



FINANCIAL REPORT

JUNE 30, 2020



**WESTERN VIRGINIA EMERGENCY MEDICAL
SERVICES COUNCIL, INC.**

FINANCIAL REPORT

June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Western Virginia Emergency Medical Services Council, Inc.
Roanoke, Virginia

We have audited the accompanying financial statements of Western Virginia Emergency Medical Services Council, Inc. (the "Council") which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and cash flows for the years 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 Responsibilities

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 misstatements.

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 the internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not the purpose of expressing an opinion on the effectiveness of the Council'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 Western Virginia Emergency Medical Services Council, Inc. as of June 30, 2020 and 2019, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 12, 2020

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

STATEMENTS OF FINANCIAL POSITION

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and cash equivalents	\$ 399,309	\$ 261,016
Restricted cash	16,222	15,292
Accounts receivable	473,501	204,141
Prepaid expenses	11,433	6,126
Investments (Note 3)	340,162	412,627
	<u>1,240,627</u>	<u>899,202</u>
Total current assets	1,240,627	899,202
Land, buildings, and equipment, net (Note 4)	<u>582,076</u>	<u>610,610</u>
Total assets	<u>\$ 1,822,703</u>	<u>\$ 1,509,812</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 191,770	\$ 41,632
Accrued expenses (Note 10)	53,527	54,959
Deferred revenue	48,600	44,802
	<u>293,897</u>	<u>141,393</u>
Total liabilities	293,897	141,393
NET ASSETS		
Without donor restrictions	1,107,537	1,156,996
With donor restrictions (Note 5)	<u>421,269</u>	<u>211,423</u>
Total net assets	<u>1,528,806</u>	<u>1,368,419</u>
Total liabilities and net assets	<u>\$ 1,822,703</u>	<u>\$ 1,509,812</u>

The Notes to Financial Statements are an integral part of these statements.

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

STATEMENT OF ACTIVITIES

Year Ended June 30, 2020

	2020		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
State government	\$ 519,650	\$ -	\$ 519,650
Federal grant revenue	-	737,503	737,503
Local government (Note 7)	140,352	-	140,352
Symposium revenue (Note 11)	561,333	-	561,333
Other support and income	270,519	-	270,519
United Way organizations	2,027	-	2,027
Ryan Hubbard Scholarship	-	-	-
Unrealized and realized gains	23,869	-	23,869
Investment income	4,750	-	4,750
Net assets released from restrictions (Note 6)	527,657	(527,657)	-
	2,050,157	209,846	2,260,003
EXPENSES (Note 8)			
Program services	1,722,965	-	1,722,965
Management and general	376,651	-	376,651
	2,099,616	-	2,099,616
Change in net assets	(49,459)	209,846	160,387
NET ASSETS			
Beginning	1,156,996	211,423	1,368,419
Ending	\$ 1,107,537	\$ 421,269	\$ 1,528,806

The Notes to Financial Statements are an integral part of these statements.

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

STATEMENT OF ACTIVITIES

Year Ended June 30, 2019

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, AND OTHER SUPPORT			
State government	\$ 519,650	\$ -	\$ 519,650
Federal grant revenue	-	554,873	554,873
Local government (Note 7)	140,352	-	140,352
Symposium revenue (Note 11)	333,557	-	333,557
Other support and income	476,980	-	476,980
United Way organizations	1,559	-	1,559
Ryan Hubbard Scholarship	541	-	541
Unrealized and realized gains	14,922	-	14,922
Investment income	5,271	-	5,271
Net assets released from restrictions (Note 6)	538,944	(538,944)	-
	<u>2,031,776</u>	<u>15,929</u>	<u>2,047,705</u>
EXPENSES (Note 8)			
Program services	1,563,118	-	1,563,118
Management and general	369,405	-	369,405
	<u>1,932,523</u>	<u>-</u>	<u>1,932,523</u>
Change in net assets	99,253	15,929	115,182
NET ASSETS			
Beginning	<u>1,057,743</u>	<u>195,494</u>	<u>1,253,237</u>
Ending	<u>\$ 1,156,996</u>	<u>\$ 211,423</u>	<u>\$ 1,368,419</u>

The Notes to Financial Statements are an integral part of these statements.

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 160,387	\$ 115,182
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation expense	45,925	40,649
Unrealized and realized gains on investments	(23,869)	(14,922)
Change in certain operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(269,360)	70,879
Prepaid expense	(5,307)	17,336
Increase (decrease) in:		
Accounts payable	150,138	22,346
Accrued expenses	(1,432)	(10,762)
Deferred revenue	3,798	(108,624)
Net cash provided by operating activities	60,280	132,084
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(17,391)	(64,609)
Change in investments, net of proceeds from sales	96,334	(22,187)
Net cash provided by (used in) investing activities	78,943	(86,796)
Increase in cash and cash equivalents and restricted cash	139,223	45,288
TOTAL CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Beginning	276,308	231,020
Ending	\$ 415,531	\$ 276,308
As presented on the Statement of Financial Position:		
Cash and cash equivalents	\$ 399,309	\$ 261,016
Restricted cash	16,222	15,292
	\$ 415,531	\$ 276,308

The Notes to Financial Statements are an integral part of these statements.

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 1. Nature of Operations and Significant Accounting Policies

Nature of operations

Western Virginia Emergency Medical Services Council, Inc. (the “Council”) was organized in September 1975 as a not-for-profit, non-stock corporation under the applicable laws of the Commonwealth of Virginia. The purpose of the Council is to plan and implement a system for the arrangement of personnel, facilities, equipment, and supplies for the provision and delivery of health care services under emergency conditions. The Council serves the counties of Alleghany, Botetourt, Craig, Floyd, Franklin, Giles, Henry, Montgomery, Patrick, Pittsylvania, Pulaski, and Roanoke and the cities of Covington, Danville, Martinsville, Radford, Roanoke, and Salem.

Basis of financial statement presentation and accounting

The financial statements of the Council have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the 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.

The accompanying financial statements present information regarding the Council’s financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported in two classes as follows:

Net assets without donor restrictions are net assets available for use in general operations and not subject to donor restrictions. These net assets may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Revenues, gains, and losses that are not net assets with donor restrictions are included in this classification. Expenses are reported as decreases in this classification.

Net assets with donor restrictions are net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or that can be fulfilled by action of the Council pursuant to those stipulations. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates the resources be maintained in perpetuity. All donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

Cash and cash equivalents

The Council considers cash, money market accounts, and highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents. Cash equivalents are stated at cost, which approximates fair value. Cash held for long-term investment is classified as investments.

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Restricted cash

Restricted cash includes funds received by the Near Southwest Preparedness Alliance for the Bioterrorism Hospital Preparedness Program and not yet expended at year-end. This grant is further described in Note 5.

Accounts receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with customers and agencies having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values, as determined by quoted market prices, in the statements of financial position. Net unrealized and realized gains or losses are reflected in the statements of activities. The carrying value of the Council's investments will fluctuate with the financial markets. As a result, the value of such investments as of the date of this report may be materially different than year-end values.

Property and equipment

Cash or other assets whose use is restricted to acquire long-lived assets are recorded as assets with donor restrictions until the long-lived assets are acquired. Once placed into service, the net assets with donor restrictions are reclassified to net assets without donor restrictions.

Property and equipment is stated at cost or, if donated, at fair value at the date of donation, less accumulated depreciation. Depreciation is recorded using the straight-line method over estimated useful lives of the assets.

Equipment is removed from the records and any gain or loss is recognized at the time of disposal. Expenditures for acquisition, renewals, and replacements exceeding \$5,000 are capitalized. Maintenance and repair costs are charged to expense as incurred.

Deferred revenue

Deferred revenue principally represents grant proceeds received but not yet expended and tuition revenue collected yet not earned.

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs, such as salaries, benefits, utilities, supplies, and other generic operating expenses, have been allocated among the programs and supporting services benefited.

Fair value measurements

The Council carries investments at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, a market-based approach is used which establishes that fair value is based on the “highest and best use”. The Council categorizes its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy as reflected below. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 – Fair values are based on unadjusted quoted prices in active markets for identical assets or liabilities that management has the ability to access at the measurement date.

Level 2 – Fair values are based on inputs other than quoted prices in Level 1 that are either for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that were observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Fair values are based on unobservable inputs for the asset or liability where there is little, if any, market activity for the asset or liability at the measurement date.

Income taxes

The Council is classified as an exempt organization for federal income tax purposes under Section 501(c)(3) of the *Internal Revenue Code*.

Credit risk concentrations

Financial instruments which potentially subject the Council to concentrations of credit risk consist principally of cash and cash equivalents, accounts receivable, and investments. The Council places its cash with high-credit, quality financial institutions. A portion of the Council’s bank deposits are in excess of federally insured limits. Concentrations of credit risk with respect to accounts receivables occur due to the limited number of governmental and commercial accounts. Approximately 62% and 28% of accounts receivable at June 30, 2020 and 2019, respectively, were from the Council’s two largest funding sources.

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 2. Financial Assets and Liquidity Resources

As of June 30, 2020, financial assets due within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 399,309
Restricted cash	16,222
Accounts receivable, net	<u>473,501</u>
	<u>\$ 889,032</u>

The Organization maintains sufficient liquid assets in cash accounts to meet general expenditures as they become due. General expenditures are any direct and indirect costs to meet the mission if the Organization has available investments that could be accessed if needed (See Note 3).

Note 3. Investments

The Council's investments are reported at fair value in the accompanying statement of financial position. All investments are classified as net assets without donor restrictions at June 30, 2020 and 2019.

	Fair Value Measurements at Reporting Date Using:	
	Fair Value	Level 1
<u>June 30, 2020</u>		
Mutual funds	\$ <u>340,162</u>	\$ <u>340,162</u>
Total	\$ <u><u>340,162</u></u>	\$ <u><u>340,162</u></u>
<u>June 30, 2019</u>		
Mutual funds	\$ <u>412,627</u>	\$ <u>412,627</u>
Total	\$ <u><u>412,627</u></u>	\$ <u><u>412,627</u></u>

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 3. Investments (Continued)

The investments are comprised of two general components as follows:

	<u>2020</u>	<u>2019</u>
Controlled by and allocated at the discretion of the WVEMS Board of Directors	\$ 175,125	\$ 163,625
Dedicated to the Virginia EMS Symposium subject to oversight by the Virginia Department of Health Office of EMS	<u>165,037</u>	<u>249,002</u>
	<u>\$ 340,162</u>	<u>\$ 412,627</u>

Note 4. Land, Buildings, and Equipment

Land, buildings, and equipment consist of the following as of June 30:

	<u>Estimated Useful Life</u>	<u>2020</u>	<u>2019</u>
Land		\$ 201,600	\$ 201,600
Building	39 years	175,223	175,223
Building improvements	39 years	86,143	86,143
Communications equipment	5-10 years	180,427	180,427
Office equipment	5-10 years	46,995	52,920
Software	3 years	38,760	38,760
Miscellaneous equipment	5-10 years	356,587	342,397
Generator building and equipment	15-20 years	<u>16,672</u>	<u>16,672</u>
		1,102,407	1,094,142
Less accumulated depreciation		<u>(520,331)</u>	<u>(483,532)</u>
		<u>\$ 582,076</u>	<u>\$ 610,610</u>

Note 5. Federal Grants

The Near Southwest Preparedness Alliance (NSPA) is a division within the Council. NSPA has received a grant passed through the Virginia Department of Health from the Department of Health and Human Services. This grant is a cooperative agreement entitled The Bioterrorism Hospital Preparedness Program. Under this grant, NSPA is to establish a regional emergency preparedness infrastructure for health care institutions in Southwest Virginia. They are also to purchase equipment and pharmaceuticals, which remain the property of the health care institutions, and to provide training on the proper use of this equipment. At June 30, 2020 there was no amount due from the grantor. At June 30, 2019, the amount due from the grantor was \$8,655 representing 5% of accounts receivable at June 30, 2019. Net assets with donor restrictions under the grant were \$421,269 and \$211,423 as of June 30, 2020 and 2019, respectively.

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 6. Net Assets Released From Donor-Restrictions

Net assets during the years ended June 30 were released from donor-restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	<u>2020</u>	<u>2019</u>
Donor restrictions satisfied		
Instruction and operational support	\$ 527,657	\$ 538,944
	<u>\$ 527,657</u>	<u>\$ 538,944</u>

Note 7. Local Government Support

Local government support received by the Council is as follows:

	<u>2020</u>	<u>2019</u>
City of Roanoke	\$ 16,084	\$ 16,084
County of Montgomery	15,715	15,715
County of Roanoke	15,433	15,433
County of Pittsylvania	11,391	11,391
County of Franklin	10,362	10,362
City of Danville	8,528	8,528
County of Henry	7,518	7,518
County of Pulaski	7,352	7,352
County of Botetourt	6,722	6,722
City of Salem	5,973	5,973
County of Patrick	5,089	5,089
County of Giles	4,958	4,958
City of Radford	4,816	4,816
County of Alleghany	4,775	4,775
County of Floyd	4,639	4,639
City of Martinsville	4,435	4,435
City of Covington	3,335	3,335
County of Craig	3,227	3,227
	<u>\$ 140,352</u>	<u>\$ 140,352</u>

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 8. Operating Expenses

The table below presents expenses by both their nature and function:

	2020		
	Program Services	Management and General	Total
Salaries	\$ 261,620	\$ 240,658	\$ 502,278
NSPA expenses	524,600	-	524,600
VHHA expenses	3,057	-	3,057
Contracts for services	139,873	-	139,873
Symposium (Note 11)	520,896	19,500	540,396
Payroll tax and employee benefits	96,172	33,364	129,536
Salaries – education and testing	63,119	-	63,119
Special projects	18,293	-	18,293
Supplies and equipment	11,575	11,625	23,200
Depreciation	-	45,925	45,925
Utilities	16,221	-	16,221
Maintenance and repair	10,414	-	10,414
Travel, mileage, and lodging	7,956	3,073	11,029
Professional fees	9,205	-	9,205
Insurance	4,071	12,165	16,236
Telecommunications	8,960	7,124	16,084
Textbooks	13,608	-	13,608
Equipment rental	5,700	-	5,700
Staff development	1,030	409	1,439
Rent	6,778	-	6,778
Miscellaneous	21,616	-	21,616
Postage	118	801	919
Printing and publications	464	918	1,382
CISM conference and miscellaneous	1,069	-	1,069
Dues and membership	550	1,089	1,639
Inter-divisional rent	(24,000)	-	(24,000)
	<u>\$ 1,722,965</u>	<u>\$ 376,651</u>	<u>\$ 2,099,616</u>

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 8. Operating Expenses (Continued)

The table below presents expenses by both their nature and function: (Continued)

	2019		
	Program Services	Management and General	Total
Salaries	\$ 269,988	\$ 224,656	\$ 494,644
NSPA expenses	464,630	-	464,630
VHHA expenses	74,314	-	74,314
Contracts for services	192,640	-	192,640
Symposium (Note 11)	251,477	16,500	267,977
Payroll tax and employee benefits	93,341	45,661	139,002
Salaries – education and testing	89,462	-	89,462
CBA expenses	162	-	162
Special projects	10,077	-	10,077
Supplies and equipment	8,916	11,108	20,024
Depreciation	-	40,649	40,649
Utilities	16,684	-	16,684
Maintenance and repair	8,932	-	8,932
Travel, mileage, and lodging	8,457	3,267	11,724
Professional fees	10,868	-	10,868
Insurance	4,287	13,951	18,238
Telecommunications	7,762	6,427	14,189
Textbooks	35,273	-	35,273
Equipment rental	10,173	-	10,173
Staff development	4,167	1,564	5,731
Rent	6,778	-	6,778
Miscellaneous	16,042	-	16,042
Postage	255	1,528	1,783
Printing and publications	514	1,600	2,114
CISM conference and miscellaneous	1,529	-	1,529
Dues and membership	315	2,494	2,809
Scholarship expenses	75	-	75
Inter-divisional rent	(24,000)	-	(24,000)
	<u>\$ 1,563,118</u>	<u>\$ 369,405</u>	<u>\$ 1,932,523</u>

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Retirement Plan

The Council has a Simplified Employee Pension Plan covering all salaried employees who are at least 21 years of age, have received at least \$300 in compensation during the current year, and have completed one year of employment. This one year of employment is defined as having any portion of the year prior to the January 1 enrollment date. The Council contributes a 5% match of the employees' eligible contributions. The Council contributed \$28,740 and \$27,298 to the plan in 2020 and 2019, respectively.

Note 10. Compensated Absences

Each employee earns paid time off (PTO) in accordance with the Council's policies. At the end of each fiscal year, balances of PTO up to 200 hours are carried forward. At June 30, 2020 and 2019, the accrual for compensated balances was \$48,476 and \$46,414, respectively, and is included in accrued expenses on the statement of financial position.

Note 11. Symposium

The Council is responsible for the primary purpose of Alliance for Emergency Medical Education and Research (AEMER), the sponsorship of an annual education symposium for emergency medical providers in Virginia and elsewhere, and in particular for Virginia statewide emergency medical services.

Total revenues from the symposium for the year ended June 30, 2020 were \$561,333. Expenses incurred were:

	2020		
	Program Services	Management and General	Total
Conference center	\$ 142,316	\$ -	\$ 142,316
Symposium event manager	23,000	-	23,000
Supplies	13,770	-	13,770
Discounts	15,102	-	15,102
Professional services	-	19,500	19,500
Printing and publications	19,427	-	19,427
Participant material	19,467	-	19,467
Contract labor	74,307	-	74,307
Symposium entertainment	57,154	-	57,154
Symposium scholarship	10,000	-	10,000
Travel	70,363	-	70,363
Postage	18	-	18
Promotions	65,472	-	65,472
Planning	10,500	-	10,500
	<u>\$ 520,896</u>	<u>\$ 19,500</u>	<u>\$ 540,396</u>

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 11. Symposium (Continued)

Total revenues from the symposium for the year ended June 30, 2019 were \$333,557. Expenses incurred were:

	2019		
	Program Services	Management and General	Total
Conference center	\$ 5,000	\$ -	\$ 5,000
Symposium event manager	27,110	-	27,110
Supplies	23,154	-	23,154
Discounts	9,877	-	9,877
Professional services	-	16,500	16,500
Printing and publications	14,429	-	14,429
Participant material	240	-	240
Contract labor	49,372	-	49,372
Symposium entertainment	52,650	-	52,650
Symposium scholarship	5,000	-	5,000
Travel	64,595	-	64,595
Postage	50	-	50
	<u>\$ 251,477</u>	<u>\$ 16,500</u>	<u>\$ 267,977</u>

Note 12. COVID-19

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The COVID-19 outbreak in the United States has caused business disruptions through mandated and voluntary closing of higher education institutions. While the closings were temporary, there has been a change in the environment in how courses are delivered along with the implementation of various safety protocols.

In an effort to mitigate the potential impact the Council applied for and received a Paycheck Protection Program (“PPP”) loan of \$204,762 granted by the Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”). Under the program terms, PPP loans are forgiven and recognized as grant revenue if the loan proceeds are used to maintain compensation costs and employee headcount, and other qualifying expenses (mortgage interest, rent, and utilities) incurred following receipt of the loan. As of June 30, 2020, the Council has recognized \$172,237 of grant revenue related to the PPP loan, and the remaining balance is included as a liability on the statement of financial position. While the Council currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, we cannot assure eligibility for full forgiveness of the loan. Subsequent to year end, the Council expects to meet the criteria and recognize the remaining amount of grant revenue for the loan in 2021.

(Continued)

WESTERN VIRGINIA EMERGENCY MEDICAL SERVICES COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 13. Subsequent Events

Subsequent events have been evaluated through November 12, 2020, the date the financial statements were available to be issued.

In December 2019, a novel strain of coronavirus (COVID-19) was reported and the full impact of the outbreak continues to evolve as of the date of this report. The World Health Organization declared the outbreak a “Public Health Emergency of International Concern” on January 30, 2020. The Council’s operations have been affected by closures and stay at home orders issued in 2020 by government officials in response to the COVID-19 outbreak; however, the extent of the impact of COVID-19 on the Council’s operations will depend on the duration and spread of the outbreak, which is uncertain and cannot be predicted. The extent to which COVID-19 may impact financial activity cannot be reasonably estimated at this time.