

STATE OF TEXAS:

COUNTY OF MILAM:

BE IT REMEMBERED, that on Tuesday, the 26th day of July A. D. 2016, the Commissioners' Court of Milam County, Texas, convened in Special Meetings in the Commissioners' Courtroom, Milam County Courthouse, 102 S. Fannin, Cameron Texas, with the following members of the Court present, to-wit:

DAVID BARKEMEYER, COUNTY JUDGE

RICHARD "OPEY" WATKINS, COMMISSIONER PRECINCT NO.1

DONALD SHUFFIELD, COMMISSIONER PRECINCT NO. 2

JOHN FISHER, COMMISSIONER PRECINCT NO. 3

JEFF MUEGGE, COMMISSIONER PRECINCT NO. 4

BARBARA VANSAN, COUNTY CLERK

And the proclamation having been made the Court was in session, the following business came on to be considered:

REVIEW DEPARTMENTAL BUDGET PROPOSALS, DISCUSS POSSIBLE PROPOSED PAY INCREASES AND FIRST DRAFT OF 2017 BUDGET. DISCUSS 2016 TAX RATE CHANGES

CALL MEETING TO ORDER & ESTABLISH QUORUM – 10:30 A.M.

Judge –

Danica has given out information pertaining to the Salary Adjustments, .70cents Tax Rate with salary adjustments & 2% Raise & other Adjustments; and .65cents Tax Rate based on \$10,962,216.

We will be using the .70cent Tax Rate –

- **5 cent Tax increase**
- **Borrow \$ 800,000.00 (?) Interest Rate**
- **2% increase in salaries pending lawsuit**
- **Put most things in that Department Heads requested**

We do not have a final tax roll from Dyann White but should have it Wednesday.

Luminant told Appraisal District their property is worth \$50M – this will be paid in January and will be \$700,000 to \$800,000 less.

Danica estimated line 110, Ad Valorem Tax appraisal value by MCAD last years actual figures \$6,736,220 will be somewhat higher. Also includes a 5% tax rate.

.65 cents Tax Rate is based on last year – no raises, nothing, no adjustments

.70 cents Tax Rate increase will bring about \$650,000 to \$700,000

2% across board raise will cost us about \$200,000, maybe little less.

We are spending about \$10M in a year in the General Fund.

Revenue side – where will we get additional revenue, this is why we’re including the tax rate.

Debt Service – page 1 - \$622,450 and short term note page 1 \$800,000

Danica – 65% General account and 35% Precincts – Ad Valorem Taxes

Judge – we will talk about borrowing \$800,000 Thursday with Westerman

We don’t spend what we budget. Budgeted \$10.79M – we have one quarterly payment left on Appraisal District, TAC Workers Comp and AMR.

If we don’t win the lawsuit with Luminant we would have spend \$2-\$3M that we don’t have but anticipated in getting back.

In my opinion we will have to do a long term debt.

My rationality to you guys is to do this. We don’t need to go up to 10% tax rate; nor do we need to cut expenses since we’ve already cut.

Andy Isaacs – since Milano no longer has the PD maybe the Sheriff could go back to patrolling to bring in revenue. I have not talked to David (Sheriff) about if he has the staff to do it.

Muegge – David requested 2 more deputies. Is it in this proposal?

Judge – No, I told Danica not to put it in and we would talk about it today. Amount of revenue in Precinct 2 has gone while Precinct 3 has not.

Do ya’ll have any thoughts on the 5 cents tax rate increase, loan?

Gary Northcott – is the 5 cents set in stone?

Judge – no.

Shuffield – talking to some of the experts who handle this, I don’t think they will shut it down – wind things aren’t working out like they thought it would.

Judge – if we win, we wouldn’t have to go the 5% - if we got back the revenue we’re not getting Luminant.

Shuffield –we get on a Company’s list – people look at us & our tax rate is high

Judge – Lee County is higher / Bell County higher than us

Judge to Shuffield – you are right. The tax rate is a major factor and if a company comes to me I tell them if you come we can go down on the tax rate, and possibly give a tax abatement. I know we will get asked by companies looking at Milam County about our tax increase.

Fisher – what is Falls County tax rate?

Judge – they are over \$1.00. Their roads are bad and still have some mud roads.

Watkins – yes they have mud roads

Gary Northcott - \$800,000 is this an interest free loan if paid early?

Judge – that’s what we will talk to Westerman about on Thursday. Our alternative is to use our reserves in the Road & Bridge account but if we would have an emergency that would be bad. The money we borrow would be paid back in 3 months or so.

Andy Isaacs – Dave, is this something that we will be dealing with every year?

Judge – Our attorneys stated they will hang tough if we can stick together. Not sure if Rockdale ISD or City of Rockdale will since it doesn’t directly affect them.

Shuffield – we (Commissioners) are going to get hit \$200,000 budget for the end of this year.

Judge – could have major issues in the precincts. The Attorneys have said “we’re going to hang tough if ya’ll hang tough”.

Judge – if there are any of these things ya’ll don’t want in here speak up now. You all set through the meetings and heard what was said.

Page 2 - \$600,000 Sheriff has cautiously said not to over budget –

- **Danica & I talked about adding \$100,000 and take out of General Account**
- **When we get to about \$700,000 or \$750,00 we have to house out.**

Susan Reinders – Mills County Law Enforcement Center in Goldthwaite should be finished here shortly and that’s scary. Not sure how many beds they will have available or if Sheriff Hammonds will be housing prisoners outside of Mills County.

Judge – 2017 budget – down on fees of office; sales tax looks like we will make that; and vehicle sales tax up

Judge to Sherry – how much goes to the State?

Sherry – do not know at the top of my head.

Judge –

- **Miscellaneous income up – page 4 – acct 200**
- **IT – page 6 - new phone system in 2017**
- **IT – page 6 -Overall total went down; won’t spend any more than what our needs are**
- **Elections – page 9 – down significantly due to only one election**
- **Auditor – page 9 – addition help \$8000 to \$20,000**
 - **Shuffield – is this hinged depending on Luminant?**
 - **Judge – no it’s not, based on request**
 - **Shuffield – Audit \$25,000 to \$30,000**

- **Tax A/C – page 10 – doubled part time.**

Vansa – In my budget hearing I asked about part time & you (Judge) said no, if I need help use my records management money, right?

Judge – yes.

Shuffield – I'm confused, last year we were cutting salaries but we're adding part time.

Muegge & Danica – we're not adding; this is the part time that was moved from Barbara's budget to Sherry's when Nancy moved over.

Judge – next week & this week you need to say what we need to know and not at the time of press.

Tell us now if we need to change even it's something we didn't change.

Meeting with Westerman also has same items to discuss in case you change your minds on something.

Muegge – the Health Insurance bumped up to \$700 month = \$8400 year per employee

Shuffield – S&W offers Senior Care Program, can we get that?

Danica – Not if active employee. We asked about that before.

Judge – General Account

- **Page 5 - Housing prisoners – acct 471 - \$100,000; recommended by Sheriff to put in General account instead of being in his budget**
- **Page 13 – acct 471 – transfer money if he wouldn't have spent it for housing prisoners, he would have been \$100,000 under budget**

Muegge – David asked for \$7000 travel, did it get put back in?

Judge & Danica – it's in his budget

Judge – does anyone have a problem with the Housing prisoners being taken out of his budget?

Fisher – ok with me if it works.

Muegge to Judge – did you ask him about the \$600,000.

Judge – I think he will be ok with it, but I will ask him.

Page 5 – acct 485 – Pre 65 -

Acct 487 – Senior Program

Acct 490 – committed funds – we do not spend all

We could reduce revenue. We did increase building & repair.

Page 10 – Appraisal District - 2015 expenditures was \$404,000

Vansa – I have sat through all the meetings hearing what we all want and have asked for raises for employees as others have done also. I hope Susan doesn't get upset for me saying this but Susan is very important to all of us, if we have a disaster she will be there for us. I think there should be something put in for her, like for some part time help. She has so much she has to keep up with and it is only her.

Susan Reinders –

LEPC (Local Emergency Planning Committee) – John Anderle, Chair and Chris White, Vice Chair

I talked to the Judge about the state grant of \$4,420,000 available to qualified LEPCs. The purpose of the grant is to allow LEPCs to establish, maintain, or improve their implementation of EPCRA (The Emergency Planning and Right-to-Know Act). We hope to submit an application on behalf of Milam County LEPC.

I have been talking to Robert and if we can only make it these next couple years with a slim budget maybe industry will come and revenue will go up and things can prosper once again.

Radio Tower Maintenance – up to \$35,000 – if we had a lightning strike it could take all first responding agencies out, no communication among law, fire or EMS.

Panic Button – Courthouse Security fund-wanted to make sure for this system needs to be replaced with a digital system.

Judge – she receives money out of the EMPG (Emergency Management Program Grant).

Susan – we did get money I have just haven't had a chance to put in the numbers.

Judge – there is extra funds that she gets if the grant increases. We never know for her grant year starts Oct. 1 and ends Sept. 30th but the State doesn't send the grant approval until some time in late June/July.

Susan – I'm looking at partnering with Health Department to help with training and exercises that both of our grants require. Thank you Barbara.

Muegge to Susan – what would you need?

Susan – I would like at some time to have part time help added to my budget.

Muegge – if you had someone what would they do?

Susan – filing; take on learning emergency management

- **We have to have a backup**
- **Hoping someone will buy Alcoa property and industry returns to Milam County.**
- **It's hard to have a volunteer come in and work, you don't know if they can keep information confidential.**
- **Mueck to Susan – are you bonded?**
- **Susan – no, I'm not.**

Judge – we eliminated the Museum budget but put \$25,000 in general account

Muegge – The two deputies are not in the budget?

Judge – Do ya'll want to put them in?

Watkins – Danger wise - I think we need to with all that is going on.

Shuffield – I back them.

Judge – do ya'll want to put the two in?

Danica – two deputies will be about \$114,000 with benefits

Muegge – how long does it take Sheriff to find deputies?

Judge – Sheriffs Deputies are all ok comparing them to the salary survey.

Jail Crew bringing in money for housing prisoners. I think they need more money.

Muegge – did the Sheriff have a proposal for employees?

Vansa – yes, \$3000 for each

Judge – I don't think the employees would fuss too much. You guys (Commissioners) are way behind.

Shuffield – did we leave the money alone that the DA office was wanting?

Judge – I think we need to leave as is

Muegge – did we ever find out “who” get's it?

Shuffield – I think we need to leave it alone

Judge – I thought it was up to the JP's to decide who gets it but have since found out it is up to us 5 to decide who gets the money and it does come from others courts, not just JP.

Muegge to Danica – can you do a “pie chart” with the difference office's revenue?

Danica to Muegge – I can. You want revenue only?

ADJOURN – Motion by Commissioner Muegge, seconded by Commissioner Shuffield to adjourn @ 12:17 P.M. This motion having been put to vote prevailed, the vote being unanimous.

The above and foregoing Minutes examined and approved in Open Court this 8th day of August 2016.

County Judge, David Barkemeyer

County of Milam:

State of Texas:

I, Barbara Vansa, County Clerk, Milam County, Texas, attest that the foregoing is a true and correct accounting of the Commissioners' Court authorized proceedings for July 26 2016.

**County Clerk and Ex-Officio Member of
Commissioners' Court, Milam County, Texas**

STATEMENT OF APPROVAL

**REVIEW DEPARTMENTAL BUDGET PROPOSALS, DISCUSS POSSIBLE
PROPOSED PAY INCREASES AND FIRST DRAFT OF 2017 BUDGET.
DISCUSS 2016 TAX RATE CHANGES**

July 26 2016

Commissioner of Precinct No. 1

Commissioner of Precinct No. 3

Commissioner of Precinct No. 2

Commissioner of Precinct No. 4

**Minutes from the July 26 2016 Milam County
Commissioners Court meeting ends on**