HIDALGO COUNTY EMERGENCY SERVICES DISTRICT NO. 5
SPECIAL MEETING MINUTES
JULY 29, 2026

COMMISSIONERS PRESENT
Dr. Antonio Uresti
Maribel Galvan
James Olivarez
Juan “Lino” Garza
Fausto Salinas

OTHERS IN ATTENDANCE
Gus Ramirez
Jorge Arcaute
Krystine Ramon, Legal Counsel (via Zoom)
Guillermo Reyna, CPA
Adrian Webb, CPA
Janie Flores
Cecilia Sanchez
Other guests as recorded

1. **Call Meeting to Order.**
   The meeting was called to order by President Uresti at 7:45 p.m.

2. **Invocation.**
   Invocation was given.

3. **Pledge of Allegiance to the U.S. Flag.**
   Those in attendance recited the Pledge of Allegiance.

4. **Review, Discuss and Approve the District’s 2025 Audit from Guillermo Reyna, CPA.**
   Guillermo Reyna, CPA, presented the District’s audit for the year ended December 31, 2025. He reviewed the auditor’s opinion, Management’s Discussion and Analysis, the basic financial statements, notes to the financial statements, and the report on internal control. Mr. Reyna reported that the District received an unmodified opinion and described the audit as a clean report.

   The financial presentation included approximately $3.5 million in total assets at year-end and an unassigned fund balance of approximately $2.5 million. The Board also discussed the District’s initial period of operations and clarified that the budget approved during 2025 was for the 2026 budget year because the District was created in May 2025. No significant internal-control matters were reported.

   Commissioner Olivarez moved to approve the District’s 2025 audit as presented. Commissioner Galvan seconded the motion. The motion carried 4-0 with Commissioner Uresti abstaining.

5. **To receive Public Comment.**
   No public comments were presented.

6. **To propose the District's 2027 Budget.**

The Board discussed the proposed 2027 budget following the budget workshop held earlier that day. Counsel Krystine Ramon advised that the proposed budget could be approved at this meeting and would then be posted on the District's website. The Board also discussed using a public-facing format that omits or redacts account numbers, check numbers, and other unnecessary details.

Commissioner Olivarez moved to approve the proposed 2027 budget. Commissioner Garza seconded the motion. The motion carried 4-0 with Commissioner Uresti abstaining.

7. **To propose the District's 2026 Tax Rate.**

Counsel Ramon advised that certified taxable values had been received for the overlapping district and were higher than the preliminary values. The final tax-rate worksheets had not yet been received from the Tax Office. Counsel Ramon recommended proposing the maximum rate under consideration of ten cents per $100 of taxable value, subject to the completed tax-rate calculations before final adoption.

Commissioner Garza moved to propose a 2026 tax rate of $0.10 per $100 of taxable value. Commissioner Galvan seconded the motion. The motion carried 4-0 with Commissioner Uresti abstaining.

8. **To set the Public Hearing and Adoption Date for the 2027 Budget and 2026 Tax Rate.**

The Board discussed setting the public hearing and adoption meeting for August 19, 2026, at 6:00 p.m. at the current meeting location. Counsel Ramon explained that the public hearing/adoption meeting would be called first to address the budget and tax rate, followed by the District's regular meeting.

Commissioner Olivarez moved to set the public hearing and adoption date for the 2027 budget and 2026 tax rate for August 19, 2026, at 6:00 p.m. at Hidalgo County Precinct 3, 724 N. Breyfogle, Mission, Texas. Commissioner Galvan seconded the motion. The motion carried 4-0 with Commissioner Uresti abstaining.

9. **To review, discuss and take action to approve Property Use Agreement with Hidalgo County.**

The Board reviewed and discussed the proposed property use agreement with Hidalgo County. Counsel Ramon explained that separate agreements were being prepared for ESD Nos. 5 and 6, with language tailored to each district's EMS or fire function.

Discussion included a Phase I environmental assessment because of prior oil and gas activity on the property; the County's efforts already underway to obtain that assessment; the appropriate term of the agreement for future grant eligibility; responsibility for utilities and other operating costs; shared use of the premises by ESD Nos. 5 and 6; the need for a separate interlocal agreement between the districts regarding shared facilities and expenses; preparation of an exhibit clearly identifying the premises; access for contractors and contracted-service personnel; and termination language providing sufficient time to remove District equipment and property.

The Board recommended revising the termination provision to provide approximately 180 days/six months and directed Counsel to continue negotiations and incorporate the revisions discussed. Commissioner Garza moved to authorize counsel to move forward with the property use agreement incorporating the Board's recommendations. Commissioner Olivarez seconded the motion. The motion carried 4-0 with Commissioner Uresti abstaining.

10. **To meet in Closed Session Pursuant to Government Code §551.071 to consult with legal counsel.**
    There was no closed session.

11. **Adjournment.**
    There being no further business to come before the Board, Commissioner Garza made a motion to adjourn at 9:03 p.m. and was seconded by Commissioner Galvan. Motion carried 4-0 with Commissioner Uresti abstaining. The meeting was adjourned.