



**WILSON COUNTY
EMERGENCY SERVICES DISTRICT NO. 3**

ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
SEPTEMBER 30, 2021**



WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2021

DISTRICT OFFICIALS

PRESIDENT	RACE SKAGGS
VICE PRESIDENT	CARLOS SALAZAR
SECRETARY	JEFF DUGI
TREASURER	EDDIE CALLENDER, JR.
ASSISTANT TREASURER	CINDY COUCH
ATTORNEY	BURNS, ANDERSON, JURY & BRENNER, L.L.P.



WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

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INDEPENDENT AUDITOR'S REPORT

District Commissioners
Wilson County Emergency Services District No. 3

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities and each major fund of the Wilson County Emergency Services District No. 3, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Wilson County Emergency Services District No. 3's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Wilson County Emergency Services District No. 3's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of Wilson County Emergency Services District No. 3, as of September 30, 2021, and the respective change in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters


Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the Table of Contents 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 (GASB), 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilson County Emergency Services District No. 3's financial statements. The comparative statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The comparative statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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 financial statements as a whole.



Armstrong, Vaughan & Associates, P.C.

May 16, 2022

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of Wilson County Emergency Services District No. 3’s annual financial report presents our discussion and analysis of the District’s financial performance during the fiscal year ended September 30, 2021. Please read it in conjunction with the District’s financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District’s total net position was \$2.2 million at September 30, 2021.
- During the year, the District’s expenses were \$3.0 million less than the \$4.3 million generated in taxes and other revenues for governmental activities.
- The District obtained a promissory note for the purchase of land for their new station in the amount of \$1.8 million.
- The General Fund reported a fund balance this year of \$996 thousand.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management’s discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District’s operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1, Required Components of the District’s Annual Financial Report

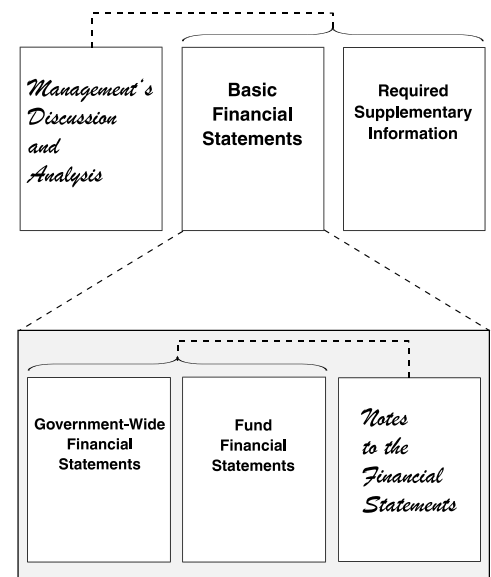


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements		
		Fund Statement
<i>Type of Statements</i>	Government-wide	Governmental Funds
<i>Scope</i>	Entire District's government (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net Position—the difference between the District's assets and liabilities—is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's tax base.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as Emergency Services and general administration. Property taxes and EMS charges will finance most of these activities.

Fund Financial Statements

The District has the following kinds of funds:

- Governmental funds**—All of the District’s basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them. The District has one fund: General Fund.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position. The District’s combined net position was \$2.2 million at September 30, 2021. (See Table A-1).

Table A-1
Wilson County Emergency Services District No. 3 Net Position

	Governmental Activities		Total Percentage Change
	2021	2020	2021-2020
Current assets:			
Cash and Investments	\$ 939,245	\$ 318,100	195.3%
Property Tax Receivable	68,075	48,294	41.0%
EMS Charges Receivable	768,401	162,135	373.9%
Sales Taxes Receivable	147,965	-	100.0%
Contract Receivable	3,680	-	100.0%
Grant Receivable	-	14,571	-100.0%
Prepaid Items	14,056	25,276	-44.4%
Medical Supplies Inventory	29,542	29,542	0.0%
Noncurrent Assets:			
Restricted Cash - Capital Projects	-	14,396	-100.0%
Capital Assets	3,080,874	1,189,221	159.1%
Accumulated Depreciation	(459,227)	(299,836)	53.2%
Total Assets	<u>4,592,611</u>	<u>1,501,699</u>	205.8%
Deferred Outflows of Resources	52,756	17,251	205.8%
Current Liabilities			
Accounts Payable	80,446	72,656	10.7%
Payroll Liabilities	63,949	63,401	0.9%
Accrued Compensated Absences	19,902	18,845	5.6%
Accrued Interest Payable	6,434	8,270	-22.2%
Due within One Year	165,976	93,225	78.0%
Noncurrent Liabilities			
Net Pension Liability (Asset)	68,817	(2,094)	-3386.4%
Long Term Debt, Net of Current	2,007,760	343,736	484.1%
Total Liabilities	<u>2,413,284</u>	<u>598,039</u>	303.5%
Deferred Inflows of Resources	2,847	-	100.0%
Net Position:			
Net Investment in Capital Assets	776,526	452,424	71.6%
Unrestricted	1,452,710	468,487	210.1%
Total Net Position	<u>\$ 2,229,236</u>	<u>\$ 920,911</u>	142.1%

Changes in Net Position. The District’s total revenues were \$4.3million. The District’s revenue comes from property taxes, sales taxes, EMS revenues, grants, donations and investment income. The District received \$365,975 thousand in state aid in the current year for EMS costs.

The total cost of all programs and services was \$3.0 million.

Governmental Activities

- Property tax rates were assessed at \$0.095800 per \$100 valuation.

Table A-2
Changes in District’s Net Position

	Governmental Activities		Total Percentage Change
	2021	2020	2021-2020
General Revenues			
Property Taxes	\$ 1,502,438	\$ 1,382,111	8.7%
Sales Taxes	380,381	-	100.0%
Interest	1,793	554	223.6%
Miscellaneous	34,552	6,114	465.1%
Charges for Service			
EMS Charges	2,361,104	1,210,497	95.1%
Operating Grants and Contributions	25,997	71,512	-63.6%
Capital Grants and Contributions	-	14,396	-100.0%
Total Revenues	<u>4,306,265</u>	<u>2,685,184</u>	60.4%
General Expenses			
Emergency Services	2,419,927	1,808,748	33.8%
General Government	563,645	427,176	31.9%
Interest on Long-term Debt	14,368	21,407	-32.9%
Total Expenses	<u>2,997,940</u>	<u>2,257,331</u>	32.8%
Increase (Decrease) in Net Position	<u>\$ 1,308,325</u>	<u>\$ 427,853</u>	205.8%

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

Revenues from governmental fund types totaled \$3.6 million, an increase of 29%. The increase in local revenues is a result of the first year collecting sales tax, increased EMS revenues and increased assessed values for property taxes.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget. Actual expenditures were \$4.7 thousand more than budget amounts. Emergency Services were over budget and Administrative expenditures were under budget due to personnel costs. Revenues were \$151 thousand more than budgeted amounts. Revenues from property taxes increased and a large GVEC grant was awarded in September.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the District had invested \$2.6 million in equipment and vehicles, net of accumulated depreciation. (See Table A-3). More detailed information about the District's capital assets is presented in the notes to the financial statements.

Table A-3
District's Capital Assets

	Governmental Activities		Total Percentage Change
	2021	2020	2021-2020
Land	\$ 1,516,384	\$ 15,000	10009.2%
Buildings	253,511	217,853	16.4%
Vehicles	1,300,989	956,368	36.0%
Intangibles	9,990	-	100.0%
Totals at Historical Cost	<u>3,080,874</u>	<u>1,189,221</u>	159.1%
Total Accumulated Depreciation	<u>(459,227)</u>	<u>(299,836)</u>	53.2%
Net Capital Assets	<u><u>\$ 2,621,647</u></u>	<u><u>\$ 889,385</u></u>	194.8%

Long Term Debt

At year-end the District had \$2.2 million in long-term debt outstanding as is shown in Table A-4. More detailed information about the District's debt is presented in the notes to the financial statements.

Table A-4
Long-term Debt

	Governmental Activities		Total Percentage Change
	2021	2020	2021-2020
Notes Payable	<u>\$ 2,173,736</u>	<u>\$ 436,960</u>	397.5%
	<u><u>\$ 2,173,736</u></u>	<u><u>\$ 436,960</u></u>	397.5%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The property tax rate for the 2022 fiscal year decrease and is \$0.0873 per \$100 of valuation. The projected revenues for the 2021 budget preparation increased to \$4.1 million.
- General operating fund spending increased in the 2022 budget. Expenditures are anticipated to decrease from the actual 2021 expenditures by \$3.8 million or a 52% decrease over 2021 actual expenses. The significant increase is primarily due to increased budgeted personnel expenses and capital outlay.

If the estimates are realized, the District's budgetary general fund balance is expected to increase by \$1 by the close of 2022.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide Wilson County Emergency Services District No. 3 citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Treasurer by phone at 210-872-1347.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board (GASB). The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
 - Governmental funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Governmental Activities
ASSETS	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 939,245
Receivables (net of allowances for uncollectibles)	
Property Taxes	68,075
Sales Taxes	147,965
EMS Charges, Net	768,401
Contract Receivable	3,680
Prepaid Items	14,056
Medical Supplies Inventory	29,542
<i>Total Current Assets</i>	1,970,964
 <i>Noncurrent Assets:</i>	
<i>Property and Equipment:</i>	
Land	1,516,384
Buildings	253,511
Equipment and Vehicles	1,300,989
Intangibles	9,990
Construction In Progress	-
Accumulated Depreciation	(459,227)
<i>Total Property and Equipment</i>	2,621,647
<i>Total Noncurrent Assets</i>	2,621,647
 TOTAL ASSETS	 4,592,611
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Related Outflows	52,756
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 52,756

The accompanying notes are an integral part of these statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF NET POSITION (CONT.)
SEPTEMBER 30, 2021

	Governmental Activities
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 80,446
Payroll Liabilities	63,949
Accrued Compensated Absences	19,902
Accrued Interest Payable	6,434
Due within One Year	165,976
<i>Total Current Liabilities</i>	336,707
 <i>Noncurrent Liabilities:</i>	
Net Pension Liability	68,817
Due in more than One Year	2,007,760
<i>Total Noncurrent Liabilities</i>	2,076,577
TOTAL LIABILITIES	2,413,284
 DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Related Inflows	2,847
TOTAL DEFERRED INFLOWS OF RESOURCES	2,847
 NET POSITION	
Net Investment in Capital Assets	776,526
Unrestricted	1,452,710
TOTAL NET POSITION	\$ 2,229,236

The accompanying notes are an integral part of these statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

<u>Functions and Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expenses), Revenues and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary Government:				
Governmental Activities:				
Emergency Services	\$ 2,419,927	\$ 2,361,104	\$ 25,997	\$ (32,826)
General Administration	563,645	-	-	(563,645)
Interest on Long-term Debt	14,368	-	-	(14,368)
Total Governmental Activities	<u>2,997,940</u>	<u>2,361,104</u>	<u>25,997</u>	<u>(610,839)</u>
Total Primary Government	<u><u>\$ 2,997,940</u></u>	<u><u>\$ 2,361,104</u></u>	<u><u>\$ 25,997</u></u>	<u><u>(610,839)</u></u>
General Revenues:				
General Property Taxes				1,502,438
Sales Taxes				380,381
Interest Income				1,793
Miscellaneous Income				34,552
Total General Revenues				<u>1,919,164</u>
Change in Net Position				1,308,325
Net Position at Beginning of Year				<u>920,911</u>
Net Position at End of Year				<u><u>\$ 2,229,236</u></u>

The accompanying notes are an integral part of these statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	General Fund	Debt Service Fund	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 939,245	\$ -	\$ 939,245
Accounts Receivable, Net of Allowance for Uncollectible			
Property Taxes	67,088	987	68,075
Sales Taxes	147,965	-	147,965
EMS Charges	768,401	-	768,401
Contract Receivable	3,680	-	3,680
Prepaid Items	14,056	-	14,056
Medical Supplies Inventory	29,542	-	29,542
TOTAL ASSETS	\$ 1,969,977	\$ 987	\$ 1,970,964
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
<i>Liabilities</i>			
Accounts Payable	\$ 80,446	\$ -	\$ 80,446
Payroll Liabilities	63,949	-	63,949
<i>Total Liabilities</i>	<u>144,395</u>	<u>-</u>	<u>144,395</u>
<i>Deferred Inflows of Resources</i>			
Unavailable Property Tax Revenue	60,739	987	61,726
Unavailable EMS Charges	768,401	-	768,401
<i>Total Deferred Inflows of Resources</i>	<u>829,140</u>	<u>987</u>	<u>830,127</u>
<i>Fund Balance</i>			
Nonspendable - Prepaid and Inventory Items	43,598	-	43,598
Unassigned	952,844	-	952,844
<i>Total Fund Balance</i>	<u>996,442</u>	<u>-</u>	<u>996,442</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 1,969,977	\$ 987	\$ 1,970,964

The accompanying notes are an integral part of these statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

TOTAL FUND BALANCE - GOVERNMENTAL FUNDS	\$ 996,442
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital Assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	2,621,647
Property taxes receivable are not available to pay current period expenditures and, therefore, are unavailable in the funds statements.	61,726
EMS revenues in the Statement of Activities do not provide current financial resources and are deferred in the fund statements.	768,401
Accrued vacation leave payable is not due and payable in the current period and, therefore, not reported in the governmental funds.	(19,902)
Long-term notes payable and capital lease are not due in the current period and therefore, are not reported in the funds.	(2,173,736)
Net pension assets (and related deferred outflows and inflows of resources) do not provide current financial resources and are not reported in the funds.	
Net Pension Asset (Liability)	(68,817)
Pension Related Deferred Outflows	52,756
Pension Related Deferred Inflows	(2,847)
Accrued interest payable on long-term debt is not due and payable in the current period and, therefore, are not reported in the funds.	<u>(6,434)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,229,236</u></u>

The accompanying notes are an integral part of these statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
EMS Charges	\$ 1,233,890	\$ -	\$ 1,233,890
Property Taxes	1,372,154	111,408	1,483,562
Sales Taxes	380,381	-	380,381
State EMS Contributions	365,975	-	365,975
Other Charges for Services	173,353	-	173,353
Grants and Contributions	7,617	-	7,617
Interest	1,793	-	1,793
Miscellaneous Income	34,552	-	34,552
TOTAL REVENUES	<u>3,569,715</u>	<u>111,408</u>	<u>3,681,123</u>
EXPENDITURES			
Current:			
Emergency Services	2,104,136	-	2,104,136
General Administrative	650,734	-	650,734
Capital Outlay	1,891,653	-	1,891,653
Debt Service:			
Principal	-	93,224	93,224
Interest	-	16,204	16,204
Debt issuance Costs	-	30,000	30,000
TOTAL EXPENDITURES	<u>4,646,523</u>	<u>139,428</u>	<u>4,785,951</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from Issuance of Debt	-	1,830,000	1,830,000
Transfers In (Out)	1,801,980	(1,801,980)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,801,980</u>	<u>28,020</u>	<u>1,830,000</u>
Net Change in Fund Balance	725,172	-	725,172
Fund Balance at Beginning of Year	<u>271,270</u>	<u>-</u>	<u>271,270</u>
Fund Balance at End of Year	<u>\$ 996,442</u>	<u>\$ -</u>	<u>\$ 996,442</u>

The accompanying notes are an integral part of these statements.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE
GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUNDS \$ 725,172

Amounts reported for governmental activities in the Statement of
Activities are different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

Capital Outlay	1,891,653	
Depreciation Expense	<u>(159,391)</u>	1,732,262

Revenues in the Statement of Activities that do not provide current
financial resources are not reported as revenues in the funds. The
changes are as follows:

Property Taxes	18,875	
EMS Revenues	<u>606,266</u>	625,141

The issuance of long-term debt (e.g. notes payable and capital leases)
provides current financial resources to governmental funds, while the
repayment of the principal of long-term debt consumes the current
financial resources of governmental funds. Neither transaction,
however, has any effect on net position. This is the net effect of
these differences in the treatment of long-term debt and related items.

Principal Payments of Notes Payable	93,224	
Issuance of Debt	<u>(1,830,000)</u>	(1,736,776)

Net Pension liabilities (and related deferred outflows of resources) do
not consume current financial resources are not reported in the funds. (38,253)

Some expenses reported in the Statement of Activities do not require the
use of current financial resources and, therefore, are not reported as
expenditures in the governmental funds:

Accrued Interest		1,836
Compensated Absences		<u>(1,057)</u>

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 1,308,325

The accompanying notes are an integral part of these statements.



NOTES TO BASIC FINANCIAL STATEMENTS

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

A. THE FINANCIAL REPORTING ENTITY

In evaluating how to define the government for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14, "The Financial Reporting Entity." The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Based on the foregoing criteria, there was no component units identified that would require inclusion in this report.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The **government-wide financial statements** include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the District. Governmental activities are supported primarily by property taxes and EMS revenues.

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate **fund financial statements** are provided for governmental funds. The General Fund and Debt Service meets the criteria of *major governmental fund*.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Property taxes are recognized in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as *program revenues* and *general revenues*. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs and investment earnings.

Governmental fund level financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. EMS revenues which are measurable and collected as of September 30, 2021 are recorded as revenues.

Property taxes which were levied prior to September 30, 2020, and became due October 1, 2020 have been assessed to finance the budget of the fiscal year beginning October 1, 2020.

Expenditures generally are recorded when they become due and payable.

The government reports the following major governmental fund:

The General Fund is the general operating fund of the District and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, EMS charges and investment of idle funds. Primary expenditures are for general administration and emergency services.

The **Debt Service** Fund is used to account for resources and expenditures relating to principal and interest payments on outstanding debt.

D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash deposits and investments with a maturity date within three (3) months of the date acquired by the District.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

E. INVESTMENTS

State statutes authorize the District to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d); or, (e). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. The District has all its monies in interest bearing checking accounts, savings accounts and money market accounts. Earnings from these investments are added to each account monthly or quarterly.

The District reports investments at fair value based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for similar assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

F. ACCOUNTS RECEIVABLE

Reimbursements for EMS services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Accounts receivable are reported net of allowances for uncollectible accounts. The allowance account represents management's estimate of uncollectible accounts based on historical trends.

Property taxes are levied based on taxable value at January 1 and become due October 1 and past due after the following January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property taxes receivable for prior year's levy is shown net of the allowance for uncollectible accounts.

G. PREPAID ITEMS

Payments made for goods and services in advance are recorded as prepaid items in both government-wide and fund financial statements. At September 30, 2021, the District had prepaid insurance of \$14,056.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

H. INVENTORY

Inventories of medical supplies maintained by the District are valued using the first-in first-out method. At September 30, 2021, the District had an inventory balance of \$29,542.

I. CAPITAL ASSETS

Capital assets, which include land; buildings and improvements; and equipment and vehicles, are reported in the government-wide financial statements. Capital assets are defined as assets with a cost of \$5,000 or more and have a useful live of greater than one year. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	5-7 Years
Vehicles	10 Years
Buildings	25-50 Years
Intangibles	7 Years

Land, construction in progress and Assets in progress are not depreciated.

J. 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.

K. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has pension deferred outflows of resources.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

K. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES (CONT.)

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified basis of accounting. Unavailable revenues from property tax are deferred and recognized as an inflow of resources in the period the amounts become available. The District also has pension related deferred inflows.

Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Unavailable revenues from property tax and EMS charges are deferred and recognized as inflow of resource in the period the amount becomes available.

L. LONG-TERM OBLIGATIONS

In government-wide financial statements, long-term debt and other long-term obligations (if any) are reported as liabilities under governmental activities. Bond premiums and discounts are amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize debt proceeds. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. PENSIONS

The net pension liability, deferred inflows and outflows of resources related to pensions and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS), and additions to and deductions from TCERS's fiduciary net position have been determined on the same basis as they are reported by TCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

N. FUND EQUITY

Fund balances in governmental funds are classified as follows:

Nonspendable – Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted – Represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed – Represents amounts that can only be used for a specific purpose determined by a formal action of the government’s highest level of decision making authority. The District Board of Commissioners is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. .

Assigned – Represents amounts which the District intends to use for a specific purpose but do not meet the criteria of restricted or committed. The District Commissioners may make assignments through formal documentation in the minutes. The District Commissioners are the only entities that may make assignments at this time.

Unassigned – Represents the residual balance that may be spent on any other purpose of the District.

When expenditure is incurred for a purpose in which multiple classifications are available, the District considers restricted balances spent first, committed second, assigned third, and unassigned fourth.

O. NET POSITION

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

P. USE OF ESTIMATES

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

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Q. RECLASSIFICATIONS

Certain reclassifications have been made to the prior periods presented to conform to the current presentation. These reclassifications had no effect on fund equity.

R. INTERFUND TRANSACTIONS

Legally authorized transfers, if any, are treated as interfund transfers and are included in the results of operation of Governmental Funds.

NOTE 2 -- CASH AND CASH INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledge securities in an amount sufficient to protect District funds on a day to day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash

At September 30, 2021, the carrying amount of the District's deposits at two banks exceeded FDIC by \$78,895 and \$222,916 respectively.

2. Investments

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper. The District had investments with Texas Class as of September 30, 2021.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 2 -- CASH AND CASH INVESTMENTS (CONT.)

3. Analysis of Specific Deposits and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end, and, if so, the reporting of certain related disclosures is required:

- a. Credit Risk - Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.
- b. Custodial Credit Risk - Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name. At year end, the District was not exposed to custodial credit risk.
- c. Concentration of Credit Risk - The risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to a concentration of credit risk.
- d. Interest Rate Risk - This is the risk that the changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.
- e. Foreign Currency Risk - This is the risk that the exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

NOTE 3 -- AD VALOREM (PROPERTY) TAXES

The District has contracted with the Wilson County Tax Assessor-Collector to collect taxes on its behalf. Current year taxes become delinquent February 1. Current year delinquent taxes not paid by July 1 are turned over to attorneys for collection action.

For fiscal year 2021, the assessed tax rate for the District was \$0.095800 per \$100 on an assessed valuation of \$1,542,417,392, net of exemptions. Legally, the District may assess up to \$0.1000 per hundred on assessed valuations. Total tax levy for fiscal year 2021 was \$1,479,199. As of September 30, 2021, the delinquent taxes for 2021 were \$35,710. An allowance for uncollectible property taxes has not been established as of September 30, 2021, as management considers all amounts to be collectible. The District does not offer any exemptions or Homestead. However, taxpayers over the age of 65 are eligible to receive a discount for paying early. The discount schedule is as follows: October - 3%, November - 2%, December - 1%. Total discounts for fiscal year 2020 were \$33,603.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 4 -- RECEIVABLES

The following is a summary of the accounts receivable and the related allowances for uncollectible amounts:

Assets	Governmental Funds		Total
	General Fund Receivable	Debt Service	
<i>Taxes:</i>			
Property Taxes	\$ 67,088	\$ 987	\$ 68,075
Sales Taxes	147,965	-	147,965
<i>Charges for Services:</i>			
EMS Services	4,481,093	-	4,481,093
Less Allowance for Uncollectible	(3,712,692)	-	(3,712,692)
<i>Other</i>			
Gaudalupe Coutny Contract	3,680	-	3,680
Total	\$ 987,134	\$ 987	\$ 988,121

NOTE 5 -- CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021, was as follows:

Governmental Activities	Beginning Balance	Additions	Adjustments and Disposals	Ending Balance
Land	\$ 15,000	\$ 1,501,384	\$ -	\$ 1,516,384
Buildings	217,853	35,658	-	253,511
Vehicles	956,368	344,621	-	1,300,989
Intangibles	-	9,990	-	9,990
Less: Accumulated Depreciation	(299,836)	(159,391)	-	(459,227)
	\$ 889,385	\$ 1,732,262	\$ -	\$ 2,621,647

Land and construction in progress are not depreciated.

Depreciation expense was charged to the governmental function in the Emergency Services.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 6 -- LONG TERM DEBT

On December 30, 2018, The District entered into a note payable with Government Capital Corporation for the purchase of a 2012 Dodge 4500 Frazer Ambulance in the amount of \$90,100. The note calls for annual payments of \$20,464.01 beginning January 8, 2020 through January 8, 2024. The interest rate on the note is 4.395% and is secured by the ambulance.

On March 15, 2019, The District entered into a note payable with Government Capital Corporation for the purchase of three bay metal ambulance storage facilities in the amount of \$100,000. The note calls for annual payments of \$22,713 beginning March 15, 2020 through March 15, 2024. The interest rate on the note is 4.395% and is secured by the three facilities.

On April 5, 2019, The District entered into a note payable with Government Capital Corporation for the purchase of a modular building in the amount of \$100,000. The note calls for annual payments of \$22,713 beginning April 5, 2020 through April 5, 2024. The interest rate on the note is 4.395% and is secured by the building.

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.

Future minimum note payments are to be made as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2022	\$ 165,976	\$ 64,646	\$ 230,622
2023	171,612	59,010	230,622
2024	177,448	53,174	230,622
2025	117,602	47,130	164,732
2026	77,425	43,767	121,192
2027-2031	421,385	184,577	605,962
2032-2036	484,718	121,244	605,962
2037-2041	557,570	48,392	605,962
Total Debt Payments	<u>\$ 2,173,736</u>	<u>\$ 621,940</u>	<u>\$ 2,795,676</u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 6 -- LONG TERM DEBT (CONT.)

The changes in general long-term debt during the year are summarized as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
<i>Notes Payable:</i>					
Loan #250301	\$ 73,596	\$ -	\$ (17,229)	\$ 56,367	\$ 17,987
Loan #259591	81,682	-	(19,123)	62,559	19,963
Loan #256225	81,682	-	(19,123)	62,559	19,963
Loan #9069	200,000	-	(37,749)	162,251	38,843
Loan #9633	-	1,830,000	-	1,830,000	69,220
<i>Total Notes Payable:</i>	<u>\$ 436,960</u>	<u>\$1,830,000</u>	<u>\$ (93,224)</u>	<u>\$2,173,736</u>	<u>\$ 165,976</u>

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM

Texas County and District Retirement System

Plan Description

The District participates as one of over 700 plans in the nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is an agency created by the state of Texas and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for County and District employees in the State of Texas. The Board of Trustees of TCDRS is responsible for the administration and management of the system. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) on a calendar year basis. The CAFR is available upon written request from the TCDRS Board of Trustees at PO Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the District, within the options available in the State statutes governing TCDRS. Members can retire at age 60 and above with 8 or more years of service or with 20 years regardless of age or when the sum of their age and years of service equals 75 or more. A member is vested after 10 years but must leave his accumulated contributions in the plan. Members who withdraw their personal contributions in a partial lump sum are entitled to any amounts contributed by the employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the District within the actuarial constraints imposed by the TCDRS Act so 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 contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM (CONT.)

Contributions

The District has elected the annually determined contribution rate plan provisions of the TCDRS Act. 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 District is actuarially determined annually. The District contributed using the actuarially determined rate of 1.83% for the months of the accounting year 2020, and 3.16% for the months of the accounting year in 2021.

The contribution rate payable by the employee members for 2020 and 2021 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.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the District-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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

Employees Covered by Benefit Terms:

	2019	2020
Active employees	32	32
Inactive Employees Entitled to but Not Yet Receiving Benefits	-	9
Inactive Employees or Beneficiaries Currently Receiving Benefits	-	-
	32	41

Net Pension Liability

The District's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM (CONT.)

Actuarial Assumptions

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Real Rate of Return	5.00%
Inflation	2.50%
Investment Rate of Return*	7.60%

*Presented net of pension plan investment expense, including inflation

Depositing Members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service Retirees, Beneficiaries and Non-Depositing Members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled Retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate Scale after 2014.

Actuarial Assumptions are reviewed annually. Updated mortality assumptions were adopted in 2016. All other actuarial assumptions that determine the total pension liability as of December 31, 2020 were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.60%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

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 consultation, Cliffwater LLC. The number shown are based on the January 2021 information for a 10 year time horizon.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM (CONT.)

Actuarial Assumptions (Cont.)

Note that the valuation assumption for long-term expected return is reassessed at a minimum of every four years, and is set based on a long term time horizon; the most recent analysis was performed in March 2021. See Milliman's TCDRS Investigation of Experience report for the period of January 1, 2013 – December 31, 2016 for more details.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Classes & Assumptions:

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected Minus Inflation)
US Equities	11.50%	4.25%
Global Equities	2.50%	4.55%
Int'l Equities - Developed Markets	5.00%	4.25%
Int'l Equities - Emerging Markets	6.00%	4.75%
Investment-Grade Bonds	3.00%	-0.85%
Strategic Credit	9.00%	2.11%
Direct Lending	16.00%	6.70%
Distressed Debt	4.00%	5.70%
REIT Equities	2.00%	3.45%
Master Limited Partnerships (MLPs)	2.00%	5.10%
Private Real Estate Partnerships	6.00%	4.90%
Private Equity	25.00%	7.25%
Hedge Funds	6.00%	1.85%
Cash Equivalents	2.00%	-0.70%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2021

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM (CONT.)

Discount Rate Sensitivity Analysis

The following presents the net pension liability of the District, calculated using the discount rate of 7.60%, as well as what the District's 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:

	Discount Rate 6.60%	Discount Rate 7.60%	Discount Rate 8.60%
Total Pension Liability	\$ 207,501	\$ 169,141	\$ 139,476
Fiduciary Net Position	100,323	100,324	100,324
Net Pension Liability	\$ 107,178	\$ 68,817	\$ 39,153

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the District recognized pension expense of \$82,197. Also as of September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ -	\$ 2,847
Changes in Actuarial Assumptions	13,803	-
Differences Between Projected and Actual Investment Earnings	2,502	-
Contributions Subsequent to the Measurement Date	36,451	-
	\$ 52,756	\$ 2,847

Deferred outflows of resources in the amount of \$36,451 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM (CONT.)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the Year ended December 31,	Net Deferred Outflows (Inflows) of Resources
2021	\$ 1,882
2022	1,882
2023	1,883
2024	1,723
2025	1,217
Thereafter	4,871
	\$ 13,458

Changes in Net Pension Liability

The below schedule presents the changes in the Net Pension Liability as of December 31, 2021:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at December 31, 2019	\$ 17,447	\$ 19,541	\$ (2,094)
Charges for the year:			
Service Cost	74,368	-	74,368
Interest on Total Pension Liability	7,423	-	7,423
Change in Annuity Purchase Rates	58,082	-	58,082
Difference Between Expected and Actual Experience	(3,176)	-	(3,176)
Changes of Assumptions	15,337	-	15,337
Refund of Contributions	(340)	(340)	-
Contributions - Employer	-	24,094	(24,094)
Contributions - Employee	-	52,664	(52,664)
Net Investment Income	-	2,175	(2,175)
Benefit Payments	-	-	-
Administrative Expense	-	(73)	73
Other Charges	-	2,263	(2,263)
Net Charges	151,694	80,783	70,911
Balance at December 31, 2020	\$ 169,141	\$ 100,324	\$ 68,817

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2021

NOTE 7 -- EMPLOYEE'S RETIREMENT SYSTEM (CONT.)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained at www.tcdrs.com.

NOTE 8 -- GROUP TERM LIFE FUND

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); this insurance is for active employees who are making deposits into the TCDRS system or have made the last deposit within the past two years. Total contributions for 2020 and 2021 were \$205 and \$577 respectively.

NOTE 9 -- LITIGATION

The District is not aware of any pending or threatened litigation.

NOTE 10 -- 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. Annual contributions for the year ended September 30, 2021 were \$30,682.

NOTE 11 -- SUBSEQUENT EVENTS

On December 15, 2021, the District entered into a contract with Weaver & Jacobs Constructors, Inc. to construct a new EMS station for the District for \$362,199.



REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Schedule of Changes – Net Pension Liability and Related Ratios
- Notes to Schedule of Changes – Net Pension Liability and Related Ratios

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budget Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
EMS Charges	\$ 1,100,000	\$ 1,241,000	\$ 1,233,890	\$ (7,110)
Property Taxes	1,440,000	1,444,430	1,372,154	(72,276)
Sales Taxes	200,000	235,000	380,381	145,381
State EMS Contributions	250,000	318,379	365,975	47,596
Charges for Services	61,000	152,000	173,353	21,353
Grants	6,200	25,260	7,617	(17,643)
Interest	149	1,676	1,793	117
Miscellaneous Income	2,900	1,020	34,552	33,532
TOTAL REVENUES	<u>3,060,249</u>	<u>3,418,765</u>	<u>3,569,715</u>	<u>150,950</u>
EXPENDITURES				
<i>Current:</i>				
Emergency Services	1,999,697	2,328,244	2,104,136	224,108
Administrative	585,676	615,645	650,734	(35,089)
Capital Outlay	474,876	474,876	1,891,653	(1,416,777)
TOTAL EXPENDITURES	<u>3,060,249</u>	<u>3,418,765</u>	<u>4,646,523</u>	<u>(1,227,758)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (Out)	-	-	1,801,980	1,801,980
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>1,801,980</u>	<u>1,801,980</u>
Net Change in Fund Balance	-	-	725,172	725,172
Fund Balance - Beginning of Year	<u>271,270</u>	<u>271,270</u>	<u>271,270</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 271,270</u>	<u>\$ 271,270</u>	<u>\$ 996,442</u>	<u>\$ 725,172</u>

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
SEPTEMBER 30, 2021

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, 2021 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 used in presenting the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

The District does not use encumbrances.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS
LAST TWO CALENDAR YEARS

Total Pension Liability		
	2019	2020
Service Cost	\$ 16,128	\$ 74,368
Interest on Total Pension Liability	1,306	7,423
Change in Annuity Purchase Rates	-	58,082
Difference Between Expected and Actual Experience	13	(3,176)
Changes of Assumptions	-	15,337
Refund of Contributions	-	(340)
Benefit Payments	-	-
Net Change in Total Pension Liability	17,447	151,694
Total Pension Liability - Beginning	-	17,447
Total Pension Liability - Ending	<u>\$ 17,447</u>	<u>\$ 169,141</u>
Plan Fiduciary Net Position		
	2019	2020
Contributions - Employer	\$ 5,940	\$ 24,094
Contributions - Employee	12,984	52,664
Net Investment Income	(19)	2,175
Other	651	2,263
Refund of Contributions	-	(340)
Benefit Payments	-	-
Administrative Expense	(15)	(73)
Net Change in Plan Fiduciary Net Position	19,541	80,783
Plan Fiduciary Net Position - Beginning	-	19,541
Plan Fiduciary Net Position - Ending	<u>\$ 19,541</u>	<u>\$ 100,324</u>
Net Pension Liability (Asset) - Ending	\$ (2,094)	\$ 68,817
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	112%	59%
Covered Payroll	\$ 324,608	\$ 1,316,603
Net Pension Liability as a Percentage of Covered Payroll	6.45%	5.23%

Note: The schedule above reflects the changes in the net pension liability for the current year. GASB Statement No. 68 requires 10 fiscal years of data to be provided in this schedule. The District will build the schedule over the 10-year period beginning December 31, 2019 as data become available.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 SCHEDULE OF CONTRIBUTIONS
 LAST TWO FISCAL YEARS

Schedule of Contributions:

	2020	2021
Actuarially Determined Contribution	\$ 22,542	\$ 43,790
Contributions in Relation to the Actuarially Determined Contribution	22,542	43,790
Contribution Deficiency (Excess)	\$ -	\$ -
 Covered Payroll	 \$ 1,231,827	 \$ 1,507,158
 Contributions as a Percentage of Covered Payroll	 1.83%	 2.91%

This schedule is presented to illustrate the requirements for 10 years. However, the recalculations of prior years are not required, and if prior years are not reported in accordance with GASB 68 they should not be shown here. Therefore only the years shown have been implemented for the GASB statements. The District began contributing to TCDRS in the year ended 2020.

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 NOTES TO THE SCHEDULE OF EMPLOYER CONTRIBUTIONS
 FOR THE YEAR THEN ENDED SEPTEMBER 30, 2021

Notes to Schedule of Contributions

Valuation Date:

Actuarially determined contribution rates are calculated as of 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:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20.0 years (based on contribution rate calculated in 12/31/20 valuation)
Asset Valuation Method	5 year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.6% average over career including inflation.
Investment Rate of Return	7.6%, 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	130% pf RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Helathy Annuitant Martality Table for females, both projected with 110% of th eMP-2014 Ultimate scale after 2014.
Changes in Plan Provisions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected
Changes in Plan Assumptions Reflected in the Schedule	2015 and 2016: No changes in plan provisions 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018, 2019 and 2020: No changes in plan provisions



SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Comparative Balance Sheets – General Fund
- Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
- Comparative Balance Sheets – Debt Service Fund – Includes Budget to Actual

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 COMPARATIVE BALANCE SHEETS – GENERAL FUND
 SEPTEMBER 30, 2021 AND 2020

	2021	2020
ASSETS		
Cash and Cash Equivalents	\$ 939,245	\$ 318,100
Restricted Cash - Capital Projects	-	14,396
Accounts Receivable, Net of Allowance for Uncollectible		
Property Taxes	67,088	48,294
Sales Taxes	147,965	-
EMS Charges	768,401	162,135
Contract Receivable	3,680	-
Other	-	14,571
Prepaid Items	14,056	25,276
Medical Supplies Inventory	29,542	29,542
TOTAL ASSETS	\$ 1,969,977	\$ 612,314
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
<i>LIABILITIES</i>		
Accounts Payable	\$ 80,446	\$ 72,656
Payroll Liabilities	63,949	63,401
TOTAL LIABILITIES	144,395	136,057
 <i>DEFERRED INFLOWS OF RESOURCES</i>		
Unavailable Property Tax Revenue	60,739	42,852
Unavailable EMS Charges	768,401	162,135
TOTAL DEFERRED INFLOWS OF RESOURCES	829,140	204,987
 <i>FUND BALANCE</i>		
Nonspendable	43,598	54,818
Restricted for Capital projects	-	14,396
Unassigned (Deficit)	952,844	202,056
TOTAL FUND BALANCE	996,442	271,270
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 1,969,977	\$ 612,314

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES – GENERAL FUND
 FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021	2020
REVENUES		
EMS Charges	\$ 1,233,890	\$ 1,200,147
Property Taxes	1,372,154	1,370,723
Sales Taxes	380,381	-
State EMS Contributions	365,975	66,842
Charges for Services	173,353	99,141
Grants	7,617	19,066
Interest	1,793	554
Miscellaneous	34,552	6,115
TOTAL REVENUES	3,569,715	2,762,588
EXPENDITURES		
<i>Current:</i>		
Emergency Services	2,104,136	1,538,065
General Administration	650,734	596,367
Capital Outlay	1,891,653	474,876
<i>Debt Service:</i>		
Principal	-	85,928
Interest	-	13,136
TOTAL EXPENDITURES	4,646,523	2,708,372
OTHER FINANCING SOURCES (USES)		
Proceeds from Issuance of Debt	-	200,000
Transfers In (Out)	1,801,980	-
TOTAL OTHER FINANCING SOURCES (USES)	1,801,980	200,000
Net Change in Fund Balance	725,172	254,216
Fund Balance at Beginning of Year, (Deficit)	271,270	17,054
Fund Balance (Deficit) at End of Year	\$ 996,442	\$ 271,270

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 COMPARATIVE BALANCE SHEETS – DEBT SERVICE FUND
 SEPTEMBER 30, 2021 AND 2020

	2021	2020
ASSETS		
Property Taxes Receivable	\$ 987	\$ -
TOTAL ASSETS	\$ 987	\$ -
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ -	\$ -
<i>Total Liabilities</i>	-	-
 <i>Deferred Inflows of Resources:</i>		
Unavailable Property Tax Revenue	987	-
<i>Total Deferred Inflows of Resources</i>	987	-
 <i>Fund Balance:</i>		
Unassigned	-	-
<i>Total Fund Balance</i>	-	-
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 987	\$ -

WILSON COUNTY EMERGENCY SERVICES DISTRICT NO. 3
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL
 DEBT SERVICE FUND
 FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

	2021		Variance	2020
	Budget	Actual	Favorable (Unfavorable)	
REVENUES				
Property Taxes	\$ 111,408	\$ 111,408	\$ -	\$ -
TOTAL REVENUES	<u>111,408</u>	<u>111,408</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Debt Service:				
Principal	93,224	93,224	-	-
Interest Expense	16,204	16,204	-	-
Debt issuance Costs	30,000	30,000		
TOTAL EXPENDITURES	<u>139,428</u>	<u>139,428</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(28,020)	(28,020)	-	-
OTHER FINANCING SOURCES (USES)				
Proceeds from Issuance of Debt	-	1,830,000	1,830,000	-
Transfers In (Out)	-	(1,801,980)	(1,801,980)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>28,020</u>	<u>28,020</u>	<u>-</u>
Net Change in Fund Balance	(28,020)	-	28,020	-
Fund Balance - October 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - September 30	<u>\$ (28,020)</u>	<u>\$ -</u>	<u>\$ 28,020</u>	<u>\$ -</u>

