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**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13**

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REPORT ON FINANCIAL STATEMENTS  
*(With Supplemental Material)*

FOR THE YEAR ENDED DECEMBER 31, 2018

**BREEDLOVE & CO., P.C.**  
CERTIFIED PUBLIC ACCOUNTANTS



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# BREEDLOVE & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

May 23, 2019

Board of Commissioners  
Harris County Emergency Services District No. 13  
Harris County, Texas

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Harris County Emergency Services District No. 13, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Harris County Emergency Services District No. 13, as of December 31, 2018, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 21 through 24 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Harris County Emergency Service District No. 13's financial statements as a whole. The Supplementary Information on pages 25 to 26 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Supplementary Information was the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

*Brechner & Co., P.C.*

## HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

### MANAGEMENT'S DISCUSSION & ANALYSIS DECEMBER 31, 2018

Our discussion and analysis of the financial performance of Harris County Emergency Services District No. 13 (the "District") provides an overview of the District's financial activities for the year ended December 31, 2018. Please read it in conjunction with the District's financial statements, included in this annual report.

#### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include (1) combined 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 (1) the Statement of Net Position and Governmental Funds Balance Sheet, and (2) the Statement of Activities and Governmental Revenues, Expenditures and Changes in Fund Balance. This report also includes other supplemental information in addition to these 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 portion of these statements provides 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 first of the government-wide financial statements is the Statement of Net Position. This statement is the District-wide statement of its financial position presenting information that includes all of the District's assets and liabilities, 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 as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

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

#### NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the basic financial statements provide information essential to a full understanding of government-wide and fund financial statements. The notes to the financial statements follow the financial statement in this annual report.

#### OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI"). The 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 by \$23,730,776 as of December 31, 2018.

With the implementation of Government Accounting Standards Board (GASB) Statement No. 34, the District is presenting comparable prior-year columns in the various comparisons and analyses.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

MANAGEMENT'S DISCUSSION & ANALYSIS  
 DECEMBER 31, 2018  
 (Continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Summary of Net Position

	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 10 979 045	\$ 9 762 838
Capital assets	<u>13 626 831</u>	<u>13 381 189</u>
Total assets	<u>\$ 24 605 876</u>	<u>\$ 23 144 027</u>
Deferred outflows of resources	<u>\$ 173 049</u>	<u>\$ 173 049</u>
Current liabilities	\$ 169 407	\$ 141 619
Long term liabilities	<u>873 252</u>	<u>968 062</u>
Total liabilities	<u>\$ 1 042 659</u>	<u>\$ 1 109 681</u>
Deferred inflows of resources	<u>\$ 5 490</u>	<u>\$ 5 490</u>
Net Position:		
Net investment in capital assets	\$ 12 658 769	\$ 12 321 189
Unrestricted	<u>11 072 007</u>	<u>9 880 716</u>
Total net position	<u>\$ 23 730 776</u>	<u>\$ 22 201 905</u>

The following table provides a summary of the District's operations for the year ended December 31, 2018. The District increased its net position by \$1,528,871.

Summary of Changes in Net Position

	<u>2018</u>	<u>2017</u>
Revenues:		
Property taxes	\$ 7 422 488	\$ 7 306 891
Other revenues	<u>602 152</u>	<u>173 906</u>
Total revenues	8 024 640	7 480 797
Expenses	<u>6 566 886</u>	<u>5 832 408</u>
Change in net position	1 457 754	1 648 389
Net position, beginning of year	22 201 905	17 194 246
Contribution of capital assets	-	3 359 270
Adjustment to correct capital assets	<u>71 117</u>	<u>-</u>
Net position, end of year	<u>\$ 23 730 776</u>	<u>\$ 22 201 905</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's fund balances as of December 31, 2018 and 2017 were \$6,811,969 and \$5,646,997, respectively, an increase of \$1,164,972.



HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

MANAGEMENT'S DISCUSSION & ANALYSIS

DECEMBER 31, 2018

(Continued)

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 property tax revenues, costs, general expenditures, and resources not accounted for in another fund.

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 adjustment column and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Commissioners did not amend the budget during the fiscal year. Actual excess of revenues over expenditures was \$4,334 less than the budgeted excess of revenues over expenditures because (1) revenues were budgeted on collections at 100% with no change in property values, (2) unbudgeted grant income was received, and (3) the actual operating and capital expenditures for the District were greater than expected.

CAPITAL ASSETS AND RELATED DEBT

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized below.

Capital Assets (Net of Accumulated Depreciation)

	<u>2018</u>	<u>2017</u>
Land	\$ 3 232 938	\$ 3 232 938
Property and equipment	10 393 893	9 295 037
Construction in progress	-	853 214
Total capital assets	<u>\$ 13 626 831</u>	<u>\$ 13 381 189</u>

Debt

The changes in the debt position of the District during the fiscal year ended December 31, 2018 are summarized as follows:

Long term debt, beginning of year	\$ 1 060 000
Debt proceeds	-
Retirements of principal	<u>( 91 938)</u>
Long term debt, end of year	<u>\$ 968 062</u>

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13**

**MANAGEMENT'S DISCUSSION & ANALYSIS**

**DECEMBER 31, 2018**

(Continued)

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances for anyone with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Scott Johnson, Secretary/Treasurer of the District, Harris County ESD No. 13, 11900 Cypress North Houston Road, Cypress, Texas 77429-5948.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET  
DECEMBER 31, 2018

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 5 311 506	\$ -	\$ 5 311 506
Property taxes receivable	4 271 389	-	4 271 389
Due from tax assessor	1 067 650	-	1 067 650
Deposit	525	-	525
Imprest fund	254 597	-	254 597
Net pension asset	73 378	-	73 378
Capital assets			
Land	-	3 232 938	3 232 938
Property and equipment (net of accumulated depreciation of \$6,214,849)	-	10 393 893	10 393 893
Total Assets	<u>10 979 045</u>	<u>13 626 831</u>	<u>24 605 876</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred outflows of resources	<u>173 049</u>	-	<u>173 049</u>
Total Deferred Outflows of Resources	<u>173 049</u>	-	<u>173 049</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 11 152 094</u>	<u>\$ 13 626 831</u>	<u>\$ 24 778 925</u>
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	\$ 63 246	\$ 11 351	\$ 74 597
Long term liabilities			
Due within one year	-	94 810	94 810
Due after one year	-	873 252	873 252
Total Liabilities	<u>63 246</u>	<u>979 413</u>	<u>1 042 659</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources	5 490	-	5 490
Unavailable tax revenues	<u>4 271 389</u>	<u>(4 271 389)</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>4 276 879</u>	<u>(4 271 389)</u>	<u>5 490</u>
<u>FUND BALANCE/NET POSITION</u>			
Unassigned fund balance	<u>6 811 969</u>	<u>(6 811 969)</u>	<u>-</u>
Total Fund Balance	<u>6 811 969</u>	<u>(6 811 969)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 11 152 094</u>		
Net position			
Net investment in capital assets		12 658 769	12 658 769
Unrestricted		<u>11 072 007</u>	<u>11 072 007</u>
Total Net Position		<u>23 730 776</u>	<u>23 730 776</u>
Total Liabilities, Deferred Inflows of Resources and Net Position		<u>\$ 13 626 831</u>	<u>\$ 24 778 925</u>

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

STATEMENT OF ACTIVITIES AND GOVERNMENTAL REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE  
 FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues</b>			
Property taxes	\$ 7 397 247	\$ 25 241	\$ 7 422 488
Penalties and interest on taxes	42 898	-	42 898
Interest income on temporary investments	11 072	-	11 072
Contract income	70 096	-	70 096
Grant income	447 950	-	447 950
Miscellaneous	30 136	-	30 136
Total Revenues	<u>7 999 399</u>	<u>25 241</u>	<u>8 024 640</u>
<b>Expenditures/Expenses</b>			
<b>Service Operations</b>			
Accounting and legal	103 286	-	103 286
Administration	3 708 109	-	3 708 109
Fire department - operating budget	1 609 059	-	1 609 059
Fire department - asset acquisition	240 240	-	240 240
Appraisal district	59 943	-	59 943
Tax assessor	35 613	-	35 613
Office supplies	6 023	-	6 023
Insurance	124 222	-	124 222
Utilities	8 600	-	8 600
Capital Outlay	885 397	( 885 397)	-
<b>Debt Service</b>			
Principal	91 938	( 91 938)	-
Interest	33 114	( 1 078)	32 036
Depreciation	-	639 755	639 755
Total Expenditures/Expenses	<u>6 905 544</u>	<u>( 338 658)</u>	<u>6 566 886</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1 093 855</u>	<u>363 899</u>	
Change in Net Position			<u>1 457 754</u>
<b>Fund Balance/Net Position</b>			
Beginning of Year	5 646 997	16 554 908	22 201 905
Adjustment to correct capital assets	<u>71 117</u>	<u>-</u>	<u>71 117</u>
Beginning of Year, Restated	<u>5 718 114</u>	<u>16 554 908</u>	<u>22 273 022</u>
End of Year	<u>\$ 6 811 969</u>	<u>\$ 16 918 807</u>	<u>\$ 23 730 776</u>

# HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

### NOTE (1) CREATION OF DISTRICT

Harris County Rural Fire Prevention District No. 13 (the District) was created in 1984 under the provisions of Section 48-d of Article III of the Texas Constitution. The Board of Commissioners held its first meeting February 15, 1984. The District, which lies in the extraterritorial jurisdiction of the City of Houston, was established to provide fire protection services to residents of the District.

The Texas legislature passed S.B. 1021 converting all rural fire prevention districts to emergency service districts effective September 1, 2003. On October 21, 2003, Harris County Commissioners Court approved the name change.

### NOTE (2) SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The more significant accounting policies of the District are described below.

#### A. REPORTING ENTITY

The District is an Emergency Services District with a five-member board of commissioners, who are elected to a four year term on a specific staggered basis.

The District follows the standards promulgated by GASB Statement No. 14, *The Financial Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, to define the reporting entity. The financial statements include all operations over which the District is financially accountable. The District is not a participant in any joint venture and has not identified any entities which would be components units of the District.

The District is a special-purpose government that is governed by a separately elected governing body. It is legally separate and fiscally independent of other state and local governments. The accompanying financial statements present the activities of the District.

#### B. BASIS OF PRESENTATION

The financial transactions of the District are recorded in an individual fund. The funds are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The funds are reported by generic classification within the financial statements.

The District uses the following fund types:

##### a. Governmental Funds

General Fund - To account for all revenues and expenditures not required to be accounted for in other funds.

##### b. Fund Balances

Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Government Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints place on a government's fund balances more transparent.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018  
(Continued)

NOTE (2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF PRESENTATION (Continued)

b. Fund Balances

The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., board of directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts the District intends to use for a specific purpose. Intent can be expressed by the board of directors or by an official or body to which the board of directors delegates the authority.
- Unassigned fund balance - amounts that are available for any purpose.

The District uses the following classifications for net position:

Net Investment in Capital Assets - To indicate the value of capital invested in capital assets less accumulated depreciation, net of associated debt.

Restricted - To indicate the funds restricted within the General Fund for the purposes of contingencies or emergencies. The board must approve any change in the restriction of this fund balance.

Unrestricted - To indicate net position that is available for use in future period.

C. BASIS OF ACCOUNTING

All Governmental Funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become available and measurable. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the period in which the fund liability is incurred, if measurable. The exception to this general rule is that principal and interest on general obligation long-term debt is recognized when due.

The District has adopted GASB 34, "*Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.*" In compliance with GASB 34, the District has presented a Statement of Net Position and Statement of Activities for the year ended December 31, 2018. These statements are presented on an accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded in the period they are earned, and expenses are recorded in the period they are incurred. The "Adjustments" column on these statements represents tax revenues adjusted to reflect an accrual basis rather than a modified accrual basis of accounting. All fund balances are adjusted to reflect net position.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

(Continued)

NOTE (2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. BUDGET

The District annually adopts a budget for the General Fund in accordance with the accounting principles applicable to this fund. The Board of Commissioner's approval is required for revisions that alter the total expenditures. Reported budgeted amounts are as final adopted. Budgeted amounts lapse annually.

E. CASH EQUIVALENTS

The District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

F. CAPITAL ASSETS

Acquisitions of capital assets are recorded at cost and depreciated on a straight-line basis. During the year ended December 31, 2018, the District recorded \$639,755 as depreciation expense related to capital assets. Buildings are depreciated using a useful life of 39-40 years. Improvements are depreciated using a useful life of 10-20 years. Furniture and fixtures are depreciated using a useful life of 6-10 years. Land is not a depreciable asset.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts 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 expenses during the reporting period. Actual results could differ from those estimates.

H. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

Management considers accounts receivable to be fully collectible at year-end; accordingly, no allowance for doubtful accounts is required.

I. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Amounts reported for governmental activities in the statement of net position and governmental funds balance sheet are different because:

Total Fund Balance at December 31, 2018	<u>\$ 6 811 969</u>
Capital assets used in governmental activities are not financial and are not reported in the funds	13 626 831
Conversion of property tax assessments to full accrual basis	4 271 389
Unpaid interest on debt adjusted to accrual basis	( 11 351)
Long-term debt obligations are not reported in the funds	<u>( 968 062)</u>
Adjustment to fund balance to arrive at net position	<u>16 918 807</u>
Total Net Position at December 31, 2018	<u>\$ 23 730 776</u>

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018  
(Continued)

NOTE (2) SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Amounts reported for governmental activities in the statement of activities are different because:

Change in fund balance	\$ 1 093 855
Governmental funds report capital outlays as expenditures. However, for government-wide financials statements, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	245 642
Unpaid interest on debt adjusted to accrual basis	1 078
Principal payments on debt are reported as expenditures in the funds. However, they do not affect net position.	91 938
Conversion of property tax assessments to full accrual basis	<u>25 241</u>
Change in net position of governmental activities	<u>\$ 1 457 754</u>

NOTE (3) FIRE PROTECTION SERVICES

The District has an agreement with the Cypress Creek Volunteer Fire Department (the Department) to provide fire prevention and suppression services to the residents of the District. The contract automatically renews each year unless it is terminated by either party upon 90 days notice to the other party due to a material breach of contract. The District agrees to pay to the Department amounts as requested in agreement with the Department's yearly approved budget. The District has the right to approve the monthly monetary amount requested by the Department. The District will not pay more than its tax receipts less administrative and operating expenses. For the year ended December 31, 2018, the net amount of \$1,849,299 was paid to the Department. Separate financial statements of the Department are available as of December 31, 2018.

NOTE (4) AD VALOREM TAX

During the year ended December 31, 2018, the District levied an ad valorem tax at the rate of \$.10 per \$100 of assessed valuation, which resulted in a tax levy of \$7,418,799 for 2018, on the taxable valuation of \$7,418,799,328 for the 2018 tax year. The ad valorem tax was due upon receipt and was considered delinquent if not paid by February 1 of the subsequent year, at which time penalties and interest were assessed. The levy date of the tax was September 1 of the year prior to the delinquent date, or as soon after September 1 as it took to set the tax rate. The lien date was January 1 of the subsequent year.

In the governmental funds, property taxes are initially recorded as receivables and unearned revenue at the time the tax levy is billed. Revenues recognized during the fiscal year ended December 31, 2018, include collections during the current period or within 60 days of year-end related to the 2018 and prior years' tax levies.



HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018  
(Continued)

NOTE (5) DEPOSITS AND INVESTMENTS

Deposits were with various contracted depository banks in checking accounts, money market accounts, and certificates of deposit during the year. The deposits were secured by FDIC coverage of \$250,000, and when necessary, additional securities were pledged. The funds were properly secured throughout the year.

The contracted depository bank used by the District was Trustmark Bank. The largest cash, savings, and time deposit combined balance during the year ended December 31, 2018 was \$8,273,045 and occurred in February 2018. The bank internally pledged funds to secure deposits in excess of FDIC coverage. During the year, amounts were adequately collateralized with securities maintained by the bank.

Statutes authorize the District to invest in savings accounts or certificates of deposit of state or national banks or savings associations within the state. The District did not have any temporary investments other than a money market account during the year ended December 31, 2018.

Local governments are subject to the Public Funds Investment Act as amended during the 1995 legislative session. The Act directs local governments to adopt a written investment policy that primarily emphasizes safety of principal and liquidity. Also addressed under the Act are the areas of investment diversification, yield, maturity, and quality of investment management. The District has complied with the Act's provisions during the year ended December 31, 2018.

NOTE (6) CHANGES IN CAPITAL ASSETS

The changes in capital assets for the year are as follows:

	Beginning of Year	Additions (Disposals)	Depreciation Expense	End of Year
Land	\$ 3 232 938	\$ -	\$ -	\$ 3 232 938
Buildings	8 135 858	1 353 988	-	9 489 846
Improvements	340 280	-	-	340 280
Furniture, fixtures and equipment	193 174	336 606	-	529 780
Trucks and Vehicles	6 200 819	48 017	-	6 248 836
Less: Accumulated depreciation	(5 575 094)	-	( 639 755)	(6 214 849)
	<u>9 295 037</u>	<u>1 738 611</u>	<u>( 639 755)</u>	<u>10 393 893</u>
Construction in progress	853 214	( 853 214)	-	-
Totals, net	<u>\$ 13 381 189</u>	<u>\$ 885 397</u>	<u>\$ ( 639 755)</u>	<u>\$ 13 626 831</u>

During the year ended December 31, 2018, total book value of capital assets was \$10,393,893, total accumulated depreciation was \$6,214,849.

NOTE (7) LONG-TERM DEBT

On August 17, 2017, the District entered a loan agreement with Capital One Public Funding, LLC for the construction of fire station no. 21 for \$1,060,000 with an annual interest rate of 3.124%. The station project served as collateral for the note. Ten principal and interest payments of \$125,052 are due annually beginning August 17, 2018. During the year ended December 31, 2018, the District made interest and principal payments in the amount of \$33,114 and \$91,938 respectively. The balance due at December 31, 2018 was \$968,062.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2018  
 (Continued)

NOTE (7) LONG-TERM DEBT (Continued)

Further maturities of the balances outstanding are as follows:

<u>Year Ending</u>	<u>Amount</u>
December 31, 2019	\$ 94 810
December 31, 2020	97 772
December 31, 2021	100 826
December 31, 2022	103 976
Thereafter	<u>570 678</u>
Total Amount	<u>\$ 968 062</u>

NOTE (8) OPERATING LEASE

In June of 2014, the District signed a copier lease for \$176 per month plus print charges for a 60 month period. Future minimum lease payments are \$2,112 per year until 2019. For the year ended December 31, 2018, the District paid \$4,008 for lease payments.

NOTE (9) RETIREMENT PLAN

Plan Description

The District contributes to the Texas County & District Retirement System (TCDRS) which is a statewide, agent multiple-employer, public employee retirement system. All full- and part-time non-temporary employees participate in the Plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

Note that retirement plan information disclosed in this audit report was based on the GASB 68 Report for TCDRS furnished by Milliman to the District for the year ended December 31, 2017. This is due to the delayed issuance of Milliman annual evaluation.

Employee membership data related to the Plan, as of December 31, 2017 was as follows:

Inactive employees entitled to but not yet receiving benefits	1
Active plan members	<u>66</u>
	<u>67</u>

Any participant over 65 years old, with 5 or more years of continuous employment, or any participant with 20 or more years of continuous employment, or any participant whose years of continuous employment, when added to the participant's age equals or exceeds 75, may retire without a reduction in the monthly benefit.

By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 200%) and is then converted to an annuity.

Plan provisions include death benefits for the surviving spouse if the employee had 4 or more years of service. The Plan provides a monthly income for disabled participants who have 5 or more years of service. Benefits vest at 100% after five years of service.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

(Continued)

NOTE (9) RETIREMENT PLAN (Continued)

Plan Description

Generally, plan participants earn TCDRS service time for every month a deposit is made into a TCDRS account. The plan also allows to earn service time for military service performed at any time before working for the District. There are no automatic cost-of-living adjustments (COLAs). Each year, the District may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation. Benefit terms are established under the TCDRS Act. They may be amended as of January 1 each year, but must remain in conformity with the Act.

For the year ended December 31, 2017, the District's total payroll for all employees was \$2,548,826. Total covered payroll was \$2,548,826. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan and was calculated by the actuary based on contributions as reported to the Plan.

Contributions

Employees of the District are required to contribute 7% of covered compensation to the Plan. The contributions are deducted from the employee's wages or salary and remitted by the District to the Plan on a monthly basis. The District's contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The District's contractually required contribution rate for the year ended December 31, 2017, was 10.94% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District's contributions to the Plan for the year ended December 31, 2017 were \$278,844.

Pension Assets, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, the District reported an asset of \$73,378 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2017, the District's proportion was (2.88%).

For the year ended December 31, 2017, the District recognized pension expense of \$56,746. At December 31, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual results	\$ -	\$ 170 123
Changes of assumptions	5 490	-
Net difference between projected and actual earnings	-	2 926
Contributions subsequent to the measurement date	N/A	Employer determined
Total	<u>\$ 5 490</u>	<u>\$ 173 049</u>

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2018  
 (Continued)

NOTE (9) RETIREMENT PLAN (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year ending December 31,</u>	
2018	\$ 9 380
2019	9 380
2020	9 380
2021	7 718
2022	8 233
Thereafter	123 468

Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	Varies by age and service. 4.9% average over career including inflation.
Investment rate of return	8.0%, net of investment expenses, including inflation

In the 2017 actuarial valuation, assumed life expectancies were adjusted as a result of adopting 130% of the RP-2014 Healthy Annuitant Mortality Table of males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period January 1, 2013-December 31, 2016. As a result of the 2012 actuarial experience study, the expectation of life after disability was adjusted in the December 31, 2016 actuarial valuation to more closely reflect actual experience.

The long-term expected rate of return on pension plan investments was determined by adding expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by the Plan's investment consultant, Cliffwater, LLC. The numbers shown are based on January 2018 information for a 10 year time horizon.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

(Continued)

NOTE (9) RETIREMENT PLAN (Continued)

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected Minus Inflation)
US Equities	11.50%	4.55%
Private Equity	16.00%	7.55%
Global Equities	1.50%	4.85%
International Equities - Developed	11.00%	4.55%
International Equities - Emerging	8.00%	5.55%
Investment - Grade Bonds	3.00%	0.75%
Strategic Credit	8.00%	4.12%
Direct Lending	10.00%	8.06%
Distressed Debt	2.00%	6.30%
REIT Equities	2.00%	4.05%
Master Limited Partnerships	3.00%	6.00%
Private Real Estate Partnerships	6.00%	6.25%
Hedge Funds	<u>18.00%</u>	4.10%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 8.10%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active, inactive, and retired employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

(Continued)

NOTE (9) RETIREMENT PLAN (Continued)

Changes in District's Net Pension Liability/(Asset)

Changes in the District's net pension liability/(asset) for the year ended December 31, 2017 was as follows:

	Increase/(Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
Balances as of December 31, 2016	\$ 197 153	\$ 209 192	\$ ( 12 039)
Changes for the year:			
Service cost	232 108	-	232 108
Interest on total pension liability	34 748	-	34 748
Effect of Plan changes	-	-	-
Effect of economic/demographic gains or losses	178 476	-	178 476
Effect of assumptions changes or inputs	( 5 764)	-	( 5 764)
Refund of contributions	( 545)	( 545)	-
Benefit payments	-	-	-
Administrative expenses	-	( 472)	472
Member contributions	-	178 534	( 178 534)
Net investment income	-	37 883	( 37 883)
Employer contributions	-	278 844	( 278 844)
Other	-	6 118	( 6 118)
Balances as of December 31, 2017	<u>\$ 636 176</u>	<u>\$ 709 554</u>	<u>\$ ( 73 378)</u>

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's net pension liability calculated using the discount rate of 8.10%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.10%) or 1-percentage-point higher (9.10%) than the current rate:

	Discount Rate	Net Pension Liability/(Asset)
1% Decrease	7.10%	\$ 55 516
Current Discount Rate	8.10%	\$ ( 73 378)
1% Increase	9.10%	\$ ( 177 954)

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Plan financial report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

(Continued)

NOTE (9) RETIREMENT PLAN (Continued)

Payable to the Plan

At December 31, 2017, the District reported a payable of \$39,165 for the outstanding amount of contributions due to the Plan for the year.

NOTE (10) AGREEMENT WITH CITY OF HOUSTON

The City of Houston, Texas ("City"), a municipal corporation, has an agreement with the Cypress Creek Volunteer Fire Department ("Contractor"), a non-profit corporation doing business in Texas, to provide supplemental fire fighting and fire protection services within the Fire Protection Area. The original agreement was effective on January 1, 2012 and was in effect for three years. The City and Contractor extended the term of the original agreement by adding five successive one-year renewal terms. Upon expiration of the initial term, the agreement is renewed for seven successive one-year terms upon the same terms and conditions. The City shall pay Contractor each year for the three year term of this agreement an amount of compensation determined annually based upon a rate of \$0.1 per \$100 of assessed valuation of all taxable property within the Fire Protection Area as certified by the Harris County Appraisal District for the immediately preceding tax year. The first calculation was made by December 31, 2012, and the last calculation will be made by December 31, 2021. Such calculation of compensation shall be made by December 31<sup>st</sup> of each tax year within the term of the agreement. Such compensation shall be paid to Contractor on or before every January 31<sup>st</sup>, beginning January 31, 2013 and extending through January 31, 2022. For the year ended December 31, 2018, the District received contract income in the amount of \$70,096 from the City.

NOTE (11) GRANTS

In September 2018, the District received a grant from Department of Public Safety in the amount of \$155,072 for labor, repairs and maintenance reimbursements due to Hurricane Harvey.

In December 2018, the District received a grant of three LMTVs, with the fair market value of \$313,878. The District paid \$21,000 for these LMTVs and capitalized them during the year ended December 31, 2018.

NOTE (12) PRIOR PERIOD ADJUSTMENTS

Capital assets of \$71,117 were expensed during the year ended December 31, 2017 but were capitalized during the year ended December 31, 2018. An adjustment to correct capital assets is disclosed on statement of activities and governmental revenues, expenditures and changes in fund balance.

NOTE (13) SUBSEQUENT EVENTS

Effective January 1, 2019, Harris County Emergency Services District No. 13 absorbed Cypress Creek Volunteer Fire Department. The merged entity continues to provide fire suppression and prevention and first aid services.

Management has evaluated subsequent events through May 23, 2019 (the date the financial statements were available to be issued), and conclude that no subsequent events have occurred that would require recognition in the financial statements or additional disclosure in the notes to the financial statements.

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HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2018

	Actual	* Original and Final Budget	Variance Positive (Negative)
<b>Revenues:</b>			
Property taxes	\$ 7 397 247	\$ 7 178 141	\$ 219 106
Penalties and interest on taxes	42 898	-	42 898
Interest income	11 072	12 043	( 971)
Contract income	70 096	61 000	9 096
Grant Income	447 950	-	447 950
Miscellaneous	<u>30 136</u>	<u>-</u>	<u>30 136</u>
Total Revenues	<u>7 999 399</u>	<u>7 251 184</u>	<u>748 215</u>
<b>Expenditures/expenses:</b>			
Service Operations			
Accounting and legal	103 286	75 863	( 27 423)
Administration	3 708 109	3 613 747	( 94 362)
Fire department - operating budget	1 609 059	2 041 761	432 702
Fire department - asset acquisition	240 240	213 352	( 26 888)
Appraisal district	59 943	44 000	( 15 943)
Tax assessor	35 613	35 000	( 613)
Office supplies	6 023	4 344	( 1 679)
Insurance	124 222	116 000	( 8 222)
Utilities	8 600	8 928	328
Capital Outlay	885 397	-	( 885 397)
Debt Service			
Principal	91 938	-	( 91 938)
Interest	<u>33 114</u>	<u>-</u>	<u>( 33 114)</u>
Total Expenditures/Expenses	<u>6 905 544</u>	<u>6 152 995</u>	<u>( 752 549)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1 093 855</u>	<u>1 098 189</u>	<u>( 4 334)</u>
<b>Fund Balance/Net Position:</b>			
Beginning of the Period	5 646 997	5 646 997	-
Adjustment to correct capital assets	<u>71 117</u>	<u>71 117</u>	-
Beginning of the Period, Restated	<u>5 718 114</u>	<u>5 718 114</u>	-
End of the Period	<u>\$ 6 811 969</u>	<u>\$ 6 816 303</u>	<u>\$ ( 4 334)</u>

\* Budget was not amended during the year. Therefore, the original budget is the same as the final budget.

See Independent Auditors' Report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS**

	<u>Year Ended December 31</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Total Pension Liability</b>			
Service cost	\$ 232 108	\$ 189 466	N/A
Interest on total pension liability	34 748	7 524	N/A
Effect of plan changes	-	-	N/A
Effect of assumption changes or inputs	( 5 764)	-	N/A
Effect of economic/demographic (gains) or losses	178 476	163	N/A
Benefit payments/refunds of contributions	( 545)	-	N/A
Net change in total pension liability	<u>439 023</u>	<u>197 153</u>	N/A
Total pension liability, beginning	<u>197 153</u>	<u>-</u>	N/A
Total pension liability, ending	<u>636 176</u>	<u>197 153</u>	N/A
 <b>Fiduciary Net Position</b>			
Employer contributions	278 844	125 664	N/A
Member contributions	178 534	80 407	N/A
Investment income net of investment expenses	37 883	-	N/A
Benefit payments/refunds of contributions	( 545)	-	N/A
Administrative expenses	( 472)	-	N/A
Other	6 118	3 121	N/A
Net change in fiduciary net position	<u>500 362</u>	<u>209 192</u>	N/A
Fiduciary net position, beginning	<u>209 192</u>	<u>-</u>	N/A
Fiduciary net position, ending	<u>709 554</u>	<u>209 192</u>	N/A
 Net pension liability/(asset), ending	<u>\$ ( 73 378)</u>	<u>\$ ( 12 039)</u>	N/A
 Fiduciary net position as a % of total pension liability/(asset)	111.53%	106.11%	N/A
 Pensionable covered payroll	\$ 2 548 826	\$ 1 148 670	N/A
 Net pension liability/(asset) as a % of covered payroll	-2.88%	-1.05%	N/A

See Independent Auditors' Report.



HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2008					
2009					
2010					
2011					
2012					
2013					
2014					
2015					
2016	\$ 125 664	\$ 125 664	\$ -	\$ 1 148 670	10.94%
2017	\$ 278 844	\$ 278 844	\$ -	\$ 2 548 826	10.94%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE (1) VALUATION DATE

Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.

NOTE (2) METHODS AND ASSUMPTIONS USED TO DETERMINE CONTRIBUTION RATES

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	19.4 years (based on contribution rate calculated in 12/31/17 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.0%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table of males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in the Schedule	2015: New inflation, mortality and other assumptions were reflected 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule	2015 and 2016: No changes in plan provisions were reflected 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

See Independent Auditors' Report.

HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13

SUPPLEMENTARY INFORMATION

ANALYSIS OF TAXES RECEIVABLE  
DECEMBER 31, 2018

Taxes Receivable - Beginning of Year	\$ 4 246 148
2018 Tax Roll	7 418 799
Adjustments	<u>3 689</u>
Total to be Accounted for	11 668 636
Tax Collections Received from Tax Collector	<u>7 397 247</u>
Taxes Receivable - End of Year	<u>\$ 4 271 389</u>
Taxes Receivable - By Years	
2018	\$ 4 151 992
2017	58 761
2016	17 852
2015	8 135
2014 and prior	<u>34 649</u>
Taxes Receivable - End of Year	<u>\$ 4 271 389</u>

Assessed Valuation Summary

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Property Valuations					
Real Property	\$6 761 833 119	\$6 778 413 323	\$6 224 406 610	\$5 765 731 706	\$5 213 736 550
Personal Property	<u>656 966 209</u>	<u>596 444 821</u>	<u>702 668 733</u>	<u>689 030 842</u>	<u>612 422 906</u>
Total Property Valuations	<u>\$7 418 799 328</u>	<u>\$7 374 858 144</u>	<u>\$6 927 075 343</u>	<u>\$6 454 762 548</u>	<u>\$5 826 159 456</u>
Tax Rate per \$100 Valuations	<u>\$ 0.10000</u>	<u>\$ 0.10000</u>	<u>\$ 0.09173</u>	<u>\$ 0.08826</u>	<u>\$ 0.08720</u>
Tax Rolls	<u>\$ 7 418 799</u>	<u>\$ 7 374 858</u>	<u>\$ 6 354 206</u>	<u>\$ 5 696 973</u>	<u>\$ 5 080 411</u>
Percent of Taxes Collected to Taxes Levied	<u>44.0%</u>	<u>99.2%</u>	<u>99.7%</u>	<u>99.9%</u>	<u>99.9%</u>

See Independent Auditors' Report.

**HARRIS COUNTY EMERGENCY SERVICES DISTRICT NO. 13**

**SUPPLEMENTARY INFORMATION**

**BOARD MEMBERS AND CONSULTANTS  
DECEMBER 31, 2018**

District Mailing Address: Harris County Emergency Services District No. 13  
11900 Cypress North Houston  
Cypress, Texas 77429-5948

District Telephone Number: (281) 894-0151

<u>Names</u>	<u>Term of office (Elected or Appointed) or Date Hired</u>	<u>Fees Paid* FYE 12/31/18</u>	<u>Expense Reimburse- ments FYE 12/31/18</u>	<u>Title at Year End</u>
<b>Board Members:</b>				
F. B Henderson	(Elected) 6/18 - 6/22	\$ -	\$ -	President
Vincent M. Tobin	(Elected) 6/16 - 6/20	\$ -	\$ -	Vice President
Scott A. Johnson	(Elected) 6/18 - 6/22	\$ -	\$ -	Treasurer
Homer Stevens, II	(Elected) 6/16 - 6/20	\$ -	\$ -	Secretary
JoAnne L. Arosell	(Elected) 6/16 - 6/20	\$ -	\$ -	Asst. Secretary/ Treasurer
<b>Consultants:</b>				
Coveler & Peeler, P.C.	1988	\$ 40 938	\$ -	Attorney
Andrews Myers, P.C.	2015	\$ 7 087	\$ -	Attorney
Mike Sullivan	2008	\$ 35 613	\$ -	Tax Collector
Breedlove & Co., P.C.	2009	\$ 10 392	\$ -	Auditor
Harris County Appraisal District	2003	\$ 56 393	\$ -	Appraisal District

\* Fees are the amounts actually paid to a commissioner/consultant during the District's fiscal year.