



# Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

April 22, 2024

To the Board of Commissioners  
Brazos County Emergency Services District #2

We have audited the financial statements of the Brazos County Emergency Services District #2 (the "District") for the year ended September 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 4, 2023. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Findings

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached schedule summarizes material corrected misstatements of the financial statements.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 22, 2024.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We discussed a variety of matters, including the application of accounting principles and auditing standards, with management prior to engagement as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

### Other Matters

We applied certain limited procedures to the management's discussion and analysis and the budgetary comparison schedule, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit this information and do not express an opinion or provide any assurance on the RSI.

### Restriction on Use

This information is intended solely for the use of the Board of Commissioners of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Ingram, Wallis + Company, P.C.*

Ingram, Wallis & Company, P.C.

**Summary of Corrected Misstatements**  
**Brazos County Emergency Services District #2**  
**September 30, 2023**

	Financial Statement Classification				
	Assets	Liabilities	Net Assets	Revenues	Expenses
1 Depreciation Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation	(172,551)				172,551
<i>To record depreciation expense for 2023.</i>					
2 Unrestricted Net Assets			558,500		
Inventory - Equipment and Gear	(558,500)				
<i>To reverse client entry to record VFD capital asset inventory list.</i>					
3 Receivables	8,728				
Property Tax Income				(8,728)	
<i>To record a receivable for the 2023 City of Kurten tax revenue that was received in 2024.</i>					
4 PNC Loan		8,780			
Interest Expense					(8,780)
<i>To properly state PNC loan balance and interest expense in accordance with the amortization schedule.</i>					
5 Interest Payable		2,427			
Interest Expense					(2,427)
<i>To properly state accrued interest payable at 9/30/2023.</i>					
6 2022 Pierce Freightliner	4,603				
Repairs and Maintenance					(4,603)
<i>To capitalize additional cost for the 2022 Pierce Freightliner.</i>					
7 Prepaid Insurance	10,095				
Insurance Expense - WC and A&S					(10,095)
<i>To properly capitalize prepaid insurance at 9/30/2023.</i>					
8 Legal					
Accounts Payable		(5,250)			5,250
<i>To properly record September 2023 legal fees.</i>					
9 Sales Tax Income				1,906	
Salaries & Wages: Crew					3,740
Payroll Taxes: FICA					289
Pension Expense					3,492
Payroll Liability		(6,168)			
Fed W/H and FICA Payable		(1,025)			
Payroll Liabilities: TCDRS		(1,480)			
Salaries & Wages: Chief		(754)			
<i>To record payroll and TCDRS liability at 9/30/2023.</i>					
10 Extrication Tool	10,996				
Bunker Gear	32,203				
BC VFD Expense					(43,199)
<i>To capitalize items purchased by the VFD using District funds.</i>					
11 High Water Trucks	10,250				
Drone	6,994				
Bunker Gear	9,855				
Accumulated Depreciation	(5,378)				
Net Investment in Capital Assets			(21,721)		
<i>To capitalize items purchased by the VFD in prior years using District funds.</i>					
	<u>\$ (642,705)</u>	<u>\$ (3,470)</u>	<u>\$ 536,779</u>	<u>\$ (6,822)</u>	<u>\$ 116,218</u>