

**MINUTES OF AUGUST 21, 23 SPECIAL MEETING
PUBLIC HEARING ON TAX INCREASE
HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 46**

A special meeting was duly called of **Harris County Emergency Services District No. 46**, which was held on Monday, August 21, 2023 at the **Atascocita Fire Department Headquarters Building**, located at **18425 Timber Forest Drive, Humble, Texas 77346**.

The Meeting was called to order at 8:07 p.m., by **TOM TRUVER**, President. Those Commissioners present were **TOM TRUVER, JOHN BOLLUM, JAMES CONE, RON CLARKE**, and **BUDDY RICE**. Chief of Department Mike Mulligan, Director of ITC & Operations Support Mike Wassell, Assistant Chief of EMS Sean Conley, Assistant Chief of Operations Terry Wygal, District Counsel, Mr. Ira Coveler, of Coveler & Peeler, P.C., Melissa Wiggins of Coveler & Peeler, P.C., Ricardo Martinez of Martinez Architects, and members of the public and Department were also in attendance.

The Board first opened the floor to public comment regarding the proposed property tax rate setting, though none was forthcoming.

There being no public comment related to the proposed 2023 property tax rate, the Board unanimously agreed to conclude the Public Hearing.

The Board then discussed the District's proposed 2023 tax rate. Mr. Coveler presented the Board with various tax rate scenarios based on the Harris County Appraisal District's rate calculations, advising that any rate adopted above the de minimis rate of \$0.095042 would automatically trigger a tax rate election to take place on November 7, 2023. The rates as presented already included calculations for the District's previously adopted exemption categories including homestead, over the age of 65 and disability. Mr. Coveler then reviewed the ballot language required for the District to participate in the November 7th election, which is prescribed by Tax Code §26.07(c).

Mr. **CLARKE** then inquired as to the District tax rate if the ballot measure to raise the District's rate was unsuccessful in November. Mr. Coveler advised that upon losing the tax rate election, the District's rate would automatically revert to the voter approval rate of \$0.092404 per \$100 valuation, and would cost the district lost ad valorem revenues as well as all costs related to the election. Mr. Coveler stated that the estimated election cost was approximately \$124,000 including Harris County costs, newspaper publication costs and legal fees. Mr. **RICE** expressed concern over the stated revenue and election costs when compared to the potential gain of a higher tax rate. Chief Mulligan then stated the previously proposed 2024 budget was created based on a figure lower than the de minimis rate, which would even now increase the District's revenue by \$100,000.

At this time, Commissioners **RICE** and **BOLLUM** stated their interests in the de minimis rate of \$0.095042, as many citizens were currently struggling financially, and might not appreciate a perceived rise in District taxation. Mr. Coveler informed the Board that an educational campaign could be conducted to inform the public about the use of potential increased funds, as long as the materials were purely educational and did not advocate for a vote either for or against the measure.

Commissioner **CLARKE** then stated his preference to maintain the prior year's rate of \$0.10 per \$100 valuation, as the potential benefit of winning the election far outweighed the potential fallout from a lowered revenue rate. He further stated that based on the ballot language, voters would be informed that last year's rate and the newly proposed rate would be the same figure and thus they would be likely to vote in the District's favor.


At this time, Mr. **CLARKE** made a Motion, seconded by Mr. **CONE** to adopt a District tax rate of \$0.10 per \$100 valuation. Commissioner **BOLLOM** again cautioned against adopting a higher rate based on the previously proposed budget, as the loss of potential revenue from the forced adoption of the voter approval rate in the event of an election loss would put the District below budget for the oncoming year. Commissioner **CLARKE** then countered that any loss would likely be proportionately replaced by sales tax or some other revenue. There being no further discussion, President **TRUVER** called for a vote, and the Motion passed by a vote of 3 to 2, with Commissioners **Mr. TRUVER**, **Mr. CLARKE** and **Mr. CONE** voting in favor of the proposed \$0.10 per \$100 and **Mr. RICE** and **Mr. BOLLOM** opposed.

No action was taken by the Board to cancel the District's upcoming tax rate election, as the District would be participating in the November 7, 2023 general election to raise their tax rate to ten (10) cents per \$100 valuation.

Mr. Coveler next presented an invoice for payment to the Houston Chronicle related to publication costs regarding the District's Notice of Public Hearing in the amount of \$2,540.60. After review, Mr. **BOLLOM** made a Motion, seconded by Mr. **RICE**, to approve payment of the invoice as presented. After discussion, President **TRUVER** called for a vote and the Motion passed by a vote of 5 to 0.

There being no further business brought before the Board, Mr. **CONE** made a Motion, seconded by Mr. **CLARKE**, to adjourn the meeting. Thereafter, President **TRUVER** adjourned the meeting at 8:22 p.m.

The foregoing minutes were passed and approved by the Board of Commissioners on September 18, 2023.


RON CLARKE
District Secretary of the Board