

SPECIAL SESSION, MONDAY, JULY 18, 2011, 6:00 P.M.

The Mayor and City Council met in Special Session on Monday, July 18, 2011 at 6:00 p.m. with the following members present: Mayor Nunez, Council Members Ochoa, Diaz, Lee and Garcia; City Manager Maner, City Attorney DeFoyd and City Secretary Raines. Councilman Gonzales on vacation.

Mayor Nunez advised that we were holding this special session with regards to council action on Resolution 2011-8R approving inter-local agreement with Harris County Tax Assessor for the collection of ad valorem taxes.

City Manager Maner stated that all the council was aware of this but he just wanted to put it on the record. He stated that some time ago, our longtime tax service, AVR Incorporated, gave us notice that they were going out of the tax business so we started looking at options and he contacted Mr. Don Sumners, Harris County Tax Collector because he knew they collected for several cities and since then he had become pretty well educated on it and in the audience we had Elizabeth Doss with the tax office and J. R. Harris with the Harris County Attorney's Office and the city attorney, Lon Squyres and he had met with them in the past and at any rate, they collect for about 15 cities and 66 entities and when he looked into it he was amazed to find that it was actually cheaper than what we have done in the past he stated that last year we paid over \$7,000.00 to AVR for tax services and that doesn't count the postage where we mailed out the statements and didn't include any of our employees time, that was just money to them to basically prepare tax statements. He stated that Harris County has a set established fee for doing that and it is approved by the Commissioner's court and that fee is a \$1.10 per account plus .0275 cents per hundred of the tax roll but not to exceed 2% of the total tax levy and based upon our tax roll, number of account, etc. the estimated annual fee for collecting property taxes would be \$4727.62 and he would say just under \$5,000.00 that it varies, that every home in the city has it's own account, every piece of real estate has an account plus each business has a personal property account. He stated that we did check one alternative, that the City of Galena Park uses a company called Spindel and it would cost us \$33,250.00 to buy the software which was a onetime purchase, there was a \$3,000.00 conversion fee, \$6,000.00 training cost and the estimated annual maintenance on the software is \$6,000.00 after that and in his opinion that was out of the question. He stated that he did fail to mention that in addition, there was a onetime fee to the county \$5,000.00 consolidation fee which would get everything set up. He stated that it would benefit the city to do this in that we would save a little money, not a lot, but it would free up our personnel, Joyce and particularly Kathy who would have time to do her real job which was bookkeeping for the city. He advised that, in his opinion, it would be good for our citizens for a couple of reasons, they would get one bill, ours would be with Harris Counties, they can pay it at multiple locations and Harris County will also

allow you to pay taxes on line and with a credit card. He stated the county didn't take payment plans and we had stopped doing that some time ago but at any rate, as he had told them in the memo he had sent them some time back, he had discussed it with Jim and Jim and he met with the County and he had discussed it with Robert Belt, the senior partner in our auditing firm and his response was that it was a win win situation and there was no reason not to do it and he had found none.

He stated that Elizabeth and J.R. were good enough to come out tonight to answer any question the council might have about it and Jim has reviewed the purposed contract and has the Resolution and he was available for any questions.

Mayor Nunez ask City Attorney Defoyd to read Resolution 2011-8R then if the council had any questions they could address them.

City Attorney DeFoyd stated that he had reviewed the contract and it was his opinion that the City of Jacinto City could legally and lawfully enter into this inter-local agreement.

Mayor Nunez ask if any of the Council had a question before she ask for a motion.

A motion was made by Council Woman Garcia and seconded by councilman Lee to approve Resolution 2011-8R entering into a Inter-Local Agreement with Harris County Tax Assessor for the collection of ad-valorem taxes. Vote: 4 For 0 Against

City Manager Maner stated that the Mayor would sign the contract tonight and Ms. Doss advised that it would be on Commissioner's Courts agenda on July 26, 2011 and they would start conversion shortly after that and were looking for an October 1<sup>st</sup> date to start collecting taxes.

Mayor Nunez stated that she was also going to email Commissioner Morman for his support at Commissioner's Court and feel that we have that kind of communication that he will probably help us with this.

Ms. Doss advised that Mr. Sumners had already visited with one of his staff so she didn't think there should be any problem.

Mayor Nunez stated that Commissioner Morman had proven to be a good friend and she wanted to keep in contact with him for future needs.

Mayor Nunez adjourned the meeting at 6:20 p.m..

Respectfully submitted,

A handwritten signature in cursive script that reads "Joyce Raines". The signature is written in black ink and is positioned above the printed name.

Joyce Raines  
City Secretary