

STATE OF TEXAS

COUNTY OF COLLIN

COMMISSIONERS' COURT
SPECIAL SESSION MEETING MINUTES
SEPTEMBER 8, 2015

On Tuesday, September 8, 2015, 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 Susan Fletcher, Precinct 1

Commissioner Cheryl Williams, Precinct 2

Commissioner Chris Hill, Precinct 3

Commissioner Duncan Webb, Precinct 4

Commissioner Hill led the Invocation.

Commissioner Webb led the Pledge of Allegiance.

Judge Self led the Pledge of Allegiance to the Texas Flag.

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

2. **Public Comments.** Public comments were heard under item 6.

3. **Presentation/Recognition.**

4. **Consent agenda to approve:** Judge Self asked for comments on the consent agenda. Hearing none, a motion was made to approve the consent agenda. (Time: 1:31 p.m.)

Motion by: Commissioner Duncan Webb

Second by: Commissioner Susan Fletcher

Vote: 5 – 0 Passed

a. **Advertisement(s):**

1. AI-40465 Insurance, Medical, Dental, Vision, Cobra Administration, FSA Administration, and Retiree Health (RFP No. 2015-299), Human Resources.

COURT ORDER NO. 2015-582-09-08

GENERAL DISCUSSION

FY 2016 Budget

5. AI-40358 Public Hearing – Proposed FY 2016 Tax Rate.

Monika Arris, Budget, came forward with a presentation to re-cap the FY2016 budget before the opening of the Public Hearing. She first reviewed the truth-in-taxation calculations. The effective tax rate is a calculated rate that provides the County with the same amount of revenue it had in the previous fiscal year for properties that existed in both tax years. That has adjusted out to \$0.217818 for this year's effective tax rate. The effects of the tax rate are determined by the increases or decreases in the appraised value each year for properties that existed in both tax years. If appraised values go up, the effective tax rate goes down and vice versa.

The rollback rate is a calculation that splits the tax rate into two separate components - maximum operating rate and debt service rate. The rollback rate allows the County to raise the same amount in operations as in the prior year plus an additional 8%. The County's effective operating rate is \$0.164310 and the maximum operating rate is \$0.177455. Adding the maximum operating rate to the debt service rate gives a total of \$0.232655 for this year's rollback rate. The current proposed operating tax rate is \$0.169800 plus the debt tax rate of \$0.055200 gives the proposed total tax rate of \$0.225 for 2016.

The current tax rate is \$0.235 per \$100 valuation and the proposed tax rate is \$0.225 per \$100 valuation. If this tax rate is adopted it would be the twenty-third year without a tax rate increase. FY2016 will be the seventh year for the 5% Homestead Exemption. The 2015 certified adjusted taxable value is \$95.9 billion which equates to a 10.9% increase from the 2014 tax year. The average home value in Collin County for tax year 2015 is valued at \$285,262 according to statistics compiled by the Central Appraisal District of Collin County. With the tax rate of \$0.225 per \$100 valuation, and a 5% homestead exemption, the average homeowner will pay \$609.81 in county taxes for the 2015 tax year. This is an increase of 6%, or \$34.35, from last year.

If Collin County adopts a tax rate of \$0.225, the following statement must be posted on the home page of the County's internet website: "The tax rate will effectively be raised by 3.34% and will raise taxes for maintenance and operations on a \$100,000 home by approximately \$-7.47."

The second tax rate public hearing will be held at 6:00 p.m. on Monday, September 14, 2015, in the Fairview Town Hall, Town Hall Council Chambers. The proposed budget will be filed on Monday, September 14, 2015. On Monday, September 21, 2015, at 1:30 p.m. a public hearing will be held on the proposed budget in the Jack Hatchell Administration Building, Commissioners' Courtroom. The adoption of the FY2016 elected officials' salaries, FY2016 tax rate and FY2016 budget will also occur at that time. The adoption of the FY2016 fee schedule will take place at 1:30 p.m. on Monday, September 28, 2015, in the Jack Hatchell Administration Building, Commissioners' Courtroom.

Judge Self opened the public hearing for the FY2016 Proposed Tax Rate at 1:38 p.m. and asked for comments. Hearing none, the Judge closed the public hearing at 1:39 p.m. (Time: 1:39 p.m.)

6. AI-40440 FY 2016 Add/Delete List.

Monika Arris, Budget, stated the items on the top portion of the add/delete list are items which were brought up and/or voted on during the last Commissioners' Court meeting. The items on the bottom portion are related to the Board of District Judges changes to the County Auditor's budget as well as changes to the Juvenile budget by the Juvenile Board. Judge Self asked for public comments.

Leslie Scott, Director of the Prosper Community Library, came forward to speak on library funding. Ms. Scott provided the Court with a map which outlined the Town of Prosper border as well as the PISD (Prosper Independent School District) border in Collin County. Prosper covers 26 square miles and PISD covers 57 square miles. The county funding makes up 10% of the library's budget and more than half of PISD students live outside of the town border. With the rapid growth to the County there is a potential of tens of thousands of new single and multifamily home lots within the PISD area. As Collin County continues to grow, the library usage grows; therefore, Ms. Scott urged the Court to reconsider the decision to cut the library funding.

Judge Self asked Ms. Scott if the PISD assists in funding the library and if service fees have been considered. Ms. Scott stated PISD does not assist in funding and at this time service fees have not been considered. Prosper is in the process of building a new library and service fees could factor into funding. She explained the reason the funding cut is so detrimental to the libraries is because there was no foresight for budget planning. Commissioner Hill asked for the percentage of patrons within the town limits. Ms. Scott replied 80-85% are within the town limits.

William Farmer, Melissa, came forward to speak about the cut to library funding. Libraries are an important part of education and are the heart of the community. Libraries offer community events, social gatherings and an endless road of education open to students, adults and those who need a safe place to enjoy. The elderly and those with hardships are connected to the heartbeat of Melissa and all the communities of Collin County through the libraries.

Books, audio, video and computers give the opportunity to connect to technology through a vehicle everyone can use without cost. The Melissa Library has raised the bar in challenging the minds of the community and has seen a constant increase in library usage over the years. Mr. Farmer urged the Court to reconsider its decision to end county funding for public libraries in Collin County.

Wilma Smith, founding member of the Allen Public Library, came forward to urge the Court not to cut library funding. Ms. Smith said one of the first grants the library received 48 years ago was \$500 from the Collin County Commissioners. That grant set the library on its way to be the thriving industrious library it is today. The library has many programs for all ages including free programs held three to four nights a week in the auditorium which can hold 300 people. Many homeschoolers depend on the library for reference materials. There is also a teen group that is very active in the library writing books and plays as well as performing plays. Ms. Smith said 46% of patrons do not live in Allen's city limits which is a great compliment to the library.

James Matthews, Melissa, came forward to speak on library funding. Mr. Matthews said American exceptionalism is a phrase heard frequently in the U.S. Over a century ago Alexis de Tocqueville believed public schools and public libraries made this country different from Europe. Now it seems the country is doing its best to be unexceptional. Public libraries are slowly fading to a memory. Libraries bring people together. They feed the curiosity of children and open new worlds. A library is a link in the community that is silent and easily overlooked. An American community without a library is unexceptional. Mr. Matthews asked the Court to make budget decisions to enhance rather than destroy the communities.

Judge Self asked Mr. Matthews what the percentage of use is by County residents and what percent of the library budget comes from the County. Mr. Matthews stated the County resident usage is 40% and the County funds 10% of the libraries' budget.

Lisa Ferguson, Celina, is a member of the Celina Library Board who came forward to speak on library funding. Ms. Ferguson stated she is the person the Court should thank for all the media coverage regarding the decision to cut library funding. She wanted the Court's constituents to be aware the cities' libraries throughout the County may lose services, staffers, programs and monies for books as a result of the vote. People love their public libraries and consider them the heart of the communities. In rural Collin County, like Celina, the library serves as a place for residents who may be separated from their neighbors to connect with one another. All the libraries in the County will suffer if funding is not provided, especially the rural libraries. These libraries won't be rural much longer. With the growth the County is experiencing people will move into the outlying areas. Those people will need the libraries to help them acclimate, assist their children in becoming solid students and make them feel their home is in a thriving community. Ms. Ferguson said the constituents are shocked and dismayed the Court does not see the value and importance of public libraries. She urged the Court to rethink the decision to not fund the County's libraries.

Judge Self stated Ms. Ferguson had a very important phrase in her testimony, “the cities’ libraries”, which is correct. The libraries are the cities’ libraries. The Judge also said she was correct in saying “libraries won’t be rural much longer”.

Trisha Dowell, Farmersville, came forward to speak on the importance of libraries. The community uses the library to learn, apply for jobs, create resumes, take college classes, research and to have public access to computers and the internet. The County’s financial support allows the libraries to improve and provide materials and services for the community. Ms. Dowell said Farmersville is supporting its library by increasing the funding awarded each year which has decreased the amount of funds requested from the County. In FY2014 10% percent of the budget was County funds which dropped to 9% for FY2015. The request for FY2016 has been reduced to 8% due to the increased funding from the city. Library patrons who live outside city limits total 31%. In the last four years circulation has increased 63% and is steadily increasing. 43% of the circulation includes library patrons outside city limits. County citizens in the smaller towns and unincorporated areas are the ones who benefit the most from library services. Membership fees would be hard for people in those areas.

Commissioner Williams stated the discussion among the Court regarding the funding has not been a question of the value or importance of the public library. The question has been whether the funding should come from the County or from the actual users. The Commissioner does not believe county funding for libraries was intended to augment city library budgets. The intent was to cover the cost of users who live in the county but are outside city limits. That does not refer to users who live in a different city. The Commissioner was inclined to look at transitional funding and said the libraries should recognize this will be a point of discussion every year and is not in their best interest to rely on County funding. She believes the county user should have a user fee much like what is done in Plano. Judge Self said he supports transitional funding and believes the move will be toward user fees or accurately identifying county users in order for the Court to use funding to subsidize those users.

Commissioner Hill stated he appreciates the movement of supporting transitional funding. It has been said libraries are not a core function of county government which is correct. However, many of the things the County has in the budget every year are not core functions. State statute gives county governments three categories to operate: those things the county “shall do”; those things the county “may do”; and those things the county “may not do”. Libraries fall under the category of things Collin County “may do”. If the Court takes the approach libraries will not be funded because they do not fall under “shall do”, then the other items in the same category will need to be discussed. For example, the County is required to operate an animal shelter, but not required to build a day room or meet and greet area for the animals. That is something the County “may do”. The County “shall” have a place to take animals off the street, hold them for 72 hours and euthanize them. The County “shall” support county roads and “may” support city streets and state highways. The County “may” have Parks and Open Space. There are many things put in the County budget that are not “shall do” items.

The Commissioner said the Court has to be fair in saying we recognize there are those inconsistencies in the budget and not say library funding is being taken out because it is not a core function. Each Court member has to have a grid by which the decisions are made. Commissioner Hill explained the two tests he uses to make decisions on behalf of his constituents which are: 1) is it philosophically conservative and 2) is it financially conservative. He believes library funding passes both tests; therefore, he will support funding for a transitional year or funding for ongoing support. Commissioner Fletcher agreed with Commissioner Hill's view on library funding.

Commissioner Webb agreed with Commissioner Williams' view on the funding. This is not an issue on dismantling libraries. The issue is whether it is fair for the County and all the taxpayers of the County, including those in his Precinct who already pay city taxes for libraries, to be supporting funding for residents who live in the unincorporated areas and do not pay city taxes. This is a tough decision because the Commissioner has a Precinct that is composed of Dallas and Plano and no unincorporated areas. The Commissioner said it would make more sense for those who live in unincorporated areas and want the services to actually pay for them with a user fee similar to that in Plano. If there is no ability for the unincorporated residents to come in to get the services when they want them, then that changes his mindset. But that is not the case in this situation. This is about who should be paying and what is fair for all the taxpayers in the county. The animal shelter is a core function. The decision to have a petting room or not equally applies to all county residents where library and fire department funding does not equally apply. Those two cause residents to pay disproportionately depending on where they are located. The Commissioner supports interim funding given the short length of time as well as giving the cities an opportunity to determine how to service those in the unincorporated areas.

Judge Self asked Ms. Arris to explain the budget lines on the add/delete list regarding libraries. Ms. Arris said the \$85,808 reflects a portion of the money the County received from the Texas Comptroller which is credits back from Co-Ops. Restrictions do apply on how the money is used. It can be given to programs such as the Collin County Children's Advocacy Center and/or libraries. The decision on where to send the money is made by the Court every year. The Advocacy Center will be receiving \$20,000 this year from the dollars received from the Texas Comptroller. The \$150,756 is General Fund dollars. The two amounts combined total what was requested by the libraries. With no further discussion, a motion was made to approve the \$85,808 and \$150,756 allocated to libraries in the FY2016 budget. (Time: 2:16 p.m.)

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

AI-40502 Resolution.

The next item on the add/delete list was \$285,000 for the Special Prosecutor for the case that is being held in Tarrant County. Judge Self said the discretionary paragraph in the County's Indigent Defense Fair Defense Plan has been recently stripped out by the Board of District Judges. The Tarrant County Fair Defense Plan is different from Collin County's plan. There is standing in this particular case for a taxpayer or county itself to bring suit against the County for unwise spending outside of the plan. The Judge asked Commissioner Hill to discuss his review of the two plans.

Commissioner Hill said the goal of the County has been to determine the appropriate amount to budget for the prosecution that is outside normal operations of Collin County and its judicial system. At the last Court meeting the budgeted amount was dropped down to \$285,000 from \$2 million based on research of similar cases. As further research has been conducted it has been found according to the Texas Fair Defense Act if attorneys pro tem have been appointed a County must pay them according to guidelines determined by the county's Board of District Judges. Collin County's Board of District Judges has adopted guidelines. It provides a fee schedule for what the County shall pay attorneys pro tem in the situation at hand. The Commissioner said based on those guidelines it calls for the County to pay \$1,000 as a flat fee for the pretrial preparation phase and \$500 per half day for the trial phase of this case. There are three attorneys for this case which would be \$3,000 for the pretrial phase and \$30,000 for an estimated 10-day trial totaling \$33,000. As mentioned earlier, Tarrant County has its own Fair Defense Plan. This becomes an issue because even though the case is being tried in Tarrant County, Collin County taxpayers have to pay for the trial. The Tarrant County guideline allows for \$150 per hour for pretrial preparation which would equal \$72,000 based on an estimated 20 days of preparation for three attorneys. \$1,500 is allowed per trial day, equaling \$45,000, for an estimated 10-day trial with the three attorneys. This totals \$117,000. Commissioner Hill recommended budgeting \$33,000 based on guidelines for Collin County as well as putting forth a resolution to the fact.

Commissioner Fletcher stated she has made a request to the Texas State Securities Board for data on enforcement actions and prosecutions over the last five years. She would like to compare data on similar cases in terms of hours which were spent prosecuting those cases as well as any other relevant data. The Commissioner asked what would prevent indigent defense attorneys from putting the higher hourly rate on their pay sheet if the Court agrees to the rate in a different case.

Commissioner Hill reviewed the draft resolution for the Court: “whereas the Collin County Commissioners’ Court is required to budget adequate funding for attorneys pro tem; and whereas attorneys pro tem are required to be paid according to the Texas Fair Defense Act guidelines adopted by the Board of District Judges of the County; and whereas the Collin County Commissioners’ Court recognizes the Tarrant County Board of District Judges has adopted guidelines different than those adopted by the Collin County Board of District Judges, it is resolved by the Commissioners’ Court that the Texas Fair Defense Act adopted by the Collin County Board of District Judges should be applied in cases that originate from Collin County like this case. It is requested that the Collin County Judge, Keith Self, contact the 396th District Court Judge, George Gallagher, to inquire for our budgeting purposes, whether it is his intention to operate under the Texas Fair Defense guidelines adopted by the Collin County Board of District Judges or the Tarrant County Board of District Judges.” The Commissioner stated this is important because the Court has an obligation to budget and approve expenses. Judge Self has the obligation of approving the invoices sent in, but it is the Court’s obligation to pay those invoices. Any taxpayer can move to prevent the Court from paying any invoices outside the adopted guidelines. The Commissioner said while Collin County has no authority over Judge Gallagher, the County cannot move outside of the guidelines. Judge Self agreed with the resolution as well as reaching out to Judge Gallagher for guidance.

Commissioner Williams was concerned about the possibility of an impasse if Judge Gallagher decides he has a different point of view. She agreed with sticking to the set guidelines and having Judge Self reach out to Judge Gallagher. Commissioner Webb agreed with Commissioner Hill’s analysis on the trial costs but asked the County Auditor if this will be any different than other orders to pay given by a judge in indigent defense cases regardless of the guidelines. Jeff May, County Auditor, said in the past what was ordered was paid, but he will need to review this particular case.

There was a brief discussion on holding the budget item until guidance is received from Judge Gallagher. With no further discussion, a motion was made to approve the resolution as written and to allow Judge Self to enter the amount for the special prosecution based on guidance from Judge Gallagher up to the previously voted amount of \$285,000. (Time: 2:34 p.m.)

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

COURT ORDER NO. 2015-583-09-08

The next item discussed from the add/delete list was the Non-Departmental Contingency for a third party consultant for function, scope and direction of compensation. Cynthia Jacobson, Human Resources, said she spoke with a consulting group which is conducting a similar consultation for Dallas County at the rate of \$150,000. The consulting group was asked to provide information on the County's benchmarking practices, pay structure, maintenance – including market movement and regression, reclassification, strategies for dealing with wage compression in years where market movement outpays performance increases and how to make performance increases more meaningful.

Commissioner Williams would like to see this included in the budget as this issue is dealt with every year and it will ensure the County is moving in the right direction. Judge Self said there is a problem in the County with senior leadership not believing their employees are compensated well totally discounting the benefit packages provided. He does not believe the County will receive much value from spending this money; however, it may provide peace to staff that HR is led by a person who has tremendous expertise in this area. Commissioner Williams recommended the money be held in contingency in order to see what an RFQ (Request of Quote) might look like, then if the Court is not comfortable, it would not have to move forward. Commissioner Fletcher agreed with Commissioner Williams' statement. Judge Self did not agree with putting the money in contingency and asked Ms. Jacobson to provide the scope. Commissioner Hill would like to discuss the item further. A decision was made to leave the item on the add/delete list for further discussion. (Time: 2:42 p.m.)

A motion was made to add \$1 million back into the budget to continue the furniture refresh. Commissioner Webb was not present for the vote. (Time: 2:44 p.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 4 – 0 Passed

The next items discussed were the changes made by the Board of District Judges. Ms. Arris said Local Government Code Section 111.074 limits the budget of the County Auditor, his budget and his Assistant Auditors to 5%. Commissioners' Court can approve what was approved by the Board of District Judges or it can limit the increase to 5%. Ms. Jacobson said this is the same request which was made last year by the County Auditor regarding a reclassification. Based on their comparisons, the Assistant Auditor is in the correct pay range and Ms. Jacobson does not recommend a reclassification of the position. Jeff May, Auditor, said the re-class is a decision made by the District Judges. Last year Mr. May requested a salary increase but this year he requested a re-class because he lost his Second Assistant Auditor and the person groomed to take that position turned it down because the salary was too low. Mr. May decided to take his most experienced Auditor and promote him but he was not the best person to be a Second Assistant so Mr. May re-classed that position down and put internal audit under his First Assistant. Now the First Assistant has a large increase in responsibility which is why he requested the re-class.

Ms. Jacobson said the pay range is in line with a First Assistant with full responsibility. The Board of District Judges approved the re-class but cannot approve the amount of the increase needed to take this position to the minimum of the new pay range. The Judge confirmed that a 16.76% increase will take the salary to the minimum for the re-class.

Mr. May showed a pay range comparison for that position with the top 10 counties. The responsibilities vary dramatically from county to county for the First Assistant Auditor position. The reason Mr. May wants this position compensated well is that he just lost his Second Assistant Auditor and he does not have a person groomed to take the First Assistant Auditor's position. The current First Assistant Auditor is great at her job and it is very important to Mr. May to retain her. There was a lengthy conversation regarding compensation for the reclassification of this position. With no further discussion, a motion was made to use the 5% bringing the salary for the First Assistant Auditor to \$102,016.93. Commissioner Webb was not present for the vote. (Time: 3:07 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Cheryl Williams
Vote: 4 – 0 Passed

Ms. Arris said other changes made were: an accounts payable printer was added to the County Auditor, and Court Reporters received a 3% pay increase. There was one Court Reporter who was making less; therefore, her pay was made equal for a total of \$56. Supplements and stipends were added by the Juvenile Board for juvenile probation and detention. (Time: 3:09 p.m.)

7. AI-40392 Creation of a Deputy Constable position in the Constable, Precinct 2 office for three (3) months (October 2015 – December 2015).

Gary Edwards, Constable, Precinct 2, came forward to propose the transfer of a Deputy Constable from Precinct 4 to Precinct 2. Due to a reduction in force in Precinct 4 the Deputy, with 30 years of experience, will be losing his position with the County. Constable Edwards has been made aware of a Constable Deputy within his Precinct who will be retiring December 31, 2015. This Deputy has 33 years of experience and will be hard to replace; therefore, Constable Edwards proposed transferring the 30 – year Deputy from Precinct 4 on October 1, 2015 without a break in service. The transferred Deputy will cost Constable Edwards approximately \$17,283 for the three months until the other Deputy retires. Even with this cost the Constable will be saving \$5,548 in his FY2016 budget do to the higher rate of pay for the retiring Deputy.

Constable Edwards said his department and Collin County would benefit from retaining the experienced Deputy as the hiring and training process would be significantly minimized and allow for immediate execution of civil and criminal instruments. Judge Self stated the action makes sense and made a motion to approve the item. Commissioner Webb was not present for the vote. (Time: 3:13 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Susan Fletcher
Vote: 4 – 0 Passed

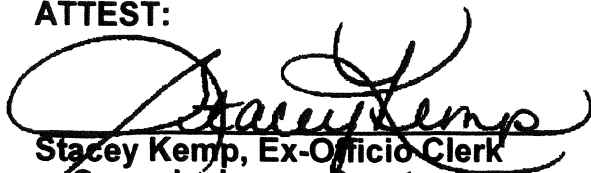
8. Possible future agenda items by Commissioners Court without discussion.

EXECUTIVE SESSION

The Court did not recess into Executive Session. There being no further business of the Court, Judge Self adjourned the meeting at 3:13 p.m.



ATTEST:

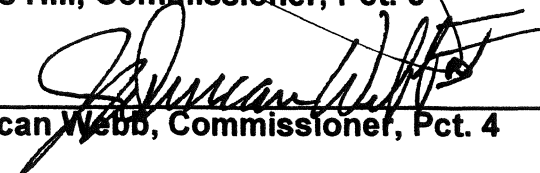

Stacey Kemp, Ex-Officio Clerk
Commissioners Court
Collin County, T E X A S


Keith Self, County Judge

Not Present
Susan Fletcher, Commissioner, Pct. 1


Cheryl Williams, Commissioner, Pct. 2


Chris Hill, Commissioner, Pct. 3


Duncan Webb, Commissioner, Pct. 4