

**MEETING OF THE WALLER-HARRIS EMERGENCY  
SERVICES DISTRICT NO. 200**

Board of Commissioners of **the WALLER-HARRIS EMERGENCY SERVICES DISTRICT NO. 200**, was held on, August 12th, 2013 the Prairie View City Hall, 44500 US Business 290, Prairie View, TX 77446.

In attendance were: **Commissioners:** Tommy Davis, Gary Ferguson, Darwin Hargrave, & Tommy Albert. **Departments:** Waller VFD, Pattison VFD, Mt. Zion, Gerald, Hempstead Fire Department, Monaville VFD, Waller EMS, Rolling Hills, Prairie View VFD, & Tri-County VFD. The meeting was called to order at 7:11 PM by Gary Ferguson. **Bookkeepers:** Sandy Mace & Steve Smith, CPA.

Mr. Ferguson stated that Mr. Davis, the President, would be late but coming in later.

**The District will consider and act upon the following matters:**

**1 To receive public comment, including vendors and service providers.**

*1a* Hollis Ulbricht Jr.,Pattison Area VFD Chief, reported that Cecil Bell, State Representative, would  
*1b* be coming to the station on August 22nd at 7:00 PM to discuss new fire laws and proposed  
*1c* legislation. Frank Jackson, PVVFD Chief thanked everyone for coming and offered refreshments.  
*1d* He also wanted to go on record requesting a Booster Truck for PVVFD.

**2 To receive a report from the Waller County Fire Chief's Association and develop an emergency service call public education program.**

*2a* Hollis Jr., Chief reported that they did not discuss an emergency service call plan to public education  
*2b* program a their meeting, they discussed but budgets and they had some questions that they bring up  
*2c* during that item later on the agenda. They also discussed getting rehab truck for the county. That  
*2d* was all they had to report at this time.

**3 To review and take action on Waller County Fire Marshall position and termination of District's participation in funding thereof and to take appropriate action as required, including return of prior District funding to Waller County.**

*3a* The chair was turned over to Mr. Davis at this time. He reported having a committee meeting with  
*3b* Commissioner Kitzman and Chief Freddy Williams that he county attorney still cannot determine if  
*3c* the Waller County Fire Marshal has be a resident of the county and that Mr. Katz knew of no such  
*3d* requirement. The county is still in the process of trying to obtain written clarification on the matter.  
*3e* The county asked for another 30 days before having to return ESD's funds. Mr. Albert moved that  
*3f* ESD grant the County another 30 days. If no plan for a Fire Marshal is in place, the County will need  
*3g* to return the \$30,000, which would be held in escrow until such time that a Fire Marshal can be  
*3h* hired. The County can then re-request the funds at later time when a Fire Marshal is to be hired. Mr. Hargrave seconded the motion, which carried 5-0.

**4 To review and take action on approval of minutes of prior meetings.**

4a Mrs. Robinson had a few questions, stating that she previously said she would like to assist in the  
 4b budget process, but did not recall saying that she would create any forms. Mr. Davis said that he  
 4c recalled, during their conversation, giving her the green light to do whatever she wanted. Mrs.  
 4d Robinson noted that the budget form, to her understanding, was sent out by someone else, and at  
 4e someone else's request and that she had no further discussion regarding the budget except the one  
 4f she had with Mr. Davis. Mr. Davis asked if she would like that line stricken from the minutes, she  
 4g indicated she would and discussion followed about whether or not an item could be stricken from the  
 4h record. Mr. Ferguson stated that he did not believe content changes could be made, only minor error  
 4i corrections. Further discussion followed about the exact wording that was used during the last  
 4j meeting regarding this item. Sandy Mace, bookkeeper, clarified that the meetings were recorded and  
 4k we could go back and check exact content of the discussion, if needed.

4l Mr. Albert then spoke, stating that he received help on the budget forms so that there would  
 4m consistency and they wouldn't have the same problems as last year, as their budget requests are due  
 4n tonight. At the time, Mr. Albert was out of town without computer access, so in order to make sure  
 4o that budget forms were sent to the departments in a timely matter, he had help him creating them and  
 4p getting them out. Mr. Ferguson then referred to line 8-i in the July minutes where Mr. Albert stated  
 4q that the departments couldn't be expected to have their budgets complete if ESD's budget was not  
 4r complete. He agreed with Mr. Albert, saying that they couldn't do their budgets without the form.

4s Mr. Davis then stated that if he misspoke, he apologized, that things tended to sneak up on them at  
 4t these meetings, and with only one meeting a month and no time in between to work on things, it can  
 4u get difficult. Mr. Albert then moved to accept the minutes as presented. It was then determined that a  
 4v motion was already on the floor. Mr. Ferguson seconded the motion and called for the question. A 4-  
 4w 1 vote followed, with Mrs. Robinson voting against the motion.

**5 To receive a financial report from the District Treasurer and District Bookkeeper**

Mrs. Mace read the financials for month ending July 31, 2013

*Current Unrestricted Net Assets*

<b>Unrestricted Assets</b>		
Prosperity- Operations # 1881	\$	18,943.13
Prosperity-Tax/Public # 8700		1,317,596.02
FNB- Public Funds MM #8084		1,506,723.71
Accounts Receivable		157,684.90
		<hr/>
<b>Unrestricted Net Assets</b>		<b>3,000,947.76</b>

*Total Revenues July*

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>
<b>Total Revenues</b>	<b>69,145.75</b>	<b>2,768,447.51</b>	<b>2,555,635.00</b>

*Total Expenses for July*

<b>Total Expenses</b>	<b>86,311.25</b>	<b>334,689.27</b>	<b>213,700.00</b>
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5a Mr. Ferguson asked why we were short in the account last month. Sandy explained that a check  
5b (written to Frazier for \$55,375) was written out of the wrong account in the accounting software,  
5c thus the transfer amount was incorrect creating the overdraft. Mr. Ferguson also asked if there was  
5d another ACH withdrawal from this account. Mrs. Mace stated that she was not sure and also  
5e explained, to the best of her knowledge, the process of FFPC's quarterly ACH withdraws and that  
5f she believed that Ms. Lehman had taken ESD off of ACH draft. Further discussion followed  
5g regarding The Smith Group now having online viewing access of the Prosperity bank accounts and  
5h that there really shouldn't be any problems that we don't know about as a result of that access.

5i  
5j Mr. Albert stated that overdrafts are unacceptable, especially with three million dollars in the bank.  
5k Mr. Ferguson read the email from Ms. Lehman explaining in detail why the overdraft occurred, as  
5l mentioned above, and asked Mrs. Mace if concurred with that explanation, which she did. Mr. Davis  
5m also asked if the pension fund is straightened out at this time. Mr. Ferguson then asked if we double  
5n check the ACH draft against what ESD should be billed. Mrs. Mace explained that she believed that  
5o was done, but Ms. Lehman handles the pension.

**6 To review and take action on bookkeeping services and determination of all duties to be supplied by bookkeeper.**

6a Mr. Davis asked if there was anything that anyone would like to add to the comments made on the  
6b item above. Mr. Steve Smith introduced himself to the Board, stating that he was Cheryl's stepson  
6c and she was there to support Sandy during the meeting. He wanted to make the board aware that  
6d Cheryl has been ill and is getting worse, which is not something that we were all aware of over the  
6e last several months. He advised Cheryl to not attend tonight because he didn't feel that she would be  
6f able to answer too many of their questions. Also, he is a CPA, with his own practice out of Katy and  
6g acts as a consultant for us. Mr. Davis said that Cheryl had told him that she would be here tonight  
6h and Steve explained that she had a difficult day at the office and that he told her stay home and rest.

6i Mr. Albert asked where Ms. Lehman was. Mr. Smith explained that she was out of state right now.  
6j Mr. Albert expressed concern that he would not be able to communicate with Ms. Lehman regarding  
6k the pension because she was not in Waller. Mr. Smith explained that he, as well the office, was in  
6l constant contact with Ms. Lehman throughout the day, everyday. Any questions that they have for  
6m Ms. Lehman, it would easy to reach out to her and they should feel free to do so.  
6n

6n Mr. Albert brought up the question as to whether or not ESD had a contract with The Smith Group.  
6o Mr. Katz stated he didn't believe so at this time. Mr. Katz also stated that he added this item to the  
6p agenda based on concerns from the Smith Group regarding inappropriate comments that were made  
6q in public pertaining to The Smith Group's services. He also wanted to this item available for them to  
6r discuss matters, such as they had just addressed. Mr. Albert then made a motion to leave this item on  
6s the agenda for next month, Mr. Hargrave seconded. Motion carried 5-0

**7 To pay District bills. -Mrs. Mace read bills as follows:**

BFF Investments	Office Space Lease	8/12/2013	\$800.00
Burchfield	Tri-County VFD - Pump Repair	8/12/2013	\$295.00
Houston	Advertisement - Legal Notices	8/12/2013	\$685.82
Houston Community	Advertisement - RFQ	8/12/2013	\$139.00
The Smith Group, Inc	Accounting/Bookkeeping	8/12/2013	\$1,737.67
Waller EMS	Penguin Mgmt. - Dispatches	8/12/2013	\$1,518.00
			\$5,175.49

7a Discussion followed about the progress of the slab and other items at the Rolling Hills Fire Station.  
7b Added to the original list were to Rodney Crosby, \$250.00 and Coveler & Katz bill for \$4,005.79.  
7c Mr. Ferguson moved to pay district bills, Mr. Hargrave seconded. Motion carried 5-0.

## 8 To review and take action on District 2012 Audit.

8a Representatives from McCall Gibson presented the 2012 ESD audit results. There was some  
8b difficulty getting prior year adjusting journal entries from the preceding auditor, regarding property  
8c tax revenue and capital depreciation. There were also some differences on the “budget to actual”  
8d report due to the fact that no capital outlays were budgeted, nor notes payable and interest. A few  
8e items were still in process and the auditor is working to obtain these.

8f Discussion followed regarding the Rolling Hills land purchase. Mr. Ferguson pointed out that audit  
8g reflected the land was \$45K, and the actual cost was \$12K. The auditor noted that her records  
8h reflected three invoices for \$12K, for 30K, and \$3K. Mr. Davis stated that needed be checked out  
8i and auditors agreed to do so.

8j The auditor stated that they can and do other things such as prepare and maintain financials and  
8k capital deprecation, while still remaining independent of ESD (non-employee). If the Board decided  
8l to retain McCall Gibson to handle these aspects for ESD, a management letter is required (which  
8m was presented at this time). A response to this management letter will need to be drafted by Mr. Katz.

8n Mr. Ferguson questioned the asked for clarification commissioners fees, paid at maximum of \$3000  
8o per year. Mr. Katz stated that board members may receive \$50.00 per meeting/function up to \$3000  
8p during the fiscal years. Expenses are approved by the board, as they are presented, in addition to  
8q commissioners’ fees.

8r A Board Representation Letter was also presented to bring the terms and agreements up to the  
8s present date. Ms. McCain encouraged the Board to approve, subject to attorney review, since the  
8t deadline is the end of the month.

8u No action was initially taken. Commissioners then returned to this item from #9. Mr. Albert moved  
8v accept the audit, subject to clarification and corrections as mentioned, including the purchase price  
8w of the Rolling Hills property. Mr. Ferguson seconded the motion which carried 5-0. The board then returned to item #9.

**9 To review and take action on service provider 2013 budgets.**

9a Mr., Katz asked the board to return to item #8, as no action was taken. Upon voting on item #8, the  
9b Board returned this item. No action was taken.

**10 To review and discuss the proposed District 2014 budget.**

10a No action was taken.

**11 To review and discuss appraisal values of the District.**

11a No action was taken.

**12 To propose 2013 District tax rate**

12a No action was taken.

**13 To review and take action on 2013 appraisal valuations and commencement of adoption of 2013 tax rate, including review of 2013 effective tax rate calculations, and scheduling any necessary public hearings to adopt District 2013 tax rate.**

13a Mr. Katz stated that Waller County has certified roles, Harris County certified their roles, but has not  
13b completed the review process yet. Waller County, which is about 90% of ESD's appraisals, reported  
13c final tax base for last year (2012) was \$2,493,865,000. Of that approximately, \$2,465,000 in taxes  
13d were generated. For 2013 certified value is \$2,856,000 with the uncertified portion of \$7,681,000,  
13e creating an approximate tax base of \$2,863,819,000 which is about a \$400 million increase. Please  
13f note, there has been both improvement and growth within in the county. Also, the Brookshire  
13g annexation increased the valuation by about \$228 million. Without Brookshire, the increase in value  
13h is about \$200 million of which \$75 million is new improvements. For Waller County, last year's  
13i effective tax rate was 9.95¢ and this year's rate is 9.627¢, which is a slight decrease due the  
13j valuation increase and adding the Brookshire valuation. Also, Mr. Katz stated that ESD would have  
13k more tax income, even though the ETR is lower, due to tax base growth.

13l He also reminded the Board that the rate could be discussed at this meeting, though not set at this  
13m time. Additionally, if the Board thinks it will exceed the new rate of 9.627¢, public hearings will  
13n need to be held in the month of August in keeping with Ms. Shelbourne and the Waller County Tax  
13o Office's calendar. Mr. Ferguson noted that to make this determination, they would need the HCAD  
13p rates. Mr. Katz felt certain he would have them within the week, as they had been certified and were  
13q just waiting for them to complete the review.

13r Mr. Ferguson requested a special meeting be held the following week to discuss this matter, and  
13s possibly set the effective tax rate. Mr. Davis asked if a meeting was necessary if they chose not to  
13t increase the ETR and Mr. Katz stated that the rate must be set regardless, so a meeting would be  
13u necessary. A special meeting was set for Tuesday, August 20th at 11:30 AM at the offices of The  
Smith Group.

**14 To review and take action on the payment of operations funding pursuant to 2013 budget and service agreement with the District fire and EMS service providers.**

14a Mr. Albert moved to pay the service providers. Mr. Ferguson seconded the motion which carried 5-0.

**15 To review and take action on approval of District/Department capital acquisitions and appropriate funding thereof.**

15a Mr. Ferguson is still working on pricing on the truck that PVVFD is requesting. Mr. Jackson,  
15b PVVFD Chief agreed that he is having trouble with pricing that it too high as well, around \$90K.  
15c Other trucks recently purchased were around \$70K, so Mr. Ferguson is continuing to research and  
15d get more specification on the materials, warranties, labor, etc. Additional discussion was held  
15e regarding the tanker that Pattison and truck that Waller VFD is requesting is requesting, but no  
15f action was taken at this time.

**16 To review and take action on development of a District-wide ISO plan.**

16a No action

**17 To review and take action on municipal Interlocal Agreements for fire and EMS services, including City of Brookshire.**

17a No action at this time.

**18 To receive activity reports from District fire and EMS providers.**

18a Please see attached page for detailed call/run reports. Reports were read by district service providers:  
18b Hempstead Fire Department reported, after which Mr. Hargrave asked if the burn ban violations  
18c were being ticketed. Mr. Lecamu state that they were. Katy Fire Department, Tri-County VFD, Mt.  
18d Zion VFD, Pattision VFD, Rolling Hills VFD, Prairie View VFD, Waller VFD, and Waller EMS  
also reported.

**19 To review and take action on revisions to District and/or Department operating and capital budgets pursuant to re-allocations and/or other matters.**

19a No action.

**20 To review and take action as applicable on purchase of new fire apparatus, including Engines, Booster Trucks, and Pumps, and new ambulance and/or remount with purchase of new cab and chassis and refurbish of box.**

20a No action.

**21 To receive a training report from service providers.**

21a No action.

**22 To review and take action on awarding a contract for engineering services related to construction of Rolling Hills Fire Station.**

22a A short break was taken while Mr. Katz distributed materials. It was decided this item needed to be  
22b placed on the next agenda. No action was taken.

**23 To review and take action on construction of future Rolling Hills Fire Station and solicitation of design-build proposals.**

23a It was decided this item needed to be placed on the next agenda. No action was taken.

**24 Executive Session, pursuant to Section 551.072 Government Code, to discuss real estate matters with attorney.**

24a No session needed at this time.

**25 Discuss and take action on ESD website.**

25a Mr. Albert state that he has been researching various EMS and fire department websites. Each one  
25b charged a one-time design fee of \$1500-2000. They would sit down develop the design based on  
25c what ESD wants, with half the fee upfront and balance when the site goes live. Basically, they need  
25d to decide which web design firm that would like to go with. Mr. Albert mentioned a firm in Waller  
25e and one in the Woodland's that he liked. He stated that he would prefer to use the individual in  
25f Waller, Michael Twig, because he is local. Mr. Albert then made the motion to employ Mr. Twig to  
25g develop the ESD website no to exceed \$2,200. Mr. Hargrave seconded, the motion carried 5-0.

**26 Adjournment.**

26a Mr. Hargrave moved to adjourn, Mr. Ferguson seconded. Motion carried 5-0 at 8:56 PM

**Respectfully,**

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**Tommy Albert, Secretary**