

STATE OF TEXAS

**COMMISSIONERS COURT BUDGET WORKSHOP
SPECIAL SESSION MEETING MINUTES**

COUNTY OF COLLIN

AUGUST 16-17, 2010

On Monday, August 16, 2010, and Tuesday, August 17, 2010, the Commissioners Court of Collin County, Texas, met in Special Session for a Budget Workshop in the Commissioners Courtroom, Jack Hatchell Collin County Administration Building, 4th Floor, 2300 Bloomdale Road, City of McKinney, Texas, with the following members present, and participating, to wit:

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

1. Judge Self called to order the meeting of the **Collin County Commissioners Court Budget Workshop/Special Session** at 1:30 p.m. on Monday, August 16, 2010.

2. Public Comments. Judge Self welcomed everybody to a Special Session of the Commissioners Court and asked if there were any public comments. Commissioner Hoagland stated his pastor wanted to come in and address the Court, but couldn't be here until 4:30. Judge Self said that would be fine and then turned the meeting over to Ms. Arris.

MONDAY, AUGUST 16, 2010

Presentation, discussion and any action regarding:

1. Overview of the Budget Workshop Agenda

Monika Arris, Budget Director, presented an overview of the agenda and then introduced Jeff May, County Auditor, for an overview of revenue.

2. Revenue Overview

a. Overview of Revenue presented by the County Auditor

Jeff May, County Auditor, came forward with an overview of the revenues before the Court looked at expenditures. Mr. May had a power point presentation entitled "FY2011 Revenue Estimates". Mr. May presented 2011 estimated revenues, all funds, and stated taxes are estimated at \$172.5 million, which

represents 66.7% of total revenues; fees and fines are estimated at \$42.7 million; and investment revenues are estimated at \$1.8 million. He then moved on to tax revenues. Mr. May was projecting an increase in the general fund of \$2.1 million for tax revenues, but he was also projecting an overall decrease for the entire county of \$3.5 million in taxes. The reason for the increase in the general fund is because no taxes were allocated to the Road and Bridge Fund, which was a little over \$4 million, and there was a surplus of approximately \$4 million in debt service funds.

Mr. May asked the Commissioners to keep in mind, before setting the tax rate, that next year debt service funds will increase. Additionally, Mr. May asked the Commissioners to keep in mind the Truth in Taxation Laws.

Mr. Mays moved on to fees and fines. There is a slight increase projected for 2011 for all funds. The general fund has just a slight decrease in the projected tax revenues.

Investment revenues are causing problems. Mr. May is projecting \$1.8 million in investment revenues overall for the entire county; \$1.1 million of that is in the general fund. The county did not issue any bonds this last year. There is not as much cash to invest which caused investment revenues to go down.

Mr. May continued with combined original revenue estimates, comparing them to prior years and saying there was a fairly significant decrease from the overall county. The general fund overall had a decrease of about \$2.5 million. The general fund will be almost 86% funded with tax revenues, 11% with fees and \$1.1 million will be investment revenues. He also gave an overall summary of resources, or revenues by type as well as fluctuations annually in the fund balance.

Mr. May moved on to the Road and Bridge Fund, which is 86% funded with fees. Most of those are fees collected by the Tax Office for licenses and titles. In the past tax revenues were allocated to this fund. Fines of \$2.1 million are projected into the Road and Bridge Fund. Mr. May then showed revenues by type and fluctuations in the fund balance. The Road and Bridge Fund is healthier than it's been in previous years which is why Mr. May feels they do not need tax revenue funds allocated into that fund.

The Jury Fund is also allocated tax revenues but it's not as significant a fund balance as the previous funds discussed. 66% is generated by tax revenues, almost 29% is intergovernmental revenues and the rest is fees and investments. It has a healthy fund balance and Mr. May said they can keep the tax rate the same as last year.

Mr. May said there would not be any tax revenues allocated to the Permanent Improvement Fund. Its only revenue source is investment revenues. He showed

revenues by type and the fluctuations in the fund balance. Taxes may need to be allocated to this fund in the future to build up the balance. Mr. May noted the reason for the drop in the fund was paying for the Administration Building and the transfer of \$2 million for the creation of the Toll Road Authority. Its fund balance is hovering around \$14 million.

The Courthouse Security Fund was discussed next. Mr. May brought this to the Court's attention because there is a transfer into this fund which has not happened in the past. This fund has been overspending itself. Mr. May is projecting the fund to be 58% funded by fees; whereas last year it was almost 100% funded by fees. The 41% represents a transfer in the recommended budget from the general fund. Mr. May said there has been a drop in revenues, and their expenditures are high and it is not paying for itself.

Mr. May moved on to the Employee Insurance Fund. This fund is 82.5% employer paid: for every employee the County has, an amount has been allocated. When taxes come in, Mr. May's office pays the employer paid portion all at once. Right now the fund balance is below the other years. Also, there is another \$1.2 million that is dedicated for the OPEB (Other Post-Employment Benefits) funding.

Mr. May concluded this portion of his presentation and the meeting moved on to the Budget Overview. (Time: 1:50 p.m.)

3. Budget Overview

a. Recommended Budget Highlights

Ms. Arris said as she tackled this year's budget the object was to produce a budget that would have no tax rate increase overall, to maintain a budget with no tax rate increase to the citizens of Collin County through FY2016, to continue utilizing the five-year plan as a tool for budget preparation and to fund programs as mandated by the State.

Ms. Arris started with reductions made in this year's budget. The auditor recommended cutting the non-departmental contingency account by \$5.6 million. This account has \$3 million budgeted for an OPEB match, so she left it at \$3.225 million, which is \$3 million for OPEB and \$225,000 for contingency.

She moved on to non-departmental maintenance contracts. Ms. Arris's department has been working for several months with Purchasing and IT on renegotiating contracts and having them re-bid. She stated that budget can be reduced by \$747,000 as a result of having IT, Purchasing and Budget look over those contracts and see what could be re-quoted and renegotiated.

Various non-departmental accounts were addressed next. These accounts included consultants, miscellaneous, temp pool for both county and sheriff's offices, health insurance and pamphlets. Mr. Arris said a lot of these accounts were reduced already during the pre-recommended budget for a total reduction of \$983,000.

The capital replacement budget is used to replace any critical equipment that breaks throughout the year. Ms. Arris said in FY2010 year to date \$345,000 was spent out of that account so that budget could not be reduced by \$600,000 as recommended by the Auditor. This budget was reduced by \$202,000. Commissioner Shaheen asked if this included vehicles. Ms. Arris replied no, this does not include vehicles.

Ms. Arris said the road and bridge tax revenue has been discussed all year and that was already reallocated from the Road and Bridge Fund to the general fund at the time of the pre-recommended budget.

Unemployment insurance: Ms. Arris said this was a suggestion from the auditor. The auditor's office was making the transfer from all of the departments to the unemployment insurance fund once every four years. In order to transfer it once a year, they budgeted a quarter of what they used to budget for a reduction of \$331,000.

Combining the county building maintenance department budgets was as a result of the auditor's office going through an account consolidation. For example, all utility bills will be paid out of one line and all water bills will be paid out of one line. Commissioner Shaheen asked how that saves money. Ms. Arris replied previously there were over 20 accounts and Dan James, Facilities Director, would have to figure out what he needed for each building. There would be a little bit of padding as utility costs tend to fluctuate. Now it's out of one line. Commissioner Shaheen asked if there is work being consolidated to which Ms. Arris replied no. Consolidation of these accounts resulted in a reduction of \$586,000.

Ms. Arris continued with the list of reductions: the non-departmental cell phone budget was reduced by almost \$200,000. Additionally, the County Auditor has decreased one contingency position in his office for a savings of \$106,000. Twenty-six patrol vehicle replacements were budgeted for FY2010 at an average cost of \$33,900 each. Jon Kleinhessel, Public Works Director, and his department reduced that for FY2011 to only vehicles that needed to be replaced because they were emissions critical. When they submitted their budget, they reduced their number to 15 patrol vehicles for a reduction of \$1,440 per vehicle.

Furniture reduction was suggested by the Purchasing office. In FY2010 we budgeted \$22,060 for furniture and in FY2011 it is \$1,908.

Ms. Arris stated the Sheriff's office voluntarily gave up six vacant positions for detention officers for a reduction of \$300,000. Commissioner Shaheen thanked the Sheriff for helping the Court during a difficult budget time. Ms. Arris continued, stating Justice of the Peace Precinct 4 is "a wash". The NTTA (North Texas Tollway Authority) is no longer going to pay for a legal clerk; therefore, both revenues and expenditures were reduced by \$41,000 so that eliminates that position.

Concerning TIF (Tax Increment Financing) zone participation, Ms. Arris stated commercial property appraisals are down so they were able to reduce the amount they budgeted for TIF's by \$400,000. Judy Manley from the Purchasing office renegotiated the County's copier contracts and reduced that budget by \$200,000.

Ms. Arris stated the general fund total reductions were \$7.9 million which takes into account what they were able to reduce versus what was suggested.

Ms. Arris moved on to the tax rate. She said everything in the proposed budget is based on the current tax rate of .2425. There has not been a tax rate increase for 17 years and there has been a 5% homestead exemption for two years. She next discussed the adjusted taxable value, which is the lower value received from the Central Appraisal District. There are still properties under review, so Ms. Arris listed projections based on the lower value used which is a taxable value of \$71.1 billion. That amount represents a decrease of 1.6% from last year. The average home in Collin County is valued at \$231,192 for tax year 2010. With the current tax rate and homestead exemption the average homeowner will pay \$532.61 in Collin County taxes, which is a decrease from last year of 1%, or \$5.53.

Continuing, Ms. Arris said for the general fund budget, five-year trend, from 2010 to 2011 we are dropping the budget by 4.8% down to \$145.5 million. The general fund actual for 2011 is showing the Auditor's estimated revenues of \$154.5 million and the recommended budget of \$145.5 million side by side. Ms. Arris next discussed general fund transfers. There was a transfer to the juvenile fund of \$8,450,000, which is an increase of \$700,000 from 2010; Myers Park received a transfer of \$300,000 and code inspection received \$320,000. New transfers this year is for courthouse security and pre-trial release. Judge Self asked for a separate briefing on what they're spending. Ms. Arris said she can get that information. She added, courthouse security did receive a cut to their budget of \$200,000.

Road and bridge fund, for FY2011 is \$19.1 million, which is a decrease of 1.4% over FY2010. Ms. Arris next explained road and bridge actual revenues and actual expenditures. They are expected to have more revenues ending the year for 2010 than expenditures. As a result, for 2011 they have not allocated any tax dollars over to the road and bridge fund.

The operating fund, which is made up of the general fund, jury fund, road and bridge fund and permanent improvement fund, is dropping by a total of 5.1%, from \$175.2 million for FY2010 to \$166.3 million for FY2011. Ms. Arris showed the actuals for operating funds, and for FY2011 there are higher revenues than the expenditures projected. Judge Self asked to what she owed the 2010 projected deficit. Ms. Arris said it was the \$10 million courthouse addition which was taken out of the permanent improvement fund. She briefly went through other funds used to make up the total combined budget.

Ms. Arris said the total combined budget of \$262.9 million is down 2.7% from last year. Revenue projections for the total combined budget, which includes health care and grants, show revenue estimates at \$258.8 million and the recommended budget at \$262.9 million. Ms. Arris noted this budget maintains the same tax rate with the goal of keeping above 120 days in the fund balance for the five-year plan. Commissioner Shaheen had questions of Ms. Arris relating to how the County is spending more money. Ms. Arris said the Health Care Trust is the big one that has a huge amount of expenditures and almost no revenues coming in. And road and bridge is adopting more expenditures than revenue because they reallocated funds from road and bridge to the general fund. Additionally, the Collin County Toll Road Authority is in the projected budget for a half million. Ms. Arris stated if the Court doesn't adopt a budget for that, that will bring that down a half million.

Ms. Arris moved on to the five-year plan assumptions. She stated she is very conservative and uses this as a planning tool to show a worse case scenario. Ms. Arris showed flat tax revenues for 2012 and flat non-tax revenues for 2012. Expenditures for personnel and M & O, Ms. Arris is assuming a growth of 2.5% for 2012 and a growth of 3% thereafter. She also addressed capital growth and transfers and supporting the Health Care Trust beginning in FY2013. Commissioner Shaheen said that is an unsustainable model. Ms. Arris restated this is a worst case scenario.

She continued with the five-year plan assumptions, new programs FY2012-2016, saying she has 12 jail staff for the opening of new pods, six for 2012 and another six for 2016. There is also one new district court and one new county court. Sheriff Box stood and said they could go with a total staff of ten. Ms. Arris had various options to present to the Court based on five-year plan assumptions. Option 1 is to maintain the tax rate at .2425 and increase debt service tax rate in order to sell bonds. Commissioner Jaynes asked Bill Bilyeu, Administrative Director, for a list of the transportation projects estimated at \$36.6 million. Mr. Bilyeu had that. Additionally for Option 1, Ms. Arris said the debt service rate would go up which would decrease the general fund tax rate. With that option and no PFP for 2011 and all assumptions discussed earlier, by 2016 we'd be at 140 days of reserves, which is \$67.8 million. Ms. Arris presented the numbers broken out for 1% PFP, 1.5% PFP and 2% PFP. Judge Self said we have four

things to consider and balance: PFP, bonds, surplus and reserves, and a tax rate.

Ms. Arris answered questions from Commissioner Shaheen, and then moved on to explain Option 2. Option 2 reduces the tax rate by \$0.0025; has an increase to debt service tax rate in order to sell bonds but sell \$25 million less than in Option 1, and decrease general fund tax rate to bring down fund balance.

Ms. Arris concluded by presenting the Court with different options for PFP and growth assumptions. She stated these options would be presented in more detail during the tax presentation in Tuesday's meeting. (Time: 2:18 p.m.)

Convene Health Care Trust Foundation

4. Revenue Overview

a. Overview of Revenue presented by the County Auditor

Mr. May returned to the podium with a power point for FY2011 Health Care Foundation Revenue Estimates. He stated the bulk of the revenues for 2011 will be rental revenue. Revenues will also be in the form of fees and investments. Commissioner Jaynes asked how it would affect the overall budget if we went from 100% poverty level to 50%. Mr. Bilyeu said there's not a huge difference in the group from 100% to 50%. He stated we are looking at legal options to determine who is eligible. Mr. Bilyeu continued with an explanation of requirements. Mr. May presented a breakdown of the types of revenues. Investment revenue has a significant decrease from two to three years ago. Fee revenues have also dropped but they correspond with a drop in expenditures. Mr. May moved on to the fund balance. There was a significant drop in 2010 compared to prior years. Commissioner Shaheen asked what year the fund is supposed to go to zero. Ms. Arris said the fund will need partial funding by 2013 and full funding in 2014; they will go to zero in 2014. Commissioner Shaheen noted the federal health care legislation takes affect that same year. Mr. May asked the Court to consider this when considering setting the tax rate because at some point in the future he projects they will have to fund this with tax dollars. (Time: 2:25 p.m.)

5. Budget Overview

a. Recommended Budget Highlights of Health Care & WIC

Ms. Arris presented the recommended budget highlights for Health Care. She stated there was a big drop because in the past the County budgeted the WIC funds altogether in the Health Care Trust but stopped doing that because it's grant funded and state funded. There is an increase of 27.7% for FY2011 up to \$5.3 million from last year, which was \$4.1 million. Ms. Arris showed the actuals

for Health Care. For 2011 the big gap is because the revenues estimate is coming in at \$1.6 million but the recommended budget is \$5.3 million.

Commissioner Shaheen asked if the numbers for 2011 were based on volume experienced in 2010 because of the fear of the flu outbreak. Candy Blair, Health Care Administrator, addressed that question. She stated they did budget based on trends received but they are trending down now.

Ms. Arris presented the same five-year plan assumptions as presented with the general fund with the revenues increasing 2% per year, with the exception that in FY2013 they may need to transfer \$2.5 million from the general fund, transfer \$4 million in 2014, \$4.2 million in 2015 and \$4.35 million in 2016. Ms. Arris added they are hoping expenditures will come down and what she is presenting is a worst case scenario for the five-year plan. It's previously been brought to the Court's attention that they have started to hit capacity with indigent health care: lab services, \$48,000 increase; inpatient hospital care, \$710,000 increase; outpatient healthcare, \$334,000 increase; pharmaceutical services, \$74,000 increase; and foreign travel immunization has a \$46,000 decrease because the program was stopped. Ms. Arris stated primary care services and grant awards are the same as FY2010. Expenditures, personnel and M & O with the FY2011 recommended budget increased by \$1.1 million. There was a discussion of travel immunization between Ms. Blair and Court members. Ms. Arris finished up by saying in the recommended budget presented for Health Care there is no PFP included. She then gave examples of three different PFP percentages and the amounts associated with those. (Time: 2:30 p.m.)

Convene Collin County Toll Road Authority

6. Revenue Overview

- a. Overview of Revenue presented by the County Auditor

7. Budget Overview

- a. Recommended Budget Highlights of the Collin County Toll Road Authority

These two items were discussed together. Mr. May said there were no revenues for the Toll Road Authority; however, he said there needed to be a discussion concerning funding next year. Mr. May stated they will be funding the Toll Road Authority with a loan primarily from the permanent improvement fund. Before the Court adopts the budget for the Toll Road Authority, we need to adopt funding which would be a loan from another fund to be paid back in the future with toll revenues. Ms. Arris agreed with Mr. May. She said she has a loan from the permanent improvement fund of \$15.4 million and a small loan from the general fund of \$162,219. For the FY2011 recommended budget she has \$500,000 in there, and if approved, they would need to do another loan from another fund.

This has all been for legal expenses and that is all Ms. Arris has included for the FY2011 budget. Ms. Arris said that concluded the budget highlights. (Time: 2:35 p.m.)

Commissioners Court was recessed at 2:35 p.m. and reconvened at 2:41 p.m.

Convene Commissioners Court

8. Outside Agencies Presentations

a. Libraries Association. Ms. Arris introduced Beth Scudder with the Libraries Association.

Beth Scudder, Director of the McKinney Public Library System, was present representing ten Collin County libraries. Ms. Scudder stated the ten libraries provide exemplary and essential services free of charge, such as access to the internet and word processing. As the economy becomes more unstable, many citizens can no longer afford internet in their home so they come to libraries for those services. Ms. Scudder said McKinney is on track to check out one million items this year. They have preschool, childrens' and teen programs. Based on the county's annual contribution, all citizens reap the benefits. She was present requesting funding of \$299,220 for 2011. In the past, Ms. Scudder said, they've requested funding of .40 per capita. This year they were requesting the same amount as 2009 and 2010, which was .38 per capita. Ms. Scudder thanked the Court for their consideration. Commissioner Jaynes asked for the list of libraries and what they receive. Ms. Scudder said 50% of the amount is divided equally among the libraries and 50% is distributed based on population of cities. Commissioner Jaynes asked how many people in the unincorporated areas visit the libraries. Ms. Scudder said it is impossible to tell for sure but of the six libraries reporting, about 75,000 individuals were signed up for a library that was not their city library. Ms. Scudder said the breakdown is \$14,961 per library and the other total depends on population. (Time: 2:48 p.m.)

b. Historical Commission

Loydell Seward, Chairwoman of Collin County Historical Commission, asked the members of the Historical Commission to stand. Ms. Seward started by saying in 2010 they operated with a budget of \$49,900. Through a power point presentation she showed what they did with that money in 2010. A historical coalition has been established, and she asked the members of the coalition to stand. Ms. Seward said in 2010 the Historical Commission had an award winning education program and last year it received an award at the Texas Historic Commission Conference. Ms. Seward listed other programs and workshops they provide. Additionally they are working on all state and county historical markers within Collin County. Ms. Seward said all they were asking was to be allowed to continue the much needed work of the historical preservation and education within Collin County. She requested \$49,900 in order to operate this year on the

same budget. Commissioner Jaynes asked how much money was left from last year. Paula Ross with the Historical Commission Financial Committee addressed that question. Ms. Ross said there is \$5,000 left. Judge Self thanked them for their presentation. (Time: 2:56 p.m.)

c. Fireman's Association

Jimmy Knipp, President of the Fireman's Association, presented Court members with a packet. Mr. Knipp had a power point entitled "Collin County Firefighter's Association" which gave a snapshot of what they've done in the past year. Mr. Knipp showed the Court a slide outlining the numbers of calls per year for the last 15 years. For FY2010 the Fireman's Association received \$1 million from the county, and Mr. Knipp showed per run costs per year. Currently it's over \$300 per run for fuel and insurance. Mr. Knipp showed a slide listing every fire department in Collin County and what they receive from the Fireman's Association. There are four "career" departments in Collin County: McKinney, Plano, Allen and Frisco. Ms. Knipp next showed a breakdown of departments with paid staff, volunteer staff and a combination of both. Mr. Knipp continued through his presentation and spoke about current funding and the Excellence Fund from Collin College. In conclusion, Mr. Knipp requested funding for the Fireman's Association to remain at \$1 million. (Time: 3:08 p.m.)

9. Compensation / Benefits

a. Compensation and Benefits discussion and any action

Cynthia Jacobson, Human Resources Director, had a power point presentation entitled "Collin County Budget Presentation 2010 Benefits". She started with insurance because that's one of the County's largest expenses. The total cost for insurance is almost \$18 million, of which the employees pay 14% and Collin County pays 86%. Ms. Jacobson said that is less than the private sector average in terms of what individuals pay and even less than what other public sectors have their employees pay. She said we do have a very high cost plan because we have some very sick employees and dependants. Ms. Jacobson next listed the top diagnosis categories, the highest cost being for cancer.

Ms. Jacobson did a comparison of deductibles. There are a large number of entities that have no deductibles, and for the main plan that most of our employees utilize we also have no deductible. But the average deductible for comparable entities is about \$400. For the private sector the average deductible is around \$200 if you average in the public and private sector data. These are nationwide averages.

Next is a discussion of co-pays. Ms. Jacobson said we deliberately keep our primary care physician co-pays low to encourage people to use their primary

care physician. We pay only 75% of the expenses for services and most entities pay 80% or more.

Ms. Jacobson moved on to enrollment. Several years ago when the County broke the plan up into two categories and employees weren't paying for the plan, employees were given the option of a regular plan and a premium plan. More individuals moved to the premium plan even though a lower cost plan was offered. Ms. Jacobson showed the 2010 active employee monthly insurance plan rates with and without wellness discounts included. Commissioner Jaynes asked Ms. Jacobson if the wellness initiatives were paying off. Ms. Jacobson said yes, she thinks you would see even higher claims without the wellness initiatives. She said the purpose of the wellness initiatives is to catch claims early on and to get people in to their primary care physician. Ms. Jacobson is anticipating more individuals being involved in the wellness initiatives in the upcoming year to avoid being charged higher premiums for not participating. Ms. Jacobson next presented a slide which showed the percentages that different entities pay for employee coverage, employee/spouse coverage, and employee/family coverage.

The next topic was retiree information. Collin County has a fairly complex retiree plan. Ms. Jacobson explained the Lone Star Plan and the more complex Silver Star Plan. Commissioner Shaheen had questions. Ms. Jacobson stated what we don't have is a medigap plan. A lot of the cities offer a supplement to Medicare which is known as medigap. A lot of counties continue the insurance program and you have the same insurance program whether you're an employee or retiree. Commissioner Jaynes asked if we could move to medigap. Ms. Jacobson said yes. She next explained a slide outlining what our employees pay compared to the private sector, but explained it is a variable slide due to the number of retirees each year. She showed the differentials between medigap rates and insurance rates; we would pay \$700, medigap rates would be \$400. Ms. Jacobson presented numbers for future Silver Star eligible retirees, total number of retirees who declined coverage and total number of retirees who never contacted the County when they became eligible to enroll.

Ms. Jacobson moved on to Health Care Reform. Health Care Reform will have a large impact on insurance costs. Beginning in January of next year we have to extend coverage to children up to the age of 26. It will increase each year through 2014. We also cannot have lifetime maximum limits beginning in January of next year.

She next talked about wellness incentives. Employees get a reduction in their premiums and a one-time payment for completing their physicals and an online health assessment. Judge Self asked if Ms. Jacobson had done an analysis of the impact of the national health care plan to Collin County. Ms. Jacobson replied there is nothing known yet. They are being very slow in getting information out.

Continuing on, Ms. Jacobson said we have issues with diabetes and the big issue is unmanaged diabetes. She moved on to plan change options to be addressed during budget discussions. Items in cost savings and increases include: they re-bid coverage on stop loss premiums and saved \$85,000. Due to high claims and health care reform changes, stop loss coverage for the 2011 budget will be significantly higher. For 2011 they are expecting that there will be at least a 2% increase, or at least \$400,000, in increased claim costs due to health care reform and there will be additional increases in future years.

Ms. Jacobson then moved on to recommended plan changes. She suggested offering specialized diabetes medical coverage; eliminating the \$500 emergency room accident benefit; working to have people go to Urgent Care to lower costs by decreasing ER visits; and continuing wellness. Other cost saving options discussed for consideration were: eliminating out of network coverage for a savings of \$400,000 to \$500,000; deductible change for a savings of approximately \$400,000 actuarially; eliminating secondary benefit coverage for a savings of about \$300,000 actuarially; and increasing specialty physician co-pay by \$10 which will decrease employer costs by approximately \$400,000. Ms. Jacobson added any changes to the plan benefits affect retirees in the same way as employees. A brief discussion of medigap coverage and the national health care reform followed. Ms. Jacobson spoke about the advantages and disadvantages of a payment plan for employees not participating in Collin County's insurance coverage.

Commissioner Shaheen returned to the slides in the beginning of the presentation and asked Ms. Jacobson if she has done an analysis that shows what the impact would be if we were to align our benefits with the private sector. Ms. Jacobson said Mercer is her private sector comparison. Commissioner Shaheen asked if that was her recommendation as to where we can have cost savings. Ms. Jacobson replied cost savings are actuarial. She said until our high dollar claims decrease, we will continue to be "up there". She used the City of Plano as an example. They used to be the highest cost model and then they put in a \$1,000 deductible because claims were so high. They did a big switch down to the next to the highest degree. Ms. Jacobson said the problem we're going to have this next year in trying to determine anything as far as change is we have so much volatility with national health care and stop loss coverage going out. Commissioner Shaheen said as a government entity we need to be more in line with the private sector, setting aside what the dollar impacts would be because there are too many variables. He said where he was leading is we need to look at medigap and implementing that as well and look at aligning our benefits program with the private sector. Judge Self agreed. He said we ought to have that as the overriding principle. Costs will go up for us and we'll be able to say we're aligned with the private sector regardless of the impact, which we don't know today, of the nationalized health care. Ms. Jacobson said even without national health care coming, the trend rate on insurance increases 8-11% per year. Commissioner Jaynes asked Ms. Jacobson to send the Court a copy of the plan

he proposed. Commissioner Shaheen said we're not voting on any plan; we're going to assume from a budget perspective that the estimates we have for health care remains. Commissioner Ward stated we need to address medigap and plan it for the future.

Ms. Jacobson said this is the portion of the meeting where she would normally give a compensation presentation. Since we are not doing a compensation presentation, Ms. Jacobson wanted to know whether the Court was going to do a PFP change or not for this particular year. The next situation that would normally be discussed would be with respect to what is our funding rate for TCDRS. This year since returns were fairly good within TCDRS, there was not a huge change to our funding rate and so from a budgetary standpoint there is no reason to change the funding rate associated with TCDRS. Ms. Jacobson said 3% of our payment is for unfunded liability, plus an extra 1%, and the rest is for the current balance. Discussion followed of payments to TCDRS to reduce the unfunded liability and Ms. Jacobson concluded her presentation. (Time: 3:49 p.m.)

b. AI-32406 Approve the Uniform Pay Policy, Human Resources.

Ms. Jacobson said the next agenda item is approving the uniform pay policy, Judge Self asked that this be held until Tuesday in order to keep all of the votes together. (Time: 3:50 p.m.)

c. Discussion and announcement of Recommended Elected Officials Salaries

Ms. Arris asked the Court for their recommendation on PFP and recommended salaries for elected officials. Commissioner Ward made a motion for no salary increase to elected officials salaries. Commissioner Shaheen seconded the motion. Commissioner Jaynes said he supports the motion, but asked if this was the third year without a salary increase. Ms. Arris said no, this is the second. (Time: 3:51 p.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Matt Shaheen
Vote: 5 - 0 Passed

Commissioners Court was recessed at 3:52 p.m. and reconvened at 3:58 p.m.

Following the recess Ms. Arris returned to her earlier presentation to give a more in-depth discussion of general fund five-year plan options. Commissioner Shaheen asked if there was an option for the Health Care Trust Foundation to look at our relationship with Prima Care versus having work done by non-profits since non-profits would be so much less expensive. Commissioner Ward said non-profits are short staffed and down to bare bones. She felt we would need discussion.

Ms. Arris said in light of what's gone on today, we've adjusted our bond sale schedule. She showed a plan for 2011 and presented an overview of bond sales for 2011, 2012 and 2013. She said bond sales for 2011 have remained the same at \$39.2 million. Changes come in 2012 and 2013. Ms. Arris answered questions from Commissioner Shaheen and Mr. Bilyeu came forward with additional information on funding courthouse construction and the Juvenile Detention Facility. Commissioner Shaheen wanted to make sure timing was right with the Juvenile Detention Facility. Mr. Bilyeu said the discussion has always been if we build it, they will fill it. Commissioner Shaheen would recommend putting priority for a transportation bond before a facilities bond. Discussion followed among Court members regarding the juvenile detention center. Judge Self asked Mr. Bilyeu for a better answer as to when they will need more capacity. Ms. Arris referred back to her slide and said based on these numbers they asked First Southwest if we sold based on this bond schedule what will that do to our debt service rate. The Court was presented with updated information. For 2011, the same tax rate as last year; if this does go up, selling bonds in 2011, it pushes our 2012 tax rate up to .6191. Continuing on, selling in 2012 the next \$55 million brings it up to .6662. Ms. Arris said the question for the Court is do you want to increase the debt service portion of the tax rate in order to sell bonds and then take a reduction on the general fund side. Judge Self said these are fabulous figures. They're amazing compared to what we had four to five months ago. He asked if these figures would do damage to the general fund tax rate or will we have to augment that with our reserves to do this. Ms. Arris said this is based on the flat for 2012 and 2% growth after that on the revenues side. Judge Self asked her to walk through different options. Ms. Arris presented a scenario, saying the hit is being done on the general fund side. She spoke about 1.5% PFP built in, \$3 million a year unfunded liability and tax rate remaining steady and she continued through the scenario. Judge Self asked for a version with a tax rate decrease with even revenues and expenditures with everything else.

Ms. Arris presented two options with the tax rate decrease: one would be to take it out of the debt service side which means you would sell \$25 million less and the hit would be on the debt service side. Judge Self said you'd have to tell some cities they weren't getting their transportation bonds. Ms. Arris said that was correct. Commissioner Shaheen doesn't want to fund the tax cut by issuing less transportation debt; he wants to take the reserves down. Ms. Ward said that's taxpayer dollars and you're trying to give it to them in one form or another. Commissioner Hoagland asked how much that averages per house. Ms. Arris said about \$5.50 roughly per year. Commissioner Hoagland thought was shortsighted. Commissioner Jaynes said that equals \$25 million in bonding for roads. Commissioner Ward asked Mr. Bilyeu what counties comparable to Collin County are running for days in reserves. Commissioner Hoagland said most are 90 to 120 days. Ms. Arris continued and said with everything being the same but lowering the tax rate to the general fund by that quarter cent, it lowers the days down to 118 by 2016. Commissioner Shaheen had questions. He wanted to match expenditures to revenues. Ms. Arris addressed Commissioner Shaheen's

questions. Judge Self suggested giving Ms. Arris time to work on these suggestions and have her bring them back tomorrow morning. Commissioner Jaynes said he would be more comfortable voting on the tax rate after we get those numbers.

Judge Self went over tomorrow's agenda. Commissioner Shaheen wanted to set the times and locations for the public hearings. Ms. Arris presented the timeline they must follow to approve the budget. Commissioner Shaheen suggested meeting at 6:30 p.m. on August 30th and 9:30 a.m. on September 7th.

Judge Self asked if there was anything else for Ms. Arris. Hearing none, Commissioner Hoagland said Dr. Segrest was present to speak.

This public comment was taken out of order. Pastor Kris Segrest, First Baptist Church in Wylie, came forward to address the Court. He wanted to let the Court know he appreciated the work they do and to let them know they are prayed for. Pastor Segrest wanted to share with the Court, as they were considering programs and budgets and what to keep and not keep, that we are in an economic crunch, but behind these dollars represents people. Pastor Segrest wanted to speak to the Court about the substance abuse program here in Collin County. He said many times in his tenure at First Baptist Church he has referred people to that agency. It has been vital to their church. Additionally, his student pastors have used those services with teenagers. Pastor Segrest said Wylie was a small town, but as it grows, big city problems are coming to small towns. Last night Pastor Segrest and his Executive Pastor received a call from a gentleman who wanted to commit suicide. This was a man who lost his family and job as a result of alcohol and drugs. He felt hopeless and helpless. Pastor Segrest told the man he had to get dry for a length of time so that he was able to pick his life back up. Pastor Segrest told the man he knew a place to call. Pastor Segrest said he called the folks at the substance abuse center and they put this gentleman into treatment. Pastor Segrest said he strongly wanted to challenge the Court not to cut this particular program.

Judge Self asked Pastor Segrest his understanding of what the program does. Pastor Segrest said it allows us to put people in contact with a central clearing house that can assess them and then connect them with whatever agency is best suited to treat their needs. Judge Self asked if he would prefer to see more referral dollars or treatment dollars. Pastor Segrest said it seems like those are separate functions. Discussion followed between Pastor Segrest and Court members. (Time: 4:33 p.m.)

Judge Self recessed the meeting of the Commissioners Court at 4:33 p.m. on Monday, August 16, 2010.

Tuesday, August 17, 2010, 9:30 a.m.

Convene Commissioners Court

Judge Self reconvened the meeting of the Collin County Commissioners Court Budget Workshop/Special Session at 9:30 a.m. on Tuesday, August 17, 2010.

Judge Self started the day with public comments.

First to speak was Blake Glover, a prosecutor with the District Attorney's office. Mr. Glover said there would be several speakers from the D.A.'s office to address the issue of lowering County retirement benefits. Mr. Glover said he came to work for the District Attorney's office three years ago. One of the things about coming out of law school and becoming a prosecutor is the drastic salary difference between the public and the private sector. However, the advantage here is the retirement. Mr. Glover said he is expecting his first child in January and he was worried that this will drop so much that his family's long-term future isn't as secure as he thought it was. He understood that Collin County's number is one of the highest in state but it retains and keeps great prosecutors in our office. Mr. Glover concluded by saying it would greatly disappoint him if the retirement was lowered to 150%. It's not equitable, it's not fair. Judge Self asked Mr. Glover if he was enrolled in TCDRS. Mr. Glover replied yes. (Time: 9:31 a.m.)

Kelly Crowson is also a prosecutor with the District Attorney's office. She started with the County in May 2006. She is a single mother. Mr. Crowson stated she is 10,000 better at this job than she was when she started here and probably 5,000 times better at this job than she was after she had been here two years. Ms. Crowson said there is a very steep learning curve to her job. She stated there are very few legitimate operations for government to do but protecting society and keeping the peace is number one on that list. As a citizen of Collin County and resident of McKinney, the value added for retaining prosecutors after they made that learning curve is unimaginable. Drops in the compensation system, no matter how they are made, are enticements for skilled and valuable prosecutors to leave the District Attorney's office. Ms. Crowson said the private sector loves people with trial experience and she has over 150 jury trials. Ms. Crowson said if the Court reduces retirement they are making a conscious decision to reduce the effectiveness of law enforcement. Judge Self asked Mr. Crowson if she was enrolled in TCDRS. Ms. Crowson replied yes. (Time: 9:34 a.m.)

Zeke Fortenberry spoke next. He has been a prosecutor with the District Attorney's office since February 2008. Mr. Fortenberry stated he is \$150,000 in debt for law school but made a conscious career decision to become a prosecutor. He turned down a job paying twice his salary. Mr. Fortenberry stated he made this career choice for the long term and there are several people

in the office that made this job a career rather than a stepping stone. He is currently enrolled in TCDRS. He concluded by saying they are not paid like their colleagues in the private sector. (Time: 9:36 a.m.)

Cynthia Walker was also from the District Attorney's office. She stated she gave quite a bit of analysis a few years ago about salary. She said when you look at retirement matching, you have to remember the salaries are different. Prosecutors in Tarrant and Dallas Counties make more than prosecutors in Collin County. Ms. Walker gave comparisons for salaries and retirement matching for those counties as well as Denton and Williamson Counties. Additionally she added Collin County's deputies do not get paid as much as Plano police officers. She stated you can go to texastribune.com and see a posting of all salaries for county and government employees. Ms. Walker said being a prosecutor requires a certain level of commitment. Over Memorial Day weekend Ms. Walker was in the office over 18 hours but did not bill the County. She had a murder case and she had to do what needed to be done. She stated we also have our own families to consider. One reason we are here is the benefits package. Ms. Walker said she hopes one day Collin County will lead the state for salaries for prosecutors because then why would anyone want to leave here? Ms. Walker said she's been here ten years and it matters to her and it matters to her colleagues.

Judge Self said he was reminded of something. He was in the Austin Airport and he was introduced to the Williamson County District Attorney who said to him, "we love Collin County". Judge Self asked him why. The Williamson County District Attorney said we use Collin County to get pay raises for our employees. All of our elected officials use you for salary surveys and the Commissioners Court hates to use you in salary surveys. Ms. Walker said you need to look at your salaries. Our County judge's salary is the third highest in the State of Texas but we're not the third largest county. Judge Self replied that is why he froze his salary the day he took office. (Time: 9:41 a.m.)

Curtis Howard has been with the County for 13 years. Mr. Howard is the Chief of the Crimes Against Children Unit. He does capital litigation and he wants to be a career prosecutor. Mr. Howard said he understood he wouldn't make as much as his colleagues he went to law school with but he's made that sacrifice. Mr. Howard said he understands how the system works and one of the benefits offered is a great retirement. That was part of the reason he stays with this job and it's something he discusses when hiring people into the D.A.'s office. That is what is used in recruiting good prosecutors. We are looking for those who want to stay and be career prosecutors and have the ethics and passion for this work. You need to be a certain kind of person to stay with it. Mr. Howard asked the Court to keep the retirement match what it is. It benefits the County and the people of Collin County. We have great law enforcement people here. Judge Self asked Mr. Howard if he was enrolled in TCDRS. Mr. Howard said he was. (Time: 9:44 a.m.)

Daniel Lewis said he is enrolled in TCDRS. Mr. Lewis said he was not here, nor were any of his colleagues, to whine or complain about what they do. He wanted to be a trial attorney. One of the reasons he took this job is because the retirement was going to be good. Mr. Lewis said he knew the salary wouldn't be outstanding and wouldn't be what his friends with the big law firms were earning. He stated you don't want your prosecutors leaving after they've been trained to battle defense attorneys on big murder cases. Mr. Lewis said he aspired to be like Ms. Walker and Mr. Howard and be with the District Attorney's office for many years but if benefits keep getting cut, it will be harder to stay. (Time: 9:46 a.m.)

JoDee Neil said she was a prosecutor and a part of TCDRS. Ms. Neil said she is proud to tell juries that she has lived all her life in Collin County. Her father is a criminal defense attorney who has a successful criminal defense practice which is open to her to join at any time. Ms. Neil said her decision to stay is a conscious choice. A lot of attorneys might hesitate to go out on their own because it's expensive to start up an office but she doesn't have to worry about that. Ms. Neil said she works nights, weekends, and even jots down arguments in the middle of the night because she has an eight-year old who needs her to represent her in court. Ms. Neil said she feels like it's almost a matter of promises. She sat down in H.R. orientation and she was told it would be 2.5 to 1, and she believed that and counted on it. Ms. Neil asked the Court to please keep their promise. Ms. Neil commented on the number of employees coming before the Commissioners Court to receive service pins for 20 to 25 years of service so obviously the County thinks that is important. (Time: 9:50 a.m.)

Hearing no further public comment, Judge Self asked Ms. Arris to continue. Commissioner Hoagland asked when the issue of retirement would be brought up. Judge Self then made a motion to reduce the retirement match to 150%. Commissioner Shaheen seconded that motion. Judge Self asked for discussion. Commissioner Hoagland said he had a few things to say. He read an email aloud from a friend who was a retired police officer. The man was 66 years old and was working two part-time jobs in order to make ends meet and to pay for prescriptions. Commissioner Hoagland said, as one who is getting ready to retire I can assure you will need every dime you can get your hands on. He continued on with the issue of the benefits package, stating it is incumbent as County Commissioners to provide a good, stable employment environment because nobody will get rich working for Collin County. Commissioner Hoagland said he has heard comments made that "it's on the backs of the taxpayers". That's the only source we have for this money is the taxpayers and investment earnings. Commissioner Hoagland did not agree to taking this to 150%. He said he thinks this needs to be as robust as we can make it.

Judge Self wanted to review. Collin County started in 1970 with TCDRS at a 100% match for about four years, and then went to a 140% match for four years, then to 240%, then in 1986 to 250%. It's been 250% every year since except for

1999 at which time it dropped to 225%. Commissioner Hoagland said that's not correct. Commissioners Jaynes said it was 250% when he got here. Judge Self said if you remember my briefing at Court two weeks ago, citizens basically have a 401K available. That is now standard for industry. Their last ten years have been minus 10%. TCDRS means you're earning 7% interest. In comparison with our citizens who have had a 401K since 2000, their 401K has gone down 10%; but our money has doubled. This is simply a matter of, one, what do our citizens get and how do we compare to that, and, two, this is unsustainable. You're talking about the future of Collin County. We have \$40 million in unfunded liability today and that is growing by \$4 million per year. This has governments across the nation in trouble. State and local governments have a \$1 trillion unfunded liability out there. We can take care of it now or take care of it later.

Commissioner Shaheen had concerns with long term liability. He met with the TCDRS in Austin and they said their Board changed their policy because Collin County was giving such large increases. They actually capped it. Because of a decision locally, it's had impact on 252 of the 254 counties they provide services to. Commissioner Shaheen said 150% is still three times what the private sector does. He said in his opinion it's still robust. He wondered what the liability was that we're passing on to future courts beyond us today.

Sheriff Terry Box came forward and said he wanted to cover a portion of this. Judge Self asked Sheriff Box to return when they were finished. Commissioner Ward said she had another number in mind depending on what happens with this vote. She said she thought change needed to be made but she also thought the Court needed to be aware of a few things. Commissioner Ward said in the next legislative session there will be a huge opportunity of getting legislation changed in Austin so we can do other things with investments within the TCDRS process. She said if you look at the people going to Austin, you will have a very conservative legislative body and there are going to be changes made. She said she came from the private sector. If you look at comparing apples to apples and apples to oranges, you have to be careful where you do that and how you do that. We've also got to realize within our law enforcement we have to be able to recruit folks. The cities of Frisco, McKinney, Plano and Allen are at 2-1 matches, so if I can go there, I'm going to go there. The prosecutors, their billable hours just for this morning would be tens of thousands of dollars. We don't want to train them to go to the private sector. There is a compromise number that can help us address the issues we heard from the taxpayers. We can be sitting here next year looking at other options in the budget cycle because of changes in Austin. When we get down to core functions of government, protecting society and keeping peace is key. If we take away our ability to hire law enforcement and take away ability to entice prosecutors, we will jeopardize our core functions.

Commissioner Jaynes stated there's been misinformation on these numbers. For instance, 700 county employees can earn more than \$100,000 a year once they reach retirement age, 246 will take home \$200,000 annually. Those numbers

are based on an actuarial table which TCDRS sends out. It's based on, one, a 4% raise every year compounded annually; and, two, working here 40 years. Under that scenario, a truck driver would start here making \$2,000 per month and end up making \$14,000 per month. Another thing not taken into account is we have a top out pay for our employees. Under their scenario, you have a truck driver making \$180,000 after 40 years. In our scenario, truck drivers top out at \$39,000 per year. They are using a table in which they throw in factors that we do not take into consideration. Commissioner Jaynes had a letter from TCDRS Executive Director Jane Glass saying this is not intended to be used as an estimate for future retirement benefits to be paid by your plan.

Commissioner Jaynes said it sounds good to compare us to the private sector, but the bottom line is we're not the private sector. One-third of our employees are law enforcement officers. There's nothing to compare them with in the private sector. The prosecutors wish they were paid like the private sector. Additionally, Commissioner Jaynes said what makes us very different are the "shalls" that we have in our budget: we "shall" pay for indigent health care, we "shall" pay for indigent criminal defense. We have no choice in that. Commissioner Jaynes said at the same time he believes that \$2.50 during this time sticks out like a sore thumb. All counties and cities in this area are at \$2.00. Commissioner Jaynes voted against this measure but said he was open to a compromise.

Commissioner Hoagland asked Commissioner Ward what her number was. Commissioner Ward replied a 2-1 match.

Judge Self said when talking about competing for people, 87% of employees that worked for Collin County 20 years ago are either retired today or are still working for Collin County and will retire. We don't compete with people; we stand at the top. As TCDRS started explaining their original numbers, a couple things jumped out in their clarifications: current employees already retired from the county, folks that were working for the county when it was a little bitty county, have an average annual salary of \$22,000. The average employee today will retire in 13 years and their retirement will be just short of \$60,000. That's how this grows. That's what we're looking at in the future as this continues to grow. We don't compete with the private sector or other government.

Commissioner Jaynes wanted to respond. He said according to TCDRS, less than half our current employees will work till the age of 60 and then retire, 32% will receive a reduced benefit, and 21% will never receive a monthly retirement. He said, that 13 years the judge is referring to are employees they have a 12-year history, for a total of 25 years employment and, again, they come up with that \$59,000 number based on a 4% raise every year and no top out salary so that is how that gets that inflated. Judge Self said how long people work here is not the issue. The 2 ½ match and 7% interest is the issue. Judge Self said we haven't talked about the 7% interest and that concerns him as much as the 2 ½

match. Nobody guarantees 7% except Bernie Madoff. And, said Commissioner Jaynes, the Texas Legislature. Judge Self asked Sheriff Box to come forward.

Sheriff Box came forward and said he was going to use some facts and figures he got off the TCDRS website. There's been a lot of numbers thrown around and fear mongering as to how much debt there will be in the future. Sheriff Box presented Court members with a handout as to how TCDRS figures retirement: it figures a 30-year employee with 8% investment return on their money, 5.4% increase per year for 30 years and also inflation of 3.5%. Sheriff Box said on the second sheet of the handout is a breakdown of how many employees are retired today. Of 38,511 statewide retirees, the very top category is 333 people statewide that are grossing \$72,000 and probably take home \$50,000 something a year. He then gave an example of a major who retired from his office as third in command after 21 years who was making under \$3,000 a month in retirement.

Sheriff Box continued, saying 76% of the retirement fund is funded by the investment, 13% of the retirement fund is paid for by the taxpayers and 11% is paid for by the employees. The public does not have this whole expense on their backs. Commissioner Shaheen asked Sheriff Box when his employee retired. Sheriff Box answered three years ago and his match was 2.5% the entire time he was here. Sheriff Box said he didn't know where these people came from that are making \$200,000 a year and \$100,000 a year in retirement. Commissioner Shaheen said the difference is the numbers you're talking about is now versus 40 years from now. Sheriff Box said they're also figuring 5.4% increases every year and we have a ceiling on all of our positions. They will never get to \$80,000 or \$90,000 for their salaries and keep going up for thirty years.

Judge Self went on to discuss 13% paid for by the taxpayers and said that's with 8% interest every year on it. He said this is the risk he was talking about if we don't make 8% interest every year. This year we're paying 13.5%. That's what he meant by "smoothing" that he talked about in the briefing a few weeks ago. We're at risk if they don't make the 8%; the County does make that up. If they had forced us to pay all of what was lost over one year, it would have been \$4.5 million, but they smooth it over 15 years. When you do reading today on retirement funds across the nation, even 8% is getting governments in trouble. We have to go back to legislature to say we cannot guarantee 7% or 8% regardless of what the match is because we are at risk for that if it is not made. Sheriff Box told Judge Self what he put out for \$200,000 for employees is totally unattainable for any employee. Judge Self said TCDRS provided those figures. Commissioner Jaynes said they also provided a letter saying you shouldn't be using them to determine how much employees will be paid. Commissioner Shaheen asked Sheriff Box for the ending salary for the employee he mentioned earlier. Sheriff Box said \$105,000.

Judge Self said he had a motion and a second to reduce the match to 150%. Commissioners Hoagland, Jaynes and Ward voted no. (Time: 10:13 a.m.)

Motion by: Judge Keith Self
Second by: Commissioner Matt Shaheen
Nay: Commissioner Jerry Hoagland
Commissioner Joe Jaynes
Commissioner Kathy Ward
Vote: 2-3 Failed

Judge Self asked for another motion. Commissioner Ward made a motion to move to a 2-1 match. Commissioner Jaynes seconded. Commissioner Shaheen asked Commissioner Ward if she was comparing this to all local government entities. Commissioner Ward said she looked at Frisco, McKinney, Plano and Allen because that's who we tend to compete with. Commissioner Jaynes said we'll have a new set of competitors, too, because the smaller cities are growing. Commissioner Shaheen said he would support it because it's a step in the right direction but it's still three times what the private sector is getting. Commissioner Hoagland and Judge Self voted no. (Time: 10:15 a.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Joe Jaynes
Nay: Commissioner Jerry Hoagland
Judge Keith Self
Vote: 3-2 Passed

Commissioner Hoagland made a motion related to the retirement system. Regarding the unfunded liability Commissioner Hoagland made a motion to take \$10 million out of the County's reserve fund and put it into TCDRS for Collin County. Commissioner Jaynes asked Ms. Arris what kind of effect that would have long term. Commissioner Hoagland said we keep talking about the fact that we have an unfunded liability here and we're not doing anything about it and we need to do something. Judge Self stated when he came we weren't doing anything about it. And for the past two years we've done \$1 million and \$1.3 million. Ms. Arris directed the Court to page 78 of their packet, version nine of the five-year plan. She explained the calculation noting it used lower growth as requested by Commissioner Shaheen. After the explanation Commissioner Hoagland said that's still six months in reserves. He repeated his motion to make a \$10 million payment to TCDRS. Commissioner Jaynes seconded the motion. Commissioner Ward said she wasn't disagreeing but said she wasn't prepared to make this decision when they haven't discussed PFP yet. Commissioner Hoagland said he would withdraw his motion but still wanted to deal with that. Commissioner Jaynes asked Ms. Jacobson what employees received in PFP in the last couple years and discussion followed.

10. Elected Official / Department Head Presentations

a. Judge Douglas, Justice of the Peace, Precinct 2

This item was heard out of order at 1:30 p.m. following the lunch recess.

Ms. Arris moved on to Item 10, Elected Officials presentations.

b. Judge Raleeh, Justice of the Peace, Precinct 1

Elected Officials presentations started with Judge Paul Raleeh, Justice of the Peace, Precinct 1. Judge Raleeh said he cut his budget a little over \$407,000. Looking at the stats from when the Courts went live with Odyssey, his Court was able to deposit with Collin County \$1.7 million for this past year. That is not all Collin County's money; we have to pay the State of Texas and various funds. Judge Raleeh said he did not have objections to the budget as it was presented. He stated the employees in his office do a fantastic job and he urged the Court not to take away their raise this year. Judge Raleeh asked if a raise was taken away, that the Court also take away PFP. It's a difficult program to set goals and have employees work hard to grab those goals in order to get a raise only to find out they're not getting any type of a raise this year. We can't compare to the private industry. Judge Raleeh said he has a budget of \$1 million and brings back \$1.7 million. The Constitution for the State of Texas says this county has to provide a service and the only way to do that is with employees. (Time: 10:26 a.m.)

c. Sheriff Box, Sheriff's Office

Following Judge Raleeh, Sheriff Terry Box spoke. He stated he was here for a briefing, not requesting employees or requesting anything. He wanted the Court to understand that his office was proactive and gave up six positions that they had approval for in their budget over the last two months. That will be reflected in monies coming back to the County out of this year's budget. Sheriff Box said he can cut two more positions out of the 12 budgeted for in the five-year plan due to modified scheduling and planning.

Sheriff Box had a power point presentation and gave the Court an overview of what has happened over the last few years as far as Pay for Performance, pay scale and losing officers to Frisco, McKinney, Plano and Allen. Sheriff Box said the Commissioners Court worked with HR to help build a pay scale that was comparable to other agencies. He said since that time they have gone to PFP while other law enforcement agencies have a step plan. Sheriff Box said HR will say we are in range for start pay and top out pay; however, top out means nothing any more to law enforcement in Collin County. Employees can work until retirement and never reach top out pay due to PFP. Sheriff Box said his department serves the fifth largest population in Collin County, covering a

geographic area 33% larger than the City of Dallas. Commissioner Jaynes asked how many deputies are on patrol for an area 1/3 bigger than Dallas. Sheriff Box said on one shift they have four deputies and one supervisor. Sheriff Box said each officer answers more calls than any other officer with any agency in Collin County.

Sheriff Box stated of all the agencies mentioned, Collin County is the only one to have discontinued a step program. Police officers are a very competitive force to deal with as far as hiring, training and keeping good officers. Steps provide a timeframe that an officer can plan for their career to be advanced to some certain level. Sheriff Box doesn't believe law enforcement should be on Pay for Performance. With the current rate of PFP, Sheriff Box said our officers can go for 10-12 years without reaching top out pay. Our starting pay and our ending pay are in range, but our range is quite off. Sheriff Box showed projected salary comparisons. Steps are one-year pay steps that were at 3.5% to 5%. Sheriff Box presented a comparison between the Collin County Sheriff's Office and the Wylie Police Department. Judge Self had questions on PFP, saying the best officers should be getting 3 ½ times the PFP rate. Sheriff Box replied the problem with that is if we get 1.5% PFP today and we reward an officer with 3.5% that means another officer who is doing a good job, following all the rules and regulations, has to get 0% or .05%. That's the whole problem with PFP. Sheriff Box said if everybody is doing a good job, going above board, how would you judge an officer's performance? Judge Self replied that he wasn't the one to decide that. A discussion of PFP distribution followed. Sheriff Box said this is the fallacy of pay for performance. Judge Self stated this is a culture change that government all over America gets these automatic pay raises for simply being on the payroll and being a good employee. Sheriff Box said that's totally wrong, Judge. That's totally wrong for law enforcement. Stop saying that to the public. They work hard for their living and I take that as a slap in the face that government automatically earns a certain amount of money. Judge Self replied that's what you're asking us to do.

Sheriff Box said I'm asking you to look at what we're doing in law enforcement with law enforcement pay scales. We will be right back where we were seven years ago where we're losing our officers to other agencies. Commissioner Shaheen was unclear if the issue was with the PFP program or the percentage increase. Sheriff Box said PFP has no place for law enforcement. We should not judge those people who write tickets and answer calls on pay for performance. They should be like every other agency for law enforcement. Sheriff Box said he did not know of any agency in the nation that was on Pay for Performance for law enforcement. Commissioner Shaheen asked Sheriff Box if his preference was not to pay his higher performers more money. Sheriff Box again stated if we take care of that person who does 110%, we have to punish another person who is a good employee. Commissioner Shaheen said he assumed other large counties have the issue of losing officers to the cities. Sheriff Box said we have an urban county and he's seen over his 26 years here that when we lose officers, they go

to the cities, not to other counties. Commissioner Hoagland said part of the problem is for the past two years we haven't adjusted salaries because Human Resources doesn't have a compensation person because of cutbacks in the budget. Next time she does a salary evaluation, it could go up.

Sheriff Box concluded his presentation by showing a slide that demonstrates how a law enforcement officer can work for Collin County for two to three years and then go to another agency and be making more than they would be making in Collin County. Commissioner Shaheen said he was still curious to see what other counties are experiencing. Sheriff Box said this is a constant battle. Judge Self said we've only had 2% PFP one year, years before that it was 3.5%. If you are giving your real go-getters 5.25% and cities are giving 5% raises, you can be telling young go-getters if you come to Collin County and perform well, you'll get more than the cities. Is this not a way to increase the proficiency and quality of our force over time? Commissioner Jaynes said 5.25% is based on 3.5% PFP and that hasn't been the case. Sheriff Box again stated most of our officers are meeting all requirements and proficiencies; somebody in that pool of good officers doing their work has to take a 1.1% or 1% pay raise to get that. You have to punish somebody to reward someone else. Discussion continued, with Sheriff Box saying he estimated step increases to be approximately 4%. Commissioner Shaheen said when you propose a 4% increase, you have to be cognizant that we have 9 1/2% unemployment nationwide. Sheriff Box said he was responding to a question from Commissioner Jaynes. Commissioners Jaynes and Shaheen asked to see a list of step raises for some of the local law enforcement agencies. (Time: 10:49 a.m.)

Judge Self said next is the Farm Museum. Mr. Bilyeu stated Ms. Florence was unavailable due to a medical emergency.

Commissioners Court was recessed at 10:49 a.m. and reconvened at 11:00 a.m.

d. Judy Florence, Farm Museum

Judge Self asked Ms. Arris to present in Ms. Florence's absence. Judge Self started the discussion, saying he thinks this is the year to make a decision on Myers Park. The County was deeded Myers Park a long time ago for youth education. Since then the Court passed a \$26 million bond package to build the Adventure Camp. We've ignored Myers Park for a long time. He asked the Court to set a future for Myers Park, possibly selling it to a developer for apartments. Commissioner Jaynes said we can't sell it according to deed. If Collin County doesn't want to use it, it goes to Sam Houston State and TCU. Commissioner Hoagland said there are 100 acres there owned by the County that we could sell. Judge Self recommended that we do this as they requested because Ms. Arris has found a way to put this in the budget. Ms. Arris stated this would need a further transfer from the general fund to support it. Ms. Arris showed the Court a spread sheet for Myers Park. There was a discussion of Myers Park and the

Farm Museum, a curator, additional office supplies, dues and subscriptions and advertising. Commissioner Ward said she's been working closely with this group from the Farm Museum and she's been a big proponent of transportation. This is the original transportation that put Collin County on the map. We've never done right by the Farm Museum. If we're going to do it, let's do it now. Commissioner Ward felt this could be a money maker eventually, plus we're preserving our historical heritage. Judge Self said this item would be added to the add/delete list. (Time: 11:08 a.m.)

The Court returned to discuss this matter later in the Workshop meeting.

11. Items for Court Consideration (discussion and any action of any items listed below)

a. Guardianship Monitoring position for Probate Court

Ms. Arris said this item was brought before the Court earlier in the year and the Court asked to have it brought back during Budget Workshop. Ms. Arris gave a breakdown of revenues for the Guardianship Monitoring Program. Judge Self asked if the Commissioners Court has control over these funds. Mr. May said he believed they did. He said you have authority over setting the funds with restrictions. Commissioner Ward said this was brought to her attention. There was a state law that went into effect September 2007 that stipulates that ten counties "shall" not "may" do this scenario and Collin County is the only county out of the ten not in compliance with this law. Judge Self said this represents risk to the county if something goes wrong with a patient and we're not doing this. Commissioner Shaheen said we have to do it. Commissioner Jaynes asked if the "shall" said full time or part time? Mr. Bilyeu stated there are 1,000 clients. Ms. Arris said a full-time employee was requested. Discussion continued between Ms. Arris, Mr. Bilyeu and the Court. Ms. Arris said we have \$270,000 in funds that we can leverage for this person; however, the annual revenues are only \$60,000 so once those funds go away, this will need to be funded by transfers from the general fund. Ms. Jacobson stated she looked at comparables for other entities and they were paying around \$45,000 plus benefits. Commissioner Shaheen suggested budgeting \$65,000 for the position. Commissioner Ward asked if Judge Copeland could come in. Judge Self said let's add this to our discussion. (Time: 11:16 a.m.)

The Court returned to discuss this matter later in the Workshop meeting.

b. Decrease of one (1) position from the Justice of the Peace, Precinct 4 office (previously funded by NTTA)

Commissioner Hoagland asked how many employees are in JP4 right now. He asked two questions: if the number could be decreased more and what is the workload versus other departments? Ms. Arris said the NTTA was funding this

position to process their traffic tickets and they're not going to fund that this year. Ms. Arris said JP4 currently has nine positions, so this would bring them down to eight. Commissioner Shaheen said that's a majority of his workload. Commissioner Jaynes wanted to hear from Judge Yarbrough. Commissioner Hoagland thought the number should be reduced by two or three people instead of one since the NTTA has taken a different procedure. Commissioner Jaynes wanted to see how the workload and number of employees compared to other JP offices. Ms. Arris said their case load is down. Ms. Arris said this position and revenues have already been taken out of the recommended budget. If it needs to be more, we'll need to discuss that. Ms. Arris listed the number of employees for each Justice of the Peace office. Commissioner Hoagland asked Judge Raleeh if Judge Yarbrough's workload is more comparable to his. Judge Raleeh said he didn't know. He said the NTTA keeps Judge Yarbrough's office very busy. Judge Raleeh said Judge Yarbrough was on vacation and he was taking his cases for him. He said it would improper for him to answer what judge Yarbrough does. Discussion followed between Judge Raleeh and the Court on collections. Commissioner Ward asked Mr. Bilyeu to bring Judge Raleeh back after budget for a discussion on collections. (Time: 11:30 a.m.)

c. Highway Patrol position - Full-Time Temp

Judge Self moved on to the highway patrol position. Ms. Arris said that was reduced last year down to a full-time temp. Judge Raleeh came forward to explain the background on this position which is for DPS. (Time: 11:32 a.m.)

d. Outside Agency budgets

Ms. Arris said the thing to consider is what to do with the mental health money of \$560,000 that is currently in the budget. Mr. Bilyeu said we haven't spent any of it. We're waiting for the results of the study to see where we can direct funding. His recommendation is to continue like we've done, not make it payable to NorthStar. Commissioner Hoagland thought that was a good idea. (Time: 11:34 a.m.)

e. Commissioners Court suggested changes to Recommended Budget

Ms. Arris asked the Court if they had any suggestions. Judge Self said he has a couple he would like to discuss. He wanted to recommend that we change our District Clerk clerks to two per court. The County Court clerks spend 30% to 40% of their time in court. He stated he believed the District Court clerks, even though their cases were more voluminous, have more time in the office to do their work. Judge Self recommended reallocating the District Clerks down to two per court. Commissioner Hoagland said he spoke to County Clerk Stacey Kemp about this issue. Ms. Kemp told Commissioner Hoagland that reducing the District Clerk down to two would be too dramatic. She thought something less than a full person per court. Commissioner Hoagland's recommendation was to

reduce it down to 2.5 so you have a swing person. If we go to two per court, it might be too much of a cut. Judge Self was agreeable to that. Commissioner Jaynes said before we do this, he would like to hear from a district judge. He said he doesn't know the inner workings on how it affects them. He asked if Judge Rusch could come in. Commissioner Ward stated she has another recommendation on the district courts. She relayed her experiences with having an active case open through the courts. She did not want to tie the hands of the district judges because these cases are intensive. Mr. Bilyeu suggested talking to the District Clerk as well. Judge Self said that would be added to our discussion.

Judge Self recommended moving the collections office for the County Courts at Law under the County Clerk. That office is currently under the Budget Office. The County Clerk is happy with that and the Budget Officer is happy with that. That's an organizational change. Commissioner Jaynes supported that. Commissioner Hoagland said there's more to collections than just the County Clerk's office. There are a number of offices collecting money. He felt it was better to have that under the purview of the Commissioners Court because you have more control over the situation. Commissioner Hoagland felt this would be the best move for the County. Judge Self said this is an organizational issue that can be discussed at another time. Commissioner Ward asked if this could be part of the discussion with Judge Raleeh. Judge Self said he would withdraw that to be discussed at a later date. Additionally Judge Self said closing the substance abuse office would be for a later date.

Judge Self asked for any other Commissioners Court suggested changes. Commissioner Hoagland did not know what he meant by changes. He said he didn't know what Ms. Arris was recommending or not recommending. Ms. Arris said this would be any suggestions the Court has that are not in the budget. Commissioner Hoagland said he didn't know what was in the budget. There hasn't been an entire budget review. Ms. Arris said other than our one time costs we take out normally, everything is there. Commissioner Hoagland wanted to bring up the fund balance and some other things but could not enumerate that right now. He asked that fund balance be put on the add/delete list.

Judge Self recessed Commissioners Court for a lunch recess at 11:47 a.m. and reconvened at 1:30 p.m.

This item was heard out of order. Judge Mike Yarbrough, Justice of the Peace, Precinct 4, was present via videoconference under the heading Elected Official/Department Head Presentations. Judge Self welcomed Judge Yarbrough and Commissioner Hoagland started the discussion. Commissioner Hoagland told Judge Yarbrough the Budget Office recommended a reduction of one person out of his office and we have a report that the NTTA was handling traffic tickets in a different manner now. Since the workload had diminished, Commissioner Hoagland asked Judge Yarbrough if he could give up more than the one person.

Judge Yarbrough said by way of historical perspective, last year during the last budget cycle the Commissioners redistricted the JP's and constables. Last September he and Judge Raleeh had a discussion about what this would mean to them. They proactively determined that maybe he should send a clerk to Judge Lewis and Judge Raleeh should send a clerk to Judge Douglas. That was done. Judge Yarbrough said less than a year ago he had nine clerks. Now he's down to eight. And according to the Budget Office he'll be down to seven. To answer Commissioner Hoagland directly, he said we have had a significant downturn in traffic tickets. However, Judge Yarbrough said, the jury is not quite in. They are trying this collection process, but there is an internal review now to determine if this is what they're going to do or if they will file more tickets. Judge Yarbrough said he heard the tickets may be coming back. This is completely unofficial. Continuing, he said this is still the growth corridor. He said he anticipated when they redistricted that he would lose 30% of his eviction cases, and he only lost 20%. Judge Yarbrough said he has seen an increase in the number of civil cases he has heard. In 2009 he had over 14,000 traffic tickets; this year he has had 7,200. Revenue that was generated in 2009 was \$2.4 million and this year it is anticipated to drop to \$1.7 million. Last year his office issued over 5,000 warrants and this year they will issue just over 4,000. Judge Yarbrough asked that we continue with the one person decrease and monitor the situation to see what these numbers will look like in the next couple months. He said if it was necessary for him to transfer a person to Judge Raleeh, he would do that and it wouldn't affect the budget numbers at all.

An in-depth discussion followed between Judge Yarbrough, Judge Raleeh and Court members on the workload and NTTA. Following the discussion, Commissioner Hoagland recommended leaving the staff as it is and taking Judge Yarbrough's suggestion of budgeting it for a full year. If it looks like a transfer needs to be made, Commissioner Hoagland said bring it back to the Court then and do the transfer. Judge Raleeh said he would rather transfer an employee back and forth rather than lose a position.

Commissioner Hoagland wanted to talk about collections. He said we do need to take those collection employees away from the Budget Office and put those in the County Clerk's office. Those positions are statutorily required to be under her department. Ms. Kemp reminded Commissioner Hoagland that Brenda Taylor, former County Clerk, gave those positions to the Budget Office.

The discussion picked up again with talk of collections. Judge Raleeh gave a presentation to the Court. He suggested getting a committee together to look at all the people involved in collections. He said Ms. Kemp had some great ideas. Judge Raleeh estimated there is \$12 million outstanding for all the JP offices. (Time: 1:48 p.m.)

Moving on, Ms. Arris told the Court they still have all the HR items and Judge Copeland and Judy Florence were coming this afternoon.

Ms. Jacobson said let's start with approval of the uniform pay policy. Judge Self said this is a vote item and he read the following in the form of a motion: "The salary of county employees is based upon a 40-hour week unless otherwise noted. Upon failure to accumulate 40 hours of approved time, the employee shall be compensated at a pro-rata hourly rate. Approved time shall be calculated according to pay provisions incorporated in the adopted budget. Specifically, time clock and badge readers shall be used to record employee time." Judge Self made a motion to approve the pay policy as read. Commissioner Shaheen seconded. (Time: 1:51 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Matt Shaheen
Vote: 5-0 Passed

Ms. Jacobson moved on to recommended elected officials' salaries. They are listed as no change with the exception of three County Court at Law judges who were receiving a supplement due to the years of service of one of the District judges. That District judge is leaving so that supplement is no longer applicable. The Court voted on elected officials' salaries yesterday but will need a new vote to reflect this change. Commissioner Shaheen made a motion to maintain the elected officials' salaries with the exception of the three County Court at Law judges' salary supplements. Commissioner Jaynes asked the amount of the supplements. Ms. Jacobson said \$4,866 is the supplement they were receiving because Judge Henderson was receiving a supplement based on his years of service. Commissioner Hoagland seconded. (Time: 1:53 p.m.)

Motion by: Commissioner Matt Shaheen
Second by: Commissioner Jerry Hoagland
Vote: 5-0 Passed

Ms. Jacobson said the next discussion is whether or not the Court wanted to give PFP increases and stated she is biased. She stated if you give a 1.5% budgeted PFP increase, the average employee is going to get a 1% increase. At 2%, the average employee will get a 1.5% increase. Commissioner Jaynes asked Ms. Arris how a 2% PFP increase would affect our long term picture. Ms. Arris did not have that figure, but said a 1.5% increase with slower growth would still leave 188 days. Ms. Arris added the state is funding a 3.5% increase for the CSCD probation officers.

Commissioner Jaynes made a motion for a 2% PFP. Commissioner Hoagland seconded. Judge Self stated he was at a presentation recently and Ken Paxton was on the panel. Mr. Paxton had his latest survey of his district which includes McKinney, Prosper and Frisco. He said the number one issue for our citizens today is jobs, jobs, and jobs. Judge Self asked for any other discussion. Commissioner Shaheen stated 2% is out of touch with what's going on in the economy. We have 9% unemployment nationwide, and unemployment in Collin

County is 7.9%. He doesn't think it reflects reality. Commissioner Shaheen said he could look at 1%, maybe 1.5%. He asked Ms. Jacobson, for the PFP program, what does 1.5% do as far as incentivizing our managers? Ms. Jacobson stated the average employee would get a 1% increase; some would get a .5% and some would get 2%. Commissioner Jaynes said 92% of the people in Collin County are working. We are also competing with other governmental entities. As the Sheriff pointed out, our law enforcement is competing with agencies that will get a 5% step increase while our law enforcement will get a 1.5% increase. These people have already taken a hit on retirement and they're about to take a hit on insurance. If it wasn't for the conservative spending of our employees, we wouldn't have that \$132 million surplus and he thinks they deserve better. Commissioner Shaheen said let's give them 5% then. Commissioner Ward said it sounds like we're going down the road of making sure PFP stays in place. She said the Sheriff did have good comments today and maybe when it comes to law enforcement, we need to think outside the box. She said she would agree to 1.5%. Judge Self said he hears a lot about government here; he doesn't hear much about our citizens. We have to remember 9.5% is considered a major recession. Most people don't take the cavalier attitude that 90% are still working. We have almost 10% unemployment in this nation. The thing that makes areas competitive to bring in companies for people to come here is a low tax rate where they can build jobs. Government does not build jobs. Our citizens and companies build jobs. He said he doesn't hear enough concern here for our citizens.

Commissioner Jaynes stated our citizens are paying the fifth lowest tax rate in the state, lowest of the ten most populous areas. Again, we hit employees on retirement and we'll probably hit them on insurance. Giving them 1.5% is not the end of the world, and he said he doesn't mean to sound cavalier. But Collin County is doing well. We are not creating jobs but we are providing services, one of which is public safety which is taking a beating. Commissioner Ward said if we take this away, it kills the program and then what was the point. This is a way of helping to manage employees. She said we're a lot more blessed than most counties. Commissioner Jaynes added we're not raising taxes. Judge Self said he had a motion for a 2% PFP increase for employees. Commissioner Hoagland seconded. Judge Self and Commissioners Shaheen and Ward voted no. (Time: 2:01 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Jerry Hoagland
Nay: Judge Keith Self
Commissioner Matt Shaheen
Commissioner Kathy Ward
Vote: 2-3 Failed

Judge Self asked for another motion. Commissioner Ward made a motion for a 1.5% PFP increase for employees. Commissioner Shaheen seconded. Judge Self asked if there was any discussion. Hearing none, the motion passed 5-0. (Time: 2:03 p.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Matt Shaheen
Vote: 5-0 Passed

Ms. Jacobson moved on to recommended plan changes for insurance benefits. She stated they are recommending offering specialized diabetes medical care, eliminating the \$500 emergency room accident benefit, reducing the urgent care co-payment to decrease emergency room visits, and continuing wellness. Commissioner Ward made a motion to approve as recommended. Commissioner Jaynes seconded. (Time: 2:05 p.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Joe Jaynes
Vote: 5-0 Passed

Ms. Jacobson next discussed plan changes cost saving options and rate change cost savings options. There will be cost increases due to the National Health Care policy and due to our own high cost claims. Ms. Jacobson said the question to the Court is which of the cost saving options are you interested in pursuing? They are broken out into two categories: program changes and rate changes. Commissioner Shaheen asked what the private sector deductible is. Judge Self said it is \$400 and that would be his recommendation. Commissioner Jaynes said, again, we're not the private sector. We're going to become an employee mill here where you're going to have employees moving on to other cities and counties. We'll spend so much more money with training and having people move on. Commissioner Shaheen wanted to align with the private sector to which Commissioner Jaynes again stated we are not the private sector. He suggested a deductible that is an average of what the public and private sectors pay. Commissioner Shaheen said if we align with the private sector, why would employees leave? He said his guess is the other cities will be doing what we're doing. He made a motion to change the deductible to get it in alignment with the private sector with a \$400 deductible. There was a brief discussion of co-pays. Commissioner Jaynes voted against the motion saying we're charging our employees like the private sector but not paying them like the private sector. Commissioner Shaheen said he thought we were. Commissioner Jaynes replied not when you have a median income of \$72,000 and our average salary is \$42,000. Commissioner Shaheen stated we have a different work force in the county of truck drivers and clerks. When we do salary adjustments every year we do that on market. Commissioner Jaynes replied we didn't do that this year. Commissioner Ward agreed that a deductible change needed to be made, but she said we have to realize our county employees are also citizens. If you go

from too drastic a jump, you're talking about people who aren't compensated in pay. Where do they go? She continued, saying everyone knows what a commissioner's salary is. She's had to spend several thousand dollars for a root canal this year but she was considering the impact that would have on a single mom who is making \$30,000 a year. Commissioner Ward thought we needed to be more gradual in getting closer to the private sector because we don't know what we're comparing it to this year. We don't have comps this year. Commissioner Jaynes recommended adding a \$250 deductible to the premiere plan and increasing the standard plan by \$250 for a savings of \$425,000. Judge Self asked Commissioner Shaheen for clarification on his motion. Was it a motion for all four but change the deductible? Commissioner Shaheen said his motion was for these four bullets:

1. Eliminate out of network coverage for a savings of \$400,000 to \$500,000
2. Deductible change. Each addition of \$250 in a deductible has actuarial savings of approximately \$400,000
3. Eliminating secondary benefit coverage saves approximately \$300,000 actuarially
4. Increasing specialty physician co-pay by \$10 decreases employer costs by approximately \$400,000

Commissioner Shaheen said he was fine with bullets 1, 3 and 4 but had questions on co-pay. Ms. Jacobson said we're in line with co-pays. Commissioner Shaheen restated his motion to say he was okay with bullets 1, 3 and 4 and moving the deductible to \$400 to tie it to the private sector.

Commissioner Hoagland wanted to vote on these items one at a time and he made a motion to eliminate the out of network coverage. Commissioner Ward seconded. (Time: 2:12 p.m.)

Motion by: Commissioner Jerry Hoagland
Second by: Commissioner Kathy Ward
Vote: 5-0 Passed

On item 2 Commissioner Shaheen said the motion he made stands to increase the deductible for both plans by \$400 to tie with the private sector. Commissioner Jaynes said that is somebody going from a deductible of 0 to \$400 and someone with a \$250 deductible going to \$650? Commissioner Ward said that is more than anybody's raise. The motion died for lack of a second.

Commissioner Jaynes made a motion to add a \$250 deductible to the premiere plan and increase the deductible by \$250 to the standard plan for an estimated savings of \$425,000. Commissioner Ward seconded. (Time: 2:14 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Kathy Ward
Vote: 5-0 Passed

Commissioner Ward made a motion to eliminate secondary benefit coverage. Commissioner Hoagland asked for an explanation of secondary benefit coverage. Ms. Jacobson said it is individuals who have double coverage. She gave the example of her husband's insurance. His company has a \$2,500 deductible but they don't charge him for insurance. Mr. Jacobson said if she covers him, our plan picks up for the first \$2,500. Ms. Jacobson said eliminating secondary benefit coverage will probably drop some people off our insurance plan. Commissioner Jaynes made a motion to eliminate any plans if the employee or dependant is covered under another health plan for an estimated savings of \$300,000. Commissioner Shaheen seconded. (Time: 2:15 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Matt Shaheen
Vote: 5-0 Passed

Item 4 was increasing the specialty physician co-pay. Ms. Jacobson said we're already pretty high in this area, but this comes down to still having a high number of employees seeing a specialist for every problem. Commissioner Jaynes made a motion to increase the specialty co-pay for both plans by \$10 for an estimated savings of \$400,000. Commissioner Ward seconded. Commissioner Hoagland said he would vote against this because we're high already.

Commissioner Shaheen asked what the co-pay was. Ms. Jacobson it was raised last year from \$40 to \$45. (Time: 2:17 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Kathy Ward
Nay: Commissioner Jerry Hoagland
Vote: 4-1 Passed

Ms. Jacobson said the next level is for rate change options. She said for every \$10 per month that you increase the cost you will decrease our cost by \$150,000 because the employees are going to pay it. Judge Self asked to see the chart from yesterday's presentation. Ms. Jacobson said we're at \$35 and the average is at \$48. Mercer, which is private sector, is \$98. Discussion followed on various plans.

The following changes were proposed by Commissioner Jaynes in the form of a motion: under the regular plan, increase for employee only from \$10 to \$25; employee/child from \$110 to \$145; employee/spouse from \$135 to \$185; and employee/family from \$200 to \$245. For the premium plan, increase for employee only from \$35 to \$50; employee/child from \$165 to \$205; employee/spouse from \$213 to \$250; and employee/family from \$290 to \$330.

Commissioner Jaynes said his rationale is it would put us more in line with an average for both the public and private sectors. The increase will be an estimated savings of \$375,000. Commissioner Shaheen asked Ms. Jacobson for comparisons to Mercer. Ms. Jacobson said private is still higher. Commissioner Hoagland seconded. Commissioner Ward felt it was a move in the right direction. It's not private sector numbers but it's not beating our employees up. Commissioner Shaheen voted no. (Time: 2:31 p.m.)

Motion by: Commissioner Joe Jaynes
Second by: Commissioner Jerry Hoagland
Nay: Commissioner Matt Shaheen
Vote: 4-1 Passed

The discussion moved to retiree benefits. Ms. Jacobson said rate changes will impact retirees who are in the plans where they have twenty years of service and we charge them what we charge employees. The question for the Court is do you want us to begin an analysis of medigap for retirees. Commissioner Ward said yes and made that in the form of a motion. Commissioner Jaynes seconded. (Time: 2:32 p.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Joe Jaynes
Vote: 5-0 Passed

Ms. Jacobson said there was a discussion on whether or not we wanted to pay employees to not enter the plan. Ms. Jacobson said she did a quick study and it looks like we would have a significant adverse impact with that.

Judge Self asked about retiree costs. Ms. Jacobson said we're charging actuarial for the one plan and the other plan has a rate structure and you increased the cost for people with 20-plus years of service. They were paying \$10 per month; they will now pay what our employees pay, which is \$50. Discussion followed. Commissioner Shaheen asked if there was a long-term liability number associated with retirees' medical benefits. Ms. Jacobson replied yes, \$40 million. Commissioner Shaheen asked for a ballpark of what the impact would be of what they just did. He said he realized she would need an actuary to do the calculation. Ms. Jacobson recommended getting an RFP (request for price) and getting the rates in before hiring an actuary. An in-depth discussion continued on retiree costs and unfunded liabilities. Commissioner Hoagland had David

Medanich from First Southwest come forward to answer some questions. Mr. May stated there was an RFP out for professional services to create a fund for unfunded liability. Commissioner Hoagland proposed putting \$10 million of our reserve into the fund when it comes into existence to reduce the unfunded liability.

Mr. Hoagland asked Ms. Arris about the impact of doing this. Ms. Arris said that was reflected in version ten and she went through the highlights of version ten. Commissioner Hoagland said we need a capital infusion into these accounts right now to reduce those unfunded liabilities in that account and let those earnings accrue for the next five years. Commissioner Shaheen wanted to see the impact before they just start throwing cash at the problem. Mr. May suggested creating the budget and then moving the cash once the actuarial comes in. That would be for medical and retirement. Ms. Arris said she has \$3 million budgeted for both. Commissioner Hoagland doesn't think \$3 million is enough but he doesn't want to jeopardize fund balances. He asked what the magic number was that can be put into both of those funds without jeopardizing the fund balance. Discussion continued on the benefit of putting \$3 million per year for the next five years into unfunded liability versus putting \$5 million into each fund right now. Ms. Arris was asked to prepare a new calculation.

Commissioners Court was recessed at 2:46 p.m. and reconvened at 2:55 p.m.

Following the recess the discussion continued. Ms. Arris presented the update as requested before recess. Commissioner Shaheen felt numbers were being thrown out without knowing the impact to the structure. Commissioner Shaheen said he would rather keep Ms. Arris's initial recommendation of \$15 million over the five years, and later have logical, intelligent discussions on it. Judge Self said we need to reach a conclusion here. He said we don't have a fund because the RFP isn't out, so if we budget it right now, we ought to put it in contingency because we don't have anywhere else to put it. Ms. Arris said yes, and that's where it is now in the recommended budget.

Commissioner Hoagland said he wanted to be very clear. We have 328 days of fund balance right now. He stated it was his opinion and he was making a motion that the Court follow the plan Ms. Arris presented that takes us down to 189 days in 2016. We will still have a six-month supply of funds. It's senseless to sit here and talk about unfunded liabilities when we have the money to defray that expense. Commissioner Hoagland continued, saying we have a \$43 million unfunded liability in TCDRS right now. His suggestion was taking \$5 million and moving it to TCDRS and \$5 million for medical. Commissioner Hoagland said until Mr. May gets this fund set up you can't physically do it but you can have an agreement that that is what you'll do with that budgeted money once you do have that fund. Commissioner Shaheen said the unfunded liability isn't \$43 million any more because the match was lowered. Ms. Arris said it's \$35 million now. Commissioner Hoagland said that was a motion. Commissioner Jaynes

seconded. Commissioner Shaheen said he would not support this. He thinks we need to stick with the \$15 million as originally proposed. Commissioner Hoagland said we won't know the answer to those questions before we have to vote on this budget. Ms. Arris has \$4 million in the budget for unfunded liabilities for future years. Ms. Arris replied in response to a question from Commissioner Hoagland that the \$4 million per year was to pay current obligations. Commissioner Ward asked for the proposal again, Commissioner Hoagland restated the motion and discussion continued.

Commissioner Shaheen wanted to start with the \$15 million over five years. The economy will be in better shape. Judge Self said he was comfortable with this because we do know TCDRS. Mr. Medanich said the Court is making some very difficult decisions, but staying within 90 to 120 days will not harm the County's Triple A bond rating. Commissioner Hoagland restated his motion to take \$5 million for retirement and send it to TCDRS and to put \$5 million in contingency for medical to be placed into the proper fund once set up. Commissioner Jaynes seconded the motion. Commissioner Shaheen wanted to look at this in consideration of a lower tax rate. Commissioner Hoagland said according to Ms. Arris's projections we will still have 183 days in fund balance in 2016. Commissioner Shaheen said it assumes a tax rate of .2425 and he wanted to see a tax rate of .24. Judge Self asked Ms. Arris how many days a quarter of a cent tax rate decrease is. Ms. Arris said she would calculate that and print it out. Commissioner Hoagland said his motion does not have a tax rate decrease in it. Judge Self said he thought it was a pretty good proposal but he would like to see the tax rate. Judge Self and Commissioner Shaheen voted no. (Time: 3:13 p.m.)

Motion by: Commissioner Jerry Hoagland
Second by: Commissioner Joe Jaynes
Nay: Judge Keith Self
Commissioner Matt Shaheen
Vote: 3-2 Passed

Judge Weldon Copeland, Probate Court, was present to answer questions on the Guardianship Monitoring position for Probate Court which was discussed earlier in the day. Judge Self stated we thought we could get this position for a \$45,000 salary, we had support staff in place and we were looking at a lower budget than was suggested. There are estimated start-up costs of \$21,000 and a yearly cost of \$145,000 and they thought we might have a yearly revenue of \$65,000. Judge Self asked Judge Copeland for his input. Judge Copeland said this position is not sufficiently funded by any money that comes in through court costs or cycled back from the state. We'll have to pay for some of it on our own. He stated their estimates are based on costs from other counties. Judge Copeland said they have time to get this resolved. He may wait two or three months to hire someone but he won't do that without coming back to the Court. Commissioner Hoagland asked if a \$65,000 salary was correct because Ms. Jacobson stated the salary

should be \$45,000. Judge Copeland said he didn't believe it was \$45,000; he believed the average was well up into the fifties. Commissioner Shaheen asked if the Judge was looking for a master's level social worker and discussion followed. Judge Copeland said yes, it would have to be a master's level social worker. Commissioner Hoagland stated he thought the Court should budget the position at \$45,000 and if Judge Copeland can't hire somebody for that amount, he could come back. A discussion of the necessity for support staff followed. Judge Copeland said his court administrator could assume some of those duties. The discussion moved on to the various expenses for start up. Commissioner Hoagland made a motion to budget \$82,500 for the position, with \$12,500 for travel. Judge Self suggested making it \$80,000 even. Commissioner Hoagland amended his motion to \$80,000. (Time: 3:24 p.m.)

Motion by: Commissioner Jerry Hoagland
Second by: Commissioner Kathy Ward
Vote: 5-0 Passed

Judge Copeland remained before the Court to comment on an earlier discussion of supplemental salary for judges with sixteen or more years' experience. He stated he understood that the County Court at Law judges' supplemental pay was dependant on the District Court judges, but the Probate Judge is freestanding and his supplemental pay is not dependent on a District judge's years of service. He asked the Court to reconsider their prior motion. Mr. Bilyeu came forward and stated Judge Copeland was correct, Probate judges are separate from County Court at Law judges. Commissioner Jaynes made a motion to reinstate supplemental pay of \$4,866 for the Probate judge. Commissioner Ward seconded. (Time: 3:26 p.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Joe Jaynes
Vote: 5-0 Passed

Judy Florence was present representing Myers Park and the Farm Museum. Ms. Florence apologized for not being present in Court earlier in the morning. Judge Self gave Ms. Florence an overview of the morning's discussion and asked what she needed to make Myers Park and the Farm Museum successful for the next year. Ms. Florence said she sent in a revised budget. She stated they would like to see the curator position go forward. If that is not possible, then her proposition was to take the curator position out and change it to \$20,000 to hire somebody on a contract basis. Ms. Florence went through the remainder of her budget requests item by item.

Based on Ms. Florence's presentation, Judge Self asked for a motion to fund \$100,000. Commissioner Jaynes made that motion. Commissioner Ward seconded but said she had \$99,100 based on Ms. Florence's presentation and she made that in the form of a motion. Commissioner Shaheen seconded. (Time: 3:40 p.m.)

Motion by: Commissioner Kathy Ward
Second by: Commissioner Matt Shaheen
Vote: 5-0 Passed

f. Final review of add/delete list

Judge Self asked Ms. Arris to return to the podium to discuss the add/delete list. Ms. Arris presented a summary of the add/delete list as discussed over the past two days. She stated some items were given to her office prior to the start of Workshop, such as the County Judge lowering his budget. Other items on the add/delete list are Drug Court, additional lab services for the medical examiner, today the farm museum was discussed, the guardianship program was discussed and we had a discussion on the District Clerk's office. Discussion followed concerning the add/delete list and then Judge Self stated he had previously made a motion regarding the District Clerk's office to reduce the staff by one clerk per court. There was also a discussion to reduce the staff by 4.5 clerks. Commissioner Jaynes wanted to hear from Judge Rusch. Commissioner Ward said she was in support of reducing the number of clerks in the District Clerk's office; however, she didn't want to make it contingent upon being removed from just the district judges. She wanted to see Commissioner Shaheen's Efficiency Committee go in there. Judge Self said that wasn't his motion. He said this is a recommended budget that we are approving today and we still have time to hear from Judge Rusch. Ms. Arris said based on the Court's recommendations today that will be rolled into the proposed budget which will be filed next week. Judge Self said his original motion was to cut nine positions. He amended that to cut five people from the District Clerk's office from the proposed budget. Ms. Jacobson said these would be Clerk II positions. Commissioner Shaheen seconded. Commissioner Jaynes wanted to know why the Court was zeroing in on just Clerk II's. Ms. Jacobson said the majority of their staff is a Clerk II. Commissioner Ward said that gives them guidance on the level and the salary range we're looking at. Commissioner Jaynes stated he had a personnel question to ask. Judge Self stated the Court would recess into Executive Session for individual personnel under Paragraph 551.074, Personnel, of the Local Government Code. (Time: 3:51 p.m.)

Commissioners Court recessed into Executive Session at 3:51 p.m. and reconvened at 4:02 p.m.

Judge Self stated his motion stands for cutting five Clerk II midrange positions from the District Clerk's office. Commissioner Shaheen seconded. (Time: 4:02 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Matt Shaheen
Vote: 5-0 Passed

For JP4, the question is whether to delete an additional clerk position. Ms. Arris said one position has been cut because of the NTTA grant going away. The discussion was about cutting another one on top of that. Commissioner Hoagland made a motion not to delete a second person. Commissioner Ward seconded. (Time: 4:03 p.m.)

Motion by: Commissioner Jerry Hoagland
Second by: Commissioner Kathy Ward
Vote: 5-0 Passed

Continuing on, Judge Self made a motion to close the Substance Abuse office and move those salary dollars into actual treatment programs. Commissioner Shaheen seconded. Commissioner Hoagland said that would be a huge mistake. He had personal experience as a parent with drug abuse, and you need a department like this to be able to go to and get some guidance. Commissioner Hoagland asked Candy Blair, Health Care Administrator, to come up. Ms. Blair stated the mission of the Substance Abuse program is they shall provide alcohol and drug prevention and intervention services to all county residents. These shall include assessments, referrals, information, education and related services. She said we do actual patient care. Ms. Blair enumerated the individuals and families they've treated so far this year. In addition to substance abuse, they have found and reported incidences of ADHD, physical or sexual abuse, self injuries and suicide attempts. In prior years their fees were approximately \$24,000; they are looking at doubling that for this year. She considers this program a first step in recovery.

Ms. Blair stated they do all the pre-assessments for Serenity High School which is for children who have gone through recovery. Serenity High School has a 95% graduation rate. She stated if they keep one child out of juvenile detention the county will save \$52,000 a year. Ms. Blair asked the Court to please reconsider and take a long hard look at this program because it's much needed. Judge Self agreed with Ms. Blair and said the work is necessary. He asked how many organizations do this work. Ms. Blair said for children, zero; for adult assessment, zero that provide it on the level that we do it. Commissioner Shaheen asked about MHMR funding. Discussion followed on services provided by LifePath which is primarily mental health services. Commissioner Hoagland stated 80 to 90% of people in jail are on drugs or alcohol. Judge Self said 80 to 90% of the people in the jail did not pass through our program. Commissioner Hoagland said

if you don't have this program those children will get worse and worse and worse and it will cost more money on the back end. Judge Self said he finds it hard to believe. Commissioner Shaheen asked why don't we give this money to Avenues or somewhere that does provide that service. Commissioner Jaynes said they're not as stable as we are. Ms. Blair said there are agencies in the county but they don't provide free services. Judge Self said that's the point. We're providing a free service. Ms. Bilyeu said Avenues is closed. Commissioner Ward said the taxpayers are going to be responsible for that juvenile unless we can turn them around. Judge Self said his motion is to treat, not run a referral service. Commissioners Hoagland, Jaynes and Ward voted no. (Time: 4:18 p.m.)

Motion by: Judge Keith Self
Second by: Commissioner Matt Shaheen
Nay: Commissioner Jerry Hoagland
Commissioner Joe Jaynes
Commissioner Kathy Ward
Vote: 2-3 Failed

Commissioner Hoagland made a motion to move the employees from the collections department out of Ms. Arris's budget and into Ms. Kemp's budget. Commissioner Ward seconded. (Time: 4:19 p.m.)

Motion by: Commissioner Jerry Hoagland
Second by: Commissioner Kathy Ward
Vote: 5-0 Passed

Ms. Arris said outside agencies are in the recommended budget. Judge Self asked the County Auditor to start a "tax me more" fund line item for those taxpayers that want to pay more money. Mr. May said we can create a fund for donations.

12. Discussion of Proposed FY2011 Tax Rate

a. Effective Tax Rate

Judge Self asked Ms. Arris to discuss the proposed tax rate. Ms. Arris stated a quarter of a cent tax cut equates to a deduction of \$5 and change per household. Commissioner Hoagland said if we're going to cut taxes, let's cut. He suggested cutting a penny out. Commissioner Shaheen said his preference is to do it gradually due to the economic conditions. Commissioner Hoagland said his preference is not to do anything because of the economy and the uncertainty we'll be faced with. Commissioner Shaheen said we have 328 days of reserves. He said he didn't want to spend all of it and not give anything back. He said his preference is to use the reserves to pay off some long-term liability and a tax cut. Commissioner Jaynes was voting against this. We're still a county that is 50% undeveloped, and this equals about \$25 million in road projects. A quarter cent

tax cut is the equivalent of a big mac for every home. Ms. Arris said our changes are the version without a tax cut. Ms. Arris handed the Court a packet with all the add/deletes discussed.

Commissioner Shaheen said this tax cut is being funded by our 328 days of reserves; not being funded by sacrificing transportation. Commissioner Jaynes said by cutting our tax rate, we won't be able to fund as many roads in the future. Mr. Medanich came forward to answer questions. He said it depends on what the County's growth rates are. Based on current value, if you cut your tax rate, it reduces your capacity. Commissioner Shaheen asked Mr. Medanich if government can have a net increase in revenues if tax rates are cut. Mr. Medanich replied yes. Discussion followed.

Commissioner Shaheen made a motion to lower the overall tax rate to .24. Judge Self stated the votes had to be done separately. He asked Ms. Arris to start with the effective tax rate and rollback tax rate.

Ms. Arris said the adopted tax rate is the .2425 and she presented the breakdown. For the effective tax rate, the debt service rate remained the same from 2010-2011 at .5542. The effective tax rate for M & O is .194689. The rollback rate takes that and adds in 8% which brings the total to 26.5684 cents. Ms. Arris showed a slide which showed the Court the effective and rollback tax rates compared to where they were in the recommended budget, adding this was before the tax rate discussion so that general fund rate would come down. Ms. Arris said she needed a proposed recorded tax rate. Commissioner Shaheen made a motion for the effective tax rate at .24. Commissioner Ward seconded. Judge Self said this is a recorded vote. He asked all in favor of the motion to raise their right hand. Judge Self recorded three votes in favor. He asked all opposed to the motion to raise their right hands. Judge Self recorded two votes opposed. The motion passed 3-2. (Time: 4:30 p.m.)

Motion: Commissioner Matt Shaheen
Second: Commissioner Kathy Ward
Aye: Judge Keith self
Nay: Commissioner Joe Jaynes
Commissioner Jerry Hoagland
Vote: 3-2 Passed

Ms. Arris needed a vote for a place to adopt the tax rate and a vote on the public hearings. Commissioner Shaheen made a motion to hold the September 13, 2010, meeting in the Commissioners Courtroom. Commissioner Ward seconded. (Time: 4:30 p.m.)

Motion by: Commissioner Matt Shaheen
Second by: Commissioner Kathy Ward
Vote: 5-0 Passed

- b. Rollback Tax Rate
- c. M & O Tax Rate
- d. Debt Service Tax Rate
- e. Total Tax Rate - (Record Vote to Proposed Tax Rate)

13. Schedule Public Hearings

a. Monday, August 30, 2010

Commissioner Shaheen made a motion to hold the first public hearing on Monday, August 30, 2010, at 6:30 p.m. in the Commissioners Courtroom. Commissioner Ward seconded. (Time: 4:30 p.m.)

Motion by: Commissioner Matt Shaheen
 Second by: Commissioner Kathy Ward
 Vote: 5-0 Passed

b. Tuesday, September 7, 2010

Commissioner Shaheen made a motion to hold the second public hearing on Tuesday, September 7, 2010, at 1:30 p.m. in the Commissioners Courtroom. Commissioner Ward seconded. (Time: 4:31 p.m.)

Motion by: Commissioner Matt Shaheen
 Second by: Commissioner Kathy Ward
 Vote: 5-0 Passed

14. Action Items for the FY2011 Budget:

- a. **AI-32504** Public Hearing dates **COURT ORDER NO. 2010-612-08-17**
- b. **AI-32505** Uniform Pay Policy **COURT ORDER NO. 2010-613-08-17**
- c. **AI 32506** Proposed Elected Officials Compensation **COURT ORDER NO. 2010-614-08-17**
- d. **AI-32507** Insurance Benefits **COURT ORDER NO. 2010-615-08-17**
- 1. **AI-32587** Insurance Premiums **COURT ORDER NO. 2010-619-08-17**

2. AI-32588 Specialist Co-Pay

COURT ORDER NO. 2010-620-08-17

e. AI-32508 Performance Pay

COURT ORDER NO. 2010-616-08-17

f. AI-32509 TCDRS Employer Match

COURT ORDER NO. 2010-617-08-17

g. AI-32510 Proposed Tax Rate

COURT ORDER NO. 2010-618-08-17

EXECUTIVE SESSION

There being no reason to recess into Executive Session and no further business of the Court, the meeting was adjourned at 4:32 p.m. on Tuesday, August 17, 2010.



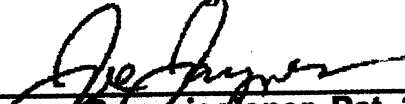
Keith Self, County Judge



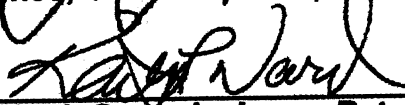
Matt Shaheen, Commissioner, Pct. 1



Jerry Hoagland, Commissioner, Pct. 2



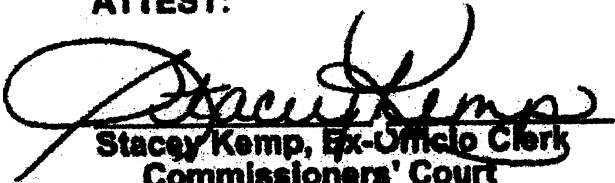
Joe Jaynes, Commissioner, Pct. 3



Kathy Ward, Commissioner, Pct. 4



ATTEST:



Stacey Kemp, Ex-Officio Clerk
Commissioners' Court
Collin County, TEXAS