Hays County Emergency Services District No. 5
Kyle Volunteer Fire Department - Station 1 (Miller-Whitaker)
210 W. Moore St. - Kyle, Texas 78640
September 18, 2013 – 6:30 p.m.
Special Meeting and Vote to Adopt Budget and Ad-valorem Tax Rate

Minutes

1. The meeting was called to order at 6:30 p.m. and quorum established with commissioners Mike Fulton, Susan Meckel, Beth Smith and Paul Terry present. Commissioner Eric Holen arrived at 6:35.

2. One public comment on agenda items or other topics related to ESD No. 5 was offered by David Schultz who stated the ESD is doing a great job.

3. Minutes of the previous Regular Meeting and Public Hearings on Proposed Tax Rate August 28, 2013 and September 4, 2013 were read. Motion was made by Paul Terry, seconded by Susan Meckel to approve the minutes of the Public Hearing held August 28, 2013. Susan Meckel, Beth Smith, and Paul Terry voted "aye". Mike Fulton was absent from the August 28th meeting so abstained. Eric Holen was absent. Motion passed. (3 - 0 – 1 abstain – 1 absent)

   Motion was made by Mike Fulton, seconded by Beth Smith to approve the minutes of the Regular Meeting and Public Hearing held September 4, 2013. Mike Fulton, Susan Meckel, and Beth Smith voted "aye". Paul Terry was absent from the September 4th meeting so abstained. Eric Holen was absent. Motion passed. (3 – 0 – 1 abstain – 1 absent)

4. Agenda item was read on Sales and Use Tax collection by HCESD5 and matters related to same, with brief discussion on City Council motion and invitation to the HCESD5 to meet in a joint workshop to discuss items of interest, including sales and use tax collection and other financial and planning considerations. HCESD5 convened into Executive Session with legal counsel, Chief Taylor and Chief Huckaby at 6:34 p.m. ESD Commissioner Eric Holen arrived at 6:34 p.m. Executive Session ended at 7:51 p.m. No action was taken during Executive Session. HCESD5 reconvened into an open meeting at 7:54 p.m. Motion was made by Beth Smith, seconded by Mike Fulton to appoint a committee with ESD Commissioners Eric Holen and Susan Meckel, and Paul Terry as an alternate, Chief Taylor, and legal counsel Ken Campbell to meet with two representatives from the Kyle City Council, their City Manager and their attorney to discuss matters relating to sales and use tax collection and proposed MOU. Discussion was held, with direction to the Committee to try to meet with the City prior to the planned joint workshop of October 3, 2013. Legal counsel cautioned against entering a contract for future sales tax collections prior to the election, or until such time that HCESD5 may choose to collect a greater sales tax amount than the propose one-half cent on the November 5, 2013 ballot. Direction was also given to the Committee to propose that other items of financial or contractual considerations be separated from the proposed MOU for sales tax sharing. Motion passed unanimously. (5 – 0)

5. Discussion was held on organization and structure of District operations, emergency services provision by District, and long- and short-term planning related to same, including reorganization of debt, ownership, and related matters of real and personal property of District and KFD, specifically regarding the existing Long-term Structural and Organizational Committee. No action was required or taken, and Chief Taylor will coordinate with Long-term Structural and Organizational Committee Chair Mark Schultz to schedule future meetings of the committee.

6. Discussion was held on personnel benefits and Chief Taylor gave an overview of the proposed TCDRS pension plan for FY2013-2014. Motion was made by Mike Fulton, seconded by Beth Smith

to include a TCDRS (retirement) plan at 4% as presented but with a 4% contribution from employees and 125% of that matched by the ESD. Discussion was held and Paul Terry offered an amendment to follow Plan 1 with the 1:1 matching contribution from HCESD5. Mike Fulton rejected the amendment. Vote was taken on original motion and Mike Fulton and Beth Smith voted "aye", and Eric Holen, Susan Meckel and Paul Terry voted "nay". Motion failed. (3 – 2 - 0)

New motion was made by Paul Terry, seconded by Eric Holen to include TCDRS Retirement Plan 1 with a 4% employee contribution and 100% (1:1) ESD Contribution. Motion passed unanimously. (5 – 0)

7. Discussion was held on proposed budget for FY 2013-2014 and matters relating to same. Chief Taylor will check on bonding requirements for signatories, but proposed budget contains adequate funding for all anticipated expenses. No action required.

8. Discussion was held on adoption of budget for Hays County ESD No. 5 for FY 2013-2014. Motion was made by Mike Fulton, seconded by Paul Terry to adopt Budget Revision 3 as presented for a total of $2,204,704.00. Motion passed unanimously. (5 – 0)

**Note – in preparing the minutes, Secretary noticed page 2 of Budget Revision 3 contains a typographical error stating FY 10/1/12-9/30/13 which should read FY10/1/13-9/30/14. Additionally, income is listed at $2,204,704.00 and expense is $2,204,703.00, presumably due to rounding errors and should be corrected.*

9. Discussion was held on proposed adoption of ad-valorem tax rate for Hays County ESD No. 5 for FY 2013-2014. Motion was made by Mike Fulton that the property tax rate be increased by adoption of a tax rate of ten cents per hundred dollars valuation which is effectively a 1.32% increase in the tax rate. Motion was seconded by Paul Terry. Motion passed unanimously. (5 – 0)

10. No discussion was held or action taken on matters relating to personnel.

11. No discussion was held on updates and old business.

12. Discussion was held to set special workshop and/or meeting sessions. Motion was made by Beth Smith seconded by Eric Holen to accept the invitation of a joint workshop with the City of Kyle to be held October 3, 2013. Motion passed unanimously. (5 – 0)

13. The meeting was adjourned at 8:27 p.m.

Respectfully submitted,

Susan Meckel, Secretary
HCESD5

DRAFT