

STATE OF TEXAS

COMMISSIONERS' COURT
MEETING MINUTES
JULY 9, 2012

COUNTY OF COLLIN

On Monday, July 9, 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 4:59 p.m.

President Self called to order the meeting of the Collin County Health Care Foundation at 4:59 p.m. and adjourned the meeting at 5:00 p.m.

President Self called to order the meeting of the Housing Finance Corporation at 5:00 p.m. and adjourned the meeting at 5:00 p.m.

FYI NOTIFICATION

1. AI-34688 Outstanding Agenda items, Commissioners Court.
2. AI-35255 Acceptance of the SAS 114 Letter for the Single Audit and Comprehensive Annual Financial Report for FY 2011 from Pattillo, Brown & Hill, Auditor.
3. Notification of budget adjustment(s)/amendment(s), Auditor:
 - a. AI-35384 \$3,396 to reflect an increase in the budget for the FY2012 Cities Readiness Initiative Grant.
 - b. AI-35381 \$3,569 to reflect a budget revision for the FY2012 Public Health Emergency Preparedness (BT) Grant.

4. **AI-35388** Budget amendment(s)/adjustment(s) totaling \$1,250,634 (over \$5,000 per c/o 2005-589-08-01), Budget.

5. **AI-35430** Crimes Against Children Division video update, District Attorney.

District Attorney, Greg Willis came forward to update the court on the Crimes Against Children (CAC) Court. Judge Willis presented a brief presentation on the CAC division which included cases added and cases disposed. By implementing new processes and adding a CAC Court, the division has been able to dispose more cases than in the previous years. He asked to come back to the court at a later date to answer any questions and thanked the Commissioners for their support. He also thanked the District Judges for their support in creating the CAC Court. Judge Willis explained vertical prosecution and how the division works with the Children's Advocacy Center to benefit the child without causing further traumatization. (Time: 1:37 p.m.)

2. **Public Comments.** There were no public comments.

3. **Presentation/Recognition:**

a. **AI-35349** Collin County Farm Museum for participation in the National Endowment for the Arts' Blue Star Museum program, Special Projects.

Judy Florence and Jennifer Rogers, Myer's Park, came forward to inform the court that on June 14, 2012 during a Flag Day celebration, Congressman Sam Johnson presented the Collin County Farm Museum with a Congressional Record and an American flag that had been flown over the nation's capital in recognition of participation in the National Endowment for the Arts' Blue Star Museum Program. This program offers free admission to active duty military personnel and their families between Memorial Day and Labor Day. (Time: 1:32 p.m.)

b. **AI-35446** Certificate of Compliance for the Collin County Jail by the Texas Commission on Jail Standards, County Judge.

Judge Self recognized Sheriff Terry Box for 25 consecutive years of compliance with the commission. Sheriff Box came forward to express his appreciation to the Director and employees of Facilities for their part in keeping the county jail in excellent running order. (Time: 1:33 p.m.)

4. **Consent agenda to approve:** Judge Self informed the court that the County Auditor had pulled item 4i2 from the agenda and asked for any comments. Commissioner Webb requested items 4c3, 4h2, 4h3, 4i1 and items 4i5 c,d,e,f,g,h,i and j be pulled for discussion.

There being no further comments, a motion was made to approve the remainder of the consent agenda. (Time: 2:29 p.m.)

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

a. **AI-35392** Disbursements for the period ending July 3, 2012, Auditor.
COURT ORDER NO. 2012-394-07-09

b. **AI-35376** Tax refunds totaling \$180,416.91, Tax Assessor Collector.
COURT ORDER NO. 2012-395-07-09

c. **Advertisement(s):**

1. **AI-35355** Services: Historical Records Restoration and Preservation (RFP No. 04216-12), District Clerk.
COURT ORDER NO. 2012-396-07-09

2. **AI-35428** Cafeteria Management for Courthouse (RFP No. 06306-12), Administrative Services.
COURT ORDER NO. 2012-397-07-09

3. **AI-35417** Uniforms: Law Enforcement & Related Items, Work Uniforms & Miscellaneous (RFP No. 03193-12), Sheriff.
COURT ORDER NO. 2012-398-07-09

d. **Agreement(s):**

1. **AI-35211** Agreement for Arbitrage Rebate Compliance Services with First Southwest Asset Management, Inc. and further authorize the County Judge to finalize and execute same, Auditor.
COURT ORDER NO. 2012-399-07-09

2. **AI-35400** FY2013/2014 State Case Registry and Local Customer Service (SCR/LCS) Cooperative Agreement with The Office of the Attorney General of the State of Texas to furnish Registry Only court order information relating to Child Support, Protective Orders and Family Violence and further authorize the County Judge to finalize and execute same, District Clerk.
COURT ORDER NO. 2012-400-07-09

3. AI-35411 Novation Agreement for Services, GPS Offender Monitoring (Contract No. 03204-10) to change the name from G4S Justice Services, LLP to Sentinel Offender Services, LLC and further authorize the Purchasing Agent to finalize and execute same, Purchasing.

Commissioner Webb pulled this item out of concern with the language in the agreement. He is not willing to allow the previous vendor to be released of all liability. The County should be able to go after a previous vendor should the new vendor fail to perform. He wants the language strengthened to reflect that G4S Services is not released from their liability and performance. He opposes the agreement unless both vendors will be held accountable. Frank Ybarbo, Purchasing, came forward and asked whether there is still a legal issue if the new vendor agrees to accept all liability.

The question is whether this is the same company, a merger or an acquisition. Commissioner Webb stated that if this were a merger, the agreement would not be needed; this is an assignment. Mr. Ybarbo will confirm the status and then meet with G4S to see if they are willing to maintain full liability. If they are not, the county would have to cancel the agreement and solicit another vendor. Commissioner Webb asked whether Mr. Ybarbo knows the financial liability of Sentinel. Mr. Ybarbo replied that his department ensures a vendor has adequate resources to support the financial liability.

After additional discussion with the court, the item was held pending further information.
(Time: 2:35 p.m.)

PULLED

e. Amendment(s):

1. AI-35389 Contract amendment with the Department of State Health Services (DSHS) for Program Attachment No. 001 to Contract No. 2012-040266, Amendment No. 001A: Preparedness and Prevention Community Section/Risk Based to extend the contract end date through and including July 31, 2013, Homeland Security.

COURT ORDER NO. 2012-401-07-09

2. AI-35197 No. 1 to County Depository (Contract No. 02176-10) with American National Bank to extend the contract for the period of May 1, 2012 through and including April 30, 2014 and add an option for service fees to be waived provided that Collin County maintains a minimum balance in non-interest bearing checking accounts and further authorize the Purchasing Agent to finalize and execute same, Auditor.

COURT ORDER NO. 2012-402-07-09

3. **AI-35350** No. 1 to Services, IT: Implementation of HR Help Desk, Peoplesoft (RFP No. 06217-11) with NGI Capital dba Apex IT to add additional services for the installation of the Peoplesoft Portal Module, budget amendment in the amount of \$3,387 and further authorize the Purchasing Agent to finalize and execute same, Information Technology.

COURT ORDER NO. 2012-403-07-09

4. **AI-35401** No. 2 to Physician Services (Contract No. 07335-10) with Dr. James Shupe to extend the contract for one (1) year through and including September 30, 2013 and further authorize the Purchasing Agent to finalize and execute same, County Clerk.

COURT ORDER NO. 2012-404-07-09

5 **AI-35375** No. 4 to Services: Inmate Healthcare (RFP No. 04479-08) with Correctional Healthcare Companies, Inc. to extend the contract for one (1) year through and including September 30, 2013 with a 3 percent increase to the contract and further authorize the Purchasing Agent to finalize and execute same, Sheriff.

COURT ORDER NO. 2012-405-07-09

f. Change Order(s):

1. **AI-35416** No. 2 to Vehicle Lease/Rental for Collin County Special Operations Unit (IFB No. 06271-10) with EAN Holdings, LLC., dba Enterprise-Rent-A-Car to extend the contract for one (1) year through and including September 30, 2013 and further authorize the Purchasing Agent to finalize and execute same, Sheriff.

COURT ORDER NO. 2012-406-07-09

2. **AI-35379** No. 4 to Services: Tax Statement Preparation & Mailing Services (IFB No. 08632-08) with Outsource Data Center to extend the contract for the period of September 1, 2012 through and including August 31, 2013, further authorize the Purchasing Agent to finalize and execute same, Tax Assessor Collector.

COURT ORDER NO. 2012-407-07-09

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

1. **AI-35252** Grant application for the FY2012 Bulletproof Vest Grant Program grant funds (50% County match) with the US Justice Department's Office of Justice Programs and further authorize the County Judge to finalize and execute same, Auditor.

COURT ORDER NO. 2012-408-07-09

2. **AI-35424** Termination of the contract for Cafeteria Management for Courthouse (RFP No. 02131-11), Purchasing.

COURT ORDER NO. 2012-409-07-09

h. Budget adjustment(s)/amendment(s):

1. **AI-35356** \$900 to purchase a 1949 Allis Chalmers Tractor, Myers Park.

COURT ORDER NO. 2012-410-07-09

2. **AI-35387** \$1,000 for mandatory training for the remainder of FY2012, Constable, Precinct 3.

Commissioner Webb pulled this item to confirm where the funds are coming from. Jeff May, County Auditor, responded saying the funds are available. Monika Arris, Budget and Finance, confirmed that the funds were coming from Constable 3's Skip Tracing fund and not out of the county general fund. A motion was made to approve the amendment. (Time: 2: 35 p.m.)

Motion by: Commissioner Duncan Webb

Second by: Commissioner Matt Shaheen

Vote: 5 - 0 Passed

COURT ORDER NO. 2012-411-07-09

3. **AI-35238** \$1,705 for seven (7) staff members to attend the Justice Court Judges Education and Technology Conference, Justice of the Peace, Precinct 1.

Commissioner Webb pulled the item questioning whether the other Justices of the Peace (JPs) should approve this expenditure since it will be paid out of the Court Technology fund which is a joint account.

Judge Paul Roleeh, Justice of the Peace 1, responded saying all of the JPs collect for this fund including his court. The fees collected in his court more than cover the cost of the training. Ms. Arris informed the court that JP 1 alone brings in approximately \$20,000 annually in fees. Judge Roleeh originally had budgeted for the conference before it was known that it would include technology. Because the conference now qualifies as a Court Technology expense, he wants to take the cost out of that fund and give the originally budgeted \$6,000 back to the county's general fund. In addition, the conference coincides with the renovation of his office which forced an office closure for the week. His request today is to ask the Court's approval for using the Court Technology funds to take his staff to the conference while his office is closed for renovations.

Commissioner Shaheen had talked with Judge Roleeh previously about this and it is his preference to take the entire cost out of the technology fund.

After a brief discussion, a motion was made to approve with the amendment that the entire cost of the conference be taken out of the JP Court Technology fund.
(Time: 2: 38 p.m.)

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

COURT ORDER NO. 2012-412-07-09

4. AI-35345 \$332,614 to reallocate Transportation Bond Funds to facilitate the City of Princeton road improvements, Public Works.

COURT ORDER NO. 2012-413-07-09

i. Receive and File, Auditor:

1. AI-35380 2011 County Wide Asset Review.

Commissioner Webb pulled the item to obtain clarification regarding four assets assigned to the Sheriff's Office that were not located during the audit. He asked what the next step will be and if there is a policy in place when an item is broken apart and assimilated with other items. Jeff May, County Auditor, responded saying Sheriff Box has implemented procedures regarding this issue; Mr. May's office will follow up to see if the assets can be located during next asset review.

Sheriff Box came forward with additional information for the court. Prior to his taking office, a shotgun was donated by the Blue Ridge Police Department when it disbanded. Another was donated at the same time. It is his understanding that one of the shotguns was cannibalized to put the other in working order. This is the first year that any of the assets have been audited; in 2004 the Auditor was required to collect all assets, but they were never audited.

Commissioner Webb replied that he understands, however, the county needs a policy associated with this practice. In addition, there are three other items that appear to be old equipment that also cannot be found. His question is what happens in regards to getting the items removed from the department's asset list and is there a policy in place to prevent a write up in the future. Mr. May responded saying next time his department looks at this, if the items still cannot be located they will write it off and take it off the list; the Auditor has a procedure in place for this. A motion was made to approve the asset review. (Time: 2:44 p.m.)

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

COURT ORDER NO. 2012-414-07-09

2. **AI-35360** FY2011 Public Works Culvert and Stockpile Inventory.

PULLED

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

a. **AI-35396** April 2012.

COURT ORDER NO. 2012-415-07-09

b. **AI-35395** May 2012.

COURT ORDER NO. 2012-416-07-09

4. **Change of Office Inventory Audit:**

a. **AI-35361** District Clerk.

COURT ORDER NO. 2012-417-07-09

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

Commissioner Webb pulled to commend the offices in items 4i5c,d,e,f,g,h,i and j for a clean audit. He knows how much money goes through the County Clerk's office and the audit says a lot about how the department is managed. A motion was made to approve all final audit results that had been pulled for discussion. (Time: 2:45 p.m.)

Motion by: Commissioner Duncan Webb

Second by: Commissioner Cheryl Williams

Vote: 5 - 0 Passed

a. **AI-35363** District Clerk (2nd & 3rd Quarter FY2011).

COURT ORDER NO. 2012-418-07-09

b. **AI-35362** Justice of the Peace, Precinct 2 (3rd & 4th Quarter FY2011).

COURT ORDER NO. 2012-419-07-09

c. **AI-35371** County Clerk (4th Quarter FY2011 & 1st Quarter FY2012).

COURT ORDER NO. 2012-420-07-09

d. **AI-35372** Animal Services (1st Quarter FY2012).

COURT ORDER NO. 2012-421-07-09

e. **AI-35368** Development Services (1st Quarter FY2012).

COURT ORDER NO. 2012-422-07-09

f. **AI-35365** District Attorney (1st Quarter FY2012).

COURT ORDER NO. 2012-423-07-09

g. **AI-35370** Elections (1st Quarter FY2012).

COURT ORDER NO. 2012-424-07-09

h. **AI-35369** Fire Marshal (1st Quarter FY2012).

COURT ORDER NO. 2012-425-07-09

i. **AI-35367** Medical Examiner (1st Quarter FY2012).

COURT ORDER NO. 2012-426-07-09

j. **AI-35364** Substance Abuse (1st Quarter FY2012).

COURT ORDER NO. 2012-427-07-09

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

1. **AI-35351** June 11, 2012.

COURT ORDER NO. 2012-428-07-09

2. **AI-35404** June 18, 2012.

COURT ORDER NO. 2012-429-07-09

k. **Miscellaneous**

1. **AI-35403** Acknowledgment of the issuance of a loan by the Oglesby Education Facilities Corporation to assist Torah Day School of Dallas, Inc. to refinance existing debt used to finance the school campus and to fund the cost of upgrades to a related modular building and further authorize the County Judge to finalize and execute associated documents, Administrative Services.

COURT ORDER NO. 2012-430-07-09

2. **AI-35286** Acceptance of the donation of 50 locking bank bags from American National Bank for use in the District Clerk's office, Auditor.

COURT ORDER NO. 2012-431-07-09

3. **AI-35347** Reimbursement of fencing materials in the amount of \$20,296 to Mr. Bob Passmore for property along CR 474 and further authorize the County Judge to finalize and execute the Agreement for Release and Waiver of Liability, Public Works.

COURT ORDER NO. 2012-432-07-09

4. **AI-35419** Proclamation in observance of the 29th Annual National Night Out, October 2, 2012, Sheriff.

COURT ORDER NO. 2012-433-07-09

5. AI-35421 Personnel Appointments, Human Resources.

COURT ORDER NO. 2012-434-07-09

6. AI-35422 Personnel Changes, Human Resources.

COURT ORDER NO. 2012-435-07-09

GENERAL DISCUSSION

5. AI-35341 2012 TCDRS Benefits presentation, Human Resources.

Cynthia Jacobson, Human Resources, came forward with a presentation regarding the annual review of the Texas County and District Retirement System (TCDRS). A slide of the benefits provided was shown first. There is an employee deposit rate of 7%; a county matching rate of 2 to 1 and the vesting period is eight (8) years. Retirement eligibility is age 60 plus eight (8) years of service; 30 years of service regardless of age and age plus years of service that equal 75. The current guaranteed interest rate is 7%.

The overview included a comparison with other entities; counties and cities as well as a portfolio of the rate of return. The rate of return varied based on market movement. The dates reviewed ranged from 2005 through 2011. Ms. Jacobson next showed a slide explaining the rate of return. The account has to earn 8% because it allocates funds into the employee and employer accounts.

TCDRS uses a smoothing process that spreads the gains and losses over a specific period of time. Ms. Jacobson noted that the TCDRS Board determines how funds are allocated each year; her example does not depict that determination. A slide was shown of the costs to the county and employer contributions, another was shown of the unfunded liability which was \$2.045 million at the end of 2011. This amount includes the smoothing process used by TCDRS; immediate asset recognition places the unfunded liability at \$30,199,573. Another slide showed the unfunded liability history using the smoothing method. Ms. Jacobson explained a chart that depicted how the figures were obtained. The adjustment calculation was explained; last year this was called an interest calculation, this year it is considered a discount.

Each year the Court determines a cost of living (COLA) amount which could be nothing, a flat rate or a Consumer Price Index (CPI) rate. Retirees have been provided with a benefit since 1998. There are currently 481 retirees; 318 are eligible but have not yet retired. 368 will be eligible to retire in the next 5 years. Ms. Jacobson then displayed the COLA options for the Court and the estimated annual cost. The CPI for the 2013 year plan is three percent at an annual cost of \$178,000. A CPI increase can be any percentage in 10% increments. Each percent is \$89,000 in annual cost. Flat rate increases also have an annual cost; a three percent flat rate increase has a higher annual cost because it gives everyone an increase where a CPI does not.

In closing, Ms. Jacobson reminded the Court of the unfunded liability which is approximately \$2.045 million. It is the Court's determination each year during the budget discussions whether to pay it or not. Ms. Jacobson asked the Court for any questions.

Commissioner Webb asked about the \$2.045 million, and whether that accrues interest if unpaid. Ms. Jacobson deferred the Court to TCDRS to explain the process and the actuarial study as it is very complex. Commissioner Webb then questioned one of the calculations in the unfunded liability slide and asked for an explanation of the "Net Actuarial Losses from all Other Sources" in the amount of \$282,000. Ms. Jacobson again deferred to TCDRS to explain the actuarial calculations. (Time: 1:49 p.m.)

Amy Bishop, Deputy Director TCDRS, came forward with information for the court. Ms. Bishop began the presentation with an overview of the retirement crisis sweeping the country. Some of the issues being faced with traditional defined benefit plans are the lack of sound funding, unpredictable costs and the inability to reduce benefits for current employees. Issues with 401(k) plans include inadequate retirement savings to meet income needs and they are an inefficient way to save for retirement.

Ms. Bishop reviewed comments from experts around the country. Talking points for this presentation included savings based benefits, responsible plan funding and flexibility and local control of plan benefits. TCDRS consists of 252 counties and just over 370 districts serving more than 225,000 Texans.

Her power point presentation included an overview of TCDRS. Benefits received by payees in Collin County were approximately \$14 million in 2011. TCDRS was created in 1967 by Texas Legislature and is managed by a nine (9) member board of trustees. No funding is received from the state and no fees are charged for participation. As of December 31, 2011, their total asset size was \$17.6 billion. TCDRS is one of the largest retirement systems in the country.

Operating costs are netted from investment earnings and run approximately 25 to 30 basis points of total assets which is an equivalent of 1/4 to 1/3 of a percent. In comparison, a 401 (k) is typically one to two percent. A study by the National Institute of Retirement Security determined that plans like TCDRS can provide the same target benefit as a defined contribution plan but at nearly half the cost.

Ms. Bishop displayed a chart depicting the funded ratio history; TCDRS is in the top 20% of best funded public retirement plans in the nation. Collin County is funded at 99% which is on the higher end of the range.

Employees contribute 7% of their salary and earn a 7% interest rate. At retirement the employee will receive a benefit based on how much is in their account including the employer match. The advantage to this plan is the predictability of costs.

It is estimated that approximately 30 to 35 percent of employees will retire and earn the employer benefit. If someone leaves prior to retirement and withdraws their money, they do not get the employer match. Commissioner Webb pointed out that 65 to 70 percent will forfeit the county benefit. The average employee and retiree profiles were also shown. The average employee is 46 years old, has 13 years of service, and earns \$51,792 annually. The average retiree was 62 years old at retirement, had 17 years of service and receives \$24,100 in TCDRS benefits annually.

Judge Self asked for clarification on the chart which showed the average age of when one joined the county which appears to be 45 years old. Ms. Bishop replied that the ages shown also include any prior service in an eligible system. County replacement ratios were shown. The average employee will get 50% of leaving salary.

Next Ms. Bishop discussed funding of the plan. Approximately 77cents of every benefit dollar comes from investment earnings; approximately 13 cents comes from employer contributions and 10 cents comes from employee deposits. Judge Self asked whether the losses were considered what is paid into the investment return. Ms. Bishop replied that what the county contributes are employer contributions. Judge Self questioned the chart saying this looks like the county's regular contributions and asked, because we are charged for our losses, would not those charges go back into the investment return. Ms. Bishop replied that they recalculate those and any contributions the county makes goes into the employer contributions. The Judge clarified that the \$35 million which the county paid last year was placed in the employer contributions; Ms. Bishop confirmed that is correct.

Investment returns were shown next. TCDRS focuses on long term investing because most employees will work 15 to 20 years and then are retired for another 20 to 30 years. The 30 year return is 9.9%; last year's return was -1%. Ms. Bishop noted that even though returns over the last three years have been higher than the eight percent target, the investment losses in 2008 are still impacting the rate and the unfunded liability. As of June 30th the plan is up 5%; however, you do not know until the end of the year how the plan actually performed.

The long term return goal is 8%. Performance is measured against benchmarks and reviewed by the board each quarter. They have outperformed their benchmarks for the 10, 20 and 30 year investment horizons. A slide was shown depicting long term investment goals and the expectations of the portfolio. When constructing the asset allocations, they try to balance two things; meeting the long term goal of an 8% return and the year to year volatility of the market which impacts the rate of return. Over the past 15 years, the portfolio has maintained the established risk factor.

A chart showing the diversification of the portfolio was shown. Ms. Bishop discussed TCDRS' risk management plan in managing volatility in the market as well as how rates are determined.

Commissioner Webb asked about the reserve fund and how TCDRS offsets losses such as the one in 2008. Ms. Bishop replied that they used \$2.5 billion in 2009 and \$400 million in 2011.

Ms. Bishop explained how employer rates are determined; each year actuaries look at a plan to determine required contribution rate. The current rate for 2013 is 8.01% of payroll. By paying this rate the county is investing for current employees' future benefits and paying down unfunded liabilities within 20 years. Ms. Bishop explained the term unfunded liability and said this is a misnomer as it implies that the liabilities are not being funded; however there is funding just by paying the required employer rate. Unfunded liabilities are the difference between estimated plan liabilities and plan assets.

The county rate changes from 2012 to 2013 were shown next. The percentage rate went from 7.64% to 8.01%. Judge Self asked about the \$480 million that went into the reserves and asked if that would show up as a debt to the county in the calculation given. Commissioner Webb commented that it is not treated as a debt; it is a buildup of funding. Judge Self then asked if the county has to pay it back into the system. Ms. Bishop replied no.

Next, a projection of the required rate over several years was shown. This changes annually based on investment and other results. The next graph showed a projection of the county's assets and liabilities assuming the required rate is being paid; payments of lump sums were not included in the projection. Next a chart with seven (7) options for contribution rates was shown. Employee deposit rates as well as the county match can be lowered which would lower the benefit. The county is currently at 200% match but could go as low as 100%.

The last slide summed the plan and compared it to defined benefits and 401 (k) retirement plans. The unfunded liability is an annual estimate; actuaries estimate many years into the future each year as balances change. Ms. Bishop encouraged the Court to take the liabilities and assets at the very bottom of the market so that costs would be overstated rather than understated.

Commissioner Webb understands the information to read if the county contributes \$30 million, there is potential of being overfunded if terms go back to normal. Ms. Bishop replied that was correct.

The Commissioner went back to the unfunded liability chart that was presented by Ms. Jacobson and asked what the \$282,000 in actuarial losses from other sources represented.

Ms. Bishop replied that there are three (3) main assumptions that affect the plan; investment return assumptions, withdrawals and terminations and payroll growth. There are also many other types of assumptions such as mortality and salary increase assumptions that also factor in the calculation.

The Commissioner then asked the difference between the \$2.045 million and the \$30 million liability that was shown. Ms. Bishop replied that each year TCDRS discounts both assets and liabilities; in the chart shown one could only see it on the liabilities. Each year they discount the assets at 9% and the liabilities at 9%. The reason they use that percentage is because they assume they are making 8%; they pay the employee 7% and employers 9%. Commissioner Webb asked if any revenue over and above the 8% were put into the reserves or into the plan to lower costs. Ms. Bishop said they go back to the employers contributions; they do not allocate earnings to the reserve fund. Commissioner Shaheen asked Ms. Bishop to clarify how interest is calculated on the \$2.045 million versus the \$30 million. Ms. Bishop was unclear and will get clarification for the Court. Commissioner Williams added that because the county paid the unfunded liability last year, they should not see the discount period in future reports as long as they continue to pay the annual costs. Ms. Bishop replied that since the \$35.5 payment was smoothed over a period of years there will still be gains and losses, but she will check the information for the Court. Commissioner Webb commented that if the county were to pay the \$30 million they could be overfunded and getting no benefit from the payout. Ms. Bishop confirmed that if the \$30 million was paid, the county would most likely be overfunded.

Judge Self wanted to address money that is withdrawn. While it is better for the county plan, as supervisors they need to remind employees that they are losing a lot of money if they are vested when they leave the county and they withdraw their funds because they will not get the employer match. The Judge encourages employees who are vested to leave their money because they will not get the 7% rate of return anywhere else.

Ms. Jacobson came forward saying when someone leaves and wants to withdraw their money, they explain exactly how much will be lost if they withdraw money before retirement. Ms. Bishop responded that when TCDRS sees a vested employee who leaves requesting their money, they call them to make sure they understand what they are doing.

Judge Self told Ms. Bishop that he hopes the plan makes the 8% and that there is a great event by the end of the year. He thinks they will make more than the 8% and asked how the excess is allocated. Ms. Bishop responded that the board makes the decision each year. Typically what they have done is to pass through the reserves when an employer is in a loss position. This is to prevent the increase of the cost to the employer.

Commissioner Jaynes asked how TCDRS was doing prior to the market fall in 2008. Ms. Bishop was not sure of the 20 year return at that point. Judge Self asked about the new rules set by the Governmental Standards Commission and clarified that their funding level will not decrease.

Ms. Bishop replied that the ratio will be very close. She also added that the employer contributions will no longer match the pension expense. The numbers will become more volatile. TCDRS is working on reports now and will provide the information that will be needed for GASB reporting.

Judge Self has the understanding from news reports that the smoothing method will no longer be allowed. He does not know that to be the case; however, if it is, the Court needs to know before budget. Ms. Bishop explained that this will not impact funding; funding will still be calculated the same. This will impact the reporting. The Court thanked Ms. Bishop for her appearance at the meeting. (Time: 2: 29 p.m.)

NO ACTION TAKEN

Judge Self recessed the meeting at 2:44 p.m. and reconvened at 2:54 p.m.

6. AI-35323 RTR Priority Projects, Engineering.

Tracy Homfeld came forward with an update on the RTR funding. Since the last meeting held on June 25, 2012 it has been verified that the actual funding available is \$93 million. The spreadsheet attached to the agenda item has changed slightly.

During the last court meeting there was discussion about funding Parker Road east from 1378 to east of Lavon Parkway which would cost approximately \$8.5 million. It had been included above the line as a TxDOT project. Since that time, there were discussions with RTC about moving it back under the line. Concerns were raised because the project had not gone through the ranking process. Originally it had gone through the ranking process with the original intent to borrow from the west Parker Road section to fund the east Parker Road section. Since this would have left a funding gap on the west section, they moved the project above the line so it could be funded. Since then, it has been decided to borrow the funding from the west section and fund the east section because it is a TxDOT priority.

There are approximately \$77 million in projects which leaves approximately \$16 million that can be used to fund projects listed below the line. Ms. Homfeld asked the Court whether they wish to vote on the project list as it is and what projects they want to fund with the excess. Judge Self asked about the St. Paul project. Ms. Homfeld replied that it has a rating of 48 and is FM 2514 (Parker Road) from FM 1378 to east of Lavon Parkway. Ms. Homfeld has received input from some of the cities that are concerned about the ratings; she will review the rating again. Discussion among court members regarding the projects and their rankings followed.

Judge Self asked for Ms. Homfeld's recommendations. Commissioner Webb asked that the Court approve the rankings list as it is so he can take it to the RTC; they had asked for the county's top prioritization of projects. The Cities of Allen, McKinney, Plano and Frisco have all signed off in support of the current prioritization with the exception of the St. Paul modification.

After additional brief discussion, a motion was made to approve the project prioritization per the most recent list provided. (Time: 3:06 p.m.)

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

COURT ORDER NO. 2012-436-07-09

7. AI-35274 2012 Law Enforcement Compensation presentation, Human Resources.

Cynthia Jacobson, Human Resources, came forward with a power point presentation on Law Enforcement compensation. Ms. Jacobson informed the court that today they would only talk about ranges and not discuss increases; those will be presented at a later date. She showed a slide which depicted how compensations were ranked when compared with Denton, Fort Bend, Montgomery and Williamson Counties. Salaries were ranked from highest to lowest with a ranking of a one (1) denoting the highest salary paid. The presentation began with the salary ranking for positions in the Jail.

The position of Detention Officer ranks one (1) of five (5) and the position of Jail Sergeant ranks two (2) of five (5) for both minimum and maximum salaries per range. Housing Lieutenants rank one (1) of five (5); Non-housing Lieutenants rank two (2) of four (4); Captains rank two (2) of three (3) and the Assistant Chief Deputy ranks one (1) of five (5). Minimums were not compared for the positions of Lieutenant, Captain and Assistant Chief Deputy because these positions are typically filled by promotion, therefore, only maximum salaries were ranked.

Sheriff's Office positions were shown next. They were compared with Denton, Fort Bend, Montgomery, Tarrant and Williamson Counties as well as the Cities of Allen, Frisco, McKinney, Plano and Wylie. Various notations were made due to some positions not having a match in a municipality.

The minimum salary for a Deputy ranks three (3) of nine (9) and the maximum ranks two (2) of nine (9); Criminal Investigators rank one (1) of five (5) for minimum and maximum; Patrol Sergeants rank four (4) of eight (8) for minimum and five (5) of eight (8) for maximum. Patrol Lieutenants rank five (5) of eight (8) and the Chief Deputy Sheriff ranks two (2) of five (5).

Constable positions were shown next. These are separated because they are not compared to the cities. There were compared to Denton, Fort Bend, Montgomery, and Williamson Counties. Deputy Constable ranks one (1) of five (5) for minimum and maximum and Chief Deputy Constable ranks three (3) of five (5) for maximum.

Commissioner Shaheen asked how the rankings would compare if the Deputy Marshal were added. Ms. Jacobson replied that the county would still rank the highest with Deputy Constables. In addition, when reviewing a pay range she looks to see if there is a ten percent differential in the salary comparisons and this is ten percent outside the range. Commissioner Shaheen would prefer to be compared with counties only.

Court Officers (Bailiff) were compared with Denton, Fort Bend, Montgomery, Tarrant and Williamson Counties. They rank one (1) of six (6) for minimum and two (2) of six (6) for maximum.

In closing, Ms. Jacobson found one position outside the range during the salary review and that is the Deputy Constable. Historically this position has always been outside the range; however, it has been the practice of the Court to keep the Deputy Constable equivalent in salary to the Deputy Sheriff.

Sheriff Box came forward with comments and questioned why the Deputy Sheriff was not compared to the Police Officers in the cities. Ms. Jacobson responded saying her staff performed an extensive study last year based on job descriptions and requirements and these were the determined comparisons.

Sheriff Box replied that his office has the same requirements as the City of Frisco including education and physical requirements and again questioned not being compared to them. Commissioner Jaynes agreed with the Sheriff and commented that the deputies should be compared to the cities. There was a brief discussion regarding whether the county has lost deputies to the cities. Commissioner Williams asked for more details as to why there is not a match. (Time: 3:15 p.m.)

NO ACTION TAKEN

8. AI-35275 2012 Legal Compensation presentation, Human Resources.

Ms. Jacobson continued with a presentation on compensation for legal positions. Salaries were compared with Denton, Fort Bend, Montgomery, Tarrant and Williamson Counties and the State of Texas. Ms. Jacobson noted that Tarrant County has the ability to offer up to ten percent above the minimum. They also have multiple levels of prosecutors and since she could not compare with all levels she chose one in the middle.

Commissioner Jaynes questioned comparing state attorneys with prosecutors and commented that he doesn't see it as a true apples to apples comparison. Ms. Jacobson replied that she only compares those positions that have similar duties.

The District Attorney (DA) would prefer to be compared to federal positions; however, federal was not compared. Commissioner Webb wanted to clarify that HR was not comparing a staff attorney at the Attorney General's office who has nothing to do with prosecution and putting their positions in the ranking. Ms. Jacobson replied no.

Commissioner Williams asked about using Tarrant County; Ms. Jacobson said Tarrant County is always the highest payer. Commissioner Williams was surprised at the maximum for the Felony Prosecutor and expressed concerns about the maximum falling down as those with the experience are the ones the county needs to keep. Judge Self asked if the six of seven were in the ten percent. Ms. Jacobson did not know; she will have to look at the whole pay range. Commissioner Webb agreed with Commissioner Williams regarding the possibility of losing the most experienced felony prosecutors. Commissioner Williams thinks it is not a good model when someone reaches midpoint to maximum of the pay range after they get the experience. Commissioner Shaheen asked for the turnover in the area. Ms. Jacobson replied for the Felony Prosecutor in 2011 it was 19.4%. She also noted that four were Elected Official transitions and one was for family reasons. In 2010 it was 11.4%.

Ms. Jacobson continued saying she recommends leaving the pay ranges as they are because there was not a variance higher than ten percent. She will review the Felony Prosecutor pay range and bring it back to the Court. (Time: 3:23 p.m.)

NO ACTION TAKEN

9. AI-35407 2012 Compensatory Time presentation, Human Resources.

Ms. Jacobson continued with a presentation on Compensatory Time (Comp Time). She began by giving an overview of the government's ability to pay comp time rather than overtime. The county used to pay balances when they got high but balances kept getting higher so they created reports for managers to track their staff's comp time. If an employee is non-exempt, comp time must be paid when they leave county employment. They are paid time and a half at the rate they are making upon leaving, not the rate at which it was earned.

Currently there are 1,240 employees who have comp time accruals. 25 of those are the top two percent and compose 20% of the total hours accrued. Of those 25 employees, 77% of the accrued time has been on the books since 2009. There are 128 employees with more than 100 hours of comp time. They are the top ten percent and have accrued 52% of the hours and 55% of the total cost. Commissioner Shaheen asked what is done from a budget prospective. Ms. Jacobson replied you end up writing it off; at year's end the Auditor makes an adjustment to the budget.

Commissioner Williams suggested paying overtime; this would create a budget line item for which the department would be accountable. Judge Self thought this would be a good idea in the departments of Elected Officials. He also commented that other departments are seeing that the comp time is taken after it is earned. Judge Self asked if paying the overtime would actually cost more.

Ms. Jacobson replied that there would be a cost associated, however, if they could get the comp time under control, it would not be carried over from year to year. When a group worked extended hours, they would get paid instead of being able to take the time when the heavy work was finished.

Commissioner Williams commented that in some areas it is a vicious cycle. When someone tries to take the comp time, someone else ends up earning it because they have to fill in for the one that is out. This especially effects those departments that run 24 hours a day. Commissioner Jaynes commented that whatever recommendation is made, there will still be issues with some Elected Officials.

A slide depicting the top ten percent by group was shown. Animal Shelter/Control showed to be the highest. Ms. Jacobson told the Court she had talked with the department head to look at the scheduling to see if they could come up with a better one so they didn't run into this kind of issue again. Ms. Jacobson noted that at this point not much could be done since the hours were so high and there were only so many people in the department. Judge Self interjected saying that was not a fair comparison. That department has taken on a lot of extra services.

Judge Self commented on the grouping chart saying most of the list can be controlled as they are under the direction of the Commissioners' Court. The next slide shown was Human Resources' recommendation for reducing the accruals. As of January 1st of any given year, if an individual has 100 hours or more of comp time they must use the lesser amount of hours over the 100 hours or 20% of their comp time balance before they can use PTO in that year. Ms. Jacobson also recommended the new policy become effective January 1, 2013 to allow employees to use their PTO to prevent losing any accruals.

One of the issues that will be seen with the recommendation is with the employees who are at the maximum of their PTO accruals. If they do not use the PTO accruals and get the balances down before the policy is in effect, they will lose PTO. Commissioner Jaynes questioned how to get Elected Officials to buy into this concept. Ms. Jacobson replied you can tell them it is a county policy; the Court controls the benefits, this is in the control of the Commissioners' Court. Judge Self stated that although HR is making a recommendation, this should be a budget issue and should be addressed in the budget approval in September.

Ms. Jacobson expressed her concerns about waiting that long to enact a policy as her department would need time for programming the payroll system. Commissioner Webb made a motion to approve the recommendation as a policy. Commissioner Williams seconded the policy.

Prior to the Court's vote, Sheriff Box came forward with comments regarding his deputies. The Sheriff prefers not to approve comp time; however, there are times when deputies can be held on a call causing them to work over their shift. Judge Self responded saying the county pays his department overtime to keep down the comp time and thinks that it will be okay. After additional brief discussion, a vote was taken on the comp time policy. (Time: 3:41 p.m.)

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

COURT ORDER NO. 2012-437-07-09

10. AI-35335 2012 Tuition Reimbursement presentation, Human Resources.

Ms. Jacobson remained to discuss tuition reimbursement. During a previous court, she had been directed to provide additional options for revising the county policy. Ms. Jacobson presented a power point presentation with two additional options for the Court's review. The first was Option 1A, a stepped requirement on how long one must remain an active full time employee based on how much they received in reimbursements. Employees who receive less than \$2,000 would be required to stay a minimum of one (1) year; employees who receive \$2,000 to \$5,000 would be required to stay a minimum of two (2) years; employees who receive \$5,000 to \$7,500 would be required to stay a minimum of three (3) years and employees who receive \$7,500 or more would be required to stay a minimum of four (4) years.

The second, Option 1B was a variation on Option 1A and included a repayment liability for early termination based on the years of service after the employee completed class.

Ms. Jacobson briefly reviewed options that were presented in previous courts. Commissioner Jaynes expressed concern with Option 3 which would require a person to be an active full time employee for a specific amount of time before they would be eligible for tuition assistance; the longer you are out of school the less likely you are to go back. Judge Self asked if the county had garnishment authority. Ms. Jacobson replied no. The Judge questioned the ability to manage repayment for early termination without that authority. Mr. May commented that the amount owed is deducted from the last paycheck when an employee leaves. The Court had a brief discussion regarding how to recover the funds when an employee terminates before they have met the longevity requirement. Commissioner Williams preferred Option 1A; Commissioner Webb agreed.

Discussion by court members regarding Options 1A and 1B. Bill Bilyeu, County Administrator, came forward and suggested the Court consider January 1, 2013 as a start date. A motion was made to approve Option 1A effective January 1, 2013.
(Time: 3:51 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Duncan Webb
Vote: 4 - 1 Passed
Nay: Commissioner Joe Jaynes

Following the vote, Ms. Jacobson informed the court that because tuition assistance is administered by the County Auditor, he will be the one to write the policy and present it to the Court for consideration and approval.

COURT ORDER NO. 2012-438-07-09

11. AI-35366 Utilization of JJAEP Office Space, Administrative Services.

Bill Bilyeu, County Administrator, came forward with an update on the Juvenile Justice Alternative Education Program (JJAEP) office space. The facility was originally built to accommodate growth which they expected to have by now. As part of the planning process in the 2007 bond election, legislation was passed that set a mandatory requirement for enrollment. Juveniles who are arrested for drugs or a violent crime would be required to enroll in the alternative education program. Also at that time there were a number of juveniles who were discretionary students that were sent by the schools because of behavior issues.

As the facility was finished and the price structure settled, schools districts interpreted the statute differently and kept the juveniles pre-trial and began their own alternative classrooms. As a result, there is a surplus in space at the facility. Mr. Bilyeu presented a power point presentation that included pictures of the facility.

There are two entrances, one leads to the classrooms and the other leads to offices. Another slide showed an overview of the facility with color coding to show each area and how it is used. The county went out to see if they could find someone to rent out the space. The Department of Public Safety (DPS) approached the county with interest in the space; however, legislation has been passed to fund mega-centers. In addition they did not have the funding for construction. McKinney ISD also looked at the space, but in the end, both declined. Mr. Bilyeu then started looking at putting county offices in the space.

The first department looked at was elections. Elections requirements are based on population growth; there is a formula they are required to follow that dictates how many voter machines they are required to have. A slide of the possible configuration of the facility was shown. The approximate cost of renovating for Elections would be \$326,000. Some of the issues are with early voting and signage, electioneers who are at the polls and difficulty in finding the facility. Mr. Bilyeu does not see Elections being a viable solution to filling the extra space.

The Health Care facility was looked at due to their lack of space. Mr. Bilyeu considered moving Engineering, Development Services, Special Projects and the Fire Marshal. There would need to be some renovations to accommodate the offices which would cost approximately \$20,000. Another consideration would be the loss of \$5,800 a month for rent that is paid into the Health Care Foundation fund. Moving these offices would allow the expansion of Health Care which is very crowded in the current space. They have one single stall bathroom. People sit in the hallway, examination rooms are always full and the supply rooms are very narrow and crowded.

Commissioner Shaheen asked about the revenue loss to the Health Care Foundation if the suggested departments were to move. Mr. Bilyeu replied that it would come from Health Care with their expansion. Commissioner Webb asked if the modifications would be done internally. Mr. Bilyeu replied if moving the groups currently in Health Care, yes; if Elections moved, the work would have to be outsourced because of the electrical requirements. Commissioner Williams did not like the idea of moving elections. Moving the Fire Marshal and Engineering is preferable because they should be close to the Administration Building. Commissioner Webb agreed. Judge Self asked to see the chart of Mr. Bilyeu's recommendation. Parking has been reviewed and is adequate for the groups being discussed; if elections were to move they would have to make modifications. Commissioner Shaheen clarified that the JJAEP renovations and the expansion of Health Care would be done internally at a cost of approximately \$70,000. Judge Self agreed with Commissioners Webb and Williams saying Elections does not belong with the JJAEP.

After a brief discussion, a motion was made to move the offices of Fire Marshal, Development Services, Engineering and Special Projects to the JJAEP space as presented and expand Health Care using internal personnel.
(Time: 4:11 p.m.)

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

COURT ORDER NO. 2012-439-07-09

12. AI-35399 Creation of two (2) non-profit organizations to assist Teen Court and the Animal Shelter, Administrative Services.

Mr. Bilyeu stayed at the dais to discuss this item. He has had quite a bit of discussion regarding requests for non-profits to assist these two county operations. In the past there have been two other non-profit organizations created for Substance Abuse and Myers Park, however, due to having no activity they no longer exist. Today he would like to discuss two others. The first is Teen Court; since 2007 they have been raising money for scholarships. One of the issues is how to give a scholarship when the money is held in the county's general fund. Local Attorney, Charlie Epperson solved the issue by creating a non-profit corporation and money has been raised through the corporation for the past six (6) years. This year they applied for and received a grant from CoServ. A portion of the money was used to buy food and a projector to support Teen Court.

Recently, Mr. Epperson became aware of certain reports that have to be filed with the state annually. Because letters of failure to file were received, he completed the requirements to get them in compliance. Mr. Bilyeu would like to get in a full compliance mode of having an on-going operation. He has had discussion with the County Auditor regarding taking over the fund management.

Jeff May, County Auditor gave comments saying he would be willing to take the responsibility and believes it a benefit to the county. Although his budget is approved by the District Judges, he would like to have the approval of the Court to continue.

Commissioner Shaheen asked if the non-profit for Teen Court already exists and what Mr. Bilyeu is recommending. Mr. Bilyeu replied it does exist; it is filed with the state which allows for a checking account that money can run through. What he is asking for is a tax exempt organization. A tax exempt organization is filed with the IRS and you have to tell it your organization's ultimate purpose. All expenditures then have to match the organization's purpose. Mr. May informed the Court that by creating a tax exempt organization they will be eligible for additional grant funds.

Judge Self asked about the legal relationship to the county and how it would be governed. It would be determined by the attorney who creates the organization as to who would be the governing board. He has been told by Mr. May and Commissioner Webb that the county's involvement has to remain at arm's length. Mr. Bilyeu suggested the Court create a board or use an existing board. Hopefully, the board would also handle the fundraising for the organization.

Judge Self asked about the legal relationship between the county and the board. Mr. Bilyeu replied that the fiduciary agent would be the County Auditor. Any use of county resources would have to be approved by the Court.

Judge Self asked Mr. Bilyeu to explain to the court what role the county would play in relation to the board. Mr. Bilyeu replied that if it is at arm's length, board members would be able to receive money and deposit it into the account; however, if they pursue grant opportunities that have a direct impact on the county, it would be required to go through the Commissioners' Court.

Judge Self disagrees with the concept that the organization would be at arm's length and not an agency of the county. Commissioner Shaheen questioned the need for a board; Mr. Bilyeu replied that it is a state requirement. This is a totally stand-alone non-profit. The Commissioners would not have any part other than the acceptance of a gift or donation or if they needed to hire an employee or make a purchase. Commissioner Webb used the school district as an example to explain how the board is created. The districts initially set up a non-profit and appoint a board; from that point forward, the board's by-laws govern how future appointments are made. Initially the school districts assisted the non-profits by providing them office space and accounting services. As the non-profits gained more and more revenue, they began their own budgets with their own people.

Commissioner Shaheen did not have an issue with the Teen Court. He struggled with the Animal Shelter. The Commissioner asked for clarification on the Court's role with the board. Mr. Bilyeu replied that once the by-laws are proposed, they would come to the Court for approval. Commissioner Shaheen expressed concerns with the idea of appointing someone for the Animal Shelter as it is very volatile and political.

The Court had an extensive discussion regarding whether to create a non-profit for Teen Court and Animal Shelter.

Judge Self was not comfortable with the county trying to compete with the private sector. Commissioner Williams disagreed saying they are not competing with private animal shelters. Commissioner Webb offered to set up both non-profits using his own money; his question was would the Court allow Mr. May to manage the fund accounts. Judge Self doesn't think the county should be in the business of setting up a non-profit.

Judge Self thinks if the private sector is willing to establish the non-profits then let them do so. Commissioner Williams thinks there is value in seeding the organizations and giving it the push it needs to get it started. Commissioner Williams then made a motion to adopt Mr. Bilyeu's recommendation and create the two tax exempt organizations. Judge Self read from a speech given by former President Ronald Reagan and concluded by saying the private sector should be creating the tax exempt organizations and the county should not take on this issue. The motion died for lack of a second.
(Time: 4: 40 p.m.)

A motion was made to support the County Auditor as manager of the accounting for Teen Court and Animal Shelter donations in the event non-profit organizations are created by the private sector. (Time: 4:52 p.m.)

Motion by: Commissioner Duncan Webb

Second by: Commissioner Joe Jaynes

Vote: 3 - 2 Passed

Nay: Judge Keith Self

Commissioner Matt Shaheen

COURT ORDER NO. 2012-440-07-09

13. AI-35285 Medicaid 1115 Waiver, Regional Health Partnership, Administrative Services.

Bill Bilyeu came forward with the weekly update from Public Information Associates Group (PIA). There will be two hearings with HHSC that will be held in July and August in the central jury room. August 7th and 8th will be the HHSC meetings with Anchors; there will be seven places. The county will have two from PIA, and then some from DSRIP who will speak at the meeting. Mr. Bilyeu talked at length with Dr. Cruser on Friday. There is still a lot of confusion. Collin County provided leadership to get involved in this process early; there are many Anchors that are way behind. Mr. Bilyeu has provided the Court via email with the latest mechanics and proposed protocols; this will be provided in the next court packet. The dollar amount of available funding has increased. Initially it was approximately \$2.3 million, now it is at \$10 million for the first year. Judge Self pointed out that 10% of the funding in the first year will go to the County as Anchor to pay for administrative costs. Commissioner Williams asked for updates from Dr. Cruser. Mr. Bilyeu received an update prior to this court meeting and expects Dr. Hornsby to attend court with an update after the next anchor discussion. Mr. Bilyeu proposed that one of the seven slots for the HHSC meeting be filled by the HCA representative from Collin County as well as Dr. Randy Routon, LifePath, who has a lot of money he wants to use for DSRIP. Judge Self asked how much they will be required to provide for mental health. Mr. Bilyeu was not sure, but Dr. Routon has a substantial amount. (Time: 4:58 p.m.)

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

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

Judge Self requested discussion regarding RTR funding in Dallas County.
(Time: 4:59 p.m.)

EXECUTIVE SESSION

The Court did not recess into Executive Session. There being no further business of the Court, Judge Self adjourned the meeting at 4:59 p.m.

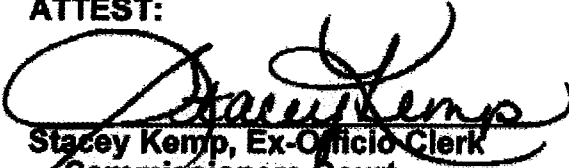
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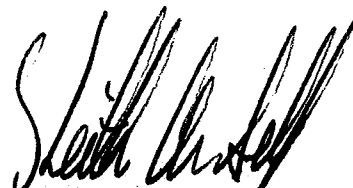
AI-35447 Consult with legal counsel on anticipated litigation regarding Attorney General Public Information Act ruling pertaining to County information technology.

PULLED



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

Not Present
Joe Jaynes, Commissioner, Pct. 3


Duncan Webb, Commissioner, Pct. 4