

**Tarrant County Emergency Services District No. 1**  
**Proposition Sales Tax Election**  
**Frequently Asked Questions (FAQ)**

The Board of Commissioners of Tarrant County Emergency Services District No. 1 ("ESD" or "District") has called for a Sales and Use Tax proposition to be on the election ballot for Tuesday, November 7, 2023. If approved by voters, this proposition would authorize up to two percent (2%) to be captured by the District in all areas not yet at the state maximum of 8.25%. Most, if not all, of Tarrant County has an 8.25% sales tax on goods and some services except the District. If the proposition passes, the funds will be used to address the needs of the District due to the rapid population growth.

So 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.

**What is Tarrant County ESD No. 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 ("EMS"), or both. More than 300 districts are operating in Texas, and more are authorized at almost every uniform election date. The ESD was formed in 1996 and is the government entity that collects property taxes to fund fire suppression, first responder and emergency medical services for residential, commercial and agricultural properties across approximately 180 square miles of unincorporated Tarrant County. These taxes help fund personnel, personal protection equipment, communication equipment, ambulance services, and fire trucks for the entire ESD district.

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 \$0.073330 per \$100 of property valuation. Often, this revenue source alone is insufficient to meet the growing emergency response needs of districts, and boards seek additional funding outside of property tax. As the Board considers the growth and emergency response call volume, the ESD will need to strategically respond to meet the anticipated needs of the District.

**What departments provide fire and ambulance services in the ESD?**

The ESD contracts with 26 departments for fire protection, mutual aid and first responder services including 12 departments for emergency medical services. A full list of departments and the services they provide can be seen by going to the ESD website listed below.

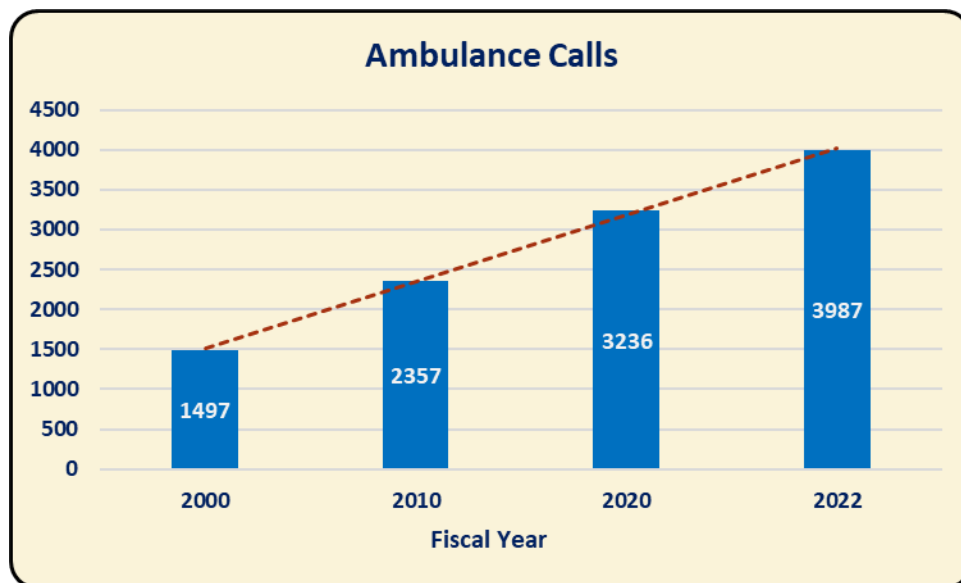
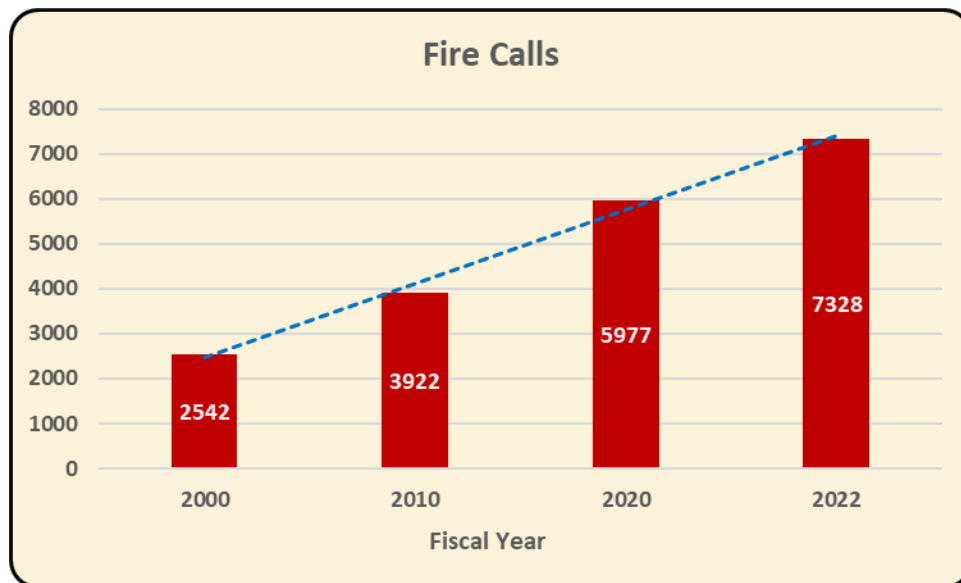
**How is the ESD currently funded?**

Tarrant County ESD No. 1 is currently funded through property tax on real property within the District, collecting 7.333¢ per \$100 taxable valuation. Texas State laws allows for voters to approve a tax rate up to 10¢ per \$100 taxable valuation and the ESD already has that tax rate cap in place. However, Texas Truth-In-Taxation laws regulate how tax rates are calculated from year to year. Due to the ESD growth along with appraisal value increases, the ESD cannot go above the 7.333¢ tax rate without voters' approval and it would increase the tax burden on homeowners.

**Why does the district need more funding?**

The area serviced by ESD has seen tremendous population and commercial growth since voters authorized it in 1996 with projected growth trends in the years to come. The number of single-family homes and commercial development in the unincorporated area of Tarrant County has increased significantly. In direct relation to the growth, the number of calls the ESD has responded to has also increased significantly. In fiscal year 2022, the ESD responded to 7328 fire calls and 3987 ambulance calls. Call volumes increase every year. To keep up with the community growth and to help homeowners impact their insurance premiums, additional infrastructure,

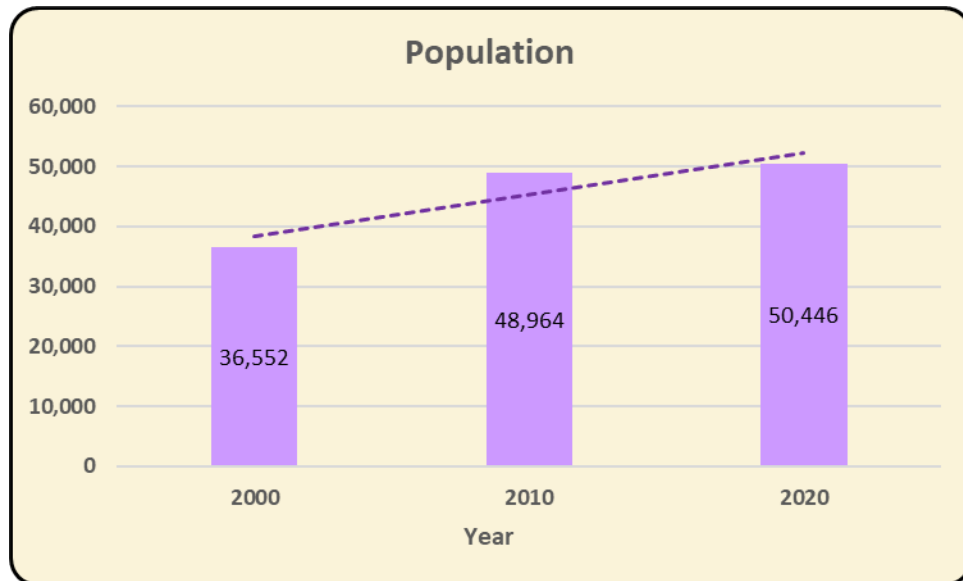
equipment and paid personnel will be required to keep response times at the current level or better. As the Board considers growth and emergency response, long-term strategic goals will highlight the next steps in anticipating the needs of the District.



### What are the issues facing Tarrant County ESD No. 1?

The Board of Commissioners of the ESD has been able to purchase some fire equipment, support ambulance providers, and provide grants for bunker gear, breathing apparatus, communication equipment and other operational equipment up to this point. The District manages a capital reserve for scheduled, long-term capital expenditures so it does not have to issue debt. However, there are major issues facing the District:

- Providing competitive compensation for firefighters and paramedics in order for departments to recruit and retain personnel;
- Increasing staffing to meet recommended TCFP, SFFMA, and NFPA standards;
- Expanding fire and ambulance services to meet the growing population in the unincorporated areas of Tarrant County.



### **Why a sales tax?**

By levying a sales and use tax, the District would be obtaining a portion of its funding for emergency services from anyone buying taxable goods and services in the District. The District is unable to increase the property tax rate beyond the state maximum. The Board of Commissioners has chosen to seek a taxpayer vote regarding a sales and use tax.

In Texas, the state captures 6.25¢ (6.25%) on every dollar spent but allows other local government entities to capture up to 2.0¢ (2%), with a state maximum of 8.25¢ (8.25%), to support community services. As our community grows, not only does the number of residents grow, but the influx of visitors and workers grows exponentially, increasing the demand for emergency services. A sales and use tax places some of the funding for emergency response upon non-residents and non-property owners.

### **What areas does the proposed new sales tax affect?**

Residents and visitors making purchases in Tarrant County cities are already paying the state maximum of 8.25% sales and use tax. To clarify, no area within the District can go above the state sales and use tax cap as a result of this election proposition. If approved by voters, this proposition would only affect residents and visitors making purchases in areas not currently capturing the state maximum, meaning the remaining sales tax collections beyond the state-required capture would stay within the District for local emergency response services and initiatives. Other taxing entities not already collecting sales and use tax in the unincorporated area will be limited or possibly completely prevented in their ability to do so in the future.

### **What happens if the sales tax proposition fails?**

Whether or not the sales tax measure passes, the ESD Board of Commissioners will continue to serve the residents within the District boundaries within the available resources.

### **What will the ballot look like?**

The November 7, 2023 ballot will ask residents of the District to vote for or against a local sales and use tax, for the entity known as Tarrant County Emergency Services District No. 1. The proposition will read as follows:

"The Adoption of a Local Sales and Use Tax in Tarrant County Emergency Service 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 ESD.

**When, where and how can I vote?**

Voting schedules and locations for the November 7, 2023 election can be found at this official Tarrant County election website: <https://www.tarrantcountytx.gov/en/elections.html>

Use these links to find information on the following topics:

Registering to vote: <https://www.tarrantcountytx.gov/en/elections/register-to-vote.html>

Mail-in Ballots: <https://www.tarrantcountytx.gov/en/elections/voting-by-mail.html>

Military & Overseas voting: <https://www.tarrantcountytx.gov/en/elections/military-and-overseas-voting.html>

**I have more questions and want to stay in touch....**

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 "Email Us" form on the District's website: [TarrantESD1.org](https://www.tarrantcountytx.gov/en/elections/register-to-vote.html).