

9-5-18 County Judge's Article

2019 COUNTY BUDGET BEING FINALIZED

This coming Monday the Commissioner's Court will vote on adopting the 2019 county budget and the 2018/19 tax rate of 73 cents per \$100 of valuation, an increase of 3 cents from last year. At that rate the county will collect an estimated \$10.5 million (rounded) in ad valorem taxes.

This compares to this year's (2017/18) collection of \$11.2 million and 2010/11 collection of \$11.2 million. All years in between (2012 through 2016) we collected less, averaging about \$10.7 million. Yes, you heard right, we've collect the same or less total county taxes over the last eight years (happens to be the years I've been in office). And now we're about to approve a budget to collect almost a million dollars less this coming year.

I'd wager that there is not another county in Texas that can make that claim, that they've not increased their taxes for over eight years. If there is, I'd like to meet their county judge and commissioners and shake their hands. We've had to cut costs in a lot of ways and figure out how to hold down spending increases for a long time now in order to accomplish this.

Yet I'm really not proud of what we've done because during this time we've had to raise the county tax rate 13 cents from 60 cents to 73 cents while at the same time your home values and other structures appraised values have been constantly going up across the county. So you homeowners have been seeing your county taxes going up significantly even though we haven't been collecting more county taxes overall.

What's happened is that you've had to shoulder paying the taxes that Luminant has stopped paying as their valuation went down year after year and now has completely disappeared except for a small salvage value as the plants shut down in January.

Our problem as a county is that we've been heavily dependent on one company, first Alcoa and then Luminant which was over 30% of our tax base when I became county judge. We lost over half a billion dollars in our tax base from 2010 to 2018.

The good news is that it appears that the tide has turned with Bitmain coming to the Alcoa site and word that other industry is on its way. If this trend continues, there is hope that the county tax rate can be taken back down over the coming eight years, perhaps back down to 60 cents or even lower.