

# Tax Rate Calculation

	14-15	15-16
I+S Rate	.1438	.1529
M+O Rate	.2714	.2194
Total Rate	.4182	.4423
Rollback Rate	.4577	.5305
Effective Rate	.4239	.4175
Taxable Value (Line 11)	\$ 2186145226	\$ 2114145012

+ 21114  
~~4182~~

Property Tax	\$ 9711374	9718417
Franchise Tax	\$ 459160	487865
Total Tax	\$ 9602874	10208302
* Ad. Payment	-	(1287093)
Ag. Total Tax	\$ 9602874	8921209
M+O	\$ 6429609	6421209
I+S	\$ 2186265	2500000
In Budget	78%	93%
M+O	\$ 6310817	4292785
I+S	\$ 3100000	2500000
* 341-00-201	\$ 1110817	8792785

1287093

**From:** Brian Lee [titusjudge@gmail.com]  
**Sent:** Friday, August 14, 2015 9:00 AM  
**To:** Al Riddle; 'Carl Johnson Jr.'; 'Chris Durant'; 'Christie robertson'; Chuck Bailey; David Colley; 'Debra Abston'; Esther Robertson; Gilbert Olivarez; businessmanager@co.titus.tx.us; Jenifer Ross; jtuckerjpo@yahoo.com; Jimmy Parker; 'Joan Newman'; 'John Mark Cobern'; judgewoodson76@gmail.com; Kay McNutt; Paula Dyke; rmmrolston@gmail.com; titustaxoffice@yahoo.com; Kathi Gillean; Ken Wilson; Kendra Gray; 'Kenny Rollins'; Kim Drummond; mrsldbrosks@yahoo.com; 'Leonard Rockwell'; Lou Ann Rollins; 'Mike Fields'; Nicki Roberts; paulrlindsey@gmail.com; 'Phillip Hinton'; Ramona Campbell; Ray Barrett; Roney, Vester; 'Sheila Moon'; 'Sheriff Tim Ingram'; 'Sheryl Preddy'; STEVE AUSTIN; mikeandsharonfields@yahoo.com  
**Subject:** 2015-16 County budget

To all Department heads and employees,

On August 10<sup>th</sup>, the Commissioners' Court met for a Budget Workshop to discuss Several items before we set the tax rate on August 24<sup>th</sup>. Topics discussed included Raises and employee benefits which I realize are very important to each of you.

As most of you know, the county is facing significant revenue decreases due to The proposed reduction in the valuation of our Luminant Power Plant. The Company Will likely sue the appraisal district in an attempt to lower the taxable value of The plant from the current **\$350 million down to only \$50 million**. If successful, This will result in a **\$1.27 million dollar revenue reduction to Titus County**. Mt Pleasant ISD, the College and the Hospital will be significantly negatively impacted as well.

While no one can be sure what the eventual valuation of the Plant will be, the county Must take the most conservative position and assume the \$50 million valuation Will prevail. If a lawsuit is filed by the company, it may be 2 years or more before This decision is made. In the mean time, Luminant will only have to pay taxes Based on the \$50 million value.

Keep in mind that only 5 years ago, Luminant was paying 50% of all county taxes due To the fact that their \$1 Billion valuation was such a large portion of our overall Tax base. Here we are today at a fraction of that previous value.

Titus County has had to deal with revenue reductions in each of the past 5 years, but This is **the largest impact yet**. Consequently, I and the Commissioners must utilize a Combination of tax increases and budget cuts to handle this shortfall.

At the meeting on August 10<sup>th</sup>, we specifically discussed raises and employee Benefits, and how we could achieve the needed reductions in a way that would Least negatively impact the employees.

Based on our discussion, the preliminary budget that I am recommending allows for a **\$100/month salary increase for all employees and department heads except for the County Commissioners and Judge who will receive no salary increase**. Auto allowances will remain unchanged. The opinions of the Commissioners vary on this subject and nothing is final until the budget is approved.

The TCDRS Retirement Plan will change to reflect **a reduction in the**

current 250% match to a 200% match. This will only affect contributions made in the new budget year and forward. All previous contributions will remain at 250%. The state norm is 200%.

Health insurance benefits, which take affect in January 2016, will likely see an increase In the annual deductible from \$750 to \$1000. The cost of dependent insurance will Likely increase \$25 to \$40 per month as the current dependent cost is far less than The actual cost to the County. Additional incentives designed to encourage annual Physicals and proper treatment and medication will also be considered.

I realize this is not pleasant news. The budget will not be finalized and approved until Late September. There will be a budget hearing and two tax rate hearings between Now and the budget approval date of September 28. You are always welcome to attend These meetings and voice your opinion.

Brian Lee  
903-577-6791 office  
903-466-6666 cell

August 19, 2015

Dear Titus County Tax Payer,

Be forewarned, your property taxes are going up for 2016 by each taxing entity in Titus County.

Beginning in 2011 Luminant property values began declining. The County collected tax receipts of \$9,650,462.27 for 2010, \$10,342,253.03 for 2011, \$9,742,745.31 for 2012, \$9,408,608.41 for 2013 and have collected \$9,263,018.60 so far for 2014. It is approximately the same amount of money each year because the Property Tax Rate has been increased by your Commissioners to cover the loss of revenue from Luminant. The County Commissioners will tell you that they have reduced the budget! The facts are, spending by the County has not changed, but the County Commissioners have raised your property tax rate by 20% to retain the same amount of tax receipts.

Commissioners Court discusses increasing taxes, but there's NO discussion of cutting spending.

I recommended some potential expense cuts that were ignored by Commissioners Court:

- 1) Eliminate a few jobs that will have little impact on County functioning:
  1. Election Administrator
  2. Full-time DPS clerk
  3. Business Manager
  4. County Investigator
  5. County Veterans Services Administrator
- 2) Remove auto-allowances of elected officials and replace with actual usage reimbursement. This will save approximately \$75,000/year!

Because Titus County has a loss of Tax Receipts, Commissioners Court has the responsibility to reduce spending. Commissioners Court has never done this since the decline in Luminant Revenue. They merely keep raising your tax rate to retain the same amount of revenue. I do not believe it is fair that Taxpayers be the only ones to bear the burden.

Precinct 2:	Mike Fields	903-563-9292
Precinct 3:	Phillip Hinton	903-563-9153
Precinct 4:	Jimmy Parker	903-573-6202
County Judge:	Brian Lee	903-466-6666

Call your Commissioners with your suggestions, ideas, and complaints,

Al Riddle, Titus County Commissioner, Precinct 1

**HISTORIC LUMINANT VALUATIONS**

				<b>DEBT</b>	<b>OPERATIONS</b>	<b>TOTAL</b>	<b>DEBT</b>	<b>OPERATIONS</b>
<b>2008</b>	<b>1,052,500,000</b>		<b>100%</b>	<b>10.28</b>	<b>23.62</b>	<b>33.90</b>		
<b>2009</b>	<b>972,336,800</b>	<b>-7.62%</b>	<b>92%</b>	<b>11.41</b>	<b>23.62</b>	<b>35.03</b>	<b>10.99%</b>	<b>0.00%</b>
<b>2010</b>	<b>910,661,500</b>	<b>-14.59%</b>	<b>87%</b>	<b>12.08</b>	<b>22.75</b>	<b>34.83</b>	<b>17.51%</b>	<b>-3.68%</b>
<b>2011</b>	<b>800,000,000</b>	<b>-27.73%</b>	<b>76%</b>	<b>13.48</b>	<b>25.24</b>	<b>38.72</b>	<b>31.13%</b>	<b>6.86%</b>
<b>2012</b>	<b>580,000,000</b>	<b>-59.06%</b>	<b>55%</b>	<b>13.05</b>	<b>26.94</b>	<b>39.99</b>	<b>26.95%</b>	<b>14.06%</b>
<b>2013</b>	<b>459,982,000</b>	<b>-102.16%</b>	<b>44%</b>	<b>14.08</b>	<b>27.44</b>	<b>41.52</b>	<b>36.96%</b>	<b>16.17%</b>
<b>2014</b>	<b>350,750,000</b>	<b>-152.56%</b>	<b>33%</b>	<b>14.38</b>	<b>27.44</b>	<b>41.82</b>	<b>39.88%</b>	<b>16.17%</b>
<b>2015</b>	<b>50,000,000</b>	<b>-285.82%</b>	<b>5%</b>					