

**MONTGOMERY COUNTY EMERGENCY
SERVICES DISTRICT NO. 6
MONTGOMERY COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2019**

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

**MONTGOMERY COUNTY EMERGENCY
SERVICES DISTRICT NO. 6**

MONTGOMERY COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Montgomery County Emergency
Services District No. 6
Montgomery County, Texas

We have audited the accompanying financial statements of the governmental activities and major fund of Montgomery County Emergency Services District No. 6 (the "District"), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity'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 entity'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 accounting 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 basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of September 30, 2019, and the respective changes 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 the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, 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 basic financial statements as a whole.



McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

May 26, 2020

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Management's discussion and analysis of Montgomery County Emergency Services District No. 6's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2019. Please read it in conjunction with the District's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) fund financial statements and government-wide financial statements and (2) notes to the financial statements. The fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District's overall status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all the District's assets, liabilities and, if applicable, deferred inflows and outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one governmental fund type. The General Fund accounts for property tax revenues, sales tax revenues and other contributions which are used to pay for operating and administrative costs.

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

FUND FINANCIAL STATEMENTS (Continued)

Governmental funds are reported in each of the financial statements. The focus in the fund financial statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI"). The budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$15,293,067 as of September 30, 2019. A portion of the District's net position reflects its net investment in capital assets (land, buildings, emergency vehicles and equipment, less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide firefighting and fire prevention services within the District. The following is a comparative analysis of government-wide changes in net position:

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	<u>Summary of Changes in the Statement of Net Position</u>		
	<u>2019</u>	<u>2018</u>	<u>Change Positive (Negative)</u>
Current and Other Assets	\$ 10,309,351	\$ 8,527,304	\$ 1,782,047
Capital Assets (Net of Accumulated Depreciation)	<u>5,355,477</u>	<u>5,693,051</u>	<u>(337,574)</u>
Total Assets	<u>\$ 15,664,828</u>	<u>\$ 14,220,355</u>	<u>\$ 1,444,473</u>
Long -Term Liabilities	\$ 294,573	\$ 407,653	\$ 113,080
Other Liabilities	<u>77,188</u>	<u>599,533</u>	<u>522,345</u>
Total Liabilities	<u>\$ 371,761</u>	<u>\$ 1,007,186</u>	<u>\$ 635,425</u>
Net Position:			
Net Investment in Capital Assets	\$ 5,060,904	\$ 5,285,398	\$ (224,494)
Unrestricted	<u>10,232,163</u>	<u>7,927,771</u>	<u>2,304,392</u>
Total Net Position	<u>\$ 15,293,067</u>	<u>\$ 13,213,169</u>	<u>\$ 2,079,898</u>

The following table provides a summary of the District's operations for the years ended September 30, 2019, and September 30, 2018.

	<u>Summary of Changes in the Statement of Activities</u>		
	<u>2019</u>	<u>2018</u>	<u>Change Positive (Negative)</u>
Revenues:			
Property Taxes	\$ 2,864,867	\$ 2,634,387	\$ 230,480
Sales Tax Receipts	2,957,754	2,799,738	158,016
EMCID Contributions	1,158,317	1,086,950	71,367
Miscellaneous Revenues	<u>972,059</u>	<u>362,582</u>	<u>609,477</u>
Total Revenues	<u>\$ 7,952,997</u>	<u>\$ 6,883,657</u>	<u>\$ 1,069,340</u>
Expenses for Services	<u>5,873,099</u>	<u>5,617,078</u>	<u>(256,021)</u>
Change in Net Position	\$ 2,079,898	\$ 1,266,579	\$ 813,319
Net Position, Beginning of Year	<u>13,213,169</u>	<u>11,946,590</u>	<u>1,266,579</u>
Net Position, End of Year	<u>\$ 15,293,067</u>	<u>\$ 13,213,169</u>	<u>\$ 2,079,898</u>

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND

The District's fund balance as of September 30, 2019, was \$10,094,154, an increase of \$2,298,847 from the prior year. Revenues exceeded expenditures during the current fiscal year primarily due to insurance proceeds and incident revenue received from FEMA and TDEM.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Directors did not amend the budget during the current fiscal. The District had a total positive variance for the year of \$2,298,847.

CAPITAL ASSETS

Capital assets as of September 30, 2019, total \$5,355,477 (net of accumulated depreciation) and include land, buildings, vehicles and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2019	2018	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 1,400,830	\$ 1,400,830	\$
Construction in Progress	45,504	1,471,434	(1,425,930)
Capital Assets, Net of Accumulated Depreciation:			
Buildings and Improvements	2,271,258	869,687	1,401,571
Vehicles and Equipment	1,637,885	1,951,100	(313,215)
Total Net Capital Assets	\$ 5,355,477	\$ 5,693,051	\$ (337,574)

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the District had total debt payable of \$294,573. The changes in the debt position of the District during the fiscal year ended September 30, 2019, are summarized as follows:

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

LONG-TERM DEBT ACTIVITY (Continued)

Note Payable, October 1, 2018	\$ 407,653
Less: Note Payments	<u>113,080</u>
Note Payable, September 30, 2019	<u>\$ 294,573</u>
Note Payable:	
Due Within One Year	<u>\$ 294,573</u>

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Montgomery County Emergency Services District No. 6, c/o Coveler & Peeler, P.C., 820 Gessner, Suite 1710, Houston, TX 77024.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS			
Cash	\$ 631,887	\$	\$ 631,887
Investments	8,815,350		8,815,350
Receivables:			
Property Taxes	130,346		130,346
Penalty and Interest on Delinquent Taxes		8,976	8,976
Sales Tax Receivable	518,292		518,292
Accrued Interest	25,993		25,993
Prepaid Costs	178,507		178,507
Land		1,400,830	1,400,830
Construction in Progress		45,504	45,504
Capital Assets (Net of Accumulated Depreciation)		<u>3,909,143</u>	<u>3,909,143</u>
TOTAL ASSETS	<u>\$ 10,300,375</u>	<u>\$ 5,364,453</u>	<u>\$ 15,664,828</u>
LIABILITIES			
Accounts Payable	\$ 75,875	\$	\$ 75,875
Accrued Interest Payable		1,313	1,313
Note Payable:			
Due Within One Year		<u>294,573</u>	<u>294,573</u>
TOTAL LIABILITIES	<u>\$ 75,875</u>	<u>\$ 295,886</u>	<u>\$ 371,761</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	<u>\$ 130,346</u>	<u>\$ (130,346)</u>	<u>\$ - 0 -</u>
FUND BALANCE			
Nonspendable-Prepaid Costs	\$ 178,507	\$ (178,507)	\$
Unassigned	<u>9,915,647</u>	<u>(9,915,647)</u>	<u>\$</u>
TOTAL FUND BALANCE	<u>\$ 10,094,154</u>	<u>\$ (10,094,154)</u>	<u>\$ - 0 -</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
	<u>\$ 10,300,375</u>		
NET POSITION			
Net Investment in Capital Assets		\$ 5,060,904	\$ 5,060,904
Unrestricted		<u>10,232,163</u>	<u>10,232,163</u>
TOTAL NET POSITION		<u>\$ 15,293,067</u>	<u>\$ 15,293,067</u>

The accompanying notes to the financial
statements are an integral part of this report.

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019**

Total Fund Balances - Governmental Funds		\$ 10,094,154
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		5,355,477
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Deferred inflows of resources related to property tax revenues and penalty and interest revenues on delinquent taxes for the 2018 and prior tax levies became part of recognized revenue in the governmental activities of the District.		139,322
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Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Accrued Interest Payable	\$ (1,313)	
Note Payable Within One Year	<u>(294,573)</u>	<u>(295,886)</u>

Total Net Position - Governmental Activities		<u>\$ 15,293,067</u>
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The accompanying notes to the financial statements are an integral part of this report.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General Fund	Adjustments	Statement of Activities
REVENUES			
Property Taxes	\$ 2,857,471	\$ 7,396	\$ 2,864,867
Sales Tax Revenues	2,957,754		2,957,754
EMCID Contributions	1,158,317		1,158,317
Penalty and Interest	43,055	(2,355)	40,700
Incident Revenues	298,602		298,602
Miscellaneous Revenues	632,757		632,757
TOTAL REVENUES	\$ 7,947,956	\$ 5,041	\$ 7,952,997
EXPENDITURES/EXPENSES			
Service Operations:			
Salaries and Benefits	\$ 4,071,653	\$	\$ 4,071,653
Accounting and Auditing Fees	55,786		55,786
Legal Fees	52,089		52,089
Dispatch Fees	97,476		97,476
Training	63,658		63,658
Insurance	207,708		207,708
Maintenance	293,003		293,003
Operations	210,575		210,575
Utilities	79,345		79,345
Other	205,766		205,766
Depreciation		527,456	527,456
Capital Outlay	189,882	(189,882)	
Debt Service:			
Principal	113,080	(113,080)	
Interest	9,088	(504)	8,584
TOTAL EXPENDITURES/EXPENSES	\$ 5,649,109	\$ 223,990	\$ 5,873,099
NET CHANGE IN FUND BALANCE	\$ 2,298,847	\$ (2,298,847)	\$
CHANGE IN NET POSITION		2,079,898	2,079,898
FUND BALANCE/NET POSITION - OCTOBER 1, 2018	7,795,307	5,417,862	13,213,169
FUND BALANCE/NET POSITION - SEPTEMBER 30, 2019	\$ 10,094,154	\$ 5,198,913	\$ 15,293,067

The accompanying notes to the financial statements are an integral part of this report.

**MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Net Change in Fund Balance - Governmental Fund	\$ 2,298,847
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenues are recorded in the accounting period for which the taxes are levied.</p>	7,396
<p>Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenues are recorded when penalty and interest are assessed.</p>	(2,355)
<p>Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.</p>	(527,456)
<p>Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.</p>	189,882
<p>Governmental funds report principal payments on long-term liabilities as expenditures in the year paid. However, in the Statement of Net Position, liabilities are reduced when principal payments are made and the Statement of Activities is not affected.</p>	113,080
<p>Governmental funds report interest payments on long-term liabilities as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term liabilities through fiscal year-end.</p>	504
Change in Net Position - Governmental Activities	\$ 2,079,898

The accompanying notes to the financial statements are an integral part of this report.

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MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1. CREATION OF DISTRICT

Montgomery County Emergency Services District No. 6, located in Montgomery County, Texas (the “District”), operates under Chapter 775 of V.T.C.A. Health & Safety Code. The District was converted from a rural fire prevention district on January 1, 1996.

The District is governed by a Board of Commissioners consisting of five individuals residing within the District who are appointed by Montgomery County. The Board of Commissioners sets the policies of the District.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”).

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense in the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Governmental Fund Balance Sheet and a Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Fund

The District has one governmental fund which is considered a major fund.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

General Fund - To account for property tax revenues, sales tax revenues and other contributions which are used to pay for operating and administrative costs.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Capital Assets

Capital assets, which include land, buildings, emergency vehicles and equipment, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset after completion.

Capital assets are capitalized if they have an original cost of \$5,000 or more and a useful life of at least five years. Depreciation is calculated on each class of depreciable property using no salvage value and the straight-line method of depreciation. Estimated useful lives are as follows:

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

	Years
Buildings and Improvements	15 - 30 years
Vehicles	5 - 15 years
Equipment	5 - 15 years

Budgeting

In compliance with governmental accounting principles, the Board of Commissioners annually adopts an unappropriated budget for the General Fund. The budget was not amended during the current fiscal year.

Pensions

The District makes payments into the social security/medicare system for the employees. The Internal Revenue Service has determined that fees of office received by Commissioners are wages subject to federal income tax withholding for payroll tax purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally. The District does not have any restricted fund balances.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting 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 amount 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 expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3. TAX LEVY

During the year ended September 30, 2019, the District levied an ad valorem tax rate of \$0.10 per \$100 of assessed valuation, which resulted in a tax levy of \$2,869,239 on the adjusted taxable valuation of \$2,868,425,334 for the 2018 tax year. The District's tax calendar is as follows:

- Levy Date - Before the later of September 30 or the 60th day after receipt of certified tax roll.
- Lien Date - January 1.
- Due Date - Not later than January 31.
- Delinquent Date - February 1, at which time the taxpayer is liable for penalty and interest.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District’s deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District’s deposits was \$2,861,887 and the bank balance was \$3,056,420. The District was not exposed to custodial credit risk at year-end.

The carrying values of the deposits are included in the Governmental Fund Balance Sheet and the Statement of Net Position at September 30, 2019, as listed below:

	Cash	Certificates of Deposit	Total
GENERAL FUND	\$ 631,887	\$ 2,230,000	\$ 2,861,887

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District’s financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” No person may invest District funds without express written authority from the Board of Commissioners.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in TexPool, an external investment pool that is not SEC-registered. The Texas Comptroller of Public Accounts has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all its portfolio assets at amortized cost. The District records its investment in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

The District records its investment in certificates of deposit at acquisition cost. As of September 30, 2019, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
TexPool	\$ 6,585,350	\$ 6,585,350
Certificates of Deposit	2,230,000	2,230,000
TOTAL INVESTMENTS	\$ 8,815,350	\$ 8,815,350

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2019, the District’s investment in TexPool was rated “AAAm” by Standard and Poor’s. The District also manages credit risk by investing in certificates of deposit covered by FDIC insurance.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexPool to have a maturity of less than one year due to the fact the share positions can usually be redeemed each day at the discretion of the District unless there has been a significant change in value. The District also manages interest rate risk by investing in certificates of deposit with maturities of less than one year.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019:

	October 1, 2018	Increases	Decreases	September 30, 2019
Capital Assets Not Being Depreciated				
Land and Land Improvements	\$ 1,400,830	\$	\$	\$ 1,400,830
Construction in Progress	<u>1,471,434</u>	<u>189,882</u>	<u>1,615,812</u>	<u>45,504</u>
Total Capital Assets Not Being Depreciated	<u>\$ 2,872,264</u>	<u>\$ 189,882</u>	<u>\$ 1,615,812</u>	<u>\$ 1,446,334</u>
Capital Assets Subject to Depreciation				
Buildings and Improvements	\$ 2,954,337	\$ 1,575,134	\$	\$ 4,529,471
Vehicles and Equipment	<u>5,076,489</u>	<u>40,678</u>	<u>24,726</u>	<u>5,092,441</u>
Total Capital Assets Subject to Depreciation	<u>\$ 8,030,826</u>	<u>\$ 1,615,812</u>	<u>\$ 24,726</u>	<u>\$ 9,621,912</u>
Accumulated Depreciation				
Buildings and Improvements	\$ 2,084,650	\$ 173,563	\$	\$ 2,258,213
Vehicles and Equipment	<u>3,125,389</u>	<u>353,893</u>	<u>24,726</u>	<u>3,454,556</u>
Total Accumulated Depreciation	<u>\$ 5,210,039</u>	<u>\$ 527,456</u>	<u>\$ 24,726</u>	<u>\$ 5,712,769</u>
Total Depreciable Capital Assets, Net of Accumulated Depreciation	<u>\$ 2,820,787</u>	<u>\$ 1,088,356</u>	<u>\$ - 0 -</u>	<u>\$ 3,909,143</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 5,693,051</u>	<u>\$ 1,278,238</u>	<u>\$ 1,615,812</u>	<u>\$ 5,355,477</u>

NOTE 6. NOTE PAYABLE

On February 10, 2017, the District executed a note to finance the purchase of a Ferrara custom rescue pumper mounted on a Ferrara “Cinder” chassis and related equipment. The note bears interest at a rate of 2.36% per annum. The District will make semi-annual payments of \$61,084 beginning July 24, 2017 and ending January 24, 2022. The following is a summary of transactions regarding notes payable for the year ended September 30, 2019:

Note Payable, October 1, 2018	\$ 407,653
Less: Note Payments	<u>113,080</u>
Note Payable, September 30, 2019	<u>\$ 294,573</u>
Note Payable:	
Due Within One Year	<u>\$ 294,573</u>

Subsequent to year-end on November 20, 2019, this note was paid in full.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 6. NOTE PAYABLE (Continued)

The following is a schedule of future note payments:

Fiscal Year	Principal	Interest	Total
2020	<u>\$ 294,573</u>	<u>\$ 2,298</u>	<u>\$ 296,871</u>

NOTE 7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omissions, for which the District carries commercial insurance. The District participates in the Texas Municipal League Intergovernmental Risk Pool (“TML”) and VFIS of Texas to provide general liability, auto liability, errors and omissions liability, worker’s compensation and health coverage. The District, along with other participating entities, contributes annual amounts determined by the insurers’ management. As claims arise, they are submitted and paid by TML or VFIS of Texas. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 8. AGREEMENTS WITH EAST MONTGOMERY COUNTY IMPROVEMENT DISTRICT

On April 3, 2008, the District entered into an agreement with the East Montgomery County Improvement District (“Improvement District”). On June 16, 2009, the Improvement District approved an agreement with the District to provide for a monthly contribution to be used for the expansion of fire services within the Improvement District during the term of the agreement (25 years). On September 10, 2009, an amendment to this agreement set the monthly contribution at \$58,164. The agreement calls for a true-up to be completed each year in which the amount due to the District by the Improvement District is the greater of \$58,164 per month or 0.25% of sales taxes collected. During the current fiscal year, the District received \$1,158,317 from the Improvement District.

NOTE 9. DEFINED CONTRIBUTION PLAN

The District has established a SIMPLE Individual Retirement Account (“IRA”) plan for its employees. All eligible employees may contribute up to the maximum amount allowed by the Internal Revenue Service for any calendar year through salary reduction elections. For each calendar year, the District will contribute up to a limit of ten percent of the employee’s base compensation for the calendar year. All contributions to the plan are immediately vested with the employee. For the year ended September 30, 2019, the eligible employees contributed \$111,580 to the plan and the District contributed \$270,312.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 10. SALES AND USE TAX

In accordance with Chapter 775 of the Health and Safety Code, the District is authorized to adopt and impose a sales and use tax if authorized by a majority of the qualified voters of the District. The election to adopt sales and use tax is governed by the provisions of Subchapter E, Chapter 323 of the Tax Code. During the current year, the District recorded \$2,957,754 in sales tax receipts, of which \$518,292 was due from the State Comptroller at September 30, 2019.

NOTE 11. AGREEMENT WITH MONTGOMERY COUNTY HOSPITAL DISTRICT

Effective January 1, 2018, the District entered into an agreement with the Montgomery County Hospital District (“MCHD”), to allow for the District housing of MCHD personnel, facilities and equipment in the fire station at 23550 Loop 494 in Porter, Texas. The existing fire station is being expanded and is intended to include facilities for MCHD personnel and equipment.

MCHD has agreed to pay rentals for its use of the District’s facilities, consisting of a monthly fee of \$900 and a capital contribution that will not exceed \$225,000, in exchange for a long-term lease of a certain portion of this facility. Fifty percent of the capital contribution is due as of the effective date of this agreement, and the remainder will be due upon completion and acceptance of the facilities by the District. During the prior year, the District received \$112,500 from MCHD.

The agreement is for a term of 20 years and will automatically renew for 12-month terms unless written notice is provided 90 days prior to expiration of the current term.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Property Taxes	\$ 2,845,076	\$ 2,857,471	\$ 12,395
Sales Tax Revenues	2,500,000	2,957,754	457,754
EMCID Contributions	1,087,000	1,158,317	71,317
Penalty and Interest		43,055	43,055
Incident Revenues		298,602	298,602
Investment and Miscellaneous Revenues	<u>64,800</u>	<u>632,757</u>	<u>567,957</u>
TOTAL REVENUES	\$ 6,496,876	\$ 7,947,956	\$ 1,451,080
EXPENDITURES			
Services Operations:			
Salaries and Benefits	\$ 4,567,105	\$ 4,071,653	\$ 495,452
Accounting and Auditing Fees	54,000	55,786	(1,786)
Legal Fees	50,000	52,089	(2,089)
Dispatch Fees	108,300	97,476	10,824
Training	54,000	63,658	(9,658)
Insurance	220,000	207,708	12,292
Maintenance	224,000	293,003	(69,003)
Operations	363,000	210,575	152,425
Utilities	99,300	79,345	19,955
Other	176,780	205,766	(28,986)
Capital Outlay	458,273	189,882	268,391
Debt Service:			
Principal	113,030	113,080	(50)
Interest	<u>9,088</u>	<u>9,088</u>	
TOTAL EXPENDITURES	\$ 6,496,876	\$ 5,649,109	\$ 847,767
NET CHANGE IN FUND BALANCE	\$ -0-	\$ 2,298,847	\$ 2,298,847
FUND BALANCE - OCTOBER 1, 2018	<u>7,795,307</u>	<u>7,795,307</u>	
FUND BALANCE - SEPTEMBER 30, 2019	<u>\$ 7,795,307</u>	<u>\$ 10,094,154</u>	<u>\$ 2,298,847</u>

See accompanying independent auditor's report.

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MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6

OTHER SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2019

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Maintenance Taxes	
TAXES RECEIVABLE -		
OCTOBER 1, 2018	\$ 122,950	
Adjustments to Beginning		
Balance	(4,372)	\$ 118,578
Original 2018 Tax Levy	\$ 2,887,001	
Adjustment to 2018 Tax Levy	(17,762)	2,869,239
TOTAL TO BE		
ACCOUNTED FOR		\$ 2,987,817
 TAX COLLECTIONS:		
Prior Years	\$ 35,834	
Current Year	2,821,637	2,857,471
 TAXES RECEIVABLE -		
SEPTEMBER 30, 2019		\$ 130,346
 TAXES RECEIVABLE BY		
YEAR:		
2018		\$ 47,602
2017		22,901
2016		11,805
2015		7,538
2014		5,387
2013		5,803
2012		5,467
2011		4,417
2010		4,180
2009		4,258
2008		2,213
2007		1,669
2006		1,314
2005		1,444
2004		1,117
2003 and prior		3,231
TOTAL		\$ 130,346

See accompanying independent auditor's report.

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MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
PROPERTY VALUATIONS	\$ <u>2,868,425,334</u>	\$ <u>2,634,751,367</u>	\$ <u>2,379,732,719</u>	\$ <u>2,544,586,023</u>
TOTAL TAX RATES PER \$100 VALUATION	\$ <u>0.1000</u>	\$ <u>0.1000</u>	\$ <u>0.1000</u>	\$ <u>0.1000</u>
ADJUSTED TAX LEVY*	\$ <u>2,869,239</u>	\$ <u>2,636,066</u>	\$ <u>2,380,387</u>	\$ <u>2,546,072</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>98.34 %</u>	<u>99.13 %</u>	<u>99.50 %</u>	<u>99.70 %</u>

* Based upon the adjusted tax levy at the time of the audit for the fiscal year in which the tax was levied.

See accompanying independent auditor's report.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND – FIVE YEARS

	Amounts		
	2019	2018	2017
REVENUES			
Property Taxes	\$ 2,857,471	\$ 2,627,462	\$ 2,374,174
Sales Tax Receipts	2,957,754	2,799,738	2,380,832
Grant Revenues		92,335	
EMCID Contributions	1,158,317	1,086,950	1,090,339
Incident Revenues	298,602		
Miscellaneous Revenues	675,812	163,820	145,905
TOTAL REVENUES	\$ 7,947,956	\$ 6,770,305	\$ 5,991,250
EXPENDITURES			
Service Operations:			
Salaries and Benefits	\$ 4,071,653	\$ 3,913,220	\$ 3,409,651
Accounting and Auditing Fees	55,786	53,458	52,893
Legal Fees	52,089	42,510	47,877
Dispatch Fees	97,476	87,497	76,444
Training	63,658	45,452	17,845
Insurance	207,708	164,579	239,094
Maintenance	293,003	313,094	232,862
Operations	210,575	184,840	122,298
Utilities	79,345	81,082	73,318
Other	205,766	227,601	177,877
Capital Outlay	189,882	1,536,246	1,822,529
Debt Service:			
Principal	113,080	110,423	600,501
Interest	9,088	11,745	24,762
TOTAL EXPENDITURES	\$ 5,649,109	\$ 6,771,747	\$ 6,897,951
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 2,298,847	\$ (1,442)	\$ (906,701)
OTHER FINANCING SOURCES (USES)			
Note Proceeds	\$	\$	\$ 573,000
Capital Contribution by MCHD		112,500	
TOTAL OTHER FINANCING SOURCES (USES)	\$ - 0 -	\$ 112,500	\$ 573,000
NET CHANGE IN FUND BALANCE	\$ 2,298,847	\$ 111,058	\$ (333,701)
BEGINNING FUND BALANCE	7,795,307	7,684,249	8,017,950
ENDING FUND BALANCE	\$ 10,094,154	\$ 7,795,307	\$ 7,684,249

See accompanying independent auditor's report.

		Percentage of Total Revenues						
2016	2015	2019	2018	2017	2016	2015		
\$ 2,540,220	\$ 2,164,988	35.9 %	38.8 %	39.7 %	43.6 %	41.3 %		
2,105,778	1,876,394	37.2	41.4	39.7	36.1	35.8		
			1.3					
982,515	1,102,272	14.6	16.1	18.2	16.8	21.0		
		3.8						
<u>205,840</u>	<u>100,625</u>	<u>8.5</u>	<u>2.4</u>	<u>2.4</u>	<u>3.5</u>	<u>1.9</u>		
<u>\$ 5,834,353</u>	<u>\$ 5,244,279</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>		
\$ 3,078,812	\$ 2,796,583	51.3 %	57.9 %	56.9 %	52.8 %	53.3 %		
53,202	54,867	0.7	0.8	0.9	0.9	1.0		
40,827	45,863	0.7	0.6	0.8	0.7	0.9		
67,083	63,172	1.2	1.3	1.3	1.1	1.2		
26,631	34,869	0.8	0.7	0.3	0.5	0.7		
189,155	171,025	2.6	2.4	4.0	3.2	3.3		
194,467	172,885	3.7	4.6	3.9	3.3	3.3		
135,332	154,132	2.6	2.7	2.0	2.3	2.9		
75,168	70,715	1.0	1.2	1.2	1.3	1.3		
204,321	181,350	2.6	3.4	3.0	3.5	3.5		
452,089	516,680	2.4	22.7	30.4	7.7	9.9		
307,295	301,215	1.4	1.6	10.0	5.3	5.7		
<u>16,077</u>	<u>22,157</u>	<u>0.1</u>	<u>0.2</u>	<u>0.4</u>	<u>0.3</u>	<u>0.4</u>		
<u>\$ 4,840,459</u>	<u>\$ 4,585,513</u>	<u>71.1 %</u>	<u>100.1 %</u>	<u>115.1 %</u>	<u>82.9 %</u>	<u>87.4 %</u>		
<u>\$ 993,894</u>	<u>\$ 658,766</u>	<u>28.9 %</u>	<u>(0.1) %</u>	<u>(15.1) %</u>	<u>17.1 %</u>	<u>12.6 %</u>		
\$	\$ 448,913							
<u>\$ - 0 -</u>	<u>\$ 448,913</u>							
\$ 993,894	\$ 1,107,679							
<u>7,024,056</u>	<u>5,916,377</u>							
<u>\$ 8,017,950</u>	<u>\$ 7,024,056</u>							

See accompanying independent auditor's report.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
BOARD OF COMMISSIONERS AND CONSULTANTS
SEPTEMBER 30, 2019

District Mailing Address - Montgomery County Emergency Services District No. 6
23550 Loop 494
Porter, TX 77365

District Telephone Number - (281) 354-6666

<u>Commissioners</u>	<u>Term of Office Appointed Expires</u>	<u>Fees of Office for the year ended September 30, 2019</u>	<u>Expense Reimbursements for the year ended September 30, 2019</u>	<u>Title</u>
Larry Trout	01/01/18 12/31/19	\$ -0-	\$ -0-	President
Therlyn Cook	01/01/19 12/31/20	\$ -0-	\$ -0-	Vice President
John Kelley	01/01/18 12/31/19	\$ -0-	\$ -0-	Treasurer
David Miller	01/01/19 12/31/20	\$ -0-	\$ -0-	Secretary
Donnie Click	01/01/19 12/31/20	\$ -0-	\$ -0-	Assistant Treasurer

A Commissioner is entitled to receive compensation in the same manner and amount as are provided by Section 49.060 of the Texas Water Code, currently \$7,200 per fiscal year. The above fees of office and expense reimbursements are the amounts paid to a Commissioner during the District's current fiscal year.

See accompanying independent auditor's report.

MONTGOMERY COUNTY EMERGENCY SERVICES DISTRICT NO. 6
BOARD OF COMMISSIONERS AND CONSULTANTS
SEPTEMBER 30, 2019

Consultants:	<u>Fees for the year ended September 30, 2019</u>	<u>Title</u>
Coveler & Peeler, P.C.	\$ 42,956	General Counsel
McCall Gibson Swedlund Barfoot PLLC	\$ 13,000	Auditor
Municipal Accounts & Consulting, LP	\$ 46,111	Bookkeeper
Sales Tax Assurance LLC	\$ 6,395	Sales Tax Monitoring

See accompanying independent auditor's report.

