

Travis County Emergency
Service District 4.



14312 Hunters Bend Dr.
Austin, Texas 78723
Office (512) 836-7566,
Fax (512) 832-8389
www.esd4.org

TRAVIS COUNTY EMERGENCY SERVICE DISTRICT #4 MINUTES OF THE REGULAR CALLED MEETING

September 20, 2022

The regular called meeting of the Board of Fire Commissioners of Travis County Emergency Service District #4 was held on Tuesday, September 20, 2022, at 6:48 p.m. at Sleep Inn & Suites NW Austin – 8410 Hwy 290E. Austin, TX 78724. Commissioner Torgrimson being in the chair and a quorum present, the meeting was called to order at 6:48 pm.

Present: Commissioners Torgrimson, Alexander, Clark, Opiela and Laryea
District Contractors: David Bailey and M Logan

1. Open meeting: Commissioner Torgrimson called the meeting to order at 6:48 pm.
2. Public Comments: None
3. Adopt FY23 Budget: Commissioner Opiela made the motion to adopt the FY23 budget as presented and was seconded by Commissioner Laryea. The motion passed unanimously by a show of hands among those present.
4. Adopt 2022 Tax Rate: Commissioner Opiela made the motion to adopt the 2022 tax rate at \$.06 per \$100 dollar valuation and was seconded by Commissioner Laryea. The motion passed unanimously by a show of hands among those present.
5. Consider and take appropriate action on the minutes of the August 16, 2022 Regular Meeting: Commissioner Opiela made the motion to accept the minutes of the August 16, 2022 regular meeting and was seconded by Commissioner Laryea. The motion passed with Commissioner Alexander abstaining.
6. Consider and take appropriate action on the August 2022 treasurer's report, which may include other reports: Ms. Logan presented to the commissioners the August 2022 treasurer's report, the expenditures over \$2000 report, cash flow report, and others. After review and discussion, Commissioner Opiela made a motion to accept the August 2022 treasurer's report, including the expenditures over \$2000 report, and the line-item expenditures as reflected in the report, and

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other reports. Commissioner Laryea seconded the motion, and it passed unanimously by a show of hands among those present.

7. [Update on the TexPool Investment report:](#) Ms. Logan reviewed the August 2022 TexPool Investment Summary Report with the commissioners.
8. [Discuss and take appropriate action on Logan Consulting, William Webb and Professional Civic Services Contracts for FY23:](#) Commissioner Opiela made the motion to accept all three contracts and was seconded by Commissioner Clark. The motion passed unanimously by a show of hands among those present.
9. [Discuss the September Coordination Committee meeting:](#) No action taken.
10. [Discuss and Consider Action on the FY23 Austin Fire contract for services:](#) Commissioner Opiela made the motion to approve the contract and was seconded by Commissioner Clark. The motion passed unanimously by a show of hands among those present.
11. [Update from Strategic Planning Committee:](#) See attached report.
12. [Update on paving at Station 47:](#) Chief Bailey stated that there is an ongoing discussion regarding right of way that is holding up the project. He will keep the board apprised as things develop.
13. [Update on Station 48 project:](#) Chief Bailey stated that the contract is ready to close out after a few small details have been handled.
14. [Discuss and Consider moving \\$250k from the TexPool Operating to TexPool Reserve as per FY22 Budget:](#) Commissioner Opiela made the motion to move the \$250k as stated and was seconded by Commissioner Alexander. The motion passed unanimously by a show of hands among those present.
15. [Consider and take appropriate actions on the District Administrator's report to include updates on the AFD contract for services, District Office updates and other administrative topics:](#) See attached report.

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16. Review and Approve Pending Disbursements: Commissioner Opiela made the motion to approve the pending disbursements and was seconded by Commissioner Laryea. The motion passed unanimously by a show of hands among those present. Check detail attached.

17. Executive Session: None

18. Adjournment: Commissioner Torgrimson declared that the agenda had been completed and adjourned the meeting at 8:02 pm.

Next meeting is scheduled for October 18, 2022.

Approved by

A handwritten signature in black ink, appearing to be "P. Opiela", written over a horizontal line.

Attest:

A handwritten signature in black ink, appearing to be "Peter Torgrimson", written over a horizontal line.

ESD4

Strategic Plan Notes

1. Introduction

Before ESD4 entered onto the contract with Austin Fire Department (AFD) the department was operating on very marginal finances. The property tax was set at \$0.10 per \$100 valuation, the maximum rate allowed. The maximum possible sales tax was being collected: \$0.01 tax from part of the jurisdiction and \$0.02 tax from the remaining part of the jurisdiction.

At that time neither sales tax nor property tax was increasing aggressively.

ESD4 had an automatic aid agreement with ESD12 (Manor Fire Department), our immediate neighbor to the east.

ESD4 had mutual aid status with AFD, and depended heavily on AFD for assistance for all calls in the western segment of our jurisdiction.

Over several years efforts to establish automatic aid with AFD had oscillated between strict requirements we would have to satisfy to qualify for automatic aid, and much more relaxed requirements. It was very clear that ESD4 would be unable to qualify for the strict requirements regime.

In one of the lulls between phases of this oscillating process, ESD4 and AFD agreed that the two parties had a strong mutual interest in some kind of comprehensive permanent interaction. This evolved into a years-long (?) discussion about how the two departments could be combined into a single operating organization.

The result of this process is the current contract (in government language an Interlocal Agreement (ILA)). The intent of the ILA is to have a contract which is permanent, even though it must be renewed each year due to government funding requirements.

A principal goal of the contract is to provide the flexibility to make changes in the operation of the contract to allow for accommodations to be made for any eventualities which may arise. The most serious of these potential problem areas is when ESD4 would be unable to fund the contract. The primary concern was annexations of ESD 4 jurisdiction by the City of Austin, which would take away portions of our our funding.

In the years since the inception of the contract, ESD4 revenues have grown beyond our expectations. Several significant businesses have developed in our eastern jurisdiction, increasing our sales tax revenue dramatically. Some of these increased sales revenues are temporary, due to construction of the Tesla plant in our eastern jurisdiction. Now sales tax is a much larger portion of our revenue stream and as the eastern segments continue to develop we expect this trend to continue.

As a result of this process we have been able to establish a significant operating fund balance and a significant reserve fund. We are more financially secure than we have ever been in the history of the department.

However we expect that expenses will rise at a more significant rate than they have in the last few years. The remainder of this document examines what we may anticipate in the coming years, organized into Strengths, Weaknesses, Opportunities, and Threats.

2. Strategic Assessments

2.1 Strengths

2.1.1 Operations are provided by AFD

2.1.3 Strong sales tax revenue

2.1.2 Stable property tax revenue

2.2 Weaknesses

2.2.1 Lack of control over costs

2.2.2 Limited ability to respond to adverse financial developments

2.3 Opportunities

2.3.1. We have a great partner in AFD.

We need to keep in front of us how we nurture this partnership.

2.3.2 We need to be acutely aware that the continuation of the partnership relies not only on AFD, but on City Council. This is a central issue to what happens if and when we cannot pay the bill.

2.4 Threats

2.4.1 Loss of sales tax revenue through annexation

- Magnitude of threat: high
- Probability of threat: medium
- Possible countermeasures: none

2.4.2 Loss of property tax revenue through annexation

- Magnitude of threat: medium
- Probability of threat: low
- Possible countermeasures: none

2.4.3 Cancellation of contract with AFD

- Magnitude of threat: very high
- Probability of threat: very low
- Possible countermeasures: Negotiate contract adjustments to eliminate threat

2.4.4 Need to build new stations

- Magnitude of threat: medium
- Probability of threat:
 - Short-term: low
 - Long term: medium to high

- AFD undoubtedly will not be willing to build a station which is not in the city of Austin. If there is a great need for a new station, which will be in the eastern portion of our jurisdiction, we will have plenty of time to prepare for this expense.
- Possible countermeasures: Establish sufficient reserves to cover additional stations. The latest estimated cost of a new planned station for AFD is \$17.5 million. This is much more than we have been expecting. If this holds true, we need to increase our reserve funds to be able to handle this. However, there will be plenty of advance notice of such an event and we should be able to plan ahead to prevent this from becoming a catastrophe.

2.4.5 Insufficient funds to cover costs

- Magnitude of threat:
 - Long-term: high
 - Short-term: low
- Probability of threat:
 - Short-term: low
 - Long-term: medium
- Possible countermeasures: Establish sufficient reserves to cover short-term deficits.


Pandemic

- Magnitude of threat: medium
- Probability of threat: medium
- Possible countermeasures: none

Specific threat: Loss of sales tax revenue

3. Conclusions

Sept 20
MONTHLY REPORT FOR ~~AUGUST 14TH~~, 2022 BOARD MEETING

| | | |
|-------|---|---|
| To: | Travis County Emergency Service District 4. |  |
| From: | District Administrator | Professional Civic Services, LLC |

1) CURRENT AFD SERVICE-CONTRACT UPDATE:

- 1) Contract update, finalize FY 2023 *contract price* of \$4,747,685 for now.
 3.7 percent increase (\$176,584)
- 2) FY 2022 AFD invoice error, corrected? MLogan

Community Communication / Outreach:

- Outdoor Burn notifications are back and increasing; but possible scam for a fee?
- TCAD portal, and ESD 4 Website for new tax rates.

<https://travis.trueprodigy-taxtransparency.com/taxTransparency/propertySearch>

Fire Station remodels:

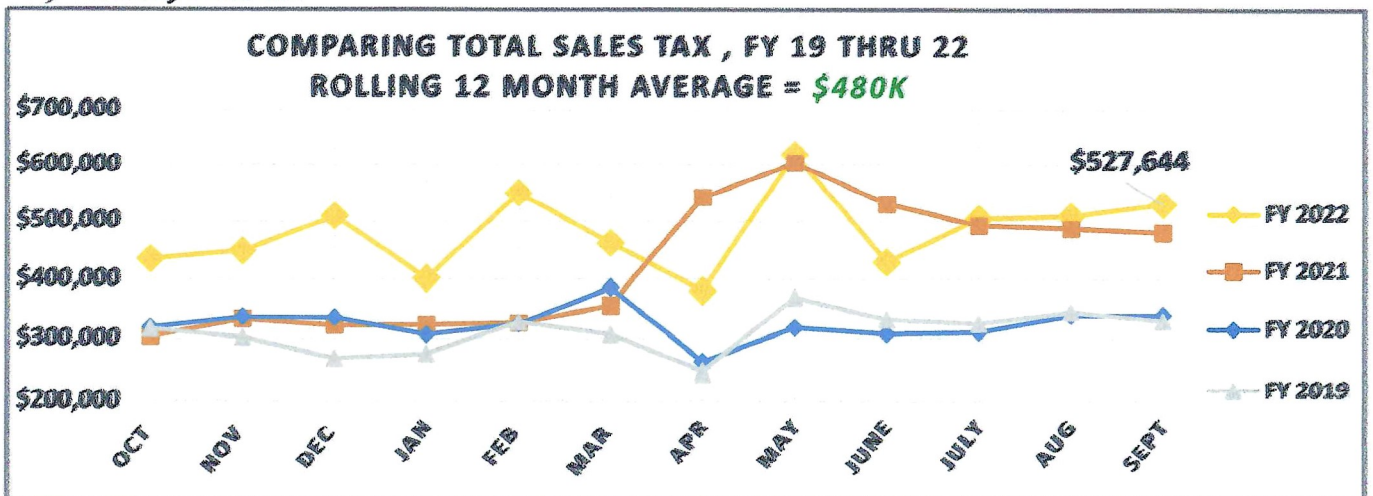
- 48 kitchen / dining:**
- HVAC arrived and is installed.
 - AFD has re-occupied the space.
 - Back deck complete.
 - Trying to close out this project in FY 22.

47 parking lot construction:

- GC contract approved and signed.
- TC permitting is now holding us up.
- TC TNR (Transportation & Natural Resources) working two permits, one for the larger parking lot development and one for On-Site Septic.

2) REVENUE / FINANCE

A) Monthly sales tax



3) OTHER ITEMS

A) Verizon Cell Tower Lease agreement

We've been approached by Verizon regarding a 150' self-supported tower. (see pic)
 Informal survey of the community was 74% favorable? (Aleah C.)

B) Water tower is still scheduled to go away:

TC Commissioners Court Sept 20 public vote. Oct. 15-16 demolition date.

C) A Formal Strategic Planning process: Overview of the Typical Processes.

| | |
|---|--|
| Phase I- Who and What are we? - Closely examining and illuminating the "assumed baseline" of the organization. | |
| What is our reason for existing? Mission Statement, Core Competencies, Mandates. | <i>Work Session 1- some work was done in 2020, see attached.</i> |
| Who do we want to become? Vision Statement | |
| Under What terms do we operate? Values of the Organization. | |
| Phase II- Why Do We or Why Should We? "Looking across the unknown" to where we dig deeper to expose the more dynamic factors. | |
| Internal Strengths Internal Weaknesses Internal and External Opportunities External Challenges | Work Session 2 |
| Community Perceptions and Expectations | Survey Instruments |
| Gap Analysis | |
| Phase III- How do we get there? Equipped with the Who, What and Why, we now build the machine to get us to that future. | |
| Setting Strategic Goals (3-5) | Session 3 or multiple smaller groups. |
| Itemizing the Goals along the path of the Initiatives. (OKR method) | |
| Setting measurable Objectives to Achieve the Goals. | |
| Phase IV - When does it end? (never) | |
| Annual Score Cards and Performance Measures to re-boot the system. | |

TC Emergency Service District 4

Strategic Planning Phase I

What are we?

Travis County Emergency Services District 4 is local political subdivision of the State of Texas, further defined by the Texas Constitution as a "special purpose district." As such, the District may, upon voter approval, levy taxes and use those funds to provide public services.

In 1985 TC ESD 4 collected its first property taxes, although as Rural Fire Prevention District 4.

In 1993, all Rural Fire Prevention District were legislatively required to convert to Emergency Service Districts.

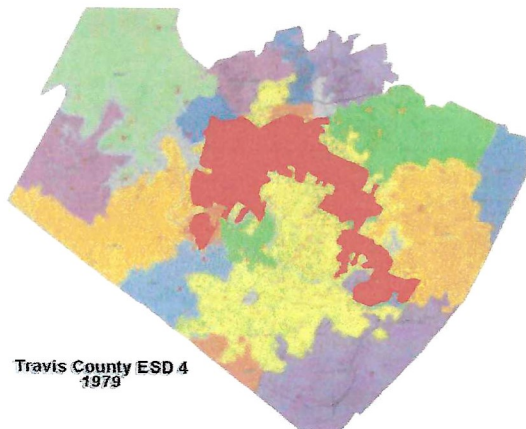
In 2001 we passed an election to collect 1 cent sales and use tax for properties west of Mopac.

In 2014, we passed a second election to 2 cents sale and use tax for properties east of Mopac.

//////////
: In summary, we are a local taxing entity that assesses taxes to provide public services to those who
: live and work in our District.
//////////

Why do we exist?

Texans living in rural and or unincorporated areas of a county have limited means to provide fire, rescue, EMS and other emergency services. Without a reliable funding mechanism, communities must rely on the local volunteer fire departments. When the need for these services surpasses a volunteer capacity, citizens often elect to pay taxes to ensure the availability of those emergency services.



Thus, the citizens must ask the County Commissioners to call an election to create a tax entity to fund a particular set of services. In 1979, the need for services, outside of the city of Austin, was obvious.

In 1993 Travis County citizens simply petitioned to change from a Rural Fire Prevention District to an Emergency Service District (and in doing so raised the tax rate cap from 3 cents to 10 cents). The election passed with 2311 voting for and 694 against.

What services do we provide?

Travis County citizens specifically petitioned the Court for the ability to raise taxes “to provide fire, rescue, EMS and other emergency services.

Until changed through another petitioned election, that mission remains the same today. The “other services now include a fire and loss prevention program through a local fire code, public education efforts, wildfire reduction programs and emergency management for large-scale events. This menu of services is typical of those offered by the surrounding municipal fire departments.

Who are we?

Travis County ESD4 was originally known as Travis County Fire Control ¶ Founded in 1962,

Travis County Fire Control was a non-profit, all volunteer fire department. Since 2005, TC ESD4 has used the Travis County Fire Control brand less frequently, although much of our history was conducted under that name.

Travis County ESD #4
Check Detail
September 2022

| Type | Num | Date | Name | Memo | Account | Paid Amount |
|-------|-------|------------|------------------------|-------------------------|-------------------------|-------------|
| Check | ACH | 09/23/2022 | Visa | D Bailey | 1000 Wells Fargo ... | |
| | | | | commissioner breakf... | 5911 Meetings | -77.26 |
| | | | | agenda post fee | 5909 Travis County ... | -103.00 |
| | | | | walmart | 5804 Station 48 Re... | -247.68 |
| | | | | gmail | 5910 Web Hosting | -198.00 |
| | | | | phone | 5801 Utilities | -35.44 |
| | | | | quickbooks renewal | 5802 Office Supplies | -378.86 |
| TOTAL | | | | | | -1,040.24 |
| Check | 47232 | 09/20/2022 | G. Creek Construct... | inv 22-640-1 | 1000 Wells Fargo ... | |
| | | | | Back Deck install at 48 | 5804 Station 48 Re... | -17,828.58 |
| TOTAL | | | | | | -17,828.58 |
| Check | 47233 | 09/20/2022 | Fatter & Evans Arc... | Inv 4562 | 1000 Wells Fargo ... | |
| | | | | Final Billing Sta 48 | 5804 Station 48 Re... | -5,400.00 |
| TOTAL | | | | | | -5,400.00 |
| Check | 47234 | 09/20/2022 | William D. Webb | Inv 47 | 1000 Wells Fargo ... | |
| | | | | Final FY22 contract ... | 5925 Administrative ... | -1,098.48 |
| TOTAL | | | | | | -1,098.48 |
| Check | 47235 | 09/20/2022 | Logan Consulting | Inv 22-09 | 1000 Wells Fargo ... | |
| | | | | FY22 contract close ... | 5925 Administrative ... | -2,050.00 |
| TOTAL | | | | | | -2,050.00 |
| Check | 47236 | 09/20/2022 | Professional Civic ... | Inv August 2022 | 1000 Wells Fargo ... | |
| | | | | as per contract | 5925 Administrative ... | -3,120.00 |
| TOTAL | | | | | | -3,120.00 |