

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**

**HARRIS COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2021**



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INDEPENDENT AUDITOR'S REPORT

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

**Opinions**

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, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2021, 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.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.





### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **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 is the responsibility of management and, 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. The supplementary information, excluding that portion marked “Unaudited” on which we express no opinion or provide an 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

May 19, 2022

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



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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, 2021. 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, 2021**

**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 \$14,115,190 as of December 31, 2021.

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, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

	Summary of Changes in the Statement of Net Position		
	2021	2020	Change Positive (Negative)
Current and Other Assets	\$ 13,310,472	\$ 12,215,488	\$ 1,094,984
Capital Assets	9,000,146	8,744,121	256,025
Total Assets	\$ 22,310,618	\$ 20,959,609	\$ 1,351,009
Long-Term Liabilities	\$ 3,974,229	\$ 4,283,268	\$ 309,039
Other Liabilities	537,713	468,292	(69,421)
Total Liabilities	\$ 4,511,942	\$ 4,751,560	\$ 239,618
Deferred Inflows of Resources	\$ 3,683,486	\$ 3,549,056	\$ (134,430)
Net Position:			
Net Investment in Capital Assets	\$ 4,716,878	\$ 4,163,743	\$ 553,135
Unrestricted	9,398,312	8,495,250	903,062
Total Net Position	\$ 14,115,190	\$ 12,658,993	\$ 1,456,197

The following table provides a summary of the District's operations for the years ended December 31, 2021, and December 31, 2020.

	Summary of Changes in the Statement of Activities		
	2021	2020	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 3,495,525	\$ 3,297,304	\$ 198,221
Sales Tax Revenues	1,718,530	1,907,997	(189,467)
Other Revenues	126,146	112,760	13,386
Total Revenues	\$ 5,340,201	\$ 5,318,061	\$ 22,140
Expenses for Services	3,884,004	3,021,830	(862,174)
Change in Net Position	\$ 1,456,197	\$ 2,296,231	\$ (840,034)
Net Position, Beginning of Year	12,658,993	10,362,762	2,296,231
Net Position, End of Year	\$ 14,115,190	\$ 12,658,993	\$ 1,456,197

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND**

The District's General Fund fund balance as of the fiscal year ended December 31, 2021, was \$9,406,954, an increase of \$876,751 from the prior year.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Commissioners amended the budget during the current fiscal year to increase estimated expenditures. Actual revenues were \$924,825 more than budgeted and actual expenditures were \$48,074 more than budgeted, which resulted in a positive variance of \$876,751. See the budget to actual comparison for more information.

**CAPITAL ASSETS**

Capital assets as of December 31, 2021 total \$9,000,146 (net of accumulated depreciation) and include land, buildings and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2021	2020	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	5,111,925	5,356,529	(244,604)
Vehicles and Equipment	3,163,327	2,662,698	500,629
Total Net Capital Assets	\$ 9,000,146	\$ 8,744,121	\$ 256,025

**LONG-TERM DEBT ACTIVITY**

As of December 31, 2021, the District had total notes payable of \$4,283,268. The changes in the debt position of the District during the fiscal year ended December 31, 2021, are summarized as follows:

Notes Payable, January 1, 2021	\$ 4,580,378
Less: Principal Retired	297,110
Notes Payable, December 31, 2021	\$ 4,283,268

**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, 2021**

	General Fund	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash	\$ 2,375,155	\$	\$ 2,375,155
Cash with Harris County	144,602		144,602
Investments	7,832,882		7,832,882
Receivables:			
Property Taxes	2,365,550		2,365,550
Penalty and Interest on Delinquent Taxes		51,334	51,334
Sales Tax Receivable	315,212		315,212
Prepaid Costs	225,737		225,737
Land		724,894	724,894
Capital Assets (Net of Accumulated Depreciation)		8,275,252	8,275,252
<b>TOTAL ASSETS</b>	<b>\$ 13,259,138</b>	<b>\$ 9,051,480</b>	<b>\$ 22,310,618</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 71,210	\$	\$ 71,210
Accrued Interest Payable		157,464	157,464
Long-Term Liabilities:			
Notes Payable, Due Within One Year		309,039	309,039
Notes Payable, Due After One Year		3,974,229	3,974,229
<b>TOTAL LIABILITIES</b>	<b>\$ 71,210</b>	<b>\$ 4,440,732</b>	<b>\$ 4,511,942</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	\$ 3,780,974	\$ (97,488)	\$ 3,683,486
<b>FUND BALANCE</b>			
Nonspendable: Prepaid Costs	\$ 225,737	\$ (225,737)	\$
Unassigned	9,181,217	(9,181,217)	
<b>TOTAL FUND BALANCE</b>	<b>\$ 9,406,954</b>	<b>\$ (9,406,954)</b>	<b>\$ -0-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
	<b>\$ 13,259,138</b>		
<b>NET POSITION</b>			
Net Investment in Capital Assets		\$ 4,716,878	\$ 4,716,878
Unrestricted		9,398,312	9,398,312
<b>TOTAL NET POSITION</b>		<b>\$ 14,115,190</b>	<b>\$ 14,115,190</b>

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, 2021**

Net Change in Fund Balance - Governmental Fund	\$	9,406,954
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		9,000,146
Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2020 and prior tax levies became part of recognized revenue in the governmental activities of the District.		148,822
<p>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:</p>		
Accrued Interest Payable	\$ (157,464)	
Notes Payable	<u>(4,283,268)</u>	<u>(4,440,732)</u>
Total Net Position - Governmental Activities		<u>\$ 14,115,190</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, 2021**

	General Fund	Adjustments	Statement of Activities
<b>REVENUES</b>			
Property Taxes	\$ 3,484,813	\$ 10,712	\$ 3,495,525
Penalty and Interest	45,413	4,664	50,077
Sales Tax Revenues	1,718,530		1,718,530
Miscellaneous Revenues	76,069		76,069
<b>TOTAL REVENUES</b>	<b>\$ 5,324,825</b>	<b>\$ 15,376</b>	<b>\$ 5,340,201</b>
<b>EXPENDITURES/EXPENSES</b>			
Service Operations:			
District Services-Westlake Volunteer			
Fire Department	\$ 2,601,982	\$	\$ 2,601,982
Accounting and Auditing	32,400		32,400
Appraisal District Fees	25,534		25,534
Commissioner Fees	14,700		14,700
Dispatch Services	239,108		239,108
Legal Fees-General	66,663		66,663
Legal Fees-Delinquent Tax Collections	7,886		7,886
Sales Tax Consultant	15,400		15,400
Tax Collector Fees	22,638		22,638
Depreciation		268,966	268,966
Other	72,818		72,818
Capital Outlay	868,128	(524,991)	343,137
Debt Service:			
Loan Principal	297,110	(297,110)	
Loan Interest	183,707	(10,935)	172,772
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 4,448,074</b>	<b>\$ (564,070)</b>	<b>\$ 3,884,004</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 876,751</b>	<b>\$ (876,751)</b>	<b>\$</b>
<b>CHANGE IN NET POSITION</b>		1,456,197	1,456,197
<b>FUND BALANCE/NET POSITION - JANUARY 1, 2021</b>	<b>8,530,203</b>	<b>4,128,790</b>	<b>12,658,993</b>
<b>FUND BALANCE/NET POSITION - DECEMBER 31, 2021</b>	<b>\$ 9,406,954</b>	<b>\$ 4,708,236</b>	<b>\$ 14,115,190</b>

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, 2021**

Net Change in Fund Balance - Governmental Fund	\$	876,751
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Amounts reported for governmental activities in the Statement of Activities are different because:

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.		10,712
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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.		4,664
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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.		(268,966)
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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.		524,991
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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.		297,110
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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.		10,935
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Change in Net Position - Governmental Activities	\$	<u>1,456,197</u>
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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, 2021**

**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, 2021**

**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, 2021**

**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 2020 tax levy collections during the period October 1, 2020, to December 31, 2021, and taxes collected from January 1, 2020, to December 31, 2021, for all prior tax levies. The 2021 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, 2021**

**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, 2021**

**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, 2021, the District levied an ad valorem tax at the rate of \$0.084 per \$100 of assessed valuation for the 2021 tax year. This resulted in a tax levy of \$3,683,486 on the adjusted taxable valuation of \$4,385,103,291 for the 2021 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, 2021**

**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 \$2,375,155 and the bank balance was \$2,593,300. 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, 2021, as listed below:

	<u>Cash</u>
GENERAL FUND	\$ <u>2,375,155</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, 2021**

**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. UMB 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, 2021, 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	\$ 7,486,912	\$ 7,486,912
TexPool	345,970	345,970
<b>TOTAL INVESTMENTS</b>	<b>\$ 7,832,882</b>	<b>\$ 7,832,882</b>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2021, 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, 2021**

**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 \$2,601,982 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 \$1,718,530 in sales tax receipts, of which \$315,212 was due from the State Comptroller at December 31, 2021.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 7. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2021:

	January 1, 2021	Increases	Decreases	December 31, 2021
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 724,894	\$ - 0 -	\$ - 0 -	\$ 724,894
<b>Capital Assets Subject to Depreciation</b>				
Buildings and Improvements	\$ 6,595,289	\$	\$	\$ 6,595,289
Vehicles and Equipment	2,708,904	524,991		3,233,895
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 9,304,193</u>	<u>\$ 524,991</u>	<u>\$ - 0 -</u>	<u>\$ 9,829,184</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	\$ 1,238,760	\$ 244,604	\$	\$ 1,483,364
Vehicles and Equipment	46,206	24,362		70,568
<b>Total Accumulated Depreciation</b>	<u>\$ 1,284,966</u>	<u>\$ 268,966</u>	<u>\$ - 0 -</u>	<u>\$ 1,553,932</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 8,019,227</u>	<u>\$ 256,025</u>	<u>\$ - 0 -</u>	<u>\$ 8,275,252</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u><u>\$ 8,744,121</u></u>	<u><u>\$ 256,025</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 9,000,146</u></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, 2021**

**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, 2021 the total debt requirements on the notes are as follows:

Fiscal Year	Principal	Interest	Total
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	361,762	119,056	480,818
2027-2031	2,038,934	365,158	2,404,092
2032-2034	569,934	34,951	604,885
	\$ 4,283,268	\$ 1,129,800	\$ 5,413,068
Notes Payable, January 1, 2021			\$ 4,580,378
Less: Note Principal Paid			297,110
Notes Payable, December 31, 2021			\$ 4,283,268
Notes Payable Due Within One Year			\$ 309,039
Notes Payable Due After One Year			3,974,229
Notes Payable, December 31, 2021			\$ 4,283,268

**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, 2021**





**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, 2021**

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 2,700,000	\$ 3,000,000	\$ 3,484,813	\$ 484,813
Penalty and Interest	23,000	23,000	45,413	22,413
Sales Tax Revenues	1,315,000	1,315,000	1,718,530	403,530
Miscellaneous Revenues	62,000	62,000	76,069	14,069
<b>TOTAL REVENUES</b>	<u>\$ 4,100,000</u>	<u>\$ 4,400,000</u>	<u>\$ 5,324,825</u>	<u>\$ 924,825</u>
<b>EXPENDITURES</b>				
Services Operations:				
District Services-Westlake				
Volunteer Fire Department	\$ 2,577,443	\$ 2,564,068	\$ 2,601,982	\$ (37,914)
Accounting and Auditing	33,000	33,000	32,400	600
Appraisal District Fees	30,000	25,590	25,534	56
Commissioner Fees	11,750	14,355	14,700	(345)
Dispatch Services*	116,000	184,000	239,108	(55,108)
Legal Fees-General	35,000	67,000	66,663	337
Legal Fees-Delinquent Tax Collections	7,900	7,900	7,886	14
Sales Tax Consultant	16,800	16,800	15,400	1,400
Tax Collector Fees	17,700	15,095	22,638	(7,543)
Other	109,088	104,873	72,818	32,055
Capital Outlay	664,500	886,500	868,128	18,372
Debt Service	480,819	480,819	480,817	2
<b>TOTAL EXPENDITURES</b>	<u>\$ 4,100,000</u>	<u>\$ 4,400,000</u>	<u>\$ 4,448,074</u>	<u>\$ (48,074)</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ -0-	\$ -0-	\$ 876,751	\$ 876,751
<b>FUND BALANCE - JANUARY 1, 2021</b>	<u>8,530,203</u>	<u>8,530,203</u>	<u>8,530,203</u>	<u></u>
<b>FUND BALANCE - DECEMBER 31, 2021</b>	<u>\$ 8,530,203</u>	<u>\$ 8,530,203</u>	<u>\$ 9,406,954</u>	<u>\$ 876,751</u>

\* Variance is due to the District entering into a new contract with a provider.

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**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**

**SUPPLEMENTARY INFORMATION**

**REQUIRED BY HARRIS COUNTY**

**DECEMBER 31, 2021**



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**COMPUTATION OF NET LONG-TERM DEBT PER CAPITA**  
**DECEMBER 31, 2021**  
**(UNAUDITED)**

Long-Term Debt at December 31, 2021	\$ 4,283,268
Less: Amount in Debt Service Fund	<u>-0-</u>
Net Long-Term Debt at December 31, 2021	<u>\$ 4,283,268</u>
Estimated District Population	<u>85,000</u>
Net Long-Term Debt Per Capita at December 31, 2021	<u>\$ 50.37</u>

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, 2021  
(UNAUDITED)**

Number of Emergency Responses made Within the District	4,688
Number of Emergency Responses made Outside of the District	<u>123</u>
Total Emergency Responses	<u><u>4,811</u></u>

See accompanying independent auditor's report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**INSURANCE AND BONDING COVERAGE**  
**DECEMBER 31, 2021**

Type of Coverage	From To	Amount of Coverage	Insurer/Name
GENERAL LIABILITY General Aggregate Per Occurrence	11/08/21 11/08/22	\$ 3,000,000 1,000,000	National Union Fire
MANAGEMENT LIABILITY General Aggregate Per Occurrence	11/08/21 11/08/22	\$ 3,000,000 1,000,000	National Union Fire
HIRED AND NON-OWNED AUTOMOBILE LIABILITY Combined Single Limit Per Accident	11/08/21 11/08/22	\$ 1,000,000	National Union Fire
PROPERTY Building Tower/Antenna	11/08/21 11/08/22	\$ 8,665,898 105,275	National Union Fire
EXCESS LIABILITY General Aggregate Per Occurrence	11/08/21 11/08/22	\$ 4,000,000 2,000,000	National Union Fire
PUBLIC EMPLOYEE BLANKET BOND	11/08/21 11/08/22	\$ 100,000	National Union Fire
TREASURER POSITION BOND	11/08/21 11/08/22	\$ 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, 2021**  
**(UNAUDITED)**

	General Fund
<b>REVENUES, GAINS AND OTHER SUPPORT</b>	
Harris County Emergency Services District No. 47	\$ 2,536,945
EMS and Fire Service Fees	535,996
Contributions	139,056
EMT-B Class Tuition	15,008
Fund Raiser Income	1,800
Donations, Investment and Miscellaneous Revenues	103,699
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>\$ 3,332,504</b>
<b>EXPENSES</b>	
Advertising	\$ 250
Accounting/Tax Preparation	16,859
Bunker Gear	126,450
Charitable/Contribution Expenses	2,500
Collection Fees	9,400
COVID-19	4,400
Debt Service - Note Interest	13,099
Depreciation	196,497
Dues	36,871
Equipment-Small	31,528
Fuel	71,843
Fuctions	8,581
Incentive Program	519,665
Insurance	161,222
Miscellaneous Operations	99,382
Maintenance and Repairs	304,467
Salaries and Benefits	1,449,353
Public Relations	15,817
Supplies	116,582
Telephone	24,201
Training	65,475
Uniforms	10,759
Utilities	65,347
<b>TOTAL EXPENSES</b>	<b>\$ 3,350,548</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (18,044)</b>
<b>NET ASSETS - JANUARY 1, 2021</b>	<b>1,457,252</b>
<b>NET ASSETS - DECEMBER 31, 2021</b>	<b>\$ 1,439,208</b>

See accompanying independent auditor's report.



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**

**OTHER SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2021**



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47  
TAXES LEVIED AND RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Maintenance Taxes	
TAXES RECEIVABLE -		
JANUARY 1, 2021	\$ 2,860,305	
Adjustments to Beginning		
Balance	(53,531)	\$ 2,806,774
Original 2021 Tax Levy	\$ 3,386,024	
Adjustment to 2021 Tax Levy	297,462	3,683,486
TOTAL TO BE		
ACCOUNTED FOR		\$ 6,490,260
 TAX COLLECTIONS:		
Prior Years	\$ 2,709,286	
Current Year	1,415,424	4,124,710
 TAXES RECEIVABLE -		
DECEMBER 31, 2021		\$ 2,365,550
 TAXES RECEIVABLE BY		
YEAR:		
2021		\$ 2,268,062
2020		34,729
2019		16,235
2018		11,130
2017		9,450
2016 and prior		25,944
TOTAL		\$ 2,365,550

See accompanying independent auditor's reports.

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**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 4,385,103,291</u>	<u>\$ 4,223,880,240</u>	<u>\$ 3,965,011,768</u>	<u>\$ 3,706,101,960</u>
TAX RATES PER \$100 VALUATION	<u>\$ 0.084</u>	<u>\$ 0.084</u>	<u>\$ 0.085</u>	<u>\$ 0.090</u>
ADJUSTED TAX LEVY*	<u>\$ 3,683,486</u>	<u>\$ 3,549,056</u>	<u>\$ 3,363,594</u>	<u>\$ 3,335,643</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>38.43 %</u>	<u>99.02 %</u>	<u>99.52 %</u>	<u>99.67 %</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		
	2021	2020	2019
<b>REVENUES</b>			
Property Taxes	\$ 3,484,813	\$ 3,284,966	\$ 3,275,490
Penalty and Interest	45,413	39,128	36,617
Sales Tax Revenues	1,718,530	1,907,997	1,737,841
Miscellaneous Revenues	76,069	60,285	162,602
<b>TOTAL REVENUES</b>	<b>\$ 5,324,825</b>	<b>\$ 5,292,376</b>	<b>\$ 5,212,550</b>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 94,949	\$ 66,695	\$ 53,003
Contracted Services	75,572	60,924	66,105
District Services-Westlake VFD	2,601,982	2,328,820	2,245,862
Other	326,626	116,958	125,584
Capital Outlay	868,128	935,640	466,893
Debt Service	480,817	480,817	480,818
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,448,074</b>	<b>\$ 3,989,854</b>	<b>\$ 3,438,265</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 876,751</b>	<b>\$ 1,302,522</b>	<b>\$ 1,774,285</b>
<b>BEGINNING FUND BALANCE</b>	<b>8,530,203</b>	<b>7,227,681</b>	<b>5,453,396</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 9,406,954</b>	<b>\$ 8,530,203</b>	<b>\$ 7,227,681</b>

See accompanying independent auditor's reports.

		Percentage of Total Revenues				
2018	2017	2021	2020	2019	2018	2017
\$ 3,298,578	\$ 3,094,517	65.4 %	62.1 %	62.5 %	63.0 %	77.2 %
30,577	29,953	0.9	0.7	0.7	0.6	0.7
1,819,030	854,283	32.3	36.1	33.3	34.8	21.3
<u>82,272</u>	<u>31,369</u>	<u>1.4</u>	<u>1.1</u>	<u>3.1</u>	<u>1.6</u>	<u>0.8</u>
<u>\$ 5,230,457</u>	<u>\$ 4,010,122</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 71,054	\$ 57,668	1.8 %	1.3 %	1.0 %	1.4 %	1.4 %
65,546	67,527	1.4	1.2	1.3	1.3	1.7
2,388,408	1,860,723	48.9	44.0	43.1	45.7	46.4
50,783	26,390	6.1	2.2	2.4	1.0	0.7
52,394	1,125,887	16.3	17.7	9.0	1.0	28.1
<u>480,819</u>	<u>480,818</u>	<u>9.0</u>	<u>9.1</u>	<u>9.2</u>	<u>9.2</u>	<u>12.0</u>
<u>\$ 3,109,004</u>	<u>\$ 3,619,013</u>	<u>83.5 %</u>	<u>75.5 %</u>	<u>66.0 %</u>	<u>59.6 %</u>	<u>90.3 %</u>
\$ 2,121,453	\$ 391,109	<u>16.5 %</u>	<u>24.5 %</u>	<u>34.0 %</u>	<u>40.4 %</u>	<u>9.7 %</u>
<u>3,331,943</u>	<u>2,940,834</u>					
<u>\$ 5,453,396</u>	<u>\$ 3,331,943</u>					

See accompanying independent auditor's reports.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**BOARD OF COMMISSIONERS AND CONSULTANTS**  
**DECEMBER 31, 2021**

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, 2021	Expense Reimbursements for the year ended December 31, 2021	Title
Brian Havran	11/21 12/25 (Elected)	\$ 3,900	\$ -0-	President
John Blanke, Jr.	01/19 12/23 (Elected)	\$ 1,650	\$ -0-	Vice President
Gilberto Porras	11/21 12/25 (Elected)	\$ 2,400	\$ -0-	Secretary/ Record's Officer
Michael Miller	11/21 12/25 (Elected)	\$ 2,700	\$ -0-	Treasurer/ Investment Officer
Mitch Copeland	01/19 12/23 (Elected)	\$ 3,150	\$ -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, 2021**

<b>Consultants:</b>	<u>Date Hired</u>	<u>Fees for the year ended December 31, 2021</u>	<u>Title</u>
Callegari Law Firm, P.C.	02/26/03	\$ 68,699	General Counsel
McCall Gibson Swedlund Barfoot PLLC	02/28/06	\$ 13,500 \$ 6,900	Auditor VFD Audit
Harris County Tax Assessor/Collector	Legislative Action	\$ 22,638	Tax Assessor/ Collector
Clarity Group (Formally Precision Utility LLC)	06/16/15	\$ 12,000	Bookkeeper
Linebarger Goggan Blair & Sampson, LLP	04/24/00	\$ 7,886	Delinquent Tax Attorney
Ginny Valls	09/01/10	\$ 2,860	Recording Secretary
Sales Revenue, Inc.	03/01/16	\$ 15,400	Sales Tax Consulting

See accompanying independent auditor's report.

