



**BEXAR COUNTY
EMERGENCY SERVICES DISTRICT NO. 11**

ANNUAL FINANCIAL REPORT

**FISCAL YEAR ENDED
SEPTEMBER 30, 2024**



BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2024

DISTRICT OFFICIALS

PRESIDENT	JOHN TRUE
VICE PRESIDENT	JOHN BARRY STEVENS
TREASURER	EARLINE WILLIAMS
SECRETARY	RUDY HERRERA
ASSISTANT TREASURER	ROBERT BROWN
ATTORNEY	THE CARLTON LAW FIRM, PLLC



BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

District Commissioners
Bexar County Emergency Services District No. 11

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Bexar County Emergency Services District No. 11 as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Bexar County Emergency Services District No. 11'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 and each major fund of Bexar County Emergency Services District No. 11, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Bexar County Emergency Services District No. 11 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 obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Bexar County Emergency Services District No. 11's 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, 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 Bexar County Emergency Services District No. 11's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 Bexar County Emergency Services District No. 11'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bexar County Emergency Services District No. 11'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 Analysis, Budgetary Comparison Information, Schedule of Changes – Net Pension Liability and Related Ratios, the Schedule of Employer Contributions as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bexar County Emergency Services District No. 11, Texas', basic financial statements. The supplementary information (as listed in the table of contents) is presented for purpose of additional analysis and are not a required part of the basic financial statements.

The supplementary information (as listed in the table of contents) is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements are fairly stated, in all material respects, in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Armstrong, Vaughan & Associates, P.C." The signature is fluid and cursive, with "Armstrong" on the top line, "Vaughan" on the middle line, and "& Associates, P.C." on the bottom line.

Armstrong, Vaughan & Associates, P.C.
March 17, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Bexar County Emergency Services District No. 11's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended September 30, 2024. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position was \$9.3 million at September 30, 2024.
- During the year, the District's expenses were \$1.2 million less than the \$6 million generated in total revenue for governmental activities.
- The general fund reported a total fund balance this year of \$6.4 million. Of that, \$6.4 million is unrestricted. The decrease is primarily due to salary expenses increasing.
- The District completed it's new Fire Station for a total of \$7.9 million dollars.
- The District had two deployments during the fiscal year. The first was Smokehouse Creek and the second was for Winter Fire Weather. The District will be reimbursed \$25,413 for their contribution.

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 basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.

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 explains and supports 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-1, Required Components of the District's Annual Financial Report

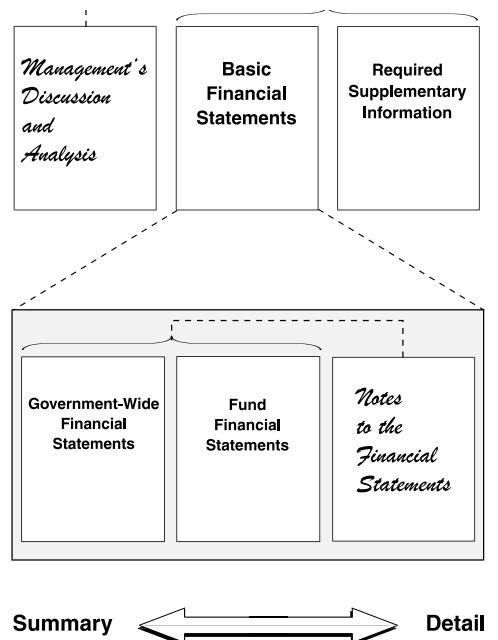


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of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

Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements		
Fund Statement		
<i>Type of Statements</i>	Government-wide	Governmental Funds
<i>Scope</i>	Entire District's government (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary.
<i>Required financial statements</i>	<ul style="list-style-type: none"> Statement of net position Statement of activities 	<ul style="list-style-type: none"> Balance Sheet Statement of Revenues, Expenditures & Changes in Fund Balances
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial 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.
<i>Type of inflow/outflow information</i>	All revenues and expenses during 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.

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets plus deferred outflows and liabilities plus deferred inflows. All of the current year's revenues and expenses are accounted for in the statement of 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, one needs to consider additional nonfinancial 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 Emergency Services and general administration. Property taxes and sales taxes finance most of these activities.

Fund Financial Statements

The District has the following kinds of funds:

- *Governmental funds*—All of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's net position was \$9.3 million at September 30, 2024. (See Table A-1)

Table A-1
Bexar County Emergency Services District No. 11 Net Position

	Governmental Activities		Total Percentage Change 2024-2023
	2024	2023	
Current Assets	\$ 6,663,499	\$ 9,252,992	-28%
Noncurrent Assets			
Property and Equipment	16,493,440	13,696,006	20%
Less: Accumulated Depreciation	(2,621,725)	(1,699,624)	54%
Net Pension Asset	6,392	-	100%
TOTAL ASSETS	<u>20,541,606</u>	<u>21,249,374</u>	-3%
 Deferred Outflows of Resources	 257,047	 228,471	 13%
 Current Liabilities	 1,099,590	 2,194,080	 -50%
Noncurrent Liabilities	<u>10,447,190</u>	<u>11,249,937</u>	<u>-7%</u>
Total Liabilities	<u>11,546,780</u>	<u>13,444,017</u>	<u>-14%</u>
 Deferred Inflows of Resources	 86	 97	 -11%
 Net Position	 2,721,012	 1,294,814	 110%
Investment in Capital Assets			
Restricted for:			
Net Pension Asset	6,392	-	100%
Debt Service	38,394	-	100%
Unrestricted	6,485,989	6,738,917	-4%
TOTAL NET POSITION	<u>\$ 9,251,787</u>	<u>\$ 8,033,731</u>	<u>15%</u>

Changes in Net position. The District's total revenues were \$6 million. A significant portion, 53% comes from sales taxes, 37% comes from property taxes, and 10% comes from all other sources.

The total cost of all programs and services was \$4.9 million.

Governmental Activities

- Property tax rates remained the same as the prior year at \$0.010000 per \$100 valuation. Assessed values of property increased resulting in increased tax revenues of \$233 thousand.

Table A-2
Changes in District's Net Position

	Governmental Activities		Total Percentage Change 2024-2023
	2024	2023	
General Revenues			
Property Taxes	\$ 2,198,705	\$ 1,965,304	12%
Sales Tax	3,148,203	2,911,931	8%
Interest Income	250,058	67,460	271%
Miscellaneous Income	53,056	14,151	275%
Operating Grants and Contributions	298,881	666,780	-55%
Capital Grants and Contributions	167,659	-	100%
Total Revenues	6,116,562	5,625,626	9%
Emergency Services	4,278,952	3,098,885	38%
General Government	315,388	294,739	7%
Interest Expense	304,166	467,750	-35%
Total Expenses	4,898,506	3,861,374	27%
Change in Net Position	1,218,056	1,764,252	-31%
Net Position at Beginning of Year	8,033,731	6,269,479	28%
Net Position at End of Year	\$ 9,251,787	\$ 8,033,731	15%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled \$6.1 million. The increase in local revenues is largely a result of higher property appraisals, and sales taxes.

General Fund Budgetary Highlights

The District budgeted \$7.6 million for expenditures in the general fund. Actual expenditures were \$1.1 million less than budget amounts in the general fund. Salaries and professional expenses were less than expected in the current year as the District begins to ramp up the budget in anticipation of the new station.

Revenues were \$615 thousand less than the final budget amount. The District anticipated more grant revenues, which were budgeted in miscellaneous, than were received.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024, the District had invested \$13.9 million, net of depreciation, in a broad range of capital assets, including land buildings, vehicles and equipment (See Table A-3). In 2024, the largest change in capital assets was related to the finished construction of Station 2, which was capitalized under buildings. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Table A-3
Capital Assets

	Governmental Activities		Total Percentage Change 2024-2023
	2024	2023	
Land	\$ 307,455	\$ 307,455	0%
Construction in Progress	-	5,744,202	-100%
Buildings	10,998,922	3,116,876	253%
Vehicles and Equipment	4,025,551	4,025,551	0%
Furniture and Fixtures	724,203	387,964	87%
Capital Improvements	437,309	113,958	284%
Less: Accumulated Depreciation	(2,621,725)	(1,699,624)	54%
Totals	\$ 13,871,715	\$ 11,996,382	16%

Long Term Debt

At the end of the fiscal year 2024, the District had \$11.1 million in outstanding debt as shown on Table A-4. More detailed information about the District's debt is presented in the notes to the financial statements.

Table A-4
Long-Term Debt

	Governmental Activities		Total Percentage Change 2024-2023
	2024	2023	
Notes Payable	\$ 11,150,703	\$ 11,951,568	-6.7%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2025 budget preparation provides an anticipated revenue generation of \$2.3 million. Total revenue was budgeted at \$6.5 million.
- General operating fund spending is expected to increase per the 2025 budget. Expenditures are anticipated to decrease from the actual 2024 expenditures by \$42 thousand.
- If these estimates are realized, the District's budgetary general fund balance is not expected to change.

FACTORS AFFECTING FINANCIAL CONDITION

The Insurance Service Office, Inc. (ISO) collects information on municipal fire-protection efforts in communities throughout the United States to help establish an appropriate fire insurance premium for residential and commercial properties based on fire-protection services. Using this information, municipal entities are assigned a Public Protection Classification from 1 to 10. Class 1 generally represents superior property fire protection, and Class 10 indicates that the area's fire-suppression program doesn't meet ISO's minimum criteria. Bexar County Emergency Services District No. 11 was given an ISO Protection Class 4 rating.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide Bexar County Emergency Services District No. 11 citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District Administrator by phone at (210) 467-5855.



BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
ANNUAL FINANCIAL REPORT
FOR YEAR ENDED SEPTEMBER 30, 2024

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board (GASB). The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
 - Governmental funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 STATEMENT OF NET POSITION
 SEPTEMBER 30, 2024

	Governmental Activities
ASSETS	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 5,032,165
Property Tax Receivable	58,198
Sales Tax Receivable	515,153
Bexar County Road Project Receivable	969,893
Deployment Receivable	48,623
Prepaid Expenses	39,467
<i>Total Current Assets</i>	<u>6,663,499</u>
<i>Noncurrent Assets:</i>	
<i>Property and Equipment:</i>	
Land	307,455
Buildings	10,998,922
Vehicles and Equipment	4,025,551
Furniture and Fixtures	724,203
Capital Improvements	437,309
Accumulated Depreciation	(2,621,725)
Net Pension Asset	6,392
<i>Total Noncurrent Assets</i>	<u>13,878,107</u>
TOTAL ASSETS	<u>20,541,606</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Related Outflows	<u>257,047</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 257,047</u>

The accompanying notes are an integral part of these statements.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 STATEMENT OF NET POSITION (CONTINUED)
 SEPTEMBER 30, 2024

	Governmental Activities
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 101,789
Accrued Interest Payable	146,051
Payroll Liabilities	81,741
Due within One Year	770,009
Total Current Liabilities	1,099,590
<i>NonCurrent Liabilities:</i>	
Compensated Absences	66,496
Due in more than One Year	10,380,694
Total Noncurrent Liabilities	10,447,190
TOTAL LIABILITIES	11,546,780
DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Related Inflows	86
TOTAL DEFERRED INFLOWS OF RESOURCES	86
NET POSITION	
Net Investment in Capital Assets, (net of related Debt)	2,721,012
Restricted For:	
Net Pension Asset	6,392
Debt Service	38,394
Unrestricted	6,485,989
TOTAL NET POSITION	\$ 9,251,787

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 STATEMENT OF ACTIVITIES
 FOR YEAR ENDED SEPTEMBER 30, 2024

Functions and Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net (Expenses), Revenues and Changes in Net Assets			
		Operating Grants and Contributions	Capital Grants and Contributions					
Primary Government:								
Governmental Activities:								
Emergency Services	\$4,278,952	\$ 298,881	\$ 167,659	\$ (3,812,412)				
General Administration	315,388	-	-	(315,388)				
Interest Expense	304,166	-	-	(304,166)				
Total Governmental Activities	<u>4,898,506</u>	<u>298,881</u>	<u>167,659</u>	<u>(4,431,966)</u>				
Total Primary Government	<u>\$4,898,506</u>	<u>\$ 298,881</u>	<u>\$ 167,659</u>		<u>(4,431,966)</u>			
General Revenues:								
General Property Taxes					2,198,705			
Sales Tax					3,148,203			
Interest Income					250,058			
Miscellaneous Income					53,056			
Total General Revenues					<u>5,650,022</u>			
Change in Net Position					1,218,056			
Net Position at Beginning of Year					<u>8,033,731</u>			
Net Position at End of Year					<u><u>\$ 9,251,787</u></u>			

The accompanying notes are an integral part of these statements.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2024

	<u>General Fund</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 5,032,165	\$ -	\$ 5,032,165
Property Taxes Receivable	44,380	13,818	58,198
Sales Tax receivable	515,153	-	515,153
Bexar County Road Receivable	969,893	-	969,893
Deployment Receivable	48,623	-	48,623
Prepaid Items	39,467	-	39,467
Due from Other Funds	<u>-</u>	<u>24,576</u>	<u>24,576</u>
TOTAL ASSETS	<u>\$ 6,649,681</u>	<u>\$ 38,394</u>	<u>\$ 6,688,075</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ 101,789	\$ -	\$ 101,789
Payroll Liabilities	81,741	-	81,741
Due to Other Funds	<u>24,576</u>	<u>-</u>	<u>24,576</u>
<i>Total Liabilities</i>	<u>208,106</u>	<u>-</u>	<u>208,106</u>
<i>Deferred Inflows of Resources:</i>			
Unavailable Property Tax Revenue	<u>44,380</u>	<u>13,818</u>	<u>58,198</u>
<i>Total Deferred Inflows of Resources</i>	<u>44,380</u>	<u>13,818</u>	<u>58,198</u>
<i>Fund Balance:</i>			
Nonspendable:			
Prepays	39,467	-	39,467
Unassigned	<u>6,357,728</u>	<u>24,576</u>	<u>6,382,304</u>
<i>Total Fund Balance</i>	<u>6,397,195</u>	<u>24,576</u>	<u>6,421,771</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 6,649,681</u>	<u>\$ 38,394</u>	<u>\$ 6,688,075</u>

The accompanying notes are an integral part of these statements.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

TOTAL FUND BALANCE - GOVERNMENTAL FUNDS	\$ 6,421,771
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Property taxes receivable assets are not available to pay current period expenditures and, therefore, are deferred in the funds statements.	58,198
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,871,715
Accrued vacation leave payable is not due and payable in the current period and, therefore, is not reported in the funds.	(66,496)
Long-term notes payable are not due in the current period and therefore, are not reported in the funds.	
Notes Payable	(11,150,703)
Accrued Interest Payable	<u>(146,051)</u>
	(11,296,754)
Net pension assets (and related deferred outflows and inflows of resources) do not provide current financial resources and are not reported in the funds.	
Net Pension Asset (Liability)	6,392
Pension Related Deferred Inflows	(86)
Pension Related Deferred Outflows	<u>257,047</u>
	<u>263,353</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	<u>\$ 9,251,787</u>

The accompanying notes are an integral part of these statements.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Debt Service	Total
REVENUES			
Property Taxes	\$ 1,069,118	\$ 1,117,217	\$ 2,186,335
Sales Tax	3,148,203	-	3,148,203
Interest Income	250,058	-	250,058
Grants and Contributions	417,916	-	417,916
Charge for Services	48,623	-	48,623
Miscellaneous Income	53,056	-	53,056
TOTAL REVENUES	4,986,974	1,117,217	6,104,191
EXPENDITURES			
Current:			
Emergency Services	3,373,902	-	3,373,902
Administrative	316,891	-	316,891
Capital Outlay	2,797,434	-	2,797,434
Debt Service:			
Principal	-	800,865	800,865
Interest Fees	-	323,219	323,219
TOTAL EXPENDITURES	6,488,227	1,124,084	7,612,311
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(1,501,253)</u>	<u>(6,867)</u>	<u>(1,508,120)</u>
Fund Balance at Beginning of Year	7,898,448	31,443	7,929,891
Fund Balance at End of Year	\$ 6,397,195	\$ 24,576	\$ 6,421,771

The accompanying notes are an integral part of these statements.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE
GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$(1,508,120)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	2,797,434	
Depreciation	<u>(922,101)</u>	1,875,333

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. The changes are as follows:

Property Taxes Not Available for Current Period	12,370

The issuance of long-term debt (e.g. notes payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the net effect of these differences in the treatment of long-term debt and related items.

Principal Repayments	800,865

The governmental funds report pension contributions as expenditures when paid. However, the statement of activities records pension expense based on the actuarial projected cost of the plan. This amount represents the difference between amounts paid into the plan and the actuarial cost.

37,465

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated Absences	(20,412)
Accrued Interest Payable	<u>20,555</u>
	<u>143</u>

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 1,218,056

NOTES TO BASIC FINANCIAL STATEMENTS

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Bexar County Emergency Services District No. 11 is a political subdivision of the State of Texas and was created by the Bexar County Commissioners' Court after a Public Election on May 10, 2008. The District was created to provide emergency services and promote public safety, welfare, health and convenience of persons residing in the District.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

A. THE FINANCIAL REPORTING ENTITY

In evaluating how to define the government for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14, "The Financial Reporting Entity." The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Based on the foregoing criteria, there was no component units identified that would require inclusion in this report.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The **government-wide financial statements** include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the District. Governmental activities are supported mainly by property taxes.

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate **fund financial statements** are provided for governmental funds. The General Fund and Debt Service Fund meet the criteria of a **major governmental fund**.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Property taxes are recognized in the year for which they are levied. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as *program revenues* and *general revenues*. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs and investment earnings.

Governmental fund level financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Property taxes which were levied prior to September 30, 2023, and became due October 01, 2023 have been assessed to finance the budget of the fiscal year beginning October 01, 2023.

Expenditures generally are recorded when an expense is incurred; however, expenditures related to compensated absences and claims and judgments are recorded only when the liability has matured and payment is due.

The government reports the following major governmental funds:

The General Fund is the general operating fund of the District and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes and investment of idle funds. Primary expenditures are for general administration and emergency services.

The Debt Service Fund is used to account for resources and expenditures relating to principal and interest payments on outstanding debt.

D. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash deposits and investments with a maturity date within three (3) months of the date acquired by the District.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. INVESTMENTS

State statutes authorize the District to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d); or, (e). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. The District has all its monies in interest bearing checking accounts, savings accounts, money market accounts or certificates of deposit. Earnings from these investments are added to each account monthly or quarterly.

F. ACCOUNTS RECEIVABLE

Accounts receivable are reported net of allowances for uncollectible accounts. The allowance account represents management's estimate of uncollectible accounts based on historical trends. The District has not established an allowance for uncollectible receivables as of September 30, 2024.

Property taxes are levied based on taxable value at January 1 and become due October 1 and past due after the following January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property taxes receivable for prior year's levy is shown net of the allowance for doubtful accounts.

G. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

H. CAPITAL ASSETS

Capital assets, which include land; buildings and improvements; and equipment and vehicles, are reported in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$1,000 or more and a useful life greater than one year. Donated capital assets are recorded at estimated fair market value at the date of donation.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. CAPITAL ASSETS (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Fire Stations (Buildings)	25
Fire Fighting Equipment	7-10
Fire Trucks	5-12.5

Land and construction in progress are not depreciated.

I. LONG-TERM OBLIGATIONS

Debt is defined as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For this purpose, debt does not include leases, except for contracts reported as a financed purchase of the underlying asset, or accounts payable. In the current year, the District adopted a new GASB standard that establishes new note disclosure requirements for long-term debt, including direct borrowings and placement. See additional detail in Note 5.

In government-wide financial statements, long-term debt and other long-term obligations (if any) are reported as liabilities under governmental activities. Bond premiums and discounts are amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize debt proceeds during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently has pension deferred outflows of resources.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES (CONTINUED)

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified basis of accounting. Unavailable revenues from property tax are deferred and recognized as an inflow of resources in the period the amounts become available. The District also has pension related deferred inflows.

Property tax revenues and deployment revenues are recognized when they become both measurable and available in the fund statements. Available means when due or past due, and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue not expected to be available for the current period are reflected as deferred inflows. Deployment revenues not reimbursed within 60 days of year end are reflected as deferred inflows. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Unavailable revenues from property tax and deployment reimbursements are deferred and recognized as inflow of resources in the period the amounts becomes available.

K. COMPENSATED ABSENCES

The District permits employees to accumulate earned but unused vacation pay benefits up to certain limits. Upon resignation, an employee may receive pay for any unused accrued vacation provided. Upon resignation or termination, a maximum of 168 hours for shift employees and 104 hours for non-shift employees of unused accrued vacation leave will be paid provided the employee gives sufficient notice of planned separation and all issued equipment and uniforms have been returned to the District.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

L. PENSIONS

The net pension liability (Asset), deferred inflows and outflows of resources related to pensions and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS), and additions to and deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. FUND EQUITY

Fund balances in governmental funds are classified as follows:

Nonspendable – Represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted – Represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed – Represents amounts that can only be used for a specific purpose because of a formal action by the District Commissioners. Committed amounts cannot be used for any other purpose unless the District Commissioners removes those constraints through the same formal action.

Assigned – Represents amounts which the District intends to use for a specific purpose but do not meet the criteria of restricted or committed. The District Commissioners are the only entities that may make assignments at this time.

Unassigned – Represents the residual balance that may be spent on any other purpose of the District.

The District has not adopted a policy determining the order of availability.

N. NET POSITION

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

O. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles 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.

P. RECLASSIFICATIONS

Certain reclassifications have been made to the prior periods presented to conform to the current presentation. These reclassifications had no effect on fund equity.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 2 -- CASH AND CASH INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledge securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash

As of September 30, 2024, the District's deposits were fully collateralized.

2. Investments

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

The District had no investments at September 30, 2024.

3. Analysis of Specific Deposits and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the specific investment risks at year end and if so, the reporting of certain related disclosures. The District has analyzed its investment risks and determined that for the year ending September 30, 2024 the District was not exposed to any significant risks.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2024

NOTE 3 -- AD VALOREM (PROPERTY) TAXES

The District has contracted with the Bexar County Tax Assessor-Collector to collect taxes on its behalf. Current year taxes become delinquent February 1. Current year delinquent taxes not paid by July 1 are turned over to attorneys for collection action.

For fiscal year 2024, the assessed tax rate for the District was \$.1000 per \$100 on an assessed valuation of \$2,254,681,755. The tax rate is split \$0.0489000 for general maintenance and operations and \$0.051100 for interest and sinking. Total tax levy for fiscal year 2024 was \$2,254,682. As of September 30, 2024, the delinquent current taxes were \$27,041.

NOTE 4 -- CAPITAL ASSETS

Capital asset activity for the District for the year ended September 30, 2024 is as follows:

Governmental Activities	Adjustments			Ending Balance
	Beginning Balance	Additions	and Disposals	
Land	\$ 307,455	\$ -	\$ -	\$ 307,455
Construction in Progress	5,744,202	-	(5,744,202)	-
Buildings	3,116,876	2,213,277	5,668,769	10,998,922
Vehicles and Equipment	4,025,551	-	-	4,025,551
Furniture and Fixtures	387,964	323,083	13,156	724,203
Capital Improvements	113,958	261,074	62,277	437,309
Less: Accumulated Depreciation	(1,699,624)	(922,101)	-	(2,621,725)
	<u>\$ 11,996,382</u>	<u>\$ 1,875,333</u>	<u>\$ -</u>	<u>\$ 13,871,715</u>

The entire depreciation expense is recorded in the Emergency Services function.

Land is not depreciated.

NOTE 5 -- NOTES PAYABLE

On June 7, 2017, the District entered into an agreement with Government Capital Corporation for the purchase of a new station for \$3,200,000. The District will make 20 payments of \$221,504, starting on June 7, 2018 and ending June 7, 2037. The note carries a 3.32% interest rate and is secured by ad valorem.

On October 1, 2018, the District entered into an agreement with Government Capital Corporation for the purchase of two fire apparatus and 1 first responder vehicle for \$500,000. The District will make 10 payments of \$61,492, starting on October 1, 2019 and ending October 1, 2028. The note carries a 3.95% interest rate and is secured by the vehicles.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2024

NOTE 5 -- NOTES PAYABLE (CONTINUED)

On April 23, 2020, the District entered into an agreement with Government Capital Corporation for the purchase of a 2019 demo KME pumper truck for \$527,000. The District will make 5 payments of \$113,700, starting on April 30, 2021 and ending April 30, 2025. The note carries a 2.581% interest rate and is secured by the vehicle.

On January 20, 2022, the District entered into an agreement with Government Capital Corporation for the purchase of a pierce pumper for \$2,353,058. The District will make 10 payments of \$266,764, starting on February 25, 2023 and ending February 25, 2032. The note carries a 2.349% interest rate and is secured by the vehicle and ad valorem tax.

On January 20, 2022, the District entered into an agreement with Government Capital Corporation for the construction of a new station for \$7,146,942. The District will make 20 payments of \$460,624, starting on March 10, 2023 and ending March 10, 2042. The note carries a 2.55% interest rate and is secured by ad valorem tax.

A summary of long term debt outstanding as of September 30, 2024, is as follows:

Governmental Activities	Beginning			Ending	Due
	Balance	Additions	Retirements	Balance	Within
					One Year
<i>Notes Payable:</i>					
Loan #8360	\$ 274,137	\$ -	\$ (50,664)	\$ 223,473	\$ -
Loan #9058	218,889	-	(108,050)	110,839	110,839
Loan #7721	2,448,410	-	(140,217)	2,308,193	144,872
Loan #9844	2,141,567	-	(216,459)	1,925,108	221,543
Loan #9845	6,868,565	-	(285,475)	6,583,090	292,755
<i>Total Notes Payable:</i>	<u>\$11,951,568</u>	<u>\$ -</u>	<u>\$ (800,865)</u>	<u>\$11,150,703</u>	<u>\$ 770,009</u>

The Annual requirements to amortize notes payable outstanding as of September 30, 2024, including the interest payments, are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 770,009	\$ 292,582	\$ 1,062,591
2026	729,314	281,070	1,010,384
2027	749,346	261,038	1,010,384
2028	769,945	240,439	1,010,384
2029	791,128	219,256	1,010,384
2030-2034	3,422,541	788,390	4,210,931
2035-2039	2,604,139	363,492	2,967,631
2040-2044	1,314,281	67,591	1,381,872
<i>Total Debt Payments</i>	<u>\$11,150,703</u>	<u>\$2,513,858</u>	<u>\$13,664,561</u>

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE'S RETIREMENT SYSTEM

Texas County and District Retirement System

Plan Description

The District participates as one of over 869 plans in the nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is an agency created by the state of Texas and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for County and District employees in the State of Texas. The Board of Trustees of TCDRS is responsible for the administration and management of the system. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at PO Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the District, within the options available in the State statutes governing TCDRS. Members can retire at age 60 and above with 8 or more years of service or with 20 years regardless of age or when the sum of their age and years of service equals 75 or more. A member is vested after 10 years but must leave his accumulated contributions in the plan. Members who withdraw their personal contributions in a partial lump sum are entitled to any amounts contributed by the employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the District within the actuarial constraints imposed by the TCDRS Act so the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute.

At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Contributions

The District has elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the District is actuarially determined annually. The District contributed using the actuarially determined rate of 11.99% for calendar year 2023, and 12.10% for calendar year in 2024. For the year ending September 30, 2024, the District contributed \$205,807 which equaled the required contributions.

The contribution rate payable by the employee members is 7% as adopted by the governing body of the District. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the District-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the December 31, valuation and measurement date, the following employees were covered by the benefit terms:

	2022	2023
Active employees	27	27
Inactive Employees Entitled to but Not Yet Receiving Benefits	3	7
Inactive Employees or Beneficiaries Currently Receiving Benefits	-	-
	<u>30</u>	<u>34</u>

Net Pension Liability

The District's Net Pension Liability (Asset) (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Asset in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Real Rate of Return	5.00%
Inflation	2.50%
Investment Rate of Return*	7.50%

*Presented net of pension plan investment expense, including inflation

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Actuarial Assumptions (Continued)

Depositing Members	135% of the RP-2010 Active Employee Mortality Table for males and 120% of the RP-2010 Active Employee Mortality Table for females, projected with 100% of the MP-2021 Ultimate scale after 2010.
Service Retirees, Beneficiaries and Non-Depositing Members	135% of the RP-2010 Healthy Annuitant Mortality Table for males and 120% of the RP-2010 Healthy Annuitant Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled Retirees	160% of the RP-2010 Disabled Annuitant Mortality Table for males and 125% of the RP-2010 Disabled Mortality Table for females, both projected with 100% of the MP-2021 Ultimate Scale after 2010.

Actuarial Assumptions are reviewed annually. Updated mortality assumptions were adopted in 2017. All other actuarial assumptions that determine the total pension liability as of December 31, 2025 were based on the results of an actuarial experience study for the period January 1, 2021 – December 31, 2024, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.50%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultation, Cliffwater LLC. The numbers shown are based on the January 2021 information for a 10 year time horizon.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Actuarial Assumptions (Continued)

Note that the valuation assumption for long-term expected return is reassessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in March 2024. See Milliman's TCDRS Investigation of Experience report for the period of January 1, 2021 – December 31, 2024 for more details.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected Minus Inflation)
US Equities	11.50%	4.75%
Global Equities	2.50%	4.75%
Int'l Equities - Developed Markets	5.00%	4.75%
Int'l Equities - Emerging Markets	6.00%	4.75%
Investment-Grade Bonds	3.00%	2.35%
Strategic Credit	9.00%	3.65%
Direct Lending	16.00%	7.25%
Distressed Debt	4.00%	6.90%
REIT Equities	2.00%	4.10%
Master Limited Partnerships (MLPs)	2.00%	5.20%
Private Real Estate Partnerships	6.00%	5.70%
Private Equity	25.00%	7.75%
Hedge Funds	6.00%	3.25%
Cash Equivalents	2.00%	0.60%
	<u><u>100.00%</u></u>	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Discount Rate Sensitivity Analysis

The following presents the net pension liability (asset) of the District, calculated using the discount rate of 7.60%, as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.60%) or 1-percentage point higher (8.60%) than the current rate:

	Discount Rate	Discount Rate	Discount Rate
	6.60%	7.60%	8.60%
Total Pension Asset	\$ 852,273	\$ 688,600	\$ 561,235
Fiduciary Net Position	<u>694,992</u>	<u>694,992</u>	<u>694,992</u>
Net Pension Liability (Asset)	<u><u>\$ 157,281</u></u>	<u><u>\$ (6,392)</u></u>	<u><u>\$ (133,757)</u></u>

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended September 30, 2024, the District recognized pension expense of \$37,465. Also as of September 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 79,042	\$ -
Changes in Actuarial Assumptions	-	86
Differences Between Projected and Actual Investment Earnings	21,213	-
Contributions Subsequent to the Measurement Date	<u>156,792</u>	<u>-</u>
	<u><u>\$ 257,047</u></u>	<u><u>\$ 86</u></u>

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
 SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Deferred outflows of resources in the amount of \$156,792 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>For the Year ended December 31,</u>	<u>Net Deferred Outflows (Inflows of Resources</u>
2024	\$ 15,342
2025	15,341
2026	16,569
2027	7,921
2028	8,490
Thereafter	<u>36,506</u>
	<u><u>\$ 100,169</u></u>

Changes in Net Pension Liability (Asset)

The below schedule presents the changes in the Net Pension Liability (Asset) as of December 31, 2023:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at December 31, 2022	<u>\$ 343,869</u>	<u>\$ 341,383</u>	<u>\$ 2,486</u>
Charges for the year:			
Service Cost	270,154	-	270,154
Interest on Total Pension Liability	46,666	-	46,666
Change in Annuity Purchase Rates	-	-	-
Difference Between Expected and Actual Experience	27,911	-	27,911
Changes of Assumptions	-	-	-
Refund of Contributions	-	-	-
Contributions - Employer	-	(363)	363
Contributions - Employee	-	110,003	(110,003)
Net Investment Income	-	40,471	(40,471)
Benefit Payments	-	-	-
Administrative Expense	-	188,420	(188,420)
Other Charges	-	15,078	(15,078)
Net Charges	<u>344,731</u>	<u>353,609</u>	<u>(8,878)</u>
Balance at December 31, 2023	<u><u>\$ 688,600</u></u>	<u><u>\$ 694,992</u></u>	<u><u>\$ (6,392)</u></u>

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO BASIC FINANCIAL STATEMENTS (CONT.)
SEPTEMBER 30, 2024

NOTE 6 -- EMPLOYEE RETIREMENT SYSTEM (CONTINUED)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issues TCDRS financial report. That report may be obtained at www.tcdrs.com.

NOTE 7 -- GROUP TERM LIFE FUND

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); this insurance is for active employees who are making deposits into the TCDRS system or have made the last deposit within the past two years. The total contributed in fiscal year 2023 and fiscal year 2024 was \$2,181 and \$1,475 respectively.

NOTE 8 -- CONTINGENT LIABILITIES

Litigation

The District is not aware of any pending or threatened litigation.

NOTE 9 -- RISK MANAGEMENT

The Bexar County Emergency Services District No. 11, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To cover this risk the District contracts with Volunteer Firemen's Insurance Service (VFIS) to provide insurance coverage for Property/Casualty. Workers Compensation coverage is provided through Texas Mutual. Contributions are set by Texas Mutual based on actual wages.



REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Funds
- Notes to the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
- Schedule of Changes – Net Pension Liability (Asset) and Related Ratios
- Schedule of Contributions and Notes to Schedule of Changes – Net Pension Liability and Related Ratios

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
 REQUIRED SUPPLEMENTARY INFORMATION
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCES - BUDGET AND ACTUAL
 GENERAL FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2024
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDING SEPTEMBER 30, 2023

	Budget Amounts			Variance	
	Original	Final	Actual	Favorable	
				(Unfavorable)	2023
REVENUES					
Property Taxes	\$ 797,751	\$ 797,751	\$ 1,069,118	\$ 271,367	\$ 806,452
Sales Tax	2,340,000	2,336,669	3,148,203	811,534	2,911,931
Interest	4,000	4,000	250,058	246,058	67,460
Grants and Contributions	-	-	417,916	417,916	666,780
Charge for Services	-	-	48,623	48,623	-
Miscellaneous Income	2,464,030	2,464,030	53,056	(2,410,974)	14,151
TOTAL REVENUES	5,605,781	5,602,450	4,986,974	(615,476)	4,466,774
EXPENDITURES					
Current:					
Emergency Services	3,972,797	4,159,279	3,373,902	785,377	2,740,089
Administrative	588,683	628,552	316,891	311,661	245,296
Capital Outlay	2,797,434	2,797,434	2,797,434	-	5,324,723
TOTAL EXPENDITURES	7,358,914	7,585,265	6,488,227	1,097,038	8,310,108
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(1,753,133)	(1,982,815)	(1,501,253)	481,562	(3,843,334)
Net Change in Fund Balance	(1,753,133)	(1,982,815)	(1,501,253)	481,562	(3,843,334)
Fund Balance - Beginning	7,898,448	7,898,448	7,898,448	-	11,741,782
Fund Balance - Ending	\$ 6,145,315	\$ 5,915,633	\$ 6,397,195	\$ 481,562	\$ 7,898,448

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
SEPTEMBER 30, 2024

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The District maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board and as such is a good management control device. The General Fund and Debt Service Fund have legally adopted budgets.

The District does not use encumbrances.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS
LAST THREE CALENDAR YEARS

Total Pension Liability			
	2021	2022	2023
Service Cost	\$ 80,516	\$ 172,092	\$ 270,154
Interest on Total Pension Liability	6,119	19,659	46,666
Change in Annuity Purchase Rates	-	-	-
Difference Between Expected and Actual Experience	61	65,541	27,911
Changes of Assumptions	(119)	-	-
Refund of Contributions	-	-	-
Benefit Payments	-	-	-
Net Change in Total Pension Liability	<u>86,577</u>	<u>257,292</u>	<u>344,731</u>
Total Pension Liability - Beginning	<u>-</u>	<u>86,577</u>	<u>343,869</u>
Total Pension Liabiltiy - Ending	<u>\$ 86,577</u>	<u>\$ 343,869</u>	<u>\$ 688,600</u>
Plan Fiduciary Net Position			
	2021	2022	2023
Contributions - Employer	\$ 51,612	\$ 155,690	\$ 188,420
Contributions - Employee	28,561	86,153	110,003
Net Investment Income	9,215	(25,994)	40,471
Other	2,271	34,125	15,076
Refund of Contributions	-	-	-
Benefit Payments	-	-	-
Administrative Expense	<u>(50)</u>	<u>(200)</u>	<u>(363)</u>
Net Change in Plan Fiduciary Net Position	<u>91,609</u>	<u>249,774</u>	<u>353,607</u>
Plan Fiduciary Net Position - Beginning	<u>-</u>	<u>91,609</u>	<u>341,383</u>
Plan Fiduciary Net Position - Ending	<u>\$ 91,609</u>	<u>\$ 341,383</u>	<u>\$ 694,990</u>
Net Pension Liability (Asset) - Ending	\$ (5,032)	\$ 2,486	\$ (6,392)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.81%	99.28%	101%
Covered Payroll	\$ 408,002	\$ 1,230,751	\$ 1,571,476
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-1.23%	0.20%	-0.41%

Note: The schedule above reflects the changes in the net pension liability for the current year, and two previous calendar years. GASB Statement No. 68 requires 10 fiscal years of data to be provided in this schedule. The District will build the schedule over the 10-year period beginning December 31, 2021 as data become available.

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
SCHEDULE OF CONTRIBUTIONS
LAST FOUR FISCAL YEARS

	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 51,612	\$ 155,690	\$ 188,420	\$ 205,807
Contributions in Relation to the				
Actuarially Determined Contribution	51,612	155,690	188,420	205,807
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,120,973	\$ 1,532,192	\$ 1,701,251	\$ 1,716,910
Contributions as a Percentage of				
Covered Payroll	4.60%	10.16%	11.08%	11.99%

This schedule is presented to illustrate the requirements for 10 years. The District will build this schedule over the 10-year period beginning December 31, 2021 as data becomes available.

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	18.8 years (based on contribution rate calculated in 12/31/23 valuation)
Asset Valuation Method	5 year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.5%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of RP-2010 Healthy Annuitant Mortality Table for males and 120% of the RP-2010 Healthy Annuitant Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Plan Provisions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Assumptions Reflected in the Schedule	2022: No changes in plan provisions were reflected in the schedule. 2023: No changes in plan provisions were reflected in the schedule.

SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules which are not required by GASB, nor a part of the basic financial statements.

Such statements and schedule include:

- General Fund – Comparative Balance Sheets
- Debt Service Fund – Comparative Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
COMPARATIVE BALANCE SHEETS - GENERAL FUND
SEPTEMBER 30, 2024 AND 2023

	2024	2023
ASSETS		
Cash and Cash Equivalents	\$ 5,032,165	\$ 6,734,068
Restricted Cash - Capital Projects	-	1,250,000
Property Taxes Receivable	44,380	36,108
Sales Tax Receivable	515,153	469,611
Bexar County Road Receivable	969,893	719,636
Call Reimbursement Receivable	48,623	-
Accrued Interest	-	5,392
Prepaid Expenses	39,467	28,457
TOTAL ASSETS	<u>\$ 6,649,681</u>	<u>\$ 9,243,272</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 101,789	\$ 611,938
Retainage Payable	-	572,962
Due to Other Funds	24,576	31,443
Payroll Liabilities	81,741	92,373
<i>Total Liabilities</i>	<u>208,106</u>	<u>1,308,716</u>
<i>Deferred Inflows of Resources:</i>		
Unavailable Property Tax Revenue	44,380	36,108
<i>Total Deferred Inflows of Resources</i>	<u>44,380</u>	<u>36,108</u>
<i>Fund Balance:</i>		
Nonspendable:		
Prepays	39,467	28,457
Unassigned	6,357,728	7,869,991
<i>Total Fund Balance</i>	<u>6,397,195</u>	<u>7,898,448</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND RESOURCES AND FUND BALANCES	<u>\$ 6,649,681</u>	<u>\$ 9,243,272</u>

BEXAR COUNTY EMERGENCY SERVICES DISTRICT NO. 11
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		2024	Variance With Final Budget -
	Original	Final	Actual	Positive (Negative)
REVENUES				
Property Taxes	\$ 1,143,249	\$ 1,143,249	\$ 1,117,217	\$ (26,032)
TOTAL REVENUES	1,143,249	1,143,249	1,117,217	(26,032)
EXPENDITURES				
<i>Debt Service:</i>				
Principal	800,865	800,865	800,865	-
Interest and Fiscal Charges	323,219	323,219	323,219	-
TOTAL EXPENDITURES	1,124,084	1,124,084	1,124,084	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,165	19,165	(6,867)	(26,032)
Net Change in Fund Balance	19,165	19,165	(6,867)	(26,032)
FUND BALANCE - BEGINNING	31,443	31,443	31,443	-
FUND BALANCE - ENDING	\$ 50,608	\$ 50,608	\$ 24,576	\$ (26,032)