

NOGALES SUBURBAN FIRE DISTRICT

FINANCIAL STATEMENTS
with
INDEPENDENT ACCOUNTANTS' REVIEW REPORT
YEAR ENDED JUNE 30, 2021

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JEONG LIZARDI, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Nogales Suburban Fire District
Santa Cruz County, Arizona

We have reviewed the accompanying financial statements of the governmental fund of Nogales Suburban Fire District (hereinafter "District"), as of and for the year ended June 30, 2021, which comprise the District's statement governmental fund balance as of June 30, 2021, and the related statement of activities and changes in fund balance, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the District. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the consolidated financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

The management of the district 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Nogales Suburban Fire District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Other Matter Paragraphs

Accounting principles generally accepted in the United States of America require that the following supplementary information be presented to supplement the basic financial statements:

Budgetary Comparison Schedule
Management's Discussion and Analysis

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 not audited or reviewed such required supplementary information, and, accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on it.

The accompanying Budgetary Comparison Schedule has been reviewed by us, and based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Accountants' Conclusion

Based on our review, except for the issue noted in the Known Departure From Accounting Principles Generally Accepted in the United States of America paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Nogales, Arizona
December 13, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED JUNE 30, 2021

INTRODUCTION

Our discussion and analysis of Nogales Suburban Fire District financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the Independent Accountant's Review Report and the District's financial statements.

FINANCIAL HIGHLIGHTS FOR THE YEAR

- The District's net position resulted in a net loss of \$12,697, or nearly 5% as a result of this year's operations.
- During the year, the District's tax levied revenues increased \$23,088, or 7.2% from previous year.
- On February 18, 2021, the District entered into an intergovernmental agreement the Rio Rico Medical and Fire District (RRMFD). The agreement states that RRMFD would provide for the management and operations of the District in exchange for 95% of its total annual revenue from all sources. The revenue received from the March 7, 2021, the contract start date, through June 30, 2021 was \$222,025. 95% of this revenue is assigned to RRMFD, which totals \$210,924. During the year ended June 30, 2021 the District made payments totaling \$134,830. The remaining balance owed to RRMFD at June 30, 2021 was \$76,094.
- The District sold a 1979 Mack Tanker for \$6,000. The capital asset was fully depreciated, with an original purchase cost of \$80,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements of the District. The District is a single-program government, it presents the government-wide financial statement in combination with the fund financial statement. This annual report consists of the Statement of Governmental Fund Balance, the Statement of Activities and Changes in Fund Balance, and the Statement of Cash Flows.

The Statement of Governmental Fund Balance (on page 6) provide information about the activities of the District as a whole. It presents the financial picture of the District from the economic measurement resources focus using the accrual basis of accounting.

The Statement of Activities and Changes in Fund Balance (on page 7) presents information showing how the net position of the District changed during the fiscal year. All changes in net position are reported as soon as the underlying event given rise to the change occurs, regardless of the timed of related cash flows.

The Statement of Cash Flows (on pages 8 and 9) reflect the amount of cash and cash equivalents entered and left the District.

The following table reflects the condensed State of Governmental Fund Balance

Nogales Suburban Fire District
Condensed Statement of Governmental Fund Balance

	June 30,	
	2021	2020
Cash and equivalent	\$ 79,262	\$ 43,076
Current assets	7,900	18,446
Capital assets	177,844	197,527
Other Assets	126,251	116,317
 Total Assets	 \$ 391,257	 \$ 375,366
 Deferred Outflow of Resources		
Current liabilities	\$ 104,219	\$ 1,161
Other liabilities	-	54,327
 Total liabilities	 104,219	 55,488
 Fund Balances		
Net investment in capital assets	149,983	143,200
Unrestricted	137,055	176,678
	 \$ 391,257	 \$ 375,366

THE DISTRICT AS TRUSTEE

The District is the trustee, or fiduciary, for its volunteer firemen retirement account. In February, the District discontinued the volunteer retirement account program and distributed all accounts to the volunteer firefighters it had on record. The total amount of distributions for the year ended June 30, 2021 was \$20,144. The remaining balances in the retirement account is reflected as a suspense account. These are amounts that were matching payments by the District and the Fire Marshal which never vested into the volunteer firefighter's accounts. The District has not determined how these amounts are to be used.

CAPITAL ASSET ACTIVITY

Capital Assets

At the end of June 30, 2021, the District had \$1,179,990 invested in a broad range of capital assets, including fire equipment and vehicles, buildings, operations and communication equipment.

For June 30, 2021, Total Property and Equipment consisted of:

Property and Equipment	\$ 1,179,990
Accumulated Depreciation	(1,002,146)
Net Property and Equipment	\$ 177,844

DEBT ACTIVITY

At the end of June 30, 2021, the District had a note payable due Marquette Bank for \$27,862 for a vehicle purchased in 2007. This note is scheduled to be paid in full in the following year.

BUDGETARY HIGHLIGHTS

For the year ended June 30, 2021, tax levied revenues reported \$23,088, or a 7.2% increase, in comparison to the budgeted amount. But other revenues such as the amounts budgeted for the contributions (\$7,500), wildlands (\$20,000), grants (\$10,000) and Out of District's 911 Calls (\$1,000), fell short of budget amounts. \$0 was reported for these budgeted amounts.

Total operating expenditures exceeded final budget amounts by \$29,835. This includes the amount owed to RRMFD of \$76,094 for the Intergovernmental agreement.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Property values reflected in this report included a 5.5% increase in assessed property valuation. An increase of 3.5% is projected for the upcoming fiscal year. Although the increase is small, we consider this a positive outlook after years of decreases and over 30% loss in assessed property valuation. Management will remain consistent with a positive, but conservative management of District funding and strives to strengthen its Capital Fund based on capital investments determined necessary in the short to medium term. Proactive capital asset investments are necessary to increase operational efficiencies and cost reduction. Due to the slow and delayed recovery of property valuation, management will need to proactively plan for capital investments since bond issuance capacity is unlikely in the short term.

Employee wages and related benefits continue to be funded. Fiscally responsible management practices continue to be reviewed and pursued, with the goal of ensuring a continued level of service to our community and long-term planning.

Based on Santa Cruz County (SCC) preliminary assessment and based on the reduced debt service from bond issuance, management projects a stability in property tax rate. For next fiscal year, the District is keeping the tax rate of \$3.25 per \$100 of secondary assessed valuation.

Under current statute, the tax rate is limited to \$3.36. With that said, the District maintains a positive outlook for the short-term and long-term goals and financial health.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's administrative office at 822 Pendleton Dr., Rio Rico, AZ 85648.

STATEMENT OF FINANCIAL POSITION FOLLOW

NOGALES SUBURBAN FIRE DISTRICT
STATEMENT OF GOVERNMENTAL FUND BALANCE

June 30, 2021

ASSETS

Current assets:	
Cash	\$ 79,262
Tax levied receivable	<u>7,900</u>
Total current assets	<u>87,162</u>
Property and Equipment:	
Building station A	369,787
Building station B	67,403
Apparatus	394,710
Operations equipment	212,986
Communications equipment	108,828
Computer and office equipment	22,176
Leasehold improvements	<u>4,100</u>
	1,179,990
Less accumulated depreciation	<u>1,002,146</u>
Total property and equipment	<u>177,844</u>
Other assets:	
Volunteer retirement suspense account	<u>126,251</u>
TOTAL ASSETS	<u>\$ 391,257</u>

LIABILITIES AND FUND BALANCE

Current liabilities:	
Volunteer firefighter payable	\$ 131
Due to Rio Rico Medical and Fire District	76,226
Current maturities of long-term debt	<u>27,862</u>
Total current liabilities	104,219
Fund balance:	
Fund balance-unrestricted	<u>287,038</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 391,257</u>

The accompanying notes and independent accountants' review report should be read with these financial statements.

NOGALES SUBURBAN FIRE DISTRICT

STATEMENT OF CASH FLOWS

Year ended June 30, 2021

Cash flows from operating activities:	
Unrestricted revenues received	\$ 411,159
Cash paid to employees and suppliers	(354,529)
Interest received	<u>20</u>
Net cash received in operating activities	<u>56,650</u>
Cash flows from investing activities:	
Proceeds received from sale of asset	<u>6,000</u>
Net cash received in investing activities	<u>6,000</u>
Cash flows from financing activities:	
Payments made on long-term debts	<u>(26,465)</u>
Net cash used in operating activities	<u>(26,465)</u>
Net change in cash	36,185
Cash at beginning of year	<u>43,077</u>
Cash at end of year	<u>\$ 79,262</u>

The accompanying notes and independent accountants' review report should be read with these financial statements.

NOGALES SUBURBAN FIRE DISTRICT
STATEMENT OF CASH FLOWS (CONTINUED)

Year ended June 30, 2021

Reconciliation of net change in fund balance to net cash received in operating activities:	
Change in fund balance	\$ <u>(12,697)</u>
Adjustments to reconcile change in fund balance to net cash provided by operating activities:	
Net unrealized gain on investments	(29,947)
Depreciation expense	19,682
Proceeds received from sale of equipment	(6,000)
Changes in assets and liabilities:	
Decrease in tax levied receivable	10,546
Decrease in payroll withholdings	(1,160)
Increase in due to Rio Rico Fire and Medical District	<u>76,226</u>
Total adjustments	<u>69,347</u>
Net cash received in operating activities	<u>\$ 56,650</u>

The accompanying notes and independent accountants' review report should be read with these financial statements.

NOGALES SUBURBAN FIRE DISTRICT

NOTES TO FINANCIAL STATEMENTS

June 30, 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Nogales Suburban Fire District (District), is presented to assist in understanding the District's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB).

Reporting Entity

The District is a special-purpose government that is governed by a separately elected governing board. It is legally separate and fiscally independent of other state and local governments. The accompanying financial statements present the activities of the District (the primary government).

Use of Estimates

The preparation of financial statements in conformity with accounting principles applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB) requires management to make estimates and assumptions that affect the reported amounts 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 expenses during the reporting period. Actual results could differ from those estimates.

Basis of Presentation and Accounting

The basic financial statements include the Governmental Fund Balance Sheet and the Statement of Activities and Changes in Fund Balance. Since the District is a single-program government, it presents the government-wide financial statements in combination with the fund financial statements.

The Governmental Fund Balance Sheet/Statement of Net Position provides information about the assets, liabilities, and fund balance of the District at the end of the year. Assets and liabilities are presented by relative order of liquidity. Net assets is classified according to external donor restrictions or availability of assets to satisfy district obligations. Net investment in capital assets represents the value of capital

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation and Accounting (Continued)

assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. The District does not have any net position that is externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that management has designated to be used for anything other than general operating purposes.

The Statement of Activities and Changes in Fund Balance provides information about the District's financial activities during the year. Revenues are classified as general, and all changes in net position are reported.

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government.

The Governmental Fund Balance Sheet, and the Statement of Activities and Changes in Fund Balance are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The District considers all revenues reported in the governmental fund to be available if the revenues are collected within 60 days after year-end. The District's major revenue sources susceptible to accrual are tax levied revenues, and state and county appropriations. Expenditures are recorded when the related fund liability is incurred.

It is the District's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Capitalization and Depreciation

Property and equipment are recorded at cost. Maintenance and repairs and supplies are charged to operations as incurred. Major renewals and betterments are capitalized. Upon sale or disposition of property and equipment, the asset account is reduced by the cost and the accumulated depreciation account is reduced by the depreciation taken prior to the sale. Any resultant gain or loss is then recorded as income or expense.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capitalization and Depreciation (Continued)

The property and equipment categories are depreciated over the following estimated useful lives:

	<u>Life</u>	<u>Method</u>
Building	39 years	Straight-Line
Leasehold improvements	15 years	Straight-Line
Operational Equipment	7 years	Straight-Line
Communications Equipment	5 years	Straight-Line
Furniture and equipment	7 years	Straight-Line
Computer equipment	5 years	Straight-Line

Depreciation expense for the year ended June 30, 2021 was \$19,682.

Leasehold Improvements

Leasehold improvements are reported at actual cost. Leasehold improvements are classified as intangible assets and amortized using the straight-line method over the shorter of their useful life of the improvement or the remaining lease term.

Ad Valorem Taxes

The District's tax levied revenue is adopted by the Governing Board and reviewed on an annual basis. The Santa Cruz County Treasurer is responsible for collecting property taxes for all governmental entities within the County. The County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May.

A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy.

Fund Balance Classifications

The governmental fund's fund balance is reported separately within classifications based on a hierarchy of the constraints placed on those resources' use. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are non-spendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications. The District's fund balance consists of only unrestricted and unassigned.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classifications (Continued)

The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form, such as inventories, prepaid items, or are legally or contractually required to be maintained intact.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, the District uses restricted fund balances first. For the disbursement of unrestricted fund balances, the District uses committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

TAX LEVIED RECEIVABLE

The District's tax levied receivable consists of tax levied revenues collected within one month after the District's year end. As of June 30, 2021, the tax levied receivable was \$7,900. The weighted average is used to establish an allowance for doubtful accounts. At June 30, 2021, the District determined that \$0 of the tax levied receivables are to be uncollectible. The estimate is based on historical information.

INTERGOVERNMENTAL AGREEMENT

On February 18, 2021, the District entered into an Intergovernmental Agreement (IGA) for the management and operations of the District, that Rio Rico Medical and Fire District (RRMFD), a political subdivision of the State of Arizona, would provide for the management and operations of the District, to include emergency service delivery, administrative, financial accounting, and related support services. The IGA commenced on March 7, 2021 and shall remain in force and effect from that date until June 30th, 2022. In exchange for operating and managing the District under the terms and conditions of the IGA, the District would allocate ninety-five percent (95%) of its' total annual revenue from all sources to RRMFD.

During the year ended, the District's revenue from all sources from the date of the IGA date was \$222,025. The amount allocated to RRMFD was \$210,924. The amount paid by the District at June 30, 2021 was \$134,830. The amount due to RRMFD was \$76,226, which includes \$132 of reimbursable expenditures.

FULL-TIME AND VOLUNTEER FIREFIGHTERS RETIREMENT ACCOUNT

The District's full-time employees participate in a 457(b) Deferred Compensation Plan with Nationwide Retirement Solutions. The District contributes a matching 8% of the employee wages into the retirement account. For the year ended June 30, 2021, the District's contribution to the pension was \$9,837. The District also maintained a separate retirement account for their volunteer firefighters. The volunteer firefighters would contribute 8% of their wages and the District would match the contribution at 100%.

The matching contribution had a vesting period of 20 percent each year for 5 years. After 5 years, the matching portion was 100% vested. In addition, the State Fire Marshall's office would make contributions to the volunteer firefighters retirement account on a discretionary basis. These State Fire Marshall's funds would be matched with the District's matching funds and go through the same vesting process. Any unvested amounts would be forfeited to the Districts suspense account. On February 2021, the District discontinued the volunteer retirement account program and disbursed all volunteer firefighter's accounts. For the year ended June 30, 2021, the volunteer firefighters and the District's matching contributions were \$0.

LONG-TERM DEBT

Capital Lease payable to Marquette Bank dated April 2007, with an interest of 5.17%, payable in 30 semi-annual installments of \$14,477 including interest beginning August 2007, the lease matures on February 2022. Residual value of lease \$1.
The loan is collateralized by the vehicle.

	\$	27,862
Less current portion		<u>(27,862)</u>
	\$	<u>-</u>

Maturities of long-term debt at June 30, 2021, are as follows:

2022	\$	27,862
2023		-
2024		-
2025		-
2026		-
2027 and after		<u>-</u>
	\$	<u>27,862</u>

OPERATING LEASES

The District leases real property where the two fire stations reside. Under the provisions of a long-term lease agreement classified as an operating lease for accounting purposes. Rental expenses under the terms of the operating lease were \$11,088 for the year ended June 30, 2021. The following future minimum payments are required under the operating lease at June 30, 2021:

Year ending June 30,	
2022	\$ 7,956
2023	8,112
2024	8,112
2025	8,112
2026	8,619
Thereafter	<u>103,025</u>
	<u>\$ 143,936</u>

CONCENTRATIONS

Ad valorem taxes comprise the majority of the District's revenues. Ad valorem taxes collected during the year ending June 30, 2021 accounted for approximately 79% of total revenues.

RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft, or damage to assets, errors and omissions, injuries to employees and natural disasters. The District has purchased commercial insurance to protect against loss from substantially all of these perils. There were no significant changes in coverages, retentions, or limits during the year ended June 30, 2021. Settle claims have not exceeded the commercial coverages in any of the previous three fiscal years.

BUDGETARY ACCOUNTING

The District is required, under Arizona Revised Statutes, to adopt a budget each fiscal year and to submit to the County Treasurer and the County Board of Supervisors no later than the first day of August each year; under statute only the general fund must legally adopt an annual budget. The adopted budget is on the accrual basis of accounting, which is legally allowable basis for budgetary purposes. All annual appropriations lapse at fiscal year-end. The Authority is subject to expenditure limitations under Arizona Revised Statutes. Statutes also do not permit the Authority to incur debt in excess of the tax levy outstanding and to be collected plus the available and unencumbered cash on deposit. The limitation is applied to the total of the combined governmental funds. The District does not have legal authority to spend in excess of the total budgeted amount without an amended budget formally adopted by the Board of Directors.

SUBSEQUENT EVENT

The Organization has evaluated subsequent events through December 13, 2021, which is the date the financial statements were available to be issued.

The full impact of COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Organization is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial conditions, or liquidity for fiscal year 2021.

REQUIRED SUPPLEMENTARY INFORMATION

NOGALES SUBUBAN FIRE DISTRICT

SCHEDULE I - BUDGETARY COMPARISON SCHEDULE GENERAL FUND

YEAR ENDED JUNE 30, 2021

	Original Budget	Actual	Variable Favorable (Un-favorable)
Revenues:			
Ad valorem tax	\$ 331,032	\$ 342,812	\$ 11,780
Intergovernmental	41,410	41,410	-
Interest on banks	-	20	20
Contributions	10,000	2,500	(7,500)
Miscellaneous	-	670	670
Insurance reimbursements	-	13,221	13,221
Investment earnings	-	29,947	29,947
Sale of equipment	-	6,000	6,000
Wildland	20,000	-	(20,000)
Grants	10,000	-	(10,000)
Out of NSFD 911 Calls	1,000	-	(1,000)
Total revenues	<u>413,442</u>	<u>436,580</u>	<u>23,138</u>
Expenditures:			
Salaries and wages	242,000	122,546	(119,454)
Employee benefits	-	16,057	16,057
Administration	87,442	225,165	137,723
Professional fees	-	4,370	4,370
Utilities and	-	12,562	12,562
Insurance	15,000	16,363	1,363
Repairs and maintenance	-	30,043	30,043
Depreciation	-	19,682	19,682
Interest expense	-	2,489	2,489
Contingencies	75,000	-	(75,000)
Total expenditures	<u>419,442</u>	<u>449,277</u>	<u>29,835</u>
Net change in fund balance	(6,000)	(12,697)	(6,697)
Fund balance, beginning	<u>299,735</u>	<u>299,735</u>	<u>299,735</u>
Fund balance, ending	<u>\$ 293,735</u>	<u>\$ 287,038</u>	<u>\$ 293,038</u>
Other Budget Items			
Capital expenditures	\$ 7,000		
Debt Service	28,955	29,000	

NOGALES SUBURBAN FIRE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULE
June 30, 2021

BUDGETARY REQUIREMENTS AND BASIS OF ACCOUNTING

The District's budget is prepared on the basis of accounting consistent with U.S. generally accepted accounting principles. A budgetary comparison schedule for the general fund is included as required supplementary information to provide meaningful comparison of actual results to budget. The board is responsible for approving the budget on an annual basis.

REVENUES SHORTFALL OF APPROPRIATIONS

For the year ended June 30, 2021, revenues fell short of final budget amounts in the general for the following programs:

	<u>Amount</u>
Contributions	\$ 7,500
Wildlands	20,000
Grants	10,000
Out of NSFD 911 Calls	1,000

During the year ended June 30, 2021, the District received \$2,500 in contributions and \$0 for Wildlands, Grants and Out of NSFD 911 calls.

EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the year ended June 20, 2021, total operating expenditures exceeded final budget amounts in the general fund by \$29,835. The excess for the above expenditures were the result of overall unexpected expenditures incurred. In addition, the District monitors expenses on an ongoing basis to ensure that expenditures are within the budget.