

**Nueces County Emergency
Services District #6**

Annual Financial Report

For the Year Ended September 30, 2023



GOWLAND, MORALES & SMITH, PLLC

Certified Public Accountants

Nueces County Emergency
Services District #6
September 30, 2023

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CERTIFICATE OF BOARD

APPROVAL OR DISAPPROVAL OF AUDIT REPORT

NUECES COUNTY EMERGENCY SERVICES DISTRICT #6

I, Gawanda Cadena, Chairman of the Board of Directors of Nueces County Emergency Services District No. 6, do hereby certify that this accompanying audit report for the fiscal year ended September 30, 2023, from Gowland, Morales & Smith, A Professional Limited Liability Company, was reviewed and approved / disapproved at a meeting of the Board of Directors held on the 20th day of May, 2024.

Gawanda K Cadena
Chairman, Board of Directors

5/20/24
Date



GOWLAND, MORALES & SMITH, PLLC

Certified Public Accountants

555 N. Carancahua, Suite 1040
Corpus Christi, TX 78401
Telephone: (361) 993-1000
Fax: (361) 991-2880

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Nueces County Emergency Services District #6

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities of Nueces County Emergency Services District #6 as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Nueces County Emergency Services District #6's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Nueces County Emergency Services District #6, as of September 30, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Nueces County Emergency Services District #6 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Nueces County Emergency Services District #6's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 and *Government 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 and *Government 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 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 Nueces County Emergency Services District #6'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 evaluate 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 Nueces County Emergency Services District #6'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and schedule of the District's net pension liability and schedule of contributions identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



Gowland, Morales & Smith, PLLC
Certified Public Accountants

Corpus Christi, Texas
April 26, 2024

Management's Discussion and Analysis

INTRODUCTION

Nueces County Emergency Services District No. 6 (the "District") is pleased to submit the following discussion and overview analysis concerning the District's financial statements for the year ended September 30, 2023. The accompanying Financial Audit for the fiscal year 2023 was performed by Gowland, Morales & Smith, PLLC, Corpus Christi, Texas. Please read it in conjunction with the District's financial statements, which follows this section.

Nueces County Emergency Services District No. 6, a governmental entity authorized under Texas statute, is a fire and first response medical provider within Nueces County, Texas.

The District is a taxing authority limited by statute to a maximum tax of 10 cents per hundred (100) dollars of property valuation. The District's fiscal year begins on October 1st and ends on September 30th. The majority of income to operate the District comes from property taxes. For the year ended September 30, 2023, the District's tax rate was 6.40000 cents per hundred (100) dollars of property valuation.

Nueces County Commissioner's Court appoints five (5) Commissioners who govern the operation of the District. The Commissioners represent a cross-section of the District and meet on a regular basis to determine administrative policy and perform financial oversight.

FINANCIAL HIGHLIGHTS

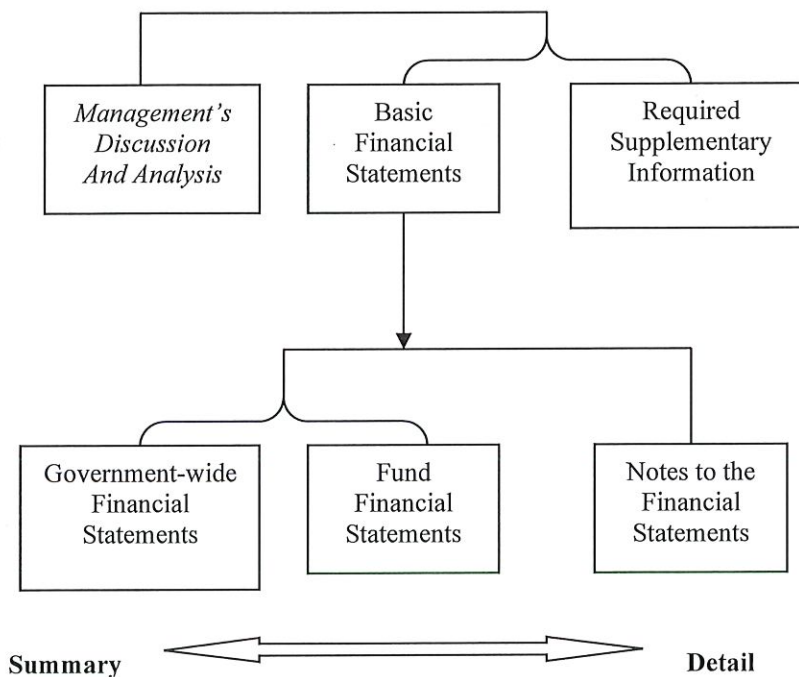
- The total assets of the District, including deferred outflows of resources exceeded its total liabilities, including deferred inflows of resources by \$3,883,400.
- The balance of Net Assets increased by \$445,143 to \$3,883,400. This represents a 11.45% increase from the prior year's fund balance.
- Total assets equaled \$3,883,400 while total liabilities were \$0.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—*management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*.

- The presented financial statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.

Figure A-1. Required Components of the County's Annual Financial Report



The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explain and support the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

			Fund Statements	
<i>Type of Statements</i>	Government-Wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire District's government (except fiduciary funds) and the District's component units	The activities of the District that are not proprietary or fiduciary: All included as Govt. Wide.	Activities of the District operate similar to private business: None	Instances in which the District is the trustee or agent for someone else's resources: None
<i>Required financial statement</i>	*Statement of net position	*Balance Sheet	*Statement of net position	*Statement of fiduciary net position
	*Statement of activities	*Statement of revenues, expenditures & changes in fund balances	*Statement of revenues, expenses, and changes in fund net position *Statement of cash flows	*Statement of changes in fiduciary net position
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term, the District's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenue and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-Wide Statements

The government-wide statements provide both long-term and short-term information about the District's overall financial status. These statements are presented for both governmental activities and business-type activities. They are designed to provide readers with a broad overview of the District's finances, similar to a private-sector business.

The statement of net position includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets and liabilities -- is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's tax base.

The government-wide financial statements of the District include the *Governmental activities*. Most of the District's basic services are included here, such as general government, building and grounds maintenance, etc. Property taxes and charges for services finance these activities.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

Net position serves, over time, as a useful indicator of the District's financial position. At September 30, 2023, the net position totaled \$3,883,400; \$445,143 higher than the prior year.

A portion of the District's net position, 26.01%, are invested in capital assets (e.g., land, buildings, machinery, and equipment). The District uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is not reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. All of the District's total net position is unrestricted in their use for District activities.

Changes in net position

The change in net position was due to revenues exceeding costs and expenses by \$445,143 during 2023.

Governmental Activities

As noted above, Net position increased from the prior year.

- The cost of all *governmental* activities this year was \$342,718.
- However, the amount that taxpayers paid for these activities through property taxes was \$650,264.

The District's total revenues were \$787,863. A significant portion, 84.57%, of the District's revenues comes from taxes, while 13.13% comes from the Hospital District, and 2.30% relate to interest income and penalties. The total cost of all programs and services was \$342,718, in which \$181,027, or 52.82%, of these costs are for contracted ambulance services. Property taxes increased by \$67,202, or 10.33%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the District had invested \$1,157,962 in capital assets, before deducting for accumulated depreciation in a broad range of capital assets, including land, building, and equipment.

This amount represents a net increase (including additions and deductions) of \$1,695 or 0.15% over last year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The adopted budget for 2024 sets general fund revenues from all sources at \$737,408, which is \$50,454 or 6.40% lower than the 2023 actual revenues. The primary causes of this projected decrease in revenues from 2024 to 2023 is due Hospital District revenue being projected at \$64,000 for 2024. The 2023 revenue forecast was conservatively budgeted by the Board of Directors. Property tax revenues are expected to make up 82.78% of total general fund revenues for 2024.

If the budgeted revenue and expenditures are achieved the Net Assets of the District would neither increase nor decrease.

DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Board of Directors, the County Commissioners' Court, citizens, taxpayers, customers, creditors, and other governmental sectors with a general overview of the District's financial condition and to demonstrate the District's accountability for the funds it receives.

If you have any questions about this report or need additional information, contact:

Nueces County Emergency Services District #6
Administrator
P.O. Box 696
Bishop, Texas 78343

361-442-8552

Nueces County Emergency Services District #6
Statement of Financial Position
September 30, 2023

	2023
<u>ASSETS</u>	
CURRENT ASSETS:	
Cash - Operating Account	\$ 178,976
Cash - Savings/Reserve	2,777,447
Cash and Cash Equivalents	2,956,423
Taxes Receivable	68,120
Accounts Receivable	25,499
Prepaid Expenses	-
Total Current Assets	3,050,042
Fixed Assets:	
Land	41,870
Building & Improvements	961,298
Furniture & Fixtures	154,794
	1,157,962
Less: Accumulated Depreciation	(324,604)
	833,358
Total Assets	\$ 3,883,400
<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES	
Accounts Payable	\$ -
Total Current Liabilities	-
Unrestricted Net Assets	
Board Designated - Hospital District	568,600
Undesignated Net Assets	3,314,800
	3,883,400
Total Liabilities and Net Assets	\$ 3,883,400

See accompanying notes to the financial statements.

Nueces County Emergency Services District #6
Statement of Activities
For the Year Ended September 30, 2023

		2023
REVENUES:		
Ad Valorem Taxes	\$	643,413
Ad Valorem - Penalty, Interest and Rendition		6,851
Hospital District		89,100
Interest		48,498
Total Revenues		787,862
 COSTS AND EXPENSES:		
Contract Services		181,027
Materials and Supplies		5,770
Dues and Fees		3,638
Advertising		-
Insurance		17,348
Repairs and Maintenance		7,293
Professional Fees		16,460
Internet/Website		3,334
Travel/Training/Conferences		14,605
Postage		341
Utilities		6,901
Tax Collection Fees		10,647
Tools and Equipment		1,708
Miscellaneous		6
Depreciation Expense		62,629
Project Costs		4,165
Appraisal District Fees		6,846
Total Costs and Expenses		342,719
 INCREASE IN UNRESTRICTED NET ASSETS	\$	445,143
 UNRESTRICTED NET ASSETS AT BEGINNING OF YEAR		3,438,256
 UNRESTRICTED NET ASSETS AT END OF YEAR	\$	3,883,400

See accompanying notes to the financial statements

Nueces County Emergency Services District #6
Statement of Cash Flows
For the Year Ending September 30, 2023

	2023
<u>Cash Flows from Operating Activities:</u>	
Net Increase in Net Assets	\$ 445,144
Depreciation Expense	62,629
Adjustments to Reconcile Change in Net Assets to Cash Provided by Operating Activities:	
(Increase) Decrease in Operating Assets	
Taxes Receivable	(26,025)
Accounts Receivable	(737)
Prepaid Expenses	5,843
Increase (Decrease) in Operating Liabilities	
Accounts Payable	(337)
Net Cash Provided by Operating Activities	486,517
<u>Cash Flows from Investing Activities:</u>	
Property, Building & Equipment additions	(1,695)
Cash Used in Investing Activities	(1,695)
Net Increase (Decrease) in Cash	484,822
Cash and Cash Equivalents, Beginning of Year	2,471,601
Cash and Cash Equivalents, End of Year	\$ 2,956,423
 <u>Reconciliation of Cash and Cash Equivalents</u>	
Cash - Operating	\$ 178,976
Cash - Savings/Reserve	2,777,447
	\$ 2,956,423
 Interest Paid	\$ -

See accompanying notes to the financial statements.

Nueces County Emergency Services District #6
Notes to the Financial Statements
September 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The District was created and organized by the Nueces County Commissioners Court. The District provides emergency ambulance services to the residents of the District.

Basis of Accounting

The financial statements of the District have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Revenue Concentrations

The District receives a substantial amount of its revenue from Ad Valorem taxes. Tax revenue is recorded by the District as it is received/earned from Nueces County Tax Assessor/Collector. The District does not recognize an allowance for bad debt, as all receivables are deemed collectible.

Cash and Cash Equivalents

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

Allowance for Doubtful Accounts

In the opinion of management, substantially all receivables are collectible in full; therefore, no allowance for doubtful accounts is provided.

Land, Building, and Equipment

Land, building, and equipment are recorded at cost. Depreciation of building and equipment is provided for over the estimated useful lives of the respective assets on a straight-line basis.

Capitalization Policy

Purchases of \$1,000 and an estimated useful life span of greater than one year are capitalized. Any purchases of less than \$1,000 are expensed.

Functional Classification of Expenses

The District considers substantially all costs and expenses to be related to program services. Consequently, no further allocation of costs and expenses has been presented in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. These estimates affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Nueces County Emergency Services District #6
Notes to the Financial Statements
September 30, 2023

Financial Statement Presentation

The District reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The District does not have any temporarily restricted net assets or permanently restricted net assets. Accordingly, these classes have not been included in the financial statements.

NOTE 2 – AD VALOREM PROPERTY TAXES

Property taxes attach as an enforceable lien on January 1. Taxes are levied on or about October 1, and are due on November 1, and are past due the following February 1. The Nueces County Appraisal District establishes appraisal values in accordance with the requirements of the Texas Legislature. The District levies taxes based upon the appraised values. The Nueces County Tax Assessor/Collector bills and collects the District's property taxes.

The property taxes rates, established in accordance with State laws, were based upon 100% of the net assessed valuation of real property within the District on the 2023 tax roll.

At September 30, 2023, unavailable property tax revenue totaled \$68,120. Property taxes receivable at September 30, 2023, consisted of the following:

		<u>2023</u>	
Current Tax Levy	\$	17,553	
Prior Year's Levy		<u>50,567</u>	
	\$	<u><u>68,120</u></u>	

The District is prohibited from writing off real property taxes without specific authority from the Texas Legislature.

NOTE 3 – LAND, BUILDING, AND EQUIPMENT

		<u>2023</u>	
Land	\$	41,870	
Building and Improvements		961,298	
Furniture and Fixtures		<u>154,794</u>	
	\$	1,157,962	
Less: Accumulated Depreciation		<u>324,604</u>	
Net Land, Building and Equipment	\$	<u><u>833,358</u></u>	

Nueces County Emergency Services District #6
Notes to the Financial Statements
September 30, 2023

NOTE 4 – SUBSEQUENT EVENTS

The Treasurer of the Board has evaluated subsequent events through April 26, 2024, the date the financial statements were available to be issued. Management and those charged with governance have determined that there is no Type II subsequent event that requires additional disclosure.



GOWLAND, MORALES & SMITH, PLLC

Certified Public Accountants

555 N. Carancahua, Suite 1040
Corpus Christi, TX 78401
Telephone: (361) 993-1000
Fax: (361) 991-2880

**Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

Board of Directors
Nueces County Emergency Services District #6
Bishop, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Nueces County Emergency Services District #6 as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Nueces County Emergency Services District #6's financial statements, and have issued our report thereon dated April 26, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Nueces County Emergency Services District #6's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Nueces County Emergency Services District #6's internal control. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Nueces County Emergency Services District #6's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Gowland, Morales & Smith, PLLC
Certified Public Accountants

Corpus Christi, Texas
April 26, 2024

**Nueces County Emergency Services
District #6
P. O. Box 696
Bishop, Texas 78343**



April 26, 2024

Gowland, Morales & Smith, PLLC
Certified Public Accountants
555 N. Carancahua St., Suite 1040
Corpus Christi, Texas 78401

This representation letter is provided in connection with your audit of the financial statements of Nueces County Emergency Services District #6, which comprise the statements of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 26, 2024, the following representations made to you during your audit.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 25, 2024, including our responsibility for the preparation and fair presentation of the financial statements.
- The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- We acknowledge our responsibility 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.

- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
- As part of your audit, you prepared the draft financial statements and related notes and schedule of expenditures of federal awards. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the organization and involves:
 - Board of Directors
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

- We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the organization's related parties and all the related party relationships and transactions of which we are aware.
- We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance.
- The organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- Nueces County Emergency Services District #6 is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

Signature: Gwendolyn Cadena

Title: Treasurer

Signature: Denise Haskett

Title: Secretary