

Frequently Asked Questions (FAQs) About the Ad Valorem Tax

The Palo Pinto County Emergency Services District No. 2 (ESD#2) Board of Commissioners seeks input from the community at all times. Over the last several months, board members have fielded questions and concern from all parts of the community. The board tries to return all phone messages within a couple of days. The most common questions are below. The ESD#2 Assistant Treasurer, Ken Backes, responds to these frequently asked questions about the ad valorem tax:

Q.: There has been a great deal of social media attention—some of it very negative--about a new ESD2 property tax in the Santo area of Palo Pinto County. Explain what an ESD is and how they operate?

Ken Backes: An ESD is a grassroots governmental entity that provides for emergency services both now and in the future for the citizens of their district. ESDs are overseen by a board of 5 commissioners, who are all residents and property owners of the district. The commissioners are all volunteers, appointed by the County for two year terms, and receive no compensation for serving. All ESD decisions are made at open public meetings and our dealings are transparent. Our ESD#2 was brought into existence by a vote of the residents of the District in November 2014. The District was formed to provide Emergency Medical Services for the District's territory, which is in the southeast corner of Palo Pinto County and includes the communities of Santo, Brazos and Lone Camp. The District overlaps Palo Pinto County ESD No. 1, which provides fire services, some first responder and other emergency services for the area as well as fire and EMS services in the remainder of the county, with the exception of the City of Mineral Wells. The district's population and businesses have grown appreciably since 2014 and EMS calls have increased. EMS calls went from 178 in 2014 to 281 last year (2020) — a 60% increase – and this year we are on pace to exceed 360 EMS calls—about 1 per day—though there will be busy days with multiple calls and stretches of slack time. The ESD contracts with and pays for all EMS costs for the Santo EMS for ambulance operations as well as the Lone Camp First Responder Organization (FRO).

Q: What about the many residents of the area that are angry and upset at the property tax for ESD2. Why are you levying a tax and why now?

KB: We have had some very spirited and very vocal objections to the tax at our last few ESD meetings. Despite some feelings to the contrary, all of our commissioners have listened very closely to our neighbors both at the meetings and as we go out in the community. No one, and I think I speak for all the commissioners, is ever happy about raising taxes, but both current and future EMS operations require more revenue to make them viable. Sales tax revenue just isn't sufficient to keep EMS operations going both now and as the area growth explodes and the number of calls grow. Our citizens expect, when they dial 911, an ambulance will respond quickly—if you present the choice of a tax or the possibility of no or delayed ambulance response, most will choose to fund the ambulance service. Many of my neighbors, when the circumstances are explained, understand the need for a tax now—though again, no one is ever happy about tax increases. To date, no one has come up with a viable alternative to get to 24/7 EMS operations, maintain the service capability, and provide for future growth—many folks just oppose the tax and want things to stay the same. The folks most vocal about this can be pretty intimidating, but I don't think any of the board members serve to be popular—just to do, in their minds, the right thing. Some folks, perhaps many, will disagree.

Q: But hasn't EMS in the Santo area been served by volunteers and funded by sales tax up until now?

KB: The volunteers of Santo EMS have been faithfully serving their community for decades. In years past, there were many more volunteers and fewer calls for service. Regrettably, with the loss of volunteers and the dramatic increase in EMS calls, the current situation isn't sustainable—in fact this month (August) alone, there weren't sufficient volunteers to cover all of our staffed shifts and both the primary and back-up ambulance were out of service for several days due to mechanical problems. Fortunately, our mutual aid partners were able to cover and Santo EMS sent First Responders to the calls during these periods. Sales tax revenues, while increasing, are being out-paced by regulatory, equipment, personnel, and other costs, as well as the growing population of the area.

Q: How did it get to this point?

KB: Well, a couple of years back the district established a stipend program to defray some volunteer expenses and incentivize volunteer response to calls. Last year, the district began paid shift coverage stipends to staff one ambulance with 2 EMS Personnel around-the-clock three days a week (Thursday, Friday, Saturday), which were historically when the most calls for EMS services were received. The District recently added an additional day, Sunday, to this rotation. Unfortunately, volunteer hours and any stipends are strictly limited by Federal law, and the District and Santo EMS find themselves at a crossroads as to how to maintain and actually increase coverage to 24/7 staffing. Many of the volunteers serving this year are very close to the Federal limits and can't volunteer any more, even without stipend pay. All the calls Monday through Wednesday are covered by volunteers who happen to be in the area and available.

Q: So how is the district planning to move ahead to get the full-time coverage?

KB: Santo EMS has a plan to bring on part-time staff, paying a competitive wage to obtain sufficient EMTs and Paramedics to cover the 12 hour shifts 7 days a week. The District will fund for this and they'll hopefully hire enough to cover the shifts beginning in late September or early October. As employees, volunteer limits don't apply. They will probably transition to some full-time and part-time personnel in early 2022.

Q: Why not just get more volunteers?

KB: I wish it were that simple. Volunteerism has been on the decline for many years now in all areas of community activities—and particularly in fire and EMS services. The time required to volunteer is considerable and commitments of work and family understandably have to take priority. In addition, for a volunteer not already certified, the training commitment is 6 to 9 months for EMTs and nearly two years for Paramedics. Ten years ago Santo probably had a dozen “core” volunteers who responded to about a third less EMS calls. Now, that “core” is down to around 5 folks and many of these same Santo Volunteers also respond to fire calls as well. Also, 10 or 15 years ago, folks in this rural county were just happy if an ambulance showed up—even if it took 30 or 45 minutes. Now, as the county has grown and becomes less rural, citizen's expectations change—they want an ambulance to respond as quickly as possible when needed. I don't want to take anything away from the amazing service Santo EMS has and continues to provide our community—the ESD Board is committed to keeping the highest quality and most responsive EMS possible. I believe Santo EMS is the best fit for our community and we look forward to their continued success.

Q: What about the land purchase the District recently made in the Santo area. What can you tell us about that?

Many of our neighbors have asked about that and are concerned about the District purchasing land for future development. It just seems like a prudent course of action to me—other folks may disagree—we’ve been looking for a viable location for a second potential EMS station for at least the last three years. Almost half of the EMS calls in our district are on or near Interstate 20 and Highway 281—where we have an absolute duty to respond. In the EMS business response time is the key to survival and better outcomes. The I-20 and US 281 area continues with robust growth and there are many projects and land sales in progress right now and undoubtedly there will be more in the future. The District purchased an over 2-acre parcel of land on the Interstate 20 access road just 1 block from US 281 for the potential construction of another EMS Station. While the ESD Board hasn’t made a decision when (or if) a station would be built, or for that matter what such a station would consist of, the board felt it was prudent to acquire the land now for potential future development—in the next year or two or even 5 years from now. They aren’t making any more land and prices will only go up. Waiting for the growth to arrive and then purchasing land isn’t, in the board’s view, the best use of tax revenue—some of our neighbors disagree, vehemently—but the board feels it is the proper course of action. In addition, the Palo Pinto County Hospital District has shown interest in partnering with us and collaborating on an Urgent Care Clinic, either on-site or some of the land adjacent. I think that would be a win-win situation

Q: What are the ambulance service issues you mentioned?

KB: Our ambulances are very complex mobile intensive care units with state-of -the-art capability to provide both basic and advanced life support care. These complex machines are used daily and must quickly, and safely, get to the emergency scene as soon as possible. The primary ambulance is 6 years old and the back-up 18 years. You can understand how maintenance issues occur more frequently with older vehicles. Both of these ambulances have had periods when they’ve been out of service this month—even one time where both were down for maintenance at the same time. To help, the board is purchasing a new Braun ambulance which we expect to take delivery on in November or December. The cost of the ambulance is over \$330, 000. The new ambulance will become the primary and the current primary will revert to a back-up role. Another cost of staying in business—an out-of-service ambulance serves no one.

Q: The whole community isn’t on-board with this property tax. How are you and the other board members feeling about that?

Again, no one “likes” taxes or tax increases and we certainly have felt the heat. It definitely hasn’t been smooth sailing with some of our neighbors, but our District’s Board has made the difficult but necessary decision to levy an ad valorem tax in the future to assure not only the continued level of emergency medical and ambulance services they expect, but to improve and enhance these services by obtaining paid, full-time coverage and improving the equipment and capability of the District to provide these services well into the future. I’m hopeful my neighbors will begin to understand the board’s rationale—even if they disagree with it. I do hope they stay engaged with the board in the future and help us shape the community as it grows.