

West Galveston Island Property Owners Association

October 28, 2023

0900 Call to Order

0900 Introduction of Board Members

The WGIPOA meeting was held on October 28, 2023 at the Galveston Country Club. The meeting was called to order by Jerry Mohn, President. A quorum was established with the attendance of Jerry Mohn – President; Sara Hawkes – Sportsman Road, Julie Greenwell – Sea Isle; Craig Vance – Terramar; Peggy Zahler – Spanish Grant Beach; Peter Moss – Sand Hill Shores; Dan Walsh – Spanish Grant Bayside; Chris Lauer – Bermuda Beach; and John Lightfoot – San Luis Pass; Doug Little – Pirates POA.

0902 Introduction of elected officials and corporate sponsors

Wellby Financial and House Doctors of Galveston are our corporate sponsors. Taz Jones – Council Person at Jamaica Beach; City Council Member Marie Robb; and State Representative Terri Leo Wilson.

0905 Approval of September 16th meeting notes and September 30th financials

Moved by Peggy Zahler and seconded by Chris Lauer.

0906 West End Police Report from Lt. Sean Migues.

Lone Star Rally will be starting this week. Please be ready for extra traffic and a little noise.

With the time change, it's getting darker earlier. Please make sure to look out for bicycles. If you ride a bicycle at night, please make sure you have a light and are wearing reflective clothing.

If you see something, say something. For all non-emergency issues, please call the non-emergency phone line right away at **409-765-3702**. Getting the right information to the right people quickly is the best way to address your issues.

0915 District 123 State Representative, Terri Leo Wilson

During the third special session, mandatory COVID vaccinations were banned and instead will be a personal choice between you and your physician.

Border protection funding has increased for wall construction and law enforcement personnel.

School security funding is increasing. The allocation of funds will be based on the number of students.

Mental health liaisons and officers are increasing in both schools and in public.

There is a law that gender reassignment surgery cannot be determined or completed until the individual is 18.

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Educational Savings Accounts are being proposed. This allows for families not attending traditional public schools to pay for chartered public schools or for home school parents to purchase books.

Funding to shore up the electric grid is proposed for the next election cycle. Additional security of lines and power generation is expected to be in the proposition.

An additional \$100,000 homestead exemption has been passed.

Electric vehicle regulations are being implemented as they previously were not contributing to the road maintenance activities that are covered under a gasoline tax.

Mrs. Wilson has also compiled a Pro and Con Analysis of All 14 Constitutional Amendments that will be included on the next ballot. This analysis is listed below the meeting notes.

1000 Gulf Coast Protection District (GCPD), Sally Balko

After a hurricane, Galveston County can pull money out of a reserve in order to begin repairs. In addition, a line of credit is extended to the County in order to begin facilitating repairs prior to receiving reimbursement from state and federal agencies.

GCPD is a non-federal sponsor for the Coastal Texas Storm Surge Project (Ike Dike) for ecological and funding/planning portions of this project, respectively. The cost estimate for construction of the storm surge system and ecological system rejuvenation is \$34 billion. There are some discussions that this cost may have already increased to \$57 billion, but this number includes potential change in construction and maintenance costs over the next 20 years should the project be delayed and/or dragged out.

The first stage of the project consists of short term wins including eco-system restoration (including oyster reefs), beach nourishment, and dune system construction.

Current efforts include earmarking a community funding request of \$100,000,000 which was 1 of the 5,000 application requests from the federal government. While this seems daunting, the fight continues and appears positive.

1015 Beach Maintenance Advisory Committee (BMAC), Craig Vance

Turtle Island research looking into investing into reusable cups instead of utilizing disposable items.

The tropical weather update indicates that we are getting ready for a cold, wet winter.

Three beach toy borrow boxes were built for the deposit and shared use of beach toys on the beaches.

Reusable trash bags (grapefruit sacks) are being made available for use on the beaches.

The Park Board also leads volunteer beach clean-ups, speaking engagements, and women in science seminars.

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The Babe's Beach renourishment is not scheduled due to the lack of a viable sand source.

1020 District 6 Happenings by Marie Robb, Galveston Council Member - District 6

The Park's Board budget is being discussed. There is a push back that 50-60% of the HOT taxes (hotel and short-term rental taxes) comes from the West End, but only 10% of the proceeds are coming back to the West End.

The island's sand castle competition was cancelled by the Park's Board, and may need to be taken over by the City.

Marie is pushing for developers to place deed restrictions to limit or remove short-term rentals in the new developments. She is also asking that they add benefits to the community such as parking, wider roads, commercial benefits, and commitments to natural gas line implementation.

There is a freshwater wetland restoration program going on nearby that may provide an additional sand source for our beaches.

There are three Beach Access Plan amendments being proposed:

- (1) removing cars from Sunny Beach (off-beach parking only),
- (2) relocating a 1,000' of handicapped/special needs beach access at the east end of Stewart's Beach and constructing 1,200' of state of the art access on the west end of Stewart's Beach; and
- (3) reallocating some of the parking from the west end to Pocket Park #3 on 11 Mile Road which should be opening soon. This park has a large asphalt parking lot and direct access to the beach.

Memorandums of Understanding (MOUs) and additional funding are being procured through private sources in order to allow police officers to cross-train and enforce local restrictions by non-local officers.

If you have any questions or concerns, please text Marie Robb at (409) 256-4518 or email at Marie@MarieRobb.com, and she will answer and/or forward the issues to the appropriate agencies.

1045 Adjournment

There will not be a meeting in November or December. The next WGIPOA meeting will be January 20, 2023 at the Galveston Country Club.

Note: Taz Jones UTube Video of the meeting: <https://youtu.be/e51-KbvMJXQ>

State Representative Terri Leo Wilson Pro and Con Analysis of All 14 Constitutional Amendments: (the arguments of those FOR and those AGAINST each proposition are laid out below).

Prop 1: " The constitutional amendment protecting the right to engage in farming, ranching, timber production, horticulture and wildlife management."

Pro: The right to farm is natural and inalienable. As the state's population continues to grow, and the demand for food increases, it is important to prevent municipal overregulation that could threaten agricultural production. Enshrining the right to engage in activities such as farming and ranching in the Texas Constitution can help avoid some of the conflict that has been experienced when suburban expansion and development encroaches on working farmland or rangeland. Cities and Counties should not be able to limit through regulations what a private property owner decides to do with their land. We already have state regulations that protect consumers regarding food safety, water pollution and animal welfare and do not need municipality over-reach.

Con: Texas already has a Right to Farm Statute. Prop. 1 may offer a little more protection to the few farmers located inside an overreaching city's boundaries, but it also offers Big Agriculture the right to harm. Limiting governments' abilities to set reasonable standards regarding food safety, water pollution, and animal welfare would enable large, industrial factory farms to operate with less accountability, which also could undermine smaller family farms. America is losing her family farmers as farmland is being gobbled up by a few giant producers. Oklahoma rejected this amendment. Also, using vague terminology such as 'imminent ', 'generally accepted practices', and 'wildlife management practices,' could lead to confusion or abuses by certain entities.

Prop 2: "The constitutional amendment authorizing a local option exemption from ad valorem taxation by a county or municipality of all or part of the appraised value of real property used to operate a child-care facility."

Pro: Inflationary costs are making it hard for child-care facilities to stay in business, and many facilities in Texas have closed in recent years. This leaves working families with fewer options for child care. The high costs associated with operating child-care facilities and the inability of facilities to provide competitive wages have resulted in a shortage of employees for many child-care facilities. This tax abatement would still be up to local County Commissioner's Court to decide and would allow them the flexibility to determine if this is needed for their local community.

Con: There are many good and beneficial types of businesses which would also benefit from reduced taxation. Government should not be in the business of picking winners or losers amongst businesses. There is no requirement for the child care facility to pass their tax savings on to families. This might require local taxpayers to pay higher property tax rates in order to offset the loss of income to the county from taxes normally generated from child-care facilities. Many of those facilities may already receive government subsidies. This is robbing Peter to pay Paul.

Prop 3: "The constitutional amendment prohibiting the imposition of an individual wealth or net worth tax, including a tax on the difference between the assets and liabilities of an individual or family."

Pro: By enshrining this language in the Texas Constitution, it makes this right "inviolable" from legislative action. Taxes on wealth are immoral. Where they have been imposed, it has led to economic stagnation that ultimately resulted in long-term negative consequences. This proposition ensures that a wealth tax in Texas would require 100 votes in the Texas House and 21 votes in the Texas senate to change, not just a simple majority.

Con: The current legislature cannot anticipate how the needs of the state will change over time, so it would be better to let future legislatures decide how to address future needs. If a future legislature felt the economic state of the state needed to impose a Wealth Tax, a constitutional ban means that even if a majority of people support a wealth tax in the future, a minority of legislators in either chamber could block it. This measure is unnecessary because a wealth tax has not been proposed in Texas.

Prop 4: "Would amend the state tax code to increase property tax relief through a number of different measures :

- **Creates a cap on annual appraised value increases for certain non-homesteaded properties.**
- **Increases the residence homestead exemption for school tax purposes from \$40,000 to \$100,000.**
- **Provides certain elderly and disabled homeowners with an additional \$15,000 exemption.**
- **Makes exceptions for certain appropriations used to pay for tax relief from constitutional limitations on rate of growth appropriations.**
- **Authorizing the Legislature of a county with a population of 75,000 or more to limit the terms of appraisal board members to four years. "**

Pro: This will not ultimately provide long-term tax relief to homeowners due to rising appraisals, but it will provide some desperately needed short-term relief. Since Texas taxpayers are responsible for the state's historic budget surplus, the state should ensure that some of the surplus funds are returned to taxpayers. Increasing the residence homestead exemption to \$100,000 will be especially beneficial to the owners of moderately priced homes—the type of homeowner in the greatest need of property tax relief. While renters do not receive direct relief from the proposed amendment, they could still benefit substantially because residential and commercial landlords are going to see their tax burden reduced and those savings would enable landlords to avoid rent increases and even reduce rents. The limit on the increase in the appraised value of non-homestead real property provided for in the proposed amendment will help small business owners stay in business and provide greater predictability to Texans who are helping to drive the state's economy. By making some positions on an appraisal district's board of directors elected positions in certain counties, appraisal districts in those counties will be more directly accountable to local taxpayers.

Con: Increasing the residence homestead exemption by such a large amount could result in a shift of the tax burden from homeowners to business owners, which could result in higher prices for consumers. The proposed amendment does not go far enough, since it does not put the state on a path toward eliminating property taxes entirely. Because the tax rate compression may be only temporary if state funding at the increased levels is not maintained, not much actual relief is being provided. Any property tax relief needs to be permanent. Some argue that by reducing property taxes, public education funding

is placed in jeopardy as other revenues made available for public schools, such as sales tax revenues, are more volatile and less predictable than property taxes. Nearly four million Texans are renters, and the proposed amendment does nothing to provide them any direct financial relief.

Prop 5: "The constitutional amendment relating to the Texas University Fund, which provides funding to certain institutions of higher education to achieve national prominence as major research universities and drive the state economy."

Pro: Providing a predictable and sustainable source of funding for high-quality research at universities in Texas, who currently do not have access to the Permanent University Fund, will help ensure that the future workforce needs of the state are met, and that the state's economy continues to grow. Increased investment in cutting-edge research at universities in Texas is key to the state remaining competitive with other states making similar investments. Investing in research at the state level will also help attract federal and private research funding and thus will improve the state's research universities. This will make it easier to recruit students and faculty. Previous legislation establishing higher education research funds has been successful in helping universities increase their research capabilities.

Con: Higher Ed gets plenty of support from taxpayers and Texas already funds universities. This is a less transparent way to support universities, and the public has recent justifiable concerns over how universities are using those dollars in ways objectionable to the majority. The fund will not be subject to the state spending cap. Many believe the money pulled from Texas' Economic Savings Account (also known as the "Rainy Day Fund") would be better spent on other issues, like state infrastructure or rising property taxes. The measure takes \$412 million from the Rainy Day Fund in the first year and up to \$100 million thereafter.

Prop 6: "The constitutional amendment creating the Texas water fund to assist in financing water projects in this state."

Pro: Texas is in need of significant financial investment in water infrastructure and water supply development to address both aging infrastructure, (the failure of which causes the state to lose an estimated 136 billion gallons of water each year and often subjects Texans to boil water notices), and the need for new water supply projects to support Texas' growing population amid perennial drought conditions that deplete existing water sources. Small water systems in less urban areas of the state do not have the tax base to support large water infrastructure projects, and a statewide approach is needed to ensure water resources are available to all Texans. Water and roads are undeniably reasonable functions of government.

Con: The Cost: \$1,000,000,000. This works against the free market and expands government control. This fund would not be subject to the state budget cap. The Texas Water Development Board should be able to address the state's water needs without the creation of new programs. It allows the legislature to cede its authority to appropriate funds from General Revenue, which is transparent, and instead gives a large sum of money to an appointed (unelected) board to distribute. Solving our water issues should be an engineering undertaking in the context of a statewide plan. Merely creating new funds or new water districts along political boundaries does not address a long term issue.

Prop 7: “The constitutional amendment providing for the creation of the Texas energy fund to support the construction, maintenance, modernization, and operation of electric generating facilities.”

Pro: Additional state funding is needed to increase the reliability of the state’s electric market, particularly with regard to dispatchable generation. Creating the Texas Energy Fund would enable the Public Utility Commission of Texas to provide loans and grants to finance or incentivize the construction, maintenance, modernization, and operation of electric generating facilities, including associated infrastructure, necessary to ensure the reliability or adequacy of the state’s electric power grid. It is necessary to secure the grid.

Con: The cost will be borne by taxpayers rather than ratepayers. This fund will not be subject to the state budget cap. Costs to taxpayers is \$5 BILLION. Providing funding to increase the reliability of the Texas grid would be more appropriate through the rate payer system as opposed to providing state subsidies funded by all taxpayers.

Prop 8: "The constitutional amendment creating the broadband infrastructure fund to expand high-speed broadband access and assist in the financing of connectivity projects."

Pro: Establishing a fund to support broadband expansion and infrastructure investment would provide resources to close the digital divide in Texas, which in turn could help to improve the quality of life, leading to increased economic growth. Without reliable access to broadband Internet, millions of Texans are at a disadvantage in seeking employment opportunities and accessing certain educational and health care services that are increasingly going virtual. By investing state dollars in the expansion of broadband infrastructure, the state would be well positioned to draw down funds from the federal Broadband Equity, Access, and Deployment (BEAD) Program, which matches state dollars on a four-to-one basis.

Con: New technology will quickly make this approach “behind the times”. Broadband accessibility should be solved by the private sector, such as Starlink, to help meet the needs of those that live in rural areas of Texas. The fund will be off-budget and have less transparent spending. The fund will also not be subject to the state budget cap. It will cost taxpayers \$1.5 BILLION in addition to the 600 million already allocated by Texas. Providing high speed broadband is not a proper function of government. It creates a corporate welfare fund. Government is now going to be competing with private enterprise, after decades of over-regulation of private enterprise. The broadband infrastructure fund should be required to prioritize projects that develop fiber optic broadband infrastructure, which may be faster, safer, and more durable and reliable than wireless broadband. Creating a costly new broadband fund with state taxpayer dollars is excessive and fiscally irresponsible.

Prop 9: “The constitutional amendment authorizing the 88th Legislature to provide a cost-of-living adjustment to certain annuitants of the Teacher Retirement System of Texas.”

Pro: Without having received a cost-of-living adjustment (COLA) in nearly 20 years, retired teachers have lost considerable purchasing power with their TRS annuity due to cost increases and high inflation. The vast majority of school districts in Texas do not participate in the federal social security system (which has an automatic COLA each year). The annuity from the Teacher Retirement System of Texas (TRS) is

the only retirement benefit most retired teachers receive and does not have an automatic annual COLA. Funding a COLA for TRS retirees will provide the state's retired teachers with much-needed relief and is a wise use of the state's surplus revenue. It is adjusted to the year of retirement, thus teachers 75 and older will receive the most benefit, which is the retiree group needing it most.

Con: The Cost: \$3.355 BILLION. There are plenty of other people not getting a COLA.

Prop 10: "The constitutional amendment to authorize the legislature to exempt from ad valorem taxation equipment or inventory held by a manufacturer of medical or biomedical products to protect the Texas healthcare network and strengthen our medical supply chain."

Pro: Despite not having a corporate or individual income tax, Texas has a high effective tax rate for medical manufacturers as compared to other states. Taxes on medical and biomedical manufacturing inventory discourage capital investment in and the expansion of this industry in Texas. Most medical and biomedical manufacturing is located abroad, and the cost to ship medical supplies to the United States has increased more than 50 percent in 2021, causing Texans to pay more for vital supplies. Encouraging local manufacturing would eliminate the added shipping costs. Inflationary pressures and supply chain constraints. Since 2020, Texas has missed opportunities for billions of dollars in private investment for biomedical manufacturing because it lacks tax incentives that other states provide this industry. The proposed tax exemption would encourage investment in medical and biomedical manufacturing in Texas, which in turn would promote innovation and advancement in medical technologies, strengthen Texas' medical supply chain, and create jobs.

Con: There are many good and beneficial types of businesses which would benefit from reduced taxation. Government should not be in the business of picking winners or losers amongst businesses. This is not a proper role of the Government. Cost to Texans is \$29 MILLION in 2 years and then \$40 MILLION per each succeeding year. A property tax exemption for these manufacturers could lead to increases in property taxes to offset the abatement. Local taxpayers will pay 1/3 of the money lost to the companies abatement, and statewide taxpayers will make up the other 2/3.

Prop 11: "The constitutional amendment authorizing the legislature to permit conservation and reclamation districts in El Paso County to issue bonds supported by ad valorem taxes to fund the development and maintenance of parks and recreational facilities."

Pro: In 2003, the Texas Constitution was amended to allow conservation and reclamation districts in certain counties to issue bonds supported by property taxes to fund the development and maintenance of parks and recreational facilities if approved by district voters; but El Paso County was not among the counties included at that time. The proposed amendment would extend this beneficial authority to conservation and reclamation districts in El Paso County. The issuance of bonds to fund parks and recreational facilities in these districts in El Paso County would help to address the need for more parks and open spaces in the county, and improve the quality of life for county residents. The decision to assess property taxes to support the issuance of bonds for that purpose is left to the discretion of each district and its voters. The assessment of property taxes would not be mandatory and is a local issue.

Con: El Paso can already issue bonds for parks and recreational facilities. This would create a new taxing entity with the power to increase public debt. Too many Texans are already being taxed out of their homes, we do not need to provide a local government another instrument to use to tax hardworking Texans. The Water Code, and certain conservation and reclamation districts in the county have federal contracts that require that any land within the districts be assessed on a per-acre basis. These districts should be excluded from the applicability of the resolution's property tax provisions to avoid additional tax burdens.

Prop 12: "The constitutional amendment providing for the abolition of the office of county treasurer in Galveston County."

Pro: The duties of the office of County Treasurer could be absorbed by other county departments and might be done at a cost savings to taxpayers. Galveston County could operate without a county treasurer, as the county has a number of other officers including an auditor, CFO, and purchasing agent, who could perform duties that are performed by the County Treasurer. Galveston County voters have already tacitly approved of abolishing the Office of County Treasurer by voting for the current County Treasurer, who ran and won without a run-off on the platform of abolishing the office.

Con: The idea sounds good under the right elected officials, however, someday Galveston citizens may wish the person hired to do the duties of treasurer reported to them, rather than be beholden to the ones who hired him/her. The County Judge's ability to hire and fire their designee at will, could affect their designee's independence in questioning county expenditures. A stand-alone office of county treasurer that is headed by a person that is directly elected by county voters provides the essential checks and balances in the operation of county government. Eliminating the office of County Treasurer would not provide any real cost savings, as the duties undertaken by the office would still be necessary and additional employees would need to be hired in other county departments ordered to now carry out some of those duties. Eliminating one county office and absorbing its functions into other departments sets a bad precedent which could lead to the concentration of power within the county. Since the office of county treasurer is a constitutionally elected office, it is important to maintain the office.

Prop 13: "The constitutional amendment to increase the mandatory age of retirement for state justices and judges." - Increases the age from 75 to 79 (older in some cases) and also increases the minimum age to retire from 70 to 75.

Pro: Because people are living and working longer than in decades past, it is appropriate to allow judges and justices to serve beyond the current mandatory retirement age of 75. Increasing the mandatory retirement age for judges and justices will allow experienced and competent public servants to continue to serve. Allowing judges and justices to serve longer could decrease turnover and ensure a more predictable and stable judicial system. Since judges and justices in Texas are elected, any issues with the performance of a particular judge or justice can be addressed by the electorate. It could create a more stable judicial system and address the issue of shortage of judges, especially for communities in the more remote parts of the state.

Con: Expanding the tenure of many judges will discourage younger challengers from seeking offices held by incumbents. We need all generations to be able to participate in elected office in our Republic. Younger qualified lawyers don't want to run against an incumbent judge because it can hurt an attorney's future clients' cases, so many of those candidates wait to run in an open seat. Cognitive decline does come with age and increases the risk of miscarrying justice in the courtroom. 76 is a reasonable age for retirement.

Prop 14: "The constitutional amendment providing for the creation of the centennial parks conservation fund to be used for the creation and improvement of state parks."

Pro: Establishing a dedicated state fund for the purchase of land to develop new state parks would provide a stable and long term funding source that will empower the state to protect Texas' unique natural resources and cultural history, while making them accessible to our growing population. Voters would be afforded the opportunity to ensure that Texans and visitors alike can continue to enjoy the beauty of Texas' parks for generations to come. Texas has lower park acreage per capita than many other states, and visitation to Texas' parks has grown significantly in recent years. The current state park system is strained by user demand, with the vast majority of sites requiring reservations months in advance. The fund created by the proposed amendment would enable the state to purchase land for the development of new parks before land becomes more costly. State parks are a driver of economic activity and provide recreational, educational, and conservation opportunities.

Con: Texas already has a State Parks and Wildlife department with a budget funded by the Legislature. The fund that would be created is not subject to the state budget cap. Cost to taxpayers is \$1 BILLION. The landmass in Texas is not increasing while the population is growing. Many believe we need to use the land for food more than we need parks and that this is not a core function of government, thus a misuse of tax dollars.

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