



Shawnee Miller, CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANT

May 13, 2025

To Management
Hico Emergency Services District
Hico, TX 76457

We are pleased to confirm our acceptance and understanding of the services we are to provide for Hico Emergency Services District ("the Company") for the years ended June 30, 2023 and 2022.

You have requested that we prepare the financial statement of the Company, which comprise the statement of cash receipts and disbursements – cash basis for the years ended June 30, 2023 and 2022, and perform a compilation engagement with respect to those financial statements. These financial statements will not include related notes to the financial statements as required for financial statements prepared in accordance with the cash basis of accounting.

We will assist your bookkeeper in adjusting the books of accounts with the objective that he (she) will be able to prepare a working trial balance from which financial statements can be prepared. Your bookkeeper will provide us with a detailed trial balance and any supporting schedules we require.

Our Responsibilities

The objective of our engagement is to—

- 1) prepare financial statements in accordance with the cash basis of accounting based on information provided by you, and
- 2) apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with the cash basis of accounting.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA's *Code of Professional Conduct* and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the bookkeeping services, preparing the financial statements, and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Company or noncompliance with laws and regulations.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities since performing those procedures or taking such action would impair our independence.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with the cash basis of accounting and assist you in the presentation of the financial statements in accordance with the cash basis of accounting. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The selection of the cash basis of accounting as the financial reporting framework to be applied in the preparation of the financial statements.
- 2) The preparation and fair presentation of financial statements in accordance with the cash basis of accounting and the and the inclusion of a description of the cash basis of accounting.
- 3) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
- 4) The prevention and detection of fraud.
- 5) To ensure that the Company complies with the laws and regulations applicable to its activities.
- 6) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 7) To provide us with—
 - access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - additional information that we may request from you for the purpose of the compilation engagement.
 - unrestricted access to persons within the Company of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skill, knowledge, and experience to oversee our bookkeeping services and the preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. There may be circumstances in which the report differs from the expected form and content. If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

Our report will disclose that the financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

You agree to include our accountant's compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, to obtain our permission to do so.

Other Relevant Information

Shawnee Miller, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for these services will be a function of time expended times our standard hourly rates (\$75-\$150 per hour). You will also be billed for out-of-pocket costs such as report production, word processing, postage, travel, etc as applicable. Our invoices for these fees will be rendered upon completion and are payable on presentation.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Shawnee Miller, CPA, P.C.



This letter correctly sets forth the understanding of Hico Emergency Services District.

Signature: _____

Title: _____

Date: _____



Shawnee Miller, CPA, P.C.

CERTIFIED PUBLIC ACCOUNTANT

To Management
Hico Emergency Services District
Hico, TX 76457

Management is responsible for the accompanying statement of cash receipts and disbursements – cash basis of Hico Emergency Services District (a corporation) for the years ended June 30, 2023 and 2022, in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the statement of cash receipts and disbursements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on the statement of cash receipts and disbursements.

The statement of cash receipts and disbursements is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in a financial statement prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Company's cash receipts and disbursements. Accordingly, the financial statement is not designed for those who are not informed about such matters.

Shawnee Miller, CPA, P.C.

Shawnee Miller, CPA, P.C.

Gatesville, TX

May 13, 2025

Hico Emergency Services District
Statement of Cash Receipts & Disbursements - Cash Basis
For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Receipts		
Tax Revenue	\$260,255	\$260,468
Cash Disbursements		
Advertising	1,390	1,322
Building Expense	-	79,573
Contract Services	153,000	165,750
Dues & Subscriptions	710	1,235
Equipment	-	101,562
Insurance Expense	3,571	3,115
Meals	350	160
Office Supplies	863	215
Postage	106	62
Professional Fees	1,200	-
Rent	-	430
Repairs and Maintenance	885	635
Tax Collection and Appraisal	16,833	8,572
Utilities	9,370	1,443
Total Cash Disbursements	<u>188,278</u>	<u>364,074</u>
Increase (Decrease) in Cash	71,977	(103,606)
Cash Balance Beginning of Fiscal Year	<u>282,355</u>	<u>385,961</u>
Cash Balance End of Fiscal Year	<u>\$354,332</u>	<u>\$282,355</u>

See Accountant's Compilation Report