

Harrison County Emergency Services District No. 1

Proposition Election Frequently Asked Questions (FAQ)

The Board of Commissioners (the "Board") of Harrison County Emergency Services District No. 1 ("HCESD 1", or the "District") has called for a Sales and Use Tax proposition to be on the election ballot for Saturday, May 3, 2025. If approved by voters, this proposition would authorize a rate not to exceed two percent (2%) to be captured by the District in all areas not yet at the state maximum of 8.25%. If the proposition passes, the funds will be used to address the needs of the District to address the rapid population and commercial growth in the area.

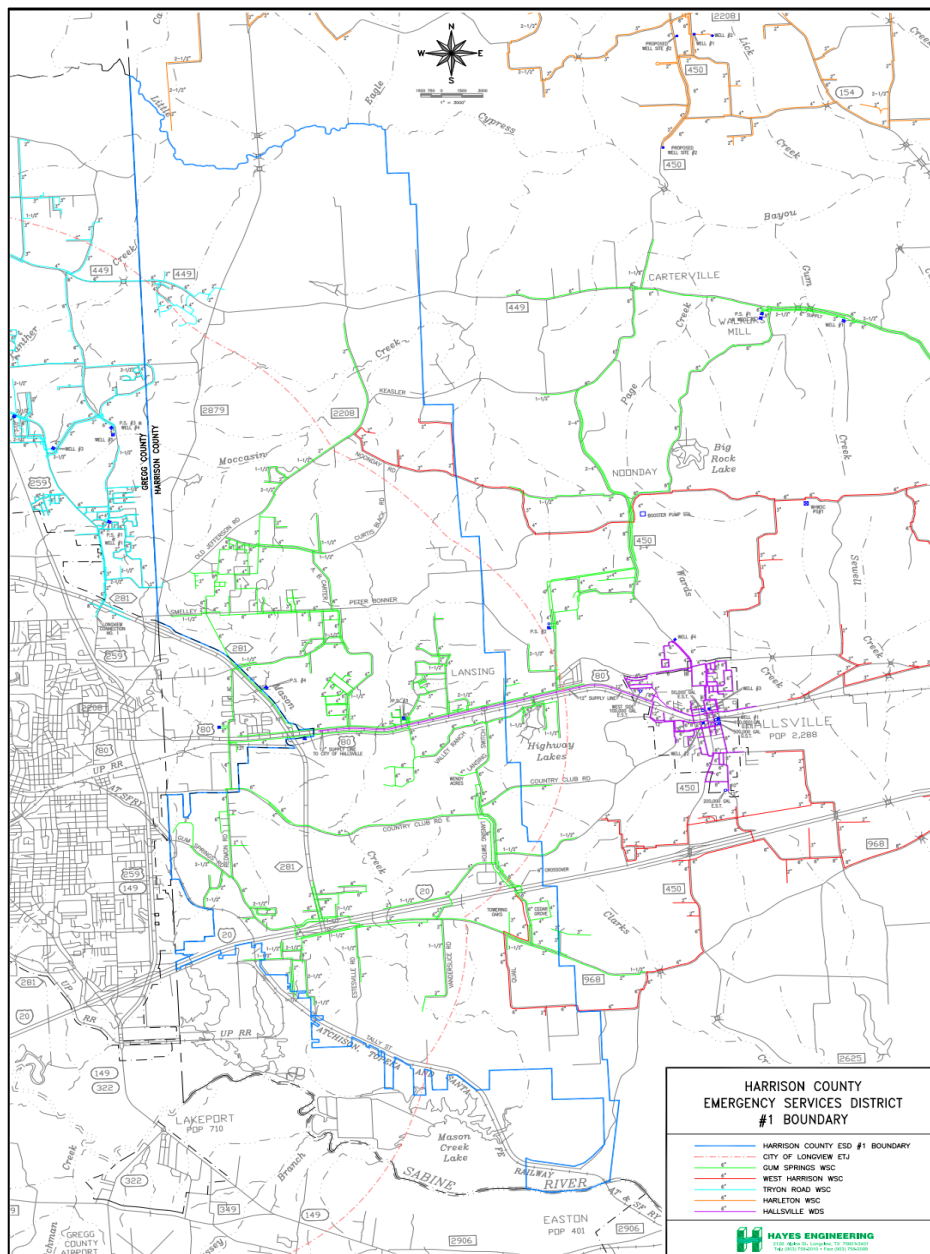
To ensure that residents and other constituents of the District have accurate information regarding the proposed authorization and the Board's goals for the District, answers to common questions are provided below. This page will be updated periodically to address additional questions and provide additional information prior to the election.

What is Harrison County ESD 1?

An Emergency Services District (ESD) is a grass-roots government entity created by voters in an area to fund fire protection, emergency medical services, or both. More than 300 districts are operating in Texas, and more are added at almost every uniform election date.

Harrison County Emergency Services District No. 1 (HCESD 1, the District) is the government entity that collects property tax to fund providing fire suppression to the residents within the District's boundaries, and to neighboring reciprocal mutual aid partners as needed. These taxes fund stations, apparatus, personnel, and equipment the fire department utilizes to provide fire protection for the community.

The taxes collected come from an *ad valorem* tax, commonly known as property tax. Emergency Services Districts are capped by the Texas Constitution at \$0.10 per \$100 of valuation of taxable property; the 2024 tax rate was set at \$0.10 per \$100 of valuation of taxable property. Often, this revenue source alone is insufficient to meet the emergency response needs of districts, and boards seek additional funding outside of property tax.



Why does the District need more funding?

Through sound fiscal management and good stewardship, the Board of Commissioners of HCESD 1 has been able to purchase and maintain the current training, apparatus, and equipment to protect the community up to this point. However, there are three major issues facing the District which require additional funding:

- Additional staff to meet response model goals
- Address replacement firefighter equipment, apparatus loadouts, and new apparatus

- Increase training opportunities and certifications of first responders

As the Board considers the next 5 years of growth and emergency response, long-term strategic goals have been drafted to highlight the next steps in anticipating the needs of the District.

What are the issues facing the district?

HCESD 1 has seen tremendous population and commercial growth over the past decade, with an increase of 6.4% between 2010 and 2022. Because of this growth, the number of calls the District has responded to has increased as well over the last 10 years. HCESD 1 has been using the District's capital reserves to forecast and plan for equipment purchases and maintenance for the foreseeable future, as increased costs for apparatus and longer lead times require more expenditure than in previous years.

Why a Sales Tax?

By levying a Sales and Use Tax, a portion of the funding for emergency services would then be provided by anyone buying taxable goods and services in the District. The current property tax rate approved by voters is \$0.10/\$100 valuation. The District is unable to increase the property tax rate beyond the state maximum, thus the Board of Commissioners has chosen to seek additional funding through sales tax now while it is available to the district.

The Board of Commissioners has considered several sources of additional funding and the best option would be the implementation of a Sales and Use Tax in the District. In Texas, the state captures \$0.0625 (6.25%) on every dollar spent but allows other local government entities to capture up to \$.02 (2%), with a state maximum of \$0.0825 (8.25%), to support community services. If the District levied two percent (2%) Sales and Use Tax, it could supplement the existing funding of emergency services from solely depending on residents' property taxes to those people traveling to and through the HCESD 1 community, who may also use and benefit from local emergency services.

What Happens If the Sales Tax Proposition Fails?

Whether or not the sales tax measure passes, the HCESD 1 Board of Commissioners will continue to serve the residents within the District boundaries, but their ability to address the issues facing the District's growth requirements and staffing goals would be limited, as outlined above.

What Will the Ballot Look Like?

The May 3, 2025 ballot will ask residents of the District to vote for or against a Local Sales and Use Tax, for the entity known as Harrison County Emergency Services District No. 1. It will read as follows:

Proposition:

"The adoption of a local sales and use tax in Harrison County Emergency Services District No. 1 at a rate not to exceed two percent in any location in the district."

Voters will need to be looking for this language if they wish to cast their vote regarding the Sales and Use Tax for HCESD 1.

When, where, and how can I vote?

Voting schedules and locations for the May 3, 2025, election can be found at this official Harrison County website:

<https://www.harrisoncountytexas.gov/page/harrison.Elections>

I have more questions...

Good! The goal is for the residents to have all the information at their disposal when voting approaches. Additional questions can be fielded through the "Contact Us" form on the District's website: <https://westharrisonfire.com/>