

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1

BELL COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2025

McCALL GIBSON SWEDLUND BARFOOT ELLIS PLLC
Certified Public Accountants

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McCall Gibson Swedlund Barfoot Ellis PLLC

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Bell County Emergency
Services District No. 1
Bell County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of Bell County Emergency Services District No. 1 (the "District") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District'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 major fund of the District as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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 and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund, the Schedule of Changes in Net Pension Asset and Related Ratios, the Schedule of District Contributions, Schedule of Changes in total Postemployment Benefits, and Schedule of District Contributions Other Postemployment Benefits be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. Other Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide an assurance, 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, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McCall Gibson Swedlund Barfoot Ellis PLLC

McCall Gibson Swedlund Barfoot Ellis PLLC
Certified Public Accountants
Houston, Texas

February 19, 2026

**BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTMEBER 30, 2025**

Management’s discussion and analysis of Bell County Emergency Services District No. 1’s (the “District”) financial performance provides an overview of the District’s financial activities for the year ended September 30, 2025. Please read it in conjunction with the District’s financial statements.

USING THIS ANNUAL REPORT –

This annual report consists of a series of financial statements. The basic financial statements include: (1) fund financial statements and government-wide financial statements and (2) notes to the financial statements. The fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District’s annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District’s overall status. Financial reporting at this level uses a perspective like that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all the District’s assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District’s net position changed during the current fiscal period. All current year revenues and expenses are included regardless of when cash is received or paid.

**BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTMEBER 30, 2025**

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one governmental fund type. The General Fund accounts for resources not accounted for in another fund, property tax revenues, costs of assessing and collecting taxes, and emergency services and administrative expenditures.

Governmental funds are reported in each of the financial statements. The focus in the fund financial statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. The budgetary comparison schedule is included as RSI for the General Fund. In addition, the Schedule of Changes in Net Pension Asset and Related Ratios and the Schedule of District Contributions-Pensions are included as RSI.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$4,721,754 as of September 30, 2025.

A portion of the District's net position reflects its net investment in capital assets (vehicles and equipment and furniture and equipment, less any debt used to acquire those assets that is still outstanding).

**BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTMEBER 30, 2025**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following is a comparative analysis of government-wide changes in net position:

	<u>Summary of Changes in the Statement of Net Position</u>		
	<u>2025</u>	<u>2024</u>	<u>Change Positive (Negative)</u>
Current and Other Assets	\$ 3,270,240	\$ 2,599,482	\$ 670,758
Right-of-Use Asset	600,384		600,384
Capital Assets (Net of Accumulated Depreciation)	<u>2,487,462</u>	<u>2,518,124</u>	<u>(30,662)</u>
Total Assets	<u>\$ 6,358,086</u>	<u>\$ 5,117,606</u>	<u>\$ 1,240,480</u>
Deferred Outflows of Resources	<u>\$ 79,462</u>	<u>\$ -0-</u>	<u>\$ 79,462</u>
Long-Term Liabilities	<u>\$ 1,156,857</u>	<u>\$ 1,121,019</u>	<u>\$ (35,838)</u>
Other Liabilities	<u>558,937</u>	<u>347,202</u>	<u>(211,735)</u>
Total Liabilities	<u>\$ 1,715,794</u>	<u>\$ 1,468,221</u>	<u>\$ (247,573)</u>
Net Position:			
Investment in Capital Assets	<u>\$ 1,529,670</u>	<u>\$ 1,090,363</u>	<u>\$ 439,307</u>
Unrestricted	<u>3,192,084</u>	<u>2,559,022</u>	<u>633,062</u>
Total Net Position	<u>\$ 4,721,754</u>	<u>\$ 3,649,385</u>	<u>\$ 1,072,369</u>

The following table provides a summary of the District's operations for the years ended September 30, 2025, and September 30, 2024.

	<u>Summary of Changes in the Statement of Activities</u>		
	<u>2025</u>	<u>2024</u>	<u>Change Positive (Negative)</u>
Revenues:			
Property Taxes	\$ 2,386,366	\$ 1,904,602	\$ 481,764
Emergency Services	22,504	30,173	(7,669)
Grant Revenues		243,427	(243,427)
Other Revenues	<u>196,294</u>	<u>148,085</u>	<u>48,209</u>
Total Revenues	<u>\$ 2,605,164</u>	<u>\$ 2,326,287</u>	<u>\$ 278,877</u>
Expenses for Services	<u>1,532,795</u>	<u>712,868</u>	<u>(819,927)</u>
Change in Net Position	<u>\$ 1,072,369</u>	<u>\$ 1,613,419</u>	<u>\$ (541,050)</u>
Net Position, Beginning of Year	<u>3,649,385</u>	<u>2,035,966</u>	<u>1,613,419</u>
Net Position, End of Year	<u>\$ 4,721,754</u>	<u>\$ 3,649,385</u>	<u>\$ 1,072,369</u>

**BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTMEBER 30, 2025**

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's General Fund fund balance as of September 30, 2025, was \$3,153,440, an increase of \$592,514 from the prior year. The increase was primarily due to property tax revenues exceeding service operations and capital costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Board of Commissioners did not amend the budget during the current year. Actual revenues were \$111,349 more than budgeted revenues and actual expenditures were \$258,361 more than budgeted expenditures. Both facility and capital outlay expenditures were more than budgeted for. Lease proceeds for the fire station from SVFD of \$608,840 was not budgeted. This resulted in a positive budget variance of \$461,828. See the budget to actual comparison for further information.

CAPITAL ASSETS

Capital assets as of September 30, 2025 total \$2,487,462 (net of accumulated depreciation) and include vehicles and equipment and furniture and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2025	2024	Change Positive (Negative)
Capital Assets, Net of Accumulated Depreciation:			
Vehicles and Equipment	\$ 2,102,246	\$ 2,124,532	\$ (22,286)
Furniture and Equipment	385,216	393,592	(8,376)
Total Net Capital Assets	\$ 2,487,462	\$ 2,518,124	\$ (30,662)

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the District had total long-term debt payable of \$1,121,019. The change in the debt position of the District during the fiscal year ended September 30, 2025, is summarized as follows:

Notes Payable, October 1, 2024	\$ 1,427,763
Less: Principal Paid	306,744
Notes Payable, September 30, 2025	\$ 1,121,019

**BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTMEBER 30, 2025**

RIGHT-TO-USE ASSET AND LEASE PAYABLE

The District has a lease agreement for a fire station. In accordance with GASB Statement No. 87, the District has recorded its leased fire station as a right-of-use asset and has also recorded a lease payable, both in the government-wide financial statements. See Note 11 for further disclosure.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The property tax rate for the 2026 budget preparation (tax year 2025) was increased to \$0.10 per \$100 valuation which 86% is for maintenance and 14% is for debt service. The revenues projected during the 2026 budget preparation are expected to be \$2.545 million for maintenance taxes and approximately \$245,000 for debt service.

General operating fund expected spending increased in the 2026 budget from the 2025 actual expenditures of \$1.962 million to \$2.384 million. This is a 22% increase primarily due to expected increases in salaries and benefits.

The above indicators were taken into account when adopting the general fund budget for 2026. Amounts available for appropriation in the general fund budget are \$2.79 million an increase of 8% over the 2025 actual revenue of \$2.573 million. If these estimates are realized, the District's budgeted general fund is expected to slightly increase by the close of 2026 by approximately \$407,000.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Bell County Emergency Services District No. 1, 3520 FM 2484, Salado, Texas 76571. The District's website is <http://www.bellcountyesd1.org>.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUND BALANCE SHEET
SEPTEMBER 30, 2025

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 229,821	\$	\$ 229,821
Investments	2,986,017		2,986,017
Due from Bell County Tax Assessor/Collector	4,235		4,235
Receivables:			
Property Taxes	35,497		35,497
Penalty and Interest on Delinquent Property Taxes		1,236	1,236
Service Billings	1,319		1,319
Other	10,774		10,774
Net Pension Asset		1,341	1,341
Right-of-Use Asset (Net of Accumulated Amortization)		600,384	600,384
Capital Assets, (Net of Accumulated Depreciation)		2,487,462	2,487,462
TOTAL ASSETS	\$ 3,267,663	\$ 3,090,423	\$ 6,358,086
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pension	\$ - 0 -	\$ 78,356	\$ 78,356
Deferred Other Postemployment Benefits Plan Charges		1,106	1,106
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ - 0 -	\$ 79,462	\$ 79,462
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 3,267,663	\$ 3,169,885	\$ 6,437,548
LIABILITIES			
Accounts Payable	\$ 59,960	\$	\$ 59,960
Wages Payable	18,766		18,766
Compensated Absences		36,151	36,151
Net Other Post Employment Benefits		372	372
Accrued Interest Payable		42,369	42,369
Long-Term Liabilities:			
Lease Payable, Due Within One Year		79,668	79,668
Lease Payable, Due After One Year		357,489	357,489
Notes Payable, Due Within One Year		321,651	321,651
Notes Payable, Due After One Year		799,368	799,368
TOTAL LIABILITIES	\$ 78,726	\$ 1,637,068	\$ 1,715,794
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	\$ 35,497	\$ (35,497)	\$ - 0 -
FUND BALANCE			
Restricted for Debt Service	\$ 115,793	\$ (115,793)	\$
Unassigned	3,037,647	(3,037,647)	
TOTAL FUND BALANCE	\$ 3,153,440	\$ (3,153,440)	\$ - 0 -
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 3,267,663		
NET POSITION			
Net Investment in Capital Assets		\$ 1,529,670	\$ 1,529,670
Unrestricted		3,192,084	3,192,084
TOTAL NET POSITION		\$ 4,721,754	\$ 4,721,754

The accompanying notes to the financial statements are an integral part of this report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total Fund Balance - Governmental Fund \$ 3,153,440

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

Capital assets and right-of-use assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds. 3,087,846

Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2024 and prior tax levies became part of recognized revenues in the governmental activities of the District. 36,733

Certain assets are not available in the current period and, therefore, are not reported as assets in the governmental funds. These assets at year-end consist of net pension asset. 1,341

Portions of the change in net pension liability/(asset) and net other post employment benefits liability/(asset) that are not immediately recognized as pension/other post employment benefits expense are recorded as deferred outflows and inflows of resources. 79,462

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year-end consist of:

Accrued Interest Payable	\$ (42,369)	
Compensated Absences	(36,151)	
Net Other Post Employment Benefits	(372)	
Lease Payable, Due Within One Year	(79,668)	
Lease Payable, Due After One Year	(357,489)	
Notes Payable Within One Year	(321,651)	
Notes Payable After One Year	(799,368)	<u>(1,637,068)</u>

Total Net Position - Governmental Activities \$ 4,721,754

The accompanying notes to the financial statements are an integral part of this report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Adjustments	Statement of Activities
REVENUES			
Property Taxes	\$ 2,370,551	\$ 15,815	\$ 2,386,366
Service Billing Revenues	22,504		22,504
Penalty and Interest	16,798		16,798
Investment Revenues	153,952		153,952
Miscellaneous Revenues	25,544		25,544
TOTAL REVENUES	<u>\$ 2,589,349</u>	<u>\$ 15,815</u>	<u>\$ 2,605,164</u>
EXPENDITURES/EXPENSES			
Emergency Services:			
Salaries and Benefits	\$ 856,697	\$ (44,280)	\$ 812,417
Equipment Expenses	14,298		14,298
Facilities Expenses	212,322	(171,683)	40,639
Vehicle and Operations Expenses	52,850		52,850
Community Involvement	3,560		3,560
Technology	18,441		18,441
Training & Certifications	11,862		11,862
Other Operating Costs	58,365		58,365
Other Personnel Expenses	37,652		37,652
Administrative:			
Commissioner Expenses	3,905		3,905
Insurance	28,331		28,331
Office Expenses	4,377		4,377
Professional Fees	148,456		148,456
Depreciation/Amortization		205,732	205,732
Capital Outlay	775,454	(775,454)	
Debt Service:			
Note Principal	306,744	(306,744)	
Note Interest	72,361	19,549	91,910
TOTAL EXPENDITURES/EXPENSES	<u>\$ 2,605,675</u>	<u>\$ (1,072,880)</u>	<u>\$ 1,532,795</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ (16,326)</u>	<u>\$ 1,088,695</u>	<u>\$ 1,072,369</u>
OTHER FINANCING SOURCES (USES)			
Lease Proceeds	\$ 608,840	\$ (608,840)	\$ - 0 -
NET CHANGE IN FUND BALANCE	\$ 592,514	\$ (592,514)	\$
CHANGE IN NET POSITION		1,072,369	1,072,369
FUND BALANCE/NET POSITION - OCTOBER 1, 2024	<u>2,560,926</u>	<u>1,088,459</u>	<u>3,649,385</u>
FUND BALANCE/NET POSITION - SEPTEMBER 30, 2025	<u>\$ 3,153,440</u>	<u>\$ 1,568,314</u>	<u>\$ 4,721,754</u>

The accompanying notes to the financial
statements are an integral part of this report.

**BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Net Change in Fund Balance - Governmental Fund \$ 592,514

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

Governmental funds report tax revenues when collected. However, in the government-wide financial statements, revenues are recorded in the accounting period for which the taxes are levied. 15,815

Wages payable and compensated absences liability are reported as a liability in the Statement of Net Position. Therefore, an expense is recorded in the Statement of Activities. In addition, the changes in pension and other post employment benefits asset/liability and deferred outflows and inflows of resources for pensions and other post employment benefits are recorded as pension/other post employment expense in the government-wide financial statements. 44,280

Governmental funds do not account for depreciation or amortization. However, in the government-wide financial statements, capital assets are depreciated and lease assets are amortized and depreciation and amortization expense is recorded in the Statement of Activities. (205,732)

Governmental funds report capital asset costs as expenditures in the period purchased. However, in the government-wide financial statements, capital assets are increased by new purchases that meet the District's threshold for capitalization, and are owned and maintained by the District. All other capital asset purchases are expensed in the Statement of Activities. 775,454

Governmental funds report principal payments on long-term debt as expenditures in the year paid. However, in the government-wide financial statements, liabilities are reduced when principal payments are made and the Statement of Activities is not affected. 306,744

Governmental funds report lease payments on lease payables as expenditures in the year paid. However, in the government-wide financial statements, liabilities are reduced when principal payments are made and the Statement of Activities is not affected. 171,683

Governmental funds report interest payments on long-term debt as expenditures in the year paid. However, in the government-wide financial statements, interest is accrued on long-term liabilities through the fiscal year-end. (19,549)

Governmental funds report note proceeds as other financing sources. However, in the government-wide financial statements, the issuance of debt increases long-term liabilities and does not affect the Statement of Activities. (608,840)

Change in Net Position - Governmental Activities \$ 1,072,369

The accompanying notes to the financial statements are an integral part of this report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 1. CREATION OF DISTRICT

Bell County Emergency Services District No. 1 (the “District”) is a political subdivision of the State of Texas and was created by the Commissioners’ Court after a public election on November 16, 2020. The District operates under Chapter 775 of the Health and Safety Code. The District was established to provide emergency service and promote public safety, welfare, health and convenience of persons residing within the boundaries of the District.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”).

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenues and expenses in the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Governmental Fund Balance Sheet and a Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Funds

The District has one governmental fund; therefore, this fund is a major fund.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

General Fund - To account for resources not required to be accounted for in another fund, property tax revenues, costs of assessing and collecting taxes and emergency services and administrative expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in governmental funds to be available if they are collectable within 60 days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenues include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Capital Assets and Right-of-Use Asset

Capital assets, which include vehicles and equipment, lease improvements and furniture and equipment, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as an expenditure in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset after completion. Installation costs, professional fees and certain other costs are capitalized as part of the asset.

Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. A salvage value of 10% of the original cost is utilized for fire trucks and other

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets and Right-of-Use Asset (Continued)

vehicles. Furniture and equipment are capitalized if cost is over \$5,000. Major improvements and renewals of real property are capitalized if costs are over \$25,000. Estimates useful lives are as follows:

	Years
Fire Station (Buildings)	25
Fire Fighting Equipment	7-10
Fire Trucks	12.5
Vehicles light/medium	5

In accordance with GASB Statement No. 87, the District has recorded its leased fire station as a right-of-use asset (see Note 11). The right-of-use asset is being amortized over the remaining life of the lease using the straight-line method of amortization.

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District’s Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and revised budget, if revised, amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District makes payments into the social security system for the employees. See Note 7 for the District’s pension plan and Note 8 for the District’s other post employment benefits. The Internal Revenue Service has determined that fees of office received by Commissioners are wages subject to federal income tax withholding for payroll tax purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources associated with the activities are reported. Fund equity is classified as net position.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus (Continued)

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Governmental Fund Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Commissioners. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances. The District does not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

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 amount 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 expenditures during the reporting period. Actual results could differ from those estimates.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 3. TAX LEVY

During the fiscal year ended September 30, 2025, the District levied an ad valorem tax at the rate of \$0.098277 per \$100 of assessed valuation, which resulted in a tax levy of \$2,387,625 on the adjusted taxable valuation of \$2,437,814,121 for the 2024 tax year. The tax rate consisted of a maintenance portion of \$0.083497 per \$100 assessed valuation and a debt service portion of \$0.014780 per \$100 assessed valuation.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter. Homestead exemptions which serve to reduce the assessed value of a person's home are established and approved by the Commissioners of the District.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year-end, the carrying amount of the District's deposits was \$229,821 and the bank balance was \$234,061. The District was not exposed to custodial credit risk at year-end.

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” No person may invest District funds without express written authority from the Board of Commissioners.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas Cooperative Liquid Assets Securities System Trust (“Texas CLASS”), an external public funds investment pool that is not SEC-registered. Public Trust Advisors, LLC serves as the pool’s administrator and investment advisor. The pool is subject to the general supervision of the Board of Trustees and its Advisory Board. UMB, N.A. serves as custodian for the pool. Investments held by Texas CLASS are priced to market on a weekly basis. The investments are considered to be Level 1 investments because their fair value is measured by quoted prices in active markets. The fair value of the District’s position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from Texas CLASS.

As of September 30, 2025, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
<u>GENERAL FUND</u>					
Texas CLASS	<u>\$ 2,986,017</u>	<u>\$ 2,986,017</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2025 the District’s investment in Texas CLASS was rated “AAAm” by Standard & Poor’s.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in Texas CLASS to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025:

	October 1, 2024	Increases	Decreases	September 30, 2025
Capital Assets Subject to Depreciation				
Vehicles and Equipment	\$ 2,340,557	\$ 118,195	\$	\$ 2,458,752
Furniture and Equipment	433,075	48,419		481,494
Total Capital Assets Subject to Depreciation	<u>\$ 2,773,632</u>	<u>\$ 166,614</u>	<u>\$ - 0 -</u>	<u>\$ 2,940,246</u>
Less Accumulated Depreciation				
Vehicles and Equipment	\$ 216,025	\$ 140,481	\$	\$ 356,506
Furniture and Equipment	39,483	56,795		96,278
Total Accumulated Depreciation	<u>\$ 255,508</u>	<u>\$ 197,276</u>	<u>\$ - 0 -</u>	<u>\$ 452,784</u>
Total Depreciable Capital Assets, Net of Accumulated Depreciation	<u><u>\$ 2,518,124</u></u>	<u><u>\$ (30,662)</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 2,487,462</u></u>

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omissions, for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 7. PENSION PLAN

Plan Description

The District provides retirement, disability, and survivor benefits for all of its full-time and part-time non-temporary employees through a defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of more than 850 non-traditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available at www.tcdrs.org.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 7. PENSION PLAN (Continued)

Benefits Provided

The plan provisions are adopted by the District, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the District.

Benefit amounts are determined by the sum of the employee’s deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the District within the actuarial constraints imposed by the TCDRS Act so that 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 deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitled but not yet receiving benefits	0
Active employees	3

Contributions

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 employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 14.51% for 2025 calendar year. The deposit rate payable by the employee members for calendar year 2025 is 7.00% 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 District within the options available in the TCDRS Act.

For the District’s fiscal year ended September 30, 2025, the annual pension cost for the TCDRS plan for its employees was \$82,914; the actual contributions were \$82,914. The employees contributed \$39,780 to the plan for the 2025 fiscal year.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 7. PENSION PLAN (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumption:

Actuarial valuation date	12/31/24
Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, closed
Remaining Amortization period	20.0 years
Asset Valuation Method	5-year smoothed market
Actuarial Assumptions:	
Investment return ¹	7.50%
Projected salary increases ¹	4.70%
Inflation	2.50%
Cost-of-living adjustments	0.00%

¹ Includes inflation at the stated rate

The demographic assumptions were developed from an actuarial experience investigation of TCDRS over the years 2017-2020. They were recommended by Milliman and adopted by the TCDRS Board of Trustees in December of 2021. All economic assumptions were recommended by Milliman and adopted by the TCDRS Board of Trustees in March of 2021. These assumptions, except where required to be different by GASB 68, are used to determine the total pension liability as of December 31, 2024. The assumptions are reviewed annually for continued compliance with the relevant actuarial standards of practice.

Mortality rates were based on the following:

Depositing members – 135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Service retirees, beneficiaries and non-depositing members – 135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 7. PENSION PLAN (Continued)

Actuarial Assumptions (Continued)

Disabled retirees – 160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Discount Rate

The discount rate used to measure the total pension asset was 7.60%.

In order to determine the discount rate to be used, the actuary used an alternative method to determine the sufficiency of the fiduciary net position in all future years. This alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act:

- 1)TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods.
- 2)Under the TCDRS Act, the employer is legally required to make the contribution specified in the funding policy.
- 3)The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost.
- 4)Any increased cost due to the adoption of a cost-of-living adjustment is required to be funded over a period of 15 years, if applicable.

Based on the above, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the total pension liability and net pension liability is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses. Therefore, the actuary has used a discount rate of 7.60%. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 7. PENSION PLAN (Continued)

Discount Rate (Continued)

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 consultant, Cliffwater LLC. The numbers shown are based on January 2025 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed in detail at a minimum of every four years and is based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

Asset Class	Target Allocation	Geometric Real Rate of Return (Expected minus Inflation)
US Equities	13.00%	5.35%
Global Equities	4.00%	5.15%
International Equities-Developed Markets	6.00%	4.75%
International Equities-Emerging Markets	0.00%	4.75%
Investment-Grade Bonds	3.00%	2.55%
Strategic Credit	9.00%	3.70%
Direct Lending	16.00%	6.85%
Distressed Debt	4.00%	6.80%
REIT Equities	2.00%	3.95%
Master Limited Partnerships	2.00%	4.95%
Commodities	2.00%	1.00%
Private Real Estate Partnerships	6.00%	5.75%
Private Equity	25.00%	8.15%
Hedge Funds	6.00%	3.60%
Cash Equivalents	2.00%	1.10%

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 7. PENSION PLAN (Continued)

Discount Rate (Continued)

Changes in Net Pension Liability/(Asset) for the measurement year ended December 31, 2024 are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a)-(b)
Balances of December 31, 2023	\$ -0-	\$ -0-	\$ -0-
Changes for the year:			
Service Cost	35,948		35,948
Interest on the Total Pension Liability	2,732		2,732
Effect of Plan Changes			
Effect of Economic/Demographic gains or losses	23		23
Effect of Assumptions Changes or Inputs			
Refund of Contributions			
Benefit Payments			
Administrative Expenses		(22)	22
Member Contributions		12,070	(12,070)
Net Investment Income		789	(789)
Employer Contributions		25,158	(25,158)
Other		2,049	(2,049)
Balances of December 31, 2024	<u>\$ 38,703</u>	<u>\$ 40,044</u>	<u>\$ (1,341)</u>

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 net pension liability 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.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total Pension Liability	\$ 43,346	\$ 38,703	\$ 34,632
Fiduciary Net Position	<u>40,044</u>	<u>40,044</u>	<u>40,044</u>
Net Pension Liability/(Asset)	<u>\$ 3,302</u>	<u>\$ (1,341)</u>	<u>\$ (5,412)</u>

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 7. PENSION PLAN (Continued)

Discount Rate (Continued)

As of September 30, 2025, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ -0-	\$ 20
Changes in assumptions		
Net difference between projected and actual earnings		541
Contributions paid to TCDRS subsequent to the measurement date		<u>77,795</u>
Total	<u>\$ -0-</u>	<u>\$ 78,356</u>

\$77,795 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2025 (i.e. to be recognized in the District's financial statements dated September 30, 2026). Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2025	\$	138
2026		138
2027		138
2028		139
2029		3
Thereafter		5

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS

The District participates in a retiree Group Term Life program ("GTL") for the Texas County & District Retirement System which is a statewide, multiple-employer, public employee retirement system.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year and are eligible for the TCDRS pension plan. Only employers that have elected participation in the retiree Group Term Life program are included in the OPEB plan. The plan provides a \$5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of employers that have elected participation in the retiree GTL program. The OPEB benefit is a fixed \$5,000 benefit amount.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Contributions made to the retiree GTL Program are held in the GTL fund. The GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan.

TCDRS issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information. This report is available at TCDRS' website at www.TCDRS.org.

Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of January 1 each year. The district's contribution rate for the retiree GTL program is calculated annually on an actuarial basis and is equal to the cost of providing a one-year benefit equal to \$5,000. The District's actuarially determined contributions for the year ending December 31, 2024 were \$412 and the District's actual contributions for the year ending December 31, 2024 were \$412. The following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	0
Inactive employees entitled but not yet receiving benefits	0
Active employees	3

Actuarial Methods and Assumptions Used for GASB Calculations

All actuarial assumptions and methods that determined the total OPEB liability as of December 31, 2024 were based on the results of an actuarial experience study for the period January 1, 2017 - December 31, 2020, except where required to be different by GASB 75.

Valuation Timing - Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Actuarial Cost – Entry Age Level Percent of Salary

Amortization Method - Straight-line amortization over expected working life

Recognition of assumptions changes or inputs - Straight-line amortization over expected working life

Asset Valuation Method - Does not apply

Inflation, Salary Increases, and Cost of Living Adjustment - Does not apply

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Investment Rate of Return (Discount Rate) – 4.08% based on 20 Year Bond GO Index published by bondbuyer.com as of December 26, 2024

Mortality rates were based on the following:

Depositing members – 135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Service retirees, beneficiaries and non-depositing members – 135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Disabled retirees – 160% of the Pub-2010 Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Discount Rate

The total OPEB liability was determined by an actuarial valuation as of the measurement date, calculated based on the discount rate and actuarial assumptions discussed below. The discount rate reflects the municipal bond rate valuation assumption of 4.08%. The TCDRS GTLF is treated as an unfunded OPEB plan because the GTLF covers both actives and retirees and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 4.08% based on the 20 year Bond GO Index by bondbuyer.com is used as of the measurement date of December 31, 2024. As of December 31, 2024, the discount rate used in the development of the Total OPEB Liability was 4.08% compared to 3.26% as of December 31, 2023.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in Total OPEB Liability for the measurement year ended December 31, 2024, are summarized in the following table:

	Changes in Total OPEB Liability
Balances of December 31, 2023	\$ -0-
Changes for the year:	
Service Costs	421
Interest on total OPEB liability	14
Effect of economic/demographic gains or losses	
Effect of assumption changes or inputs	(63)
Benefit payments	
Balances of December 31, 2024	\$ 372

Sensitivity Analysis – The following presents the net OPEB liability of the District, calculated using the discount rate of 4.08%, as well as what the District’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) or 1 percentage point higher (5.08%) than the current rate.

	1% Decrease 3.08%	Current Discount Rate 4.08%	1% Increase 5.08%
Total OPEB liability	\$ 450	\$ 372	\$ 309

As of September 30, 2025, the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$	\$
Changes of assumptions	56	
Contributions subsequent to the measurement date		1,162
Total	\$ 56	\$ 1,162

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 8. OTHER POSTEMPLOYMENT BENEFITS (Continued)

\$1,691 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the liability for the measurement year ending December 31, 2024 (i.e. recognized in the District’s financial statements for the year ending September 30, 2025). Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB expense will be recognized in OPEB expense as follows:

Year ended December 31:		
2025	\$	(7)
2026		(7)
2027		(7)
2028		(7)
2029		(7)
Thereafter		(21)

NOTE 9. COMPENSATED ABSCENCES

Eligible employees accrue 5.54 hours of sick leave per pay period (144 hours yearly). District policy allows for a maximum carry-over of 288 hours of sick leave. Sick time can be used after 30 days of employment in one-hour increments. With proper notice, up to 48 hours of sick leave will be paid to eligible employees.

Full-time employees receive 144 hours of paid vacation time annually. Accrual begins the day of employment and accrues 5.54 hours per pay period. Vacation time can be used after 180 days of employment, in at least one-hour increments. Vacation time is paid at employee’s base pay rate. District policy allows for a maximum carry-over of 288 hours of vacation time. With proper notice, up to 144 hours of unused vacation will be paid upon employee termination.

As of September 30, 2025, the District has recorded a liability for compensated absences of \$36,151, of which \$18,075 is estimated to be paid within one year.

NOTE 10. LONG-TERM DEBT

On July 22, 2022, the District executed a promissory loan agreement with Government Capital Corporation in the amount of \$576,901. Proceeds from the Note were used to fund the purchase of a Pierce Enforcer Fire Truck. The interest rate is 3.812%. Five annual payments in the amount of \$128,878 are due on July 15th starting on July 15, 2023 and ending on July 15, 2027.

On December 1, 2023, the District executed a promissory loan agreement with Government Capital Corporation in the amount of \$1,068,836. Proceeds from the Note were used to fund the purchase of a Pierce-Custom Enforcer Pumper and equipment. The interest rate is 5.49%. Five annual payments in the amount of \$250,228 are due on December 14th starting on December 14, 2024 and ending on December 14, 2028.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 10. LONG-TERM DEBT (Continued)

The following is a summary of transactions regarding notes payable for the year ended September 30, 2025.

Notes Payable, October 1, 2024	\$ 1,427,763
Less: Principal Paid	<u>306,744</u>
Notes Payable, September 30, 2025	<u>\$ 1,121,019</u>
Notes Payable:	
Due Within One Year	\$ 321,651
Due After One Year	<u>799,368</u>
Notes Payable, September 30, 2025	<u>\$ 1,121,019</u>

As of September 30, 2025, debt service requirements on the note are as follows:

Fiscal Year	Principal	Interest	Total
2026	321,651	57,454	379,105
2027	337,303	41,803	379,106
2028	224,860	25,367	250,227
2029	<u>237,205</u>	<u>13,023</u>	<u>250,228</u>
	<u>\$ 1,121,019</u>	<u>\$ 137,647</u>	<u>\$ 1,258,666</u>

NOTE 11. FIRE STATION LEASE

On April 17, 2025, the District entered into a lease agreement for a 9,320 square foot fire station from the Salado Volunteer Fire Department (the “SVFD”) (the “Lease”). On April 16, 2026, the Lease was amended. The lease term commenced in September 2025 and ends in September 2030. Per the Lease, a payment of \$200,000 was owed by the District to the SVFD during the construction period and subsequent annual payments of \$100,000 are due for the following five years.

In accordance with the requirements of GASB Statement No. 87, the District recorded a right-of-use asset and related lease liability for the fire station. The lease liability was measured using the remaining lease term of five years and a discount rate of 4.65%.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 11. FIRE STATION LEASE (Continued)

The right-of-use asset, current amortization expense, and accumulated amortization is summarized below:

	October 1, 2024	Increases	Decreases	September 30, 2025
Right-of-Use Asset Subject to Amortization				
Fire Station	\$ - 0 -	\$ 608,840	\$ - 0 -	\$ 608,840
Less Accumulated Amortization				
Fire Station	\$ - 0 -	\$ 8,456	\$ - 0 -	\$ 8,456
Right-of-Use Asset, Net of Accumulated Amortization	<u>\$ - 0 -</u>	<u>\$ 600,384</u>	<u>\$ - 0 -</u>	<u>\$ 600,384</u>

During the current fiscal year, the District paid lease payments on the Lease totaling \$200,000 consisting of lease principal expenditures of \$171,683 and lease interest expenditures of \$28,317. The lease liability was \$437,157 at September 30, 2025.

Future lease payments are summarized in the following table:

Fiscal Year	Principal	Interest	Total
2026	\$ 79,668	\$ 20,332	\$ 100,000
2027	83,373	16,627	100,000
2028	87,251	12,749	100,000
2029	91,309	8,691	100,000
2030	95,556	4,444	100,000
Total	<u>\$ 437,157</u>	<u>\$ 62,843</u>	<u>\$ 500,000</u>

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2025

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Property Taxes	\$ 2,393,550	\$ 2,370,551	\$ (22,999)
Service Billing Revenues	1,000	22,504	21,504
Penalty and Interest	12,450	16,798	4,348
Investment Revenues	50,000	153,952	103,952
Grant Revenues	21,000		(21,000)
Miscellaneous Revenues		25,544	25,544
TOTAL REVENUES	<u>\$ 2,478,000</u>	<u>\$ 2,589,349</u>	<u>\$ 111,349</u>
EXPENDITURES			
Emergency Services:			
Salaries and Benefits	\$ 1,158,271	\$ 856,697	\$ 301,574
Equipment Expenses	12,138	14,298	(2,160)
Facilities Expenses	13,345	212,322	(198,977)
Vehicle and Operations Expenses	73,415	52,850	20,565
Community Involvement	13,350	3,560	9,790
Technology	33,150	18,441	14,709
Other Operating Costs	14,650	58,365	(43,715)
Other Personnel Expenses	14,150	37,652	(23,502)
Training & Certifications	29,125	11,862	17,263
Administrative:			
Commissioner Expenses	7,560	3,905	3,655
Insurance	51,325	28,331	22,994
Office Expenses	7,525	4,377	3,148
Professional Fees	115,205	148,456	(33,251)
Capital Outlay	425,000	775,454	(350,454)
Debt Service:			
Note Principal	306,744	306,744	
Note Interest	72,361	72,361	
TOTAL EXPENDITURES	<u>\$ 2,347,314</u>	<u>\$ 2,605,675</u>	<u>\$ (258,361)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 130,686</u>	<u>\$ (16,326)</u>	<u>\$ (147,012)</u>
OTHER FINANCING SOURCES(USES)			
Lease Proceeds	<u>\$ - 0 -</u>	<u>\$ 608,840</u>	<u>\$ 608,840</u>
NET CHANGE IN FUND BALANCE	\$ 130,686	\$ 592,514	\$ 461,828
FUND BALANCE - OCTOBER 1, 2024	<u>2,560,926</u>	<u>2,560,926</u>	
FUND BALANCE - SEPTEMBER 30, 2025	<u>\$ 2,691,612</u>	<u>\$ 3,153,440</u>	<u>\$ 461,828</u>

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
SCHEDULE OF CHANGES IN NET PENSION ASSET AND RELATED RATIOS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Year Ended December 31, 2024
Total Pension Liability	
Service cost	\$ 35,948
Interest on total pension liability	2,732
Effect of plan changes	
Effect of assumptions changes or inputs	
Effect of economic/demographic (gains) or losses	23
Benefit payments/refunds of contributions	_____
Net change in total pension liability	\$ 38,703
Total pension liability, beginning	_____
Total pension liability, ending (a)	<u>\$ 38,703</u>
Fiduciary Net Position	
Employer contributions	\$ 25,158
Member contributions	12,070
Investment income net of investment expenses	789
Benefit payments/refunds of contributions	
Administrative expenses	(22)
Other	<u>2,049</u>
Net change in plan fiduciary net position	\$ 40,044
Fiduciary net position, beginning	_____
Fiduciary net position, ending (b)	<u>\$ 40,044</u>
Net Pension Liability/(Asset), Ending = (a) - (b)	<u>\$ (1,341)</u>
Fiduciary net position as a percentage of the total pension liability	103.46%
Pensionable covered payroll	\$ 172,433
Net pension liability as a percentage of covered employee payroll	-0.78%

A full 10-year schedule will be displayed as it becomes available.

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
SEPTEMBER 30, 2025

<u>Fiscal Year Ending December 31</u>	<u>Actuarially Determined Contribution (1)</u>	<u>Actual Employer Contribution (1)</u>	<u>Contribution Deficiency (Excess)</u>	<u>Pensionable Covered Payroll (2)</u>	<u>Actual Contribution as a Percentage of Covered Payroll</u>
2024	\$ 25,158	\$ 25,158	\$ -0-	\$ 172,433	14.6%
2025	\$ 82,914	\$ 82,914	\$ -0-	\$ 568,291	14.6%

(1) TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statements No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

(2) Payroll is calculated based on contributions as reported to TCDRS

A full 10-year schedule will be displayed as it becomes available.

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2025

NOTE 1. NET PENSION LIABILITY - TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM

Valuation Date: Actuarially determined contribution rates are calculated each 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 (December 31, 2022 valuation for 2024 contributions):

Actuarial Cost Method	Entry Age (Level Percentage of Pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20.0 years (based on contribution rate calculated in 12/31/24 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	7.50%, 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 the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Change in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	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 Provisions Reflected in the Schedule of Employer Contributions*	2016-2023: Not applicable, prior to TCDRS participation. 2024: No changes in plan provisions were reflected in the Schedule.

*Only changes that affect the benefit amount and that are effective 2015 and later are shown in Notes to Schedule

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
SCHEDULE OF CHANGES IN TOTAL POSTEMPLOYMENT BENEFITS
LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Measurement Date <u>12/31/2024</u>
Total OPEB Liability	
Service Cost	\$ 421
Interest (on the Total OPEB Liability)	14
Economic/demographic gains or losses	0
Changes of assumptions or other inputs	(63)
Benefit payments	<u> </u>
Net change in total OPEB liability	\$ 372
Total OPEB liability, beginning	<u> </u>
Total OPEB liability, ending	<u>\$ 372</u>
 OPEB Covered-employee payroll	 172,433
 Net OPEB liability as a percentage of covered employee payroll	 0.22%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the standards of GASB 74/75, they should not be shown here. Therefore, we have shown only years for which the new GASB statements have been implemented.

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
SCHEDULE OF DISTRICT CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	OPEB Covered Payroll ⁽¹⁾	Actual Contribution as a Percentage of Covered Payroll
2024	\$ 412	\$ 412	\$ - 0 -	\$ 172,433	0.24%

⁽¹⁾ Payroll is calculated based on contributions as reported to TCDRS.

All actuarial methods and assumptions used for this analysis were the same as those used in the December 31, 2024, funding valuation. Following are the key assumptions and methods used in this analysis.

Valuation Timing	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.
Actuarial Cost Method	Entry Age Level Percent of Salary
Amortization Method	Straight-line method over expected working life
Asset Valuation Method	Does not apply
Inflation	Does not apply
Salary Increases	Does not apply
Investment Rate of Return	4.08%; 20-year Bond GO Index published by bondbuyer.com as of December 26, 2024
Cost-of-Living Adjustments	Does not apply
Retirement, Disability, Termination	Same as funding valuation
Mortality	Same as funding valuation, See Note 8

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1

OTHER SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2025

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
COMPARATIVE BALANCE SHEET – GENERAL FUND
THREE YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>
ASSETS			
Cash	\$ 229,821	\$ 93,103	\$ 1,266,760
Investments	2,986,017	2,476,762	
Due from Bell County Tax Assessor/Collector	4,235	2,429	2,429
Receivables:			
Property Taxes	35,497	19,682	18,434
Service Billings	1,319		
Other	10,774	6,270	
TOTAL ASSETS	<u>\$ 3,267,663</u>	<u>\$ 2,598,246</u>	<u>\$ 1,287,623</u>
LIABILITIES			
Accounts Payable	\$ 59,960	\$ 17,638	\$ 3,866
Wages Payable	18,766		
TOTAL LIABILITIES	<u>\$ 78,726</u>	<u>\$ 17,638</u>	<u>\$ 3,866</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	\$ 35,497	\$ 19,682	\$ 18,434
FUND BALANCE			
Restricted	\$ 115,793	\$	\$ 110,965
Unassigned	3,037,647	2,560,926	1,154,358
TOTAL FUND BALANCE	<u>\$ 3,153,440</u>	<u>\$ 2,560,926</u>	<u>\$ 1,265,323</u>
TOTAL LIABILITIES, DEFERRED INFLOWS			
 OF RESOURCES AND FUND BALANCE	<u>\$ 3,267,663</u>	<u>\$ 2,598,246</u>	<u>\$ 1,287,623</u>

See accompanying independent auditor's report.

BELL COUNTY EMERGENCY SERVICES DISTRICT NO. 1
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES AND CHANGES
IN FUND BALANCE – GENERAL FUND
THREE YEARS

	2025	2024	2023
REVENUES			
Property Taxes	\$ 2,370,551	\$ 1,903,354	\$ 1,530,109
Service Billing Revenues	22,504	\$ 30,173	
Penalty and Interest	16,798	16,740	
Investment Revenues	153,952	126,833	
Grant Revenues		243,427	
Miscellaneous Revenues	25,544	3,276	31,248
TOTAL REVENUES	\$ 2,589,349	\$ 2,323,803	\$ 1,561,357
EXPENDITURES/EXPENSES			
Emergency Services	\$ 1,266,047	\$ 339,699	\$ 204,196
Administrative	185,069	134,591	61,322
Capital Outlay	775,454	1,487,030	525,836
Debt Service:			
Note Principal	306,744	110,965	108,416
Note Interest	72,361	24,751	20,462
TOTAL EXPENDITURES/EXPENSES	\$ 2,605,675	\$ 2,097,036	\$ 920,232
EXCESS OF REVENUES OVER EXPENDITURES	\$ (16,326)	\$ 226,767	\$ 641,125
OTHER FINANCING SOURCES			
Lease/Note Proceeds	\$ 608,840	\$ 1,068,836	\$ - 0 -
NET CHANGE IN FUND BALANCE	\$ 592,514	\$ 1,295,603	\$ 641,125
FUND BALANCE/NET POSITION - OCTOBER 1, 2024	2,560,926	1,265,323	624,198
FUND BALANCE/NET POSITION - SEPTEMBER 30, 2025	\$ 3,153,440	\$ 2,560,926	\$ 1,265,323

See accompanying independent auditor's report.