HENDERSON COUNTY
EMERGENCY SERVICES DISTRICT #6

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
SEPTEMBER 30, 2020

PREPARED BY:
HENDERSON COUNTY AUDITOR'S OFFICE
Ann Marie Lee, CPA – County Auditor

HENDERSON COUNTY AUDITOR'S OFFICE
125 North Prairieville, Ste 202
ATHENS, TEXAS 75751
(903) 675-6145 Office (903) 675-7298 Fax

November 24, 2021

Board of Commissioners
Henderson County Emergency Services District No. 6
P.O. Box 695
Chandler, TX 75758

Attn: Gary Dennis, President

Members of the board:

We have examined the financial data presented to us by the Henderson County Emergency Services District No. 6 for the year ended September 30, 2020. Using the data provided to us, we prepared the following:

- Balance Sheet
- Statement of Revenues & Expenditures (monthly and annual)
- Budget Comparison
- Tax Levy Walk-forward
- Deposit Comparison
- Bank Reconciliation (annual)
- Accounts Payable Check Register

Our objective is to express a conclusion on the accuracy of this financial information based on our examination of the data provided to us.

We conclude the financial statements referred to present fairly, in all material respects, the Henderson County Emergency Services District #6's balances as of September 30, 2020. Nothing came to our attention that would cause us to believe that the Fire District had failed to comply with applicable laws and regulations.

In considering the nature and extent of our procedures, we evaluated the internal control structure of the Fire District's financial operations. Our procedures included examining, on a test basis, evidence supporting the amounts in the financial statements referred to above. We believe that our procedures provide a reasonable basis for our conclusions.

The objectives of an internal control structure are to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and that only authorized transactions are executed, recorded, and reported in accordance with applicable laws and regulations. We found no conditions that we believe to be material weaknesses in the design or operation of the internal control structure of the Fire District's financial operations. However, attached are our findings and recommendations to enhance the internal control structure.

Sincerely,

Ann Marie Lee
Henderson County Auditor

HENDERSON COUNTY ESD #6
BALANCE SHEET
September 30, 2020

Assets:		
Cash-Citizens State Bank		442,303.40
Cash-Vera Bank 5224		126,519.36
Receivables - Taxes		0.00
Pumper Truck		383,600.00
Total Assets		952,422.76
Liabilities:	Pumper Truck Loan	
Accounts Payable		0.00
Equity and Other Credits:		
Equity (Pumper Truck)		383,600.00
Fund Balance		568,822.76
Total Liabilities, Equity and Other Credits		952,422.76

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT #6
VERA BANK ACCOUNT 5224
BANK RECONCILIATION
FOR FISCAL YEAR ENDING 9/30/2020

Balance Per Books	**10/01/19**	**$65,917.10**
Receipts		$218,782.82
Interest		$0.00
Transfer to Account 0472		($115,000.00)
Disbursements		($11,098.49)
Loan Payment		($32,082.07)
Balance Per Books	**FOR FISCAL YEAR ENDING 9/30/2020**	**$126,519.36**
Balance Per Bank	**FOR FISCAL YEAR ENDING 9/30/2020**	**$126,519.36**
Deposits in Transit		$0.00
Checks that did not clear		0.00
Balance	**FOR FISCAL YEAR ENDING 9/30/2020**	**$126,519.36**
		$0.00

HENDERSON COUNTY EMERGENCY SERVICES DISTRICT #6
CITIZENS STATE BANK, CHANDLER
MONTHLY BANK RECONCILIATION
9/30/2020

Balance Per Books	**10/01/19**	**$274,437.33**
Receipts		$216,671.92
Interest		$3,736.55
Deposit from Vera Bank		$115,000.00
Disbursements		($168,730.96)
Other		$1,188.56
Balance Per Books	**09/30/20**	**$442,303.40**
Balance Per Bank	**09/30/20**	**$442,303.40**
Deposits in Transit		$0.00
Checks that did not clear		0.00
Balance	**09/30/20**	**$442,303.40**
		$0.00

HENDERSON COUNTY ESD #6

2019 - 2020 BUDGET

For the Year Ending September 30, 2020

	2019-20 Budget	2019-20 Actual	Variance (Over)/ Under
Revenues:			
Current Taxes	221,341.00	204,970.92	(16,370.08)
Delinquent Taxes	0.00	6,991.13	6,991.13
Penalties & Interest	0.00	4,709.87	4,709.87
Local Sales Tax	147,645.00	218,782.82	71,137.82
Bank Interest - Citizens State Bank	0.00	3,736.55	3,736.55
Bank Interest - Citizens National Bank	0.00	0.00	0.00
Other Miscellaneous	0.00	40.00	40.00
Refund - Overpayment on Insurance	0.00	1,148.56	1,148.56
Total Revenues	**$ 368,986.00**	**$ 440,379.85**	**$ 71,393.85**
Expenditures:			
Fire District			
Professional Services	2,000.00	$ -	2,000.00
	$ 2,000.00	**$ -**	**2,000.00**
Service Charges	14,418.00	$ 11,098.49	3,319.51
	$ 14,418.00	**$ 11,098.49**	**$ 3,319.51**
Supplies	1,350.00	0.00	1,350.00
Office Software	150.00	0.00	150.00
	$ 1,500.00	**$ -**	**$ 1,500.00**
Pumper Truck - Loan Payments/Payoff	0.00	200,813.03	(200,813.03)
	$ -	**$ 200,813.03**	**$ (200,813.03)**
Unappropriated Contingency	1,792.00	0.00	1,792.00
	$ 1,792.00	**$ -**	**$ 1,792.00**
Reserve Fund	55,335.00	0.00	55,335.00
	$ 55,335.00	**$ -**	**$ 55,335.00**
Contracts-Volunteer Fire Department	91,200.00	0.00	91,200.00
	$ 91,200.00	**$ -**	**$ 91,200.00**
Total Expenses	**$ 166,245.00**	**$ 211,911.52**	**$ (45,666.52)**
Variance (Over)/Under	**$ 202,741.00**	**$ 228,468.33**	**$ 25,727.33**

HENDERSON COUNTY ESD DISTRICT #6

Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ending September 30, 2020

Revenues:			
Current Taxes		$ 204,970.92	current payments
Delinquent Taxes		6,991.13	current payments
Penalties & Interest		4,709.87	
Local Sales Tax		218,782.82	
Bank Interest - Citizens State Bank		3,736.55	
Bank Interest - Citizen National Bank		0.00	
Bank Interest - Vera Bank 0472		40.00	
Interest Adj. September 2018		1,148.56	
Total Revenues		**$ 440,379.85**	
Expenditures:			
Supplies:			
Office Supplies	0.00		
Check Order	0.00		
Service Charges:			
Bank Fee	0.00		
Appraisal District Fee	3,901.75		
Tax Collection Fee	257.05		
Advertising Expense	153.84		
Insurance Expense	2,297.12		
Training & Education	2,407.73		
Treasury Bond Expense	956.00		
Auditor Annual Fee	850.00		
Membership Fee - SafeD	275.00		
Safety Gear - Bunker Gear	0.00		
Loan Payment - Principal Only Payment	168,730.96		
Loan Payment - Annual Payment	32,082.07		
Volunteer Fire Department Contract	0.00		
Total Expenses	**$ 211,911.52**		
Excess of Revenues			
Over (Under) Expenditures			**$ 228,468.33**
Fund Balance, October 1, 2019			**$ 340,354.43**
Fund Balance, September 30, 2020			**$ 568,822.76**

HENDERSON COUNTY ESD DISTRICT #6

Statement of Revenues, Expenditures, and Changes in Fund Balance

For the Year Ending September 30, 2020

	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Total
Revenues:													
Current Taxes	25,623.33	17,347.77	77,963.48	56,206.81	8,549.11	4,708.03	3,881.43	3,901.73	2,265.31	2,761.75	1,762.17	0.00	$ 204,970.92
Delinquent Taxes	614.18	378.96	974.81	298.51	469.96	327.20	1,127.85	764.13	462.77	739.96	186.30	646.50	6,991.13
Penalties & Interest	152.10	97.44	350.90	86.77	491.61	422.91	791.81	667.06	448.20	635.88	381.35	183.84	4,709.87
Sales Tax	13,352.61	16,996.25	20,476.31	13,671.20	24,656.95	17,023.66	12,887.17	18,085.89	21,537.08	17,857.30	21,722.14	20,516.26	218,782.82
Bank Interest - Citizens State Bank/Spirit of Texas	457.65	421.15	419.82	505.80	498.62	373.11	230.86	223.80	251.03	208.43	73.64	72.64	3,736.55
Bank Interest - Citizen National Bank	0.00												0.00
Other Miscellaneous												40.00	40.00
Refund - Overpayment on Insurance	0.00								1,148.56				1,148.56
Total Revenues	40,199.87	35,241.57	100,185.32	70,769.09	34,666.25	22,854.91	18,919.12	23,642.61	26,112.95	22,203.32	24,125.60	21,459.24	$ 440,379.85
Expenditures:													
Supplies:													
Office Supplies													0.00
Check Order													0.00
Office Software													0.00
Service Charges:													
Bank Fee													0.00
Appraisal District Fee	702.75			799.75		799.75				799.75		799.75	3,901.75
Tax Collection Fee	257.05												257.05
Advertising Expense	57.84				48.00			48.00					153.84
Insurance Expense					1,148.56	1,148.56							2,297.12
Training & Education	70.00		739.50	255.00	1,273.23					70.00			2,407.73
Treasury Bond Expense					156.00		800.00						956.00
Annual Audit Fee								850.00					850.00
Membership Fee - SafeD								275.00					275.00
Safety Gear - Bunker Gear													0.00
	1,087.64	0.00	739.50	1,054.75	2,625.79	1,948.31	800.00	1,173.00	0.00	869.75	0.00	799.75	$ 11,098.49
Loan Payment - Principal Only Payment						168,730.96							168,730.96
Loan Payment - Fire Truck					32,082.07								32,082.07
	0.00	0.00	0.00	0.00	32,082.07	168,730.96	0.00	0.00	0.00	0.00	0.00	0.00	$ 200,813.03
Volunteer Fire Department Contract													0.00
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	$ -
Total Disbursements	1,087.64	0.00	739.50	1,054.75	2,625.79	170,679.27	800.00	1,173.00	0.00	869.75	0.00	799.75	$ 211,911.52
Excess of Revenues Over (Under) Expenditures	39,112.23	35,241.57	99,445.82	69,714.34	32,040.46	(147,824.36)	18,119.12	22,469.61	26,112.95	21,333.57	24,125.60	20,659.49	$ 228,468.33
Beginning Fund Balance	340,354.43	379,466.66	414,708.23	514,154.05	583,868.39	615,908.85	468,084.49	486,203.61	508,673.22	534,786.17	556,119.74	580,245.34	$ 340,354.43
Ending Fund Balance	379,466.66	414,708.23	514,154.05	583,868.39	615,908.85	468,084.49	486,203.61	508,673.22	534,786.17	556,119.74	580,245.34	600,904.83	$ 568,822.76

TAX LEVY WALKFORWARD

October 2019 through September 2020

Current	Beginning 2020	October 2019	November 2019	December 2019	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	August 2020	September 2020	Totals
Beginning Tax Levy	218,346.87	218,346.87	192,514.01	175,200.85	97,207.33	41,000.14	32,451.03	27,740.67	23,859.24	19,884.84	17,619.53	14,818.43	13,056.26	218,346.87
Supplements		(389.95)	(50.39)	(207.21)	(2,881.79)	(566.27)	(103.35)	0.00	(172.67)	0.00	(49.35)	0.00	0.00	(1,320.98)
Adjustments		180.42	85.00	177.17	2,881.41	566.27	101.02	0.00	0.00	0.00	10.00	0.00	0.00	4,001.29
Partial Payment Adjustments														0.00
Discount														0.00
Pr Yr Ref / NSF Chk														0.00
Collected		(25,623.33)	(17,347.77)	(77,963.48)	(56,206.81)	(8,549.11)	(4,708.03)	(3,881.43)	(3,901.73)	(2,265.31)	(2,761.75)	(1,762.17)	0.00	(204,970.92)
Ending Tax Levy		192,514.01	175,200.85	97,207.33	41,000.14	32,451.03	27,740.67	23,859.24	19,884.84	17,619.53	14,818.43	13,056.26	13,056.26	13,056.26
Delinquent														
Beginning Tax Levy	25,066.01	25,066.01	24,437.66	24,058.70	22,940.01	22,641.50	22,171.54	21,821.47	20,693.62	19,929.49	19,466.72	18,586.93	18,400.63	25,066.01
Supplements		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.62	0.00	0.00	17.62
Adjustments		0.95	0.00	(143.88)	0.00	0.00	(22.87)	0.00	0.00	0.00	(157.45)	0.00	0.00	(323.25)
Partial Payment Adjustments														0.00
Pr Yr Ref / NSF Chk		(15.12)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	424.34	409.22
Collected		(614.18)	(378.96)	(974.81)	(298.51)	(469.96)	(327.20)	(1,127.85)	(764.13)	(462.77)	(739.96)	(186.30)	(646.50)	(6,991.13)
Ending Tax Levy		24,437.66	24,058.70	22,940.01	22,641.50	22,171.54	21,821.47	20,693.62	19,929.49	19,466.72	18,586.93	18,400.63	18,178.47	18,178.47
Penalty		(71.66)	(45.48)	(116.70)	(35.81)	(334.66)	(281.73)	(113.46)	(356.21)	(244.92)	(300.66)	(221.08)	(77.54)	(2,502.91)
Interest		(77.44)	(51.96)	(234.20)	(50.96)	(156.95)	(141.18)	(378.35)	(310.85)	(203.28)	(335.22)	(160.27)	(106.30)	(2,206.96)
Total Tax Levy		216,951.67	199,259.55	120,147.34	63,641.64	54,622.57	49,562.14	44,552.86	39,814.33	37,086.25	33,405.36	31,456.89	31,234.73	31,234.73
Total Collected		(26,389.61)	(44,213.78)	(123,502.97)	(180,095.06)	(189,605.74)	(195,063.88)	(200,864.97)	(206,197.89)	(209,374.17)	(213,511.76)	(215,841.58)	(216,671.92)	(216,671.92)

DEPOSIT COMPARISONS
October -- 2019 through September -- 2020

	Total Deposits Per Bank Stmt	Taxes Prior Month	Taxes Current Month	Deposit In Transit	Bank Interest	Other	Total Collected
October-19	38,097.09	0.00	26,389.61	(3,750.17)	457.65	0.00	23,097.09
November-19	21,653.42	3,750.17	17,824.17	(342.07)	421.15	0.00	21,653.42
December-19	122,236.00	342.07	79,289.19	(7,815.08)	419.82	0.00	72,236.00
January-20	53,035.15	7,815.08	56,592.09	(11,877.82)	505.80	0.00	53,035.15
February-20	20,086.35	11,877.82	9,510.68	(1,800.77)	498.62	0.00	20,086.35
March-20	6,780.20	1,800.77	5,458.14	(851.82)	373.11	0.00	6,780.20
April-20	6,275.09	851.82	5,801.09	(608.68)	230.86	0.00	6,275.09
May-20	5,702.57	608.68	5,332.92	(1,462.83)	223.80	0.00	4,702.57
June-20	5,092.90	1,462.83	3,176.28	(945.80)	251.03	1,148.56	5,092.90
July-20	4,573.43	945.80	4,137.59	(718.39)	208.43	0.00	4,573.43
August-20	52,726.51	718.39	2,329.82	(395.34)	73.64	0.00	2,726.51
September-20	1,338.32	395.34	830.34	0.00	72.64	40.00	1,338.32
	337,597.03	30,568.77	216,671.92	(30,568.77)	3,736.55	1,188.56	221,597.03

	Report Totals	Current	Delig.	Penalty	Interest	Monthly Breakdown	Difference
October-19	26,389.61	-25,623.33	-614.18	-74.66	-77.44	-26,389.61	0.00
November-19	17,824.17	-17,347.77	-378.96	-45.48	-51.96	-17,824.17	0.00
December-19	79,289.19	-77,963.48	-974.81	-116.70	-234.20	-79,289.19	0.00
January-20	56,592.09	-56,206.81	-298.51	-35.81	-50.96	-56,592.09	0.00
February-20	9,510.68	-8,549.11	-469.96	-334.66	-156.95	-9,510.68	0.00
March-20	5,458.14	-4,708.03	-327.20	-281.73	-141.18	-5,458.14	0.00
April-20	5,801.09	-3,881.43	-1,127.85	-413.46	-378.35	-5,801.09	0.00
May-20	5,332.92	-3,901.73	-764.13	-356.21	-310.85	-5,332.92	0.00
June-20	3,176.28	-2,265.31	-462.77	-244.92	-203.28	-3,176.28	0.00
July-20	4,137.59	-2,761.75	-739.96	-300.66	-335.22	-4,137.59	0.00
August-20	2,329.82	-1,762.17	-186.30	-221.08	-160.27	-2,329.82	0.00
September-20	830.34	0.00	-646.50	-77.54	-106.30	-830.34	0.00
	216,671.92	-204,970.92	-6,991.13	-2,502.91	-2,206.96	-216,671.92	0.00

Collections/Payments Reconciliation	
Delinquent Tax Levy from 2019	25,066.01
Current Year Tax Levy	218,346.87
	243,412.88
Supplements	4,018.91
Total taxes deposited	(211,962.05)
Adjustments (per tax office)	(4,644.23)
Pr Year Refund/NSF Checks	(15.12)
	30,810.39
Uncollected tax levy (Balance Forward)	
Current Year	12,631.92
Delinquent Taxes	18,178.47
	30,810.39

Henderson County Emergency Services District #6
CHECK REGISTER - Vera Bank
October 2019 through September 2020

CHECK DATE	NUMBER	AMOUNT	PAYEE	DESCRIPTION	APPROVED Ok
09/26/19	2022	702.75	Henderson County Appraisal District	4th Quarter 2019 Cost Share Allocation	11/21/2019
09/26/19	2023	28.92	Chandler & Brownsboro Stateman	Post Budget Meeting	11/21/2019
10/17/19	2024	15,000.00	Transfer to Spirit of Texas Acct	Transfer to Spirit of Texas Acct	11/21/2019
10/29/19	2025	35.00	Barry Beresik	Registration, Safe-D Webcast Commisioner Training	12/19/2019
10/29/19	2026	35.00	Rick McCune	Registration, Safe-D Webcast Commisioner Training	11/21/2019
10/29/19	2027	28.92	Chandler & Brownsboro Stateman	Post Tax Notice	12/19/2019
10/29/19	2028	257.05	Henderson County Tax Assessor	2020 Tax Service Agreement-Annual	12/19/2016
12/31/19	2029	255.00	Rick McCune	Registration Safe-D Conference	1/16/2020
12/31/19	2030	229.50	Rick McCune	Reimb Annual Website Fee Nov2019-Nov2020	1/16/2020
12/31/19	2031	255.00	Barry Beresik	Registration Safe-D Conference	1/16/2020
12/31/19	2032	50,000.00	Transfer to Spirit of Texas Acct	Transfer to Spirit of Texas Acct	1/16/2020
01/16/20	2033	255.00	Pat Sparks	Registration Safe-D Conference	4/23/2020
01/16/20	2034	799.75	Henderson County Appraisal District	1st Quarter 2020 Cost Share Allocation	12/31/2019
02/27/20	2035	32,082.07	Southside Bank	Loan 246793 - Truck Payment	4/23/2020
02/27/20	2036	**156.00**	Victor Insurance	Bonds for 3/1/20-3/1/23	4/23/2020
02/27/20	2037	**1,148.56**	**Texas Municipal League**	Auto, WC. General Liability	4/23/2020
02/27/20	2038	48.00	Athens Daily Review	Advertisment	4/23/2020
02/27/20	2039	-	VOIDED CHECK		
02/27/20	2040	-	VOIDED CHECK		
02/27/20	2041	227.70	Ernest Smith	Safe-D Lodging	4/23/2020
02/27/20	2042	227.70	Barry Beresik	Safe-D Lodging	4/23/2020
02/27/20	2043	55.57	Barry Beresik	Safe-D Conference Meals Reimbursement	4/23/2020
02/27/20	2044	227.70	Pat Sparks	Safe-D Lodging	4/23/2020
02/27/20	2045	227.70	Rick McCune	Safe-D Lodging	4/23/2020
02/27/20	2046	51.86	Rick McCune	Safe-D Mileage to Conference Reimbursement	4/23/2020
02/27/20	2047	255.00	Ernest Smith	Registration Safe-D Conference	4/23/2020
03/26/20	2048	**1,148.56**	**Texas Municipal League**	Risk Pool	5/21/2020
03/26/20	2049	799.75	Henderson County Appraisal District	2nd Qtr Cost Share Agreement	5/21/2020
04/04/20	2050	**800.00**	Victor Insurance	Bond for each of the 5 Commissioners	5/21/2020
05/21/20	2051	275.00	Safe-D	Membership Dues	6/18/2020
05/09/20	2052	48.00	Gary Dennis	Reimb for Ad in Athens Daily Review	7/16/2020
05/21/20	2053	850.00	Henderson County Auditors Office	ESD 2018-19 Audit	7/16/2020
07/01/20	2054	799.75	Henderson County Appraisal District	3rd Qtr 2020 Cost Share Agreement	8/20/2020
07/23/20	2055	70.00	Barry Beresik	Safe-D Webcast on Tax Calendar	9/17/2020
08/04/20	2056	50,000.00	Transfer to Spirit of Texas Acct	Transfer to Spirit of Texas Acct	9/17/2020
09/17/20	2057	799.75	Henderson County Appraisal District	4th Qtr 2020 Cost Share Agreement	10/15/2020
		158,180.56			

Expense Summary	Total for Year Oct. 2019 - Sept. 2020
Insurance/Bonds	3,253.12
Vol Fire Department Expenses	0.00
Annual Audit Expense	850.00
Appraisal District Fees	3,901.75
Loan - Truck Annual Payment	32,082.07
Office Supplies	0.00
Advertising Expense	153.84
Tax Service Collection	257.05
Transfers	115,000.00
Board Training and Education	2,407.73
Membership Fees	275.00
Total Checks Disbursed	$ 158,180.56
	$ 158,180.56
Transfers	(115,000.00)
Total Expenses	43,180.56