

STATE OF TEXAS

COMMISSIONERS' COURT SPECIAL SESSION

MEETING MINUTES

COUNTY OF COLLIN

AUGUST 14, 2017

On Monday, August 14, 2017, Tuesday, August 15, 2017, Wednesday, August 16, 2017 and Thursday, August 17, 2017, the Commissioners' Court of Collin County, Texas, met in a Special Session Workshop 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

1. Judge Self called to order the meeting of the Collin County Commissioners' Court Budget Workshop Special Session at 2:30 p.m.

2. Public Comments.

Monday, August 14, 2017 at 2:30 P.M.

1. Overview of Budget Workshop Agenda

Monika Arris, Budget, presented an overview of the FY2018 Budget Workshop Agenda.

2. Recommended Budget Overview

Monika Arris, Budget, explained the FY2018 recommended base budget includes last year's adopted budget less one-time expenditures plus recommended department requests. The FY2018 recommended base budget has salaries at \$185.9 million which is where they were as of July 27, 2017 with no increase. This makes the total FY2018 recommended base budget \$326.4 million. The total less one-time expenditures include all compensation options to be discussed as well as all court consideration options. The one-time expenditure up for discussion is the \$38 million for transportation. Salary options include salary movement in October and range movement plus aggregate midpoint versus actual pay ratio in January.

3. Tax Rate Overview

Tax revenue for the General Fund could be anywhere from \$165.3 million to \$185 million depending on the tax rate the Court proposes. Other revenue: outside fines and fees total \$29.7 million for the General Fund putting total revenue in the General Fund anywhere from \$195 million to \$214.7 million. The estimated grand total combined revenue is \$340.7 million to \$360.4 million. Again, this depends on the tax rate proposed by the Court.

Ms. Arris showed various options for the tax rate and the amount of funding it would bring in. The Effective M&O (Maintenance and Operations) Tax Rate generates the same amount of M&O revenue on properties that existed in both 2016 and 2017. The required Debt Service Tax Rate, the amount needed to meet our obligations, is then added to the M&O Effective Tax Rate. The Total Effective Tax Rate generates the same amount of total revenue on properties that existed in both years. However, the Debt Services payment has increased by \$6.6 million and the Effective Tax Rate does not account for that increase.

When the FY2017 Budget was adopted, it was projected the balance at year end for the Insurance Fund would be \$5.2 million. Currently it looks like it will end up at \$7.1 million. The recommended budget for the FY2018 Insurance Fund will end at \$6.8 million. This does include the additional \$638,000 generated in employee contributions for January – September 2018 as will be proposed by Human Resources. Removing this leaves the ending fund balance at \$6,187,778. (Time: 2:39 p.m.)

4. Compensation / Benefits – Discussion and any action

a. Annual Compensation Discussion

1. AI-43558 FY 2018 Salary Increase Budget

2. AI-43549 Uniform Pay Policy

Judge Self read the Uniform Pay Policy on Monday, August 14, 2017: “The salary of county employees is based upon a 40-hour week unless otherwise noted. Upon failure to accumulate 40 hours of approved time, the employee shall be compensated at a pro-rata hourly rate. Approved time shall be calculated according to pay provisions incorporated in the adopted budget. Specifically, time clock or badge readers shall be used to record employee time.” With no discussion, a motion was made to adopt the Uniform Pay Policy. (Time: 2:27 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Cheryl Williams
Vote: 5 – 0 Passed

COURT ORDER NO. 2017-597-08-14

3. AI-43617 FY2018 Pay Ranges

Cynthia Jacobson, Human Resources, came forward to brief the Court on compensation. Ms. Jacobson explained the evolving workforce which includes Pre-Baby Boomers, Baby Boomers, Generation X, Millennials, and Generation Z. Collin County's salary increases were compared with other counties and cities. Ms. Jacobson then presented the proposed pay scales. Salary movement, wage movement, and sum of the midpoints ratio were also presented. The consultant recommended looking at how the County compares with the sum of the midpoints. We are approximately \$4.12 million behind on that. The sum of the midpoints is an aggregate number pertaining to groups and does not deal with the individual. Salary movement with benefits totals \$3,207,024 countywide; wage movement with benefits totals \$2,202,590, and the sum of the midpoints with benefits totals \$4,023,500 for a grand total of \$9,433,115. Ms. Jacobson said these numbers will make Collin County competitive in wages and compensation and addresses the consultant's concerns. With no further discussion, a motion was made to keep these numbers in the budget. (Time: 2:56 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

Ms. Jacobson clarified the range movements are also for all new hires. With no further discussion, a motion was made to approve range movements for new hires. (Time: 2:57 p.m.)

Motion by: Chris Hill
Second by: Duncan Webb
Vote: 5 – 0 Passed

COURT ORDER NO. 2017-598-08-14

5. Benefits

a. AI-43589 Medical Plan Changes

Cynthia Jacobson, Human Resources, reviewed the medical plan design considerations which included an increase in out-of-pocket maximums, steering usage to the Spine and Joint Center, some pharmacy considerations and changes to the dental plan to include cleanings. There was a brief discussion regarding these options.

Commissioner Webb said the majority of employees he spoke with would prefer to have the maximum out-of-pocket increased as opposed to an increase in the premiums. With no further discussion, a motion was made to increase the out-of-pocket maximum from \$2,000 to \$2,500. (Time: 3:06 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 2 – 3 Failed
Nay: Judge Keith Self, Commissioners Susan Fletcher and Duncan Webb

A motion was made to increase the out-of-pocket maximum from \$2,000 to \$3,000. (Time: 3:07 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

b. AI-43590 Employee Contribution Changes

A motion was made to not change the employee contribution rates. (Time: 3:07 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Chris Hill
Vote: 3 – 2 Passed
Nay: Judge Keith Self, Commissioner Cheryl Williams

Currently, employees pay a flat amount for pharmacy. A motion was made to implement the recommended changes to the pharmacy portion. This will introduce co-insurance into pharmacy with minimum and maximum co-payment amounts for each tier. Projected savings to the County is approximately \$150,000. (Time: 3:16 p.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 4 – 1 Passed
Nay: Commissioner Cheryl Williams

c. AI-43591 Life Insurance

Cynthia Jacobson, Human Resources, said the County currently pays for life insurance on the same wages that are submitted for TCDRS (Texas County and District Retirement System). The County is paying higher rates under TCDRS than it would through another policy. TCDRS does, however, provide \$5,000 worth of coverage for retirees that we can't provide if we move the life insurance outside of TCDRS. Ms. Jacobson said the County could get this coverage for the same cost or less if it were moved outside of TCDRS. This would also allow the County to provide additional coverage such as two-times salary as opposed to one-time salary.

However, moving the coverage outside of TCDRS would knock the retirees off the plan. The cost savings would be between \$10,000 and \$100,000. The decision needs to be made by early December.

Ms. Jacobson moved to the topic of Wellness and Weight Loss. There are 798 employees and spouses on County health insurance that are in the obese category. Ms. Jacobson briefly explained four options for dealing with weight loss: a Biometric Surcharge, Healthy Weight Incentive Program, a Weight Loss Incentive Program and a Naturally Slim Program. A brief discussion regarding a smoking surcharge followed. (Time: 4:00 p.m.)

6. TCDRS Rate Overview

a. AI-43588 Retiree COLA

Cynthia Jacobson, Human Resources, briefed the Court on the Retiree COLA (Cost of Living Adjustment). Currently there is no unfunded liability using the five-year asset recognition method. As of December 2016, our plan has a reserve of just over \$4 million which is a funded ratio of 100.8%. The minimum required contribution rate for 2018 is 6.77%. Ms. Jacobson presented the COLA options for the 2018 plan year which were 40% of CPI (Consumer Price Index), 60% of CPI, 80% of CPI or a flat rate. A motion was made to adopt 60% of CPI. The motion was not seconded. After a brief discussion, the Court decided to bring this item back for a decision. (Time: 3:32 p.m.)

7. Permanent Improvement Fund – FY 2018 Recommended Projects

Monika Arris, Budget, updated the Court on the permanent improvement projects. The Permanent Improvement Fund currently has tax revenues allocated for 25 projects totaling \$1.4 million. These projects are spread among Facilities, Construction & Projects, Myers Park, and some IT projects. There are seven projects up for Court consideration totaling \$2.8 million. These projects include \$91,550 for Elections, \$1,579,660 for the Justice Center/Adult Detention, and \$1,141,920 for the Plano 900 and 920 buildings.

Bill Burke, Construction & Projects, came forward to answer questions regarding the Plano 900 and 920 buildings. Commissioner Williams asked if the 80 rooftop air conditioning units, estimated to cost just over \$1 million, could be phased in instead of replaced all at once. Mr. Burke explained this was part of a hail damage claim and insurance will cover \$137,000. Of the 80 units, 59 are over 20 years old. After a brief discussion, Mr. Burke will get a price to replace the 59 older units and include the insurance money in that cost.

Sheriff Jim Skinner then addressed priority 65 to replace panels, trim and rusted window seals in Minimum Security. While this needs to be done and is on the recommended budget, Sheriff Skinner said the most critical ones could be done in FY2018 and the remainder in the following year. These are interior windows and are not a security risk.

After a brief discussion, a motion was made to reduce the amount of this item from \$233,000 to \$133,000 in order to do a study as to what needs to be done and then fix as much as possible with the remainder of the funds. (Time: 4:25 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

The next item addressed by the Sheriff was priority 56 which is \$50,820 for the tray conveyor system which was not on the recommended budget. Sheriff Skinner said over 21,000 meals per week are prepared and the conveyor has been broken for a long time. Ms. Arris said this was not put on the recommended budget because the inmates kept breaking it and it was constantly under repair. A motion was made to add this item to the recommended budget. (Time: 4:28 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Susan Fletcher
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

Commissioner Hill asked about priority 49 which is the addition of bulletproof glass and material to both the receptionist's desk and visitation desk located in the detention lobby. Sheriff Skinner said this needs to be done but can wait until next year. Sheriff Skinner also mentioned priority 39 for \$512,000, which can also wait until next year. Mr. Burke said this is a project that will need to be designed, then built, and will most likely take nine to twelve months to complete. The Court agreed to fund the design portion of the project in FY2018 for approximately \$50,000. A motion was made to defer priority 49 until next year. (Time: 4:29 p.m.)

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

The next item discussed was priority 99 which is \$70,000 for the architectural design only to move the Tax Office to the 900 Building. After a brief discussion, a motion was made to remove the item from the recommended budget and put it on the add/delete list. (Time: 4:35 p.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 3 – 2 Passed
Nay: Commissioners Susan Fletcher and Duncan Webb

There were brief discussions regarding items that were not on the recommended list. (Time: 4:39 p.m.)

8. Sheriff Jim Skinner, Sheriff's Office

Sheriff Jim Skinner came forward to address the Court. The Sheriff started with some of the successes so far this year for the SO (Sheriff's Office). A Fugitive Apprehension Team was assembled in February and has made 1,997 felony warrant arrests with 108 of these being violent fugitives within Collin County. Operation Medusa, which also included the Plano Police Department, arrested 15 individuals for trafficking in child pornography and online solicitations. They have reorganized their Reserve Division in an effort to cut down on overtime and to assist in a sex offender verification program. The SO has a new student internship program with the McKinney High Schools. These are just a few of the accomplishments this year.

Sheriff Skinner discussed four areas for budget consideration: patrol reorganization, additional positions, supplemental pay and police equipment. The Sheriff would like to enlarge and reconfigure the patrol department to improve both officer and public safety. The SO patrols 499.8 square miles of the 886 square miles in Collin County. One deputy serves 10,030 residents. Calls have increased dramatically since 2007 when the response time was six minutes. Response time now is over twenty minutes which is unacceptable.

Calls for service with a 40-minute response time have increased from 1,232 in 2007 to over 7,300 in 2016 due to the rapidly increasing population in Collin County. In summary, from 2007 to 2016, the average response time has increased 225%; stacked calls have increased 458%; and family violence call times have increased 48%. Sheriff Skinner proceeded to explain his Patrol Reorganization Plan. (Time: 5:05 p.m.)

Judge Self recessed the meeting of the Budget Workshop Special Session at 5:05 p.m. until 9:00 a.m. on Tuesday, August 15, 2017.

Tuesday, August 15, 2017

Judge Self reconvened the meeting of the Budget Workshop Special Session at 9:00 a.m.

Jim Skinner, Sheriff, reviewed the patrol reorganization plan he would like to implement due to the population increase, the increase in calls for service and workload statistics. All of these have increased while performance measures such as response times and stacked calls have deteriorated. After looking at the data Sheriff Skinner feels it is unacceptable to leave one deputy in a patrol district. The current patrol minimum is five deputies and one supervisor. This creates a safety issue for citizens and the officers. The Sheriff provided the Court with a simplified patrol plan structure as well as an organizational chart. As part of the reorganization plan he asked for a Captain position in Field Operations which is a critical component of the plan. In Field Operations there is currently one Commander, no Captain, and five Lieutenants. The Lieutenants are responsible for patrol, traffic, the criminal investigations unit, highway interdiction, the reserve division and the citizens on patrol.

Last year they supervised over 55,000 calls for service and 4,700 investigations. When a Lieutenant goes into the field, their deputies have no supervision available to them; therefore, Sheriff Skinner requested the Captain position over patrol.

As for dispatchers, the SO (Sheriff's Office) is critically understaffed. The SO should have 26 dispatchers and between five and twelve call takers. The County has 20 combined. The County dispatches for 120,050 citizens, four Constable offices, Public Works, Animal Control, the Fire Marshal, eight police departments, 11 volunteer fire departments, three independent school district police departments, the Department of Public Safety and Parks and Wildlife. Because it takes six months to train a dispatcher and the SO is only set up to train three at a time, the Sheriff decreased his original request for five new dispatcher positions to three new dispatcher positions.

Sheriff Skinner presented the Court with a breakdown of costs for patrol reorganization. The unit cost per deputy is \$91,299 which covers \$78,916 for the base cost of salary and benefits and \$12,383 for equipment and training. The Sheriff would like the County to pay for a deputy at pay grade 556 for the shift realignment. Originally the City of Lucas was asked to pick up two deputies but they elected to pick up only one. Three new deputies at pay grade 556 will be paid for with the reallocation of the jail budget for a total of \$273,897. A portion of that amount will be reimbursed by the District Attorney's office using forfeiture funds.

The Sheriff asked the County to back fill the civil deputy and the narcotics/special operations deputy who were moved over to patrol. Because there are four ILAs (Interlocal Agreements) with cities and MUDs (Municipal Utility Districts) he suggested putting that funding into contingency until the agreements are finalized. Lucas has requested the County provide a fully equipped/make ready SUV for the deputy they are funding. The total for the SUV is \$91,711. As for the other cities and MUDs, the Sheriff elected to use three sedans which will be 100% paid for by the MUDs and the cities at a cost of \$230,013. The cost of the Captain is \$125,963 which does not include a vehicle cost because the Sheriff intends to reassign a car from senior level command staff. The cost of the new dispatchers is \$182,479. The total cost of the patrol reorganization plan is \$1,725,754 minus reimbursements of \$717,074 for a final total of a little over \$1 million.

The next item the Sheriff discussed was the legal advisor. He previously provided justifications for needing a legal adviser at the SO. This person has brought value to the SO and he is an integral part of the public safety team. Sheriff Skinner asked the Court to move this person from a contract employee to a permanent employee.

Sheriff Skinner requested the standardization of duty sidearms to Glock 17 – 9 millimeter pistols to improve quality control, meet industry standard, improve deputies' operational safety and reduce liability. Currently there are 20 various handguns and seven different calibers used by the SO. Standardizing will prohibit any aftermarket modifications. It also standardizes police appropriate ammunition. Current deputies will need a holster and magazine carrier with the transition.

Commissioner Webb asked what happens to a pistol when a deputy leaves the department. The Sheriff stated the pistol will be reused. The pistols will be maintained and inspected once a year by an armorer and will be used until the armorer says the pistol is a safety issue and should not be used. The expected lifespan of a duty sidearm is typically 20,000 rounds which would be 15 years or longer.

The next item was the request for TCOLE (Texas Commission on Law Enforcement) certification pay. TCOLE certification is the state licensing system where, after a certain number of hours and experience as a peace officer, the officer can move from a basic license to an intermediate license to an advanced license and finally to a master peace officer license. The state also requires additional training every two years for peace officers to keep the license. In addition, the Sheriff encourages officers to seek additional training to help develop skills. It is the industry standard to pay for TCOLE certification pay. Every law enforcement agency in the County, with the exception of Farmersville, pays TCOLE certification pay. The Sheriff asked the Court to pay the industry norm which is \$55 per month to a person who has obtained an intermediate license, \$80 per month to a person who has obtained an advanced license and \$125 per month to a person who has obtained a master license. He then shared percentages of officers who have ten years or more experience who have different levels of licenses.

Of the 109 officers with ten plus years of experience, 53% still have only the basic license. That tells the Sheriff he needs to focus on training. He reallocated monies for training within his budget and requested \$183,097 from the Court.

Special units pay was the next item discussed. The Sheriff requested a stipend for the deputies who volunteer hundreds of hours a year for the Honor Guard and the DRT (Detention Response Team) and a stipend for tactical deputies. The requested special unit stipend is \$100 per month for a total of \$88,000.

The next item was the leather gear stipend. This is not to maintain and replace leather gear, but for the new deputies who are hired as a one-time stipend. Current deputies will not be grandfathered. However, this would include a stipend for a holster and magazine carrier with the standardization of duty sidearms. Providing leather gear is also an industry standard.

The last item was the P25 radio system and the PAWM radio technician. Sheriff Skinner believes the request is premature. It is a mistake to have the switch, towers and maintenance technician all on one agreement. There should be two agreements with the technician separate. He suggested taking the radio technician and vehicle line item for \$154,536 out of the budget. Discussions continued on using remaining monies from the P25 radio system project to fund the technician and vehicle.

The Sheriff thanked the Court for their patience and thanked Ms. Arris and her staff for working with him on the SO's budget. Areas were found in order to be more efficient and cost saving. After the offsets the total amount requested for SO operations is \$4,425,681.

Commissioner Webb said this is a lot of money, but he does support the patrol reorganization plan. He is supportive if 100% of the compensation for patrol deputies in the various cities is paid for by the cities and MUDs. He is not supportive of the ones where the County provides patrol to a city and is also subsidizing the cost; for example, the Blue Ridge SRO (School Resource Officer). The Sheriff explained the cities are being asked to give the County deputies and fully equipped vehicles and not be specific to their area in order to lower response times. As for the Blue Ridge SRO, Sheriff Skinner said the County will still benefit from the \$6,000 it would cost to subsidize that deputy because if a call comes out in the area, that deputy will respond. Commissioner Williams said the Sheriff should have flexibility on how he assigns his people. As long as the County is getting an adequate reimbursement the Court should not dictate who the Sheriff assigns to the positions. Commissioner Fletcher agreed. Discussion continued.

In order to prioritize budget requests, Commissioner Webb asked if it would be possible to hold the certification piece of the budget until next year. Sheriff Skinner said training and reorganization have been deferred for so long that now over 50% of employees who have been here ten years only have a basic license. This is a liability issue and the budget requests will put the SO on the road to fixing that problem.

Judge Self asked the Sheriff since he wants to go to the industry standard and TCOLE certification pay is an industry standard, could it be traded out for shift differential since it is not the industry standard? The Sheriff said shift differential has helped with pay compression so by trading one for the other there is no gain at all. He asked the Court to do things to increase the attractiveness of the SO to draw people in and keep them. (Time: 10:15 a.m.)

There was a brief discussion revisiting the windows in the SO and the possible need to add \$100,000 back into the budget. Clarification was made that the windows that will be put off until next year are not a security risk.

A motion was made to approve the \$385,600 PIPs (Permanent Improvement Project) for the Sheriff's Office. (Time: 10:19 a.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

A motion was made to approve the leather gear stipend. (Time: 10:20 a.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Judge Keith Self

A motion was made to approve Peace Officer equipment: Glock 17 - 9mm handguns and leather. (Time: 10:20 a.m.)

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

A motion was made to approve the Training Deputy. (Time: 10:20 a.m.)

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

A motion was made to approve the Legal Advisor position. (Time: 10:20 a.m.)

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

A motion was made to approve special units pay. (Time: 10:21 a.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 3 - 2 Passed
Nay: Judge Keith Self and Commissioner Duncan Webb

A motion was made to approve SRO (School Resource Officer) vehicle equipment. (Time: 10:21 a.m.)

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

A motion was made to approve TCOLE (Texas Commission on Law Enforcement) certification pay. (Time: 10:22 a.m.)

Motion by: Commissioner Susan Fletcher
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Judge Keith Self

A motion was made to approve the reconsidered Permanent Improvement Projects under the Sheriff's Office. The tray conveyer belt system was not included in the vote because it was previously voted on. (Time: 10:23 a.m.)

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

A motion was made to approve the patrol section reorganization for a total of \$1.7 million including the \$686,920 in contingency minus the dispatcher positions. (Time: 10:25 a.m.)

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

A motion was made to approve the dispatcher positions at \$182,479. (Time: 10:25 a.m.)

Motion by: Commissioner Chris Hill
Second by: Commissioner Cheryl Williams
Vote: 3 – 2 Passed
Nay: Judge Keith Self and Commissioner Duncan Webb

A motion was made to approve the SRO for the Blue Ridge ISD. (Time: 10:25 a.m.)

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

There was discussion on the PAWM radio technician not being included in the contingency vote. It was the consensus to leave it out of the budget and to find the funds needed when the ILA (Interlocal Agreement) is approved. (Time: 10:26 a.m.)

Judge Mark Rusch, 401st District Court, came forward to request 11 pistols, holsters and magazine carriers for the bailiffs due to the policy change in the SO (Sheriff's Office) for duty sidearms. The bailiffs are employees of the District Courts; however, the SO carries their certification. The District Judges agree with the Sheriff. (Time: 10:28 a.m.)

Judge Self recessed the Budget Workshop Special Session at 10:29 a.m. and reconvened at 10:36 a.m. to hear Elected Officials and Department Heads who wished to address the Court.

9. Items for Court Consideration (Discussion and any action for any items listed below)

a. Outside Agencies

Monika Arris, Budget, prepared an add/delete list on all items the Court reviewed in the past two days. At this point, the budget is \$505,454 over the effective tax rate.

Brent Parker, Fire Chief for the City of Wylie, came forward to address the Court on behalf of the Collin County Fire Chiefs Association. The Association has developed a committee to work on enhancing funding requests. The purpose of this plan is to provide additional revenue resources to volunteer and combination departments inside Collin County through a supplemental funding program. The new program will increase the safety and accountability of fire fighters across the County through an approved list of personal protective equipment and other equipment to be used on accident scenes. Currently, \$1 million in funding is distributed to all departments within Collin County to cover repairs, wear and tear on equipment and fuel with \$50,000 of this going towards training. The request is to increase this funding by \$250,000 to be used for a grant program to purchase equipment. The focus of these additional funds will be for the volunteer and combination fire departments that struggle with funding for expensive equipment and apparatus.

For the first year of the program, the request is to forgo the funding and allocate money solely for radios. The recommendation is to provide each volunteer and combination department with three mobile radios and seven portable radios. One of the glaring results from the Line of Duty death studies among fire fighters is lack of communication. The radios are Motorola APX 6000 and APX 6500 at a cost of \$4,000 and \$4,500 respectively. The total cost for the requested number of radios is \$456,500 for the fire departments in Anna, Blue Ridge, Branch, Celina, Farmersville, Josephine, Lowry Crossing, Melissa, Nevada, Princeton, Westminster and Westin. For this budget year, they are \$1,456,500. Subsequent years the request is for \$1,250,000. Commissioner Williams suggested looking at fire departments that do not have city funding.

Major Pam Palmisano, Sheriff's Office, came forward to address the Court regarding the radio project. These radios would be purchased through Collin County's radio project which means the programming should be no charge per Collin County's maintenance agreement with Motorola. Installation is \$125 per mobile unit; warranty is \$84 per portable unit and \$121 per mobile unit; and finally a \$700 per radio fee for the template.

Commissioner Williams would like the Court to consider funding the volunteer fire departments only for approximately \$235,000. The Commissioner asked if this would have a budget impact. Major Palmisano said they looked at the radio project to fund these, but her biggest concern is the Wilmeth Road Tower which is the primary tower for the radio system. It may or may not require additional funds to the radio project. There was a brief discussion regarding the potential cost to rebuild the Wilmeth Road Tower.

If the funds come from the radio project, there would be no impact on the FY2018 budget. A motion was made to provide the radios using the radio project balance for the seven volunteer fire departments: Blue Ridge, Branch, Josephine, Lowry Crossing, Nevada, Westminster and Westin. The total is \$275,213 which includes warranty, template and installation for three mobile radios and seven portable radios per department. (Time: 3:55 p.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Chris Hill
Vote: 4 – 1 Passed
Nay: Commissioner Duncan Webb

Randy Routon, Ph.D., CEO of LifePath Systems, came forward to address the Court. Dr. Routon thanked the Court for its support, for appointing good board members who are active, and for advocacy in the legislature. This has increased services for people with mental illness and disabilities in Collin County. The request for FY2018 is to continue with the same level as the current year. The Crisis Center is up and running, and the Mobile Crisis Outreach Team is diverting people from jail and/or the emergency room at a rate of almost 250 per month. Dr. Routon explained some of the strategies being used in order to be more efficient with the funds they have. These strategies include intervening quickly, using the cheapest most appropriate level of care, and focusing on preventative care. The outcome of this is people who are being served are less likely to have a crisis and end up in an emergency room. With the rapid growth in Collin County, they are working with and getting input from various stakeholders on how to meet the challenge. The Court thanked Dr. Routon and LifePath Systems and said they are doing a great job. (Time: 4:00 p.m.)

Terri Green, CPS (Child Protective Services), came forward to ask the Court to approve the budget submitted by CPS. They have not asked for an increase to their budget for the last three years and have been good stewards with the funds they have received from the County. Ms. Green explained the budget is allocating more to Education and Conferences and reducing the amount in medical expenses, family preservation, and clothing. Judge Self asked why they would reduce the budget for items that directly care for the children. Ms. Green said they want staff members to attend two conferences – Crimes Against Children and Crimes Against Families – and the funds required for this cannot be reallocated during the year. A portion of these funds for the conferences will be reimbursed from the State. A brief discussion followed. A motion was made to approve the same budget as FY2017 with the same amounts in each category. (Time: 4:15 p.m.)

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

Michael Black, Chairman of the Historical Commission, came forward and stated they have submitted the same budget as they have for the past several years. They are grateful for the funding that is provided by the County. The County is growing fast and a lot of our history is being paved over. Judge Self asked that they try to decrease the funding from the County and increase their grants. (Time: 4:20 p.m.)

Rachel Orozco, Director of the Smith Public Library in Wylie, came forward and said they are asking for the same amount of funding as they received last year for Celina, Farmersville, Melissa, Prosper, Princeton and Wylie. These funds are used for staff, technology, materials and summer reading programs. Commissioner Williams would like to know how many people hold library cards and live in an unincorporated area. There was a brief discussion regarding accreditation requirements. Judge Self asked Ms. Orozco to provide the dollar amount required per capita for those living in unincorporated areas. This will be put on the add/delete list until the information is provided. (Time: 4:34 p.m.)

The Court then discussed Other Items for Court Consideration.

b. Elected Officials / Department Heads who wish to address the Court

Chuck Ruckel, Justice of the Peace, Precinct 3-1, came forward to discuss his request for a Legal Clerk II. JP 3-1 handles nearly 5,000 criminal and 5,000 civil cases a year. The caseload per clerk is 1,710 which is higher than the other courts in Collin County and in comparison counties. Judge Ruckel said the caseload will only continue to grow and he cannot take on more with the number of staff he has.

He cannot turn cases away because by law each JP must accept any case filed with his/her office. There is no option to distribute cases with other JPs. Because JP 2 is overstaffed by 1.5 clerks, Commissioner Williams recommended moving a clerk from JP 2 to JP 3-1. Judge Self asked if moving a clerk from JP 3-2 would be better due to a decrease in caseload which could be in part to new truancy laws. Commissioner Hill said there may be two opportunities here with JP 3-1 and JP 3-2 dealing on its own merits. Previously there have been two offices for JP 2, one in Wylie and one in Farmersville, but because of damage done to the Wylie location it has been offline for over a year and will continue to be offline for another 24 months. This has caused the Farmersville office to be overstaffed which creates an opportunity to move staff around. Commissioner Webb said clerks should be pulled from JP 2 and JP 3-2.

Commissioner Webb moved to add a Legal Clerk II position to JP 3-1. The motion was seconded.

Following the motion Judge Self recommended moving a Legal Clerk I position from JP 2 to JP 3-1 and upgrading the position to a Legal Clerk II. Commissioner Hill recommended the same; however, moving the position from JP 3-2 instead of JP 2. Jerry Shaffer, Justice of the Peace, Precinct 2, joined the discussion.

Commissioner Webb amended his previous motion and moved to transfer a Legal Clerk I position from JP 2 to JP 3-1 and upgrade the position to a Legal Clerk II.

Following the motion Judge Shaffer said his office has an average of 746 cases per clerk which is fewer than others in the County, but it is similar to neighboring counties like Denton. He asked the Court not to move or eliminate a clerk from his office. Judge Ruckel added that he believes no JP Court in Collin County is overstaffed. With no further discussion the motion carried. (Time: 11:08 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

Stacey Kemp, County Clerk, came forward to discuss the request for a Deputy Clerk II position in the Mental Commitments department. There have been no requests for a position in this department since 1998. The Sandra Bland Act goes into effect in September and will require that law enforcement take anyone who they believe to have a mental illness to a hospital. Mental illness cases have increased 54% over the prior year. Currently one clerk is filing over 1,200 cases, reviewing over 10,000 cases and processing over 54,000 documents. With two clerks they will have roughly 700 cases each.

Commissioner Webb asked why this was not submitted in the regular budget. Ms. Kemp said this is a new program implemented with LifePath, but as soon as they were aware of the increase the request was submitted to Budget. Commissioner Williams said this is one of the consequences of leaving NorthStar. We are dealing with so many different hospitals now versus a single entity. Hospitals are not prepared to hold people and treat them without the commitment; therefore, the usage of commitments has gone up. She said this is critically important to keep mental patients out of jail. The Commissioner recommended taking the recommended collections clerk from the District Clerk's office and giving it to the County Clerk. The collections clerks in the District Clerk's office are collecting for the State not Collin County. These are state mandates that are adding to the workload.

Bill Bilyeu, County Administrator, said there is no penalty for low or non collection of fees for the District Clerk's office other than bad reviews. This is not like the reporting system for cases where the state can withhold grants if not reported accurately. Commissioner Williams is not asking for the District Clerk to do more with fewer people, but to do what she can with the staff she has. There is no real benefit to the County with the collections position whereas there is tremendous benefit with a mental health clerk. Judge Self agreed.

A motion was made to remove the collections clerk in the recommended budget from the District Clerk's office and add a Deputy Clerk II to the Mental Commitments department. (Time: 11:09 a.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

Caren Skipworth, CIO, came forward to discuss the request for the internet upgrade from 100mb circuit to a 1G internet circuit. The Budget department reduced the request to a 500mb circuit. Ms. Skipworth requested the Court approve the original request of a 1G internet circuit. A motion was made and seconded to approve the item.

Following the motion there was discussion on getting reimbursements from outside agencies for the services the County is provided with the internet pipe. With no further discussion the motion carried. (Time: 11:25 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Susan Fletcher
Vote: 5 – 0 Passed

Paul Raleeh, Justice of the Peace, Precinct 1, came forward to discuss new Legal Clerk I positions for jail magistration which were not recommended in the budget. He said the original request was for three clerks, but they could get by with two new clerks. Anyone who gets arrested must go before a Magistrate within 24 hours for a misdemeanor and within 48 for a felony. Currently, magistration is done by videoconference seven days a week. Laws have dropped so much responsibility on magistration that they can no longer keep up or share employees. The magistration clerks are shared part time with the Court Collections department Monday-Friday. On the weekend Sheriff's Deputies are used. This cannot continue because deadlines and/or requirements under the Fair Defense Act are being missed. Judge Raleeh would like at least two full-time employees to work only on magistration, to be shared between himself and the other magistration judge, in order to cover the jail with court employees seven days a week.

The total for two clerks plus equipment would be approximately \$111,000. The Sheriff's Office has office space available to use for the clerks and court technology money will be used for the technology aspect of the positions. Discussion continued on the possibility of moving a clerk from JP 3-2 over to a magistration clerk. A motion was made to put two Legal Clerk I positions for jail magistration on the add/delete list. (Time: 11:42 a.m.)

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

Robert Laughon, Chief Field Agent, and LaRay Guerrero, Deputy Chief Field Agent from the Medical Examiner's Office, came forward to request the non-exempt status of the Chief Field Agent and the Deputy Chief Field Agent be changed to an exempt status and to request the addition of one Field Agent. The request is to alleviate overtime issues with administration duties and to cover more supervisory roles. Cynthia Jacobson, HR (Human Resources), said a position cannot be made exempt to avoid overtime. HR is very cautious to avoid any issues with the Department of Labor on exempt status. The job duty for the Deputy Chief Field Agent does not meet exempt status qualifications. Judge Self said there will need to be a separate vote for the position and title change from a Field Agent to a Deputy Chief Field Agent and the addition of one Field Agent position which are both in the non-recommended department requests. No motion was made on changing the Field Agent position to a Deputy Chief Field Agent. A motion was made to approve the request for one additional Field Agent. The motion was not seconded. (Time: 12:03 p.m.)

Lynne Finley, District Clerk, spoke with the Court via conference call. The first item Ms. Finley addressed was the Felony Collections Clerk position which was in the recommended department requests, but was removed and given to another department. Currently she has three collections clerks, but with the new Collection Improvement Program which was implemented in 2017, they will not be able to keep up with demand. Caseloads went up 25% from 2015 to 2016 and are continuing to increase. In addition, the clerks handle over 130,000 calls per year. Last year the clerks collected \$1.4 million. With the increase in laws and requirements Ms. Finley said she will not be able to maintain compliance under the Collections Improvement Program without additional manpower. If she is out of compliance the department could lose money from the state.

Commissioner Williams said this is an unfunded state mandate put on the County to collect dollars that go to the state. She suggested not trying to get to compliance, but to use the three clerks to do as much as they can. If the state wants more done, then they need to provide funding to do so. Ms. Finley disagreed by saying she has to follow the state mandates which is why she is requesting the Court approve the position. She suggested that the unfunded mandates be bought back to the table with legislators.

Commissioner Webb asked how much of the \$1.4 million went to the County versus the state. Ms. Finley did not have those numbers available. Judge Self suggested putting this position on the add/delete list to wait for further information. (Time: 12:15 p.m.)

The next item Ms. Finley discussed was the Civil/Family-Deputy District Clerk I position. She said there is an open section on the front counter and she would like to utilize the space with an additional clerk to handle civil, family and passport traffic. The revenue brought in by the number of passports issued will pay for the position. There are times when the line has to be shut down because there is a three-hour wait. The additional position will help keep the flow moving. The District Clerk's Office receives \$25 as the passport agent for the handling of each passport.

Discussion continued on whether the Auditor would recognize the additional revenue from the passports this position would bring in. In order to pay for the position the clerk would have to issue ten passports per working day. Jeff May, Auditor, provided passport revenue numbers. In 2014 \$648,000 was brought in. He is projecting that \$1 million will be brought in by the end of 2017. This is trending rapidly. Commissioner Hill said if Mr. May would recognize the \$51,000 over the baseline revenue which is needed for the new position, this would be a cost neutral item and much easier to decide on. Mr. May said his projected revenue was a conservative number, but he will discuss this with Ms. Finley and report back to the Court. The item was put on the add/delete list. (Time: 12:28 p.m.)

Judge Self recessed the Budget Workshop Special Session at 12:29 p.m. and reconvened at 2:28 p.m.

c. Other Items for Court Consideration

The Court reviewed several items. Commissioner Williams asked to move \$488,000 from the Road & Bridge Fund. Monika Arris, Budget, explained that tax dollars have been allocated into that fund and in FY2023 they will have to start allocating funds over there again. Ms. Arris is working the fund balance down to 180 days. Commissioner Hill confirmed this will bring the Court to within \$17,000 of the Effective Tax Rate.

Next Commissioner Williams asked if IT's LiDAR (Light Detection and Ranging) refresh for \$483,000 could be held off for another year. Caren Skipworth, IT, explained this is a state initiative, and if the cities would participate, it would bring the cost down to approximately \$250,000. Ms. Skipworth said if we cannot get the cities to collaborate, she will bring it back in FY2019. This was put on the add/delete list.

Cynthia Jacobson, Human Resources, explained the COLA options. They are a flat rate at \$1.9 million, 40% of CPI is \$2.4 million, and 60% of CPI is \$4.5 million. The Court decided to come back to this item at a later time.

The next item was the \$70,000 for design plans for the 900 and 920 Buildings in Plano. There was a brief discussion regarding the option for those building. The biggest complaint is the parking issue. Commissioner Hill said they could purchase a new building, remodel the existing building or do nothing.

The Deputy Clerk I for family/civil/passports in the District Clerk's Office was discussed next. Jeff May, Auditor, said he would increase his revenue estimate by \$51,603. Many days the District Clerk is issuing the maximum number of passports that can be issued. This position would more than pay for itself, so it is cost neutral in the end. With no further discussion, a motion was made to include this position. (Time: 4:53 p.m.)

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

The Court then discussed the two Magistration Clerks for \$111,000. The JP Technology Fund will pay for the technology. A motion was made to re-task a JP 3-2 Legal Clerk I to JP Shared and to add a Legal Clerk I to JP Shared. (Time: 4:58 p.m.)

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

Judge Self recessed the meeting of the Budget Workshop Special Session at 5:00 p.m. until 9:00 a.m. on Wednesday, August 16, 2017.

Wednesday, August 16, 2017

Judge Self reconvened the meeting of the Budget Workshop Special Session at 9:05 a.m.

10. Commissioners Court changes to Recommended Budget

Monika Arris, Budget, updated the numbers overnight. The General Fund budget is up from \$196.3 to \$196.5 million, and the \$38 million is still in the One-Time Expenditures for transportation giving a grand total in the General Fund of \$234.5 million. The Road & Bridge Fund remained at \$24.3 million.

The Permanent Improvement Fund started at \$1 million and is now at \$2.8 million. The Debt Service Fund remained the same at \$65.3 million, and Other Funds dropped from \$51.2 million to \$50.3 million giving a total combined budget of \$378.3 million.

On the revenue side, the tax rate was decreased on the Permanent Improvement Fund. The Road & Bridge tax dollars were moved to the General Fund. Therefore, the tax revenue from the General Fund could be anywhere from \$166.6 million to \$186.3 million. The General Fund has other revenues from fines, fees and charges for services totaling \$29.8 million making the total revenue \$196.4 million up to \$216.1 million. Total revenue for the Road & Bridge Fund is \$21.6 million, the Permanent Improvement Fund is \$2.9 million, Debt Service Fund is \$65.8 million and Other Funds is \$53.3 million giving a grand total combined budget of \$340 million up to \$359.7 million.

The Total Effective Tax Rate generates the same amount of total revenue on properties that existed in both 2016 and 2017. The Debt Service payment increased by \$6.6 million. The tax rate does not account for this increase. The Effective M&O Tax Rate generates the same amount of M&O revenue on properties that existed in both years. The required Debt Service Tax Rate, which is the amount needed to meet our obligations, is then added to the M&O Effective Tax Rate. The Permanent Improvement Fund Tax Revenue will be reduced to make the Total Revenues match the Total Proposed Expenditures. Currently, these numbers are \$123,767 off from the Total Effective Tax Rate.

Commissioner Webb suggested moving the EMC Data Domain ES30 Expansion Tray on page 74 of document 4a for \$165,000 to Short-Term Debt 03 Finance because there is enough money there to pay the entire amount. Caren Skipworth, IT, said this is for Tyler Munis that is being installed for our ERP system. Judge Self suggested they put that on the add/delete list.

John Payton, Justice of the Peace, Precinct 3-2 wanted to address the Court but was out of town without cell service. Roxana Pantoja and Leesa Lane from Judge Payton's office came forward. While the truancy numbers may be down, the work associated with it has increased. The previous law was two pages and the new law is thirty-five pages. Ms. Lane explained it used to take seven minutes to input a case; now it takes forty-five minutes or more. The office stats and workload increase were explained with Friday being consumed with magistration work. Commissioner Webb said the new magistration clerk(s) should reduce the workload. (Time: 9:26 a.m.)

The next item was the CAC (Children Advocacy Center). A motion was made that the remainder of the check from the State go to the CAC. Part of the check went to the libraries and the remaining \$62,127 will go to CAC. (Time: 9:28 a.m.)

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

A motion was made to pull \$38 million from surplus in the fund balance for transportation. (Time: 9:31 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

A motion was made to use short-term debt for the Tyler Munis financial system. It would be appropriate to shift these funds to that item. (Time: 9:38 a.m.)

Motion by: Commissioner Duncan Webb
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

The Court returned to item AI-43588, the Retiree COLA, on Wednesday, August 16, 2017, at 9:50 a.m.

Ms. Jacobson came forward and recommended that a COLA (Cost of Living Adjustment) only be implemented once every three years. CPIs start at a 10% rate, and that would be \$405,990. A 50% rate would be \$3,459,089, and 40% would be \$2,471,616. There was a brief discussion regarding using the fund balance for this without affecting the County's AAA rating. Commissioner Webb seconded the motion that was on the table from Tuesday. A vote was taken on the motion to adopt 60% of CPI out of fund balance. (Time: 10:03 p.m.)

Motion by: Commissioner Susan Fletcher

Second by: Commissioner Duncan Webb

Vote: 2 – 3 Failed

Nay: Judge Keith Self, Commissioners Cheryl Williams and Chris Hill

A motion was made to do a Retiree COLA at 40% of CPI from fund balance. (Time: 10:04 a.m.)

Motion by: Commissioner Susan Fletcher

Second by: Commissioner Cheryl Williams

Vote: 5 – 0 Passed

COURT ORDER NO. 2017-599-08-14

11. Final review of Add/Delete list

12. AI-43550 Elected Officials Salaries Proposal

Cynthia Jacobson, Human Resources, came forward and said 3% is currently in the budget for elected officials salaries. A motion was made for a 3% raise for elected officials. Commissioner Webb would like to vote on this after the add/delete list is completed. The motion was seconded and voted on. (Time: 9:30 a.m.)

Motion by: Commissioner Chris Hill

Second by: Commissioner Cheryl Williams

Vote: 3 – 2 Passed

Nay: Commissioners Susan Fletcher and Duncan Webb

COURT ORDER NO. 2017-600-08-14

Judge Self recessed the meeting of the Budget Workshop Special Session at 10:04 a.m. until 9:00 a.m. on Thursday, August 17, 2017.

Thursday, August 17, 2017

Judge Self reconvened and immediately recessed the meeting of the Budget Workshop Special Session at 9:00 a.m.

The meeting was reconvened at 9:15 a.m.

13. Court Recommended Budget Review

Monika Arris, Budget, presented the new totals of the FY2018 Court Recommended Budget. The General Fund is at \$196.3 million in recommended plus \$40.5 million in one-time expenditures for a grand total of \$236.8 million. The one-time expenditures include \$38 million for transportation and \$2.5 million for retiree COLA to be funded from General Fund Surplus/Fund Balance.

The Road & Bridge Fund is at \$24.3 million, the Permanent Improvement Fund is at \$2.8 million, the Debt Service Fund is at \$65.3 million and other funds are at \$51.4 million. The grand total of all combined is \$380.7 million.

Ms. Arris said the revenues are the same until the tax rate is determined by the Court. (Time: 9:17 a.m.)

14. Five-Year Plan Review

a. General Fund

b. Road & Bridge Fund

c. Permanent Improvement Fund

d. Health Care Trust

15. Discussion of Proposed FY 2018 Tax Rate

a. Effective Tax Rate

b. Rollback Tax Rate

c. M & O Tax Rate

d. Debt Service Tax Rate

e. AI-43551 Total Tax Rate – Record Vote to Propose Tax Rate

Ms. Arris explained the truth-in-taxation calculations. The effective tax rate is a hypothetical property tax rate that would provide Collin County with the same amount of total revenue it had in the previous fiscal year on properties taxed in both years. The 2016 adjusted total property taxes was \$202,666,352 which is divided by the 2017 adjusted total property value of \$105,420,292,177 making this year's effective tax rate \$0.192246.

The operations effective tax rate is a hypothetical property tax rate that would give the County the same amount of operating revenue it had in the previous fiscal year. The County would have the ability to set the debt service tax rate at the amount needed to meet financial obligations. The tax rate will vary depending on increases or decreases in the appraised values of the same properties since the previous fiscal year. If appraised values go up, the effective tax rate goes down and vice versa. If the appraised value stays the same, the effective tax rate will also stay the same.

The rollback rate is a calculation that splits the tax rate into two separate components, the M&O (Maintenance and Operations) rate and the debt service rate, in order to avoid injuring a taxing unit's ability to pay its debt. The rollback rate allows the County to raise the same amount in operations as in the prior year plus provides an additional 8% cushion. This year's total rollback rate is \$0.206089. The operating tax rate of \$0.152639 plus the debt tax rate of \$0.05345 equals the total rollback rate.

The current tax rate is \$0.208395 per \$100 valuation. Collin County has not raised taxes since 1993. If the current tax rate or less is adopted, this will be the 25th year with no tax rate increase. The 5% homestead exemption has been in place for eight years.

The certified adjusted taxable value for Collin County is \$122.4 billion. This equates to a 13% increase from the 2016 tax year.

The average home in Collin County for tax year 2017 is valued at \$344,382 according to statistics compiled by the Central Appraisal District of Collin County. Utilizing the operations effective tax rate and the required debt tax rate, the average homeowner will pay \$637.25 in county taxes for the 2017 tax year. If that same person's home was valued at the average of \$317,599 last year, this would be an increase of \$8.49 or 1.3% for the entire year. Utilizing the total effective tax rate, the average homeowner will pay \$628.96 in county taxes for the 2017 tax year. If that same person's home was valued at the average of \$317,599 last year this would be an increase of \$0.19 or 0.0%. The difference between the two is \$8.30.

Ms. Arris said the Court will need to approve a resolution to call outstanding bonds for redemption in the amount of \$1.15 million, but this will be at a regular Court meeting in order to post it on an agenda. This will keep the debt service rate from dropping and save the County money in the long term because this will be paying off some callable bonds.

She explained the County's debt payment increased \$6.6 million for FY2018 because the County front loaded the principle in the last bond sale in order to save the taxpayers over \$9 million in interest payments over the life of the bonds. This is why the debt payments are increasing on the front end and will drastically decrease on the back side because the County will not have the debt service payments going forward. (Time: 9:25 a.m.)

Judge Self moved to put the library funds in contingency until the requested information is received from the libraries. (Time: 9:26 a.m.)

Motion by: Judge Keith Self
Second by: Commissioner Cheryl Williams
Vote: 4 – 1 Passed
Nay: Commissioner Susan Fletcher

Ms. Arris said the Juvenile Board and Auditor will have public hearings to set their budgets. She did not see any issues with the Juvenile Board budget, but the Auditor does have additional budget requests that are not on the County's recommended budget. Therefore, there could be budget changes going forward. By law the Auditor has to have all his employees' salaries approved which cannot happen until after the Court sets the PFP (Pay for Performance) rate at the Budget Workshop. (Time: 9:31 a.m.)

Discussion continued on the tax rate.

Commissioner Fletcher was not interested in going below 180 days with the Fund Balance and said only scenario 3 allows for that. Scenario 3 is the total M&O effective tax rate plus debt rate through FY2021. She is concerned for the future. Commissioner Hill said other options could have been run, but today's decision does not necessarily have to impact the 180 days. The two are not definitively linked. Commissioner Williams said the Court could reduce the amount of Fund Balance to be used this year. Commissioner Hill agreed and said the retiree COLA could be reduced. Judge Self said there are options, even the \$38 million for transportation which no one wants to touch. Commissioner Williams is pleased with where the Court is with the budget; therefore, she can only support the total effective rate. Commissioner Webb also supports the total effective tax rate this year. Growth is slowing down, but he is not willing to sacrifice the \$38 million for transportation for the Fund Balance. Discussion continued on the sustainability of Collin County's growth rate and the options for the FY2018 tax rate.

Commissioner Williams said during the recession the ability to lower taxes was limited. Today with the growth the County has seen there is the capacity to reduce the tax rate. If growth flattens, the ability to reduce the tax rate may flatten, but she believes the opportunity to reduce taxes should be taken now. The Commissioner also said while she is very supportive of the Court's leadership, goals and participation in major transportation planning and projects, it is not a County function to build highways. That is a state role which is why a bond program is critical so that the public can weigh in.

Commissioner Hill said citizens are often given the false choice of great service or lower tax rates. He is thrilled the County can show both are possible. Commissioner Fletcher reiterated she is concerned with looking to the future. If the County stops helping with highways it will affect employment and development.

A motion was made to adopt the FY2018 Total Effective Tax Rate of \$0.192246. With a show of hands the motion passed. (Time: 9:51 a.m.)

Motion by: Commissioner Cheryl Williams
Second by: Commissioner Chris Hill
Vote: 5 – 0 Passed

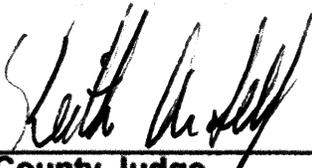
COURT ORDER NO. 2017-601-08-14

16. AI-43552 Schedule Public Hearings

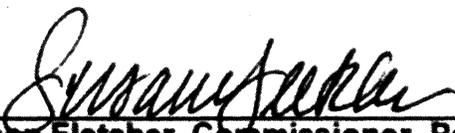
Following the vote the Judge said the proposal of the Total Effective Tax Rate means public hearings are not required by statute. The consensus of the Court was to go forward with the public hearings which will tentatively be held on Tuesday, September 5, 2017 at 1:30 p.m. and Monday, September 11, 2017 at 1:30 p.m. in the Jack Hatchell Administration Building, Commissioners' Courtroom. The adoption of the FY2018 Budget, Tax Rate and Fee Schedule is scheduled for Monday, September 18, 2017 at 1:30 p.m. in the Jack Hatchell Administration Building, Commissioners' Courtroom.

EXECUTIVE SESSION

The Court did not recess into Executive Session. There being no further business of the Court, Judge Self adjourned the Budget Workshop Special Session at 9:57 a.m.



Keith Self, County Judge



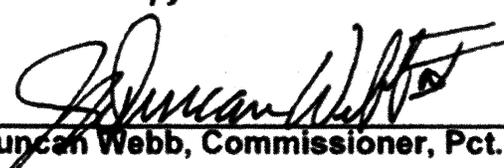
Susan Fletcher, Commissioner, Pct. 1



Cheryl Williams, Commissioner, Pct. 2



Chris Hill, Commissioner, Pct. 3



Duncan Webb, Commissioner, Pct. 4

ATTEST:


Stacey Kemp, Ex-Officio Clerk
Commissioners' Court
Collin County, T E X A S

