



MINUTES

Aransas County Commissioners Court

Tax Rate Public Hearing

9:46 AM – Monday, September 5, 2023

The Aransas County Commissioners Court met on Tuesday, September 5, 2023, at 9:46 AM, in the Aransas County Courthouse, 2840 Hwy 35 N, Rockport, Texas. Aransas County Commissioner's Court meeting video recordings are available by following this link: [Commissioners Court Minutes and Agendas \(aransascountytx.gov\)](https://www.aransascountytx.gov), then scroll to the bottom of the page and select the date you wish to view.

Present: **Ray A. Garza**, County Judge
Jack Chaney, Commissioner Precinct 1-1A
Leslie Casterline, Commissioner, Precinct 2
Pat Rousseau, Commissioner, Precinct 3
Robert Dupnik, Commissioner, Precinct 4

I. Called to order at 9:00 AM

II. Roll Call & Declared a Quorum

III. Item for Deliberation and / or Action

1. Public comments on the proposed 2023 Tax rate used to fund the 2024 Budget – Judge Garza
2. Announce date and time the 2023 Proposed Tax Rate will be adopted – Anna Marshall / Judge Garza

Citizen to be heard – Kristi Rutledge – Is the Tax Rate set at last year's rate?

Judge Garza – yes ma'am.

Kristi Rutledge - This is the first time I have followed along with the county through this budget and tax rate process. It feels like you are budgeting to the tax rate. You knew if you didn't use the increments you would lose them this year of about 3¢. I don't see a reason to budget to the tax rate. We should budget to what we need and nothing more. We shouldn't budget high and then save 10%, that is over taxing to hold onto reserves or build reserves. It doesn't seem appropriate to do it that way. I don't see any reason why the tax rate can't come down. I identified different ways in a sheet that was handed out to each of you that showed at least 6.3¢. One penny is \$250,000. I am glad you moved the Airport thing (lights) over to ARP funds. Keep utilizing your funds to bring that Tax Rate down. What happens if you don't get the maximum tax rate this year? It's not going to be the end of the world, you will still have 2-3 penny's you can pick up in the increments next year. You have a healthy reserve, we have enough to get through an emergency to pay your employees. We made it through Harvey, it's really OK not to max out the tax rate this year. I encourage you to take another look with a goal to reduce the increments. Instead of getting the 4.8¢, shoot for lower than that. The real goal should be to only tax for what you actually need. I identified items that haven't been needed over five years and those amount could be a savings to the taxpayers. To correct the statement that was made about the City of Rockport, they did say in their meeting last week that things went in their favor and they did get an increase.

Anna Marshall – I have talked to them since then, they were looking at an estimate of numbers based off of a tax rate

Kristi Rutledge – That's OK but that's what they said and I just quoted what they said on the video, OK. All I can do is go off what is given to me. My personal appraisal they're hitting me with 84% this year. They wanted 45 last year and they're coming back with 84 this year.

Commissioner Casterline – I disagree with your interpretation of your tax bill, I looked at it myself.

Kristi Rutledge – Everybody loves to look at my tax bill

Commissioner Casterline – You are probably one of the few people in the county that the taxable value of their house is less than it was in 2009.

Kristi Rutledge – Because my house was almost fully destroyed by Harvey and I shouldn't have to testify that to Commissioner's Court. Honestly that's my personal business. I offered the rate, but how much I pay in taxes is my business. They are wanting to 100% value homes that have not been repaired after Harvey, mine is one of many that went up.

Commissioner Casterline – but, they aren't able to increase because it's a homestead as much as your value. Your assessed value is under \$187,000.

Kristi Rutledge – my values went down because I won my protest due to damage from Harvey which is across my whole neighborhood and across many of our neighborhoods.

Commissioner Casterline – it is across everybody's neighborhood. Most people would like to have what's in your tax bill.

Kristi Rutledge – of course they would. But I can't repair my house if I keep getting higher taxes. I can't sell the house for what you're taxing me.

Commissioner Casterline – everybody else is in the same boat and I feel like you've misrepresented your tax bill.

Kristi Rutledge – I think that's inappropriate for this conversation because we are talking about the tax rate. We are not talking about Kristi Rutledge's, noted.

Judge Garza – I can give you another minute

Kristi Rutledge - No, that's OK I see the direction of the court and I've seen it and I think it's inappropriate. We are talking about tax rate. You shouldn't tax anyone more than you need to tax them. Including me, especially people in depressed homes. Thank you.

Commissioner Dupnik – at the proposed tax rate what is our deficit?

Judge Garza – currently this morning, about \$700,000.

Jacky Cockerham - that's prior to some of the things that we've discussed that we've reduced.

Commissioner Rousseau – those may reduce the deficit amount?

Jacky Cockerham – Yes, because it will be taking expenses out of the general fund and moving them to the Health Care Sales Tax.

Commissioner Dupnik – my concern for long-term is that all of our growth is residential for the most part. Our tax base is driven through residential tax and as our population has been growing it's putting more demand on Government Services. Whether it's Animal Control, the judicial system, the Sheriff's Office and I think even Tax Assessor Collector's Office.

Jacky Cockerham - we've seen a lot of unfunded mandates this year alone. They've increased the jury pay that we are responsible for is up to \$20 from \$6. So, there's a lot of things that are changing that we have to pay for. There are a lot of new things that started September 1, 2023, including Interpreters. There are many new things that are not in next year's budget that are not funded any other way except through our taxes.

Commissioner Dupnik - Some people that it's going to be high over the deficit but we do have more government services coming out of this year.

Judge Garza – if we budget to the tax rate our tax rate would be 38¢.

Jacky Cockerham – We have to prepare the budget before we ever get the tax rate. Yes, there is some wiggle room and we do work on it. But for the most part our budget is done prior to any tax rate. The last 2 years we budgeted to keep the tax rate lower and did not use increases that were allowed and we reduced fund balances. The Commissioner's voted to pass a deficit budget for several consecutive years. 2022 we

saw a reduction of \$1,500,000. We saw that with our audit actually what we budgeted. 2023 we budgeted a deficit of \$3,000,000. It was anticipated that we wouldn't use the \$1,500,000, that we wouldn't use the 1.5 in 2022. We always kept the rate down and not taken the opportunities to increase the tax rate with increments. The Commissioners have chosen not to do that and to use the fund balance. I'm not saying we need to use it because we will lose it, but we are at a point that we knew last year that we would have to increase the rate more than what we had wanted to because we have kept it low. It's not because we were going to lose the increments.

Anna Marshall – That's not necessarily what we will pick up next year. Legislation has changed again how they are going to do the increments. Next year will be totally different, but they have not put out what those changes will be. It is up in the air how it's going to be.

Commissioner Chaney – That's going to be the trend for a long time.

Anna Marshall – legislation was hard on a lot of people, with the changes mandated that we're having to do. Next year I'm going to have to email tax bills to those who want to receive them that way. So it will be another expenses that is not funded that we will have to figure out possibly with new software.

Jacky Cockerham – When we talk about our conferences and stuff, we have requirements. Those are by statute, they are mandated that go to those and get the continuing education hours. They are a requirement for our positions. Those cost have gone up, we have to budget for that.

Judge Garza – there is also a line item for travel or vehicle allowance, we could do it by mileage but it going to cost us a lot more.

Commissioner Rousseau – I'm glad you are stating this so if people are listening it sounds like we're just trying to book as many as we can. We are mandated to attend and get a certain number of hours every year and it is not an option.

Judge Garza – we could go down another penny to make it 34¢ but our deficit will be about \$1,000,000.

Commissioner Chaney - we are already in a deficit issue now. We don't know when the next storm will hit. If we had not had a good reserve, not an unnecessary amount, but a healthy reserve to handle situations like Harvey. We would be in a rundown building with no hopes of having a new courthouse.

Jacky Cockerham - we do have a fund balance policy to keep 3 months of expenses reserve. \$6,000,000 is right there. So we are pushing what we would require through our policies that the Commissioners have adopted.

Commissioner Rousseau – So what you are proposing is that we stay with last year's tax rate?

Judge Garza – That is correct.

Commissioner Rousseau – The .358411 and I can support that. You know I felt for us to go with the absolute maximum amount we could go with was not a good decision. But if we stay with last year's tax rate and hearing also that certified tax roll is coming down in its value. It's not as inflated as everyone thought it was going to be and there are still protests to be heard. It shows that we have been mindful and we've tried to economical and I think we've done a really good job at identifying some other ways to fund necessary services.

Commissioner Dupnik – As long as we are keeping our deficit down to potentially around \$600,000, I don't think we need to get up to \$1,000,000 deficit. I know there's a lot of expenses we are facing that are still unknown with the new courthouse. When you move to new building or a home we're going to have unanticipated expenses and that could have a negative effect on the budget. I am comfortable leaving it at 35.8¢.

Commissioner Casterline – not many years ago our budget surplus was \$3,000,000, and we progressively worked it up. The way costs are I don't think that's an overdone amount.

Jacky Cockerham – it's best practice for governmental entities to keep the 3 months expenses.

Commissioner Chaney – People don't understand that we are up here to serve them. If you don't have reserve it's got to come out of something. We always need at least 3 months, I'd like to see 6 months. This is a business and have you ever seen a company without a reserve of some sort? Because things in business change. Look at the price of gas as 1 item. 3 months is not unreasonable.

Jacky Cockerham – we need to announce the date and time that we will be adopting the tax rate

Judge Garza – We will adopt the tax rate on 9-11-23 immediately after the budget hearing.

Citizen to be heard – Wendy Laubach – just wanted to say I'm bringing another \$3,000 in public donations for Animal Care for neutering and spaying to support the adoption event that is coming up.

IV. Adjournment

Commissioner Rousseau I move to adjourn, Commissioner Casterline seconded

Motion carried 5 -0

Meeting adjourned at 10:04 AM

ARANSAS COUNTY COMMISSIONERS' COURT



Misty Kimbrough

Misty Kimbrough,
Ex-Officio Clerk of the Commissioners Court

Ray A. Garza

Ray A. Garza, County Judge

