FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8

FORT BEND COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2018

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8

FORT BEND COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2018

TABLE OF CONTENTS

	PAGE
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	7
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	8
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE	9
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES	10
NOTES TO THE FINANCIAL STATEMENTS	11-18
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND	20

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Fort Bend County Emergency
Services District No. 8
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities and major fund of Fort Bend County Emergency Services District No. 8 (the "District"), 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 opinions 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 from 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 opinions.

Board of Commissioners
Fort Bend County Emergency
Services District No. 8

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance 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 the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund 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.

McCall Gibson Swedlund Barfoot PLLC

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

May 22, 2019

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018

Management's discussion and analysis of Fort Bend County Emergency Services District No. 8's (the "District") financial performance 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.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) 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 both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required supplementary information in addition to the 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 financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources, 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 Statement of Activities 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.

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

Governmental funds are reported in each of the financial statements. The focus in the fund financial 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 adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

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.

OTHER INFORMATION

In addition to the 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 and deferred inflows of resources by $66,593 as of December 31, 2018.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following is a comparative analysis of government-wide changes in net position:

	Summary of the Statement of Net Position		
	2018	2017	Positive (Negative)
Current and Other Assets	$ 333,772	$ 198,485	$ 135,287
Total Assets	$ 333,772	$ 198,485	$ 135,287
Current and Other Liabilities	$ 6,378	$ 11,412	$ 5,034
Total Liabilities	$ 6,378	$ 11,412	$ 5,034
Deferred Inflows of Resources	$ 260,801	$ 129,036	$ (131,765)
Net Position:			
Unrestricted	$ 66,593	$ 58,037	$ 8,556
Total Net Position	$ 66,593	$ 58,037	$ 8,556

The following table provides a summary of the District's operations for the year ended December 31, 2018 and December 31, 2017.

	Summary of the Statement of Activities		
	2018	2017	Positive (Negative)
Revenues:			
Property Taxes	$ 127,491	$ 120,863	$ 6,628
Other Revenues	4,299	3,343	956
Total Revenues	$ 131,790	$ 124,206	$ 7,584
Expenses for Services	(123,234)	(92,809)	(30,425)
Change in Net Position	$ 8,556	$ 31,397	$ (22,841)
Net Position, Beginning of Year	58,037	26,640	31,397
Net Position, End of Year	$ 66,593	$ 58,037	$ 8,556

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's General Fund fund balance as of December 31, 2018, was $54,353, an increase of $6,772 from the prior year. The increase was primarily due to property tax revenues exceeding service operations.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Commissioners amended the budget during the current fiscal year to increase the budgeted expenditures for Beasley Fire Department. Actual revenues were $7,668 more than budgeted revenues. Actual expenditures were $4,566 less than budgeted expenditures.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Fort Bend County Emergency Services District No. 8, c/o Coveler & Peeler, P.C., 820 Gessner, Suite 1710, Houston, TX 77024.

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2018

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	$ 127,047	$	$ 127,047
Investments	10,125		10,125
Cash with Fort Bend County	18,130		18,130
Receivables:			
Property Taxes	176,709		176,709
Prepaid Costs	1,761		1,761
TOTAL ASSETS	$ 333,772	$ -0-	$ 333,772
LIABILITIES			
Accounts Payable	$ 6,378	$ -0-	$ 6,378
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	$ 273,041	$ (12,240)	$ 260,801
FUND BALANCE			
Nonspendable:			
Prepaid Costs	$ 1,761	$ (1,761)	$
Unassigned	52,592	(52,592)	
TOTAL FUND BALANCE	$ 54,353	$ (54,353)	$ - 0 -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 333,772		
NET POSITION			
Unrestricted		$ 66,593	$ 66,593
TOTAL NET POSITION		$ 66,593	$ 66,593

The accompanying notes to the financial statements are an integral part of this report.

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018

Total Fund Balance - Governmental Funds	$	54,353
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Deferred inflows of resources related to property tax revenues on delinquent taxes for the 2017 and prior tax levies became part of recognized revenues in the governmental activities of the District.		12,240
Total Net Position - Governmental Activities	$	66,593

The accompanying notes to the financial statements are an integral part of this report.

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Adjustments	Statement of Activities
REVENUES			
Property Taxes	$ 125,707	$ 1,784	$ 127,491
Penalty and Interest	4,031		4,031
Investment Revenues	268		268
TOTAL REVENUES	$ 130,006	$ 1,784	$ 131,790
EXPENDITURES/EXPENSES			
Service Operations:			
District Services - Beasley Volunteer Fire Department	$ 89,545	$	$ 89,545
Accounting and Auditing	4,150		4,150
Appraisal District Fees	916		916
Legal Fees - General	14,777		14,777
Tax Assessor/Collector Fees	1,050		1,050
Other	12,796		12,796
TOTAL EXPENDITURES/EXPENSES	$ 123,234	$ -0-	$ 123,234
NET CHANGE IN FUND BALANCE	$ 6,772	$ (6,772)	$
CHANGE IN NET POSITION		8,556	8,556
FUND BALANCE/NET POSITION - JANUARY 1, 2018	47,581	10,456	58,037
FUND BALANCE/NET POSITION - DECEMBER 31, 2018	$ 54,353	$ 12,240	$ 66,593

The accompanying notes to the financial statements are an integral part of this report.

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2018

Net Change in Fund Balance - Governmental Funds	$	6,772
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report tax revenues when collected. However, in the government-wide financial statements, revenues are recorded in the accounting period for which the taxes are levied.		1,784
Change in Net Position - Governmental Activities	$	8,556

The accompanying notes to the financial statements are an integral part of this report.

NOTE 1. CREATION OF DISTRICT

Fort Bend County Emergency Services District No. 8 (the "District") was created by the Commissioners' Court of Fort Bend County on August 11, 2015, in accordance with Article III, Section 48-e, of the Texas Constitution. This action was taken by the Commissioners as a result of voter approval by residents of the District on May 9, 2015. The District operates under Chapter 775 of the Health and Safety Code. The District was established to provide funds for the contracting of emergency services within the boundaries of the District.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board ("GASB").

The District is a political subdivision of the State of Texas governed by an appointed board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District's financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting ("GASB Codification").

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenues and expenses in the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Governmental Funds Balance Sheet and a Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Funds

The District has one governmental fund; therefore, this fund is a major fund.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

General Fund - To account for resources not required to be accounted for in another fund, property tax revenues, costs of assessing and collecting taxes and general expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in governmental funds to be available if they are collectable within 60 days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include 2017 tax levy collections during the period October 1, 2017, to December 31, 2018, and taxes collected from January 1, 2018, to December 31, 2018, for all prior tax levies. The 2018 tax levy has been fully deferred to meet the District's planned expenditures in the 2019 fiscal year.

Capital Assets

Capital assets, which include land, buildings and equipment, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as an expenditure in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset after completion. Installation costs, professional fees and certain other costs are capitalized as part of the asset.

Budgeting

In compliance with governmental accounting principles, the Board of Commissioners annually adopts an unappropriated budget for the General Fund. The budget was amended during the current fiscal year.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Commissioners are wages subject to federal income tax withholding for payroll tax purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Governmental Funds Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Commissioners. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount 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 expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3. TAX LEVY

On May 9, 2015, the voters of the District approved a maximum tax rate of $0.10 per $100 of assessed valuation assessed valuation of taxable property within the District. During the year ended December 31, 2018, the District levied an ad valorem tax at the rate of $0.10 per $100 of assessed valuation, which resulted in a tax levy of $260,801 on the adjusted taxable valuation of $260,530,120 for the 2018 tax year.

The District's tax calendar is as follows:

Levy Date	- Before the later of September 30 or the 60th day after receipt of the certified tax roll.
Lien Date	- January 1.
Due Date	- Not later than January 31.
Delinquent Date	- February 1, at which time the taxpayer is liable for penalty and interest.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year-end, the carrying amount of the District's deposits was $137,172 and the bank balance was $137,402. The bank balance was fully covered by federal depository insurance.

	Cash	Certificates of Deposit	Total
GENERAL FUND	$ 127,047	$ 10,125	$ 137,172

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Commissioners.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

As of December 31, 2018, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities in Years: Less Than 1	1-5	6-10
GENERAL FUND				
Certificates of Deposit	$ 10,125	$ 10,125	$ - 0 -	$ - 0 -

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The District manages credit risk by investing in certificates of deposit with balances below FDIC coverage.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages interest rate risk by investing in certificates of deposit with maturities of approximately one year or less.

NOTE 5. CONTRACT FOR PROVIDING EMERGENCY SERVICES

The District entered into an agreement with the Beasley Volunteer Fire Department ("Department") for fire protection, fire suppression and rescue services to persons and commercial interests within boundaries of a portion of the District. The term of the current contract is for a period beginning January 1, 2017 and ending December 31, 2018. On December 19, 2018, the District approved a two-year contract beginning January 1, 2019 and ending December 31, 2020. This contract may be terminated by either party upon 90 days written notice.

All funds received by the Department during the term of this contract from private insurance carriers or directly from a customer in payment for emergency services shall be retained by the Department.

The District shall make periodic payments to the Department based upon the current year operating budget. The Department shall prepare a financial report each month setting forth the Department's receipts (from all sources, including District funding) and all expenditures. Under no circumstance does this contract create any obligation to pay the Department any fiscal year's expenses from the District's subsequent fiscal year budget.

The Department shall submit to the District each month a request for reimbursement payment of actual operations expenses and capital requests for payment at the District's regular monthly meeting in accordance with the Department's budget. Reimbursement expenses will be paid in arrears based upon operations expenses actually incurred by the Department.

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omissions for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2018

FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 8
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2018

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Property Taxes	$ 122,138	$ 122,138	$ 125,707	$ 3,569
Penalty and Interest			4,031	4,031
Investment Revenues	200	200	268	68
TOTAL REVENUES	$ 122,338	$ 122,338	$ 130,006	$ 7,668
EXPENDITURES				
Service Operations:				
District Services - Beasley VFD	$ 85,038	$ 95,000	$ 89,545	$ 5,455
Accounting and Auditing	5,000	5,000	4,150	850
Appraisal District Fees	1,000	1,000	916	84
Legal Fees - General	15,000	15,000	14,777	223
Tax Assessor/Collector Fees	1,200	1,200	1,050	150
Other	10,600	10,600	12,796	(2,196)
TOTAL EXPENDITURES	$ 117,838	$ 127,800	$ 123,234	$ 4,566
NET CHANGE IN FUND BALANCE	$ 4,500	$ (5,462)	$ 6,772	$ 12,234
FUND BALANCE - JANUARY 1, 2018	47,581	47,581	47,581	
FUND BALANCE - DECEMBER 31, 2018	$ 52,081	$ 42,119	$ 54,353	$ 12,234

See accompanying independent auditor's report.