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JOHNSON COUNTY ESD # 1

2451 SERVICE DRIVE
CLEBURNE, TEXAS 76033

Approved by CC:

January 15, 2013

JAN 28 2013

Commissioners Court, County of Johnson
2 N. Main
Cleburne, Texas 76033

Honorable Roger Harmon
County Judge

This letter is respectfully submitted in compliance with the Health and Safety Code, Section 775.036 (a) (4) that each ESD Board should provide a written report not later than February 1 each year to the Commissioners Court regarding the District's budget, tax rate, and debt service for the preceding fiscal year.

ESD Annual Budget for FY2012

- Projected revenue: \$4,419,810
- Actual revenue collected: \$4,570,677
- Projected expenditures: \$4,383,794

A large portion of the ESD budget is designated for distribution to fire departments across the county, as they are providers of fire protection through contractual obligation with the ESD. As with any organization, personnel costs are also a large portion of the budget. The ESD's personnel costs include operation of the Dispatch Center, Administration, and Career Firefighters. We finished the budget year with a surplus. Surplus funds were transferred to reserves/fund balance. As planned, a portion of these funds are being utilized for fire station construction in the former Mid-North area.

The tax rate for the ESD is \$0.060000/\$100. The ESD did not exceed our effective tax rate or our rollback tax rate for FY2012. We currently have no plans to increase the tax rate.

Our financial condition is excellent and we currently have no debt other than leases on two fire engines with an approximate remaining balance of \$318,538.

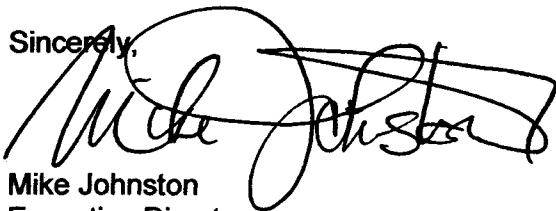
Additionally, ESD accomplishments for 2012 are listed below for your information:

- Completed second year of operation for Communications/Dispatch Center with excellent rapport and reputation established.

- Volunteer Staffing Plan (weekend staffing) began in April 2012 and continues to be successful with regard to providing increased service levels to citizens with reduced response times.
- Volunteer Recruitment program continues to be successful.
- Audits of service provider fire departments continues to be successful.
- Contract renewal for FY2013 with previous service providers for fire protection – disbursements to service providers were reduced a small amount in order to compensate for second year of reduction of revenue/tax assessments.
- Annual audit of ESD finances submitted to Commissioners Court before mandated deadline.
- Established budget goals and forecast for FY2013 and Quarterly Budget Review process to ensure fiscal integrity.
- Established Reserve Fund to assist service providers with the ESD's plan to join the County's new digital radio system.
- Trained all ESD Fire Dispatchers for Emergency Medical Dispatch (EMD) capability.
- Established Honor Guard program for memorial and dedication presentations.
- Purchased fire apparatus for Station 83 (new fire station in old Mid-North area) without the need for indebtedness.
- Established Social Media policy for more exposure regarding recruiting and mass information efforts.
- Applied for Regional Dispatch grant through FEMA's Assistance to Firefighters program. Regional Dispatch efforts are underway and several planning meetings have taken place with regard to establishing a countywide dispatch center. The ESD has acquired permission from NCTCOG, along with the equipment, for a Public Safety Answering Point (PSAP). Equipment is currently being installed by NCTCOG. While it will not be a Primary PSAP, it will be a secondary PSAP enabling the ESD to receive location data of 9-1-1 caller/citizens immediately. It is significant to note that the equipment for a secondary PSAP is the same as the equipment for a primary one.

Thank you for your support and encouragement over the last year. The ESD appreciates its relationship with the Commissioners Court and will endeavor to enhance that relationship in 2013. If there are questions about anything within this letter, or anything else regarding ESD operations and practice, please let me know. I will be glad to report to a Commissioners Court meeting, or meet individually to discuss your concerns.

Sincerely,



Mike Johnston
Executive Director

cc: Jack Watson, President
Keith Kelly, Secretary Treasurer