

# *West Lake Limestone VFD And Emergency Services District #2*

**e-NEWSLETTER – 1<sup>ST</sup> QTR. FEBRUARY 2020**

## **STRATEGIC PLAN 2020-25: The Needs**

Through last fall's strategic planning effort, several needs were identified and prioritized for improving and sustaining the emergency services in our district. (See Notes: "Strategic Plan 2020-2025.")

We need:

- A tender to shuttle firefighting water from our stations to fire scenes. A tender is a water tanker truck specifically designed for the fire service. (See Notes: "Tender use in rural water supply.")
- To complete the construction of Station #3 on FM 3371 to house both a fire engine and brush truck. (See Notes: "Station #3 improvements.")
- To add a laundry facility to Station #1, the main fire station, on FM 937 to address health and safety requirements for firefighters. (See Notes: "Cancer-causing, combustion products in personal protective gear.")
- To establish and fund a vehicle replacement/acquisition fund to ensure that the WLLVFD always has a certified fleet of emergency response vehicles. (See Notes: "Service life of fire apparatus.")
- To establish and fund a major equipment replacement fund to ensure that proper protective gear is always available and in use. (See Notes: "Service life of firefighting equipment.")
- To create and fund a recruitment and retention program to sustain the level of professional response in the district. (See Notes: "Maintaining the 'people piece' in VFDs.")

## *Deciding the Future Emergency Services Improvement Opportunity*

### **TIMELY OPPORTUNITY: Capture Sales Tax Revenue Collected by the State**

The strategic planning committee and the ESD commissioners considered ways to fund these needs and elected to not seek an increase in property taxes in the district. Instead, we became aware of a timely opportunity and identified a viable solution.

The opportunity arose because of actions at the federal and state levels.

- In 2018 the U.S. Supreme Court ruled that states could require that businesses engaged in online commerce collect and remit sales taxes. (See "*South Dakota v. Wayfair*.")
- In 2019 the Texas legislature passed two laws that cover online, remote sales tax issues and established a uniform sales tax that includes both state and local components. (See "*Texas and online sales tax revenue*.")

After careful study, the ESD commissioners concluded that sales taxes are frequently being collected on many online purchases at rates that exceed 6.25% and, that in the future, many, if not most, online businesses will be moving toward the new uniform rate of 8.00% (6.25% state plus 1.75% local.) Approval of the voter initiative would mean that the local portion would be included on all allowable purchases, either at 1.75% or 2.0%.

We understand that store-front sales in the district are considerably less than online sales because most residents routinely do not "shop" here. Nonfood sales at the store or food eaten at district restaurants and items purchased at our marina would include an increase with the 2.0% local portion. This represents an opportunity for visitors and vacationers to contribute to emergency services as well. We see this as a "fairness factor," sharing the burden as the WLLVFD responds to every emergency call in our area.

Our district has the opportunity to request that the local portion of sales tax revenue collected by the state be returned for our local use to improve and sustain emergency services in our district.

To address the question of capturing a portion of tax revenues going to the state, citizens in our district are called upon to vote in a special election on Saturday, **May 2, 2020** on the following proposition.

### **BALLOT PROPOSITION**

The proposition on the ballot shall be: "*The adoption of a local sales and use tax in Limestone County Emergency Services District #2 at the rate of two percent.*"

### **ELECTION DAY: MAY 2, 2020**

- Where: **Old Union Community Center**  
3575 FM 3371
- When: **May 2, 2020**

### **TOWNHALL MEETING**

- Where: **Main Fire Station** at 6614 FM937
- When: **4:00 p.m., Saturday, February 29.**

If individuals or neighborhood groups have questions about or would like to arrange further discussions of this initiative, please contact Chief McWhirter.

## QUESTIONS AND ANSWERS

### **Q: Who provides our fire and rescue protection and emergency medical response?**

**A:** Limestone County Emergency Services District No. 2 (ESD#2) is the local government responsible for fire protection and emergency medical response in this large district. The ESD#2 partners with the West Lake Limestone Volunteer Fire Department as the service provider.

### **Q: Where does our local ESD currently get its money and how much do they receive?**

**A:** The ESD#2 receives funds generated by a property tax of 4.0 cents per \$100. A home on the tax roll with a taxable value of \$100,000 currently pays \$40.00 a year – a little over \$3 a month. Last year, the county tax office provided net revenues of approximately \$90,000.

### **Q: How much money will the sales tax provide?**

**A:** The ESD estimates this as \$70,000, being around \$20,000 from on-ground sales and approximately \$50,000 from online sales.

### **Q: Could this reduce my homeowner insurance premiums?**

**A:** In Texas, many insurance companies use an independent rating organization – ISO – to rate an area's risk for fire damage. Overall, the lower the risk, the lower the premiums insurers generally charge. The ESD#2 and WLLVFD have been committed to lowering homeowner insurance premiums for ESD#2 residents. Additional revenues should allow us to do more to lower the area's ISO score.

### **Q: Will my household be paying more taxes?**

**A:** If you rarely purchase nonfood items at the store, only occasionally get a BBQ dinner, and don't have your motorcycle repaired locally, then you will contribute little to new on-ground local sales taxes.

The amount you will pay in online sales taxes depends on how much shopping you do on the Internet. Remember that a portion of any increase in online sales taxes results from the new optional 8.0% uniform rate established by the legislature. That option is selected by the remote sellers, the online businesses themselves.

### **Q: What is the intent of this voter initiative?**

**A:** Primarily, the intent is to improve emergency response in ESD#2 by capturing the unassigned, local sales tax portion of revenue being collected by the state. Overall, the ESD and WLLVFD need additional funds to meet their mission of providing emergency services to the citizens in the district and protecting our neighbors in their growing communities.

Our volunteer first responders are dedicated, well qualified individuals. We want to give them the tools to respond to your needs. We want to keep them safe and healthy. We want to keep this highly respected, well-functioning department funded for future generations.

## NOTES

### ***Strategic Plan 2020-2025***

The strategic planning process for the years 2020-2025 began last fall with the formation of a committee with members from both the ESD board and the fire department. It began with a critical review of the 2015-2020 Strategic Plan which was characterized by "improvement and growth." The 2020-2025 Strategic Plan focuses on "improvement and sustainability" as we confront the challenges of both the "equipment piece" and the "people piece" necessary to enhance and maintain the professional level of response expected by our citizens.

### ***Tender use in rural water supply***

Rural areas do not have fire hydrants so these departments must establish alternate sources. Our goal has been to establish a rural firefighting water distribution system within our district and a tender shuttle operation with our mutual aid partners such that the WLLVFD's fire suppression capabilities are significantly improved. We have installed water plants at our three fire stations with a total of **48,000**-gallons of firefighting water. To effectively use that water, we need to efficiently transport it to a fire. This requires a tender! A new tender costs almost **\$400,000**; a good, preowned tender costs around **\$200,000**.

### ***Station #3 improvements***

Station #3 on FM 3371 was built to house a fire engine, the minimum needed to meet ISO-PPC 8b for lower premiums for residents within five miles. For proper fire suppression and medical services that area also needs a brush/rescue truck. The ESD must complete Station #3 with the addition of a two-stall station or another similar, but larger building. Estimated cost: **\$20,000**.



### ***Cancer-causing, combustion products in personal protective gear***

A well-documented concern is the elevated cancer rate in firefighters attributed to cancer-causing residue on their firefighting gear. Procedures and national standards have been established to clean protective clothing after each use. This requires a specific room for use of the "extractor" and for air drying. Estimated cost: **\$30,000**.



### **Service life of fire apparatus**

The recommended useful life of a fire truck is 20-years although volunteer fire departments routinely keep them for 30-years. To replace a “worn-out” fire truck with a “used” one costs around **\$150,000**. If a present truck has only 10-years of useful life, then a savings of **\$15,000/year** is necessary for debt-free replacement. WLLVFD has four front-line four engines and a duty truck that will need to be replaced. Estimated ongoing cost: **\$40,000/year**.

### **Service life of firefighting equipment**

Equipment used by firefighters similarly has finite lifetimes, 10-years for personal protective gear and 15-years for air packs. A set of PPE costs around \$1,200 and an air pack \$5,000. WLLVFD has twelve sets of PPE and twelve air packs subject to regular replacement requirements. Estimated additional cost: **\$5,000/year**.

### **Maintaining the “people piece” in VFDs**

Another equally important and challenging problem for volunteer fire departments is recruiting and retaining individuals from younger generations. What is often needed are incentives that offset the cost of volunteering along with a program that impacts family income. This is critical today as training standards for and certification expectations of first responders have increased. Implementing an incentive program to sustain the current level of professionalism at WLLVFD will require an investment. Estimated cost: **\$25,000/year**.

### **South Dakota v. Wayfair**

In 2018 the U.S. Supreme court ruling in South Dakota v. Wayfair had a dramatic effect on tax laws concerning online commerce. **Six** states had laws governing online sales in 2018; **today only two states do NOT!** Why? In 2000, **1.0%** of all retail sales were online sales; today, that number is **12%**. Legislators saw that sales tax revenues had dropped by over **10%**. As a result, states have responded to recover this “lost revenue.”

### **Texas and online sales tax revenue**

In 2019, the 86th Texas Legislature passed laws requiring collection and remittal of online sales taxes and offered an optional 8.00% uniform sales tax or 1.75% single local tax rate for online, remote sales to “simplify” data collection and reporting for businesses since Texas has over 1600 local taxing jurisdictions. HB1525 created new tax responsibilities for market place sellers and buyers, and HB2153 created a single local tax rate for remote sellers. These laws were effective on October 19, 2019.

The ESD Commissioners suggest that our legislators are correct; many online businesses, if not most, will elect this uniform sales tax option. These new online tax revenues will be collected by Austin and will go into the state coffers. We concluded that the ESD#2 should try to capture this new 1.75% and NOT leave the money in the state’s general fund.

Without a local tax rate, collected local revenues remain unassigned.

### **MISSION OF THE WLLVFD**

*We protect the lives and property of the citizens within our district and those of our mutual aid partners through fire suppression services, medical rescue assistance, and first responder support. We are committed to improving our effectiveness in serving the needs of the residents of our district, county and state. Our goal is to be a model, rural volunteer fire department that identifies and meets the unique challenges experienced in our under-funded, rural county.*

### **MISSION OF THE ESD#2**

*Our mission is to provide a solid foundation for our fire and emergency services stakeholders in prevention, preparedness, and response.*

**Town Hall Meeting**  
**Main Fire Station**  
**6614 FM 937**  
**4:00 p.m.**  
**February 29<sup>th</sup>**

### **CONTACT INFORMATION**

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