CASSIE VOLUNTEER FIRE DEPARTMENT & EMERGENCY MEDICAL SERVICES, INC.

Financial Statements

September 30, 2023 and 20222022

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
September 30, 2023 and 2022

TABLE OF CONTENTS

ORW
Certified Public Accountants

Ph: (325) 942-6713
Fax: (325) 944-9591

orw.cpa

2909 Sherwood Way, Ste 300
San Angelo, TX 76901

INDEPENDENT AUDITORS' REPORT

Board of Directors
Cassie Volunteer Fire Department &
Emergency Medical Services, Inc

Opinion

We have audited the accompanying financial statements of Cassie Volunteer Fire Department & Emergency Medical Services Inc. (a non-profit organization), which comprise the Statements of Financial Position as of September 30, 2023 and 2022, and the related Statements of Activities, Cash Flows, and Functional Expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cassie Volunteer Fire Department & Emergency Medical Services, Inc. as of September 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the internal control relevant to the audit 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 Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Oliver, Rainey & Wojtek, LLP

Burnet, Texas
January 18, 2024

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2023 and 2022

	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents (Note 2)	$ 130,865	$ 107,203
Accounts Receivable - Grant	665	-
Total Current Assets	131,530	107,203
Property and Equipment (Note 3)		
Building	120,054	123,896
Communication equipment	103,957	103,957
EMS equipment	8,465	5,038
Furniture and Fixtures	10,438	10,438
Land	13,820	13,820
Vehicles and Equipment	1,198,348	1,189,561
Total Property and Equipment	1,455,082	1,446,710
Accumulated Depreciation	(1,174,958)	(1,058,464)
Net Property and Equipment	280,124	388,246
Total Assets	$ 411,654	$ 495,449
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accrued liabilities	$ 1,214	$ 1,047
Total Current Liabilities	1,214	1,047
Net Assets		
Net assets without donor restrictions	410,440	494,402
Net assets with donor restrictions (Note 4)	-	-
Total Net Assets	410,440	494,402
Total Liabilities and Net Assets	$ 411,654	$ 495,449

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

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
STATEMENTS OF ACTIVITIES
Years Ended September 30, 2023 and 2022

	2023 Total	2022 Total
WITHOUT DONOR RESTRICTIONS		
Revenue, Gains, and Other Support:		
Emergency Services District No. 2 contribution	$ 195,200	$ 302,014
Donations	8,011	13,550
Gain (Loss) on sale of assets	(3,234)	4,559
Grants	4,930	4,920
Reimbursement income	22,665	7,684
Total Revenue, Gains, and Other Support	227,572	332,727
Cost of Special Activities and Programs:		
Buildings and grounds	10,941	10,331
Communication equipment	1,579	505
Depreciation	117,102	130,458
Insurance	26,563	23,354
Operations cost	66,817	80,737
Training and travel	3,806	13,299
Wages and taxes	64,590	57,592
Total Cost of Special Activities and Programs	291,398	316,276
Revenues Net of Cost of Special Activities and Programs	(63,826)	16,451
Supporting Services:		
Management and general	18,000	17,964
Professional fees	1,775	1,385
Public relations	361	-
Total Supporting Services	20,136	19,349
Change in Net Assets	(83,962)	(2,898)
Net Assets, Beginning of Year	494,402	497,300
Net Assets, End of Year	$ 410,440	$ 494,402

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

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
STATEMENTS OF CASH FLOWS
Years Ended September 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities:		
Changes in Net Assets	$ (83,962)	$ (2,898)
Adjustment to Reconcile Changes in Net Assets to Net Cash Provided by (Used In) Operating Activities:		
Depreciation	117,102	130,458
(Increase) decrease to account receivable	(665)	
Increase (decrease) to accrued expenses	167	1,047
Net Cash Provided by (Used in) Operating Activities	32,642	128,607
Cash Flows From Investing Activities:		
Purchases of property and equipment	(12,214)	(105,730)
Sale of Fixed Assets	4,450	3,472
Net Cash Provided by (Used in) Investing Activities	(7,764)	(102,258)
Net Increase (Decrease) in Cash and Cash Equivalents	24,878	26,349
Cash and Cash Equivalents, Beginning of Year	107,203	80,854
Cash and Cash Equivalents, End of Year	$ 132,081	$ 107,203
Supplemental Cash Flows Disclosures:		
Cash Paid During the Year for:		
Interest	$ -	$ -
Income Taxes	$ -	$ -
Noncash Activities		
In-kind donations	$ -	$ -

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

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2023

	Program Services	Support Services Administrative	Support Services Fundraising	2023 Total
Buildings and grounds	$ 10,941	$ -	$ -	$ 10,941
Communication equipment	1,579	-	-	1,579
Depreciation	117,102	-	-	117,102
Insurance	26,563	-	-	26,563
Operations cost	66,817	-	-	66,817
Management and general	-	18,000	-	18,000
Professional fees	-	1,775	-	1,775
Public relations	-	361	-	361
Training and travel	3,806	-	-	3,806
Wages and taxes	64,590	-	-	64,590
2023 Totals	$ 291,398	$ 20,136	$ -	$ 311,534

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

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2022

	Program Services	Support Services		2022 Total
		Administrative	Fundraising	
Buildings and grounds	$ 10,331	$ -	$ -	$ 10,331
Communication equipment	505	-	-	505
Depreciation	130,458	-	-	130,458
Insurance	23,354	-	-	23,354
Operations cost	80,737	-	-	80,737
Management and general	-	17,964	-	17,964
Professional fees	-	1,385	-	1,385
Training and travel	13,299	-	-	13,299
Wages and taxes	57,592	-	-	57,592
2022 Totals	$ 316,276	$ 19,349	$ -	$ 335,625

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

CASSIE VOLUNTEER FIRE DEPARTMENT & EMERGENCY MEDICAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

Note 1 – Summary of Significant Accounting Principles

Organization

The Cassie Volunteer Fire Department & Emergency Medical Services, Inc. (the Organization) is a not-for-profit organization, established to provide fire protection and emergency services. The Organization provides services to the citizens of the Burnet County Emergency Services District No.2 (ESD). See Note 5.

Basis of Presentation

Resources are classified for accounting and reporting purposes into two classes of net assets, according to externally imposed restrictions.

- Net assets without donor restrictions: This is the portion of net assets of the Organization that can be used subject only to the board limits resulting from the nature of the Organization, the environment it operates in, or the purposes specified in its articles of incorporation or bylaws. In some cases, the use of these resources is also subject to limits resulting from contractual agreements with suppliers, creditors, and others entered into by the Organization in the course of its business. The Organization has the greatest ability to choose when using these resources.

  Net assets without donor restrictions generally result from grants, contracts, and contributions that are not subject to donor-imposed restrictions, and income from investing excess operating cash, reduced by expenses incurred in providing services, raising contributions, and performing administrative functions.

- Net assets with donor restrictions: This is the portion of net assets of the Organization that is subject to either donor-imposed time restrictions or donor-imposed purpose restrictions. These restrictions limit the Organization's choices when using these resources because the Organization has a fiduciary responsibility to its donors to follow the donor's instructions. Net assets with donor restrictions generally result from donor-restricted contributions.

Basis of Accounting

The accounts of the Organization are maintained, and the financial statements are prepared in accordance with accounting principles generally accepted in the United States of America on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Under this method of accounting, revenues are recorded as accruals when they become both measurable and earned. Contributions are recognized when received. Expenses are recorded when they are incurred.

Tax Status

Under provisions of the Internal Revenue Code, Section 501(c)(3), the Organization is exempt from taxes on income other than unrelated business income. Since the Organization had no net unrelated business income during the years ended September 30, 2023 or 2022, no provision for income taxes has been made. The Organization's open audit periods are for the fiscal year ends September 30, 2021 to September 30, 2023.

Note 1 – Summary of Significant Accounting Principles - Continued

Contributions

The Organization receives support from individuals, foundations, corporations, and other nonprofit organizations in support of the Organization's mission. Contribution revenue is recognized at fair value on the receipt of cash. From time to time, the Organization receives contributions that have certain conditions such as meeting specific performance-related barriers or limiting the Organization's discretion on use of the funds. Other contributions may have revocable features. Such contributions are recognized when the conditions are substantially met.

In addition, the Organization elected the net asset release policy option for contributions with donor restrictions that were initially conditional contributions. As part of this election, the Organization reports contributions restricted by donors (that were conditional in nature) as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. The Organization has not changed its policy for unconditional contributions such that the Organization reports contributions restricted by donors (that were unconditional in nature) as increases in net assets with donor restrictions. When the donor restriction expires on an unconditional contribution, the release is reported as net assets released from donor restrictions in the statement of activities.

Contributed Services

The Organization receives many services from volunteers which are not recorded in these financial statements. The Organization records services in the financial statements if the volunteer services create or enhance a non-financial asset; or require specialized skills, are performed by people with those skills, and would otherwise be purchased. No contributed services were recognized in the years ending September 30, 2023 or 2022.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and supporting activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, costs have been allocated among the program and supporting services benefitted. Costs are allocated between management and general or the appropriate program based on evaluations of the related benefits. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents, if any. The carrying amount for cash and cash equivalents approximates fair value.

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

Note 1 – Summary of Significant Accounting Principles - Continued

Property and Equipment

Property and equipment purchased by the Organization is recorded at cost. Donated property and equipment are recorded at fair value as of the date donated. The Organization follows the practice of capitalizing all expenditures for or donations of property and equipment in excess of $1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets. Upon sale or retirement of property and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of activities. Deprecation is computed on the straight-line basis over the useful lives of the assets as follows:

Buildings and Improvements	5 to 40 years
Communication Equipment	5 years
EMS Equipment	5 years
Furniture and Fixtures	5 years
Vehicles and Equipment	5 to 15 years

Note 2 – Cash and Cash Equivalents

Cash and cash equivalents totaled $130,865 at September 30, 2023 and $107,203 at September 30, 2022. Cash and cash equivalents consist of bank accounts that are available for use in current operations.

Note 3 – Property and Equipment

Changes in property and equipment during the year ended September 30, 2023, are as follows:

	Balance September 30, 2022	Additions	Reductions	Balance September 30, 2023
Building	$ 123,896	$ -	$ 3,842	$ 120,054
Communication equipment	103,957	-	-	103,957
EMS equipment	5,038	3,427	-	8,465
Furniture and Fixtures	10,438	-	-	10,438
Land	13,820	-	-	13,820
Vehicles and Equipment	1,189,561	8,787	-	1,198,348
Total Property and Equipment	1,446,710	12,214	3,842	1,455,082
Less Accumulated Depreciation	(1,058,464)	(117,102)	(608)	(1,174,958)
Net Property and Equipment	$ 388,246	$ (104,888)	$ 4,450	$ 280,124

CASSIE VOLUNTEER FIRE DEPARTMENT &
EMERGENCY MEDICAL SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023 and 2022

Note 4 – Net Assets with Donor Restrictions

There are no net assets with donor restrictions as of September 30, 2023 and 2022.

Note 5 – Emergency Service District

The Burnet County Emergency Services District No. 2 (the ESD) was created by an election held in May 2008. The ESD operates under Article III, Section 48-e of the Texas Constitution and Chapter 775 of the Texas Health and Safety Code and is run by a Board of Commissioners appointed by the Burnet County Commissioners Court. The ESD's major activities include providing emergency services to the residents of the District.

Effective October 7, 2008, the Organization entered into an agreement with the newly formed ESD to provide emergency services to all persons and property within the ESD. The term is yearly and may be terminated by either party. Amounts to be paid to the Organization shall be disbursed at the discretion of the Commissioners and may include expenses for operations and other expenditures approved by the ESD for maintaining emergency services within the district.

If at any time the Organization is dissolved or the agreement is terminated by either party, any assets purchased wholly or in part with funds from the ESD shall be immediately transferred to another Department contracted by the ESD or to the ESD at its sole discretion.

Note 6 – Concentrations of Risk

Revenues from the ESD were approximately 86 percent, of the Organization's total revenues for the year ended September 30, 2023 and 91 percent, for September 30, 2022. A significant reduction in or elimination of these funds would have a significant impact on the Organization.

Note 7 – Liquidity and Reserves

The Organization has a policy to manage its liquidity and reserves in order to operate with financial stability, maintain adequate liquidity, and maintain sufficient reserves. The following table reflects the Organization's financial assets (cash and cash equivalents and investments) as of September 30, 2023, reduced by amounts not available for general expenditures within one year.

Financial assets at September 30, 2023:	
Cash and cash equivalents	$ 130,865
Less those available for general expenditure:	
within one year due to:	
None	-
Financial assets available to meet cash needs	
for general expenditures within one year	$ 130,865

Note 8 – Subsequent Events

The Organization did not have other any subsequent events through January 18, 2024, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the fiscal year ended September 30, 2023.