

Burnet County ESD #3 Meeting Minutes
Thursday, Starting at 2:00 p.m.
July 10, 2025
Granite Shoals Fire Department

1. *Call to Order:* President Steve Tatom called the meeting to order at 2:04 p.m.
2. *Pledge of Allegiance to the flag of the United States of America*
3. *Pledge of Allegiance to the Texas State Flag:* "Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible." Pledges to the flags were recited.
4. *Statement regarding the presence of a Quorum of Commissioners:* Mr. Tatom stated that a quorum existed to conduct District business as set forth on the posted agenda with the presence of 4 commissioners. Present were Mr. Tatom, Ms. Pam McGregor, Mr. Bucky Brady, and Ms. Joanne Hanifan. Mr. Bob Childress was absent.
5. *Recognition of Guests:* Mr. Tatom recognized the presence of Lt. Marcus Villarreal of the Granite Shoals Fire Department.
6. *Ask for Citizen comments and input. No Action, including discussion or deliberation, will be undertaken at this time.* No comments were offered
7. *Discussion with Pct. 1 County Commissioner Jim Luther:* Commissioner Luther was unable to attend due to the impact of the July 4th floods.
8. *Discussion and/or action on the Monthly Contract Report:*
 - a. Chief Tim Campbell, Granite Shoals Fire Department – Chief Campbell and others continue to be involved with the aftermath of the July 4th floods. Lt. Villarreal will represent the Fire Department. There was no report on June activities as there are still issues in the conversion process to the new system.
 - b. Update on activities in the Hoover Valley VFD service area- Mr. Tatom recently talked with Mr. Gene Broadway regarding the status of the proposed ESD 10 and Hoover Valley FVD. The petition was submitted and the election to establish the ESD will occur in November. There are considerable issues relating to the existing Hoover Valley Volunteer Fire Department. Mr. Tatom asked about the proposed ESD's tax base and it is about twice that of ESD #3. The potential impacts from the proposed development, Kingsland Commons, at the intersections of RR 1431 and FM 2342 was also briefly discussed.
 - c. Discussion and/or action on ESD support of Consumables- Mr. Tatom discussed the list with Mr. Ken Campbell. There is no reason not purchase the items on the wildland fire equipment list provided by Chief Campbell. Mr. Tatom raised the issue how the ESD would handle the accounting issues such as depreciation, inventory control, payment of purchases. Mr. Brady pointed out the Hydro pumps and radios that were purchased previously are inventoried and accounted for in the annual audit. Lt. Villarreal explained how at the start of each shift an inventory is taken of all the equipment, and condition thereof, in each vehicle. Additionally, each vehicle is inspected as to its operating condition. Firefighters personal gear and equipment is also inspected. The new EOS system will help with this effort. Mr. Brady moved to purchase the equipment presented in the list, with cost not to exceed \$50,000, (list attached). Ms. McGregor seconded the motions and the motion carried 3-1 in favor. The ESD will reimburse the City upon receipt of the invoices, and the items will be identified as ESD 3 property. As a result of the general discussion Ms. McGregor will send a letter to the City Manager, Sarah Novo, regarding the need of the ESD to receive timely reports of expenses of the Fire Department.
 - d. RR1431 Emergency Warning Lights- To be discussed next month.

9. *Reading and Acceptance of the Minutes of the June 12 meeting:* The minutes were read and Ms. McGregor moved accept the minutes with minor corrections. Mr. Brady seconded the motion and the motion carried 4-0.
10. *Reading and Acceptance of the Treasurer's Report:*
- a. See Monthly Reports for Account Status: Mr. Brady noted that we had received nearly all the money projected from the ad valorem taxes.
 - b. Pending Bills: We received two bills, one from VFIS for insurance of \$2227.00, and one from Burns Anderson Jury & Brenner, LLP of \$600 for Mr. Ken Campbell's services.
 - c. Banking Matters
 - i. Interactions with Banks
 - ii. Reimbursements/Credit Card Use: The monthly bill for Hasting Humans for the answering service was paid. Mr. Brady and Ms. Hanifan received new credit cards.
 - iii. Other Money Related Items: BCAD sent a notice of the public meeting on the proposed budget for 2026 and informed us of the estimated allocation amount for ESD 3 of \$7,046.27 or \$1,763.50 per quarter. There was a discussion on the need for a new Cadence Bank account to separate the Enhanced Firefighting Capabilities funds from the general operating fund. The Board did not see the rationale for a new account.
 - d. Ms. Hanifan moved, with a second by Ms. McGregor, to accept the treasurer's report. Motion carried 4-0.
11. *Discussion and/or action on the Budget for Fiscal Year 2025:*
- a. The remaining bills and payments for FY 2025 were discussed. There is one more payment to BCAD in this fiscal year. The next payment for the City will be in October or Fiscal Year 2026. Bills for the last quarter of FY25 include the answering service, a monthly payment of \$25; BCAD at \$1500+; and other expenses estimated to be about \$55,000 to the end of the fiscal year. Mr. Brady estimated an excess of funds of about \$200,000 mostly due to the sales tax income that we are receiving.
 - b. Discussion item on possible land purchases will be removed from the agenda.
12. *Discussion and/or action on the Budget for Fiscal Year 2026-* There was a discussion on several aspects of the FY2026 budget. With sales tax income there appears to be value in reducing the ad valorem tax rate. Uncertainty was expressed in the use of the de minimis rule to raise taxes if we should lower them significantly. Mr. Brady will contact Mr. Campbell to discuss the use of the de minimis rule. Based upon the proposed FY 2026 budget and the projected income from sales taxes a very low ad valorem rate was suggested and discussed. Mr. Brady moved and Ms. Hanifan seconded the motion to set a budget for FY 26 at \$534,470. The motion carried 3-1, Mr. Tatom voting nay.
13. *Discussion and/or action on the Existing/Pending Contracts:*
- a. City of Granite Shoals Contract for Fire and Related Services
 - i. Current contract: Nothing to report
 - ii. New Contract starting FY 2026 to FY 2030- No word on the new contract, still waiting for action by the City
 - b. ORW- Received a Letter of Engagement from Ms. Charity Tabor for 2025 Audit. Mr. Brady signed and sent it back. The estimated cost is \$5500 to \$6500 which is covered by proposed budget. Mr. Brady moved and Ms. McGregor seconded the motion to sign and return the letter. Motion carried 4-0.
 - c. Clicktunity- There is an open-end contract, it is renewed on an annual basis. The last renewal date was 2/28/25.
 - d. HdL- Sales Tax Update and Services- Need to discuss the continuation of the service as to whether we benefit from the service to warrant the cost. The question was raised as to if we can get the same information from the primary sources ourselves. The contract was for one year.

- e. David Bailey – Station Study This contract is no longer active, so this item will be removed from the future agendas.
- f. Marble Falls Communications – Nothing to report.
- 14. *Discussion and/or action of communications from Legal Counsel:* Mr. Tatom consulted with Mr. Campbell regarding purchasing consumable items. Mr. Tatom and Mr. Brady will investigate the benefits of seeking alternate legal consul.
- 15. *Discussion and/or action regarding ESD concerns on LCRA and Lake LBJ:* Nothing to report, this item will be removed from the agenda.
- 16. *Discussion and/or action on training for Commissioners:* Nothing to report.
- 17. *Discussion and/or action of public interaction by Commissioners:* Mr. Tatom's neighborhood had a POA meeting and the was discussion on what the ESD has done for the community.
- 18. *Discussion and/or action on incoming mail:* Ms. Hanifan provided a list of all mail received since the last meeting. Mail was received from BCAD, various banks, and bills from Mr. Campbell and VIFS. Mr. Brady will the mail to his files.
- 19. *Internal Items and Establish Tasks for the next meeting:*
 - a. Discussion on Future Planning Needs
 - b. Discussion and action on tax rate
 - c. Ms. Hanifan may not be able to attend the August meeting.
- 20. *Discussion and/or action on establishing time, date, and location of next meeting:*
 - a. The next regular meeting will be on August 14, 2025 starting at 2:00 p.m.
- 21. *Close the Meeting:* Mr. Tatom closed the meeting at 4:26 p.m.

Joanne Hanifan, Secretary, ESD #3

Mail Received from June 11 to July 9, 2025, 2025

BCAD:

Tax Collections Activity, June 1 to June 15	\$1,769.02
Tax Collections Activity, June 16 to June 30	\$2,483.92

BCAD Proposed Budget for 2026 and estimated allocation amount of \$7,046.27

BCAD Board of Directors public hearing on the proposed budget for 2026 to be held July 17 at the District Office at 12:00 p.m.

Texas Comptroller of Public Accounts

Sales Tax Summary, Ending June 10, 2025	\$30,361.20
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Bills Burns Anderson Jury & Brenner, L.L.P. bill for \$600.00

Banks/Financial Institutions

Cadence Bank

Monthly Statement, June 30, XXX737-2	\$296,300.9
CD Maturity Notice of July 5, 2025, current balance	\$63,941.63
List of securities pledged to ESD#3 as of May 31, 2025	

Security State Bank

Acct No XXXXXX9758 Balance as of 6/30/2025 \$11,249.61

Notice of change in office hours

CD Renewal Notice for -0416 which matured on 6/18/25 \$44,059.96

Credit Card Statement for Joanne Hanifan Zero Balance, paid \$ 25.00 for Ans Service

New Credit Cards for Bucky Brady and Joanne Hanifan

First Horizon

Notice of Delivery of Assets on 6/06, 6/16 and 6/23 to our account