

**CYPRESS CREEK EMERGENCY MEDICAL
SERVICES ASSOCIATION**

FINANCIAL STATEMENTS

AND

SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2014

WITH

INDEPENDENT AUDITOR'S REPORT

SVADLENAK, SEE & COMPANY, P.C.

Certified Public Accountants

**CYPRESS CREEK EMERGENCY MEDICAL
SERVICES ASSOCIATION**

FINANCIAL STATEMENTS

AND

SUPPLEMENTAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2014

WITH

INDEPENDENT AUDITOR'S REPORT

THIS PAGE INTENTIONALLY LEFT BLANK

CONTENTS

	Page
<u>INDEPENDENT AUDITOR’S REPORT</u>	2-3
<u>FINANCIAL STATEMENTS</u>	
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	6
Notes to Financial Statements	7-14
<u>SUPPLEMENTAL INFORMATION</u>	
Independent Auditor’s Report on Supplemental Information	16
Statement of Functional Expenses	17
Statement of Activities – Actual and Budget	18-19

SVADLENAK, SEE & COMPANY, P.C.

Certified Public Accountants

1600 TOWNHURST DRIVE
HOUSTON, TEXAS 77043-3227

A.I.C.P.A.
Division For CPA Firms
A.I.C.P.A.
T.S.C.P.A.

(713) 464-6390
(713) 464-9177 – FAX
www.svadlenak-see.com

Ernest R Svadlenak
Melvin R See
Mark E Owens
Michael J Burcham

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Cypress Creek Emergency Medical Services Association
Houston, Texas

We have audited the accompanying financial statements of Cypress Creek Emergency Medical Services Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

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 an opinion 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cypress Creek Emergency Medical Services Association, as of December 31, 2014, and the changes in its net assets and its cash flows, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Svadlenak, See & Company P.C

SVADLENAK, SEE & COMPANY, P.C.
HOUSTON, TEXAS

February 20, 2015

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

ASSETS

Current assets:

Cash	\$ 4,050
Accounts receivables	4,874,571
Inventories	627,279
Prepaid expenses	<u>870,827</u>

Total current assets 6,376,727

Land, buildings and equipment-at cost, less accumulated depreciation 9,518,013

Other assets 56,194

Total assets \$ 15,950,934

LIABILITIES AND NET ASSETS

Current liabilities:

Checks written in excess of bank balance	\$ 168,293
Accounts payable	922,854
Current portion of long-term debt	1,392,620
Deferred revenue	-
Accruals	<u>223,726</u>

Total current liabilities 2,707,493

Long-term debt:

Notes payable 6,520,749

Commitments and contingent liabilities

Net Assets:

Total net assets 6,722,692

Total liabilities and net assets \$ 15,950,934

SEE ACCOMPANYING NOTES.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED

DECEMBER 31, 2014

Support and revenue:

Support:

Donations	\$ 11,276,023
Insurance billings-net	8,263,480
Mutual aid income	-
Educational funds	85,524
Special events-fundraisers	43,623
Dispatch fees-communications centers	<u>436,006</u>
Total support	<u>20,104,656</u>

Revenue:

Interest income	2,871
Other income	38,602
Gain (loss) on sale of property	114,160
Unrealized gain (loss) on investments/properties	<u>(527)</u>
Total revenue	<u>155,106</u>

Total support and revenue 20,259,762

Expenses:

Program services	15,767,459
General and administrative	<u>3,129,286</u>

Total expenses 18,896,745

Change in net assets 1,363,017

Net assets-unrestricted at the beginning of the year 5,359,675

Net assets-unrestricted at the end of the year \$ 6,722,692

SEE ACCOMPANYING NOTES.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED

DECEMBER 31, 2014

Cash flows from operating activities:

Change in net assets – increase (decrease)	\$ 1,363,017
Adjustments to reconcile change in net assets – increase (decrease) to net cash provided (used) by operating activities:	

Depreciation	927,444	
Unrealized gain (loss) on investments	<u>527</u>	
		2,290,988

Change in operating assets and liabilities:

Accounts receivable	\$ 724,901	
Inventories	(73,539)	
Prepaid expenses	(63,329)	
Checks written in excess of bank balance	(164,237)	
Accounts payable	(199,723)	
Deferred revenue	(825,365)	
Accruals	<u>17,682</u>	<u>(583,610)</u>

Net cash provided (used) by operating activities		<u>1,707,378</u>
--	--	------------------

Cash flows from investing activities:

Purchase of fixed assets		<u>(776,924)</u>
--------------------------	--	------------------

Cash flows from financing activities:

Proceeds from long-term debt	11,439,900	
Repayment of long-term debt	<u>(12,369,854)</u>	<u>(929,954)</u>

Net increase (decrease) in cash		500
---------------------------------	--	-----

Cash at the beginning of the year		<u>3,550</u>
-----------------------------------	--	--------------

Cash at the end of the year		<u>\$ 4,050</u>
-----------------------------	--	-----------------

Supplemental information

Interest paid in cash during the year.		<u>\$ 306,821</u>
--	--	-------------------

SEE ACCOMPANYING NOTES.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. Summary of significant accounting policies:

Nature of Organization

Cypress Creek Emergency Medical Services Association is a non-profit association incorporated on July 25, 1975 to provide emergency medical services and educational programs to the communities along FM 1960 from Jones Road to the Houston city limits at Humble. In October 1996, CCEMSA purchased and is now operating the FM 1960 Area Emergency Communications Center, Inc. which provides centralized emergency communications for certain fire departments and associations in the area.

Date of Management's review

Subsequent events were evaluated through February 20, 2015, which is the date the financial statements were available to be issued.

Method of Accounting

The financial statements of the Organization have been prepared utilizing the accrual basis of accounting, revenues are recorded when earned and expenses when incurred.

Use of Estimates

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, support, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Financial Reporting and Financial Statement Presentation

The financial statements have been prepared in accordance with generally accepted accounting principles as applied to non-profit organizations. Cypress Creek Emergency Medical Services Association follows accounting and financial reporting guidelines set forth in the Standards of Accounting and Financial Reporting for Voluntary Health and Welfare Organizations.

The Organization reports its financial position and activities, including contributions received, according to the classification and presentation described in Financial Accounting Standards Board (FASB) ASC 958, Financial Statements of Not-for-Profit Organizations.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. Summary of significant accounting policies: (cont'd.)

Under FASB ASC 958, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purposed restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted. Under FASB ASC 958, information regarding financial position and activities are reported according to three classes of assets: unrestricted, temporarily restricted, and permanently restricted.

Contributions

Contributions are made by individual homeowners and are collected by municipal utility (water) districts in the area served by the Organization. Those water districts then remit the funds to the Organization.

Distributions

The Organization has a contract as the Emergency Service District #11 provider. The designated provider will receive monies from taxing authorities in order to provide these services.

Consideration of credit risk

The Organization maintains its cash in bank deposit accounts at a high credit quality financial institution. The balances, at times, may exceed federally insured limits. At December 31, 2014, the Organization did not exceed the insured limit.

Cash and cash equivalents

For purpose of the statement of cash flows, cash equivalents include all highly liquid debt instruments with an original maturity of three month or less.

Property and equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. Summary of significant accounting policies: (cont'd.)

Property and equipment (cont'd)

Property and equipment are stated at cost. Expenditures for maintenance, repairs and minor renewals are charged to expense as incurred. Major renewals and betterments are capitalized. Depreciation was calculated by using the straight-line method. Estimated useful lives used in computing depreciation are as follows:

<u>Description</u>	<u>Years</u>
Buildings and Improvements	15 to 39
Equipment, Furniture and fixtures	5 to 7
Vehicles	5 to 15

Accounts receivable

Accounts receivable represent amounts due from patients, Medicare and insurance companies. All claims representing amounts due to the Organization are being processed and collected by an outside service.

The gross fees for the various services rendered are difficult to collect due the discounts and limitations placed on claims by insurance companies and the patients' inability to pay for the services. Uncollected claims totaling \$9,676,251 and insurance adjustments totaling \$8,609,023 are netted against insurance billings for the year ended December 31, 2014.

Management feels that it is impracticable to evaluate each individual receivable (claim) due to the numerous accounts and historical data is insufficient to properly establish an accurate allowance for uncollectible accounts. Therefore, management intends to follow its previous practice and charge off the accounts to operations as they are deemed worthless.

Inventory

Inventory consists of medical supplies which are valued at the lower of cost or market using current replacement cost as market.

Property and equipment

Property and equipment are carried at cost. Depreciation is calculated utilizing the straight-line method over estimated useful lives of the assets. It is the Organization's policy to capitalize all assets with continuing value and to expense other cost as repairs and maintenance.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. Summary of significant accounting policies: (cont'd.)

Donations

Donations are considered to be available for unrestricted use unless specifically restricted by the donor. Donated materials, equipment, and services are reflected as donated in the accompanying statements at their estimated value at date of receipt. Donated services consist of time donated by volunteers, drivers, emergency care technicians and assistants and paramedics. They are valued at the estimated cost that the Organization would have incurred had the Organization been required to employ individuals to provide those services.

Income Tax Status

The Organization is exempt from income taxes under section 501(C)(3) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has conclude that as of December 31, 2014, there are no uncertain positions taken or expected to be taken.

The federal income tax returns of the Organization are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

2. Accounts receivable:

Accounts receivables as of December 31, 2014 consists of:

	<u>Amount</u>
Billings of insurance companies for services rendered	\$4,841,520
Communication center revenue from fire departments	<u>33,051</u>
Total accounts receivable	<u>\$4,874,571</u>

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

3. Land, buildings and equipment:

As of December 31, 2014, land, buildings and equipment consisted of the following:

	<u>Useful Lives</u>	<u>Amount</u>
Land		\$ 363,654
Buildings and improvements	5	9,265,777
Vehicles	5	3,487,171
Vehicle repair equipment	5	59,429
Bicycles	5	22,905
Communications equipment	3-5	3,404,970
Leasehold improvements	3-19	281,155
Office equipment	5	99,224
Furniture and fixtures	5-7	862,567
Medical equipment	5	2,507,643
Other equipment	3-5	<u>134,981</u>
		20,489,476
Less: Accumulated depreciation		<u>(10,971,463)</u>
Net assets		<u>\$ 9,518,013</u>

Depreciation expense for the year ended December 31, 2014 amounted to \$927,444.

4. Long-term debt:

Note payable to bank dated November 10, 2010 in the original amount of \$8,100,000 accruing interest at a variable rate of approximately 4.00% at December 31, 2014. Principle and interest payments are due quarterly until maturity when the remaining principle balance and any unpaid interest will be due in February 2021. The note is collateralized by a deed of trust and properties. \$6,508,818

Note payable to bank dated January 15, 2011 in the original amount of \$337,620 accruing interest at a variable rate of approximately 3.00% at December 31, 2014. Principle and interest payments of \$7,466 are due in 48 monthly payments until maturity, January 2015. The note is collateralized by automotive equipment. 7,447

Note payable to bank dated December 14, 2012 in the original amount of \$178,575 accruing interest at a variable rate of approximately 4.00% at December 31, 2014. Principle and interest payments of \$5,277 are due in 36 monthly payments until maturity, December 2015. The note is collateralized by automotive equipment. 61,950

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

4. Long-term debt (cont'd)

Line of credit to a bank dated August 9, 2011 with a borrowing maximum of \$1,000,000. Interest is due monthly at prime plus .75%. Principle and any unpaid interest is due at April 17, 2015. The line of credit is unsecured. 610,000

Note payable to vendor dated January 2, 2013 in the original amount of \$929,892. The note does not accrue interest. Principal payments are due monthly in the amount of \$20,474 until maturity in December of 2016. The note is not collateralized by the equipment purchased. 725,154

7,913,369

Less current portion of long-term debt 1,392,620

Long term debt \$6,520,749

The current maturities on the long-term debt are as follows

Year ending
December 31,

2016	\$ 732,206
2017	740,051
2018	526,830
2019	548,221
2020	570,481
Thereafter	<u>3,402,960</u>

\$6,520,749

5. Pension plan:

Effective July 1, 1999, the Organization adopted a 401(K) pension plan for the Organization's employees. Employee contributions are voluntary and are made on a pretax basis. Employer contributions are based on a percentage of wages, up to a maximum of 7.00%. The employer's contributions are contributed semi-monthly. The contributions for the year ended December 31, 2014 were \$450,023.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

6. Commitments and contingencies:

A sublease exists with a fire department for Station 5. Under the terms of the lease, the Organization pays a monthly rental amount based upon the percentage of time in a calendar month that the Organization operates an advanced life support ambulance from the premises more than 60% of a 24 hour day. Since the inception of the lease, the Organization has operated an ambulance at least 95% of a 24 hour day and therefore pays a rental fee of \$515 a month. If the usage were to decrease, the rent would increase. The lease is month to month.

On October 1, 1996, a lease was entered into for station space. Rental payments are \$1,650 per month through October 31, 2015 at which time the lease expires.

The Organization has entered into a lease with a member of the ESD #11 board of directors for a facility for operations and storage which requires rental payments of \$1,000 per month. The lease is on a month to month basis.

Aggregate year minimum future rentals under the leases are as follows:

<u>December 31,</u>	<u>Amount</u>
2015	\$16,500
2016	<u> -</u>
	<u>\$16,500</u>

During the normal course of business, the Organization could be named in frivolous and immaterial lawsuits. It is management's opinion that any such lawsuit outstanding as of the period ended December 31, 2014 (none were known to management) would not have a material effect on the financial statements.

Substantially all of the Organization's facilities are subject to federal, state and local provisions regulating the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Organization expect such compliance to have, any material effect upon the capital expenditures, change in net assets, financial conditions or competitive position of the Organization. Management believes that its current practices and procedures for the control and disposition of such waste comply with applicable federal and state requirements.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

7. Annexation:

The Organization is within the extra-territorial jurisdiction of the city of Houston, Texas (the City). The City has the power to annex, with the approval of the residents and proper legislation. Should that occur and the Organization not make servicing arrangements with the City, most services currently provided by the Organization would be provided by the City and the Organization as it is known and operates today would likely be seriously affected.

SUPPLEMENTAL INFORMATION

THIS PAGE INTENTIONALLY LEFT BLANK

SVADLENAK, SEE & COMPANY, P.C.

Certified Public Accountants

1600 TOWNHURST DRIVE
HOUSTON, TEXAS 77043-3227

(713) 464-6390
(713) 464-9177 – FAX

www.svadlenak-see.com

A.I.C.P.A.
Division For CPA Firms
A.I.C.P.A.
T.S.C.P.A.

Ernest R Svadlenak
Melvin R See
Mark E Owens
Michael J Burcham

INDEPENDENT AUDITOR'S REPORT

ON SUPPLEMENTARY INFORMATION

To the Board of Directors
Cypress Creek Emergency Medical
Services Association
Houston, Texas

We have audited the financial statements of Cypress Creek Emergency Medical Services Association as of and for the year ended December 31, 2014, and our report thereon dated February 20, 2015, which expressed an unmodified opinion on those financial statements, appears on page 2 and 3. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses and statement of activities – actual and budget are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of the Organization's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying and other accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of functional expenses and statement of activities – actual and budget are fairly stated in all material respects in relation to the financial statements as a whole.

Svadlenak, See & Company P.C.

SVADLENAK, SEE & COMPANY, P.C.
HOUSTON, TEXAS

February 20, 2015

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

<u>Functional expenses:</u>	<u>Program Services</u>	<u>General and Administrative</u>
Salaries	\$ 8,566,228	\$ 1,285,419
Employee health benefits	1,988,418	202,614
Accounting and legal	-	154,290
CCATT program expense	121,540	-
Communication center expense	188,530	-
Contract labor	46,845	21,720
Credit card bank charges	-	32,960
Dues	-	3,532
Education courses	66,747	-
Fundraising expenses	46,190	42
Insurance	714,431	-
Interest expense	-	308,821
Miscellaneous	-	86,216
Oil and gasoline	476,503	-
Pension expense	408,408	41,616
Postage	-	5,245
Printing and office	-	26,736
Recruiting and advertising	19,677	-
Rent	42,800	-
Repairs and maintenance	234,882	205,687
Supplies	854,663	-
Taxes-other	-	-
Taxes-payroll	664,589	67,658
Telephone	180,894	-
Third party billing	-	622,220
Uniforms, pins, gifts, etc.	40,304	4,107
Utilities	172,832	-
Volunteer expenses	<u>65,937</u>	<u>-</u>
Total expenses before depreciation	14,900,418	3,068,883
Depreciation	<u>867,041</u>	<u>60,403</u>
Total expenses	<u>\$ 15,767,459</u>	<u>\$ 3,129,286</u>

SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

STATEMENT OF ACTIVITIES – ACTUAL AND BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>ACTUAL</u>	<u>BUDGET (UNAUDITED)</u>	<u>VARIANCE</u>
Support and revenue:			
Donations	\$11,276,023	\$ 10,895,365	\$ 380,658
Third party insurance payments	8,263,480	7,913,389	350,091
Mutual aid income	-	-	-
Educational funds	85,524	-	85,524
Special events-fund raisers	43,623	80,000	(36,377)
Dispatch fees-communications center	436,006	400,000	36,006
Other income	38,602	-	38,602
Interest and dividend income	2,871	-	2,871
Unrealized gain (loss) on investments	(527)	-	(527)
Gain (loss) on sale of assets	<u>114,160</u>	<u>-</u>	<u>114,160</u>
Total support and revenue	<u>\$ 20,259,762</u>	<u>\$ 19,288,754</u>	<u>\$ 971,008</u>
Expenses:			
Salaries	\$ 9,851,647	\$ 10,105,365	\$ (253,718)
Employee health benefits	2,191,032	1,950,000	241,032
Accounting and legal	154,290	138,200	16,090
Bank and credit card charges	32,960	15,000	17,960
CCATTS program expenses	121,540	87,000	34,540
Communication center expenses	188,530	167,500	21,030
Contract labor	68,565	80,000	(11,435)
Dues	3,532	8,000	(4,468)
Education courses	66,747	28,000	38,747
Fundraising expenses	46,232	58,000	(11,768)
Insurance	714,431	800,000	(85,569)
Interest expense	308,821	320,000	(11,179)
Miscellaneous	86,216	80,800	5,416
Oil and gasoline	476,503	550,000	(73,497)
Pension expense	450,024	350,000	100,024
Postage	5,245	6,000	(755)
Printing and office	26,736	20,000	6,736
Recruit and advertising	19,677	18,000	1,677
Rent	42,800	37,000	5,800
Repairs and maintenance	440,569	330,000	110,569
Supplies	854,663	785,000	69,663
Taxes-other	-	-	-
Taxes-payroll	732,247	685,000	47,247
Telephone	180,894	165,000	15,894

SEE INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION.

CYPRESS CREEK EMERGENCY MEDICAL SERVICES ASSOCIATION

STATEMENT OF ACTIVITIES – ACTUAL AND BUDGET (CONT'D.)

FOR THE YEAR ENDED DECEMBER 31, 2014

Expenses (Cont'd)

	<u>ACTUAL</u>	<u>BUDGET (UNAUDITED)</u>	<u>VARIANCE</u>
Third party billing	622,220	602,000	20,220
Uniforms pins and gifts	44,411	45,000	(589)
Utilities	172,832	160,000	12,832
Volunteer expenses	<u>65,937</u>	<u>100,000</u>	<u>(34,063)</u>
Total expenses before depreciation	17,969,301	17,690,865	278,436
Depreciation expense	<u>927,444</u>	<u>864,000</u>	<u>63,444</u>
Total expenses	<u>18,896,745</u>	<u>18,554,865</u>	<u>341,880</u>
Change in net assets	<u>\$ 1,363,017</u>	<u>\$ 733,889</u>	<u>\$ 629,128</u>

SEE INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION.

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK