



JOHNSON COUNTY ESD # 1

2451 SERVICE DRIVE
CLEBURNE, TEXAS 76033

Approved
Commissioners Court

January 5, 2016

JAN 25 2016

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 FY2015

- Projected revenue: \$3,876,371
- Actual revenue collected: \$4,071,754
- Projected expenditures: \$3,905,920

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

The tax rate for the ESD is \$0.060000/\$100. The ESD did not exceed our effective tax rate for FY2016. We currently have no plans to increase the tax rate. After several years of decreasing tax revenues, the ESD has seen a "flattening" of tax revenue.

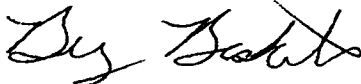
Our financial condition is excellent and we currently have no debt. The new addition to Station 83 in the northwest portion of the county is being constructed with existing reserve funds.

Additionally, ESD accomplishments for 2015 are listed below for your information:

- We transitioned to a new electronic Record Management system for all Fire Departments in the County. It allows greater tracking of data and analysis for various reports.
- Our "weekend" Volunteer Staffing Plan incentive program has been extended to cover all 7 days of the week. The ESD provides a monetary stipend to the departments that have crews at the station ready to respond providing increased service levels to citizens with reduced response times.
- Contract renewal for FY2016 with previous service providers for fire protection –After several years of small reductions, the overall amount of money allocated to the departments was increased this year.
- Annual audit of ESD finances submitted to Commissioners Court before mandated deadline.
- We partnered with Training Division.COM to provide over \$70,000 worth of online "certification" courses to all firefighters in the county free of charge.
- Several departments (Joshua, Cresson, Liberty Chapel, ESD Station 83) underwent an ISO review and all resulted in significant reductions in their ISO ratings which results in a savings on home and business insurance premiums.
- We contracted to have an "alternative water supply" study conducted and submitted to ISO that will cover the entire County. This should be completed in February and will result in the elimination of the "higher split" ISO ratings for properties that are greater than 1000ft from a hydrant. This will also result in a significant savings for property owners on their insurance premiums.

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,



Burney Baskett
Executive Director

cc: ESD Board