

**BANDERA, UVALDE, MEDINA AND REAL COUNTY –  
UTOPIA/VANDERPOOL AREA  
EMERGENCY SERVICES DISTRICT NO. 1  
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED  
SEPTEMBER 30, 2023**

**BANDERA, UVALDE, MEDINA & REAL COUNTY -  
UTOPIA/VANDERPOOL AREA  
EMREGENCY SERVICES DISTRICT NO. 1  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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To the District Commissioners  
Bandera, Uvalde, Medina and Real County -  
Utopia/Vanderpool Area Emergency Services District No. 1  
P.O. Box 1027  
Utopia, TX 78884

Management is responsible for the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bandera, Uvalde, Medina and Real County – Utopia/Vanderpool Area Emergency Services District No. 1 (the District), as of and for the year ended September 30, 2023, and related notes to the financial statements, 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.

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis and budgetary comparison information on pages 3-6 and 21-22 be presented to supplement the Basic Financial Statements. Such information is presented for purposes of additional analysis and, although not a required 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 historical context. Such information is the responsibility of management. The required supplementary information was subjected to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.

*Coleman, Horton and Company, LLP*

Certified Public Accountants  
Uvalde, Texas  
January 31, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The annual financial report of the Bandera, Uvalde, Medina and Real County – Utopia/Vanderpool Area Emergency Services District No. 1 (the District) is presented in three sections, Management's Discussion and Analysis (this Part), Basic Financial Statements, and Required Supplementary Information. This section of the District's annual financial report presents our discussion and analysis of the financial performance during the fiscal year ended September 30, 2023. Please read it in conjunction with the District's financial section, which follows.

### **Overview of the Basic Financial Statements**

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* statement tells 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.

### **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 it has 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, you need 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 fire protection and general administration. Property taxes finance most of these activities.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's most significant *funds*, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

- \* Some funds are required by law and by bond covenants.
- \* The District establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has one type of fund:

- \* *Governmental funds* – The District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* 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 government-wide statements, we provide additional information on the subsequent page, that explains the relationship (or differences) between them.

### **Financial Highlights**

- \* The District's combined net position was \$66,999 at September 30, 2023, an increase of \$2,156 from the prior year.
- \* During the year, the District's receipts were \$275,648 as reflected below:

	<b>Governmental Activities</b>		
	<b>Current Year</b>	<b>Prior Year</b>	<b>Change</b>
a) Taxes	\$ 274,090	\$ 243,476	\$ 30,614
b) Investment Earnings	1,558	105	1,453
c) Other	-	-	-
Sub-total	<u>\$ 275,648</u>	<u>\$ 243,581</u>	<u>\$ 32,067</u>

\* During the year, the District's expenditures were \$273,492 as reflected below:

	<b>Governmental Activities</b>		
	<b>Current Year</b>	<b>Prior Year</b>	<b>Change</b>
a) General Government	\$ 17,239	\$ 23,838	\$ (6,599)
b) Fire protections and medical services	253,504	221,220	32,284
c) Debt Service - Interest on Long-Term Debt	2,749	2,675	74
<b>Total Expenditures</b>	<b>\$ 273,492</b>	<b>\$ 247,733</b>	<b>\$ 25,759</b>

\* The general fund reported a fund balance this year of \$62,152, an increase of \$3,479 from the prior year.

\* Revenues were \$3,504 below budget and expenditures were \$2,383 above budget.

\* The District's combined net position of \$66,999 at September 30, 2023, is reflected below:

	<b>Governmental Activities</b>		
	<b>Current Year</b>	<b>Prior Year</b>	<b>Change</b>
Current and other assets	\$ 67,847	\$ 66,513	\$ 1,334
Capital and non-current assets	1,051	1,751	(700)
<b>Total Assets</b>	<b>\$ 68,898</b>	<b>\$ 68,264</b>	<b>\$ 634</b>
Current liabilities	\$ -	\$ 1,283	\$ (1,283)
Long term liabilities	1,899	2,138	(239)
<b>Total Liabilities</b>	<b>\$ 1,899</b>	<b>\$ 3,421</b>	<b>\$ (1,522)</b>
Net position:			
Net investment in capital assets	\$ (848)	\$ (387)	\$ (461)
Unrestricted	67,847	65,230	2,617
<b>Total Net Position</b>	<b>\$ 66,999</b>	<b>\$ 64,843</b>	<b>\$ 2,156</b>

## **Capital Assets and Debt Administration**

### **Capital Assets**

Capital assets for the District at fiscal year-end September 30, 2023 amounted to \$1,051. It is the District's policy to charge off as a current expenditure any purchases with a useful life of less than one year. The total capital assets recorded were equipment and right-to-use lease assets as reflected below:

#### **District's Capital Assets**

	<b>Governmental Activities</b>		
	<b>Curent Year</b>	<b>Prior Year</b>	<b>Change</b>
Furniture, machinery, and equipment	\$ 1,687	\$ 1,687	\$ -
Right-to-use lease assets	2,451	2,451	-
Total at historical cost	4,138	4,138	-
Total accumulated depreciation	(3,087)	(2,387)	(700)
Net capital assets	<u>\$ 1,051</u>	<u>\$ 1,751</u>	<u>\$ (700)</u>

### **Long-term Liabilities**

#### **District's Long-Term Liabilities**

	<b>Governmental Activities</b>		
	<b>Curent Year</b>	<b>Prior Year</b>	<b>Change</b>
Right-to-use lease liabilities	\$ 1,899	\$ 2,138	\$ (239)
Total Long-Term Liabilities	<u>\$ 1,899</u>	<u>\$ 2,138</u>	<u>\$ (239)</u>

## **Contacting the District's Financial Management**

The financial report is designed for 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:

Bandera, Uvalde, Medina and Real County – Utopia/Vanderpool Area Emergency Services District No. 1  
P.O. Box 1027  
Utopia, TX 78884

## **BASIC FINANCIAL STATEMENTS**



BANDERA, UVALDE, MEDINA AND REAL COUNTY -  
 UTOPIA/VANDERPOOL AREA  
 EMERGENCY SERVICES DISTRICT NO. 1  
 STATEMENT OF NET POSITION  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT A-1

**ASSETS**

Current Assets:	
Cash and cash equivalents	\$ 60,301
Property Taxes - Delinquent	7,670
Allowance for Uncollectible Taxes	(1,151)
Intergovernmental receivables	105
Accrued interest earned	425
Prepaid insurance	497
Total current assets	67,847
Capital Assets:	
Right-to-Use Leased Assets, Net	1,051
Total capital assets	1,051
Total Assets	68,898

**LIABILITIES**

Current Liabilities:	
Accounts payable	-
Total current liabilities	-
Long-Term Liabilities:	
Due within One Year	850
Due in More than One Year	1,049
Total long-term liabilities	1,899
Total liabilities	1,899

**NET POSITION**

Net Investment in Capital Assets	(848)
Unrestricted	67,847
Total net position	\$ 66,999

BANDERA, UVALDE, MEDINA AND REAL COUNTY -  
 UTOPIA/VANDERPOOL AREA  
 EMERGENCY SERVICES DISTRICT NO. 1  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT B-1

	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
<b><u>Governmental Activities</u></b>					
Fire protection and medical services					
Contracts with service providers	\$ 253,504	\$ -	\$ -	\$ -	\$ 253,504
General and administrative	17,239				17,239
Debt Service - Interest on Long-Term Debt	2,749	-	-	-	2,749
Total governmental activities	\$ 273,492	\$ -	\$ -	\$ -	\$ 273,492
 <b>General revenues:</b>					
Property Taxes					\$ 274,090
Interest on investments					1,558
Miscellaneous					-
Total general revenues					275,648
Change in net position					2,156
Net position - beginning					64,843
Net position - ending					\$ 66,999

BANDERA, UVALDE, MEDINA AND REAL COUNTY -  
 UTOPIA/VANDERPOOL AREA  
 EMERGENCY SERVICES DISTRICT NO. 1  
 BALANCE SHEET - GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-1

	General Fund	Total Governmental
<b><u>ASSETS</u></b>		
Cash and cash equivalents	\$ 60,301	\$ 60,301
Taxes receivable	7,670	7,670
Allowance for uncollectible taxes	(1,151)	(1,151)
Intergovernmental receivables	105	105
Accrued interest earned	425	425
Prepaid insurance	497	497
Total Assets	67,847	67,847
<b><u>LIABILITIES</u></b>		
Accounts payable	\$ -	\$ -
Total liabilities	-	-
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Unavailable revenue - property taxes	5,695	5,695
Total inflows of resources	5,695	5,695
<b><u>FUND BALANCES</u></b>		
Unassigned fund balance	62,152	62,152
Total liabilities, deferred inflows and fund balances	\$ 67,847	\$ 67,847

BANDERA, UVALDE, MEDINA AND REAL COUNTY -  
 UTOPIA/VANDERPOOL AREA  
 EMERGENCY SERVICES DISTRICT NO. 1  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-2

Total fund balances - Governmental Funds \$ 62,152

Amounts reported for *governmental activities* in the statement of activities are different because:

Capital assets used in governmental activities are not financial resources, and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$4,138 and the accumulated depreciation was \$(2,387). In addition, long-term liabilities, including right-to-use lease liabilities of \$(2,138), are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net depreciation) and long-term debt in the governmental activities is to decrease net position. (387)

Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2023 capital outlays of \$-0- and debt principal payments of \$239 is to increase net position. 239

The 2023 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position. (700)

Various other reclassifications are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting. These include recognizing unavailable revenue of \$5,695 as revenue and adjusting the prior year's delinquent taxes from unavailable revenue to beginning net position. The net effect of these reclassifications and recognitions is to increase net position. 5,695

Net position of governmental activities \$ 66,999

BANDERA, UVALDE, MEDINA AND REAL COUNTY -  
 UTOPIA/VANDERPOOL AREA  
 EMERGENCY SERVICES DISTRICT NO. 1  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

EXHIBIT C-3

	General Fund	Total Governmental
<b><u>REVENUES</u></b>		
Property taxes (including penalties & interest)	\$ 274,952	\$ 274,952
Investment income	1,558	1,558
Miscellaneous	-	-
Total Revenues	276,510	276,510
<b><u>EXPENDITURES</u></b>		
Fire protection and medical services		
Contracts with service providers	253,504	253,504
General and administrative	16,539	16,539
Principal on long-term liabilities	239	239
Interest on long-term liabilities	2,749	2,749
Capital Outlay	-	-
Total Expenditures	273,031	273,031
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,479	3,479
<b><u>OTHER FINANCING SOURCES (USES)</u></b>		
Right-to-Use Leases	-	-
Net change in fund balance	3,479	3,479
Fund balances - beginning	58,673	58,673
Fund balances - ending	\$ 62,152	\$ 62,152

BANDERA, UVALDE, MEDINA AND REAL COUNTY -  
 UTOPIA/VANDERPOOL AREA  
 EMERGENCY SERVICES DISTRICT NO. 1

EXHIBIT C-4

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
 REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net change in fund balance - total governmental funds	\$	3,479
<p>Amounts reported for <i>governmental activities</i> in the statement of activities are different because:</p>		
<p>Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2023 capital outlays of \$-0- and debt principal payments of \$239 is to increase net position.</p>		239
<p>The 2023 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.</p>		(700)
<p>Various other eliminations and recognitions are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting. These include recognizing unavailable revenue as revenue and adjusting the current year's revenue to show the revenue earned from the current year's tax levy of \$(862). The net effect of these reclassifications and recognitions is to decrease net position.</p>		(862)
		(862)
Change in net position of governmental activities	\$	2,156



