



JOHNSON COUNTY ESD #1

2451 SERVICE DRIVE
CLEBURNE, TEXAS 76033

Approved
Commissioners Court

JAN 23 2017

January 6, 2017

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 FY2016

- Projected revenue: \$4,269,052
- Projected expenditures: \$4,484,268

The additional expenditures over revenue reflect \$357,652 in capital projects that included an add on of living quarters to Station 83 and an ISO "alternative water" study.

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 two full-time firefighter/engine crews.

The tax rate for the ESD is \$0.0600/\$100. The ESD did not exceed our effective tax rate and we currently have no plans to increase the tax rate.

Our financial condition is excellent and we currently have no debt.

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 2017. 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: RC McFall, President
Gerald Miller, Secretary Treasurer