COURT ORDER NO. 2010- 926 -11-08

STATE OF TEXAS **COMMISSIONERS COURT PUBLIC HEARING SPECIAL SESSION MEETING MINUTES**

COUNTY OF COLLIN **AUGUST 30, 2010**

On Monday, August 30, 2010, the Commissioners Court of Collin County, Texas, met in Special Session for a Public Hearing in the Central Jury Room of the Collin County Courthouse, 2100 Bloomdale Road, City of McKinney, Texas, with the following members present, and participating, to wit:

Present: Judge Keith Self
Precinct 1 Commissioner Matt Shaheen
Precinct 2 Commissioner Jerry Hoagland
Precinct 3 Commissioner Joe Jaynes
Precinct 4 Commissioner Kathy Ward

Commissioner Shaheen led the Invocation.
Commissioner Hoagland led the Pledge of Allegiance.
Commissioner Jaynes led the Pledge of Allegiance to the Texas Flag.

1. Judge Self called to order the meeting of the **Collin County Commissioners Court Special Session** at 6:30 p.m.

Judge Self welcomed everyone to the first of two public hearings for the Collin County Budget for FY2011. He asked Monika Arris, Budget Director, to come forward with a briefing of the recommended budget under General Discussion Item No. 3.

2. Public Comments.

GENERAL DISCUSSION

3. AI-32466 Public Hearing – Proposed Fiscal Year 2011 Tax Rate and Budget, Budget.

Monika Arris, Budget Director, came forward. Ms. Arris started by stating the current tax rate for Collin County is .2425. The proposed tax rate as advertised for public notice on the website and in the newspaper is at .24 even. Collin County has had no tax rate increase for 17 years and currently has had a 5% homestead exemption for two years. The adjusted taxable value for FY2010 is $71.1 billion. This is a drop over tax year 2009 of 1.6%. The average home in Collin County for tax year 2010 is valued at $231,192 according to Collin Central Appraisal District. With the proposed tax rate of .24 and the 5% homestead

exemption the average homeowner will pay $527.12 in County taxes for 2010. That represents a decrease of $11.02 from FY2010.

Ms. Arris moved on to the County budgets. She had a power point presentation showing the general fund five-year trend budget. The general fund budget for FY2011 is up .2%, to $153.2 million. The next slide Ms. Arris presented showed budget to actuals compared with our revenues, and she noted every year Collin County has come in with less expenditures than revenues. She stated she is proposing a balanced budget of $153.2 million for the general fund. The Road and Bridge Fund is decreasing by 1% for FY2011 to $19.2 million from $19.4 million. Ms. Arris moved on to the Operating Fund which consists of the Jury Fund, Road and Bridge Fund, General Fund and Permanent Improvement Fund. For FY2011 those operating budgets are proposed at $174.2 million, which is a decrease of .6% from last year. Ms. Arris listed various other funds in the County which round out the total combined budget. The total combined budget is increasing .4% to $271.2 million. We are using a total of $14.1 million of reserves to bring us to that balanced budget of $271.2 million. Ms. Arris continued with taxes for last year, the debt service rate was 5.542 cents, with the remaining going over to the operating funds for a total of .2425. Effective tax rate is .252369 and the rollback tax rate is .265684. The rollback tax rate provides Collin County with the same amount of tax revenue it spent the previous year for day to day operations, plus an additional 8%. The proposed tax rate is maintaining that exact same debt service rate as last year at 5.542 cents. The actual cut comes from not allocating any tax revenue over from the Road and Bridge Fund and then lowering down on the general fund side

Ms. Arris stated the next step is a second public hearing which will be Tuesday, September 7, 2010, in the Central Jury Room of the Courthouse and the FY2011 budget, tax rate, and fee schedule will be adopted on September 13, 2010, at 9:30 a.m. in the regularly scheduled Commissioners Court. (Time: 6:37 p.m.)

Judge Self opened the public hearing at 6:37 p.m. He stated speakers will alternate between pro and con and each speaker will have three minutes to talk. Judge Self said because of the number of speakers, he will call three people up at a time.

Commissioner Hoagland stated before the speakers come forward, he would like to read aloud letters from two citizens who were unable to attend the meeting. The first letter was from Larry Smart: "It's not easy to openly discuss one's personal retirement situation, but I feel that it will help give a more clear picture to county residents if actual situations are described. I feel that talking about someone who stays for 30 years and receives a 5% raise each year is unrealistic. I'm asking that you look at the actual conditions.

"I retired from the Sheriff's Office last year at 60 years of age with 23 years service. I was fortunate enough to have served as a lieutenant because a

lieutenant's salary was greater than the median Collin County employees' salary. However, lieutenants at Allen, Frisco, McKinney and Plano had larger salaries. My retirement was competitive with other agencies located in Collin County and I stayed with Collin County just for that reason.

"I now receive a monthly check from TCDRS in the amount of $3,037.09. After paying $963 per month for health insurance, I am left with $2,074.09 from TCDRS. County employees and retirees are the same as the public, having to pay mortgages, utilities, auto insurance, groceries and other necessities. It's not easy to do with $2,000 per month. Some are receiving far less.

"For years now the Commissioners Court has cut employees' salaries with new pay policies and diminishing benefits. Employees have not been treated fairly. I feel that employees are now being looked at as a budget cut instead of an asset, and that is terrible. What you are actually doing is not cutting the fat, but cutting the muscle. When it comes to the employees, you cut the fat long ago.

"There was a time when the Commissioners Court supported those providing services to county residents. During that time, employees showed a great deal of pride in their service and looked at Collin County as a fair place to work. That's no longer the situation.

"In talking with county employees one thing has been very clear. They do not expect to provide their families with anything special; they just want to be able to provide the necessities for them.

"There are other areas for budget cuts and I'm asking that the Commissioners Court do the right thing and not implement further cuts to the employees. They have spouses and children as well and need to provide for them. Thank you, Larry Smart."

Commissioner Hoagland next read a letter from Bob Wagner: "My name is Bob Wagner. I live at 360 Woodcreek Drive in Lowry Crossing. I am retired with over 45 years of computer and computer related areas of management, software, hardware and programming, 17 years of that being with the University of Texas system as a state employee, so I know what low bidder means.

"I have two areas to comment on: first, the 'Collin County Retirement Plan Briefing' revised August 27, 2010. One sentence on page nine sums up the complete presentation: these are projections and actual results will vary. Consider the changes that have occurred over the last 20 years when it comes to retirement.

"Second, by cutting the current retirement benefits package the County is now in position to lose their top performing employees to neighboring communities. Neighboring cities have higher pay and better benefits to draw the cream of the

crop. Collin County will become a training ground to feed the surrounding communities. Put the cost of training to your formula and the cost will go up many times over. You in turn are not going to have the draw factor to entice top personnel to the empty positions, and if you hire new employees they would be long gone after they are trained. How are you going to explain to the taxpayers when qualify of service and cost of training keeps increasing. I've seen this first hand with my former company and other companies that tried to take the cheapest and shortest way out. Long term effect for these companies was a major budget cost increase.

"Please keep in mind that your County employees are a valued asset. You want to recruit and keep the dedicated and expertise for those jobs, we need to keep the very best. From road crews, clerical, administrative management, supervisors, courthouse staff to Sheriff's office and detention officers. What better way to show that we do care, give the best possible benefits to counter the low pay scale and salary caps that are in place. Review and re-review to see where costs can be cut. Consider expanding with more volunteer programs in the various departments. Use your county assets. Draw talented people from retired seniors, high school students and concerned citizens. Not to replace employees, but help the county do more with less. With the savings give the county employees a respectable and earned retirement package. Please do what is ethically correct and not just politically incorrect.

"I want to thank Commissioner Joe Jaynes for his outstanding newspaper articles, first on Saturday, August 21, 2010, titled 'County Retirement Numbers Misrepresented', and Thursday, August 26, 2010, 'Collin County Retirement Facts'. We need more straight forward releases to the press that challenge the volumes of misinformation being spread. I know that most of us in Precinct 3 are very proud of Commissioner Jaynes. He has found a cure for the Chicken Little Syndrome: 'truth' and 'facts'. This cure is simple, quick and easy and, best of all, there are no side effects.

"I thank the Commissioners Court for taking time to hear all public comments. Best regards, Bob Wagner." (Time: 6:43 p.m.)

Judge Self called Sam Fritcher, Joe Scott and George Ray to the podium.

Sam Fritcher, Plano, Texas, was first to speak. He stated he came to talk about the outrageous amount of pension that is being paid to our employees. He said he and his wife got to the meeting early, came in and sat down and were intimidated by a sheriff's deputy who told them they had to leave the room and could not come back in until 6:30. Mr. Fritcher made some phone calls, one to Liberty Institute, which does constitutional law for freedom, and he called Channel 5 News. He received legal advice and stated it was obvious to him that the employees were going to intimidate the citizens and hijack this room and take our voice away from us. Mr. Fritcher concluded by saying he was dropped off in

the middle of Russia with a top secret clearance and he never felt more intimidated there than he did here. He asked the Court in the future if there is a meeting like this to have it so the employees can't control the space and let the citizens talk. (Time: 6:48 p.m.)

Judge Self advised the audience that we will listen to everyone and let both sides give their opinions.

Joe Scott, McKinney, Texas, stated he has been with Collin County for 34 years, 25 of those years as a department head. He said the decision the Court makes about retirement and medical benefits will not have much of an impact on him. It is the employee with little time or the new employee that will suffer. Mr. Scott said, Judge Self, you talk about the comparison of big government and Collin County. You should understand big government because you retired from the biggest governmental agency in the world. Mr. Scott said he wasn't here to indicate the Judge didn't deserve that, but if the average employee had his medical benefits from the military and his military retirement, this wouldn't be an issue tonight. Mr. Scott asked the Court, whatever decision they make tonight, to think about the employees, both new employees and those that choose to make a career in Collin County. (Time: 6:50 p.m.)

George Ray, Richardson, Texas, stated he was just a citizen. He started by saying he doesn't know the first speaker, but felt that was a little weird. He said he's been in the financial business for 30 years and what he's seeing today in this country is something that is awful. Mr. Ray said he may never see a social security check. In his career he managed 401k's and he was cut from a job because the company wanted to cut costs. Mr. Ray felt we have to look at this as a different picture of who we are right now. He said $2.50 for a buck is much more than anybody is getting; he thought there could be a negotiated level between $2.50 and $1.00, even just for a short period of time. Mr. Ray wanted to find a happy medium. He said the state gives 7% guaranteed, maybe he needed to come and work for the County. He concluded by saying we're all in this together and we're all having to give up something. (Time: 6:53 p.m.)

Todd Free, Melissa, Texas, said he was a nine-year resident of Collin County. He works at the Juvenile Detention Center. Mr. Free wanted to discuss the process by which decisions have been made. He said this Court looked at employee compensation, which is made up of three things: health insurance, retirement and salaries. This Court decided to set a standard for employee compensation, then changed that to be more like the public sector, then made decisions based on that standard. Mr. Free said his problem is the standard was never applied to 1/3 of employee compensation, which is salaries. The average salary for Collin County employees is approximately $25,000 less than for residents of Collin County. He stated the statistics that were used were not properly vetted. He stated his question tonight is: is this the way our government makes all its decisions? Without looking at all the issues? Mr. Free said as a

taxpayer that is unacceptable. As a voter in this county those processes make him angry. He said as an employee of this county, which means I'm a coworker to every one of you, I find it disgraceful. Is this the legacy that you want for your time on this court? If the provisional changes made to the budget become permanent, we will be telling everybody two things: one, if you have to do business with this county, it's buyer beware. And two, you have one of the richest counties in the State of Texas, and when we find ourselves in a situation where we think we're a little short on money, we find a set of workers who make $25,000 less on average than the average citizen in this county and we say we are taking this out of your back. (Time: 6:57 p.m.)

James D. Batson, Lucas, Texas, spoke next. He said he's been a resident of Collin County since 1967 and he's seen the county grow. Mr. Batson stated he has worked for five companies in 40 years. Every one of those companies has had outsizing, downsizing and outsourcing. He went from senior director in a major corporation making over $185,000 plus bonuses and stock options to where he got laid off three times. Every new job was more travel and less salary. He stated his last job paid $92,000. Mr. Batson said he has three children working and not one of them gets more than a 1% match. Nobody gets 7% guaranteed. Mr. Batson said as taxpayers we expect our county and government to do what the taxpayers are having to do. He stated your benefits program is unsustainable. (Time: 7:00 p.m.)

Caren Skipworth, Collin County IT Director, said she was present to speak on a professional basis for the IT area. Ms. Skipworth said we know it's tight times and we have to tighten our budgets here in Collin County, and we've shown that initiative. The IT department alone has worked on initiatives since 2009 for up to a $3.8 million savings through efficiencies and cutting maintenance costs and doing more of an enterprise approach. We compete with the private sector when hiring staff. Salaries have not been an attractive item to bring in people with the right skills and certifications to do the jobs to sustain our technology in Collin County. Ms. Skipworth presented three samples of online IT job positions that show these jobs are prevalent out there. From a technology standpoint, she competes for the best of the best. Salaries and benefits are those attractive items for us, but since salary isn't there, benefits have been the stronghold to enable her to bring in good employees. Ms. Skipworth said we have received over 12 awards in the last 18 months for Collin County and three publications on our initiatives in Collin County. We are showing those savings. Ms. Skipworth asked her public sector employees to come up and give their statement of where we stand today with IT. (Time: 7:03 a.m.)

Mike McCandless, McKinney, Texas, said there are people on both sides of this. He said he's glad we're in the U.S. so we can have a side, no matter which side it is. He thanked Judge Self for his military service. Mr. McCandless said he has worked in the private sector and owned companies in the private sector. He said he always took care of his employees because when you take care of your

employees they are loyal. He said he stands here because he is also a family man. Mr. McCandless held up a photograph of his family and said this is who is effected by decisions made by this council. It's not fair that there are people here who work very hard. We're all here for the same thing. He said a good point has been made, when you take away from hard working people, why should they work so hard for you? There is something to be said for loyalty and giving people benefits. He said he came to Collin County because the benefits were good. (Time: 7:07 p.m.)

Mark Reid, Plano, Texas, said he absolutely believes we have outstanding employees in this county and we need to make sure our employees are properly compensated. He was here to talk about the pension plan. Mr. Reid doesn't agree with the pension plan. He said he owns a business in Dallas and he's never seen this sort of pension in any place he's been employed. He said it was unsustainable. He said he understands pay and some other parts of the compensation package have been low and the pension plan made up for it, so maybe adjustments need to be made in other areas. He is concerned about the unsustainability of guaranteeing the type of returns this plan guarantees. Someday the money won't be there. What will happen then? We had some statistics from Commissioner Jaynes about compensation being 25% below compensation for the rest of the citizens in Collin County. You need to look at compensation in all different levels for all the different jobs. We need to have a good competitive package but it has to be sustainable. We live in a time when revenues are not what they used to be and we have to be able to maintain what we're doing. (Time: 7:10 p.m.)

Commissioner Hoagland had a question for Mr. Reid. How many sheriffs' officer personnel do you know in the private sector? Mr. Reid said that's a slick question and gets a lot of applause. Commissioner Hoagland said how many district clerk personnel do you know or constables? Mr. Reid said there are clerks in the private sector and there are other law enforcement people in other cities all around the region. I don't know any sheriffs or constables in the private sector. But there is law enforcement in other cities and that is who will be drawing them away and we need to have a fair and reasonable compensation package, but it has to be sustainable. Commissioner Hoagland said we will talk about sustainability later. (Time: 7:11 p.m.)

Judge Ray Wheless came forward. He has been a District Judge for almost a year, before that he was a County Court at Law judge. Judge Wheless has been involved in Republican politics for almost 30 years in Collin County. He stated everyone in this room is in favor of lower taxes but is also in favor of compensating people adequately. In Collin County we're in good shape. So how do we treat our employees and how do we keep good employees? Compensate them the way they should be compensated. Judge Wheless said policemen, firemen and teachers are not paid what they deserve to be paid and the people in this room are not paid what they deserve to be paid. We have to take care of

them with the retirement system. Judge Wheless told the Court the actions they take will determine how we will run this county in the years ahead. (Time: 7:13 p.m.)

Andrea Pittman, McKinney, Texas, is a taxpayer and citizen who is married to a Collin County employee. Collin County is one of richest counties and McKinney is one of the fastest growing cities in the U.S. Ms. Pittman asked do we want to show the rest of the country how we treat our employees? She said, surely we are intelligent enough to figure out how to save money without going back on our word to the hard working people who mow the lawns, do the plumbing, hang the holidays lights and put their lives on the lines every day for us. (Time: 7:14 p.m.)

Gary Sheets, Plano, Texas, said he deferred his remarks in the interest of time and duplication of what has been said. (Time: 7:14 p.m.)

Larry Jones, McKinney, Texas, works for the Collin County IT Department. He was here as a citizen, taxpayer, elected precinct chairman, house district chairman, member of the tea party and employee of Collin County. It frustrates him to hear the references to the citizens of Collin County because he is also a taxpaying citizen. Mr. Jones thanked the Court for the small tax cut, saying a small tax cut means something. He was concerned that we were duplicating the things going on in Washington. Mr. Jones said we have debt, and by paying off debt you pay off the interest on that. Mr. Jones felt that the $5 to $11 tax savings could have been better used to pay off debt and save interest payments. We're taking a big chunk out of people's retirement and Mr. Jones doesn't think the Court is looking at the big picture. He stated before he came to Collin County he was making $123,000; he started at Collin County for $63,000. Mr. Jones said there's a lot of misunderstanding about the 2.5 to 1 match. When he puts $1 into retirement, there is not a matching dollar that goes in with his money. He said the real reason he is here is we've cut out of network benefits and that hurts all the families here. If he is out of town or on vacation with his family, and anything happens, that could financially bankrupt him. The idea was to save $400,000, which is $38 per person in premiums. The rates were raised $30 yet premiums and benefits were cut. Mr. Jones asked the Court to look at out of network benefits and reinstate that benefit. Don't risk the health and well being and future of our families. (Time: 7:17 p.m.)

Robert Chambers, Frisco, Texas, is a retired business executive. Mr. Chambers has been following the discussion of benefits of Collin County employees. He has received and read emails and articles on both sides. Based on what is happening in other parts of the country there is a perception that municipal benefits have gotten out of hand. Taxpayers deserve to know what the situation here is in Collin County. Unfortunately neither side presents practical numbers. Neither approach is helpful in determining if Collin County employees have better benefits than what are available in the private sector. The private sector looks at the total costs of all benefits compared to total payroll. This is called the benefits

burden and runs in the 25% to 35% range. Mr. Chambers listed the costs included in that analysis of benefits. He stated he has not seen that type of analysis coming out of county government and finds this to be a large deficiency in the management of taxpayer funds. It would end arguments over assumption driven back end benefits and place the emphasis on actual front end costs. Mr. Chambers said when he looks at the make up of the Commissioners Court he's not surprised. With the exception of one person, all of you are life-time government employees with no private sector or real world experience. You are entrusted with the public purse and have an obligation to manage it for the benefit of the public not for your own self interests or the interests of your fellow government employees. You should demand that your chief financial officer get her act together and give you some meaningful data to make some intelligent and publicly responsible decisions.

Commissioner Hoagland asked Mr. Chambers to return to the podium. Commissioner Hoagland asked Mr. Chambers to repeat what the percentage of salaries was in the private sector. Mr. Chambers replied the benefit burden in the private sector runs between 25% to 35% of payroll. Commissioner Hoagland, asked Cynthia Jacobson, Human Resources Director, to come forward with the number for Collin County. He told Mr. Chambers "We do ask that question, sir". An unidentified speaker from the audience asked Commissioner Hoagland to stop wasting everybody's time, to which Commissioner Hoagland replied, this is a public hearing and he would ask as many questions as he wanted to.

Ms. Jacobson said payroll runs around $85 million, health care and insurance is around $18 million, and the pension plan is around $12 to $14 million. Commissioner Hoagland asked for the percentage. He said he knows it's within what private industry does because we do these numbers every year. Commissioner Ward stated those are last year's numbers. They do not reflect the cut in this year's for the pension plan from 250% to 200%. Ms. Jacobson said that will reduce the unfunded liability by $5 million. Ms. Jacobson said the answer is 37%. Mr. Chambers said this is the type of data that should be made available to the public and should be used by the Commissioners Court in setting salaries. 37% is not far out of the range, but should Collin County be at the top of the range or at the bottom of the range? (Time: 7:24 p.m.)

Patty Harrison, Sherman, Texas, wanted to tell the Court how the decisions they make effect her as an average Collin County employee. Ms. Harrison is 43 years old; she's a single mother who makes $30,000 a year. She said she has to have three jobs just to make it. When you look at her salary compared to the private sector, just in starting out her salary should be $3,500 more. With her years of experience, it should be $5,000 more a year. Ms. Harrison next talked about insurance. She pays child support for one child still in school who lives in Houston with his father. She told the Court she was standing here at their mercy. They were making decisions for her life. By law in the State of Texas the non-custodial parent has to provide insurance for their child. She has to provide

insurance. However, according to United Health Care, she is not considered the primary so she will have to go outside into the private sector to find insurance to cover her child so she is not held in contempt of court. Ms. Harrison again said she has three jobs; she makes $30,000 per year, and every decision that the Court makes effects every single one of us. She said please take that into consideration. (Time: 7:26 p.m.)

James Long, McKinney, Texas, thanked Judge Self and the Court for the ability to speak. Mr. Long said two years ago something changed in our country. When this recession hit, there is something different. He feels it every day. Our country owes $13.4 trillion. The City of McKinney owes over $300 million. We're in a financial situation that is not like anything we've been in before. In the last four years his 401k has lost 20%. Three years ago his company quit matching anything. He said that's the world he lives in. He's very glad to have a job. He feels like what has been talked about is apples to oranges. You can't compare this average to this average. Mr. Long doesn't know what's correct. He said what he does know is when we promise a fixed return on a pension investment, we put ourselves in a financial box. He then quoted Proverb 6. Mr. Long would agree with raising employee salaries and taking the county "off the hook for this retirement stuff". (Time: 7:30 p.m.)

Commissioner Hoagland addressed Mr. Long's comments. He said several people have addressed the 7% earning. That is a statutory amount set by legislature. The Commissioners Court has zero responsibility for that. There's a lot of confusion about how the pension plan works, and that is one of them. Commissioner Hoagland said if anybody has a quarrel with how that is calculated, talk to your state senator, state representative or your governor. Commissioner Ward added that is something we are putting on our agenda of legislative items to push through this next session.

Thomas DuBose, McKinney, Texas, came forward. He moved to McKinney from California in 2004. Mr. DuBose wanted to address what being in a financial box meant to him. He relayed a story of growing up in World War II, without a home and without enough food. He left school, joined the army, and got out of the financial box. Mr. DuBose wanted to tell the Court how to get out of their financial box. He stated he worked for Ronald Reagan and Mr. Bush No. 1. Barbara Bush told him he needed to volunteer for things. When you have time off, volunteer. This is how we get out of this financial box. He said don't share your money, just share your time. Mr. DuBose wasn't telling anyone to cut salaries. The County must lower standards. He said by volunteering, we can all save money. (Time: 7:34 p.m.)

Faye Dosier works in the Plano Tax Office as a title clerk. Ms. Dosier worked for Dallas County for almost five years but came to Collin County because of the benefits and because everybody was so sweet and nice and considerate. She said she was afraid the decision the Court would be making would make Collin

County like Dallas County. Collin County will become a training ground. Ms. Dosier said she wasn't going to take the abusive belittlement of higher management. Ms. Dosier said she has residents of Collin County coming into her office and saying "I don't know how you do this job. I couldn't do it". She said she felt like somebody thanked her with her benefits. As far as retirement, 7% is mandated; employees don't have a choice who we put it with. Employees can't make choices on their retirement. She stated every dollar that she puts in doesn't mean she'll get that $2.50 when she leaves. We have to meet qualifications before you match that. She said she would die before she sees the match. She stated, I'm going to have to work till I'm 75. I'm not going to see it. You'll find me dead at my desk saying "Next". (Time: 7:38 p.m.)

Roxanne Ledbetter, Melissa, Texas, came forward. She's been with the County for five years and she's a member of TCDRS. Ms. Ledbetter stated she's had the privilege of watching several recent Commissioners Court meetings where the budget and trying to find ways to save money were discussed. A couple months ago the County Auditor, Purchasing Agent and Budget Director came before the Court and said they found $15 million plus that was unused money that was budgeted every year and then gets re-budgeted and never used. Ms. Ledbetter did not understand why the Court would make cuts to health benefits that would effect employees so greatly to save $400,000 when they have $15 million they can cut out of the budget and save. Ms. Ledbetter addressed Commissioner Shaheen. She said you want to give the taxpayers a tax cut. There's $15 million there waiting for you to give back. Ms. Ledbetter stated she had a Bachelors degree from Austin College and she will finish her Master's degree in December from UNT. UNT has recruitment fairs and with her 14 years of experience she could find an entry level job making $80 to $90,000 per year. She said she chose to come to the county because she was looking out for her family. She was told she would be protected, her health insurance would be protected, her retirement would be protected, and her family would be protected. Ms. Ledbetter said the cuts the Court is making are more of a political statement than a necessity for the county. Our county has over 300 operating days worth of surplus. If we stopped collecting any taxes today, we could operate this county without any reduced services for almost a year. (Time: 7:42 p.m.)

Brian Fletcher, Frisco, Texas, is a taxpayer and fellow tea party member, republican precinct chairman and former caucus chairman. He knows each Commissioner personally and he appreciates all their hard work. Mr. Fletcher had a personal perspective to present. He said in 2009 his company had to go through cost cutting measures. Instead of laying employees off, the employees chipped in 5% of their salaries because they would rather make 5% less than 100% less. Concerning the retirement match of 2.5 to 1, he said his company makes approximately $14 billion a year, has 40,000 employees and they don't get anywhere near that kind of match. Mr. Fletcher explained the make up of his salary. He said for his 401k he'd rather have his money and make those decisions. He felt the current pension plan was an unsustainable model. He tells

his kids and customers, you plan for the worse case; not to get by. (Time: 7:45 p.m.)

Jerry Higgins, Allen, Texas, thanked the Constitution for providing him with the right to speak. Mr. Higgins addressed his remarks to Judge Self: shame on you for disparaging county employees and using the backs of county employees in an attempt to further your political ambitions. I applaud a cut in the tax rate but not by reducing benefits to county employees, decreasing their income and increasing their expenditures while keeping the same amount of money in county coffers. Judge Self, shame on you for manipulating data and information to present an inaccurate picture of the county and county employee income. You stated that numerous employees would be able to earn $100,000 or more in retirement. Mr. Higgins said he hasn't been able to identify one county employee who will retire and earn $100,000. He said, your comments make it sound like the county is in dire straits when we have a surplus of $9 million in our budget and a full year of dollars in reserves. Mr. Higgins told Judge Self he was glad he had a large salary and military retirement to count on because he wouldn't make it if he had to survive on county benefits alone. Continuing, he said shame on you for taking a negative approach instead of a positive approach. You are talking about real people like me. We are one of the wealthiest and fastest growing counties in the nation, yet you make it sound like we have the best paid and most ineffective employees in the nation. Mr. Higgins said he hears so many bad things come out of the Judge's mouth about the county that he doesn't know how we serve the public at all in our feeble condition. I'm proud of working for the county. I was happy to recommend for my son to work here. If the county continues to cut benefits, he will not be proud and will recommend to no one to work here. Mr. Higgins said if you think things are bad now wait till you have to deal with uncaring, unmotivated, irresponsible county employees just getting their time in – oh, yeah, you won't be here. You will fit right in with the Washington political structure. (Time: 7:49 p.m.)

Judge Self told Mr. Higgins that he, too, liked the Constitution. He said he spent 25 years of his life defending Mr. Higgins' freedom to say those things. Judge Self stated Mr. Higgins said "manipulate". He said he did not touch those figures; they came straight from TCDRS.

Commissioner Jaynes pointed out they came from TCDRS along with a couple letters saying how these figures should not be used to estimate future retirement benefits.

Frank Robl, Fairview, Texas, thanked Judge Self and others who served in the military. Mr. Robl was present to offer his support for Judge Self's proposal to modify the retirement system for county employees. This is a matter of protecting the financial stability of Collin County into the future. All the citizens are ill-served by any type of system that could get us into an unsustainable situation in the future. Mr. Robl wondered if 20 years ago they had this

conversation in California. If we get something that is unsustainable in the future as far as the budget is concerned, we are forcing these things on future councils who may have to cut services, lay off employees and raise tax rates to an unreasonable level. Mr. Robl and his wife are long time citizens of Texas. He feels they are very fortunate to live in Collin County and he hopes we can continue to grow. (Time: 7:53 p.m.)

Bill Neil, McKinney, Texas said he was a lawyer and was proud of it. He said he should have known this was coming, when they took "In God we Trust" off our money that there would be another bunch of broken promises from our government. Mr. Neil prosecuted under Henry Wade. He then went to Brownsville because they needed his help. They had D.A.'s that were being indicted, commissioners that were being indicted and sheriff's deputies that were running interference for drugs. This was in 1978, but now it's moving north. Mr. Neil said we have a good sheriff's department. They need to get paid right or they will leave. Mr. Neil said he's known every D.A., and every year the D.A.'s office has gotten better and better. They have the finest department. They don't do it for the money. They do it for the job. Mr. Neil said he's made a lot of money. He didn't hear folks saying when they were making the money, why weren't they passing it around? We're going to be on top again. Let's keep it going. (Time: 7:56 p.m.)

Bryce Nelson, McKinney, Texas, spoke next. He's an IT person, a consultant, and he said what the IT director said is true, you guys underpay. Benefits are the only thing that will draw people here. If you drop your benefits, you will lose your employees. If you lose your employees, you might as well all retire. Having been in the consulting business for 18 years, he said you don't get it back. (Time: 7:57 p.m.)

Commissioners Court was recessed at 7:58 p.m. and reconvened at 8:11 p.m.

JoDee Neil, McKinney, Texas, thanked Commissioners Hoagland, Jaynes and Ward for being supportive of the employees' benefits. Ms. Neil said the people she works with are the very best. She's been in the D.A.'s office for five years. Ms. Neil said many of the people who don't understand are people we might have on our own juries. We interact with the public. Collin County prosecutors represent the County and do it well. That's not something to take lightly. Ms. Neil stated what the prosecutors do is a core government function. This is not big government. This is not us thinking we're a privileged class. One of the big draws to Collin County is we have low crime, and when crimes are committed, they are dealt with appropriately. You cannot have strong law enforcement without strong prosecutors and deputies who know what they're doing, as well as the support staff. All this talk about the private sector, the argument really loses steam when it comes to the prosecutors because we can easily make more money somewhere else. Mr. Neil said her dad, who just spoke, has a law firm that she could go work at right now. She said she's not doing it because she

loves this job. She said the private sector comparison is a joke. Anyone could tell you about the six figure salaries they are offered. It's not uncommon for someone to go out on their own and make $10,000 for a DWI case. We do what we do, and we get paid less because we love it. When it comes down to cost benefit we can justify it with the retirement package and now you're making that very difficult for us. We vest at eight years. Ms. Neil said I'm here 5 years, I wonder if it's really worth it. I'm going to stay because I really love it but you are making it very difficult for those of us who choose to stay in law enforcement and be career prosecutors, to stay and support this community. (Time: 8:14 a.m.)

Commissioner Hoagland said during break it was brought to his attention that Jeff May, County Auditor, could clear up a lot of the confusion about the retirement program if we let him speak. Mr. May came forward and said he wanted to clarify a few misconceptions about the retirement system. He's heard talk about the 250% match. TCDRS does not work like the private sector system. It's a back end match. The County does not pay $2.50 for every dollar today like a 401k works. As a result, the County pays an actuarial amount and that amount earns interest. According to TCDRS the match will occur for only about one-quarter of the employees. Mr. May said TCDRS has been earning over 8% since inception. If you put a dollar in, invested it and got 8%, after 15 years you'd have $2.94, after 18 years, which is the county's average retirement tenure, you'd have $3.70, and after 30 years you'd have $6.82. Again, this is a back end match; a 401k is front end match. Currently TCDRS is 84% funded approximately. It's well funded. (Time: 8:18 p.m.)

Charles Molyineaux said he was amazed that there are only a few of us and a lot of your employees. After listening to what your employees are calling us as they stand right next to us is mind boggling. Mr. Molyineaux said there are many unemployed people who would die for jobs like yours, but he also said he was amazed at how underpaid these people are. Mr. Molyineaux is in the private sector at 71 years old, still working. He asked the Court when you make your decision that you feel comfortable that it is truly fiscally responsible and doing the best for this county. When I see the federal government, it scares me to death that you might want to go that same direction. If you spend your reserves or make no effort to make those reserves grow or if you make very effort to increase entitlements that are unsustainable, this county will lose its prestige and its value quickly. Mr. Molyineaux said he appreciates the efforts and work you're all putting into this. (Time: 8:20 p.m.)

Kenneth Maun, Tax Assessor and Collector, said he's been with the County for 25 years and he's here to collect his quarter million dollar pension. He said I'm a little different than most in that I'm upset because there's been a lot of inflammatory and false information put in the papers. Despite that information being attributed to TCDRS, TCDRS just did the math. They didn't make up the scenario. That was done by the County Judge. I may respect him for his military service but I disrespect him for truth and integrity. You're in the office of County

Judge. Fill it. Don't run for another one till you've filled this one. Mr. Maun stated TCDRS was told we had 8% earnings on our money instead of 7% which is state law, and 5% annual increases over 30 years. None of that happened. TCDRS prepared a scenario based on that. When I read in the paper what was happening I figured you were lying to the public and you were disgracing the employees. We aren't responsible for those exaggerated statements. Mr. Maun said he has a difficult time living with lies when it's about a good group of people. He has 87 people working in his office and they're all good. Mr. Maun said when you talk about a 5% annual increase, the average clerk in his office makes $31,000. This year, that 5% is going to be 1.5%, but it's actually minus 3 because after the increase in the premiums for insurance and the increase in the deductibles and you play silly games with other things, they're losing money this year. Judge Self told Mr. Maun his time was up. Mr. Maun concluded by saying "your math sucks". (Time: 8:23 p.m.)

Diann Jones, Anna, Texas, said she's been a Collin County resident since 1989. She wasn't sure she had enough information to figure out exactly what's happening. But she keeps hearing Collin County is one of wealthiest counties in Texas. If that's the case, she thinks our employees should be paid as well as employees from other counties. Ms. Jones said all she can speak for is her experience in the private sector. She said she's never seen benefits matched at $2.50 to a dollar. If that's correct, then that's wrong. We need to examine salaries of people who work here because there are a lot of good people who work in this county. Ms. Jones said of the County's law enforcement personnel that there are none finer to be found. Speaking for all of them, she thought they needed to be paid as well as any other county and then benefits could be matched appropriately. (Time: 8:26 p.m.)

Barnett Walker, Prosper, Texas, said he was a Collin County resident and a former member of the D.A.'s office. He was here to support the Collin County retirement system the way it was when the employees signed up for it. Mr. Walker said he appreciated the hard work of the Commissioners in keeping taxes low but there comes a point where we have to be willing to spend a dollar to save $20. He asked Sheriff Box when was the last time his department was successfully sued in a lawsuit. The answer is over 20 years. Mr. Walker said we don't have those problems with police departments and counties being sued for millions of dollars because he hires the best people, he gives them the best training, best supervision, and they in turn give him the best service. We don't have a computer system that's under water like they do in Dallas because we have an IT Department that knows how to plan for the future. He said he has worked with secretaries in the D.A.'s office who have clocked out and then stayed behind to help him get ready for a case. Mr. Barnett said he wanted to continue to work in the D.A.'s office, but after 22 years in the military and three in the D.A.'s office, he had to go out and make money for his family. He said he could make $10,000 for a one-and-a-half day trial, whereas that's more than Curtis Howard, a felony prosecutor with more than ten years' experience with this

County, makes in a month. Mr. Walker concluded by saying he understood when he came to work for the County that 7% of his pay would be deducted for retirement. He hears people saying my 401k doesn't match. For those people, their 401k might be voluntary. For County employees, it's not. He said for people like him that don't stay, that money is not matched. These people knew they were going to get 2.5 to 1 when they signed on and nobody should be crying about paying for it now. (Time: 8:29 p.m.)

Tom Brennan, Parker, Texas, said he was proud to be a tea party member and proud of these people here today to speak their minds. Mr. Brennan knew nothing about this so he went to the internet to do some research on retirement plans. Company contributions average 3% of overall total payroll. For 32% of those plans, 50 cents out of a dollar is matched up to 6%; 10% of those plans match $1 for $1, up to 4%; 8.5% of those plans are $1 for $1 up to 3%. When taxpayers hear about $2.50 matching of $1 they can be outraged because they only get that one figure and they hear about 7% returns. What they don't hear about is the somewhat appalling 1% to 2% raises that are below the CPI index and he said that doesn't sit well with him. Mr. Brennan thinks we have an above average county. A lot of people hear about uncertainty and fear and it's demotivating to have their benefits cut. He's not suggesting that. He said he can't come to a conclusion because when he looks at the economic downturn of 2008-2009, only 15% of companies have suspended their 401k matching contributions and 4% have reduced it. Mr. Brennan said to the Court it's up to you to find a compromise so these people feel very motivated and compensated for their high performance. They deserve better raises if their contributions are there. He's for higher salaries and higher benefits for these people. It's up to you to find a compromise. (Time: 8:33 p.m.)

Kathy Decker, Plano, Texas, has worked in the appellate division of the D.A.'s office for eight-and-a-half years and she's been a Collin County taxpayer for 16 years. She wanted to talk to the Court as both an employee and taxpayer. This past week she's done a lot of thinking about Judge Self's comment that the Collin County employees are a privileged class. She said she's felt privileged to work for the D.A.'s office and to serve the people of Collin County. She serves the people she lives among, goes to church with, and sees at the grocery store, much of them are her friends and family. Ms. Decker said it makes her sad that Judge Self did not use the word "privileged" in the way she used it. He used it in a critical way that was meant to create division, it was meant to pit her fellow taxpayers and friends against her and her fellow employees. She said she doesn't know if she's ever heard that kind of divisive, negative rhetoric in all the years she's lived in Collin County. Today we are blessed with a uniquely dedicated group of employees. Ms. Decker gave an example of a clerk in the County Clerk's office who called her last week concerning a customer who came in with a tricky problem. After the customer left, not thinking anything about it, the clerk spent the next two or three hours trying to figure that problem out, calling different offices, calling different governmental agencies, calling Ms.

Decker, and then calling the woman back multiple times when she couldn't reach her to say, hey, I think I have an answer. Little did that woman know that all this effort would be spent on her behalf. That is the kind of thing that is commonplace in Collin County among its employees. We are used to seeing our people take the extra step to serve the residents. Ms. Decker said, Commissioners, with your votes on the retirement benefits you have the power to change all that. You have the power to create a whole different environment here, where the employees are told we're not valued, with negative rhetoric where you actually stir up taxpayer animosity against us. As a taxpayer I urge you not to go down that road. (Time: 8:37 a.m.)

Terry Wade, Plano, Texas, thanked Court members for the job they were doing. She stated she wanted to talk about choices. She said we make decisions, who we marry, where we live, the jobs we take. She admires everyone in the room for the service they do for Collin County. She said she's heard people say "if I were in the private sector, how much more I could make", but that's your choice. She said she disagreed with the previous speaker saying "you are privileged". A previous speaker said everybody is old. Employees are old because they love working for Collin County. Everybody here is here because you love working for Collin County. Collin County is privileged because we have good people in this community. We need to sit down and look at the figures. Let's look at what's wrong with the situation. Fear drives people to this kind of assembly tonight. We are so in debt. I made the choice to become a teacher. Other people here made a choice to work for the police department. She again said, you make choices in life. Ms. Wade said somebody else said we found $15 million. Do you go out and spend that $15 million just because you found it? Texas will not be in the shape it is in now if the country keeps going the way it is going. She told people to hang on to their money. Ms. Wade concluded by saying Judge Self doesn't have a divisive bone in his body. He's trying to keep Collin County from going into debt. (Time: 8:41 a.m.)

Joann Harrison, McKinney, Texas, has been with the county since June 2003. Ms. Harrison said she was raised by parents that let her know that when you choose a job, you didn't just choose it for the money but you looked at the whole benefits package. She said she came to Collin County for the excellent benefits, and took a cut in pay to do. She was 41 years old and it was time for her to look at long-term benefits. Ms. Harrison said she represents Collin County from 8:00 until 5:00 every day, Monday through Friday, and she also represents Collin County outside the office the best that she can. She said we've been through changes of moving, rebuilding, new computer systems, no pay raises, no cost of living raises, whatever it was she took it on because of the long-term benefits that were offered to her. Ms. Harrison said she took on two jobs but still never decided Collin County wasn't for her. Ms. Harrison said she is a loyal employee of Collin County who gives 110% every day. She was asking the Court to be loyal to her and give her the benefits that were offered to her, that she signed on to receive for the long term. Ms. Harrison told Court members when they are

gone, it will be people like her who will remain for the duration. She said she will be here until there is "no more me". Again she said, I am loyal, these people are loyal to Collin County for years and years. She asked the Court to continue being loyal. (Time: 8:44 a.m.)

Ann Lieber, Prosper, Texas, has been a resident of Collin County for ten years. Ms. Lieber was speaking as a citizen and taxpayer. She asked, when we project these numbers out and they don't work and we find Collin County in debt like a lot of states in this country, what then?" What worse case scenario? What with the sheriff's office? What do we do then? Do we wring our hands and wait for the cavalry to ride in in the form of state or federal help? They will help our county but huge strings will be attached and a price that no one in this room wants to pay. We have to shore up at the most local level imaginable. Ms. Lieber said look at Washington, every day she is appalled at what she sees going on there. She said they won't call a deficit a deficit. They call it a stimulus. And when it doesn't stimulate the economy, they call it a recovery. This is a recovery? Ms. Lieber said she hates the disparaging things that people have said but she feels Judge Self has stood up. This is the kind of elected official that she wants, that won't BS her, who will do the heavy lifting. She is for the resolution and she knows it's a hard call but she said we have to live to fight another day. (Time: 8:46 p.m.)

Commissioner Hoagland addressed Ms. Lieber's comments. He said he's been a county commissioner for 30 years. We have had a very stable tax rate for 30 years. Commissioner Hoagland asked Ms. Lieber not to compare Collin County to the federal government. There is no comparison. Don't compare Collin County to the State of Texas. There's no comparison. Ms. Lieber said can I say something? Commissioner Hoagland said no, you had your say. Continuing, he said Collin County is probably the most financially stable county in the State of Texas today. We have over 300 days of fund balance. We are strong today. We are not hurting. Please don't compare us to the federal government.

Curtis Howard, McKinney, Texas, addressed the Court next. Mr. Howard said, as Mr. Walker pointed out, he does not make $10,000 a month in his job as a prosecutor in the D.A.'s office. He said he doesn't make $185,000 like somebody said that they did in the private sector. He does this job because he loves it. He said he knew he would not get paid as much as his cohorts. He made a choice. He made a decision to do this. He chose to get involved in a core governmental function. He tries to provide public safety to the citizens in this community. Mr. Howard has been with Collin County for 13 years. He said one of the things they try to do is try to encourage young prosecutors coming out of law school to stay and make a career out of it. But they are being pulled away by big law firms. He said based on his compensation last year he made $55 an hour. Last month he tried a murder case and the court appointed defense attorney who tried the murder case was paid $107 an hour by the county. Last month Mr. Howard was in a hearing involving a capital murder defendant. The court appointed attorneys

made $150 per hour for that hearing. Those are types of situations that young prosecutors look at when determining "what do I want to do with my life?" Mr. Howard concluded by saying having experienced prosecutors when you take these cases, murder cases, sexual assault cases, sexual assault of children cases, intoxication manslaughter cases, you want somebody who has been in the trenches before, who understands what to do and can see that justice is done. One of the things we do when recruiting young prosecutors who understand they won't make the money, is on the back end you have a good benefits program and a good retirement program. Now they're taking that away and we will lose the ability to recruit those type of people for career prosecutor positions. (Time: 8:51 a.m.)

Steve Morris was the next speaker. Mr. Morris thanked the Judge, citizens, employees and law enforcement officers. He is a high school math teacher. He said it's a calling for him. You don't go into this job because of the money. You do it because it's a calling. Mr. Morris said to Judge Self, I know this job is a calling for you. I know you personally. He said it has hurt his heart to hear people insult the Judge personally. He said is this meeting about compensation and payroll? No. Is this meeting about 7%? No. Is this meeting about matching 2.5% or whatever the match is? Yes. He is against the current match. He said I am for a 1 to 1 match. That is entirely fair. He said that was his opinion as a citizen. Mr. Morris next addressed Commissioner Hoagland. He said the only people that you have asked a rebuttal question to were people in my same position. Those are the only people you questioned. Mr. Morris said earlier you asked a citizen four questions before he had a chance to answer. That was not respectful. Commissioner Hoagland replied let me clarify. You can talk about anything in this budget you want to. It's the entire budget; it's not just the pension plan. Mr. Morris said he was under the impression this was just about the match. He said he agrees with the other people who talked, salaries should be relative to those in other counties. His disagreement is with the match. (Time: 8:55 p.m.)

Commissioner Jaynes asked Mr. Morris what he thought the match should be? Mr. Morris answered 1 to 1. Commissioner Jaynes asked how that would compare to the teachers' retirement system. Mr. Morris replied he gets 2.3% of an aggregate average, over a five-year average, per year once he retires. After 25 years of teaching he will make $2,600 a month. Mr. Morris said, also he forfeits 80% of his social security because he's a teacher in Texas. Mr. Morris said he does not begrudge a single person in here their retirement. If you signed on at 2.5, you should get to keep the 2.5. He said any new employee that comes on, whatever they decide, that is their standard. Commissioner Ward said that is another reason that it's so important that people hear past the rhetoric, past all the "he said, she said". Commissioner Ward said it would be a 5-0 vote if we wanted to grandfather in the employees we have, but the law won't let us. But we have to go to Austin next session and we need somebody like you down there saying, hey, we need to change this system. Our hands are tied. As a

Commissioners Court, we need you to go and help us fight in Austin next session. (Time: 8:58 a.m.)

Chuck Presley, Allen, Texas, is the Constable for Precinct 3. Constable Presley said he represents several interests tonight: he is a retired employee with 22 years in the sheriff's office, he's a taxpayer for over 22 years, and he's a recently elected constable. He was present to represent his employees. Constable Presley said his golden parachute didn't open. He retired as a lieutenant with 22 years of service. His retirement was a little over $30,000. He enjoyed serving the citizens of this county but he's saddened that we're put in the position of being adversaries with our taxpayers. In the 80's we had a recession and we had a benefits committee who met as a group and discussed these issues. Constable Presley said he doesn't see the urgency for this tonight. As employees, it's the Court's decision to make. He said it's the same for the insurance package, he doesn't see why that couldn't be done on a committee level. We're talking about the stability of the work force and how we support the citizens of our county. When we're talking about a retirement system, it goes beyond Collin County. This is a statewide retirement system. We're one of 252 counties involved. They set the rates in Austin. We had a presentation at the last Court where Sheriff Box presented statistics on the county's staffing levels but that went over everybody's heads. It showed 60,000 of our citizens receive about 1/3 of the patrol coverage as compared to recommended staffing levels for other cities. If we were citizens in Allen and we had a 24-minute response time, how proud could we be of that? And are we serving our citizens with those levels of standards? This effects us all. We can do better than this. (Time: 9:01 a.m.)

Andy Woolard said he was a nearly 40-year resident of Collin County but he was also here as a future recipient of the benefits in question when he wins the Justice of the Peace, Precinct 4 election in November. Mr. Woolard had a question, why would you consider reducing the benefits of all these workers rather than consider adding to the problem people that cause us to have so many law enforcement officials, judges and D.A.'s, by adding to their fees and their costs and their burdens rather than the people here to defend us. Mr. Woolard said when he heard about the 2.5 to 1, he thought it was crazy. But he now realizes in looking at all the deputies here, they aren't paid nearly enough, and to take away from what they were promised is not fair. He was going to suggest the grandfather clause, until he learned that wasn't possible. Mr. Woolard said don't take away from these people. Consider adding the burden of those who require us to have so many law enforcement officers. (Time: 9:04 a.m.)

Retta Nihart, Wylie, Texas, is a Collin County employee who works the B shift at the Collin County Jail from 2:00 till 10:00. She said she works not just for her family but for your family too. Ms. Nihart has been in her job for three years, having previously spent ten years in the mortgage industry. She was laid off by Countrywide and she took a $12,000 pay cut. Ms. Nihart said she took the $6,000 that she had in her 401k to provide for her family and keep her house.

Ms. Nihart said she was now trying to make sure there will be something there for her kids because she may not get her retirement but she wants to make sure her kids do. (Time: 9:05 p.m.)

Linda Clark, McKinney, Texas, said it's been a very interesting evening. A lot of what she wanted to say has already been said. Ms. Clark was concerned about the tone in the room and people talking about pitting taxpayers against employees. She doesn't feel because she's a taxpayer and she's here to have an opinion on how some dollars are spent that she's pitted against the employees. Ms. Clark said she's heard some pretty derogatory things about individuals who have gotten up to speak. Ms. Clark said it takes a measure of courage for anybody to come here and try to be a part of the American process. There shouldn't be derogatory remarks coming from the Commission to people who are trying to speak. She's heard a lot of conflicting numbers about the current projected long-term costs of retirement benefits as they stand right now. Her research showed more numbers. Who's right? We are in a recession. Even as our economy slowly heals, a full recovery can take many years. She asked am I being a defeatist. She said she's not trying to. One of the fastest growing costs of government is the public employee pension. There are many variables to consider. Ms. Clark thinks we need to be careful and frugal. We don't want people to lose jobs in the future because we can't sustain the amount of debt. (Time: 9:08 p.m.)

Commissioner Ward said she appreciated what Ms. Clark said about the tone in the room. She wanted to remind everyone that there will be a second public meeting on Tuesday, the 7th of September at 1:30. There will be more input and more presentations. TCDRS will be available to come and do a presentation. Commissioner Ward was going to recommend that staff put together a bullet point showing here's what we've done to save money, here's what needs to be done to give us more control at the local level. (Time: 9:10 p.m.)

Linda Johnson, McKinney, Texas, quoted from the psalm of David and said our help comes from the Lord. Ms. Johnson said there is frustration and that is because we love each other and we're concerned about our future. She was on Social Security disability for 13 years and had to go on welfare and food stamps and Section 8. She said she thanks God for blessing her so that she can be an employee in the Collin County Sheriff's Office. Ms. Johnson doesn't want her co-workers to experience what she experienced. Currently she is raising two grandsons. Addressing Judge Self she said, we're not ungrateful. We're asking for your compassion. Just look at our future and our children and our grandchildren's future. Ms. Clark said she is 55 years old and she is concerned about the kids she is raising. She stated she humbly comes before the Court to say think about these people and think about her family. In conclusion she said there are 10 commandments, two are in reference to God but the other eight are how we treat our fellow people. (Time: 9:12 p.m.)

Mike Openshan came forward to speak. Mr. Openshan said he is Mike O. from the Collin County Observer. He said he understands a lot of the feelings in this room but he wants to touch upon the private sector experience. His concern is that Collin County does not follow the same line where their future indebtedness has put them on a path where the City of Plano is now, getting shortfall after shortfall. His suggestion is the future indebtedness which is tied to this pension matching of $2.50 needs to be significantly reduced and adjustments be made to current compensation relevant to that so we are on a pay-as-you-go basis. At this time he said it is very important that the model be changed from continued future indebtedness and the snowballing of that that has happened in Plano, has happened in Dallas, has happened in California and really has happened in Washington. Mr. Openshan said he's been amazed about people that stayed over two to three hours to work. His job expects him to work overtime at salary with no additional pay. He took a job with a $10,000 pay cut because his previous job was expecting him to work 80-85 hours a week after a 5% pay cut. This is the reality of the private sector. We are the people from which the money that goes to this County must flow. He said to compare pay scale, he'd be happy to talk to the IT Director. He's a 20-year Oracle developer. We have to more and more be a pay as you go and less and less as a future obligation. Mr. Openshan referred to a previous speaker who was talking about her children, and he said we have to consider the children we're leaving behind and all of the debt we're leaving our children. (Time: 9:16 p.m.)

Jeremy Higgins is also a Collin County employee. He said he doesn't make $90,000 sitting in an office crunching numbers from 8:00 till 5:00. He makes about $30,000 working with murderers and having feces thrown at him, getting yelled at and cussed at. He said he wasn't asking for much. Mr. Higgins said he was willing to make cuts. He just wished the Court would ask and let him work with them. He said he's given up raises every year and we pay more for insurance every year. But you continuously ask for more. When do we draw a line and say you've taken everything from us. How far can you push it? He said he's heard the Court wants to do 10% pay cuts. As a college student, he has no money. Mr. Higgins read from a prepared statement: I've been employed four years with the Sheriff's Office at the detention facility. In that time I've grown and received valuable training and experience but I've also had the opportunity to improve myself by attending college and he said he will receive his Bachelor's degree in December from UNT. Because of the antipathy of county leaders and possible lack of pay and decent benefits, I'm lead to question whether Collin County is where I want to finish my career. With my level of education, training and experience, I have the opportunity even in a bad climate to get better support from my superiors. I'm the perfect example of what somebody in my position can go out and get a better job. Mr. Higgins concluded by saying he doesn't want to do that because he enjoys working for Collin County. It upsets him that he's had to come before the Court in his patches to express himself. He doesn't serve Democrats or Republicans. He serves everybody. (Time: 9:19 p.m.)

Amy Rushing wanted to clear up something real quick. She asked the following questions: How many county employees live in Collin County and have family in Collin County that pays taxes? How many are registered to vote and have family registered to vote? How many have to work a part-time job to make ends meet? (There was a show of hands following each question.) Ms. Rushing said she was here today on behalf of the Collin County detention officers, many of whom could not be here tonight due to their shift work schedules or part-time jobs. She said if you wait until about 10:30 there will be more coming in. She volunteered to be their voice. The average detention officer is assigned to work three different shifts, 24 hours a day, seven days a week, they are required to work all holidays, rain, hale, sleet, snow or shine, they are sometimes required to work 12 hours a day, they work in dangerous conditions, being exposed to disease, assault, verbal abuse, sleep deprivation and exhaustion. On average there are ten officers assaulted each year and an average of 110 inmate assaults. Each year Collin County's population increases and with that increase comes an increase in aggressive behavior. Ms. Rushing said there are currently 17 inmates at the detention facility awaiting trial for murder or have been convicted of murder. It takes a special person to maintain the safety of a known murderer or aggravated assault of a child. She asked the Court as leaders of the County to see them as an asset. Their average salary is about $35,000. (Time: 9:22 a.m.)

Donna Valentino said she traveled 30 miles to be at this meeting and there are two reasons she did that. She stated she did volunteer work for this county for a lot of years and saved you and you (Ms. Valentino pointed to members of the audience) a lot of money. This county is these people. These people don't do a job; they are the job they do. They are not blood sucking leaches off the taxpayers' dole. They aren't going to draw two pensions like some people. She said she was extremely unhappy. Ms. Valentino said this teapot tempest stuff did not have to happen. It was fabricated. It was a bullet point to be presented on a post card and you put them in the center of it. Ms. Valentino said she thoroughly resented it. She again stated, on their behalf she resented it and it was totally unnecessary. (Time: 9:24 a.m.)

Judge Terry Douglas addressed Judge Self. He said I will respect you, Judge Self, for the position you hold. I will salute you as a former air force lieutenant colonel. However, Judge Self, the situation you have placed this county in now if this vote goes the way you want it to go, will totally destroy this county and send it back into the Dallas County era. Judge Douglas said he was a 54-year resident of Collin county, fourth generation, grew up on a cotton farm. He had an opportunity to go to college and join the Air Force. In 1979 he had a choice of taking a job with the Plano Police Department or Collin County. Plano paid $1,250 per month and Collin County paid $880 per month but he chose the County because of the benefit package. It was the retirement, insurance and security for his family. He made a choice. He's a life-long public servant. Judge Douglas said let's get down to the real truth of this matter, the reason we're here tonight. He then addressed each commissioner individually: to Judge Self he

said, in the general public it is well known you are planning a political career beyond Collin County. To Commissioner Shaheen he said, I call you "little me" because you vote exactly with Judge Self. Commissioner Hoagland, I thank you for 30 years of keeping this county solid and sound financially. Thank you so much. I used to not like Joe Jaynes. In fact, I threw him out of my office one day. I must say Joe is true Collin County. Thank you, Joe Jaynes. Commissioner Ward, I never got to know you. I hate to see you go. I think you had a lot of possibility. The decision is going to fall on your shoulders. That's a tough spot to be. He asked that she consider everything. (Time: 9:28 p.m.)

Brett Baldwin, Plano, Texas, has heard a lot of sad stories about everybody's families. How many of us in the private sector have the same stories? He said his mom is on social security, she worked 40 years to put five kids through school and she doesn't have a retirement package. He asked if you have a retirement package, do you get to pass it on to your heirs. Mr. Baldwin said he was appalled at the way you treat taxpayers who pay your salaries. He said he came here to see for himself what the facts are. He's appalled by the behavior, he's appalled by men standing and not letting women sit down. Mr. Baldwin stated this is a tough economy, 20% unemployment. For you to have a job, you need to be thankful. And to treat him, when he is just trying to save some money for the taxpayers by asking you guys to consider reducing your 250% match, you would think the world ended. Mr. Baldwin again said he was appalled. He suggested that the County publish these facts on the website, put the payroll there for every single salary bracket and compare it to the private sector, and prove you're underpaid. He said he's worked for 40 years in the private sector and he doesn't get a dollar for dollar match. You chose to work here. Let the voters decide. Put the facts out. Is it reasonable for the taxpayers of Collin County to pay a 250% match on the first 7% of your salary? Mr. Baldwin concluded by saying, I'm out there working against you guys, so good luck. (Time: 9:31 p.m.)

Cindy Walker, McKinney, Texas, is a prosecutor with the District Attorney's office. Ms. Walker said, according to Ms. Jacobson, it wouldn't be budget if Cindy Walker didn't speak. But Ms. Walker said it was never her intention to be the "budget girl" for the D.A.'s office. Ms. Walker told a story about a case she was involved in about six or seven years ago where a man stabbed a woman 27 times. The victim's family didn't get justice for about three years. The D.A.'s office lost 55 prosecutors to the private sector. As a result, that family who lost their daughter to a horrendous stabbing had to go through three or four sets of prosecutors. You can imagine how the consistency of having someone who cares about your case throughout the process matters. You heard Barnett Walker and you heard how eloquent he is. Ms. Walker said she has to prosecute cases against him. That's difficult. Ms. Walker said she's presented numbers to the Court before, and they know the prosecutors are not paid as well as Tarrant and Dallas Counties, but at the time the argument that was given back to Ms. Walker was we had better benefits. We weren't allowed to talk about the private

sector because clearly you can't pay prosecutors what you pay private attorneys. She said, I'm okay if you want to change that. Ms. Walker said when she started with the County, there were three prosecutors per court; now there are three prosecutors for three courts. She stressed the need for more courts and said she was opposed to the reduction in retirement. (Time: 9:35 p.m.)

David Sturgell, Plano, Texas, commented on a prior speaker who said he was a judge. He found it extremely disconcerting that if he didn't know how to pronounce Commissioner Shaheen's name, that he should show the respect to ask how to pronounced it rather than calling him mini me. He said he hears how wonderful all the people who work for Collin County are. He said he also hears everybody works here because they love the jobs. Yet he also hears if they don't get what they want as far as the retirement benefits, things will go down. Mr. Sturgell said, I'm not belittling the people the money they get. Just because one has the ability to tax does not mean that one should overtax. All he wants to do is put this in perspective. Mr. Sturgell said he's 57 years old, he doesn't have a job or a retirement and he has a handicapped son. He was saying this to let you know things are not so easy and you don't have it so bad. Things could be a lot worse. How about trying to find a solution? To stack the room with uniforms and everybody who works for the County is a little disconcerting; and the people who stand up for Judge Self, he finds it quite brave. (Time: 9:38 p.m.)

Larry Pintar, McKinney, Texas, is the Assistant Director for the Collin County Community Supervision and Corrections Division. He's been here 25 years. He's stood here and listened to the private sector say "this is unsustainable". He asked how do we know it's unsustainable. He's seen no figures saying it's unsustainable. He's seen the question on Judge Self's website: should the county match $2.50 for every dollar when the private sector does not. Not "could we" but "should we". Why it is when we compare the public to the private the public is always wrong and the private sector is the way to do things? He said you people sitting up there are the leaders of this county. Why don't you meet with the private sector CEO's and executives. Are they doing the best job they can do? Mr. Pintar said he's seen a lot of private sector bailouts from Washington D.C. going on that's going to effect taxpayer dollars down the road. He said if this is an unsustainable plan, then yes, let's look at it and see what we need to do. Mr. Pintar wanted to see the figures. He's had school teachers say you don't deserve that match. McKinney ISD's starting salary for a school teacher is $45,000 a year; a supervision officer's is $35,000 a year. And the supervision officers are making sure the sex offenders aren't hanging around the schools. He asked that this be a fair deal. (Time: 9:42 a.m.)

Andrew Piziali, Parker, Texas, said he was a 21-year resident of Collin County. He started by saying he wanted to correct Commissioner Jaynes, this is not a democracy; it's a constitutional republic. Mr. Piziali spoke about the differences between a democracy and a constitutional republic. Mr. Piziali handed Court members an article published in the New American entitled "Conjuring Magic to

Cover States' Debts: Fiscal Reality Sets In". He said it documents what's going on across this country at the city, county and state levels, that retirement systems are bankrupting this country. If we determine that the long-term liability of a 2.5% match back end loaded and a 7% return mandated by the state will bankrupt Collin County in 15 or 20 years, then it is fiscally prudent of us to bite the bullet and make some changes. We are in the middle of a great recession. People talked about why they worked for Collin County. Each believes they are giving up less to work for more. Let's not believe that anyone in here is working for Collin County as a charity. It's a job and you have a choice. There are 33,000 unemployed residents of Collin County that are standing in line for these jobs and if you're not happy with your job, you can step aside and one of those unemployed will step in and take that job. In conclusion, Mr. Piziali encouraged the Commissioners to reduce the match to 1 to 1. (Time: 9:45 p.m.)

David M. Smith, Plano, Texas, said he is a citizen with an above average interest in Collin County government. He said your employees are your best asset. He's heard nothing but praise for the excellent level of service provided by your employees. You want to maintain that. You want to retain and attract employees that provide first class services. Mr. Smith said particularly this year when revenues are so good that you can talk about reducing the tax rate, you should no be talking about slashing employee benefits. And you should not be talking about slashing benefits based on partial information and misinformation. You need to look at the total compensation, not only for your operation, but the operations of others with whom you compete for employees. That kind of information and consideration has been absent this budget season. He said in his private and public sector experience he has modified fiscally unsound benefits plans, and he would be happy to do so again if needed. The more recent information, after the misinformation – thank you Commissioner Jaynes and others -- shows that we don't have a gold plated unsustainable retirement plan. That's not the case. Your best course of action this season would be no change. We can reserve the right to study the system -- you made a start at it -- and come to a full understanding of it before the next budget cycle. Mr. Smith said we've heard this evening that the economy has punished a lot of people in the private sector but because the private sector has been punished that does not mean that you have to punish your employees. You have more than adequate funding, and Collin County is not fighting to survive this year. You have an obligation to the taxpayers and others to maintain County services, and fairly compensating your employees is part of that. (Time: 9:49 p.m.)

Sheri Nelson said she is a 15-year taxpayer and 15-month employee. She loves her job here and loves Collin County. Ms. Nelson said she loves working with the public. She stated she hasn't been involved in the budget process before and she finds it horribly confusing. There is a lot of information out there but it's very contradictory. She feels, after doing her homework, that our county is in good shape. She said she probably won't take advantage of the retirement benefits but there are a lot of employees here who make less than the average

who will be extremely hurt. She uses the medical benefits for her family of four. She works pretty much for the insurance. Ms. Nelson said she would appreciate it if the County would take a look at insurance, the cost of the insurance, the cost of the deductibles, and see if we can come to a little bit better package than what's being offered. Ms. Nelson addressed PFP's, she said she hasn't heard anything good about it. It's a great idea, but it doesn't work real well. (Time: 9:51 p.m.)

Bob Hughes, the Director of Adult Probation, said he was here to speak on behalf of his employees. They supervise 11,000 defendants. You wouldn't believe what these people go through to do their jobs. Mr. Hughes said he has the best department in the state and he thinks this county is one of the best in the state. We are in the business of service; we are not in the business of profit. Mr. Hughes understands that we are to be good stewards of taxpayers' dollars and he understands the tough job the Commissioners face. Another part of your job is to take care of your troops, and these are your troops right here. If you want services to continue to be good in this county and for us to continue this reputation of excellence, then we have to compensate the people. Mr. Hughes told the Commissioners they were comparing apples to oranges. There are no probation officers in the private sector. Our salaries are low, $35,000 a year for an officer with a degree. He said his people do it and they do it well and they should be compensated for it. Mr. Hughes wanted to cut through the rhetoric. He said he heard some pretty tough things said to the Court and he wishes that hadn't happened. He wants to get down to facts and resolve this issue. Mr. Hughes said he hasn't seen a compelling reason to go to a 2-1 or a 1-1. He said he doesn't know what the truth is but he thinks everybody is smart enough and rational enough to figure out the right thing. (Time: 9:54 p.m.)

Lanette Saetre is the Assistant IT Director. She said she does this with great respect for what the Court is trying to do to make sure we have a good solid budget, but also with great humility. Ms. Saetre said she is a very private person and doesn't normally speak in these circumstances, but is doing so for her staff. She's been with Collin County for over three years; before that she was in the private sector. Ms. Saetre said she felt it was important to come forward and relay some of the benefits provided in the private industry versus the public. IT does compete with the private industry. The pay scale in the private industry is not close in comparison to the public scales. Ms. Saetre said she came to Collin County earning 77% of her previous total compensation. Many employees have come in at 40% of their annual salary, which is a 60% decrease in pay. She said private offerings in retirement have been on average .50 on the dollar, up to 5% or 6%, and that is a 2.5% or 3% match. She has always been able to contribute up to 15% of her income and to invest it how she would like to invest it. Over her years of investments, they've tracked about 10 to 12%, with the highest being a 22% gain and the lowest being a 4% gain. At the two private sector companies Ms. Saetre worked for, the match began with the 2.5% match after six months probation and you started earning interest right after. The other company had

employees fully vested after three years. Ms. Saetre never heard of an eight-year vesting until she joined Collin County. The companies she worked for had bonus plans either quarterly, annually or at the end of projects or goals. The bonuses ranged an average of 25% of her annual salary. Managers in mergers and acquisitions were provided stay bonuses. Ms. Saetre asked the Court to make sure they maintain qualified employees. (Time: 9:59 p.m.)

Craig Newman has been with Collin County for eight months. He spent 25 years in private industry in the IT field. When he came to Collin County, he was offered a position at 66% of his previous compensation. Mr. Newman presented a handout to Court members. Mr. Newman said before he accepted the job, he looked at the County website and it said that an employee would get a 250% match on their retirement. He thought for every dollar an employee puts in, the County would match that at $2.50. He said with a real match fund, you would get a return on investment from the first day of employment. However, this plan is a back end payout, not a front end, so it is nothing like a 401k. He said the plan is nothing like what is presented on the website. Mr. Newman said the way he reads this retirement plan, it's a variable rate, and the longer you stay, the worse it gets. (Time: 10:02 p.m.)

David McCurdy came forward. He said he and his wife both work for Collin County. The cuts the Court is talking about making are going to double cut his family. Mr. McCurdy addressed Judge Self and said everyone knows you're using this position in Collin County to vault yourself into the U.S. Congress. He wished him luck in that endeavor. He said you aren't being fair to the employees of Collin County, you're using our livelihoods as a stepping stone, and you're pushing our faces down in the mud. Mr. McCurdy said you want to be able to print on your campaign mail, next to the picture of your army boots, that you lowered taxes in Collin County and you're personally responsible for changing the way Collin County does business, making it more like private industry. You advertise that you stand with the taxpayers of this County. There are a bunch of Collin County taxpayers in this room that feel that you are using those boots to step on us and not stand with us. This used to be the best place to work. Now everyone wants to turn this into a private corporation. Mr. McCurdy said the understanding was if you take care of employees, the best people will stay here and take care of our taxpayers the way they deserve to be served. If you take away our benefits, this place will go down the tubes. This place will be run by a bunch of minimum wage people who will not have the pride and expertise to serve the taxpayers. The tea party wants to cut our benefits. When the private sector was booming a few years back, I didn't see any of them coming up here and asking that the County increase our benefits. And the County workers did not ask for more. Mr. McCurdy said to Commissioners Hoagland and Jaynes, thank you. He said to Commissioner Ward, we know you are the deciding vote so please take that into consideration. (Time: 10:05 p.m.)

Constable Paul Elkins, Precinct 1, said in 1979 he went to work for the McKinney Police Department. He found out that that department was a training ground because their pay was low and the benefits weren't great. He came to Collin County for one reason in 1987, and that was for better benefits. Constable Elkins said he was a sergeant at the McKinney Police Department and he took a pay cut to come to Collin County, but he felt like it was a place where he could make a career. Constable Elkins talked about longevity pay. During those years Collin County repeatedly did not get as big a raise as other agencies, but a few years ago the Commissioners Court was good to us to try to get us back in mid-range. We are now falling back again. Constable Elkins would like to keep the people that we have here. We have dedicated law enforcement. It's not comparable to the private sector. He said he has a gentleman in his office with a doctorate degree. Constable Elkins concluded by saying he was afraid if the pension was reduced we would lose a lot of good people. (Time: 10:08 p.m.)

Candy Blair, Health Care Services Administrator, said like many of you, she was here to represent her employees. She was praying for the Court for grace and blessings, and she's learned tonight that this is a no win situation for anyone. She said when you look at the private sector and the taxpayers, she felt the taxpayers have every right to know how their money is spent. She felt the taxpayers should expect a return on their investment, and that return is no tax increase for 17 years and an infrastructure that is beyond anything in this state. Ms. Blair does not believe employees will give less service if their benefits are cut. She does believe if a chance comes and they can take it, we might lose quite a few good employees. Ms. Blair said every day she has an RN position available at $42,330. She has no one interested in that position. They will apply and say I'm a registered nurse. Ms. Blair tells them the position pays $42,330. The applicant will say but I could make $63,537. Ms. Blair says she understands that but we pay $42,330. Ms. Blair said right or wrong, we did use the benefits as retention or as recruitment. Ms. Blair would say to applicants: I understand you're qualified and I want to give the best service I can to my sick patients, but let me tell you about the benefits. Let me tell you what it's like to work for Collin County. Ms. Blair urged the Court to please consider all the employees when they make their decision. (Time: 10:11 p.m.)

Commissioner Ward stated for the folks who are concerned about taxes, Ms. Blair went down with her to Austin and they fought the good fight against the Parkland Hospital tax. Commissioner Ward said she would not have been successful in that fight if she did not have Ms. Blair with her.

Ms. Blair added she has received emails from employees and they say things like I'm scared, I'm terrified, I'm struggling, I have children, help me. We have got to get this settled so they can focus on their work.

Doris Berry came forward. She said she was a longtime employee, 36 years in November. When she started out in the District Clerk's office and then moved

into the District Attorney's office, she was making $432 a month. She worked her way up, becoming a legal secretary, then office manager for the district attorney. During that time, she earned her degree from TWU. In 1985 she left the District Attorney's office to attend law school at SMU. Ms. Berry said her only desire when she left Collin County was to go and get educated and become a prosecutor. She is a lifetime resident of Collin County. When she got back from law school, she has worked in every area of the D.A.'s office and topped out in every position. Ms. Berry said she has yet to have 5% raises every year. She said when she tops out, she may get raises and she may not. This issue is very important to the employees. She asked the Court to look these people in the face and say you are worth this; you are worth the benefits you are getting right now. We're not stupid. We know this is a tight economy. We're willing to bend a little bit, but don't take away something that was promised to us. Ms. Berry said, when I came back as a prosecutor, I promised God if he would let me pass that bar exam I would never practice civil law in my life. When I retire, it will be from Collin County, hopefully with a 2.5% match to my 1%. (Time: 10:15 p.m.)

Sheriff Terry Box wanted to take one second to apologize to any citizens who were intimidated by the uniformed officers. He gave the officers permission to wear their uniforms if they were coming from work or going to work.

Sheriff Box addressed Judge Self with a few words about state and national awards. He stated he can recall many different departments being recognized in Commissioners Court for being recognized by national and state associations. Sheriff Box is very proud of the Collin County jail which has had 23 years in a row of certification, a record in Texas. Sheriff Box continued citing a long list of awards by various individuals and departments in Collin County Law Enforcement. We did this while maintaining one of the lowest tax rates in the state. Sheriff Box said if we are to continue this, we have to be competitive with other counties, and especially other cities in Collin County. Sheriff Box then listed the retirement matches for comparable cities and counties. We have compromised. We came to you at the last Commissioners Court meeting and we said we believe 2.5% is too high, but we think 1.5% is too low. We think 2% is a good compromise. Allen, Frisco, and Plano are paid higher than our deputies.

A few years ago we worked hard with Commissioners Court and HR to have a step plan in the range with those agencies in Collin County. Now with our PFP positions, we are going well below those steps. Every agency in Collin County makes well more than the sheriff's patrol officers do. If a detention officer in Collin County reaches top pay in 20 years at $46,455, and according to TCDRS only one in four employees will retire, that employee will retire with $18,100 per year at a 2.5 match. Of that only $2,355 per year is tax dollars. The rest of that is money we make off the money we put back. In closing, he has lived in Collin County his entire life. He's been in law enforcement for 42 years in Collin County. We have worked hard to have a professional work force and we do not want to go backwards now. Sheriff Box stated we have one opening in the patrol

position and we've had four applicants, two of whom were not qualified. The City of Allen had four openings and they had 300 applicants. The City of McKinney has no openings but they have 98 people waiting for an opening. The pay scale and pay for performance is causing us to lose ground. (Time: 10:21 p.m.)

Todd Stewart has worked in the Collin County Sheriff's Office ten years. He said he has heard references to "the tone". That is very important to him. He stated he misses the good old days when his fellow citizens would shake his hand and say thank you for your job that you do. It's a direct result of this issue right here. Mr. Stewart stated he went to a dinner party Friday night at a friend's house. He had five people who don't know him angry at him because they found out through conversation that he's a Collin County employee and it's time to come after him. He said: comments have been put out about me and my co-workers that are untrue. Don't know if there is any regret about the comments that have been made in order to persuade voters to a certain side of the fence. Mr. Stewart hopes the tone can change. He wants you to be proud of him. He's not your enemy. He hopes there can be an honest debate and the Court listens to both sides. We've been pit against each other and he hopes it stops. (Time: 10:23 p.m.)

Constable Joe Barton, Precinct 2, has been with Collin County almost 22 years. He's been a resident of Collin County since 1970 and been a taxpayer since 1974. He said his county taxes are not his problem; it's the others that are. Our Commissioners Court has done a wonderful job of keeping the tax rate low, not just the last four years, but for many years. Constable Barton said he regards Jerry Hoagland as a personal friend but there are times "I've just wanted to choke him". He said a lot has been said about the 7% interest rate that we get on our deposits in TCDRS. That should not be an issue for citizens because that 7% is not paid for with tax dollars. The money taken out of our paychecks is invested by TCDRS and that's where the money has come from. Constable Barton stated he has always told people when we were discussing careers that you don't get rich working for the county, but the benefits are good. But the benefits are under attack now. Constable Barton said he lost his longevity and that was a hit to his household. Now they want to roll back the County match on retirement. He said it won't effect him much, but it will effect him some. He doesn't want it changed at all. Constable Barton said, Judge, when you came here and benefits were discussed, you said no, no, the troops eat first. Those were your words. He said he hasn't seen anything you've done so far that makes him believe that you mean that. Constable Barton said he stands with the taxpayers and he stands with the employees. (Time: 10:26 p.m.)

Commissioner Jaynes stated there won't be a vote tonight; there are two more hearings: Tuesday, September 7, at 1:30 and on September 13 there will be a vote on the final budget.
Commissioners Court was recessed at 10:29 p.m. and reconvened at 10:34 p.m.

Tom Wylie was the next speaker. He works in the constable's office and has been with Collin County for 19 years. He is the President of the Collin County Deputy Association. He said he's worked for some of the best people in law enforcement and the best people in this County. He said we have a unique county here where we've been able to take care of our people over the years and we have a good system as far as retirement goes. Mr. Wylie said he was looking at the benefits and he encouraged the Court to keep it at 2.5 to 1. There is compromise that we could have but it needs to be brought to the employees. It's been brought to the public without talking to the employees about it. Mr. Wylie said he supports all the employees here in Collin County. There's a whole lot of law enforcement and in all of those departments you have to have the clerks to do the paperwork. There are so many people involved. It's always going to cost the taxpayers money. But the issues with the taxpayers are it's for their safety. There will continue to be accounts payable. They don't bring in money for the County, but each taxpayer has a need for the services we provide. (Time: 10:38 p.m.)

Gilda Garza said she has a lot of friends that work for the county and she was here to support them. She referred to Constable Elkins working for the City of McKinney. She said when she was on the McKinney City Council in 2001 they did take into consideration that the City of McKinney was becoming a training ground so they gave everyone a 7% raise across the board to be competitive with their sister cities and the county. They did it because they valued their employees. Ms. Garza said it's hard to keep certified, qualified employees in law enforcement. She said she heard the Court took away some of their bonuses and certification and there's been no raises, and now you're trying to take away their one bonus that anchors them to the county. Ms. Garza asked the Court to consider their tenure here and their wanting to serve the public of Collin County. (Time: 10:41 p.m.)

Otis Devine said he was just a taxpayer. He said he's been here and he's been listening to everything. It's like a mad employees' meeting. He asked, did you ever think that Judge Self might be right and after 20 or 30 years, after you work this job, you might not have a retirement program there because the state or the city might be bankrupt? Looked what has happened with Social Security. Mr. Devine said the government told him when he went in business for himself that they were going to take 15.2% of his income, they were not going to guarantee any return, and they were going to make it disappear. He said, you think the taxpayers are a never ending source of income. You want more than the taxpayers can provide at this time. You should be paid what the prevailing rate is now. That's what California is facing and New York and Illinois. These states can't pay these retirement benefits. You're assuming all that money will be there. If it's such an enticement, why are only one in four people staying to get that pension? (Time: 10:43 p.m.)

Weldon Copeland, Probate Judge, said we've talked about a lot of things and a lot of numbers have come out. Judge Copeland wanted to address some of the numbers that have not been mentioned. He wanted to get to the cost of what we're talking about doing this evening. Judge Copeland stated if we reduce the County match from 2.5 to 1 to 2 to 1 then we are going to reduce the County's contribution from $11 million to $9 million. That is about $2.50 for everybody in the County and that is $5.50 in taxes for families that live in a home worth the County average of $231,000. As we discuss this issue in a way that could rile people up, he thought it was appropriate to let them know that that's $5.50 per household. The effect here is the retirement of a county employee is 2/7 of what they put in and 5/7 of what the County puts in, and if we reduce the match to 2 to 1, then we are reducing that retirement by 14%. If we reduce it to 1.5 to 1, then we're reducing that retirement by 28%. Judge Copeland said he heard some very nice school teachers speak. His wife is a retired school teacher. After 30 years of working, she will get back 66% of her salary for the rest of her life because the school teachers also have a match. Our match is not excessively generous; the school teachers' match is just as good. If we are having a problem with the match being 2.5 to 1, then we ought to look at line number nine on the employer paid benefits that reflects the contribution that is now made to our retirement and it might be fair to move it up above the line. Judge Copeland said to be fair, it seems we ought to increase their salary on another line of the paycheck to offset what we are taking away. (Time: 10:46 p.m.)

Sharon Rowe, Elections Administrator, was present representing the 12 members of her staff that make up the Elections Department. She said they are good problem solvers, and they are concerned about issues of budget and issues of being able to provide services to Collin County. Their first choice would be to have no reductions in their retirement plan match, but when they look at the economy and the tough challenges you face, they would ask you to consider no further a reduction than a 2 to 1 match and take the time to explore other options through legislative means. Ms. Rowe asked the Court to give people a chance to weigh in on options, such as a possibility for a two-tiered system, adjust it for the future, or evaluate it on a year-to-year cycle to see what do we really need. Ms. Rowe stated she has staff members that have been with her for several years, came as temps, and then accepted positions at a rate lower than they made as temps. The reason was to have the benefits package we receive in Collin County. She has 12 full-time employees that conduct the elections for the local, state and federal level, and for what it takes to maintain this level of intellectual expertise and technical expertise, Ms. Rowe wanted to honor their information and make sure we retain these great workers. Ms. Rowe stated this coming Saturday was the seventh Election Day this year. She has a dedicated crew. Ms. Rowe said they have assistance coming from other departments and they can't do what they do without other departments. (Time: 10:49 p.m.)

Matthew Hawkins, Caddo Mills, Texas, wanted to start off by saying there have been misrepresentations given of the Collin County employees here. We've

been characterized as big government advocates. We're just working people trying to keep our families clothed, fed and housed on less than a shoestring budget. The average salary might be $48,000 but there are numerous employees earning less than half that. Mr. Hawkins said he's been laid off four times in the last ten years. Accepting the job with the County meant making less money but it also meant job security and good benefits. He is the sole provider for a family of five. He stated every payroll deduction means less food on our table. Mr. Hawkins urged the Court to think of the effect their decisions will have on the employees and their families, not just the ones who make $130,000 or even $48,000 per year, but think of the employees who are trying to take care of their families on $20,000 a year. Is it worth burdening them further to offer a negligible tax savings to homeowners or to maybe get a few more votes in the upcoming election? (Time: 10:52 p.m.)

Jared Clark, McKinney, Texas, is a Collin County employee, citizen and taxpayer. Mr. Clark stated many of the points he had prepared have been touched upon, so in the interest of time he'll be brief. He said there were a lot of negative emotions stirred up by numbers provided by members of this Commissioners Court, specifically Judge Self. Mr. Clark said Judge Self is human and he can forgive any mistakes made, however, the damage has been done. He addressed Judge Self and said you're opening budget presentation dealing with this TCDRS retirement started out with a number: 33,207 unemployed citizens in Collin County. Mr. Clark asked how many of those people lost their job because of our retirement system? And how many will get their job back because our retirement is lowered? When he lost his job with Texas Instruments, he didn't come running to the County and say start cutting benefits because I lost my job. Instead, Mr. Clark said he went back to what he did and that was serving the public with a badge and a gun. One thing he's learned is you have to take responsibility for your own actions. Referring again to Judge Self's budget presentation, Mr. Clark said it was stated that about 40% of Collin County employees will retire earning $100,000 and 200 employees will earn $200,000 per year. Those figures stirred up a hornet's nest in Collin County with the employees, citizens and taxpayers. Thanks to Commissioner Jaynes and his fine work, you met with TCDRS and were shown accurate figures. Mr. Clark asked Judge Self to take full responsibility for that mistake and offer a public apology to the employees and taxpayers of the County. (Time: 10:55 p.m.)

Kelley Sullivan stated she came to represent the misdemeanor prosecutors. She is a resident and taxpayer of Collin County. Next month will be her third year in the D.A.'s office. She has tried approximately 90 jury trials. Ms. Sullivan said when comparing her salary to that of someone who works in the private sector, the private sector attorney can make up to three or four times as much, not including the bonus they get at the end of the year. They went to the same law schools, they have the same law school loans. Most of us chose to become a prosecutor because it's a calling. We love what's just, what's fair, and we love

protecting society. Ms. Sullivan said the D.A.'s office here is incredible. She said, I think the citizens and taxpayers want good trained prosecutors trying their cases and protecting the rights of their victims. The cases we prosecute come from these sheriffs, the men and women who put their lives on the line every day. But there comes a time when we have to weigh the pros and cons because we have student loans to repay and we have families to support. Right now you are forcing us to choose between law enforcement and defending a DWI case. Just this morning in County Court at Law 4 a defense attorney, a former prosecutor, got $8,000 for pleading his client guilty to a DWI. Right now we have great morale in our office, but if you continue to cut benefits, morale will change. (Time: 10:59 p.m.)

Richard Dodson was the last speaker of the evening. He stated for 37 years he's been selling employee benefits, pension plans and group insurance. One truth he's learned in all these years is the biggest asset of a corporation is not bricks and mortar; it's the people that are working together in a bond of pride and loyalty. Mr. Dodson said it is easy to do a comparison between an employee in Collin County, a teacher in Collin County, and someone in private industry. You can do a comparative study and see exactly where the numbers are. The tea party has great intentions but they have been led with false information. To say 246 employees will earn $200,000 in retirement defies common sense. Mr. Dodson said the actual number is 337 retired employees averaged $23,000 in 2010. Mr. Dodson asked the Court not to make any cuts until they get the study done. He would rather see the Court rescind the $5.50 tax rebate and take care of the employees. (Time: 11:01 p.m.)

Judge Self said all the blue cards will be turned in. There are another 450 cards that will be counted. He thanked everyone for attending the meeting. Judge Self stated the next hearing will be September 7 at 1:30 and on September 13 the Court will make a decision.

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

EXECUTIVE SESSION

There being no reason to recess into Executive Session and no further business of the Court, the meeting was adjourned at 11:02 p.m.

Keith Self, County Judge

Matt Shaheen, Commissioner, Pct. 1

Jerry Hoagland, Commissioner, Pct. 2

Joe Jaynes, Commissioner, Pct. 3

Kathy Ward, Commissioner, Pct. 4

COMMISSIONERS COURT COLLIN COUNTY TEXAS

ATTEST:

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