

STATE OF TEXAS

COUNTY OF COLLIN

COMMISSIONERS' COURT
SPECIAL SESSION MEETING MINUTES
SEPTEMBER 03, 2013

On Tuesday, September 3, 2013, the Commissioners' Court of Collin County, Texas, met in Special 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 Chris Hill, Precinct 3

Commissioner Duncan Webb, Precinct 4

Commissioner Shaheen led the Invocation.

Commissioner Williams led the Pledge of Allegiance.

Commissioner Hill led the Pledge of Allegiance to the Texas Flag.

COMMISSIONERS' COURT SPECIAL SESSION MEETING

1. Judge Self called to order the Special Session Meeting of the Collin County Commissioners' Court at 1:30 p.m. and adjourned the meeting at 2:24 p.m.

2. Public Comments.

Roy Serpa, Fairview, came forward to discuss the pension plan and stated there is a significant change between what is reported in the County and what TCDRS reports as compensation. Mr. Serpa feels that should be reconciled since it will determine how much money needs to be put into the pension fund. He also stated many public employees don't know the difference between salary and compensation.

Mr. Serpa read an article to the Court regarding government employees' benefits being better than their counterparts in private industry according to the Bureau of Labor Statistics. The article also reported government employees earn more per hour than the private sector and their median age is 40% higher. Mr. Serpa summed up his comment by stating you can't have competitive salaries and rich benefits. (Time: 1:47 p.m.)

3. Presentation/Recognition.

GENERAL DISCUSSION

4. **AI-37269 Public Hearing** – Proposed FY 2014 Tax Rate, Budget.

Monika Arris, Budget, came forward with a Power Point presentation to re-cap the previously discussed FY 2014 budget before the opening of the Public Hearing. The current tax rate is \$0.24 per \$100 valuation. Collin County has not had a tax rate increase in 20 years. The 5% Homestead Exemption has been in place for five years. The FY 2013 certified adjusted taxable value is \$79.1 billion which is an increase of 6.1% over the 2012 tax year. The average home value in Collin County is \$238,030 according to statistics compiled by the Central Appraisal District. With the current tax rate and the Homestead Exemption, the average homeowner will pay \$542.71 in county taxes for the 2013 tax year. This is an increase of \$17.81 or 3.4%.

Since the Budget Workshop, CSCD (Community Supervision and Corrections Department) has held a Public Hearing and adopted the County 3% PFP. The County Auditor held a Public Hearing and added an accountant auditor position to be placed in contingency, and the Compa-ratio and PFP of 3% were approved by the Board of District Judges. The total increase to the budget was \$77,849. Juvenile Services held a Public Hearing and moved the purchase of a restraint bed to contingency, adopted the County 3% PFP, continued stipends from last year and added an additional stipend for their Superintendent. There is a state-funded grant of \$208,444 for an Adolescent Counselor as well as Juvenile Mental Health expenditures.

With those changes, the tax rate is supporting a Total Combined Budget of \$278.3 million. Without the one-time expenditure of \$11.6 million to TCDRS, the combined budget would have grown only 2.9% instead of 7.4%.

The Operating Fund Five-Year-Trend is growing by 12.1% up to \$183.2 million. Revenue estimates are \$187.1 million with the total Operating Funds at \$194.8 million. The Road & Bridge Fund is increasing to \$22.3 million, an increase of \$1.7 million, mainly due to stopping the practice of carry forwards and instead budgeting for what is needed. The General Fund is increasing by 12.2%. The \$11.6 million one-time expenditure to TCDRS will be paid from this fund, otherwise the growth would have been only 4.6%. Estimated revenues are \$167 million versus \$159 million budgeted plus \$11.6 million for TCDRS which totals \$170.6 million for the General Fund.

Future large expenses in the Five-Year-Plan are 1) the replacement of the radio system in the Sheriff's office that will be done over a two-year period, 2) Elections' equipment refresh in 2016, 3) the Health Care Foundation will most likely need funding from the General Fund by 2016, 4) opening a new pod in the jail and possible restaffing of Juvenile and 5) possibly an Election/Records Building. There was a brief discussion regarding a new pod and restaffing of Juvenile.

The second Public Hearing on the FY 2014 tax rate will be September 9, 2013 during the Commissioners' Court Meeting at 6:00 p.m. in the City of McKinney Council Chambers. Also on September 9th the proposed budget will be filed. On September 16, 2013, there will be a Public Hearing on the proposed budget and adoption of the FY 2014 Fee Schedule, FY 2014 Elected Officials' Salaries, FY 2014 Tax Rate and the FY 2014 Budget at 1:30 p.m. during the regularly scheduled Commissioners' Court Meeting. (Time: 1:43 p.m.)

Judge Self opened the Public Hearing on the FY 2014 tax rate at 1:47 p.m. and asked for public comments. Hearing none, the Judge asked for comments from the Court. Commissioner Shaheen restated his interest in gradually lowering the tax rate. There was a brief discussion regarding the six large expenditure items on the Five-Year-Plan.

There was a lengthy discussion regarding a one-tenth of a percent tax rate cut and releasing the hold on the \$10 million in Disaster Recovery. Ms. Arris was asked to prepare an analysis showing this proposed tax cut for FY 2014 and FY 2015. Commissioner Webb also asked Ms. Arris to look for any Attorney General's rulings on the Disaster Fund.

Commissioner Williams expressed her concerns about the fund balance. In order to keep the AAA bond rating, the fund balance cannot consistently be spent down. The Commissioner suggested looking at the tremendous needs in transportation and a one-time use of fund balance to alleviate some of those needs. Commissioner Shaheen suggested reducing the tax rate to slow down the revenue coming into the county. Commissioner Webb agreed the fund balance growth is concerning and said the county will have to invest in transportation unlike any other county if the growth is to continue. Commissioner Webb went on to say future transportation funding at the state or federal level may be non-existent. For this reason he put on the agenda the acquisition of the right-of-way for the interchange at the Outer Loop and US 75. The cost is lower now than it will ever be. Commissioner Webb would rather use some of the fund balance and spend it through normal tax money than have a bond issue. (Time: 2:21 p.m.)

Judge Self asked again for any public comments. Mr. Derek Baker came forward to say he was delighted to hear the Court's discussion regarding reducing taxes in the midst of an entire county where many cities and ISD's are considering increases. Whether or not the Court does cut the tax rate, he commended the Court for its effort. (Time: 2:22 p.m.)

Judge Self closed the Public Hearing at 2:23 p.m.

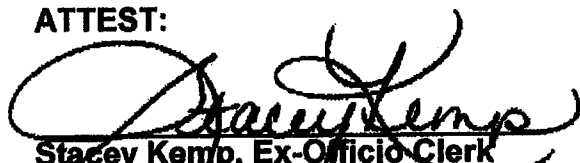
5. Possible future agenda items by Commissioners' Court without discussion.

EXECUTIVE SESSION

The Court did not recess into Executive Session. There being no further business of the Court, Judge Self adjourned the Special Session Meeting of the Commissioners' Court at 2:24 p.m.



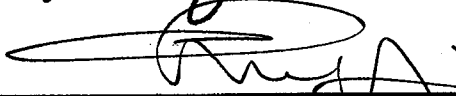
ATTEST:


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


Keith Self, County Judge


Matt Shaheen, Commissioner, Pct. 1


Cheryl Williams, Commissioner, Pct. 2


Chris Hill, Commissioner, Pct. 3


Duncan Webb, Commissioner, Pct. 4