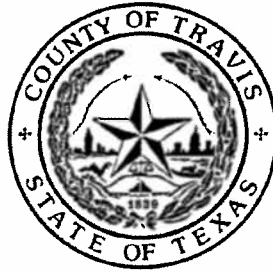



ITEM 19

TRAVIS COUNTY
AUDITOR'S OFFICE

NICKI RILEY, CPA
COUNTY AUDITOR



TRAVIS COUNTY
ADMINISTRATION BUILDING
P.O. BOX 1748
AUSTIN, TX. 78767
(512) 854-9125
FAX: (512) 854-9164

To: Commissioners Court
From:  Nicki Riley, County Auditor
Date: January 4, 2013
Re: ESD Audit Report

Texas Health and Safety Code, Chapter 775.082 requires all Emergency Services Districts to submit an audit report to the Commissioners Court by June 1st of each year. The following ESDs have submitted their audited financial statements to the County for fiscal year 2011.

A copy of the report is attached. We have reviewed this audit report and are requesting for it to be placed on the agenda to be formally received by the Commissioners' Court. The agenda request is included for the report listed below.

| <u>Emergency Services District</u> | <u>Precinct</u> | <u>Fiscal Year</u> |
|------------------------------------|-----------------|--------------------|
| No. 10 | 3 | 2011 |

Please do not hesitate to call me at ext. 49125 if you have any questions.



Travis County Commissioners Court Agenda Request

Meeting Date: January 15, 2013, 9:00AM Voting Session

Prepared By/Phone Number: Janice Rosemond, Auditor's Office, 854-8824

Elected/Appointed Official/Dept. Head: Nicki Riley, Travis County Auditor

Commissioners Court Sponsor: Commissioner Daughtery

AGENDA LANGUAGE: Receive fiscal year 2011 financial audit reports for Emergency Services Districts #10

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:

See attachments

STAFF RECOMMENDATIONS:

Please approve

ISSUES AND OPPORTUNITIES:

None

FISCAL IMPACT AND SOURCE OF FUNDING:

None

REQUIRED AUTHORIZATIONS:

| | |
|---------------------------|---------------------------|
| Auditor's Office | Nicki Riley 854-9125 |
| Commissioner Pct 3 Office | Gerald Daughtery 854-9333 |

AGENDA REQUEST DEADLINE: All agenda requests and supporting materials must be submitted as a pdf to Cheryl Aker in the County Judge's office, Cheryl.Aker@co.travis.tx.us by **Tuesdays at 5:00 p.m.** for the next week's meeting.



RECEIVED
12 09 13 PM 1:55
TRAVIS COUNTY
AUDITORS OFFICE

Montemayor Hill & Company, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

**TRAVIS COUNTY EMERGENCY
SERVICES DISTRICT #10**

INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS

SEPTEMBER 30, 2011



Montemayor Hill & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Board of Fire Commissioners
Travis County Emergency Services District #10

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities and general fund of the Travis County Emergency Services District #10 (District) as of and for the year ended September 30, 2011, which collectively comprise the District's basic financial statements. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on the 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and general fund of the District as of September 30, 2011 and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 2 through 5 and the budgetary comparison information and on page 14 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.

26 September 2012
Austin, Texas

Montemayor Hill & Company, P.C.

3001 SOUTH LAMAR BOULEVARD
SUITE 320
AUSTIN, TEXAS 78704
PHONE: 512.442.0380
FAX: 512.442.0817
www.montemayorhill.com

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10
MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a narrative overview and analysis of the financial activities of the Travis County Emergency Services District #10 ("the District") for the year ended September 30, 2011. Please read it in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's property tax rate remained at 10¢ per \$100 of assessed valuation for the year ended September 30, 2011. The statutory limit, as established by the State of Texas constitution, is 10¢ per \$100 of assessed valuation.
- The District incurred an increase in fund balance of \$13,312 for the year, due to expenses being slightly less than tax revenues.
- Cash, advances to the Ce-BAR Volunteer Fire Department (Ce-BAR) and taxes receivable amounted to \$392,793 at September 30, 2011, which represented a slight increase over the \$389,889 for cash, advances and taxes receivable at September 30, 2010.
- Capital assets decreased by \$168,436 compared to September 30, 2010, entirely due to depreciation expense for the 2011 fiscal year.
- The District's capital lease balance decreased by \$175,644 in the current fiscal year, as a result of principal payments.
- Payments made to Ce-BAR for contracted services were \$1,008,000 for the year ended September 30, 2011, compared to \$774,000 for the nine months ended September 30, 2010.

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 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.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business reporting on a full accrual basis of accounting.

The *Statement of Net Assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District has improved or deteriorated.

The *Statement of Activities* presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (example: uncollected property taxes).

Because the District's principal source of revenue is property taxes, the government-wide financial statements are grouped into one function that is supported by taxes (governmental activities).

**TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and account for resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal or contractual requirements. The District has one fund, the General Fund.

Governmental Funds: The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements focus on current fiscal year cash inflows and outflows, as well as balances of resources available for spending at the end of the fiscal year. Such information may be useful in evaluating the District's recent financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's recent financing decisions. Both the Governmental Fund balance sheet and the Governmental Fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between Governmental Fund and government-wide financial statements.

Government-Wide Financial Analysis

Net assets may serve as a useful indicator of the District's financial position. The District's net assets (assets less liabilities) were \$762,981 as of September 30, 2011. Capital assets, net of depreciation and related debt, accounted for \$370,188 or 49% of the total net assets. Capital assets reflect the large investments in facilities and equipment that are necessary to provide adequate fire suppression services to the community. The remaining balance of net assets of \$392,793 is unrestricted and available to meet the District's ongoing obligations to citizens and creditors. Governmental activities account for all of the changes in net assets at the government-wide reporting level because the District engages in no business-type activities. The tables below summarize the financial position of the District at September 30, 2010 and September 30, 2011 and the results of operations for the nine months ended September 30, 2010 and the year ended September 30, 2011.

| <u>Assets</u> | <u>9/30/2011</u> | <u>9/30/2010</u> |
|---|-------------------------|-------------------------|
| Current assets | \$378,678 | \$372,068 |
| Non current and capital assets | 1,393,629 | 1,565,771 |
| Total assets | <u>\$1,772,307</u> | <u>\$1,937,839</u> |
| | | |
| <u>Liabilities</u> | | |
| Current liabilities | \$179,715 | \$174,928 |
| Long-term debt | <u>829,611</u> | <u>1,013,242</u> |
| Total liabilities | <u>1,009,326</u> | <u>1,188,170</u> |
| Net assets: | | |
| Invested in capital assets, net of debt | 370,188 | 362,980 |
| Unrestricted | <u>392,793</u> | <u>386,689</u> |
| Total net assets | <u>762,981</u> | <u>749,669</u> |
| Total liabilities and net assets | <u>\$1,772,307</u> | <u>\$1,937,839</u> |

**TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10
MANAGEMENT'S DISCUSSION AND ANALYSIS**

| <u>Revenues</u> | <u>2011</u> | <u>2010</u> |
|---------------------------|------------------|------------------|
| Property taxes | \$1,251,953 | \$0 |
| Interest and other income | <u>2,096</u> | <u>8,159</u> |
| Total revenues | <u>1,254,049</u> | <u>8,159</u> |
| | | |
| <u>Expenses</u> | | |
| Contract funding - Ce-BAR | 1,008,000 | 774,000 |
| Depreciation | 168,436 | 146,897 |
| Interest expense | 49,202 | 41,816 |
| Other | <u>15,099</u> | <u>15,008</u> |
| Total expenses | <u>1,240,737</u> | <u>977,721</u> |
| Change in net assets | 13,312 | (969,562) |
| Net assets, beginning | <u>749,669</u> | <u>1,719,231</u> |
| Net assets, ending | <u>\$762,981</u> | <u>\$749,669</u> |

Financial Analysis of the Governmental Fund

The focus of the District's Governmental Fund is to provide information on near-term inflows and outflows and on resource balances available for spending. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance serves as a useful measure of the District's net resources available for spending at fiscal year-end.

During the fiscal year ending September 30, 2011, the District's only Governmental Fund was the General Fund, and it reported ending current assets of \$378,678, an increase of \$6,610 from September 30, 2010. The District's nonspendable fund balance of \$295,000 represented an advance outstanding to Ce-BAR at year-end for the next fiscal year's operations. The District's ending unassigned fund balance of \$78,158 was unencumbered and available for spending at the District's discretion.

General Fund Budgetary Highlights

The General Fund an excess of revenues over expenditures of \$4,290. The reason for the budget variance is primarily due to the District not budgeting for collections of penalties and interest.

Capital Assets

The District's investment in capital assets at September 30, 2011, net of accumulated depreciation, totaled \$1,379,514. The current year decrease of \$168,436 represented depreciation expense.

Long-Term Debt

The District's long-term debt at September 30, 2011, net of the current portion, totaled \$829,611 for capital leases. The current portion of the long-term debt was \$179,715. Fire stations and equipment are pledged as collateral on the leases. Activity during the year ended September 30, 2011 consisted of \$175,644 in principal payments and interest expense of \$49,202.

Economic Factors, Future Years' Budgets and Tax Rates

The October 2010 tax assessment decreased by approximately 2% compared to the October 1, 2009 assessment. The tax rate of 10¢ per \$100 of assessed valuation for fiscal year 2010-2011 remained the

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10
MANAGEMENT'S DISCUSSION AND ANALYSIS

same. The slight reduction in tax revenues is not expected to have a significant effect on services contracted with Ce-BAR.

Request for Information

This financial report is designed to provide a general overview of the finances of the Travis County Emergency Services District #10 for all parties with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Travis County Emergency Services District #10
353 Commons Road
Austin, TX 78733

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10
STATEMENT OF NET ASSETS AND GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2011

| | <u>General Fund</u> | <u>Adjustments (Note 9)</u> | <u>Statement of Net Assets</u> |
|---|-------------------------|---------------------------------|------------------------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$76,650 | | \$76,650 |
| Property taxes receivable | 1,508 | 5,520 | 7,028 |
| Contract advance to Ce-BAR | <u>295,000</u> | | <u>295,000</u> |
| | 373,158 | | 378,678 |
| Property taxes receivable | 19,635 | (5,520) | 14,115 |
| Capital assets, net | <u>0</u> | 1,379,514 | <u>1,379,514</u> |
| | <u>\$392,793</u> | | <u>\$1,772,307</u> |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Current portion of capital leases | <u>\$0</u> | 179,715 | <u>\$179,715</u> |
| Noncurrent liabilities: | | | |
| Capital leases | 0 | 829,611 | 829,611 |
| Deferred property taxes | <u>19,635</u> | (19,635) | <u>0</u> |
| | <u>19,635</u> | | <u>829,611</u> |
| | <u>19,635</u> | | <u>1,009,326</u> |
| FUND BALANCES/NET ASSETS | | | |
| Unassigned fund balance | 78,158 | (78,158) | |
| Nonspendable fund balance | <u>295,000</u> | <u>(295,000)</u> | |
| | <u>373,158</u> | (373,158) | |
| | <u>\$392,793</u> | (392,793) | |
| NET ASSETS | | | |
| Invested in capital assets, net of debt | | | 370,188 |
| Unrestricted | | | <u>392,793</u> |
| | | | <u>762,981</u> |
| | | | <u>\$1,772,307</u> |

The accompanying notes are an integral part of this financial statement presentation.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 2011

| | <u>General Fund</u> | <u>Adjustments (Note 9)</u> | <u>Statement of Activities</u> |
|-----------------------------------|-------------------------|---------------------------------|------------------------------------|
| EXPENDITURES/EXPENSES | | | |
| Contract funding - Ce-BAR VFD | \$1,008,000 | | \$1,008,000 |
| Debt service | 224,846 | (175,644) | 49,202 |
| Depreciation | 0 | 168,436 | 168,436 |
| Other | <u>15,099</u> | | <u>15,099</u> |
| | <u>1,247,945</u> | | <u>1,240,737</u> |
| REVENUE | | | |
| General revenue: | | | |
| Property taxes | 1,250,139 | 1,814 | 1,251,953 |
| Interest and other income | <u>2,096</u> | | <u>2,096</u> |
| | <u>1,252,235</u> | | <u>1,254,049</u> |
| Change in net assets | 4,290 | | 13,312 |
| Beginning fund balance/net assets | <u>368,868</u> | | <u>749,669</u> |
| Ending fund balance/net assets | <u>\$373,158</u> | | <u>\$762,981</u> |

The accompanying notes are an integral part of this financial statement presentation.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

NOTES TO FINANCIAL STATEMENTS

NOTE 1: ORGANIZATION

The Travis County Emergency Services District #10 (District) is a governmental unit that collects property taxes from the citizens of Travis County and disburses funds to Ce-BAR Volunteer Fire Department (Ce-BAR), a non-profit corporation. The District is not included in any other reporting entity.

The District operates under the provisions of Chapter 775 of the Health and Safety Code and was created to provide fire fighting services as well as emergency medical response services to a particular geographic portion of western Travis County. Funding for the District is primarily through the collection of property taxes billed annually in October.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to U.S. generally accepted accounting principles applicable to governments promulgated by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA). The following is a summary of the significant accounting policies.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The District is considered a special purpose government under GASB Statement No. 34. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements to be prepared on the modified accrual basis of accounting is met with the "General Fund" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. The Statement of Net Assets and the Statement of Activities are government-wide financial statements. They report information on all of the District's activities. The District services are supported primarily by property taxes. The Statement of Activities demonstrates how the District used revenue.

NET ASSETS/FUND BALANCE

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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. Net assets are 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. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed. When both assigned and unassigned funds are available for expenditure, assigned funds are used first. The District's assigned fund balances represent funds advanced under contract to Ce-BAR for the next fiscal year, and reported under the authority of the District.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified basis of accounting. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collectible within 60 days after year-end. Expenditures are recognized in the accounting period in which the liability is incurred. Interest and tax revenues associated with the current fiscal year are considered susceptible to accrual and have been recognized as revenues in the current fiscal year. All other revenue is considered measurable and available only when cash is received by the District.

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 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 these estimates.

DEFERRED REVENUE

The District reported unearned deferred revenue in the Statement of Net Assets. Deferred revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In general, monies received within 60 days after year-end are considered to have been for prior year services.

CAPITAL ASSETS

All capital assets are recorded at historical cost (or estimated historical cost) and updated for additions and retirements during the year. The District does not possess any infrastructure. Improvements are capitalized. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend the asset's life are recorded as expenses. Depreciation is calculated on a straight-line basis. Estimated useful lives are as follows:

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

| | |
|-------------------------|------------|
| Vehicles and equipment | 10 years |
| Furniture and equipment | 10 years |
| Building | 39.5 years |

SUBSEQUENT EVENTS

The District has evaluated subsequent events as of September 26, 2012, the date the financial statements were available to be issued.

NOTE 3: CAPITAL ASSETS

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|---------------------------------------|------------------------------|--------------------|------------------|---------------------------|
| Capital assets not being depreciated: | | | | |
| Land | <u>\$144,024</u> | <u>\$0</u> | <u>\$0</u> | <u>\$144,024</u> |
| Capital assets being depreciated: | | | | |
| Vehicles and engines | 1,449,749 | 0 | 0 | 1,449,749 |
| Buildings | 1,215,400 | 0 | 0 | 1,215,400 |
| Equipment | 457,671 | 0 | 0 | 457,671 |
| Furniture and fixtures | 60,167 | 0 | 0 | 60,167 |
| Accumulated depreciation | <u>(1,779,061)</u> | <u>(168,436)</u> | <u>0</u> | <u>(1,947,497)</u> |
| Net assets being depreciated | <u>1,403,926</u> | <u>(168,436)</u> | <u>0</u> | <u>1,235,490</u> |
| | <u>\$1,547,950</u> | <u>(\$168,436)</u> | <u>\$0</u> | <u>\$1,379,514</u> ✓ |

NOTE 4: PROPERTY TAXES

The District has the authority to levy a tax to a maximum of \$0.10 per \$100 of value. Ad valorem taxes are levied each October 1 on the assessed valuation of all taxable property in the District. The tax rate for the October 1, 2010 levy was \$0.10 per \$100 of value. Taxes are due upon receipt of the bill and are delinquent if not paid before the first day of January in the year following levy. On February 1 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties and interest ultimately imposed. Taxes are billed and collected by the Travis County Tax Assessor-Collector.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

NOTES TO FINANCIAL STATEMENTS

NOTE 5: RELATED PARTIES

The District executed a contract with Ce-BAR in 2000. The agreement is effective for a period of ten years. The District agreed to fund the operations of Ce-BAR quarterly, as funds are available, based on a budget for Ce-BAR that is approved by the District. In exchange for the funding provided by the District, Ce-BAR agreed to provide emergency services including fire fighting and first responder assistance to the geographic area served by the District. The District funded Ce-BAR \$1,008,000 for services provided during the year ended September 30, 2011. Additionally, the District's nonspendable fund balance of \$295,000 represents an advance to Ce-BAR for services to be provided in fiscal year ended September 30, 2011.

NOTE 6: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft and destruction of assets, errors and omissions, natural disasters, etc. The District maintains commercial insurance coverage for these types of risks.

NOTE 7: BUDGET VARIANCES

The District adopts an annual budget for the General Fund and amends the budget as needed during the year. The budget was not amended for the year ended September 30, 2011. Certain revenue and expenses were different than budgeted, which resulted in a slightly higher than budgeted fund balance.

NOTE 8: LONG-TERM DEBT

| <u>Capital Leases</u> | <u>Original Issue</u> | <u>Maturity</u> | <u>Interest Rate</u> | <u>Beginning Balance</u> | <u>Additions</u> | <u>Payments</u> | <u>Ending Balance</u> |
|-----------------------|-----------------------|-----------------|----------------------|--------------------------|------------------|------------------|-----------------------|
| Fire Station | \$1,162,671 | 2019 | 4.41% | \$754,307 | \$0 | \$77,882 | \$676,425 |
| Engine #1 | 334,206 | 2014 | 4.25% | 142,118 | 0 | 35,723 | 106,395 |
| Engine #2 | 325,182 | 2014 | 3.93% | 128,530 | 0 | 34,944 | 93,586 |
| Tanker | 153,817 | 2015 | 3.93% | 73,276 | 0 | 16,159 | 57,117 |
| Brush Truck | <u>116,000</u> | 2017 | 4.92% | <u>86,739</u> | <u>0</u> | <u>10,936</u> | <u>75,803</u> |
| | <u>\$2,091,876</u> | | | <u>\$1,184,970</u> | <u>\$0</u> | <u>\$175,644</u> | 1,009,326 |
| | | | | | | Less Current | <u>(179,715)</u> ✓ |
| | | | | | | Long-term | <u>\$829,611</u> ✓ |

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

NOTES TO FINANCIAL STATEMENTS

NOTE 8: LONG-TERM DEBT

Maturities:

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------|--------------------|------------------|--------------------|
| 2012 | \$179,715 | \$45,130 | \$224,845 |
| 2013 | 188,075 | 36,770 | 224,845 |
| 2014 | 166,689 | 28,115 | 194,804 |
| 2015 | 106,827 | 21,517 | 128,344 |
| 2016 | 107,347 | 16,300 | 123,647 |
| 2017-2019 | <u>260,673</u> | <u>17,776</u> | <u>278,449</u> |
| | <u>\$1,009,326</u> | <u>\$165,608</u> | <u>\$1,174,934</u> |

The District's capital leases are secured by the underlying property and equipment financed. The capital lease agreements contain purchase options.

NOTE 9: ADJUSTMENTS TO CONVERT FUND STATEMENTS TO GOVERNMENT-WIDE

| | |
|---|--------------------|
| Unrestricted fund balance - governmental fund | \$373,158 |
| Increase net assets for capital assets not reported in the governmental funds | 1,379,514 |
| Taxes receivables deferred in the fund financial statements and not in the government-wide financial statements | 19,635 |
| Capital lease liabilities not reported in the fund financial statements | <u>(1,009,326)</u> |
| Net assets - governmental activities | <u>\$762,981</u> |
| | |
| Net change in fund balance - governmental fund | \$4,290 |
| Revenue recognized in the fund financial statements not reported in the governmental funds | 1,814 |
| Depreciation expense not recognized in the fund financial statements | (168,436) |
| Long-term debt principal payments recognized as expenditures in the fund financial statements | <u>175,644</u> |
| Change in net assets - governmental activities | <u>\$13,312</u> |

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

NOTES TO FINANCIAL STATEMENTS

NOTE 10: GASB 54 BEGINNING FUND BALANCES

| <u>September 30, 2010</u> | General <u>Fund</u> | <u>Total</u> |
|---------------------------|------------------------|------------------|
| Unassigned | \$110,868 | \$110,868 |
| Nonspendable | <u>258,000</u> | <u>258,000</u> |
| | <u>\$368,868</u> | <u>\$368,868</u> |

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT #10

BUDGETARY COMPARISON - GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2011

| | Original and Final <u>Budget</u> | <u>Actual</u> | <u>Variance</u> |
|----------------------------|--|------------------|-----------------|
| REVENUES | | | |
| Property taxes | \$1,246,136 | \$1,250,139 | \$4,003 |
| Interest and other | <u>1,976</u> | <u>2,096</u> | <u>120</u> |
| | <u>1,248,112</u> | <u>1,252,235</u> | <u>4,123</u> |
| EXPENDITURES | | | |
| Contract funding - Ce-BAR | 1,000,000 | 1,008,000 | (8,000) |
| Debt service | 224,846 | 224,846 | 0 |
| Other expenses | <u>24,650</u> | <u>15,099</u> | <u>9,551</u> |
| | <u>1,249,496</u> | <u>1,247,945</u> | <u>1,551</u> |
| REVENUES OVER EXPENDITURES | (1,384) | 4,290 | 5,674 |
| BEGINNING FUND BALANCE | <u>368,868</u> | <u>368,868</u> | <u>0</u> |
| ENDING FUND BALANCE | <u>\$367,484</u> | <u>\$373,158</u> | <u>\$5,674</u> |

See independent auditor's report.