

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3

WILSON COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2024

McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC
Certified Public Accountants

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McCall Gibson Swedlund Barfoot Ellis PLLC

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Wilson County Emergency Services
District No. 3
Wilson County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Wilson County Emergency Services District No. 3 (the "District") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 and Debt Service Fund Combined, the Schedule of Changes in Net Pension Asset and Liability and Related Ratios, and the Schedule of District Contributions 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.

Board of Commissioners
Wilson County Emergency Services
District No. 3

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

March 17, 2025

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Management's discussion and analysis of Wilson County Emergency Services District No. 3 (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2024.

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 Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other 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 similar to 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 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 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 two governmental fund types. The General Fund accounts for resources not accounted for in another fund, property tax revenues, EMS charges, costs of assessing and collecting taxes and service operations expenditures. The Debt Service Fund accounts for resources and expenditure relating to principal and interest payments.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund 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 Funds Statement of Revenues, Expenditures and Changes in Fund Balances 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") and other supplementary information. 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$5,277,604 as of September 30, 2024. A portion of the District's net position reflects its net investment in capital assets (i.e. land, buildings, vehicles and equipment, less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide for firefighting and emergency services. The following is a comparative analysis of government-wide changes in net position:

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2024	2023	Change Positive (Negative)
Current and Other Assets	\$ 3,597,988	\$ 2,675,636	\$ 922,352
Capital Assets and Right-of Use Assets	3,763,834	3,478,364	285,470
Total Assets	\$ 7,361,822	\$ 6,154,000	\$ 1,207,822
Deferred Outflows of Resources	\$ 321,980	\$ 253,399	\$ 68,581
Long-Term Liabilities	\$ 1,619,257	\$ 1,755,883	\$ 136,626
Other Liabilities	774,192	602,577	(171,615)
Total Liabilities	\$ 2,393,449	\$ 2,358,460	\$ (34,989)
Deferred Inflows of Resources	\$ 12,749	\$ 14,947	\$ 2,198
Net Position:			
Net Investment in Capital Assets	\$ 2,007,951	\$ 1,589,972	\$ 417,979
Unrestricted	3,269,653	2,444,020	825,633
Total Net Position	\$ 5,277,604	\$ 4,033,992	\$ 1,243,612

The following table provides a summary of the District's operations for the years ended September 30, 2024, and September 30, 2023.

	Summary of Changes in the Statement of Activities		
	2024	2023	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 2,015,639	\$ 1,954,525	\$ 61,114
EMS Revenues	2,896,020	2,740,686	155,334
Sales Tax	1,230,590	1,113,737	116,853
Grants and Other Revenues	333,587	318,547	15,040
Total Revenues	\$ 6,475,836	\$ 6,127,495	\$ 348,341
Expenses for Services	5,232,224	4,539,818	(692,406)
Change in Net Position	\$ 1,243,612	\$ 1,587,677	\$ (344,065)
Net Position, Beginning of Year	4,033,992	2,446,315	1,587,677
Net Position, End of Year	\$ 5,277,604	\$ 4,033,992	\$ 1,243,612

**WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND

The District's General Fund fund balance as of September 30, 2024, was \$2,510,328, an increase of \$387,101 from the prior year. This was primarily due to property tax, sales tax and EMS revenues, exceeding service operations and capital outlay costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Commissioners amended the budget during the current fiscal year. The budget was amended to increase expected property tax revenues, EMS revenues, salaries and benefits, repairs and maintenance and capital outlay. Actual revenues were \$60,325 more than budgeted and actual expenditures were \$326,776 less than budgeted, which resulted in a positive variance of \$387,101. See the budget versus actual comparison for more information.

CAPITAL ASSETS

The District's capital assets as of September 30, 2024, total \$3,667,658 (net of accumulated depreciation) and include land, buildings, vehicles and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2024	2023	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 1,516,384	\$ 1,516,384	\$
Construction in Progress		169,975	(169,975)
Capital Assets, Net of Accumulated Depreciation:			
Buildings and Improvements	824,534	800,471	24,063
Equipment and Vehicles	1,322,427	870,326	452,101
Intangible Assets	4,313	5,744	(1,431)
Total Net Capital Assets	<u>\$ 3,667,658</u>	<u>\$ 3,362,900</u>	<u>\$ 304,758</u>

RIGHT-OF-USE ASSETS

In accordance with the requirements of GASB Statement No. 87, which was required to be implemented in the current fiscal year, the District recorded certain right-of-use assets. Right-of-use assets consisted of Station No. 2 in the amount of \$134,647, had current year amortization expense of \$19,288, and had an accumulated amortization balance of \$38,471 as of September 30, 2024.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

LONG-TERM DEBT ACTIVITY

At year-end, the District had total debt payable of \$1,755,883. The changes in the debt position of the District during the fiscal year ended September 30, 2024, are summarized as follows:

Note Payable, October 1, 2023	\$ 1,772,362
Less: Principal Retired	<u>113,690</u>
Note Payable, September 30, 2024	<u>\$ 1,658,672</u>
Lease Payable, October 1, 2023	\$ 116,030
Less: Principal Retired	<u>18,819</u>
Lease Payable, September 30, 2024	<u>\$ 97,211</u>

CONTACTING THE DISTRICT'S 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, contact the District Treasurer by phone at 210-872-1347.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024

	<u>General Fund</u>	<u>Debt Service Fund</u>
ASSETS		
Cash	\$ 489,908	\$
Investments	1,940,352	
Cash With Wilson County	3,857	
Receivables:		
EMS Charges (Net of Allowance for Doubtfull Accounts)	754,514	
Property Taxes	87,401	7,283
Penalty and Interest on Delinquent Property Taxes		
Sales Tax Receipts	234,619	
Inventory	54,203	
Land		
Right-of-Use Assets (Net of Accumulated Amortization)		
Capital Assets (Net of Accumulated Depreciation)		
TOTAL ASSETS	<u>\$ 3,564,854</u>	<u>\$ 7,283</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
TOTAL ASSETS AND DEFERRED		
OUTFLOWS OF RESOURCES	<u>\$ 3,564,854</u>	<u>\$ 7,283</u>

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

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 489,908	\$	\$ 489,908
1,940,352		1,940,352
3,857		3,857
754,514		754,514
94,684		94,684
	25,851	25,851
234,619		234,619
54,203		54,203
	1,516,384	1,516,384
	96,176	96,176
	2,151,274	2,151,274
<u>\$ 3,572,137</u>	<u>\$ 3,789,685</u>	<u>\$ 7,361,822</u>
 \$ - 0 -	 \$ 321,980	 \$ 321,980
<u><u>\$ 3,572,137</u></u>	<u><u>\$ 4,111,665</u></u>	<u><u>\$ 7,683,802</u></u>

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

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2024

	<u>General Fund</u>	<u>Debt Service Fund</u>
LIABILITIES		
Accounts Payable	\$ 212,611	\$
Accrued Interest Payable		
Compensated Absences		
Net Pension Liability		
Long-Term Liabilities:		
Lease Payable, Due Within One Year		
Lease Payable, Due After One Year		
Note Payable, Due Within One Year		
Note Payable, Due After One Year		
TOTAL LIABILITIES	<u>\$ 212,611</u>	<u>\$ - 0 -</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	\$ 87,401	\$ 7,283
Deferred Inflows - Pension		
EMS Charges	754,514	
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 841,915</u>	<u>\$ 7,283</u>
FUND BALANCES		
Nonspendable: Inventory	\$ 54,203	\$
Unassigned	2,456,125	
TOTAL FUND BALANCES	<u>\$ 2,510,328</u>	<u>\$ - 0 -</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 3,564,854</u></u>	<u><u>\$ 7,283</u></u>
NET POSITION		
Net Investment in Capital Assets		
Unrestricted		
TOTAL NET POSITION		

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

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 212,611	\$	\$ 212,611
	2,353	2,353
	34,206	34,206
	388,396	388,396
	19,024	19,024
	78,187	78,187
	117,602	117,602
	1,541,070	1,541,070
<u>\$ 212,611</u>	<u>\$ 2,180,838</u>	<u>\$ 2,393,449</u>
\$ 94,684	\$ (94,684)	\$
	12,749	12,749
754,514	(754,514)	
<u>\$ 849,198</u>	<u>\$ (836,449)</u>	<u>\$ 12,749</u>
\$ 54,203	\$ (54,203)	\$
2,456,125	(2,456,125)	
<u>\$ 2,510,328</u>	<u>\$ (2,510,328)</u>	<u>\$ - 0 -</u>
<u>\$ 3,572,137</u>		
	\$ 2,007,951	\$ 2,007,951
	3,269,653	3,269,653
	<u>\$ 5,277,604</u>	<u>\$ 5,277,604</u>

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

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds	\$	2,510,328
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Deferred inflows of resources related to property tax revenues and penalty and interest receivable for 2023 and prior tax levies became part of recognized revenue in the governmental activities of the District.		120,535
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EMS charges in the Statement of Activities do not provide current financial resources and are deferred in the fund statements.		754,514
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Portions of the change in net pension liability/(asset) that are not immediately recognized as pension expense are recorded as deferred outflows and inflows of resources.		(79,165)
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Accrued vacation leave payable is not due and payable in the current period and, therefore, not reported in the governmental funds.		(34,206)
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Capital assets and right-of-use assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		3,763,834
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Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Accrued Interest Payable	\$	(2,353)	
Debt Payable Within One Year		(136,626)	
Debt Payable After One Year		<u>(1,619,257)</u>	<u>(1,758,236)</u>
Total Net Position - Governmental Activities	\$		<u><u>5,277,604</u></u>

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

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Debt Service Fund
REVENUES		
Property Taxes	\$ 1,831,736	\$ 165,946
Penalty and Interest	29,426	
Sales Tax	1,230,590	
EMS Revenues	2,450,388	
Investment Revenues	120,599	
Miscellaneous Revenues	177,786	
TOTAL REVENUES	<u>\$ 5,840,525</u>	<u>\$ 165,946</u>
EXPENDITURES/EXPENSES		
Service Operations:		
Salaries and Benefits	\$ 3,389,862	
Professional Fees	234,057	
Appraisal District Fees	35,808	
Tax Collection Fees	20,454	
Utilities	48,917	
Repairs and Maintenance	562,418	
Depreciation/Amortization		
Other	384,148	
Capital Outlay	758,974	
Debt Service:		
Principal	18,819	113,690
Interest Expense	1,181	51,042
TOTAL EXPENDITURES/EXPENSES	<u>\$ 5,454,638</u>	<u>\$ 164,732</u>
EXCESS (DEFICIENCY) OF REVENUES OVER		
EXPENDITURES/EXPENSES	<u>\$ 385,887</u>	<u>\$ 1,214</u>
OTHER FINANCING SOURCES (USES)		
Transfers In/(Out)	<u>\$ 1,214</u>	<u>\$ (1,214)</u>
NET CHANGE IN FUND BALANCES	\$ 387,101	\$
CHANGE IN NET POSITION		
FUND BALANCES/NET POSITION -		
OCTOBER 1, 2023	<u>2,123,227</u>	
FUND BALANCES/NET POSITION -		
SEPTEMBER 30, 2024	<u><u>\$ 2,510,328</u></u>	<u><u>\$ -0-</u></u>

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

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
\$ 1,997,682	\$ 17,957	\$ 2,015,639
29,426	5,776	35,202
1,230,590		1,230,590
2,450,388	445,632	2,896,020
120,599		120,599
<u>177,786</u>		<u>177,786</u>
\$ 6,006,471	\$ 469,365	\$ 6,475,836
\$ 3,389,862	\$ 31,364	\$ 3,421,226
234,057		234,057
35,808		35,808
20,454		20,454
48,917		48,917
562,418	111,272	673,690
	362,232	362,232
384,148		384,148
758,974	(758,974)	
132,509	(132,509)	
<u>52,223</u>	<u>(531)</u>	<u>51,692</u>
\$ 5,619,370	\$ (387,146)	\$ 5,232,224
\$ 387,101	\$ 856,511	\$ 1,243,612
\$ - 0 -	\$ - 0 -	\$ - 0 -
\$ 387,101	\$ (387,101)	\$
	1,243,612	1,243,612
<u>2,123,227</u>	<u>1,910,765</u>	<u>4,033,992</u>
<u>\$ 2,510,328</u>	<u>\$ 2,767,276</u>	<u>\$ 5,277,604</u>

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

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Net Change in Fund Balances - Governmental Funds	\$	387,101
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.		17,957
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Governmental funds report EMS revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the revenues are expected.		445,632
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Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.		5,776
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Governmental funds do not account for depreciation and amortization. However, in the Statement of Net Position, capital assets are depreciated and right-of-use asseets are amortized and the expense is recorded in the Statement of Activities.		(362,232)
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Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.		647,702
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Governmental funds report debt principal payments as expenditures. However, in the Statement of Net Position, principal payments are reported as decreases in long-term liabilities.		132,509
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The changes in deferred outflows and inflows of resources for pensions are recorded as pension expense in the government-wide financial statements.		(31,364)
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Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.		531
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Change in Net Position - Governmental Activities	\$	1,243,612
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The accompanying notes to the financial
statements are an integral part of this report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1. CREATION OF DISTRICT

The Wilson County Emergency Services District No. 3 is a political subdivision of the State of Texas and was created by the Wilson County Commissioners' Court after a Public Election on November 6, 2012 to be effective January 1, 2013. The District was created to provide emergency services and promote public safety, welfare, health and convenience of persons residing in 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. The 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.
- 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.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- 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 revenue and expense of 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 Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Fund

The District has two governmental funds and considers each to be a major fund.

General Fund – To account for all financial resources except those required to be accounted for in another fund. Major revenue sources included property tax revenues, EMS charges, costs of assessing and collecting taxes and service operations expenditures

Debt Service Fund – To accounts for resources and expenditure relating to principal and interest payments.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 collectible within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectible 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 taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Inventory

Inventories of medical supplies maintained by the District are valued using the first-in first-out method. At September 30, 2024, the District had an inventory balance of \$54,203.

Capital Assets and Right-of-Use Assets

Capital assets are defined as land, buildings, building improvements, firefighting apparatus, non-firefighting vehicles, communication equipment and all firefighting equipment. Items purchased by the District with an initial or individual cost greater than \$5,000 and an estimated useful life in excess of two years should be capitalized upon the books of the District. All items costing less than \$5,000 should be direct expensed and categorized in a general asset category.

In the case of donations, the District shall value these capital assets at the estimated fair market value of the item at the date of its donation. Depreciation is calculated on each class of depreciable property using no salvage value and the straight-line method of depreciation. Estimated useful lives are as follows:

	<u>Years</u>
Equipment	3-7
Vehicles	10
Buildings	25-50
Intangibles	7

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets and Right-of-Use Assets (Continued)

In accordance with GASB Statement No. 87, at September 30, 2024, the District records Station No. 2 as a right-to-use asset (see Note 10). The right-to-use assets are being amortized over the estimated useful life using the straight-line method of amortization.

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Commissioners. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was amended. The Budget Comparison Schedule – General Fund – presents the original and amended, if any, budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Compensated Absences

The District permits employees to accumulate earned but unused vacation pay benefits up to certain limits. Upon resignation, an employee may receive pay for any unused accrued vacation provided. Upon resignation or termination, a maximum of 120 hours of unused accrued vacation leave will be paid provided the employee gives sufficient notice of planned separation and all issued equipment and uniforms have been returned to the District.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

Pensions

Payments are made into the social security system for all employees. The Internal Revenue Service has determined that fees of office received by Commissioners are considered wages subject to federal income tax withholding for payroll tax purposes only. See Note 8 for the District's pension plan.

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 and liabilities associated with the activities are reported. Fund equity is classified as net position.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

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 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 Directors. 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.

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 adopted a formal policy regarding the assignment of fund balances. The District does not have any assigned 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.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3. TAX LEVIES

During the year ended September 30, 2024, the District levied an ad valorem maintenance tax rate of \$0.070611 per \$100 of assessed valuation, which resulted in a tax levy of \$1,851,620 on the adjusted taxable valuation of \$2,712,142,895 for the 2023 tax year.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

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 \$489,908 and the bank balance was \$474,086. The District was not subject to custodial risk at year-end.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at September 30, 2024, as listed below:

	<u>Cash</u>
GENERAL FUND	\$ <u>489,908</u>

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;

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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.

The District invests in Texas Cooperative Liquid Assets Securities System Trust ("Texas CLASS"), an external public funds investment pool that is not SEC-registered. Public Trust Advisors, LLC serves as the pool's administrator and investment advisor. The pool is subject to the general supervision of the Board of Trustees and its Advisory Board. UMB Bank, N.A. serves as custodian for the pool. Investments held by Texas CLASS are priced to market on a weekly basis. The investments are considered to be Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District's position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from Texas CLASS. The District's investments in certificates of deposit are recorded at acquisition cost.

As of September 30, 2024, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
Texas CLASS	<u>\$ 1,940,352</u>	<u>\$ 1,940,352</u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2024, the District's investment in Texas CLASS was rated "AAA" by Standard and Poor's. The District also manages credit risk by typically investing in certificates of deposit with balance below FDIC coverage.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in Texas CLASS to have a maturity of less than one year due to the fact the share positions can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value. The District also manages interest rate risk by investing in certificates of deposit with maturities of less than one year.

Restricted All cash and investments of the Debt Service Fund are restricted for the payment of debt service principal and interest.

NOTE 5. CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended September 30, 2024:

	October 1, 2023	Increases	Decreases	September 30, 2024
Capital Assets Not Being Depreciated				
Land and Land Improvements	\$ 1,516,384	\$	\$	\$ 1,516,384
Construction in Progress	169,975	647,702	817,677	
Total Capital Assets Not Being Depreciated	<u>\$ 1,686,359</u>	<u>\$ 647,702</u>	<u>\$ 817,677</u>	<u>\$ 1,516,384</u>
Capital Assets Subject to Depreciation				
Building and Improvements	\$ 856,351	\$ 50,998	\$	\$ 907,349
Equipment and Vehicles	1,710,207	766,679		2,476,886
Intangibles	9,990			9,990
Total Capital Assets Subject to Depreciation	<u>\$ 2,576,548</u>	<u>\$ 817,677</u>	<u>\$ - 0 -</u>	<u>\$ 3,394,225</u>
Less Accumulated Depreciation				
Building and Improvements	\$ 55,880	\$ 26,935	\$	\$ 82,815
Equipment and Vehicles	839,881	314,578		1,154,459
Intangibles	4,246	1,431		5,677
Total Accumulated Depreciation	<u>\$ 900,007</u>	<u>\$ 342,944</u>	<u>\$ - 0 -</u>	<u>\$ 1,242,951</u>
Total Depreciable Capital Assets, Net of Accumulated Depreciation	<u>\$ 1,676,541</u>	<u>\$ 474,733</u>	<u>\$ - 0 -</u>	<u>\$ 2,151,274</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 3,362,900</u>	<u>\$ 1,122,435</u>	<u>\$ 817,677</u>	<u>\$ 3,667,658</u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6. RISK MANAGEMENT

The Wilson County Emergency Services District No. 3 is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. To cover the risk the District contracts with Volunteer Firemen's Insurance Services (VFIS) of Texas to provide insurance coverage for Property/Casualty. Contributions are set annually by VFIS. Liability by the District is generally limited to the contributed amounts.

NOTE 7. FINANCING NOTE AGREEMENTS

On May 14, 2020, the District signed a promissory note to purchase a EMS Truck (Ford F-450) for \$200,000. The note calls for annual payments of \$43,540 beginning May 14, 2021 through May 14, 2025. The interest rate on the note is 2.895% and is secured by ad valorem taxes.

On September 15, 2021, the District signed a promissory note to purchase land for a new station for \$1,830,000. The note calls for annual payments of \$121,192 beginning September 15, 2022 through September 15, 2041. The interest rate on the note is 2.84% and is secured by ad valorem taxes.

The following is a summary of transactions regarding the notes payable for the year ended September 30, 2024:

Note Payable, October 1, 2023	\$ 1,772,362
Less: Principal Retired	<u>113,690</u>
Note Payable, September 30, 2024	<u>\$ 1,658,672</u>
Note Payable	
Due Within One Year	\$ 117,602
Due After One Year	<u>1,541,070</u>
Note Payable Payable, September 30, 2024	<u>\$ 1,658,672</u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7. FINANCING NOTE AGREEMENTS (Continued)

As of September 30, 2024, the total debt service requirements on the notes outstanding were as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 117,602	\$ 47,130	\$ 164,732
2026	77,425	43,767	121,192
2027	79,624	41,568	121,192
2028	81,885	39,707	121,592
2029	84,211	36,981	121,192
2030-2034	458,317	147,646	605,963
2035-2039	527,201	78,763	605,964
2040-2041	232,407	9,948	242,355
	<u>\$ 1,658,672</u>	<u>\$ 445,510</u>	<u>\$ 2,104,182</u>

During the year ended September 30, 2024, the District levied an ad valorem debt service tax rate of \$0.006386 per \$100 of assessed valuation, which resulted in a tax levy of \$167,459 on the adjusted taxable valuation of \$2,712,142,895 for the 2023 tax year. The bond resolutions require the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN

Plan Description

The District provides retirement, disability, and death benefits for all its full-time employees through a non-traditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of non-traditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) which includes financial statements, notes and required supplementary information which can be obtained at TCDRS, Finance Division, Barton Oaks Plaza IV Suite 500, 901 S. MoPac Expressway, Austin, Texas 78746 or at www.TCDRS.org.

Benefits Provided

Benefit provisions are adopted by the District, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 5 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the District.

Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the District within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	<u>0</u>
Inactive employees entitled but not yet receiving benefits	<u>35</u>
Active employees	<u>34</u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN (Continued)

Contributions

The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 9.629% for the months of the 2024 accounting year and 6.49% for 2023. The contribution rate payable by the employee members for 2023 and 2024 is the rate of 7% as adopted by the governing body of the District. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

For the District's accounting year ended September 30, 2024, the annual pension cost for the TCDRS plan for its employees was \$265,626; the actual contributions were \$265,626. The employees contributed \$168,016 to the plan for the 2024 fiscal year.

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumption:

Actuarial Valuation Date	12/31/23
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	15.0 years
Asset Valuation Method	5-year smoothed market
Actuarial Assumptions:	
Investment Return ¹	7.50%
Projected Salary Increases ¹	4.70%
Inflation	2.50%
Cost-of-living Adjustments	0.00%

¹ Includes inflation at the stated rate

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

The demographic assumptions were developed from an actual experience investigation of TCDRS over the years 2017-2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2023. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Mortality rates were based on the following:

Depositing members – 135% of the PUB-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the PUB-2010 General Employees Amount-Weighted Mortality Table for females projected with 100% of the MP-2021 ultimate scale after 2010.

Service retirees, beneficiaries and non-depositing members – 135% of the PUB-2010 General Retirees Amount-Weighted Mortality Table for males and 120% of the PUB-2010 General Retirees Amount-Weighted Mortality Table for females projected with 100% of the MP-2021 ultimate scale after 2010.

Disabled retirees - 160% of the PUB-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the PUB-2010 General Disabled Retirees Amount-Weighted Mortality Table for females projected with 100% of the MP-2021 ultimate scale after 2010.

Discount Rate

The discount rate used to measure the total pension liability was 7.6%. There was no change in the discount rate since the previous year.

In order to determine the discount rate to be used, the actuary used an alternative method to determine the sufficiency of the fiduciary net position in all future years. This alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act:

- 1) TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
- 2) Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN (Continued)

Discount Rate (Continued)

- 3) The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
- 4) Any increased cost due to the adoption of a cost-of-living adjustment is required to be funded over a period of 15 years, if applicable.

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses. Therefore, the actuary has used a discount rate of 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2024 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN (Continued)

Long-Term Expected Rate of Return (Continued)

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	11.50%	4.75%
Global Equities	2.50%	4.75%
International Equities-Developed Markets	5.00%	4.75%
International Equities-Emerging Markets	6.00%	4.75%
Investment-Grade Bonds	3.00%	2.35%
Strategic Credit	9.00%	3.65%
Direct Lending	16.00%	7.25%
Distressed Debt	4.00%	6.90%
REIT Equities	2.00%	4.10%
Master Limited Partnerships (MLPs)	2.00%	5.20%
Private Real Estate Partnerships	6.00%	5.70%
Private Equity	25.00%	7.75%
Hedge Funds	6.00%	3.25%
Cash Equivalents	2.00%	0.60%

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN (Continued)

Changes in Net Pension Liability/(Asset)

Changes in Net Pension Liability/(Asset) for the measurement year ended December 31, 2023 are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a)-(b)
Balances of December 31, 2022	\$ 909,137	\$ 622,884	\$ 286,253
Changes for the year:			
Service Cost	324,984		324,984
Interest on the Total Pension Liability	93,793		93,793
Effect of Plan Changes	112,305		112,305
Effect of Economic/Demographic gains or losses	65,825		65,825
Effect of Assumptions Changes or I			
Refund of Contributions			
Administrative Expenses		(584)	584
Member Contributions		170,969	(170,969)
Net Investment Income		72,438	(72,438)
Employer Contributions		231,541	(231,541)
Other		20,400	(20,400)
Balances of December 31, 2023	<u>\$ 1,506,044</u>	<u>\$ 1,117,648</u>	<u>\$ 388,396</u>

Sensitivity Analysis

The following presents the net pension liability/(asset) of the District, calculated using the discount rate of 7.60%, as well as what the District net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8. PENSION PLAN (Continued)

Sensitivity Analysis (Continued)

	1% Decrease	Current Discount Rate	1% Increase
	6.60%	7.60%	8.60%
Total Pension Liability	\$ 1,853,424	\$ 1,506,044	\$ 1,235,410
Fiduciary Net Position	1,117,648	1,117,648	1,117,648
Net Pension Liability/(Asset)	<u>\$ 735,776</u>	<u>\$ 388,396</u>	<u>\$ 117,762</u>

Deferred Inflows/Outflows of Resources

As of September 30, 2024, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 10,581	\$ 79,136
Changes of Assumptions	2,168	9,201
Net difference between projected and actual earnings		31,154
Contributions paid to TCDRS subsequent to the measurement date		202,489
Total	<u>\$ 12,749</u>	<u>\$ 321,980</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:

2024	\$ 21,364
2025	20,856
2026	26,419
2027	10,003
2028	11,870
Thereafter	16,230

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9. GROUP TERM LIFE INSURANCE

The District participates in a cost-sharing multiple-employer defined-benefit group-term life insurance plan operated by the Texas County & District Retirement System (TCDRS). This plan is referred to as the Group Term Life Fund (GTLF). This optional plan provides group term life insurance coverage to current eligible employees and, if elected by employers, to retired employees.

The GTLF is a separate trust administered by the TCDRS board of trustees. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for the GTLF. This report is available at www.tcdrs.org. TCDRS' CAFR may also be obtained by writing to the Texas County & District Retirement System; P.O. Box 2034, Austin, TX 78768-2034, or by calling 800~823-7782.

Funding Policy: Each participating employer contributes to the GTLF at a contractually required rate. An annual actuarial valuation is performed and the contractual rate is determined using the unit credit method for providing one-year term life insurance. The District's contribution to the GTLF for the year ending September 30, 2024, 2023, and 2022, were \$4,926, \$1,265, and \$1,184, respectively, which equaled the contractually required contribution.

NOTE 10. LEASE PAYABLE

In May 2020, the District entered into a lease agreement with Wilson County Emergency Services District No. 1 for the lease of space in Station No. 2. Assets under this lease totaled \$134,647 as of September 30, 2024. The term of this lease is 10 years. Quarterly installments of \$5,000 are due each January 10th, April 10th, July 10th and October 10th.

Right-of-use assets, current year amortization expense, and accumulated amortization is summarized below:

	October 1, 2023	Increases	Decreases	September 30, 2024
Right-of-use Assets Subject to Amortization				
Buildings	\$ 134,647	\$ - 0 -	\$ - 0 -	\$ 134,647
Less Accumulated Amortization				
Buildings	\$ 19,183	\$ 19,288	\$ - 0 -	\$ 38,471
Total Amortizable Right-of-use Assets, Net of Accumulated Amortization	<u>\$ 115,464</u>	<u>\$ (19,288)</u>	<u>\$ - 0 -</u>	<u>\$ 96,176</u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10. LEASE PAYABLE (Continued)

The following is a summary of transactions regarding the lease payable for the year ended September 30, 2024:

Lease Payable, October 1, 2023	\$ 116,030
Less: Principal Retired	<u>18,819</u>
Lease Payable, September 30, 2024	<u><u>\$ 97,211</u></u>

Lease Payable	
Due Within One Year	\$ 19,024
Due After One Year	<u>78,187</u>
Lease Payable, September 30, 2024	<u><u>\$ 97,211</u></u>

The following is a schedule of future minimum lease payments under the lease as September 30, 2024.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 19,024	\$ 976	\$ 20,000
2026	19,231	769	20,000
2027	19,440	560	20,000
2028	19,651	349	20,000
2029	19,865	135	20,000
	<u><u>\$ 97,211</u></u>	<u><u>\$ 2,789</u></u>	<u><u>\$ 100,000</u></u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND AND
DEBT SERVICE FUND COMBINED
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
REVENUES				
Property Taxes, Including Penalty and Interest	\$ 3,202,279	\$ 3,341,547	\$ 2,027,108	\$ (1,314,439)
EMS Revenues	1,980,493	2,440,149	2,450,388	10,239
Sales Tax			1,230,590	1,230,590
Miscellaneous Revenues	254,000	164,450	298,385	133,935
TOTAL REVENUES	<u>\$ 5,436,772</u>	<u>\$ 5,946,146</u>	<u>\$ 6,006,471</u>	<u>\$ 60,325</u>
EXPENDITURES				
Service Operations:				
Salaries and Benefits	\$ 3,176,693	\$ 3,248,080	\$ 3,389,862	\$ (141,782)
Professional Fees	236,780	260,660	234,057	26,603
Appraisal District Fees			35,808	(35,808)
Tax Collection Services	63,600	46,660	20,454	26,206
Utilities	58,500	50,355	48,917	1,438
Repairs and Maintenance	282,500	354,505	562,418	(207,913)
Other	704,167	660,761	384,148	276,613
Capital Outlay	744,000	1,154,032	758,974	395,058
Debt Service:				
Principal	170,532	171,093	132,509	38,584
Interest Expense			52,223	(52,223)
TOTAL EXPENDITURES	<u>\$ 5,436,772</u>	<u>\$ 5,946,146</u>	<u>\$ 5,619,370</u>	<u>\$ 326,776</u>
NET CHANGE IN FUND BALANCE	\$ -0-	\$ -0-	\$ 387,101	\$ 387,101
FUND BALANCE - OCTOBER 1, 2023	<u>2,123,227</u>	<u>2,123,227</u>	<u>2,123,227</u>	
FUND BALANCE - SEPTEMBER 30, 2024	<u>\$ 2,123,227</u>	<u>\$ 2,123,227</u>	<u>\$ 2,510,328</u>	<u>\$ 387,101</u>

Budgetary Information - The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The District maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board and as such is a good management control device.

It is recommended that actual expenditures do not exceed appropriations. However, actual expenditures exceed appropriations for the year ended September 30, 2024 due to costs associated with the District's administration and capital outlay. The District amends the budget throughout the year approving such additional expenses. The amended budget is used in presenting the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.

The District does not use encumbrances.

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020	Year Ended December 31, 2019
Total Pension Liability					
Service cost	\$ 324,984	\$ 265,711	\$ 147,066	\$ 74,368	\$ 16,128
Interest on total pension liability	93,793	54,385	23,725	7,423	1,306
Effect of plan changes	112,305	152,618	88,987	58,082	
Effect of economic/demographic (gains) or losses	65,825	(11,569)	34,452	(3,176)	13
Effect of assumptions changes or inputs			(3,470)	15,337	
Benefit payments/refunds of contributions		(3,698)	(8,211)	(340)	
Net change in total pension liability	\$ 596,907	\$ 457,447	\$ 282,549	\$ 151,694	\$ 17,447
Total pension liability, beginning	909,137	451,690	169,141	17,447	
Total pension liability, ending (a)	<u>\$ 1,506,044</u>	<u>\$ 909,137</u>	<u>\$ 451,690</u>	<u>\$ 169,141</u>	<u>\$ 17,447</u>
Fiduciary Net Position					
Employer contributions	\$ 231,541	\$ 150,875	\$ 64,077	\$ 24,094	\$ 5,940
Member contributions	170,969	155,622	119,114	52,664	12,984
Investment income net of investment expenses	72,438	(44,714)	42,148	2,175	(19)
Benefit payments/refunds of contributions		(3,698)	(8,211)	(340)	
Administrative expenses	(584)	(365)	(174)	(73)	(15)
Other	20,400	42,901	4,985	2,263	651
Net change in plan fiduciary net position	\$ 494,764	\$ 300,621	\$ 221,939	\$ 80,783	\$ 19,541
Fiduciary net position, beginning	622,884	322,263	100,324	19,541	
Fiduciary net position, ending (b)	<u>\$ 1,117,648</u>	<u>\$ 622,884</u>	<u>\$ 322,263</u>	<u>\$ 100,324</u>	<u>\$ 19,541</u>
Net Pension Liability/(Asset), Ending = (a) - (b)	<u>\$ 388,396</u>	<u>\$ 286,253</u>	<u>\$ 129,427</u>	<u>\$ 68,817</u>	<u>\$ (2,094)</u>
Fiduciary net position as a percentage of the total pension liability	74.21%	68.51%	71.35%	59.31%	112.00%
Pensionable covered payroll	\$ 2,442,413	\$ 2,223,172	\$ 1,701,635	\$ 1,316,603	\$ 324,608
Net pension liability as a percentage of covered employee payroll	15.90%	12.88%	7.61%	5.23%	-0.65%

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2024

<u>Fiscal Year Ending September 30</u>	<u>Actuarially Determined Contribution (1)</u>	<u>Actual Employer Contribution (1)</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll (2)</u>	<u>Actual Contribution as a Percentage of Covered Payroll</u>
2019	\$ 5,940	\$ 5,940	\$ -0-	\$ 324,608	1.8%
2020	\$ 24,094	\$ 24,094	\$ -0-	\$ 1,316,603	1.8%
2021	\$ 53,772	\$ 64,077	\$ (10,305)	\$ 1,701,635	3.8%
2022	\$ 150,875	\$ 150,875	\$ -0-	\$ 2,223,172	6.8%
2023	\$ 231,541	\$ 231,541	\$ -0-	\$ 2,442,413	9.5%
2024	\$ 265,626	\$ 265,626	\$ -0-	\$ 2,400,222	11.1%

(1) TCDRS calculates actuarially determined contributions on a calendar year basis.

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO SCHEDULE OF DISTRICT CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Valuation Date: Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates (December 31, 2021 valuation for 2023 contributions):

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	15.0 years (based on contribution rate calculated in 12/31/23 valuation)
Asset Valuation Method	5-year, smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Change in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: Not applicable, prior to TCDRS participation. 2016: Not applicable, prior to TCDRS participation. 2017: Not applicable, prior to TCDRS participation. 2018: Not applicable, prior to TCDRS participation. 2019: No Changes in plan provisions were reflected in the Schedule. 2020: No Changes in plan provisions were reflected in the Schedule. 2021: Employer contributions reflect that the member contribution rate was increased to 7%. 2022: Employer contributions reflect that the current service matching rate was increased to 150% and the prior service matching rate was increased to 5%. 2023: Employer contributions reflect that the current service matching rate was increased to 200% and the prior service matching rate was increased to 25%.

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3

OTHER SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
COMPARATIVE BALANCE SHEETS – GENERAL FUND
SEPTEMBER 30, 2024 AND 2023

	Amounts	
	2024	2023
ASSETS		
Cash and Cash Equivalents	\$ 2,434,117	\$ 2,036,469
Receivables:		
EMS Charges (Net of Allowance for Doubtfull Accounts)	754,514	308,882
Property Taxes	87,401	70,405
Sales Tax Receipts	234,619	189,794
Contract Receivable		
Inventory	54,203	43,689
Prepaid Items		
TOTAL ASSETS	<u>\$ 3,564,854</u>	<u>\$ 2,649,239</u>
LIABILITIES		
Accounts Payable	\$ 212,611	\$ 146,725
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	\$ 87,401	\$ 70,405
EMS Charges	754,514	308,882
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>\$ 841,915</u>	<u>\$ 379,287</u>
FUND BALANCE		
Nonspendable:		
Inventory	\$ 54,203	\$ 43,689
Unassigned	2,456,125	2,079,538
TOTAL FUND BALANCE	<u>\$ 2,510,328</u>	<u>\$ 2,123,227</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 3,564,854</u>	<u>\$ 2,649,239</u>

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	Amounts	
	2024	2023
REVENUES		
Property Taxes	\$ 1,831,736	\$ 1,712,296
Penalty and Interest	29,426	33,906
Sales Tax	1,230,590	1,113,737
EMS Revenues	2,450,388	2,616,634
Investment and Miscellaneous Revenues	298,385	264,566
TOTAL REVENUES	<u>\$ 5,840,525</u>	<u>\$ 5,741,139</u>
EXPENDITURES		
Current:		
Emergency Services	\$ 3,389,862	\$ 2,988,618
General Administration	1,285,802	1,186,732
Capital Outlay	758,974	499,633
Debt Service:		
Note Payable Principal	18,819	18,617
Note Payable Interest	1,181	1,383
TOTAL EXPENDITURES	<u>\$ 5,454,638</u>	<u>\$ 4,694,983</u>
EXCESS (DEFICIENCY) OF REVENUES		
NET CHANGE IN FUND BALANCE	<u>\$ 385,887</u>	<u>\$ 1,046,156</u>
OTHER FINANCING SOURCES (USES)		
Transfers In (Out)	<u>\$ 1,214</u>	<u>\$ (61,420)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 387,101</u>	<u>\$ 984,736</u>
BEGINNING FUND BALANCE	<u>2,123,227</u>	<u>1,138,491</u>
ENDING FUND BALANCE	<u><u>\$ 2,510,328</u></u>	<u><u>\$ 2,123,227</u></u>

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
COMPARATIVE BALANCE SHEETS – DEBT SERVICE FUND
SEPTEMBER 30, 2024 AND 2023

	<u>Amounts</u>	
	<u>2024</u>	<u>2023</u>
ASSETS		
Property Taxes	<u>\$ 7,283</u>	<u>\$ 6,322</u>
LIABILITIES		
Accounts Payable	<u>\$ -0-</u>	<u>\$ -0-</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	<u>\$ 7,283</u>	<u>\$ 6,322</u>
FUND BALANCE		
Unassigned	<u>\$ -0-</u>	<u>\$ -0-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u><u>\$ 7,283</u></u>	<u><u>\$ 6,322</u></u>

See accompanying independent auditor's report.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – DEBT SERVICE FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	Amounts	
	2024	2023
REVENUES		
Property Taxes	\$ 165,946	\$ 232,988
EXPENDITURES		
Debt Service:		
Principal	\$ 113,690	\$ 235,398
Interest Expense	51,042	59,010
TOTAL EXPENDITURES	\$ 164,732	\$ 294,408
EXCESS (DEFICIENCY) OF REVENUES		
NET CHANGE IN FUND BALANCE	\$ 1,214	\$ (61,420)
OTHER FINANCING SOURCES (USES)		
Transfers In (Out)	\$ (1,214)	\$ 61,420
NET CHANGE IN FUND BALANCE	\$ - 0 -	\$ - 0 -
BEGINNING FUND BALANCE		
ENDING FUND BALANCE	\$ - 0 -	\$ - 0 -

See accompanying independent auditor's report.