

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2020

DRAFT SUBJECT TO AUDIT

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Harris County Emergency Services District No. 47
Harris County, Texas

We have audited the accompanying financial statements of the governmental activities and major fund of Harris County Emergency Services District No. 47 (the "District"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by Harris County and the other supplementary information are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

June 17, 2021

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Management's discussion and analysis of Harris County Emergency Services District No. 47's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) fund financial statements and government-wide financial statements and (2) notes to the financial statements. The fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one governmental fund type. The General Fund accounts for resources not accounted for in another fund, property tax and sales tax revenues, operating costs and general expenditures.

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI"). A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities and deferred inflows of resources by \$12,658,993 as of December 31, 2020.

The following is a comparative analysis of government-wide changes in net position:

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2020	2019	Change Positive (Negative)
Current and Other Assets	\$ 12,215,488	\$ 10,703,595	\$ 1,511,893
Capital Assets	8,744,121	8,072,251	671,870
Total Assets	\$ 20,959,609	\$ 18,775,846	\$ 2,183,763
Long-Term Liabilities	\$ 4,283,268	\$ 4,580,378	\$ 297,110
Other Liabilities	468,292	469,113	821
Total Liabilities	\$ 4,751,560	\$ 5,049,491	\$ 297,931
Deferred Inflows of Resources	\$ 3,549,056	\$ 3,363,593	\$ (185,463)
Net Position:			
Net Investment in Capital Assets	\$ 4,163,743	\$ 3,206,230	\$ 957,513
Unrestricted	8,495,250	7,156,532	1,338,718
Total Net Position	\$ 12,658,993	\$ 10,362,762	\$ 2,296,231

The following table provides a summary of the District's operations for the years ended December 31, 2020, and December 31, 2019.

	Summary of Changes in the Statement of Activities		
	2020	2019	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 3,297,304	\$ 3,284,690	\$ 12,614
Sales Tax Revenues	1,907,997	1,737,841	170,156
Other Revenues	112,760	197,598	(84,838)
Total Revenues	\$ 5,318,061	\$ 5,220,129	\$ 97,932
Expenses for Services	3,021,830	2,920,044	(101,786)
Change in Net Position	\$ 2,296,231	\$ 2,300,085	\$ (3,854)
Net Position, Beginning of Year	10,362,762	8,062,677	2,300,085
Net Position, End of Year	\$ 12,658,993	\$ 10,362,762	\$ 2,296,231

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND

The District's General Fund fund balance as of the fiscal year ended December 31, 2020, was \$8,530,203, an increase of \$1,302,522 from the prior year.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Commissioners amended the budget during the current fiscal year to increase estimated expenditures. Actual revenues were \$1,292,376 more than budgeted primarily due to higher than anticipated property tax collections and sales tax collections. Actual expenditures were \$110,146 less than budgeted primarily due to lower than anticipated legal fees, capital outlay, and miscellaneous expenditures.

CAPITAL ASSETS

Capital assets as of December 31, 2020 total \$8,744,121 (net of accumulated depreciation) and include land, buildings and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2020	2019	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 724,894	\$ 724,894	\$
Capital Assets, Net of Accumulated Depreciation:			
Buildings and Improvements	5,250,254	5,480,513	(230,259)
Vehicles and Equipment	2,768,973	1,866,844	902,129
Total Net Capital Assets	\$ 8,744,121	\$ 8,072,251	\$ 671,870

LONG-TERM DEBT ACTIVITY

As of December 31, 2020, the District had total notes payable of \$4,580,378. The changes in the debt position of the District during the fiscal year ended December 31, 2020, are summarized as follows:

Notes Payable, January 1, 2020	\$ 4,866,021
Less: Principal Retired	285,643
Notes Payable, December 31, 2020	\$ 4,580,378

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Harris County Emergency Services District No. 47, c/o Callegari Law Firm, P.C., 15040 Fairfield Village Drive, Suite 200, Cypress, TX 77433.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
DECEMBER 31, 2020

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 531,265	\$	\$ 531,265
Cash with Harris County	445,664		445,664
Investments	7,827,961		7,827,961
Receivables:			
Property Taxes	2,860,305		2,860,305
Penalty and Interest on Delinquent Taxes		46,670	46,670
Sales Tax Receivable	299,386		299,386
Prepaid Costs	204,237		204,237
Land		724,894	724,894
Capital Assets (Net of Accumulated Depreciation)		8,019,227	8,019,227
TOTAL ASSETS	\$ 12,168,818	\$ 8,790,791	\$ 20,959,609
LIABILITIES			
Accounts Payable	\$ 2,783	\$	\$ 2,783
Accrued Interest Payable		168,399	168,399
Long-Term Liabilities:			
Notes Payable, Due Within One Year		297,110	297,110
Notes Payable, Due After One Year		4,283,268	4,283,268
TOTAL LIABILITIES	\$ 2,783	\$ 4,748,777	\$ 4,751,560
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	\$ 3,635,832	\$ (86,776)	\$ 3,549,056
FUND BALANCE			
Nonspendable: Prepaid Costs	\$ 204,237	\$ (204,237)	\$
Unassigned	8,325,966	(8,325,966)	
TOTAL FUND BALANCE	\$ 8,530,203	\$ (8,530,203)	\$ -0-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 12,168,818		
NET POSITION			
Net Investment in Capital Assets		\$ 4,163,743	\$ 4,163,743
Unrestricted		8,495,250	8,495,250
TOTAL NET POSITION		\$ 12,658,993	\$ 12,658,993

The accompanying notes to the financial statements are an integral part of this report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

Net Change in Fund Balance - Governmental Fund \$ 8,530,203

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds. 8,744,121

Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2019 and prior tax levies became part of recognized revenue in the governmental activities of the District. 133,446

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Accrued Interest Payable	\$ (168,399)	
Notes Payable	<u>(4,580,378)</u>	<u>(4,748,777)</u>
Total Net Position - Governmental Activities		<u>\$ 12,658,993</u>

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
REVENUES			
Property Taxes	\$ 3,284,966	\$ 12,338	\$ 3,297,304
Penalty and Interest	39,128	13,347	52,475
Sales Tax Revenues	1,907,997		1,907,997
Miscellaneous Revenues	60,285		60,285
TOTAL REVENUES	<u>\$ 5,292,376</u>	<u>\$ 25,685</u>	<u>\$ 5,318,061</u>
EXPENDITURES/EXPENSES			
Service Operations:			
District Services-Westlake Volunteer			
Fire Department	\$ 2,328,820	\$	\$ 2,328,820
Accounting and Auditing	35,600		35,600
Appraisal District Fees	24,696		24,696
Commissioner Fees	9,300		9,300
Dispatch Services	71,280		71,280
Legal Fees-General	35,583		35,583
Legal Fees-Delinquent Tax Collections	7,512		7,512
Sales Tax Consultant	13,400		13,400
Tax Collector Fees	10,828		10,828
Depreciation		245,206	245,206
Other	36,378		36,378
Capital Outlay	935,640	(917,076)	18,564
Debt Service:			
Loan Principal	285,643	(285,643)	
Loan Interest	195,174	(10,511)	184,663
TOTAL EXPENDITURES/EXPENSES	<u>\$ 3,989,854</u>	<u>\$ (968,024)</u>	<u>\$ 3,021,830</u>
NET CHANGE IN FUND BALANCE	\$ 1,302,522	\$ (1,302,522)	\$
CHANGE IN NET POSITION		2,296,231	2,296,231
FUND BALANCE/NET POSITION -			
 JANUARY 1, 2020	<u>7,227,681</u>	<u>3,135,081</u>	<u>10,362,762</u>
FUND BALANCE/NET POSITION -			
 DECEMBER 31, 2020	<u>\$ 8,530,203</u>	<u>\$ 4,128,790</u>	<u>\$ 12,658,993</u>

The accompanying notes to the financial statements are an integral part of this report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Net Change in Fund Balance - Governmental Fund	\$ 1,302,522
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.</p>	12,338
<p>Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.</p>	13,347
<p>Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.</p>	(245,206)
<p>Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.</p>	917,076
<p>Governmental funds report loan principal payments as expenditures. However, in the Statement of Net Position, loan principal payments are reported as decreases in long-term liabilities.</p>	285,643
<p>Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.</p>	<u>10,511</u>
Change in Net Position - Governmental Activities	<u><u>\$ 2,296,231</u></u>

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1. CREATION OF DISTRICT

Harris County Rural Fire Prevention District No. 47 (the “District”) was created on August 14, 1984, as a political subdivision of the State of Texas under the provision of Section 48-d of Article III of the State Constitution in accordance with Title 44, Article 2351a-6 of The Revised Civil Statutes of the State of Texas, responsible for the protection of life and property from fire and for the conservation of natural resources within its boundaries. On September 1, 2003, the District converted to Harris County Emergency Services District No. 47 (the “District”). After the conversion, the District operates pursuant to Section 48-e of Article III of the Texas Constitution and the H & S Code.

Chapter 775 of the Health and Safety Code provides that an emergency services district may provide all of any one of the emergency services included in the code, including fire prevention, firefighting and rescue services, but is not required to perform all emergency services.

The District has entered into a contract with the Westlake Volunteer Fire Department, Inc. to provide the service of fire suppression and extinguishment and certain emergency rescue services within the boundaries of the District (See Note 5).

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”).

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Funds

The District has one major governmental fund.

General Fund - To account for resources not required to be accounted for in another fund, property tax and sales tax revenues, costs and general expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectible within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and recorded as revenue include the 2019 tax levy collections during the period October 1, 2019, to December 31, 2020, and taxes collected from January 1, 2019, to December 31, 2020, for all prior tax levies. The 2020 tax levy has been fully deferred.

Cash and Cash Equivalents

Cash and cash equivalents include all amounts in checking accounts, money market accounts, savings accounts and cash with Harris County. All accounts are reflected at cost which the District considers to be fair value.

Capital Assets

Capital assets, which include land, buildings and equipment, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Commissioners. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund – presents the original and revised budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Commissioners are considered wages subject to federal income tax withholding for payroll purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3. TAX LEVY

On May 13, 2006, voters in the District approved increasing the tax rate to the maximum statutory limit of \$0.10 per \$100 of assessed valuation to cover fire and emergency medical services. During the year ended December 31, 2020, the District levied an ad valorem tax at the rate of \$0.084 per \$100 of assessed valuation for the 2020 tax year. This resulted in a tax levy of \$3,549,056 on the adjusted taxable valuation of \$4,223,880,240 for the 2020 tax year.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was \$531,265 and the bank balance was \$559,141. The District was not exposed to custodial credit risk at year-end.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at December 31, 2020, as listed below:

	<u>Cash</u>
GENERAL FUND	<u>\$ 531,265</u>

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Commissioners.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

The District invests in Texas Cooperative Liquid Assets Securities System Trust (“Texas CLASS”), an external public funds investment pool that is not SEC-registered. Public Trust Advisors, LLC serves as the pool’s administrator and investment advisor. The pool is subject to the general supervision of the Board of Trustees and its Advisory Board. Wells Fargo Bank, N.A. serves as custodian for the pool. Investments held by Texas CLASS are priced to market on a weekly basis. The investments are considered to be Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District’s position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from Texas CLASS.

As of December 31, 2020, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
Texas CLASS	\$ 4,482,485	\$ 4,482,485
TexPool	<u>3,345,476</u>	<u>3,345,476</u>
TOTAL INVESTMENTS	<u><u>\$ 7,827,961</u></u>	<u><u>\$ 7,827,961</u></u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2020, the District’s investments in Texas CLASS and TexPool were rated AAAM by Standard & Poor’s.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investments in Texas CLASS and TexPool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5. CONTRACT FOR FIRE PROTECTION AND RESCUE SERVICES

On January 20, 2005, the District executed a contract for providing fire protection and rescue services with the Westlake Volunteer Fire Department, Inc. (the “Department”). The term of the contract is January 1, 2005, to December 31, 2006. At the conclusion of the initial two-year term, this contract will continue on a year-to-year basis as an “evergreen” contract, subject to termination by either party as provided herein. Under the terms of the contract, the Department agrees to provide fire protection, suppression and emergency services to all the residents and commercial interests in the service area.

The Department agreed to submit a budget indicating proposed operating, capital and debt expenditures at the District’s August meeting each year for the District’s review and approval. The District agreed to provide periodic payments to the Department based on the approved budgets.

Ownership of all assets of the Department shall remain with the Department during the term of this contract. Responsibility for operating, maintaining, repairing and insuring any facilities by which fire protection and rescue services are provided belongs solely to the Department.

During the current year, the District paid \$2,328,820 to the Department for operating and capital costs.

NOTE 6. SALES AND USE TAX

In accordance with Chapter 775 of the Health and Safety Code, the District is authorized to adopt and impose a sales and use tax if authorized by a majority of the qualified voters of the District. The election to adopt a sales and use tax is governed by the provisions of Subchapter E, Chapter 323 of the Tax Code.

On November 3, 2015, the voters of the District approved the establishment and adoption of a sales and use tax of up to a maximum of one percent. On November 19, 2015, the Board set a local sales and use tax of one percent on all applicable sales and uses within the boundaries of the District. During the current fiscal year, the District recorded \$1,907,997 in sales tax receipts, of which \$299,386 was due from the State Comptroller at December 31, 2020.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 7. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020:

	January 1, 2020	Increases	Decreases	December 31, 2020
Capital Assets Not Being Depreciated				
Land and Land Improvements	\$ 724,894	\$ - 0 -	\$ - 0 -	\$ 724,894
Capital Assets Subject to Depreciation				
Buildings and Improvements	\$ 6,471,495	\$	\$	\$ 6,471,495
Vehicles and Equipment	1,915,622	917,076		2,832,698
Total Capital Assets Subject to Depreciation	<u>\$ 8,387,117</u>	<u>\$ 917,076</u>	<u>\$ - 0 -</u>	<u>\$ 9,304,193</u>
Less Accumulated Depreciation				
Buildings and Improvements	\$ 990,982	\$ 230,259	\$	\$ 1,221,241
Vehicles and Equipment	48,778	14,947		63,725
Total Accumulated Depreciation	<u>\$ 1,039,760</u>	<u>\$ 245,206</u>	<u>\$ - 0 -</u>	<u>\$ 1,284,966</u>
Total Depreciable Capital Assets, Net of Accumulated Depreciation	<u>\$ 7,347,357</u>	<u>\$ 671,870</u>	<u>\$ - 0 -</u>	<u>\$ 8,019,227</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 8,072,251</u>	<u>\$ 671,870</u>	<u>\$ - 0 -</u>	<u>\$ 8,744,121</u>

NOTE 8. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three fiscal years.

NOTE 9. PROMISSORY NOTE AGREEMENTS

On October 12, 2011, the District entered into a \$1,215,000 financing note with Government Capital Corporation to finance the construction costs of a new fire station and related equipment. The note bears interest at the rate of 4.50% per annum. The District will make 20 annual payments of \$90,634 beginning February 1, 2012, and ending February 1, 2031.

On November 1, 2012, the District entered into a \$4,000,000 financing note with Government Capital Corporation to finance the construction costs for a new fire station and related equipment. The note bears interest at the rate of 3.85% per annum. The District will make 20 annual payments of \$282,834 beginning February 15, 2013, and ending February 15, 2032.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 9. PROMISSORY NOTE AGREEMENTS (Continued)

On October 14, 2014, the District entered into a \$1,500,000 financing note with Government Capital Corporation to finance the construction costs for a new fire station and related equipment. The note bears interest at the rate of 4.057% per annum. The District will make 20 annual payments of \$107,350 beginning February 15, 2015, and ending February 15, 2034.

As of December 31, 2020 the total debt requirements on the notes are as follows:

Fiscal Year	Principal	Interest	Total
2021	\$ 297,110	\$ 183,708	\$ 480,818
2022	309,039	171,778	480,817
2023	321,449	159,369	480,818
2024	334,360	146,459	480,819
2025	347,790	133,029	480,819
2026-2030	1,960,151	443,941	2,404,092
2031-2034	1,010,479	75,224	1,085,703
	<u>\$ 4,580,378</u>	<u>\$ 1,313,508</u>	<u>\$ 5,893,886</u>

Notes Payable, January 1, 2020	\$ 4,866,021
Less: Note Principal Paid	<u>(285,643)</u>
Notes Payable, December 31, 2020	<u>\$ 4,580,378</u>

Notes Payable Due Within One Year	\$ 297,110
Notes Payable Due After One Year	<u>4,283,268</u>
Notes Payable, December 31, 2020	<u>\$ 4,580,378</u>

NOTE 10. INTERLOCAL AGREEMENT

On October 1, 2017, the District entered into an Interlocal Agreement with Harris County Emergency Service District No. 48 (“ESD No. 48”) for installation and use of an antenna system and radio transmitter on the District’s radio tower. ESD No. 48 agrees to pay the District \$120 per year to be paid in its entirety on or before the anniversary date of this agreement.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2020

DRAFT SUBJECT TO AUDIT

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2020

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Property Taxes	\$ 2,612,000	\$ 2,612,000	\$ 3,284,966	\$ 672,966
Penalty and Interest	13,000	13,000	39,128	26,128
Sales Tax Revenues	1,300,000	1,300,000	1,907,997	607,997
Miscellaneous Revenues	<u>75,000</u>	<u>75,000</u>	<u>60,285</u>	<u>(14,715)</u>
TOTAL REVENUES	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>	<u>\$ 5,292,376</u>	<u>\$ 1,292,376</u>
EXPENDITURES				
Services Operations:				
District Services-Westlake				
Volunteer Fire Department	\$ 2,329,243	\$ 2,329,243	\$ 2,328,820	\$ 423
Accounting and Auditing	34,000	34,000	35,600	(1,600)
Appraisal District Fees	35,000	34,100	24,696	9,404
Commissioner Fees	13,000	13,000	9,300	3,700
Dispatch Services	74,000	74,000	71,280	2,720
Legal Fees-General	52,000	52,000	35,583	16,417
Legal Fees-Delinquent Tax Collections			7,512	(7,512)
Sales Tax Consultant	12,000	12,000	13,400	(1,400)
Tax Collector Fees	12,000	12,000	10,828	1,172
Debt Service	480,819	480,819	480,817	2
Other	61,438	62,338	36,378	25,960
Capital Outlay	<u>896,500</u>	<u>996,500</u>	<u>935,640</u>	<u>60,860</u>
TOTAL EXPENDITURES	<u>\$ 4,000,000</u>	<u>\$ 4,100,000</u>	<u>\$ 3,989,854</u>	<u>\$ 110,146</u>
NET CHANGE IN FUND BALANCE	\$ -0-	\$ (100,000)	\$ 1,302,522	\$ 1,402,522
FUND BALANCE - JANUARY 1, 2020	<u>7,227,681</u>	<u>7,227,681</u>	<u>7,227,681</u>	
FUND BALANCE - DECEMBER 31, 2020	<u>\$ 7,227,681</u>	<u>\$ 7,127,681</u>	<u>\$ 8,530,203</u>	<u>\$ 1,402,522</u>

See accompanying independent auditor's report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47

SUPPLEMENTARY INFORMATION

REQUIRED BY HARRIS COUNTY

DECEMBER 31, 2020

DRAFT SUBJECT TO AUDIT

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
COMPUTATION OF NET LONG-TERM DEBT PER CAPITA
DECEMBER 31, 2020
(UNAUDITED)

Long-Term Debt at December 31, 2020	\$ 4,580,378
Less: Amount in Debt Service Fund	<u>-0-</u>
Net Long-Term Debt at December 31, 2020	<u>\$ 4,580,378</u>
Estimated District Population	<u> </u>
Net Long-Term Debt Per Capita at December 31, 2020	<u>\$ 95.43</u>

DRAFT SUBJECT TO AUDIT

See accompanying independent auditor's report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
LISTING OF THE NUMBER OF EMERGENCY
RESPONSES MADE WITHIN AND OUTSIDE THE DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

Number of Emergency Responses made Within the District

Number of Emergency Responses made Outside of the District

Total Emergency Responses

=====

DRAFT SUBJECT TO AUDIT

See accompanying independent auditor's report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
INSURANCE AND BONDING COVERAGE
DECEMBER 31, 2020**

Type of Coverage	From To	Amount of Coverage	Insurer/Name
GENERAL LIABILITY General Aggregate Per Occurrence	11/08/20 11/08/21	\$ 3,000,000 1,000,000	National Union Fire
MANAGEMENT LIABILITY General Aggregate Per Occurrence	11/08/20 11/08/21	\$ 3,000,000 1,000,000	National Union Fire
HIRED AND NON-OWNED AUTOMOBILE LIABILITY Combined Single Limit Per Accident	11/08/20 11/08/21	\$ 1,000,000	National Union Fire
PROPERTY Building Tower/Antenna	11/08/20 11/08/21	\$ 8,332,594 101,226	National Union Fire
EXCESS LIABILITY General Aggregate Per Occurrence	11/08/20 11/08/21	\$ 4,000,000 2,000,000	National Union Fire
PUBLIC EMPLOYEE BLANKET BOND	11/08/20 11/08/21	\$ 100,000	National Union Fire
TREASURER POSITION BOND	11/08/20 11/08/21	\$ 100,000	National Union Fire

See accompanying independent auditor's report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
STATEMENT OF ACTIVITIES -
WESTLAKE VOLUNTEER FIRE DEPARTMENT, INC.
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)**

	General Fund
REVENUES, GAINS AND OTHER SUPPORT	
Harris County Emergency Services District No. 47	\$
EMS and Fire Service Fees	
Contributions	
EMT-B Class Tuition	
Fund Raiser Income	
Donations, Investment and Miscellaneous Revenues	
TOTAL REVENUES AND OTHER SUPPORT	\$ - 0 -
EXPENSES	
Advertising	\$
Accounting/Tax Preparation	
Bunker Gear	
Charitable/Contribution Expenses	
Collection Fees	
Communications	
Debt Service - Note Interest	
Depreciation	
Dispatching Fees	
Dues	
Equipment-Small	
Fuel	
Fuctions	
Incentive Program	
Insurance	
Miscellaneous Operations	
Maintenance and Repairs	
Salaries and Benefits	
Public Relations	
Supplies	
Telephone	
Training	
Uniforms	
Utilities	
TOTAL EXPENSES	\$ -0-
CHANGE IN NET ASSETS	\$
NET ASSETS - JANUARY 1, 2020	1,809,834
NET ASSETS - DECEMBER 31, 2020	\$ 1,809,834

See accompanying independent auditor's report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47

OTHER SUPPLEMENTARY INFORMATION

DECEMBER 31, 2020

DRAFT SUBJECT TO AUDIT

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

		<u>Maintenance Taxes</u>
TAXES RECEIVABLE -		
JANUARY 1, 2020	\$ 2,066,326	
Adjustments to Beginning		
Balance	<u>(66,290)</u>	\$ 2,000,036
Original 2020 Tax Levy	\$ 3,340,004	
Adjustment to 2020 Tax Levy	<u>209,052</u>	<u>3,549,056</u>
TOTAL TO BE		
ACCOUNTED FOR		\$ 5,549,092
TAX COLLECTIONS:		
Prior Years	\$ 1,913,260	
Current Year	<u>775,527</u>	<u>2,688,787</u>
TAXES RECEIVABLE -		
DECEMBER 31, 2020		<u>\$ 2,860,305</u>
TAXES RECEIVABLE BY		
YEAR:		
2020		\$ 2,773,529
2019		30,534
2018		14,062
2017		10,683
2016		7,621
2015 and prior		<u>23,876</u>
TOTAL		<u>\$ 2,860,305</u>

See accompanying independent auditor's reports.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 4,223,880,240</u>	<u>\$ 3,965,011,768</u>	<u>\$ 3,706,101,960</u>	<u>\$ 3,533,906,883</u>
TAX RATES PER \$100 VALUATION	<u>0.0840</u>	<u>0.0850</u>	<u>0.0900</u>	<u>0.0945</u>
ADJUSTED TAX LEVY*	<u>\$ 3,549,056</u>	<u>\$ 3,363,594</u>	<u>\$ 3,335,643</u>	<u>\$ 3,339,542</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>21.85 %</u>	<u>99.09 %</u>	<u>99.58 %</u>	<u>99.68 %</u>

* Based on the adjusted tax levy at the time of the audit for the fiscal year in which the tax was levied.

See accompanying independent auditor's reports.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND – FIVE YEARS

	Amounts		
	2020	2019	2018
REVENUES			
Property Taxes	\$ 3,284,966	\$ 3,275,490	\$ 3,298,578
Penalty and Interest	39,128	36,617	30,577
Sales Tax Revenues	1,907,997	1,737,841	1,819,030
Miscellaneous Revenues	60,285	162,602	82,272
TOTAL REVENUES	\$ 5,292,376	\$ 5,212,550	\$ 5,230,457
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 66,695	\$ 53,003	\$ 71,054
Contracted Services	60,924	66,105	65,546
District Services-Westlake VFD	2,328,820	2,245,862	2,388,408
Other	116,958	125,584	50,783
Debt Service	480,817	480,818	480,819
Capital Outlay	935,640	466,893	52,394
TOTAL EXPENDITURES	\$ 3,989,854	\$ 3,438,265	\$ 3,109,004
NET CHANGE IN FUND BALANCE	\$ 1,302,522	\$ 1,774,285	\$ 2,121,453
BEGINNING FUND BALANCE	7,227,681	5,453,396	3,331,943
ENDING FUND BALANCE	\$ 8,530,203	\$ 7,227,681	\$ 5,453,396

See accompanying independent auditor's reports.

		Percentage of Total Revenues				
2017	2016	2020	2019	2018	2017	2016
\$ 3,094,517	\$ 2,718,033	62.1 %	62.9 %	62.6 %	77.2 %	84.2 %
29,953	15,358	0.7	0.7	0.6	0.7	0.5
854,283	462,253	36.1	33.3	34.8	21.3	14.3
31,369	30,939	1.1	3.1	1.6	0.8	1.0
<u>\$ 4,010,122</u>	<u>\$ 3,226,583</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 57,668	\$ 58,505	1.3 %	1.0 %	1.4 %	1.4 %	1.8 %
67,527	57,528	1.2	1.3	1.3	1.7	1.8
1,860,723	1,813,645	44.0	43.1	45.7	46.4	56.2
26,390	31,363	2.2	2.4	1.0	0.7	1.0
480,818	480,818	9.1	9.2	9.2	12.0	14.9
1,125,887		17.7	9.0	1.0	28.1	
<u>\$ 3,619,013</u>	<u>\$ 2,441,859</u>	<u>75.5 %</u>	<u>66.0 %</u>	<u>59.6 %</u>	<u>90.3 %</u>	<u>75.7 %</u>
\$ 391,109	\$ 784,724	24.5 %	34.0 %	40.4 %	9.7 %	24.3 %
<u>2,940,834</u>	<u>2,156,110</u>					
<u>\$ 3,331,943</u>	<u>\$ 2,940,834</u>					

See accompanying independent auditor's reports.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
BOARD OF COMMISSIONERS AND CONSULTANTS
DECEMBER 31, 2020

District Mailing Address - Harris County Emergency Services District No. 47
c/o Callegari Law Firm, P.C.
15040 Fairfield Village Drive, Suite 200
Cypress, TX 77433

District Telephone Number - 281-304-1230

Commissioners	Term of Office (Appointed or Elected)	Fees of Office for the year ended December 31, 2020	Expense Reimbursements for the year ended December 31, 2020	Title
Brian Havran	01/18 12/21 (Elected)	\$ 3,150	\$ 440	President
John Blanke, Jr.	01/19 12/20 (Elected)	\$ 1,350	\$ -0-	Vice President
Gilberto Porras	01/18 11/21 (Elected)	\$ 1,800	\$ -0-	Secretary/ Record's Officer
Sonia Yost	01/18 11/20 (Elected)	\$ 1,500	\$ -0-	Treasurer (Resigned)
Mitch Copeland	01/19 12/20 (Elected)	\$ 1,500	\$ -0-	Assistant Treasurer/ Assistant Secretary

The limit on fees of office that a Commissioner may receive during a year is set by the Health and Safety Code-Chapter 775. Effective January 1, 2018, a Commissioner is entitled to receive compensation in the same manner and amount as are provided by Section 49.060 of the Texas Water Code, currently \$7,200 per fiscal year. The above fees of office and expense reimbursements are the amounts paid to a Commissioner during the District's current fiscal year.

See accompanying independent auditor's report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47
BOARD OF COMMISSIONERS AND CONSULTANTS
DECEMBER 31, 2020

Consultants:	<u>Date Hired</u>	<u>Fees for the year ended December 31, 2020</u>	<u>Title</u>
Callegari Law Firm, P.C.	02/26/03	\$ 36,349	General Counsel
McCall Gibson Swedlund Barfoot PLLC	02/28/06	\$ 23,600	Auditor
Harris County Tax Assessor/Collector	Legislative Action	\$ 10,828	Tax Assessor/ Collector
Precision Utility LLC	06/16/15	\$ 12,000	Bookkeeper
Linebarger Goggan Blair & Sampson, LLP	04/24/00	\$ 7,512	Delinquent Tax Attorney
Ginny Valls	09/01/10	\$ 2,420	Recording Secretary
Sales Revenue, Inc.	03/01/16	\$ 13,400	Sales Tax Consulting

See accompanying independent auditor's report.

DRAFT SUBJECT TO AUDIT