

WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12
BASIC FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

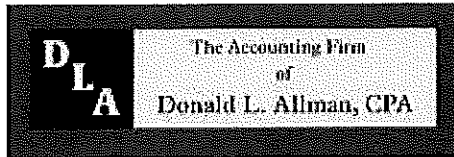
WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

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Independent Accountant's Compilation Report

To the Board of Commissioners of the
Williamson County Emergency Services District #12

We have compiled the accompanying financial statements, of the Williamson County Emergency Services District # 12 (WCESD 12), as of and for the year ending September 30, 2023, which collectively comprise the Williamson County Emergency Services District # 12's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements, and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Williamson County Emergency Services District # 12 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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 8, 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. This information is the representation of management. This information was subject to our compilation engagement, however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Donald L. Allman, CPA
Georgetown, Texas

April 7, 2024

**WILLIAMSON COUNTY ESD # 12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Within this section of the Williamson County ESD # 12's annual financial report, the District's management provides narrative discussion and analysis of the financial activities of the District for the fiscal year ended September 30, 2023. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section. The discussion focuses on the District's primary government, unless otherwise noted.

FINANCIAL HIGHLIGHTS

The District's assets exceeded its liabilities by \$164,493 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$174,030, a decrease of \$(9,537).

Overview of the Financial Statements

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These 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 first of these government-wide statements is the *Statement of Net Position*. This is the District-wide statement of 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 economic health of the District would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the District infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which 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. An important purpose of the design of the statement of activities is to show the financial reliance of the District's activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the District that are principally supported by taxes. Governmental activities include general government, public safety, and public services.

**WILLIAMSON COUNTY ESD # 12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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. The notes to the financial statements begin immediately following the basic financial statements.

Financial Analysis of the District as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the District as a whole.

The District's net position at fiscal year-end is \$164,493. This is a decrease of \$(9,537) over last year's net position of \$174,030. The following table provides a summary of the District's net position at September 30:

**Table 1
Summary of Net Position**

	2023	2022	\$ Change	% Change
Cash and Current Assets	\$ 168,713	\$ 178,128	\$ (9,415)	-5.3%
Capital Assets	-	-	-	0.0%
Total Assets	\$ 168,713	\$ 178,128	\$ (9,415)	-5.3%
Current Liabilities	\$ 4,220	\$ 4,098	\$ 122	3.0%
Long-Term Liabilities	-	-	-	0.0%
Total Liabilities	\$ 4,220	\$ 4,098	\$ 122	3.0%
Net Position:				
Net Investment in Capital Assets	\$ -	\$ -	\$ -	0.0%
Restricted	-	-	-	0.0%
Unrestricted	164,493	174,030	(9,537)	-5.5%
Total Net Position	\$ 164,493	\$ 174,030	\$ (9,537)	-5.5%

The District reported positive balances in net position for government-wide activities. Net position decreased \$(9,537). The District's overall financial position declined during fiscal year 2023.

**WILLIAMSON COUNTY ESD # 12
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Table 2 compares the 2023 change in net position to the 2022 change in net position.

**Table 2
Summary of Changes in Net Position**

	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
General Revenues:				
Property Taxes	243,962	228,625	15,337	6.7%
Other	1,252	2,180	(928)	-42.6%
Interest Income	3,538	655	2,883	440.2%
Total Revenues	<u>\$ 248,752</u>	<u>\$ 231,460</u>	<u>\$ 17,292</u>	<u>7.5%</u>
Program Expenses:				
General Government	29,385	35,613	(6,228)	-17.5%
Public safety	228,904	378,971	(150,067)	-39.6%
Total Expenses	<u>\$ 258,289</u>	<u>\$ 414,584</u>	<u>\$ (156,295)</u>	<u>-37.7%</u>
Net Position Increase	<u>\$ (9,537)</u>	<u>\$ (183,124)</u>	<u>\$ 173,587</u>	<u>-94.8%</u>
Net Position - Beginning	\$ 174,030	\$ 357,154		
Net Position- Ending	<u>\$ 164,493</u>	<u>\$ 174,030</u>		

General Fund Budgetary Highlights

The adopted General Fund budget for revenues for fiscal year 2023 was approximately \$270,000 and the budget for expenditures was \$152,750. Actual revenues for fiscal year 2023 were \$248,752 and expenditures for fiscal year 2023 were approximately \$258,289, so revenues were \$(21,248) lower than budgeted, and expenses were \$105,539 higher than budgeted.

Economic Environment and Next Year's Budgets and Rates

No material changes in the economic environment, District budget expenditures, and revenues are expected in the next fiscal year.

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the District's should be addressed to the Williamson County ESD # 12, P.O. Box 2451, Cedar Park, TX 78630.

WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12
STATEMENT OF NET POSITION
September 30, 2023

ASSETS

CURRENT ASSETS:

Cash and Cash Equivalents	\$ 167,752
Property Taxes Receivable, net of allowance	<u>961</u>
Total Current Assets	\$ 168,713

PROPERTY AND EQUIPMENT:

Total Property and Equipment	\$ 0
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OTHER ASSETS:

Total Other Assets	\$ 0
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TOTAL ASSETS	\$ 168,713
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LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$ 0
Unearned Income Property Taxes	<u>4,220</u>
Total Current Liabilities	\$ 4,220

LONG-TERM LIABILITIES:

Total Long-Term Liabilities	\$ 0
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TOTAL LIABILITIES	\$ 4,220
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NET POSITION:

Unrestricted	\$ <u>164,493</u>
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Total Net Position	\$ 164,493
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TOTAL LIABILITIES & NET POSITION	\$ 168,713
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WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Revenues:

Property Taxes	\$ 243,962
Other income	1,252
Interest	<u>3,538</u>

Total Revenues	\$ 248,752
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Operating Expenses:

Accounting	\$ 900
Communications	2,117
Facilities	4,200
Fire Service	228,904
Insurance	1,288
Legal fees	11,587
Miscellaneous	1,204
Office/Administration	4,827
Tax Collection costs	1,406
Training	885
Technology	<u>971</u>

Total Operating Expenses	\$ <u>258,289</u>
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Income (Loss) from Operations	\$ (9,537)
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Change in Net Position	\$ <u>(9,537)</u>
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Total net position - beginning	\$ 174,030
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Total net position - ending	\$ <u><u>164,493</u></u>
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See accompanying notes and independent accountant's compilation report

WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Property tax and other revenues received	\$ 248,362
Cash paid for supplies and services	<u>(258,167)</u>
Net cash provided (used) by operating activities	(9,805)

**CASH FLOWS PROVIDED (USED)
BY INVESTING ACTIVITIES**

Net cash provided (used) by investing activities	0
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**CASH FLOWS PROVIDED (USED)
BY FINANCING ACTIVITIES**

Net cash provided (used) by financing activities	(9,805)
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NET INCREASE (DECREASE) IN CASH	(9,805)
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CASH AT BEGINNING OF YEAR	177,557
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CASH AT END OF YEAR	<u>\$ 167,752</u>
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**RECONCILIATION OF NET INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES:**

Net Income (Loss)	\$ (9,537)
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**ADJUSTMENTS TO RECONCILE NET INCOME TO
NET CASH PROVIDED BY OPERATING ACTIVITIES:**

Changes in assets and liabilities:	
(Increase)/ decrease in accounts receivable	(390)
Increase/(decrease) in deferred property tax revenue	122
Increase/(decrease) in accounts payable and accrued expenses	<u>0</u>
Total adjustments	(268)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	<u>\$ (9,805)</u>
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See accompanying notes and independent accountant's compilation report

WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Williamson County Emergency Services District # 12 receives property taxes to fund fire protection and provide emergency medical services to residents in unincorporated area encompasses by Williamson County Emergency Services District # 12. The property taxes received are used to pay for contracted services to provide fire protection and EMS services to residents within WCESD # 12.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and Cash Equivalents

Williamson County ESD # 12 has a checking and money market account with RBFCU and a savings account with Texpool. Williamson County ESD # 12 does not receive any cash or hold petty cash.

Revenue Recognition – Revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual – that is, when they become measurable and available to the finance expenditures of the fiscal period. “Available” is determined to be collectible within the 12 months of the fiscal year or within 60 days after fiscal year end for property taxes.

Property Taxes Receivable

Property Taxes receivable for Williamson County ESD # 12 consist of ad valorem taxes levied for the fiscal year ending September 30, 2022 that were not collected as of September 30, 2023.

WILLIAMSON COUNTY EMERGENCY SERVICES DISTRICT # 12
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Unearned Income-Property Taxes

Unearned income for property taxes consist of property taxes receivable that were not collected within 60 days after the fiscal year end in accordance with rules for governmental accounting.

Income Taxes – Williamson County ESD # 12 is not subject to any income taxes.

Net Position and Flow Assumptions – Net position is reported as restricted when constraints are placed on net position use as either:

Externally imposed by creditors (such as debt covenants), grantors, or laws or regulations of other governments imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

There are no restricted funds currently, all net position is unrestricted.

NOTE B – ACCOUNTS RECEIVABLE: The receivables at September 30, 2023 are as follows:

Property Taxes \$961

NOTE C –ACCOUNTS PAYABLE/UNEARNED INCOME: There are no accounts payable as of September 30, 2023. Unearned Revenue consists of the following:

Unearned Income-property taxes \$4,220.

REQUIRED SUPPLEMENTARY INFORMATION

WILLIAMSON COUNTY ESD # 12
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET TO ACTUAL
SEPTEMBER 30, 2023

	<u>Budget</u>	<u>Actual</u>	Variance with Budget <u>Positive (Negative)</u>
Revenues			
Ad Valorem Taxes	\$270,000	\$243,962	(26,038)
Other income	0	1,252	1,252
Interest	<u>0</u>	<u>3,538</u>	<u>3,538</u>
Total Revenues	\$270,000	\$248,752	\$(21,248)
Expenditures			
Capital Improvements	5,000	0	5,000
Contract Emergency Svc.	100,000	228,904	(128,904)
Consulting	10,000	0	10,000
CPA fees	2,000	900	1,100
Legal fees	10,000	11,587	(1,587)
Insurance	2,000	1,288	712
Communications	3,000	2,117	883
Tax Collection fees	1,400	1,406	(6)
Training	5,000	885	4,115
Professional dues	350	275	75
Miscellaneous	500	668	(168)
Administration	5,300	4,827	473
Technology	2,000	971	1,029
Travel	2,000	261	1,739
Facilities	<u>4,200</u>	<u>4,200</u>	<u>0</u>
Total Expenditures	152,750	258,289	(105,539)
Excess (Deficiency) Of Revenues Over (Under) Expenditures	117,250	(9,537)	(126,787)