



Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

November 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, 2024. 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 August 29, 2024. 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 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 November 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.

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Summary of Corrected Misstatements
Brazos County Emergency Services District #2
September 30, 2024

	Financial Statement Classification				
	Assets	Liabilities	Net Assets	Revenues	Expenses
1 Depreciation Expense Accumulated Depreciation <i>To record depreciation expense for 2024.</i>	\$ - (187,982)	\$ -	\$ -	\$ -	\$ 187,982
2 Accumulated Depreciation 2003 Booster Chev 3500 <i>To record the disposal of unit 244.</i>	50,000 (50,000)				
3 New Station ADMINISTRATION: Professional Services <i>To capitalize engineering costs related to the new fire station.</i>	2,600				(2,600)
4 PNC Loan OPERATIONS: Interest Expense <i>To properly state PNC loan balance and interest expense in accordance with the amortization schedule.</i>		7,345			(7,345)
5 Interest Payable OPERATIONS: Interest Expense <i>To properly state accrued interest payable at 9/30/2024.</i>		1,213			(1,213)
6 Prepaid Insurance ADMINISTRATION: Insurance <i>To properly state prepaid insurance at 9/30/2024.</i>	28,631				(28,631)
7 ADMINISTRATION: Insurance Prepaid Insurance <i>To expense prior year prepaid insurance.</i>	(10,095)				10,095
8 Property Tax Income Grant Income <i>To properly classify grant revenue.</i>				7,087 (7,087)	
9 Prepaid IT Services ADMINISTRATION: Software/IT <i>To properly record prepaid IT services</i>	11,341				(11,341)
10 Sales Tax Income Pension Expense Payroll Liabilities OPERATIONS: Salaries <i>To partially reverse beginning balance adjustment related to a prior year audit adjustment.</i>		(1,629)		1,906	3,492 (3,769)
11 ADMINISTRATION: Legal Fees MAINTENANCE: Vehicle Maintenance OPERATIONS: Fuel Accounts Payable <i>To properly record accounts payable at 9/30/2024.</i>		(14,423)			1,183 12,031 1,209
12 OPERATIONS: Salaries OPERATIONS: Employer Taxes Payroll Liabilities Payroll Liabilities: TCDRS OPERATIONS: TCDRS Retirement Benefits <i>To properly state payroll liabilities at 9/30/2024.</i>		(4,953) (1,550)			6,452 116 (65)
14 FSB of Bedia (0031) OPERATIONS: HR <i>To reverse HR expense and to void a check for double payment of an invoice.</i>	2,987				(2,987)
15 FSB of Bedia (0031) ADMINISTRATION: Professional Services <i>To reverse legal expense and to void a check for double payment of an invoice.</i>	1,833				(1,833)
	<u>\$ (150,685)</u>	<u>\$ (13,997)</u>	<u>\$ -</u>	<u>\$ 1,906</u>	<u>\$ 162,776</u>