

**MINUTES OF THE PUBLIC HEARING AND REGULAR MEETING OF
THE
BOARD OF COMMISSIONERS OF THE
JEFFERSON COUNTY EMERGENCY SERVICES DISTRICT NO. 1**

A Public Hearing and a Regular Meeting of the Board of Commissioners of the Jefferson County Emergency Services District No. 1 (“District”) was called at 6:00 p.m. on the 21st day of September 2020, at the 13550 River Oaks Blvd., Beaumont, Texas 77713, pursuant to notice duly posted according to law.

This meeting was held pursuant to the May 12, 2020 Order by the Governor of the State of Texas to allow Commissioners, staff, and members of the public to participate in the Regular Meeting by conference call. In addition, a recording of the meeting was made and is available to public.

The roll was called of the Commissioner on the Board, to-wit:

Commissioners	Position
John Johnson	President
Hoyt Simmons	Vice-President
Mark Zambardino	Treasurer
Brett Weldy	Secretary

All said members were present; thus constituting a quorum. In addition to the above-named Directors, the following persons were also present:

Attendee	Position
Chief Chris Gonzales	Administrator
Mrs. Julie LaFlamme	Assistant Administrator
Mr. Hubert Oxford, IV	Benckenstein & Oxford, LLP
Mr. Robert Ring	Department

PUBLIC HEARING

Upon establishing that a quorum was present, President Johnson called the Public Hearing to order and advised that the Public Hearing had been posted in the Examiner pursuant to Section 26.05 of the Texas Tax Code. (*See Exhibit "A-PH"*).

Agenda Item No. 3 - Public Hearing regarding the District's proposed fiscal year 2020-2021 budget and 2020-2021 ad valorem tax rate.

He then called on Attorney Oxford to provide a recommendation on the tax rate for 2020-2021. Per Attorney Oxford, during the last legislature, the political subdivisions that issue a property tax must follow the rules set forth in Section 26.052 of the Texas Tax Code. According to Attorney Oxford, the changes affect the names of the various tax rates and the implications for adopting a tax rate above the No New Tax Rate (i.e., Effective Tax Rate). For this year, the No New Tax Rate is \$0.077142 and the Voter Approved Rate, which was previously known as the Effective Tax Rate is \$0.079841. He then explained that even though the Voter Approved Rate was less than the 2019-2020 rate of \$0.080231 per \$100.00, the proposed rate adopted by the Board during the August Regular Meeting was above the 2020-2021 No New Tax Rate that was set at \$0.077142. As a result, the recent amendments to the Section 26.052 of the Property Tax Code requires a motion be made that states:

"I move that the property tax rate be increased by the adoption of a tax rate of \$0.079841, which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue tax rate) 3.38 percent increase in the tax rate."

Attorney Oxford then presented those in attendance with the following information to assist in understanding the revenue generated by the No New Tax Rate and the Voter Approved Rate compared to the 2019-2020 approved tax rate.

[INTENTIONALLY LEFT BLANK]

2019-2020-Tax Rate						
COUNTY	CERTIFIED TAXABLE VALUE (Adjusted)	Per \$100			Tax Rate	REVENUE
JCESD No. 1	\$222,588,851.00	+ 100	\$2,225,888.51	X	.080231	\$178,585.26
2020-2021-No New Tax Rate (Effective Tax Rate)						
COUNTY	CERTIFIED TAXABLE VALUE (Adjusted)	Per \$100			NNTR	REVENUE
JCESD No. 1	\$231,504,943.00	+ 100	\$2,315,049.43	X	0.077142	\$178,587.54
2020-2021-Voter Approved Tax Rate (Le., Rollback Rate) (1.035 * NNTR)						
COUNTY	CERTIFIED TAXABLE VALUE (Adjusted)	Per \$100			VATR	Revenue
JCESD No. 1	\$231,504,943.00	+ 100	\$2,315,049.43	X	0.079841	\$184,835.86

According to Attorney Oxford, if the District adopts the Voter Approved Tax Rate of \$0.079841, it is estimated to generate approximately \$6,250.00 more than the 2020-2021 No New Tax Rate or the 2019-2020 tax rate. Given the District's equipment needs and desire to hire paid firefighters on the weekends, he recommended that they approve the Voter Approved Tax Rate.

President Johnson then called on staff and Attorney Oxford to present the 2020-2021 budget for the upcoming year. (See Exhibit "B-PH"). Attorney Oxford reminded the Board that the preliminary budget for the upcoming year was approved by the Commissioners at the prior meeting and asked if there were any changes. Mrs. LaFlamme then stated that there was one possible change involving the District's Worker's Compensation. According to Mrs. LaFlamme, she recently received the premium for the insurance, and it was twice as high as the previous year and the amount set forth in the proposed budget discussed at the August 24, 2020 Regular Meeting. Mrs. LaFlamme explained that she called the agent to find out why the premium increased and was told it was due to increased cancer claims among firefighters. She stated that she then explained to the agent several reasons why the basis for the increase do not apply to the District and was waiting on a reply. The Board agreed to move forward with the budget as proposed in August and agreed to amend if necessary.

At 6:19, President Johnson called for a motion to adjourn the Public Hearing. Commissioner Hoyt Simmons made a motion to adjourn the Public Hearing. This

motion was seconded by Commissioner Brett Weldy and unanimously approved by all the Commissioners present.

REGULAR MEETING

Immediately, following, President Johnson then asked the Board to open the Regular Meeting. He then announced that all Board members were present, and then called on Commissioner Simmons to lead the group in prayer. Since there was no Public Comment, President Johnson asked the Board to move to the Agenda Items.

Agenda Item No. 5 – Discuss and take-action, if necessary, on appointment of officers.

President Johnson called on nominations for officers. It was agreed by all the Commissioners that the current slate of officers worked well for the District and that everyone should remain in the existing positions.

With this said, a motion was made by Commissioner Hoyt Simmons, which was seconded by Commissioner Brett Weldy, and the unanimously approved by all the Commissioners present, that the current roster of officers for 2020-2021 remain the same as 2019-2020 and set forth above.

Agenda Item No. 6 – Approve Prior Minutes

The President then requested that the Commissioners review the minutes of the August 24, 2020 Regular Meeting. The President asked if there were any corrections or additions but there were none.

Upon motion by Commissioner Mark Zambardino, which was seconded by Commissioner Hoyt Simmons, and the unanimous vote of all the Commissioners present, approved minutes of the August 24, 2020 Regular Meeting.

Agenda Item No. 7 - Review and approve and take-action, if necessary, on approving financial statement; authorize payment of invoices; and amending the budget.11.54

Assistant Administrator LaFlamme reported that at the beginning of August 2020, the District had \$273,166.98 in its checking account. During the month of August 2020, the District received \$3,161.90 in tax deposits; and \$2.35 in bank

interest. After considering the \$8,581.65 in checks approved, the ending balance in the District's checking account at the end of the month was \$267,749.58. In addition, the District's balance in its savings account increased by \$0.23 to \$27,470.52 which brought the total liquid assets of the District to \$295,220.10, as of August 31, 2020. (See Exhibit "A-1-RM").

Mrs. LaFlamme also presented the Department's financial summary. In August 2020, the Department's balance was once again reduced by \$12.50 to \$9,987.50 due to an inactive use bank fee. As in the prior month, the Department's saving account remained at \$8,475.02. In total, for August, the Department's balance in both accounts amounted to \$18,450.02. (See Exhibit "A-1-RM").

Mrs. LaFlamme then asked the Commissioners to review the invoices that have been paid via auto withdraw since the last meeting and the outstanding invoices to be paid at the current meeting. Per Mrs. LaFlamme, the expenses paid following the August 2020 meeting and the invoices to be paid at the meeting totaled \$24,041.09. This month, the bills were higher than usual because the District paid the vehicle and liability insurance; a portion of the Worker's Compensation invoice; and the dispatch fee of \$3,300.00 to Orange County Emergency Service District No. 2. Below is the complete list of all the invoices to be paid:

Paid @ September 2020 Meeting					
Payee	Category	Check #	Date Incurred	Date Paid	Amount
AT&T	OE-10 Telephone Service (Phone/Fax/Security)	AUTO	8/31/2020	9/9/2020	\$130.78
CenterPoint Energy	OE-17 Utilities (Electric & Gas)	AUTO	8/31/2020	9/9/2020	\$41.78
Entergy	OE-17 Utilities (Electric & Gas)	1964	8/31/2020	9/21/2020	\$198.60
The Examiner	AE-6 Office, Postage, Operations, Misc.	1965	9/3/2020	9/21/2020	\$330.00
Jefferson Central Appraisal District	AE-7 JCAD Fees	1966	9/1/2020	9/21/2020	\$84.14
VFIS of Texas	OE-2 Vehicle, A&S & Contents Pkg Insurance	1967	9/16/2020	9/21/2020	\$9,622.00
VFIS of Texas	OE-2 Vehicle, A&S & Contents Pkg Insurance	1968	9/3/2020	9/21/2020	\$2,921.00
Orange County ESD#2	OE-28 Dispatch (OCESD No.2)	1969	9/13/2020	9/21/2020	\$3,300.00
Card Service Center	OE-6 Fuel	1970	8/31/2020	9/21/2020	\$233.45
Card Service Center	OE-29 Meals	1970	8/31/2020	9/21/2020	\$23.57
Card Service Center	OE-23 Station Maintenance	1970	8/31/2020	9/21/2020	\$81.57
Elite Card Payment Center	AE-12 Dues	1971	8/31/2020	9/21/2020	\$45.00
Elite Card Payment Center	OE-18 Internet & TV	1971	8/31/2020	9/21/2020	\$95.70
Elite Card Payment Center	OE-29 Meals	1971	8/31/2020	9/21/2020	\$168.34
Elite Card Payment Center	OE-23 Station Maintenance	1971	8/31/2020	9/21/2020	\$107.17
Elite Card Payment Center	OE-4 Vehicle Main/Repair/Pump Recertification	1971	8/31/2020	9/21/2020	\$695.39
Texas Mutual	OE-3 Workman's Comp. Insurance	1972	09/16/20	9/21/2020	\$548.61
John Stone - Unit #171	OE-25 Paid Salaries	1973	09/16/20	9/21/2020	\$968.00
Greg Holloway - Unit #174	OE-25 Paid Salaries	1974	09/16/20	9/21/2020	\$152.00
Ehren Davis - Unit #177	OE-25 Paid Salaries	1975	09/16/20	9/21/2020	\$152.00
Gabe Luke - Unit #183	OE-25 Paid Salaries	1976	09/16/20	9/21/2020	\$304.00
Brandon Lee	OE-13 Fire Training (Fire Related, Extrication Classes & Misc.)	1977	09/08/20	9/21/2020	\$100.00
Emergency Training Enterprises	AE-3 Firefighter Coordinator	1978	08/31/20	9/21/2020	\$100.00
Joshua C. Heinz - Attorney	AE-4 Legal Expenses	1979	08/31/20	9/21/2020	\$350.00
Hubert Oxford, IV - Attorney	AE-4 Legal Expenses	1980	08/31/20	9/21/2020	\$350.00
Chris Gonzales - Administrator	AE-13 Staff	1981	08/31/20	9/21/2020	\$2,400.00
Julie LaFlamme - Assist. Admin.	AE-13 Staff	1982	08/31/20	9/21/2020	\$500.00
Verizon	OE-18 Internet & TV	AUTO	08/31/20	9/26/2020	\$37.99
					\$24,041.09

Once the discussion on the financials and invoices concluded, Attorney Oxford reviewed the cash flow and budget through August 31, 2020 and a final year end budget. Thereafter, Attorney Oxford and staff, reviewed each line item change and provided the Commissioners with an explanation of the reason for any changes. Overall, Attorney Oxford explained that the amendments reduced the income 5.17% from the previous budget amendment because the District and the Department did receive the budgeted grants funds that were anticipated. On the expense side, the Administrative budget increased 19.33% because the Administrator’s salary increased from \$500.00 per month to \$2,400.00 per month. Meanwhile, the Operational expenses decreased 11.54% because the paid salaries decreased because the Administrator is assuming several shifts per month. Overall, the total expenses went down 4.49%. In conclusion, once the amendments to the final budget were made, the reserves decreased \$2,087.07 to \$14,815.16. (See Exhibit “A-2-RM”). A summary of the recommended budget amendments is as follows:

October 1, 2019 - September 30, 2020					
Category		Actual Oct. 1-July 31	Budget Amend.-1	Budget Amend.-2	% Diff. bw. 1st Amended and Final Budget
Income Total		\$181,052.96	\$194,568.20	\$184,511.94	-5.17%
Administrative ("District") Expenses		Actual Oct. 1-July 31	Budget Amend.-1	Budget Amend.-2	% Diff. bw. 1st Amended and Final Budget
AE Total		(\$37,726.27)	(\$40,598.00)	(\$48,446.41)	19.33%
Operations ("Department") Expenses		Actual Oct. 1-July 31	Budget Amend.-1	Budget Amend.-2	% Diff. bw. 1st Amended and Final Budget
OE TOTALS		(\$90,653.74)	(\$137,067.97)	(\$121,250.37)	-11.54%
Total Expenses		(\$128,380.01)	(\$177,665.97)	(\$169,696.78)	-4.49%
Net Revenue		\$52,672.95	\$16,902.23	\$14,815.16	-12.35%

At the end of the discussion of the finances, invoices to be paid and the suggested budget amendments, Commissioner Hoyt Simmons made a motion to approve the financials, invoices, and Budget Amendment-2 set forth in Exhibit “A-1-RM” and Exhibit “A-2-RM”. This motion was seconded by Commissioner Mark Zambardino and unanimously approved by all Commissioners present.

Agenda Item No. 8 - Discuss and take-action, if necessary, to adopt the District's fiscal year 2020-2021 budget.

Since this Agenda Item was discussed at length in the Public Hearing, President Johnson called on a motion to adopt the District's fiscal year 2020-2021 Budget. Before adopting next year's budget, Attorney Oxford presented the Board with documents to sign to adopt next month's budget. (See Exhibit "B-RM").

Thereafter, a motion was made by Commissioner Mark Zambardino to adopt the preliminary budget for 2020-2021 set forth in Exhibit "B-RM". This motion was seconded by Commissioner Hoyt Simmons and unanimously approved by all the Commissioner's present.

Agenda Item No. 9 - Discuss and take-action, if necessary, to set the District's 2020-2021 ad valorem tax rate.

As with Agenda Item No. 8, the Board did not discuss this agenda item because it was previously discussed during the Public Hearing. Attorney Oxford reminded the Board that since the tax rate was going to be higher than the No New Tax Rate, a special motion needed to be made as required by the Texas Tax Code Section 26.05(b). He then presented the Board with a packet of documents that needed to be signed once the tax rate was approved (See Exhibit "C-RM").

Commissioner Hoyt Simmons then made a motion that the property tax rate be increased by the adoption of a tax rate of \$0.079841, which is effectively a 3.38 percent increase in the tax rate. This motion was seconded by Commissioner Brett Weldy and unanimously approved by all the Commissioner's present.

Agenda Item No. 10 -Discuss and take-action, if necessary, action on adopting 2020-2021 tax rate form and other information/materials to be submitted to the Jefferson County Tax Assessor-Collector.

No action was taken.

Agenda Item No. 11 - To review, discuss, and take any needed action regarding: 1) staffing; 2) purchase and/or 3) repair requests submitted by the Volunteer Fire Department.

No action was taken.

Agenda Item No. 12 - To review, discuss, and take any needed action regarding applying and/or accepting grants.

The Chief reported that the Department reapplied for another equipment grant through the Texas Forest Service and received a 75/25% grant for equipment. The Chief advised that he will bring a list of items to present at the next meeting of the equipment the Department needed. Some of the equipment discussed were hoses, saws, flashlights, etc. In addition, the Chief reported that he submitted a second grant through the Texas Forest Services for \$10,000.00 and no matching funds for training.


No action was taken.

Agenda Item No. 13 Chief's Report

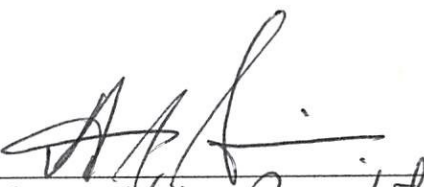
Gonzales presented the July 2020 and August 2020 Chief's report. (See Exhibit "D-RM" and "E-RM"). In July, the District made seventeen (17) calls of which seven (7) calls were made to one residence due to a special need's resident and an elderly mother who were unable to care for themselves. Since then, both have been moved from the house. In August 2020, the District made nineteen (19) calls. Of the calls made, seven (7) were medical transport assists; one (1) fatality from a head on collision; one small fire due to an electrical problem; and several cancelled calls.

There being no other matters to discuss, President Johnson thanked the Commissioners for attending and then set the next meeting for Monday, October 26, 2020 at 6:00 p.m. Since there were no other matters to come before the Commissioners, Commissioner Hoyt Simmons made a motion to adjourn the meeting at 6:50 p.m. This motion was seconded by Commissioner Mark Zambardino and was unanimously approved by all the Commissioners.

ATTEST TO:



Position: PRESIDENT
Date: 10-26-2020



Position: Vice-President
Date: 10/26/20