

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

**HARRIS COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2022**



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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, 2022, 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, 2022, 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.

**Correction of Error**

As described in Note 11 to the financial statements, the District's net position as of December 31, 2021, has been restated to correct certain misstatements. Our opinions are not modified with respect to this matter.

**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.



**Supplementary 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

June 15, 2023

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, 2022**

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, 2022. 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, 2022**

**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 \$15,451,725 as of December 31, 2022.

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, 2022**

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

	Summary of Changes in the Statement of Net Position		
	2022	2021	Change Positive (Negative)
Current and Other Assets	\$ 14,500,325	\$ 13,310,472	\$ 1,189,853
Capital Assets	<u>8,416,673</u>	<u>9,238,866</u>	<u>(822,193)</u>
Total Assets	<u>\$ 22,916,998</u>	<u>\$ 22,549,338</u>	<u>\$ 367,660</u>
Long-Term Liabilities	\$ 3,054,971	\$ 3,974,229	\$ 919,258
Other Liabilities	<u>429,301</u>	<u>537,713</u>	<u>108,412</u>
Total Liabilities	<u>\$ 3,484,272</u>	<u>\$ 4,511,942</u>	<u>\$ 1,027,670</u>
Deferred Inflows of Resources	<u>\$ 3,981,001</u>	<u>\$ 3,683,486</u>	<u>\$ (297,515)</u>
Net Position:			
Net Investment in Capital Assets	\$ 5,101,241	\$ 4,955,598	\$ 145,643
Unrestricted	<u>10,350,484</u>	<u>9,398,312</u>	<u>952,172</u>
Total Net Position	<u>\$ 15,451,725</u>	<u>\$ 14,353,910</u>	<u>\$ 1,097,815</u>

\*

The following table provides a summary of the District's operations for the years ended December 31, 2022, and December 31, 2021.

	Summary of Changes in the Statement of Activities		
	2022	2021	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 3,601,334	\$ 3,495,525	\$ 105,809
Sales Tax Revenues	1,808,393	1,718,530	89,863
Other Revenues	<u>237,772</u>	<u>126,146</u>	<u>111,626</u>
Total Revenues	<u>\$ 5,647,499</u>	<u>\$ 5,340,201</u>	<u>\$ 307,298</u>
Expenses for Services	<u>4,549,684</u>	<u>4,985,385</u>	<u>435,701</u>
Change in Net Position	\$ 1,097,815	\$ 354,816	\$ 742,999
Net Position, Beginning of Year	<u>14,353,910</u>	<u>13,999,094</u>	<u>354,816</u>
Net Position, End of Year	<u>\$ 15,451,725</u>	<u>\$ 14,353,910</u>	<u>\$ 1,097,815</u>

\*As Adjusted, Note 11

\*

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

The District's General Fund fund balance as of the fiscal year ended December 31, 2022, was \$10,316,132, an increase of \$909,178 from the prior year.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Commissioners amended the budget during the current fiscal year to increase estimated revenues and expenditures. Actual revenues were \$789,460 more than budgeted and actual expenditures were \$67,718 less than budgeted, which resulted in a positive variance of \$857,178. See the budget to actual comparison for more information.

**CAPITAL ASSETS**

Capital assets as of December 31, 2022 total \$8,416,673 (net of accumulated depreciation) and include land, buildings and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2022	2021	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	5,220,359	5,389,218	(168,859)
Vehicles and Equipment	2,471,420	3,124,754	(653,334)
Total Net Capital Assets	\$ 8,416,673	\$ 9,238,866	\$ (822,193)

**LONG-TERM DEBT ACTIVITY**

As of December 31, 2022, the District had total notes payable of \$3,315,432. The changes in the debt position of the District during the fiscal year ended December 31, 2022, are summarized as follows:

Notes Payable, January 1, 2022	\$ 4,283,268
Less: Principal Retired	967,836
Notes Payable, December 31, 2022	\$ 3,315,432

**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, 2022**

	General Fund	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash	\$ 1,380,349	\$	\$ 1,380,349
Cash with Harris County	386,828		386,828
Investments	9,489,776		9,489,776
Receivables:			
Property Taxes	2,555,357		2,555,357
Penalty and Interest on Delinquent Taxes		50,373	50,373
Sales Tax Receivable	332,405		332,405
Prepaid Costs	305,237		305,237
Land		724,894	724,894
Capital Assets (Net of Accumulated Depreciation)		7,691,779	7,691,779
<b>TOTAL ASSETS</b>	<b>\$ 14,449,952</b>	<b>\$ 8,467,046</b>	<b>\$ 22,916,998</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 49,927	\$	\$ 49,927
Accrued Interest Payable		118,913	118,913
Long-Term Liabilities:			
Notes Payable, Due Within One Year		260,461	260,461
Notes Payable, Due After One Year		3,054,971	3,054,971
<b>TOTAL LIABILITIES</b>	<b>\$ 49,927</b>	<b>\$ 3,434,345</b>	<b>\$ 3,484,272</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	\$ 4,083,893	\$ (102,892)	\$ 3,981,001
<b>FUND BALANCE</b>			
Nonspendable: Prepaid Costs	\$ 305,237	\$ (305,237)	\$
Unassigned	10,010,895	(10,010,895)	
<b>TOTAL FUND BALANCE</b>	<b>\$ 10,316,132</b>	<b>\$ (10,316,132)</b>	<b>\$ -0-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>			
	<b>\$ 14,449,952</b>		
<b>NET POSITION</b>			
Net Investment in Capital Assets		\$ 5,101,241	\$ 5,101,241
Unrestricted		10,350,484	10,350,484
<b>TOTAL NET POSITION</b>		<b>\$ 15,451,725</b>	<b>\$ 15,451,725</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, 2022**

Net Change in Fund Balance - Governmental Fund \$ 10,316,132

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. 8,416,673

Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2021 and prior tax levies became part of recognized revenue in the governmental activities of the District. 153,265

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	\$ (118,913)	
Notes Payable	<u>(3,315,432)</u>	<u>(3,434,345)</u>
Total Net Position - Governmental Activities		<u>\$ 15,451,725</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, 2022**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>REVENUES</b>			
Property Taxes	\$ 3,595,930	\$ 5,404	\$ 3,601,334
Penalty and Interest	41,539	(961)	40,578
Sales Tax Revenues	1,808,393		1,808,393
Miscellaneous Revenues	243,598	(46,404)	197,194
<b>TOTAL REVENUES</b>	<u>\$ 5,689,460</u>	<u>\$ (41,961)</u>	<u>\$ 5,647,499</u>
<b>EXPENDITURES/EXPENSES</b>			
Service Operations:			
District Services-Westlake Volunteer			
Fire Department	\$ 3,144,406	\$	\$ 3,144,406
Accounting and Auditing	26,500		26,500
Appraisal District Fees	27,383		27,383
Commissioner Fees	15,900		15,900
Dispatch Services	175,720		175,720
Legal Fees-General	52,425		52,425
Legal Fees-Delinquent Tax Collections	7,006		7,006
Sales Tax Consultant	16,800		16,800
Tax Collector Fees	17,692		17,692
Depreciation		854,956	854,956
Other	56,741		56,741
Capital Outlay	79,167	(79,167)	
Debt Service:			
Loan Principal	967,836	(967,836)	
Loan Interest	192,706	(38,551)	154,155
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>\$ 4,780,282</u>	<u>\$ (230,598)</u>	<u>\$ 4,549,684</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 909,178	\$ (909,178)	\$
<b>CHANGE IN NET POSITION</b>		1,097,815	1,097,815
<b>FUND BALANCE/NET POSITION - JANUARY 1, 2022, AS ADJUSTED</b>	<u>9,406,954</u>	<u>4,946,956</u>	<u>14,353,910</u>
<b>FUND BALANCE/NET POSITION - DECEMBER 31, 2022</b>	<u>\$ 10,316,132</u>	<u>\$ 5,135,593</u>	<u>\$ 15,451,725</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, 2022**

Net Change in Fund Balance - Governmental Fund	\$	909,178
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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.		5,404
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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.		(961)
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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.		(854,956)
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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.		32,763
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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.		967,836
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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.		38,551
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Change in Net Position - Governmental Activities	\$	<u>1,097,815</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, 2022**

**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, 2022**

**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, 2022**

**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 2021 tax levy collections during the period October 1, 2021, to December 31, 2022, and taxes collected from January 1, 2021, to December 31, 2022, for all prior tax levies. The 2022 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, 2022**

**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, 2022**

**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, 2022, the District levied an ad valorem tax at the rate of \$0.08 per \$100 of assessed valuation for the 2022 tax year. This resulted in a tax levy of \$3,981,000 on the adjusted taxable valuation of \$4,976,249,234 for the 2022 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, 2022**

**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 \$1,380,349 and the bank balance was \$1,671,599. Of the bank balance, the District was exposed to \$441,816 of custodial credit risk at year-end. The exposure was alleviated after 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, 2022, as listed below:

	<u>Cash</u>
GENERAL FUND	<u>\$ 1,380,349</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, 2022**

**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, 2022, 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	\$ 9,138,315	\$ 9,138,315
TexPool	351,461	351,461
<b>TOTAL INVESTMENTS</b>	<b>\$ 9,489,776</b>	<b>\$ 9,489,776</b>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2022, 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, 2022**

**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. On August 11, 2021, and effective January 1, 2021, the District and the Department renewed the contract. The term of this contract will be for two years beginning January 1, 2021 and ending on December 31, 2023. 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.

Each calendar quarter, the Department must report to the District in writing on its financial status.

Pursuant to the District’s powers under Section 775.031(a) of the Texas Health & Safety Code, all purchases made by the District or by the Department utilizing District Funds after the date of this Contract’s execution for any single item, asset, or service or for more than one of the same or a similar type of items, assets, or services shall be the property of the District, alone, and shall be titled as such where appropriate. The District shall be the sole owner and holder of title of all items, assets, or services purchased in whole or in part with District Funds, unless agreed otherwise in writing prior to the acquisition of such items, assets, or service. 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 \$3,144,406 to the Department for operating and capital costs.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**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 \$1,808,393 in sales tax receipts, of which \$332,405 was due from the State Comptroller at December 31, 2022.

**NOTE 7. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2022:

	January 1, 2022*	Increases	Decreases	December 31, 2022
<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	6,009,201	79,167	88,242	6,000,126
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 12,604,490</u>	<u>\$ 79,167</u>	<u>\$ 88,242</u>	<u>\$ 12,595,415</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	\$ 1,206,071	\$ 168,859	\$	\$ 1,374,930
Vehicles and Equipment	2,884,447	686,097	41,838	3,528,706
<b>Total Accumulated Depreciation</b>	<u>\$ 4,090,518</u>	<u>\$ 854,956</u>	<u>\$ 41,838</u>	<u>\$ 4,903,636</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 8,513,972</u>	<u>\$ (775,789)</u>	<u>\$ 46,404</u>	<u>\$ 7,691,779</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 9,238,866</u>	<u>\$ (775,789)</u>	<u>\$ 46,404</u>	<u>\$ 8,416,673</u>

\*As Adjusted, Note 11

**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.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**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. This note was paid off early during the current fiscal year on April 21, 2022.

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.

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, 2022 the total debt requirements on the notes are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 260,461	\$ 129,723	\$ 390,184
2024	270,628	119,557	390,185
2025	281,190	108,995	390,185
2026	292,165	98,019	390,184
2027	303,569	86,616	390,185
2028-2032	1,705,111	245,810	1,950,921
2033-2034	202,308	12,393	214,701
	<u>\$ 3,315,432</u>	<u>\$ 801,113</u>	<u>\$ 4,116,545</u>

Notes Payable, January 1, 2022	\$ 4,283,268
Less: Note Principal Paid	<u>967,836</u>
Notes Payable, December 31, 2022	<u>\$ 3,315,432</u>

Notes Payable Due Within One Year	\$ 260,461
Notes Payable Due After One Year	<u>3,054,971</u>
Notes Payable, December 31, 2022	<u>\$ 3,315,432</u>

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**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.

**NOTE 11. PRIOR PERIOD ADJUSTMENT**

During the current fiscal year, it was determined that all capital assets formerly owned by Westlake Volunteer Fire Department were transferred to the District to be included in the District’s capital assets (net of accumulated depreciation). The effect of this adjustment increased the District’s net position as of January 1, 2022 by \$238,720.

**NOTE 12. EQUIPMENT LEASE**

On November 8, 2022, the District approved an equipment lease with Stryker Sales, LLC for the lease of equipment. The equipment has not been delivered as of year end. Equipment totaled \$1,114,612. Lease payments of \$111,461 are due annually beginning 30 days after the delivery of equipment for 10 years. The leased equipment must be returned at the end of the lease.

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2022**



**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, 2022**

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 3,450,000	\$ 3,450,000	\$ 3,595,930	\$ 145,930
Penalty and Interest	16,000	16,000	41,539	25,539
Sales Tax Revenues	1,320,000	1,320,000	1,808,393	488,393
Miscellaneous Revenues	<u>14,000</u>	<u>114,000</u>	<u>243,598</u>	<u>129,598</u>
<b>TOTAL REVENUES</b>	<u>\$ 4,800,000</u>	<u>\$ 4,900,000</u>	<u>\$ 5,689,460</u>	<u>\$ 789,460</u>
<b>EXPENDITURES</b>				
Services Operations:				
District Services-Westlake				
Volunteer Fire Department	\$ 2,925,400	\$ 3,110,400	\$ 3,144,406	\$ (34,006)
Accounting and Auditing	37,000	37,000	26,500	10,500
Appraisal District Fees	26,000	26,000	27,383	(1,383)
Commissioner Fees	10,450	14,550	15,900	(1,350)
Dispatch Services	152,000	190,000	175,720	14,280
Legal Fees-General	45,000	45,000	52,425	(7,425)
Legal Fees-Delinquent Tax Collections	7,900	7,900	7,006	894
Sales Tax Consultant	16,800	16,800	16,800	
Tax Collector Fees	14,700	14,700	17,692	(2,992)
Other	55,931	47,931	56,741	(8,810)
Capital Outlay	442,000	176,906	79,167	97,739
Debt Service	<u>1,066,819</u>	<u>1,160,813</u>	<u>1,160,542</u>	<u>271</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 4,800,000</u>	<u>\$ 4,848,000</u>	<u>\$ 4,780,282</u>	<u>\$ 67,718</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ -0-	\$ 52,000	\$ 909,178	\$ 857,178
<b>FUND BALANCE - JANUARY 1, 2022</b>	<u>9,406,954</u>	<u>9,406,954</u>	<u>9,406,954</u>	
<b>FUND BALANCE - DECEMBER 31, 2022</b>	<u>\$ 9,406,954</u>	<u>\$ 9,458,954</u>	<u>\$10,316,132</u>	<u>\$ 857,178</u>

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

**SUPPLEMENTARY INFORMATION**

**REQUIRED BY HARRIS COUNTY**

**DECEMBER 31, 2022**



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**COMPUTATION OF NET LONG-TERM DEBT PER CAPITA**  
**DECEMBER 31, 2022**  
**(UNAUDITED)**

Long-Term Debt at December 31, 2022	\$ 3,315,432
Less: Amount in Debt Service Fund	<u>-0-</u>
Net Long-Term Debt at December 31, 2022	<u>\$ 3,315,432</u>
Estimated District Population	<u>85,000</u>
Net Long-Term Debt Per Capita at December 31, 2022	<u>\$ 39.01</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, 2022  
(UNAUDITED)**

Number of Emergency Responses made Within the District	4,509
Number of Emergency Responses made Outside of the District	<u>88</u>
Total Emergency Responses	<u>4,597</u>

See accompanying independent auditor's report.



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47  
INSURANCE AND BONDING COVERAGE  
DECEMBER 31, 2022**

Type of Coverage	From To	Amount of Coverage	Insurer/Name
GENERAL LIABILITY General Aggregate Per Occurrence	11/08/22 11/08/23	\$ 3,000,000 1,000,000	National Union Fire
MANAGEMENT LIABILITY General Aggregate Per Occurrence	11/08/22 11/08/23	\$ 3,000,000 1,000,000	National Union Fire
HIRED AND NON-OWNED AUTOMOBILE LIABILITY Combined Single Limit Per Accident	11/08/22 11/08/23	\$ 1,000,000	National Union Fire
PROPERTY Building Tower/Antenna	11/08/22 11/08/23	\$ 9,174,283 109,486	National Union Fire
EXCESS LIABILITY General Aggregate Per Occurrence	11/08/22 11/08/23	\$ 4,000,000 2,000,000	National Union Fire
PUBLIC EMPLOYEE BLANKET BOND	11/08/22 11/08/23	\$ 100,000	National Union Fire
TREASURER POSITION BOND	11/08/22 11/08/23	\$ 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, 2022**  
**(UNAUDITED)**

	General Fund
<b>REVENUES, GAINS AND OTHER SUPPORT</b>	
Harris County Emergency Services District No. 47	\$ 2,843,252
EMS and Fire Service Fees	542,362
Contributions	168,340
EMT-B Class Tuition	14,988
Fund Raiser Income	2,825
Donations, Investment and Miscellaneous Revenues	79,025
<b>TOTAL REVENUES AND OTHER SUPPORT</b>	<b>\$ 3,650,792</b>
<b>EXPENSES</b>	
Advertising	\$ 834
Accounting/Tax Preparation	11,250
Bunker Gear	37,444
COVID-19	1,375
Depreciation	196,497
Dues	3,597
Equipment-Small	5,558
Fuel	73,701
Fuctions	7,329
Incentive Program	444,353
Insurance	367,783
Miscellaneous Operations	81,617
Maintenance and Repairs	233,839
Salaries and Benefits	1,875,402
Public Relations	23,000
Supplies	142,101
Telephone	20,149
Training	102,624
Uniforms	40,433
Utilities	67,906
<b>TOTAL EXPENSES</b>	<b>\$ 3,736,792</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$ (86,000)</b>
<b>NET ASSETS - JANUARY 1, 2022</b>	<b>1,439,208</b>
<b>NET ASSETS - DECEMBER 31, 2022</b>	<b>\$ 1,353,208</b>

See accompanying independent auditor's report.

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

**OTHER SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2022**



**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47  
TAXES LEVIED AND RECEIVABLE  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Maintenance Taxes	
TAXES RECEIVABLE -		
JANUARY 1, 2022	\$ 2,365,550	
Adjustments to Beginning		
Balance	(82,151)	\$ 2,283,399
Original 2022 Tax Levy	\$ 3,791,999	
Adjustment to 2022 Tax Levy	189,001	3,981,000
TOTAL TO BE		
ACCOUNTED FOR		\$ 6,264,399
 TAX COLLECTIONS:		
Prior Years	\$ 2,180,507	
Current Year	1,528,535	3,709,042
 TAXES RECEIVABLE -		
DECEMBER 31, 2022		\$ 2,555,357
 TAXES RECEIVABLE BY		
YEAR:		
2022		\$ 2,452,465
2021		35,345
2020		17,114
2019		10,577
2018		8,041
2017 and prior		31,815
TOTAL		\$ 2,555,357

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, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 4,976,249,234</u>	<u>\$ 4,385,103,291</u>	<u>\$ 4,223,880,240</u>	<u>\$ 3,965,011,768</u>
TAX RATES PER \$100 VALUATION	<u>\$ 0.08</u>	<u>\$ 0.084</u>	<u>\$ 0.084</u>	<u>\$ 0.085</u>
ADJUSTED TAX LEVY*	<u>\$ 3,981,000</u>	<u>\$ 3,683,486</u>	<u>\$ 3,549,056</u>	<u>\$ 3,363,594</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>38.40 %</u>	<u>99.04 %</u>	<u>99.52 %</u>	<u>99.69 %</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		
	2022	2021	2020
<b>REVENUES</b>			
Property Taxes	\$ 3,595,930	\$ 3,484,813	\$ 3,284,966
Penalty and Interest	41,539	45,413	39,128
Sales Tax Revenues	1,808,393	1,718,530	1,907,997
Miscellaneous Revenues	243,598	76,069	60,285
<b>TOTAL REVENUES</b>	<b>\$ 5,689,460</b>	<b>\$ 5,324,825</b>	<b>\$ 5,292,376</b>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 73,931	\$ 94,949	\$ 66,695
Contracted Services	73,875	75,572	60,924
District Services-Westlake VFD	3,144,406	2,601,982	2,328,820
Other	248,361	326,626	116,958
Capital Outlay	79,167	868,128	935,640
Debt Service	1,160,542	480,817	480,817
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,780,282</b>	<b>\$ 4,448,074</b>	<b>\$ 3,989,854</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 909,178</b>	<b>\$ 876,751</b>	<b>\$ 1,302,522</b>
<b>BEGINNING FUND BALANCE</b>	<b>9,406,954</b>	<b>8,530,203</b>	<b>7,227,681</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 10,316,132</b>	<b>\$ 9,406,954</b>	<b>\$ 8,530,203</b>

See accompanying independent auditor's reports.



		Percentage of Total Revenues				
<u>2019</u>	<u>2018</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 3,275,490	\$ 3,298,578	63.2 %	65.4 %	62.1 %	62.5 %	63.0 %
36,617	30,577	0.7	0.9	0.7	0.7	0.6
1,737,841	1,819,030	31.8	32.3	36.1	33.3	34.8
162,602	82,272	4.3	1.4	1.1	3.1	1.6
<u>\$ 5,212,550</u>	<u>\$ 5,230,457</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 53,003	\$ 71,054	1.3 %	1.8 %	1.3 %	1.0 %	1.4 %
66,105	65,546	1.3	1.4	1.2	1.3	1.3
2,245,862	2,388,408	55.3	48.9	44.0	43.1	45.7
125,584	50,783	4.4	6.1	2.2	2.4	1.0
466,893	52,394	1.4	16.3	17.7	9.0	1.0
480,818	480,819	20.4	9.0	9.1	9.2	9.2
<u>\$ 3,438,265</u>	<u>\$ 3,109,004</u>	<u>84.1 %</u>	<u>83.5 %</u>	<u>75.5 %</u>	<u>66.0 %</u>	<u>59.6 %</u>
\$ 1,774,285	\$ 2,121,453	<u>15.9 %</u>	<u>16.5 %</u>	<u>24.5 %</u>	<u>34.0 %</u>	<u>40.4 %</u>
<u>5,453,396</u>	<u>3,331,943</u>					
<u>\$ 7,227,681</u>	<u>\$ 5,453,396</u>					

See accompanying independent auditor's reports.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 47**  
**BOARD OF COMMISSIONERS AND CONSULTANTS**  
**DECEMBER 31, 2022**

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, 2022	Expense Reimbursements for the year ended December 31, 2022	Title
Mitch Copeland	01/19 12/23 (Elected)	\$ 2,850	\$ 933	President
Gilberto Porras	11/21 12/25 (Elected)	\$ 2,850	\$ 1,204	Vice President/ Treasurer/ Assistant Secretary/ Records Officer
Brian Havran	11/21 12/25 (Elected)	\$ 5,100	\$ 514	Secretary/ Public Information Officer
Michael Miller	11/21 12/25 (Elected)	\$ 3,150	\$ 383	Treasurer/ Investment Officer
John Blanke, Jr.	01/19 12/23 (Elected)	\$ 1,950	\$ -0-	Commissioner

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, 2022**

<b>Consultants:</b>	<u>Date Hired</u>	<u>Fees for the year ended December 31, 2022</u>	<u>Title</u>
Callegari Law Firm, P.C.	02/26/03	\$ 56,823	General Counsel
McCall Gibson Swedlund Barfoot PLLC	02/28/06	\$ 14,500	Auditor
Harris County Tax Assessor/Collector	Legislative Action	\$ 17,692	Tax Assessor/ Collector
Clarity Group	06/16/15	\$ 12,042	Bookkeeper
Linebarger Goggan Blair & Sampson, LLP	04/24/00	\$ 7,006	Delinquent Tax Attorney
Ginny Valls	09/01/10	\$ 3,080	Recording Secretary
Sales Revenue, Inc.	03/01/16	\$ 16,800	Sales Tax Consulting

See accompanying independent auditor's report.

