

Parker County Emergency Services District No. 6 Proposition Election Frequently Asked Questions (FAQ)

The Board of Emergency Services Commissioners (the "Board") of Parker County Emergency Services District No. 6 ("PCESD 6", or the "District") has called for a Sales and Use Tax proposition to be on the election ballot for Saturday, May 4, 2024. If approved by voters, this proposition would authorize up to one and a half percent (1.5%) 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 pressing needs of the District to meet the demands and needs of the taxpayers in the District.

To ensure 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 Parker County ESD 6?

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.

Parker County Emergency Services District No. 6 is the government entity that collects property tax to fund providing fire suppression and emergency medical first responders to the residents within the District's boundaries, and to neighboring reciprocal mutual aid partners as needed. These taxes fund stations, apparatus, and equipment the fire departments utilize to provide fire protection and first responders 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/\$100 valuation of taxable property; the 2023 tax rate was set at \$0.90/\$100. 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 PCESD 6 has been able to purchase and maintain the current training, apparatus, and equipment to protect the community up to this point while steadily growing a strong capital reserve for scheduled, long-term capital expenditures. However, there are three major issues facing the District which require additional funding:

- Additional stations to serve the district

- Recruit and retain additional volunteers along with part-time staff
- Keeping the existing equipment and facilities up to date and in service

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

What are the issues facing the District?

PCESD 6 has seen tremendous change and demand over the past decade. As such, the number of calls the District has responded to has also increased over the last 10 years at a disproportionate rate. PCESD 6 has been using the District's capital reserves and *ad valorem* tax rate 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, PCESD 6 would be shifting a portion of the funding for emergency services from property owners to anyone buying taxable goods and services in the District. The current property tax rate is \$0.90/\$100 valuation. The District is unable to increase the property tax rate beyond the state maximum of \$.10/\$100 valuation and is hesitant to increase the property tax burden on residents; thus the Board of Commissioners has chosen to seek additional funding through sales and use 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 up to a one and a half percent (1.5%) 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 PCESD 6 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 PCESD 6 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 4, 2024 ballot will ask residents of the District to vote for or against a Local Sales and Use Tax, for the entity known as Parker County Emergency Services District No. 6. It will read as follows:

Proposition:

“The adoption of a local sales and use tax in PARKER COUNTY EMERGENCY SERVICES DISTRICT NO. 6 at a rate not to exceed one and a half (1.5%) 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 PCESD 6. This proposition will be found at the end of the ballot.

When, where, and how can I vote?

Voting schedules and locations for the May 4, 2024, election can be found at this official Parker County website <https://www.parkercountytexas.com/118/Elections>

I have more questions...

Good! The goal is for the residents to have all the information at their disposal when voting approaches. Residents with questions should contact the District via the PCESD 6 website, <https://pcesd6.org/>