

**LIBERTY COUNTY
EMERGENCY SERVICES DISTRICT NO. 3
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

LIBERTY COUNTY EMERGENCY SERVICES DISTRICT NO. 3
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Accountants' Compilation Report	1
<u>Basic Financial Statements:</u>	
Statement of Net Position and Governmental Fund Balance Sheet	2
Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	4

SWAIM, BRENTS & ASSOCIATES, P.C.
2804 Jefferson Drive
Liberty, Texas 77575
(936) 336-7205

Independent Accountants' Compilation Report

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

Management is responsible for the accompanying financial statements of Liberty County Emergency Services District No. 3 (the District) which comprise the governmental activities and the general fund as of and for the year ended September 30, 2019, which collectively comprise the District's basic financial statements as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted Management's Discussion and Analysis and budgetary comparison information that is required by accounting principles generally accepted in the United States of America to be presented to supplement the basic financial statements. Such missing 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 and for placing the basic financial statements in an appropriate operational, economic, or historic context.

Swaim, Brents + Associates, P.C.

Swaim, Brents & Associates, P.C.
Liberty, Texas
May 29, 2020

BASIC FINANCIAL STATEMENTS

LIBERTY COUNTY EMERGENCY SERVICES DISTRICT NO. 3
Statement of Net Position and
Governmental Fund Balance Sheet
September 30, 2019

	General Fund	Adjustments (Note A)	Statement of Net Position
ASSETS			
Cash	\$24,932	-	\$24,932
Taxes Receivable	30,179	-	30,179
Allowance for Uncollectible Taxes	(13,160)	-	(13,160)
Due From Other Governments	455	-	455
Capital Assets	-	\$194,968	194,968
Accumulated Depreciation	-	(90,112)	(90,112)
Total Assets	<u>42,406</u>	<u>104,856</u>	<u>147,262</u>
DEFERRED OUTFLOWS OF RESOURCES			
	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$42,406</u>		
LIABILITIES			
Accounts Payable	\$3,520	-	3,520
Long-Term Liabilities-Due Within One Year			
Note Payable – Prosperity	-	11,625	11,625
Long-Term Liabilities-Due in More than One Year			
Note Payable – Prosperity	-	11,445	11,445
Total Liabilities	<u>3,520</u>	<u>23,070</u>	<u>26,590</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Income	17,019	(17,019)	-
Total Deferred Inflows of Resources	<u>17,019</u>	<u>(17,019)</u>	-
FUND BALANCE			
Unassigned Fund Balance	21,867	(21,867)	-
Total Fund Balance	<u>21,867</u>	<u>(21,867)</u>	-
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$42,406</u>		
NET POSITION:			
Net Investment in Capital Assets		81,786	81,786
Unrestricted		38,886	38,886
Total Net Position		<u>\$120,672</u>	<u>\$120,672</u>

NOTE A – ADJUSTMENTS FROM GOVERNMENTAL FUND

BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES:

Total Governmental Fund Balances	\$21,867
Amounts reported for governmental activities in the Statement of Net Position (SNP) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	104,856
Payables for debt principal which are not due in the current period are not reported in the funds.	(23,070)
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	17,019
Net Position of Governmental Activities	<u>\$120,672</u>

LIBERTY COUNTY EMERGENCY SERVICES DISTRICT NO. 3
Statement of Activities and
Governmental Fund Revenues, Expenditures, and
Changes in Fund Balance
For the Year Ended September 30, 2019

	<u>General Fund</u>	<u>Adjustments (Note B)</u>	<u>Statement of Activities</u>
Expenditures/Expenses:			
Fire Protection Services:			
Contractual Services – Fire Protection Services	\$32,000	-	\$32,000
Contractual Services – Repairs and Maintenance	259	-	259
Contractual Services – Training	350	-	350
Appraisal Services	2,101	-	2,101
Tax Collection Fees	715	-	715
Utilities and Telephone	4,107	-	4,107
Office Expenses	1,570	-	1,570
Insurance	5,082	-	5,082
Dues and Memberships	275	-	275
Conference Fees	255	-	255
Election Expenses	3,973	-	3,973
Professional Fees	5,452	-	5,452
Repairs and Maintenance	3,585	-	3,585
Security	844	-	844
Travel	762	-	762
Meals and Entertainment	43	-	43
Depreciation	-	\$14,574	14,574
Debt Service:			
Principal	11,220	(11,220)	-
Interest	1,473	-	1,473
Total Expenditures/Expenses	<u>74,066</u>	<u>3,354</u>	<u>77,420</u>
General Revenues:			
Property Taxes	70,120	333	70,453
Penalty and Interest	3,031	-	3,031
Interest Income	35	-	35
Other Income	85	-	85
Total General Revenues	<u>73,271</u>	<u>333</u>	<u>73,604</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(795)	795	-
Change in Net Position	-	(3,816)	(3,816)
Fund Balance/Net Position:			
Beginning of the Year	<u>22,662</u>	<u>101,826</u>	<u>124,488</u>
End of the Year	<u>\$21,867</u>	<u>\$98,805</u>	<u>\$120,672</u>

NOTE B – ADJUSTMENTS FROM CHANGE IN FUND BALANCE TO CHANGE IN NET POSITION:

Excess of Revenues over (under) Expenditures	\$(795)
Amounts reported for governmental activities in the Statement of Activities (SOA) are different because:	
The depreciation of capital assets used in the governmental activities is not reported in the funds.	(14,574)
Certain property taxes are deferred in the funds. This is the change in these amounts this year.	333
Repayment of debt principal is an expenditure in the funds but is not an expense in the SOA.	<u>11,220</u>
Change in Net Position	<u><u>\$(3,816)</u></u>