



Montgomery County Emergency Services District No. 10

DATE: August 8, 2019

THE BOARD OF COMMISSIONERS OF MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 10 (the "District") met in a regular session, open to the public, at the Magnolia Volunteer Fire Department, Station 181, 18215 Buddy Riley Blvd, Magnolia Texas 77354 on Thursday, August 8, 2019 at 1:00 p.m. inside the boundaries of the District.

AGENDA ITEM:

1. Call Meeting to order

At 1:17 p.m., Commissioner Buschardt called to order the Regular Meeting of the Montgomery County Emergency Services District #10 (the "District") and the roll was called of the duly appointed officer's to-wit:

2. Roll Call, Pledge of Allegiance, Pledge of Texas and Invocation.

COMMISSIONER	BOARD POSITION	
Robert Buschardt	President	Present
Scot Wall	Vice President	Present
Johnnie Bryant	Secretary	Present
Tate Robinson	Treasurer	Present
Tommy Gage	Assistant Secretary/Treasurer	Present

All 5 Commissioners were present thus constituting a quorum.

Also present were Magnolia Volunteer Fire Department ("MVFD" or "the Department") Fire Chief Gary Vincent and Office Manager Rhonda Reinholz, Deputy Gordon, Cathy Branco of Municipal Accounts & Consulting LP, District legal counsel John Peeler of Coveler & Peeler, PC, Ryan Fortner with Sales Revenue Inc, and Michelle Valencia with Wells Fargo Bank.

Commissioner Buschardt led the Board in the Pledge of Allegiance.

Commissioner Bryant led the Pledge to Texas.

The Invocation was given by Commissioner Wall.

3. To receive public comment.

There was no public comment.

The Board agreed to take items out of order as posted on the Agenda and moved to item #5 before addressing item #4.

5. To address financial matters including depositories, Investment Policy and investments and to receive Financial Reports from the District Bookkeeper.

Ms. Branco presented the Bookkeeper's Report including a listing of the disbursements presented, for the Board's approval and signature.

A copy of the Bookkeeper's Report for August 8, 2019 is attached hereto as **EXHIBIT A**.

Upon a motion duly made by Commissioner Wall and seconded by Commissioner Gage, the Board unanimously approved the payment of district bills as presented in the Bookkeeper's Financial Report with the addition of check numbers:

2219 VOID;

2220 to Sales Revenue Inc. in the amount of \$2,500.00 for Sales Tax Tracking billing;

2221 to Casco Industries in the amount of \$2,523.00 for Booster 187 equipment and Auto Ejects for 3 new Command Vehicles;

2222 VOID;

2223 VOID;

2224 to Hickory Corral in the amount of \$89.52 for August meeting expense;

2225 to Kim Gordon in the amount of \$160.00 for security services at August meeting;

2226 to Coveler and Peeler in the amount of \$3,165.10 for July Legal Fees.

Ms. Branco requested the Board authorize Municipal Accounts to transfer the Plains State Bank CD maturing 9/6/19 to the Texpool or Texas Class Money Market Fund if the interest rate is higher than reinvesting it with a maturity date no greater than six (6) months.

Upon a motion duly made by Commissioner Bryant and seconded by Commissioner Robinson, the Board unanimously authorized Municipal Accounts to transfer the Plains State Bank CD maturing 9/6/19 to the Texpool or Texas Class Money Market Fund or to reinvest it with a maturity date no greater than six (6) months, whichever has the highest interest rate.

No other action was necessary.

6. To receive a tax report from the District Bookkeeper.

There was no tax report.

7. To receive and review the monthly sales tax report.

Ryan Fortner presented the August 2019 Sales Tax Report prepared by Sales Revenue Inc.

8. To review, discuss and take action on proposed District 2020 budget.

Once the proposed District 2020 budget was reviewed, Commissioner Robinson made a motion to accept the District 2020 adjusted budget and noting changes on line items 14320 and 16320. Commissioner Gage seconded the motion and the Board unanimously approved the motion with Robert Buschardt, Johnnie Bryant, Tommy Gage, Tate Robinson, and Scot Wall voting for the motion.

A copy of the proposed District 2020 Budget is attached hereto as **EXHIBIT B** with a correction to the Maintenance Tax Collection Revenue to reflect the Certified Values instead of Preliminary Values and a correction to Legal Fees.

A copy of the MC – ESD 10 GOF Profit & Loss January through December 2019 is attached hereto as **EXHIBIT C**.

A copy of 2019 Tax Rate Scenarios is attached hereto as **EXHIBIT D**.

A copy of the Estimate of Value-Tax Calculation for 2019 Tax Year-Tax Rate for Montgomery ESD No. 10 with 0.1000 Tax Levy for 2019 is attached hereto as **EXHIBIT E**.

Commissioner Bryant exited the meeting at 1:55 pm.

Commissioner Bryant returned to the meeting at 2:01 pm.

Commissioner Robinson exited the meeting at 2:20 pm.

Commissioner Robinson returned to the meeting at 2:21 pm.

9. To review and take action on the 2019 Tax Rate, including action to adopt a rate at or below the Effective Tax Rate or to propose a rate above the Effective Tax Rate and to schedule public hearings and to authorize publication of newspaper notices required by the Tax Code.

Once the tax rate information was reviewed, Commissioner Bryant made a motion to propose a property tax rate of \$.10/\$100 of taxable value, which is above the effective tax rate. Commissioner Buschardt seconded the motion and the Board approved the motion with Robert Buschardt, Johnnie Bryant, Tommy Gage, Tate Robinson, and Scot Wall voting for the motion. Of the five (5) said commissioners, all were voting in favor, none voting against, none present and not voting, and none absent where to the Board unanimously approved the tax adoption schedule of public hearings on August 22nd at 2:00 pm, and August 29th at 2:00 pm, with the final action taken to adopt the rate on September 12, 2019 at 2:00 pm of which all meetings will be held at the Magnolia Volunteer Fire Department located at 18215 Buddy Riley Blvd, Magnolia Texas 77354, thereto the Board authorized Mr. Peeler to coordinate with the Tax Office on the required notices. The Commissioners of Montgomery County Emergency Service District No. 10 proposes to use the increase in total revenue for the purpose of capital improvements and acquisitions (fire stations, fire fighting vehicles and equipment) and to maintain manpower levels necessary to meet current and projected fire and rescue call volume at the level of service expected by the District's residents.

A copy of the following reports are attached hereto as **EXHIBITS B, C, D, & E**;

B) MC ESD 10 - GOF Proposed Budget FYE 2020 with noted adjustments

C) MC – ESD 10 – GOF Profit & Loss January through December 2019

D) 2019 Tax Rate Scenarios

E) Estimate of Value-Tax Calculation for 2019-Tax Rate for Montgomery ESD No. 10 with 0.1000 Tax Levy for 2019

10. To review and act on the payment of operations funding pursuant to budget and service agreement with the Department.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage, the Board unanimously approved the payment of Operation's Funding as presented in the Bookkeeper's Report which was check number 2213 in the amount of \$694,483.01 for Payroll Transfer 09/2019 Payroll and check number 2214 in the amount of \$97,983.34 for Maintenance & Operations Transfer 09/2019.

A copy of the Bookkeeper's Report August 8, 2019 is attached hereto as **EXHIBIT A**.

11. To review and act to approve the purchase, funding and payment for capital assets, including vehicles, fire-fighting apparatus and equipment.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage, the Board unanimously approved the payment of check number(s):

2209 to Magnolia Volunteer Fire Department in the amount of \$8,118.46 for the repair of Engine 189;

2216 to Plastix Plus in the amount of \$3,086.94 for Center Console for 3 Command Vehicles;

2217 to Raba Kistner in the amount of \$512.05 for Materials Testing for Station 184 Concrete Repair;

2218 to Waytek Inc. in the amount of \$495.52 for Wiring for 2 New Tankers;

2221 to Casco Industries in the amount of \$2,523.00 for Booster 187 equipment and Auto Eject for 3 Command Vehicles.

Discussion ensued on the purchase of 2 New Tankers where to Commissioner Bryant made a motion that was seconded by Commissioner Robinson, and the Board unanimously approved to authorize the funding of the purchase of the 2 new trucks scheduled for delivery on or about September 1, 2019 upon receipt of the said trucks and the funding of acquisition financing funds to be provided by the lender selected in Item 12.

Michelle Valencia from Wells Fargo requested the 2018 Audit from Municipal Accounts in order to perform an annual review of the District's accounts.

The meeting was recessed at 3:08 pm.

The meeting reconvened for regular business at 3:41 pm.

12. To review and take action on financing for capital purchase of fire-fighting apparatus.

The District's legal counsel presented lending proposals from Trustmark Bank, Community Leasing Partners, and First Financial Bank.

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage the Board unanimously chose Community Leasing Partners for a term of seven (7) years for a total of seven (7) payments to fund the purchase of 2 new tankers.

13. To receive a report and act as appropriate to revise District and/or Department current year operating and/or capital budgets pursuant to Department quarterly re-allocations and/or other matters.

No action was necessary.

14. To receive a report from Magnolia Volunteer Fire Department ("MVFD") regarding the good and welfare of the Fire Department and act on requests for equipment and expenses for the Department.

Fire Chief Gary Vincent presented the Fire Chief's MVFD and ESD August 2019 Board Reports and handouts with special mention to the Board about the following topics:

- We are down to the Finalist for the Assistant Office Manager position. We had 235 applicants and were able to recruit some very talented individuals. We have made a job offer and hope to introduce you to the new Assistant Office Manager next month!
- We are outfitting the 3 new Command vehicles and progress continues.

- We are up and running on Twitter, Instagram, Facebook and have had our first major news story on Channel 11, when we saved three dogs. Our Facebook page has over 1000 followers already! Our website has also been updated with more updates to follow. We are definitely on the right track moving forward.
- Booster 187 is now in service! Another step in the right direction!
- Work on the 2020 budget continues.
- The PO for the Privacy Fence at Station 184 has been issued.
- The new Raincoats for our members have been ordered.
- Discussions on the property around 187 continues.
- The three ice boxes for Station 181 have been ordered. Thank you!!!
- We conducted the final inspection on new Tankers 188 and 189. They looked good and we will continue to monitor them moving forward. Delivery is expected later in August with payment due in September.
- We will be going out for quotes on Rescue 18 soon. The specs are 99% completed. After we receive pricing, we will discuss the items in much more detail.
- We hosted a major press conference for Congressman Kevin Brady as he introduced HB3934 The Equal Treatment of Public Servants Act of 2019 to the community. Congressman Brady has long championed the issue to treat public servants the same as all other Americans who pay into Social Security.

15. To receive a financial report from the MVFD.

Fire Chief Gary Vincent presented the July 2019 3rd Quarter Rolling Budget and July 31, 2019 GL.

16. To review and act on any municipal action(s) affecting the District and provision of District services.

No action was necessary.

17. To review, discuss and act on the sale or disposal of surplus and/or salvage property.

No action was necessary.

18. To review and act on real estate matters, including but not limited to purchase, sale, utilities, encumbrances and/or easements.

Upon discussion of this topic no action was necessary.

19. To receive a report and act on improvements, repairs, maintenance and construction of District facilities, including utilities, construction payments, engagement of architectural or engineering services and selection of contractors.

No action was necessary.

20. To review and act on employment/personnel issues, including hiring, retention, compensation, benefits and scheduling for District employees, including administrative staff, Fire Chief, suppression staff and command staff.

Ms. Reinholz explained the Dental Select vision policy renewal date is September 1, 2019 moreover the renewal is necessary to maintain vision coverage until the following renewal or in combination with the subsequent medical and dental renewals. Ms. Reinholz suggested to combine the medical, dental, and vision renewals. The Board was in agreement with the 9/1/19 Dental Select renewal and to combine the medical, dental, and vision renewals as suggested by Ms. Reinholz.

21. To review and act on District administrative procedures and policies, including matters related to public access to District facilities and procedures for providing material to the Board for review and action at meetings.

Upon discussion of this topic no action was necessary.

22. To engage special counsel to assist with real estate issues.

No action was necessary.

The Board agreed to take items out of order as posted on the Agenda and moved to item #4 before addressing item #23.

4. To approve the Minutes of prior meeting(s).

Upon a motion duly made by Commissioner Robinson and seconded by Commissioner Bryant, the Board unanimously approved the corrected Minutes of the District's Regular Meeting held July 18, 2019.

23. To meet in Closed Session, pursuant to Government Code §551.071 to consult with legal counsel regarding pending or contemplated litigation, settlement offers or on matters which require confidentiality under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and Tax Code §323.3022 to discuss sales tax matters.

The Board entered into Closed Session at 4:16 pm and reconvened for regular business at 4:43 pm.

24. To meet in Closed Session pursuant to Government Code §551.072 to deliberate regarding real estate matters.

The Board entered into Closed Session at 4:16 pm and reconvened for regular business at 4:43 pm.

25. To meet in Closed Session pursuant to Government Code §551.074 to discuss personnel matters.

The Board did not enter into Closed Session.

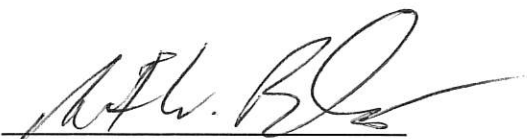
26. To meet in Closed Session pursuant to Government Code §551.089 to deliberate regarding security assessments or deployments relating to information resources technology, network security information, or the deployment, or specific occasions for implementation, of security personnel, critical infrastructure, or security devices.

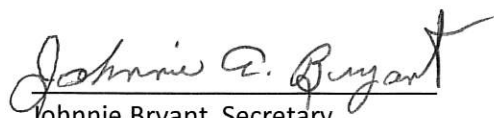
The Board did not enter into Closed Session.

24. ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Commissioner Robinson and seconded by Commissioner Gage, the Board unanimously approved adjourning the meeting at 4:45 pm.

Next regularly scheduled meeting will be on September 12, 2019 at 2:00 pm.


Robert Buschardt, President


Johnnie Bryant, Secretary

