the County Auditor breakdown what the county is paying for direct appeals and writs. Mr. Stoffregen estimated the cost of just a direct appeal to be \$100,000 where the writs are \$300,000.

In 2007 a group of judges in two (2) of the nine (9) regional districts in west Texas developed a plan and obtained a grant from the state to create a regional agreement between 85 counties in west Texas to provide attorneys who specialize in death penalty cases. Each county pays into a program on a basis determined by population. The original idea was to try the program for six (6) years to see if it would be successful. It turned out to be so successful that they opened a fourth, fifth and sixth administrative judicial region. Offices are located in Uvalde, Kingsville, Amarillo, Lubbock and Midland. Last October they opened the second and third judicial regions and now have offices in Burnet and Brazoria Counties. October first of this year, they will conduct town hall meetings to see what interest there is in this region. Unfortunately Collin County does not qualify due to its size; the population limit is 300,000. However, the task force has allowed for the larger counties to contract with the regional program to provide services or assist the county in setting up their own freestanding office. Currently costs that the county cannot control in a capital murder case are the attorney fees and investigator fees. Through having a free standing office or program, those costs can be controlled by having qualified attorneys and investigators on staff.

Mr. Stoffregen can also provide his tracking system for costs; he keeps records on how long it takes from the time they get the case until it is disposed as well as the staff time for each case. For example he has a breakdown of attorney hours by first chair, second chair and the mitigation specialist as well as investigator and legal assist hours.

So far they have come under budget each year. Judge Self clarified that Collin County is not eligible to share in the state funding. However, the county can contract with Mr. Stoffregen's program.

Commissioner Webb requested to see how Mr. Stoffregen's costs compare to the county's costs in the capital cases. As an example, Mr. Stoffregen said he has a \$1 million budget in regions seven and nine, which consists of 79 counties, and disposed 37 cases. Commissioner Shaheen asked how the budget would be determined. If this were a self-standing program, the Commissioners' Court would make the budget decisions. Mr. Stoffregen has looked at Collin County's capital cases and informed the Court that the county could open their own self-standing office. One attorney could manage up to five (5) cases. If he were staffing an office for Collin County, he would hire two full time (2) attorneys, two (2) full time mitigation specialists, one full time (1) investigator and one full time (1) legal assistant.

Judge Self commented there are several questions to be answered such as what reduction of costs could the county expect in writs and an estimate on a stand-alone office versus a contract. Discussion followed.

Judge Self asked if the District Attorney had any comments on the discussion. Greg Willis, District Attorney, came forward to give his comments regarding the program. The biggest concern in his office is the integrity of the program and that there is a level of quality in each step. When they ask for a death sentence and they get it, it is important that it is not reversed because of ineffective assistance. He sees the allure of the program and being on the cutting edge of case law. Over all it is the Court's decision. His office is willing to work with anyone through the process to make sure the process itself is sound at every level.

Commissioner Williams asked Mr. Stoffregen if he had ever had a sentence overturned due to inadequate counsel. Mr. Stoffregen replied no; out of 37 capital cases, they have only received one death penalty. Commissioner Jaynes asked why they could not try to get a life without parole sentence instead of going for the death penalty. Judge Willis replied that if the prosecution waives the death penalty in the beginning of the trial, then there is no incentive for the person who is charged to plea. There are many factors that go into the decision to ask for the death penalty. Discussion regarding life in prison without parole versus the death penalty followed. (Time: 2:52 p.m.)

NO ACTION TAKEN

7. AI-35099 FY2011 Comprehensive Annual Financial Report (CAFR) presentation, Auditor.

Jeff May, County Auditor, came forward with the annual Comprehensive Annual Financial Report (CAFR). Collin County received an unqualified or clean report again this year from the independent auditor. There was a big change in the CAFR this year due to GASB 54 which redefined how the county presents its fund balance and forced him to consolidate funds in the CAFR.

There are five (5) categories in reporting fund balances; in previous years there were three (3). Mr. May explained the category terms. Special Revenue funds that cannot support themselves were combined with the General Fund which consists of a combination of 13 funds. Other changes included combining all debt service funds into one fund which helps the Court as well as the public understand the debt service fund. Mr. May also combined capital project funds to bond elections so that funds are reported by bond election instead of bond issue.

The structure of the CAFR is divided into government wide statements and governmental fund statements.

Several significant events occurred last year. One of the biggest events to affect the fund balance was paying the Texas County and District Retirement System (TCDRS) liability which was \$40.5 million. In addition, \$12.7 million was committed to disaster recovery, payments of \$15.1 million was made for capital facilities projects including the new wing of the courthouse and payments of \$24.5 million were made for road projects. New debt was issued in the amount of \$53.52 million; \$23.06 of that was used for refunding existing debt. The unassigned fund balance at the end of the year was \$105.2 million which equals to 262 operating days. The balance is lower than last year due to paying the TCDRS liability. Without that payment, the fund would have increased.

A chart depicting total net assets from 2002 through 2011 was shown. Capital assets are by far the largest group of assets on the balance sheet. Fund balances have been growing since 2002; if the TCDRS payment had not been made last year, we would have seen an increase last year. Revenues have consistently exceeded expenses. Charts of revenues by type as well as expenses were shown. In summary, Mr. May pointed out that due to the low unfunded liabilities and the high reserves; Collin County is the most stable government in the country. Interviews with Moody's and Standard and Poor's reflected the same. One entity called Collin County the model AAA.

Mr. May introduced Chris Pruitt of Patillo, Brown and Hill. Mr. Pruitt is an independent auditor who performed the county audit. Mr. Pruitt reviewed his opinion letter which determines Collin County to be unqualified or clean; meaning they found no issues in the financial statements. In his opinion, the county will receive the annual Government Financial Officers Association (GFOA) award for excellence in financial reporting. This will be the 33rd year in a row Collin County has met the criteria to earn this award.

Commissioner Webb had comments on entries in the CAFR regarding indigent defense costs which appear to have grown by 20%. Another statement he found intriguing and wanted to confirm was that Collin County's tax rate for 2012 is the lowest in the state; he had the understanding that Collin County was the third lowest.

Commissioner Webb asked that the statement be confirmed. In addition, under the expenses compared to budget section of the report, a statement reads loan agreement; the Commissioner asked for clarification. Mr. May responded saying that was a typo that should read local instead of loan.

Mr. Pruitt briefly reviewed audits for CSCD and Juvenile Probation. Both audits are required by the state and both received an unqualified opinion. The last audit discussed was the Single Audit Report.

Because Collin County receives more than \$500,000 annually in federal state funding, they are required have a Single Audit. There are two reports that make up the Single Audit Report. One is a Government Audit Standards (GAS) Report and the other is an Internal Control Structure for the entire county. They look for deficiencies; anything that could cause a material misstatement of financials. There was one finding that dealt with bank reconciliations. Commissioner Webb asked if this is a result of when the Auditor performs his audit reports and they have some elected officials that have not balanced their statements and this is the repercussion. Mr. May said in part, yes; however, he feels his staff is responsible because they could have prevented this finding. He has put measures into place to prevent this from happening again. Mr. May has also made some staff changes in his office. Commissioner Webb clarified that certain elected officials are not balancing their statements each month which means the auditors have to balance for them. This is the reason for the write up on the audit report.

Commissioner Shaheen questioned why the County Auditor is taking responsibility for this finding instead of the elected official. Mr. May replied because if the elected official did not balance the statements, his staff should have. Commissioner Shaheen recommended that as the County Auditor, Mr. May should send a copy of the Single Audit Report to the appropriate elected officials. Commissioner Jaynes suggested that those who are responsible for this should be named in the report.

Judge Self responded saying this is the independent auditor's report. What the Court should do is take action to stress how important it is to reconcile the monthly statements. He also questioned when the county will reach a point that they stop blaming Odyssey for their financials.

Caren Skipworth, IT, came forward to respond. There are still issues being found with the conversion of data. Cleaning up converted data in a system is a very lengthy process. On the reconciliation portions of the system, the JPs are still using excel to reconcile and not Odyssey. A modification to assist with that issue was initiated by the Auditor; it has been completed and should be released in the fall. Judge Self stated the departments are going to have to stop blaming Odyssey and the Court needs to decide how they are going to put emphasis on this report.

He thinks they should take a stand; the other Court members agreed. Discussion followed. Mr. Pruitt added that a properly designed procedure would have caught the issue; the county needs to put procedures in place to make sure the reconciliations are being done monthly. Mr. Pruitt gave an overview of the second report on grant compliance. There were no findings. (Time: 3:23 p.m.)

A motion was made to accept the FY2011 Comprehensive Annual Financial Report.

Motion by: Commissioner Duncan Webb
Second by: Commissioner Matt Shaheen
Vote: 5 - 0 Passed

COURT ORDER NO. 2012-283-05-07

8. AI-35102 Community Supervision and Corrections Department Financial Statements and Supplementary Information for the year ended August 31, 2011, Auditor.

A motion was made to accept the Community Supervision and Corrections Department Financial Statements and Supplementary Information as submitted. (Time: 3:24 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Matt Shaheen
Vote: 5 - 0 Passed

COURT ORDER NO. 2012-284-05-07

9. AI-35101 Juvenile Probation Department Financial and Compliance Audit Reports for the year ended August 31, 2011, Auditor.

A motion was made to accept the Juvenile Probation Department Financial and Compliance Audit Reports as submitted. (Time: 3:24 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Matt Shaheen
Vote: 5 - 0 Passed

COURT ORDER NO. 2012-285-05-07

10. AI-35100 FY2011 Single Audit for fiscal year ended September 30, 2011, Auditor.

A motion was made to accept the FY 2011 Single Audit Report as submitted. (Time: 3:26 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Joe Jaynes
Vote: 5 - 0 Passed

Commissioner Shaheen made a motion that a report be placed on a future consent agenda to include a letter that will be sent to each elected official notifying them that as a result of their failure to reconcile their monthly statements; there was an issue with the annual county audit. (Time: 3:30 p.m.)

Motion by: Commissioner Matt Shaheen

Second by: Commissioner Joe Jaynes

Vote: 5 – 0 passed

COURT ORDER NO. 2012-286-05-07

11. AI-34936 Medicaid 1115 Waiver, Regional Health Partnership, Administrative Services.

Judge Self opened the discussion by complimenting Commissioner Williams for her testimony in front of the County Affairs Committee. She gave the court an update of her comments. Since the Court is fairly confident that Collin County will be in a RHP that is appropriate for the county, she did not take the time at the hearing to discuss that issue. Instead she chose to speak on a broader issue of where this tends to be leading. Through the course of the hearing, the staff and the committee spoke of the need for more Intergovernmental Transfers (IGT) and more new programs. Commissioner Williams asked what is the next step if the IGT they are anticipating does not materialize.

Since the RHPs are a very good framework to create a taxing entity; she was looking for assurance there would not be the expansion or introduction of any new taxing entities. The Chairman gave assurance that was not the intent; however, Commissioner Williams is not convinced. IGT is defined as tax dollars and there is a limited amount of tax dollars so, when it doesn't materialize there will have to be another discussion about how to get the federal match.

Judge Self read the notes he took in the hearing. The Commissioner said "...we must leverage tax dollars as well..." then the Chairman of the committee stated "...we must have more dollars in the pot from counties to max the \$29 billion federal funding; we need more IGT..." Judge Self commented that is directly opposed to their answers to Commissioner Williams' questions. The Judge then read aloud a statement from state agencies to warn Texas law makers that the costs to care for disabled and poor children and the elderly are increasing faster than tax revenues. The state's Medicaid Chief said that the program will likely have a shortfall of \$10 billion to cover the current deficit.

Judge Self informed all that the next draft on the map for the RHP will come out on May 11th and a hearing is scheduled on May 17th. Court members will attend and testify at the hearing if necessary. Commissioner Williams wants a discussion on the anchor for the RHP. Judge Self suggested having the discussion on the May 14th court; the map will be out and they will have more information. A brief discussion followed.

(Time: 3:32 p.m.)

NO ACTION TAKEN

12. Board/Committee Appointments, Commissioners Court:

a. **AI-35178** Nominations for the 2012–2013 NCTCOG Executive Board & the 2012 Regional Awards.

Judge Self opened the discussion saying Collin County does not have the possibility of a position on the Executive Board this year. However, there are three awards NCTCOG has asked the county to nominate people for. They are the Linda Keithley award which recognizes women in government; the William Pitstick award and the Regional Cooperation award. The Court has until May 18th to nominate someone for these awards. (Time: 3:34 p.m.)

NO ACTION TAKEN

13. AI-34804 83rd Legislative Agenda for 2013, Commissioners Court.

Judge Self opened the discussion saying not all of the county's items are included in a house or senate interim studies. Items not included are:

1. Electronic circulation of court records.
6. Fees to offset the impact of utility construction that crosses county roads.
7. A constitutional amendment prohibiting legislature from adopting any new unfunded mandates on local government.
8. Amend Section 25.0453 of the Texas Government Code to provide explicit authority to utilize electronic court reporting in a Statutory Probate Court.

Judge Self suggested the Court decide whether to continue with these items. If they choose to continue, they will need to find someone to sponsor them. He then asked Court members to go through Collin County's legislative items to see which ones they want to follow should they want to testify on them.

Judge Self will ask Judge Ray Wheless to testify on item 12 which is regarding the Drug Court Program. Discussion regarding asking Judge John Roach to assist with item 1; Judge Copeland would be asked to assist with item 8. Commissioner Williams commented that her number one complaint from her constituents' is noise. She would like something added to the list; she will find an appropriate way to address it.
(Time:3:38 p.m.)

NO ACTION TAKEN

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

Commissioner Jaynes requested that Public Works give the Court an update on mutual boundaries.

EXECUTIVE SESSION

The Court did not recess into Executive Session. There being no further business of the Court, Judge Self adjourned the meeting at 4:07 p.m.



Keith Self, County Judge

Matt Shaheen, Commissioner, Pct. 1

Cheryl Williams, Commissioner, Pct. 2

Not Present

Joe Jaynes, Commissioner, Pct. 3

Duncan Webb, Commissioner, Pct. 4

ATTEST:

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