Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)

Financial Statements

For the Year Ended September 30, 2025

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
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For the Year Ended September 30, 2025

Ingram, Wallis & Co., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Franklin, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, and the General Fund of the Robertson County Emergency Services District (dba Robertson County Emergency Medical Services) (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 the General Fund of the Robertson County Emergency Services District (dba Robertson County Emergency Medical Services) 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 Auditors' 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.

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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.

Auditors' 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 auditors' 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 required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ingram, Wallis + Company, P.C.

Bryan, Texas
June 30, 2026

Five persons are appointed by the County Judge and Commissioner's Court as Emergency Services Commissioners for two-year terms with a three and two-person rotation. They function as a board with regularly scheduled meetings every second Tuesday of the month as stated by an agenda posted at the county courthouse.

The District provides funding to Robertson County volunteer fire departments (VFDs) Blackjack, Bremond, Calvert, Easterly, Franklin, Hearne, Seale-Round Prairie, and Wheelock, each of which provide fire, rescue, and emergency medical services to designated response areas within 866 square miles of Robertson County. The VFDs combined have an all-volunteer staff of approximately 140 firefighters with an average of 800 incidents per year out of the eight fire stations located in their respective areas. The EMS has paid paramedics and emergency medical technicians providing emergency medical care, life support, and transportation to citizens of Robertson County with stations in Hearne, Franklin, Calvert and Bremond, responding to approximately 4,500 calls per year.

Overview of the Financial Statements

Government-Wide Statements

The government wide financial statements and the fund financial statements are the basic financial statements under the reporting standards of GASB. Financial information reported in the government-wide financial statements uses the full-accrual basis of accounting. Revenues are recognized when they are earned, and expenditures are recognized when they are incurred.

The financial statements of Robertson County Emergency Services District consist of:

- A government-wide Statement of Net Position and Statement of Activities;
- The governmental fund, a Balance Sheet, a Statement of Revenues, Expenditures and Changes in Fund Balance, a reconciliation of the fund Balance Sheet to the government-wide Statement of Net Position, and a reconciliation of the fund Statement of Revenues, Expenditures and Changes in Fund Balance to the government-wide Statement of Activities.

Operating Fund Statements

Financial data presented in the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances use the modified-accrual basis of accounting. Revenues are recognized when they are susceptible to accrual, and expenses are recognized when the related liability is incurred. However, capital assets of land, buildings, property and equipment are not presented in the Balance Sheet, and depreciation is not presented in the Statement of Revenues, Expenditures and Changes in Fund Balances. Furthermore, other long term assets and liabilities related to pension and debt are also not presented in the Balance Sheet and the changes in those accounts are not presented in the Statement of Revenues, Expenditures and Changes in Fund Balances.

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the District's financial statements, which begin on page 10.

Statement of Net Position

	2025	2024
Cash and cash equivalents	$ 5,048,957	$4,576,722
Investments	3,108,393	-
Accounts receivable, net	567,333	512,029
Property taxes receivable, net	214,749	191,832
Notes receivable	337,963	330,372
Inventories	173,778	230,756
Prepaid expenses	115,141	98,322
Net pension asset	281,890	270,435
Capital assets, net	4,286,243	4,614,142
Total Assets	$14,134,447	$10,824,610
Deferred outflows of resources-pension	432,586	422,253
Accounts payable	42,660	26,800
Accrued payroll	92,340	69,754
Payroll liabilities	26,327	21,504
Accrued expenses	4,909	3,798
Noncurrent liabilities		
Due within one year	411,779	368,455
Due in more than one year	1,366,338	1,751,745
Total Liabilities	1,944,353	2,242,056
Deferred inflows of resources-pension	23,195	5,472
Net investment in capital assets	4,286,243	4,614,142
Restricted for pensions	281,890	270,435
Unrestricted	8,031,352	4,114,758
Total Net Position	$ 12,599,485	$8,999,335

Statement of Activities

	2025	2024
Operating grants and contributions	$ 1,612	$ 252,766
Charges for services	2,447,324	2,065,807
Total program revenues	2,448,936	2,318,573
Property taxes	3,128,495	3,029,492
Sales tax	3,628,974	2,120,750
Tower lease	15,000	15,000
Interest income	218,529	128,752
Other	(295)	165,736
Total general revenues	6,990,703	5,459,730
Total revenues	9,439,639	7,778,303
General government	1,247,575	1,029,582
Public safety	4,591,914	4,056,028
Total expenses	5,839,489	5,085,610
Change in net position	3,600,150	2,692,693
Net position, beginning of year	8,999,335	6,306,642
Net position, end of year	$12,599,485	$8,999,335

Financial Highlights

As of Oct 1, 2013, in lieu of disbursing tax dollars collected by the Robertson County Tax Assessor-Collector to each Volunteer Fire Department, the District now pays the expense on behalf of the Volunteer Fire Departments. Overall, net position of the District increased by $3,600,150 for the year ended September 30, 2025, partially as a result of a $381,517 increase in charges for ambulance services and a $1,508,224 increase in sales tax revenue in fiscal year 2025.

The District operates five bank accounts, one investment account, and has five sources of income, namely property taxes, sales tax, charges for services, tower lease rentals, and interest earned on their deposits.

Robertson County Tax Assessor Office computes the property tax information and notifies RCESD on the legal requirements. RCESD is limited to a maximum rate of $0.10 per hundred dollars of taxable value. The tax assessment as of October 1, 2024 sets the tax levy at $0.07290 per $100 of assessed valuation, which results in the following:

Taxable value	$4,259,097,394
Levy	$ 3,104,882

Financial Analysis of Governmental Fund

	2025	2024
Cash and cash equivalents	$ 5,048,957	$ 4,576,722
Investments	3,108,393	-
Accounts receivable, net	567,333	512,029
Property taxes receivable, net	214,749	191,832
Notes receivable	337,963	330,372
Inventories	173,778	230,756
Prepaid expenses	115,141	98,322
Total Assets	$ 9,566,314	$5,940,033
Total Liabilities	$ 166,236	$ 121,856
Total Deferred Inflows of Resources	774,973	698,829
Nonspendable fund balance	626,882	659,450
Unassigned fund balance	7,998,223	4,459,898
Total Fund Balance	8,625,105	5,119,348
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 9,566,314	$ 5,940,033

The General Fund pays for daily operating expenditures. When comparing actual to budget, actual expenditures were greater than budgeted by approximately $150,656, primarily due to the lease payments and Emergicon fees not being budgeted. More detailed information about the District's budgetary comparison is presented in the Budgetary Comparison Schedule on page 36.

Capital Assets and Debt Administration

At the end of fiscal year 2025, the District had invested $4,286,243 in capital assets as shown on the following page. More detailed information about the District's capital assets is presented in the Notes to the Financial Statements.

Capital Assets

	2025	2024
Furniture and equipment	$ 432,557	$ 426,066
Tower	293,405	293,405
Tower equipment	148,819	96,337
Land	143,529	143,529
Buildings	704,460	704,460
Building expansion	68,000	68,000
Building improvements	90,686	90,686
SCBA gear	226,887	226,887
Bunker gear	480,478	420,427
Vehicles	3,958,034	3,797,824
Emergency service equipment	1,620,067	1,358,960
Software	4,289	4,289
Tower lease	19,722	19,722
Land lease	126,890	126,890
Copier lease	7,740	13,440
Medical equipment lease	1,337,309	1,319,275
Construction in progress	77,149	77,149
Subtotal	9,740,021	9,187,346
Accumulated depreciation	(5,166,593)	(4,441,761)
Accumulated amortization	(287,185)	(131,443)
Total	$4,286,243	$4,614,142

Long-Term Debt

At the end of fiscal year 2025, the District had $434,045 in long-term debt outstanding as shown in the table below. The proceeds from the debt are for the assistance in acquisition or financing of equipment by volunteer fire departments and EMS. More detailed information about the District's debt is presented in the Notes to the Financial Statements.

	2025	2024
Current portion	$ 275,331	$ 261,567
Long-term portion	158,714	437,896
Total long-term debt	$ 434,045	$ 699,463

Currently Known Facts, Decisions, or Conditions

The final fiscal year 2025 budgeted expenditures for the District are $5,810,347. Property tax revenues increased in fiscal year 2025 by approximately 3% to $3,128,495 as compared to fiscal year 2024 property tax revenue of $3,029,492. The taxable value of property increased in fiscal year 2025 to $4,259,097,394 from $4,118,448,560 for fiscal year 2024. Sales tax revenues increased in fiscal year 2025 by approximately 71% to $3,628,974 as compared to fiscal year 2024 property tax revenue of $2,120,750.

The property tax rate for fiscal year 2025 remained unchanged from fiscal year 2024.

Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at P.O. Box 658, Franklin, Texas, 77856.

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Statement of Net Position
As of September 30, 2025

		Governmental Activities September 30, 2025
ASSETS		
Cash and cash equivalents	$	5,048,957
Investments		3,108,393
Accounts receivable, net		567,333
Property tax receivable, net		214,749
Notes receivable		337,963
Prepaid expenses		115,141
Inventories		173,778
Net pension asset		281,890
Capital assets, net of accumulated depreciation		4,286,243
TOTAL ASSETS		14,134,447
DEFERRED OUTFLOWS OF RESOURCES		
Pension		432,586
TOTAL DEFERRED OUTFLOWS OF RESOURCES		432,586
LIABILITIES		
Accounts payable		42,660
Accrued payroll		92,340
Payroll liabilities		26,327
Accrued expenses		4,909
Noncurrent liabilities		
Due within one year		
Leases-Right to Use-Machinery & Equipment		119,292
Compensated absences		17,156
Notes payable		275,331
Due in more than one year		
Leases-Right to Use-Machinery & Equipment		1,206,563
Compensated absences		1,061
Notes payable		158,714
TOTAL LIABILITIES		1,944,353
DEFERRED INFLOWS OF RESOURCES		
Pension		23,195
TOTAL DEFERRED INFLOWS OF RESOURCES		23,195
NET POSITION		
Net investment in capital assets		4,286,243
Restricted for pension		281,890
Unrestricted		8,031,352
TOTAL NET POSITION	$	12,599,485

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

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Statement of Activities
For the Year Ended September 30, 2025

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
Functions/Programs	**Expenses**	**Operating Grants and Contributions**	**Charges for Services**	**Governmental Activities**
Governmental Activities:				
General government	$ 1,247,575	$ -	$ -	$ (1,247,575)
Public safety	4,591,914	1,612	2,447,324	(2,142,978)
Total	$ 5,839,489	$ 1,612	$ 2,447,324	(3,390,553)
General revenues:				
Property taxes				3,128,495
Sales taxes				3,628,974
Tower lease				15,000
Interest income				218,529
Other				(295)
Total general revenues				6,990,703
Change in net position				3,600,150
Net position - beginning				8,999,335
Net position - ending				$ 12,599,485

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

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Balance Sheet - Governmental Funds
September 30, 2025

	General Fund	Total Governmental Funds
ASSETS		
Cash and cash equivalents	$ 5,048,957	$ 5,048,957
Investments	3,108,393	3,108,393
Accounts receivable, net	567,333	567,333
Property tax receivable, net	214,749	214,749
Notes receivable	337,963	337,963
Inventories	173,778	173,778
Prepaid expenses	115,141	115,141
TOTAL ASSETS	$ 9,566,314	$ 9,566,314
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities		
Accounts payable	$ 42,660	$ 42,660
Payroll liabilities	26,327	26,327
Accrued expenses	4,909	4,909
Accrued payroll	92,340	92,340
Total liabilities	166,236	166,236
Deferred Inflows of Resources		
Unavailable revenues-accounts receivable	567,333	567,333
Unavailable revenues-property taxes	207,640	207,640
Total Deferred Inflows of Resources	774,973	774,973
Fund Balance		
Nonspendable	626,882	626,882
Unassigned	7,998,223	7,998,223
Total Fund Balance	8,625,105	8,625,105
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	$ 9,566,314	$ 9,566,314

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

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
September 30, 2025

Total fund balance, governmental funds		$ 8,625,105
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		4,286,243
Deferred outflows of resources and the net pension asset represent a consumption of net position that applies to future periods and therefore will not be recognized as an outflow of resources until then. Deferred outflows of resources and the net pension asset are not reported in the governmental funds:		
Differences between expected and actual pension experience	274,654	
Net difference between projected and actual earnings on pension plan	16,712	
Changes in pension assumptions/inputs	1,782	
Contributions made to pension plan subsequent to measurement date	139,438	
Net pension asset	281,890	
		714,476
Other assets are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds:		
Property taxes	207,640	
Accounts receivable	567,333	
		774,973
Long-term liabilities are not due and payable in the current period, therefore are not reported in the governmental funds balance sheet.		
Note payable	(434,045)	
Compensated absences	(18,217)	
Leases payable	(1,325,855)	
		(1,778,117)
Deferred inflows of resources represent an acquisition of net position to future periods and therefore will not be recognized as an inflow of resources until then. Deferred inflows of resources are not reported in the governmental funds:		
Differences between expected and actual pension experience	(10,526)	
Net difference between projected and actual earnings on pension plan	(12,669)	
		(23,195)
Net position of governmental activities		$ 12,599,485

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

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025

	General Fund	Total Governmental Funds
SUPPORT AND REVENUES		
Support		
Contributions	$ 1,612	$ 1,612
Total Support	1,612	1,612
Revenues		
Property taxes	3,107,655	3,107,655
Sales tax	3,628,974	3,628,974
Charges for services	2,392,020	2,392,020
Interest income	218,529	218,529
Tower lease	15,000	15,000
Other	27,521	27,521
Total Revenues	9,389,699	9,389,699
TOTAL SUPPORT AND REVENUES	9,391,311	9,391,311
EXPENDITURES		
Current		
General government	1,075,675	1,075,675
Public safety	3,600,832	3,600,832
Debt Service		
Principal	378,334	378,334
Interest	157,748	157,748
Capital Outlay	748,414	748,414
TOTAL EXPENDITURES	5,961,003	5,961,003
Excess of Support and Revenues Over Expenditures	3,430,308	3,430,308
OTHER FINANCING SOURCES		
Sale of Capital Assets	57,415	57,415
Leases	18,034	18,034
TOTAL OTHER FINANCING SOURCES	75,449	75,449
CHANGE IN FUND BALANCE	3,505,757	3,505,757
FUND BALANCES, BEGINNING	5,119,348	5,119,348
FUND BALANCES, ENDING	$ 8,625,105	$ 8,625,105

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

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds		$	3,505,757
Governmental funds reported 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.			
Expenditures for capital assets	748,414		
Less - current year depreciation	(835,340)		
			(86,926)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.:			
Property taxes	20,840		
Charges for services	55,304		
			76,144
The net effect of sales of capital assets is to affect net position.			(85,231)
The liability for compensated absences is accrued at the government-wide level but not at the fund level. This is the curent year net change in that liability, reported as expense in the statement of activities.			(18,217)
The net pension liability/(asset) per GASB 68 is accrued at the government-wide level but not at the fund level. The is the current year change in those liabilities, reported as expense in the statement of activities.			4,065
The issuance of long-term debt (e.g., notes payable, leases) 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.			
Repayment of principal	378,334		
Leases	(18,034)		
Current year amortization	(155,742)		
			204,558
Change in net position of governmental activities		$	3,600,150

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

Note I – Significant Accounting Policies

A. Reporting Entity

Robertson County Emergency Services District (dba Robertson County Emergency Medical Services) (the District) was created after a public election held on November 7, 2000, under the provision of Section 48-d of Article III of the Constitution of Texas and the Texas Safety and Health Code, Chapter 775. The District provides fire protection and emergency response services to residents of the District.

On October 11, 2022, the District filed an assumed name certificate. The assumed name under which the District operates is Robertson County Emergency Medical Services. The period during which the assumed name will be used is ten years from the date of filing with the county clerk of Robertson County, Texas.

On November 14, 2022, Robertson County Emergency Medical Services, Inc. granted the District all of its real property through a general warranty deed receiving as consideration the operation of emergency medical services in Robertson County, Texas. On November 14, 2022, Robertson County Emergency Medical Services, Inc. also sold all of its tangible and intangible personal property, as is, to the District and received as consideration the operation of emergency medical services in Robertson County, Texas. Both transactions were effective December 31, 2022.

Robertson County Emergency Services District and Robertson County Emergency Medical Services, Inc. were not previously included within the same financial reporting entity. The primary reason for the combination of the two entities was for the retention of EMS employees, which could be achieved through benefits provided by a governmental entity. The combination should create a more sustainable future for the EMS.

B. Basis of Presentation

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for the state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, (when applicable) that do not conflict with or contradict GASB pronouncements. The more significant accounting policies established in GAAP and used by the District are discussed below.

The financial statements of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures.

Note I – Significant Accounting Policies-Continued

The following fund types are used by the District:

General Fund – The General Fund is the general operating fund of the District. This fund includes all the available operating revenues and accumulates reserves for future operating activities.

C. Government-Wide Financial Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government. The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The statement of activities demonstrates the degree to which the expenses of a given function are offset by program revenues. Expenses are those that are clearly identifiable with a specific function. Program revenues include operating grants and contributions and charges for services. Taxes and other items properly not included among program revenues are reported instead as general revenues.

D. Fund Level Financial Statements

In the governmental funds financial statements, the governmental-type activities are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means that the amount of the transaction can be determined, and “available” means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A 60-day period is used for recognition for all governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

The fund level financial statements are reported using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balances (net current assets) are considered a measure of “available spendable resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Note I – Significant Accounting Policies-Continued

E. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and disclosures of assets, liabilities, revenues and expenditures. Accordingly, actual results could differ from those estimates.

F. Cash, cash equivalents and investments

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less.

All District funds must be on deposit with the District's depository unless the Commissioners' Court directs the District Treasurer to invest funds as otherwise provided by law. Investments are stated at amortized cost (see Note II).

G. Inventories

Inventories are stated at lower of cost or market value and the first-in, first-out basis is used to determine cost. Inventories consist primarily of pharmaceutical disposable items and medications that are housed on the EMS fleet and in the storage rooms of the individual EMS stations.

H. Capital Assets

As stated in the Texas Health and Safety Code, Title 9, Subtitle B, Chapter 775, Section 775.073 as of September 1, 2013, any property, including interest in property, purchased or leased using District funds, wholly or partly, must remain the property of the District, regardless of whether the property is used by a third party under a contract for services or otherwise, until the property is sold to a third party following the procedures under Section 263.003, 263.007, or 263.008.

Any property purchased by the fire departments prior to September 1, 2013, remains property of the individual fire departments.

Capital assets are recorded at cost if purchased and fair market value if donated. Additions or betterments of $500 and/or a useful life of one year are capitalized. Capital assets are depreciated using the straight-line method over the estimated useful lives.

Note I – Significant Accounting Policies-Continued

Estimated useful lives for depreciable assets are as follows:

Buildings and building improvements	15 years
Furniture and fixtures	7 years
Machinery and equipment	5 years
Vehicles and equipment	5-10 years

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has the following pension related items that qualify for reporting in this category:

- Pension contributions made subsequent to the measurement date, which will be recognized in the next fiscal year.
- The difference in expected and actual pension experience which is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- The changes in actuarial assumptions are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- The difference between projected and actual earnings on pension assets which is deferred and amortized over a closed five-year period.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

- The difference in expected and actual pension experience which is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- The difference between projected and actual earnings on pension assets which is deferred and amortized over a closed five-year period.

Note I – Significant Accounting Policies-Continued

- Unavailable revenues – The unavailable revenues which arise only under the modified accrual basis of accounting qualify for reporting in this category in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and charges for services (emergency medical services).

J. Compensated Absences

The District permits employees to accumulate earned but unused paid time off (PTO) benefits based on length of service. Employees who have been employed between 5 and 10 years in a position which accrues PTO are paid for up to 48-hours of their accrued PTO at the regular rate upon resignation of employment, and employees who have been employed for more than ten years are paid up to 72-hours of their accrued PTO. Compensated absences are accounted for in the government-wide financial statements. The liability for compensated absences includes salary related benefits where applicable.

K. Fund Balances

GASB Statement No.54, "Fund Balance Reporting and Governmental Fund Type Definitions," establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The implementation of GASB 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied.

Under GASB 54, fund balances are required to be reported according to the following classifications:

Nonspendable Fund Balance - Amounts that cannot be spent because they are either not in spendable form or because they are legally or contractually required to be maintained intact.

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints placed on the use of these resources by creditors (such as through debt covenants), grantors, contributors or other governments; or constraints are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Note I – Significant Accounting Policies-Continued

Assigned Fund Balance - Amounts that are constrained by the government's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given.

Unassigned Fund Balance – All amounts not included in other spendable classifications.

L. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Texas County & District Retirement System (TCDRS) and additions to/deductions from TCDR's fiduciary net position have been determined on the same basis as they are reported by the TCDRS. The District's employer contributions are recognized when due and the District has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable and in accordance with the terms of TCDRS. Investments are reported at fair value.

M. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on the use by either external parties or enabling legislation.

It is the District's policy to expend restricted resources first and to use unrestricted resources when the restricted resources have been depleted.

N. Recently Issued Accounting Pronouncements

The Governmental Accounting Standard Board (GASB) has issued the following Statements which are not yet effective:

The GASB issued Statement No. 103, "Financial Reporting Model Improvements", in April 2024. Improving key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accounting is the Statement's objective. This Statement addresses required supplementary information in the MD&A, unusual and infrequent items, presentation of the Proprietary Fund Statements, major component unit information, and budgetary comparison information as its

Note I – Significant Accounting Policies-Continued

reported in the financial statements. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2025, and earlier application is encouraged.

The GASB issued Statement No. 104, "Disclosure of Certain Capital Assets", in September 2024. This Statement is providing users of government financial statements with essential information about certain types of capital assets and disclosing additional information regarding capital assets held for sale. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2025, and earlier application is encouraged.

The GASB issued Statement No. 105, "Subsequent Events", in December 2025. This Statement is to improve the financial requirements for subsequent events to better meet the needs of the financial statement users. This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The requirements of this Statement are effective for all fiscal years beginning after June 15, 2026, and earlier application is encouraged.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

Note II – Investments

The District is authorized to invest its funds in accordance with the Texas Public Funds Act, Government Code Chapter 2256 and its subsequent amendments. The District's investment policy is strictly based on State law. During the year ended September 30, 2025, the District's investments consisted of $3,108,393 in TexPool valued at amortized cost.

Interest-Rate Risk

TexPool is a local government investment pool under the oversight of the State Comptroller of Public Accounts of Texas. TexPool's portfolio has low interest rate risk due to restrictions on weighted average maturity and maximum maturity of any one investment. It maintains the weighted average maturity at sixty (60) days or less and no security will exceed thirteen (13) months in maturity.

Custodial Credit Risk

Investments are exposed to custodial risk if the investments are uninsured, are not registered in the County's name and are held by the counterparty.

Note II – Investments-Continued

Credit Risk

State law limits investment in the investment pool to at least an AAA or AAAm rating or an equivalent rating by at least one nationally recognized rating service. TexPool is rated AAAm by Standard & Poor's, the highest rating a local government investment pool can achieve. The pool seeks to maintain a $1.00 value per share as required by the Texas Public Funds Investment Act.

Note III – Receivables

The reported property tax receivable is the amount of taxes anticipated to be collected after September 30, 2025. The difference between the receivable and the associated allowance ($4,888 as of September 30, 2025) is reported as unavailable revenue in the governmental funds balance sheet.

The reported service accounts receivable is the amount of ambulance services rendered anticipated to be collected after September 30, 2025. The gross fees for the ambulance services rendered are difficult to collect due to the discounts and limitations placed on claims by insurance companies and the patients' inability to pay for the services. Charges for services are reported net of bad debt write-offs/expense of $36,145. Accounts receivable represent amounts due from patients, Medicare, Medicaid, and insurance companies. The allowance, that is seventy percent of gross accounts receivable, as of September 30, 2025, was $1,247,303. The difference between the receivable and the associated allowance is reported as unavailable revenue in the governmental funds balance sheet.

The reported notes receivable is due from Hearne Volunteer Fire Department, Calvert Volunteer Fire Department, and Franklin Volunteer Fire Department and is reported as nonspendable fund balance in the governmental funds balance sheet.

Note IV – Capital Assets

Depreciation and amortization expense for the year ended September 30, 2025, totaled $991,082 and was charged to functions as follows:

Governmental Activities:	
General Government	$ 25,896
Public Safety	965,186
	$ 991,082

Note IV – Capital Assets-Continued

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

Beginning Balance	ESD	Volunteer Fire Departments	Emergency Medical Services	Total
Capital Assets not being Depreciated:				
Land	$ -	$ 16,000	$ 127,529	$ 143,529
Construction n Progress	-	-	77,149	77,149
Capital Assets being Depreciated:				
Tower	293,405	-	-	293,405
Furniture & Equipment	99,398	52,579	274,089	426,066
Bunker Gear	-	420,427	-	420,427
SCBA Gear	-	226,887	-	226,887
Buildings	-	-	704,460	704,460
Building Expansion	-	68,000	-	68,000
Building Improvements	-	90,686	-	90,686
Emergency Services Equipment	19,301	665,234	674,425	1,358,960
Tower Equipment	96,337	-	-	96,337
Vehicles	-	1,606,064	2,191,760	3,797,824
Software	-	-	4,289	4,289
Copier Lease	13,440	-	-	13,440
Equipment Lease	-	-	1,319,275	1,319,275
Tower Lease	19,722	-	-	19,722
Land Lease	126,890	-	-	126,890
Total	668,493	3,145,877	5,372,976	9,187,346
Additions				
Capital Assets being Depreciated:				
Furniture & Equipment	-	2,966	3,525	6,491
Bunker Gear	-	60,051	-	60,051
Emergency Services Equipment	-	258,535	16,915	275,450
Tower Equiment	52,482	-	-	52,482
Vehicles	-	74,550	338,505	413,055
Equipment Lease	-	18,034	-	18,034
Total Additions	52,482	414,136	358,945	825,563
Total Disposals	-	-	(195,739)	(195,739)
Total Transfers Out of CIP	-	-	(77,149)	(77,149)
Total Capital Assets	720,975	3,560,013	5,459,033	9,740,021
Less Accumulated Amortization	(64,863)	(6,913)	(215,409)	(287,185)
Less Accumulated Depreciation	(396,130)	(2,466,129)	(2,304,334)	(5,166,593)
Total Capital Assets, Net of Depreciation and Amortization	$ 259,982	$ 1,086,971	$ 2,939,290	$ 4,286,243

Note V – Noncurrent Liabilities

The following is a summary of note payable transactions during the year ended September 30, 2025:

Balance 10/1/2024	Additions	Payments	Balance 9/30/2025
$699,463	$ -	$265,418	$ 434,045

Notes payable at September 30, 2025 consisted of the following:

Stryker Financial, dated October 25, 2023, payable in annual installments of $41,789, including interest at 9.89%, matures November 25, 2029	$ 158,854
Robertson County Bank, dated September 13, 2023, payable in annual installments of $262,200, including interest at 4.71%, and a final installment of all unpaid principal and interest, matures July 15, 2027	$ 275,191

The District granted Robertson County Bank a security interest in all ad valorem tax revenues and all other income or receipts received or to be received by the District. The note payable will be liquidated by the General Fund.

Annual payments required to amortize the long-term notes payable outstanding as of September 30, 2025, including interest payments are as follows:

Year Ending	Governmental Activities		
September 30,	Principal	Interest	Total
2026	$ 275,331	$ 28,659	$ 303,990
2027	54,591	14,339	68,930
2028	31,490	10,300	41,790
2029	34,605	7,185	41,790
2030	38,028	3,762	41,790
	$ 434,045	$ 64,245	$ 498,290

Note VI – Compensated Absences

GASB Statement No. 101, *Compensated Absences,* was issued in June 2022. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. During the fiscal year ended September 30, 2025, the District implemented the new standard, however, the District was already recording compensated absences in accordance with the new standard. The District has always included vacation benefits and sick leave in compensated absences. The salary-related liability associated with compensated absences includes employer-paid Social Security and Medicare taxes. Retirement contributions are excluded from the calculation of the salary-related liability for compensated absences. The employer contribution rates are 6.2 percent for Social Security and 1.45 percent for Medicare, and the resulting liability is included in the total compensated absences balance.

The total liability for compensated absences is $18,217. This is a net change in compensated absences for Governmental Activities of $11,172. The amount of compensated absences due within one year is $17,156 and the amount due within more than one year is $1,061.

The change in compensated absences for fiscal year 2025 was as follows:

	Compensated Absences as of September 30, 2024	Net Change	Compensated Absences as of September 30, 2025	Amount Due Within One Year
Governmental Activities	$7,045	$11,172	$18,217	$17,156

Note VII – Net Investment in Capital Assets

For September 30, 2025, net investment in capital assets showed a balance of $4,286,243. This amount is derived from total capital assets net of accumulated depreciation and amortization.

Note VIII– Fire Department Expenses

As of October 1, 2013, in lieu of disbursing funds directly to the individual volunteer fire departments, the District enforced the policy of directly paying the operating expenses of the individual volunteer fire departments.

Note IX – Property Taxes

Property taxes are collected and remitted to the District by the Robertson County Tax Assessor Collector. Property taxes attach as an enforceable lien on property as of January 1 of a given year. Property taxes are levied each October 1 on the assessed value as of the previous January 1 for all real property located in the District and are payable by January 31 of the following year.

Note IX – Property Taxes-Continued

Property taxes become delinquent on February 1 at which time they begin accruing penalty and interest. Delinquent payments throughout the year are recognized in the year received.

The tax assessment of October 1, 2024, sets the tax levy at $0.07290 per $100 of assessed valuation, which results in the following:

	October 1, 2023
Taxable value	$4,259,097,394
Levy	$ 3,104,882

Note X – Sales Tax

In May 2023, the residents of the District voted on a proposition to adopt a local sales and use tax at a rate not to exceed 2%. As such, sales tax collection was implemented beginning October 1, 2023. The rate remained the same for fiscal year 2025.

Note XI – Leases

The District has entered into leases as both lessee and lessor.

During 2009, the District completed construction of a 500-foot radio communications tower for the use of the District's emergency services departments. At September 30, 2025, the tower had a cost of $293,405 with accumulated depreciation of $293,405. The District offers tower space under leases to outside parties. The leases are annual leases.

During 2007, the District entered a lease for land to use for the District's tower. The lease expires in 2037 with seven additional ten-year extension periods. The District intends to exercise its option to extend the lease for two additional ten-year extension periods. The monthly rental payment at the inception of the lease was $500 per month. However, the initial monthly rental payment of $500 per month is increased by various escalation clauses during the lease term.

During 2019, the District entered a lease for tower space on the Blackjack Tower Site located in Hearne, TX. The lease expired in 2023 with three additional five-year extension periods. The District intends to exercise all of the options to extend. The monthly rental payment at the inception of the lease was $100 per month. However, the initial monthly rental payment of $100 per month is increased by various escalation clauses during the lease term.

During 2020, the EMS entered a copier lease. The lease expired in November 2024. The monthly rental payments are $145 per month plus monthly excess usage charges. The lease was not renewed.

Note XI – Leases-Continued

During 2022, the District entered a copier lease. The lease expires in October 2026. The monthly rental payments are $243 per month plus monthly excess usage charges.

During 2023, the District entered a copier lease. The lease expires in October 2028. The monthly rental payments are $370 per month plus monthly excess usage charges

During 2024, the District entered into a lease for medical equipment with Zoll Medical Corporation. The lease expires in February 2034 and the quarterly rental payments are $46,628 per quarter.

During 2024, the District entered into a lease for medical equipment with Peacemaker Technologies. The lease expires in November 2026 and the annual rental payments are $21,755.

Total lease assets and accumulated amortization as of September 30, 2025, were $1,497,361 and $287,185, respectively. Amortization expense for the year ended September 30, 2025, was $155,742.

The following is a summary of lease liability transactions during the year ended September 30, 2025:

Balance 10/1/2024	Additions	Payments	Balance 9/30/2025
$1,420,737	$18,034	$112,916	$1,325,855

Future lease payments for all leases are as follows:

Fiscal Year	Principal	Interest	Total
2026	$ 119,292	$108,591	$ 227,883
2027	126,817	98,392	225,209
2028	137,601	87,366	224,967
2029	123,617	75,525	199,142
2030	134,028	64,744	198,772
2031-2035	572,841	141,249	714,090
2036-2040	15,427	42,636	58,063
2041-2045	16,663	36,551	53,214
2046-2050	25,135	28,079	53,214
2051-2055	37,915	15,299	53,214
2056-2057	16,519	1,218	17,737
Totals	$1,325,855	$699,650	$2,025,505

Note XII – Pension Plan

Plan Description – The District participates in the Texas & County District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system. The TCDRS places the general administration and management of the System with a nine-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TCDRS is not fiscally dependent on the State of Texas. TCDRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TCDRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tcdrs.org by searching under Publications for the applicable ACFR.

All eligible employees of the District are required to participate in TCDRS.

Benefits Provided – TCDRS provides retirement, disability, and death benefits for all of the District's full-time and part-time non-temporary employees. Benefit provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS.

Employees are considered "vested" when they have earned enough service time to be eligible for retirement once they reach the age requirement. To be vested in the pension plan, employees must have 8 years of service time. Once vested, employees may end employment with the District and still keep the right to a future retirement benefit. Employees' personal accounts will keep earning interest until they withdraw their personal deposits, choose a retirement benefit or they pass away.

Once the employees have vested, they are eligible for a retirement benefit when they meet one of the following requirements: 1) be 60 years of age with 8 years of service; or 2) any age with 30 years of service; or 3) when age plus their years of service equals 75 (also called the Rule of 75). As of December 31, 2023, the District's gross membership consisted of the following:

Retired plan members or beneficiaries currently receiving benefits	-
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members	37
Total	44

Contributions – Employees for the District were required to contribute 7% of their annual gross earnings during the fiscal year. Employer contributions are actuarially determined and set annually by the TCDRS Board of Trustees. The District's contractually required contribution rate for the year ended September 30, 2025 was 8.72% for all eligible employees. Total District contributions to TCDRS were $173,575 for the year ended September 30, 2025.

Note XII – Pension Plan-Continued

Net Pension Liability/(Asset) – The District's Net Pension Asset was measured as of December 31, 2024, and the Total Pension Liability used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions - The actuarial assumptions used in the December 31, 2024 valuation were developed from an actuarial experience investigation of TCDRS over the years 2017 - 2020, except where required to be different by GASB Statement No. 68. The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following key assumptions and methods:

Actuarial Cost Method	Entry Age (level percent of pay)
Asset Valuation Method:	
Smoothing period	5 years
Recognition period	Non-asymptotic
Corridor	None
Actuarial Assumptions:	
Inflation	2.50%
Salary increases	4.7% average over career*
Investment rate of return	7.60%**
Cost-of-Living Adjustments (COLAs)	***

* *Includes inflation, merit, promotion and longevity components.*
** *Net of administrative and investment expenses, including inflation.*
*** *Not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future COLAs is included in the funding valuation.*

Salary increase rates assumed for individual members vary by length of service and by entry-age group. The rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and 0.5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.

Mortality rates were based on the Pub - 2010 General Employees, Retirees, and Disabled Retirees Tables for males or females, as appropriate, both projected with 100% of the MP - 2021 Ultimate scale after 2010.

The long-term expected rate of return on pension plan investments is 7.6%. This rate reflects the long-term rate of return funding valuation assumption of 7.5%, plus 0.10% adjustments to be gross of administrative expenses as required by GASB Statement No. 68. The long-term expected rate of return on TCDRS's assets is determined by adding expected information to expected long-term real returns and reflecting expected volatility and correlation. The target

Note XII – Pension Plan-Continued

allocation and best estimates of geometric 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	13.00%	5.35%
Private Equity	25.00%	8.15%
Global Equities	4.00%	5.15%
International Equities- Developed	6.00%	4.75%
International Equities – Emerging	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 (MLPs)	2.00%	4.95%
Commodities	2.00%	1.00%
Private Real Estate Partnerships	6.00%	5.75%
Cash Equivalents	2.00%	1.10%
Hedge Funds	6.00%	3.60%
Total	100.00%	

** Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.35%, per Cliffwater's 2025 capital market assumptions.*

The information above is based on the most recent target asset allocation adopted at the March 2025 TCDRS Board of Trustees meeting.

Discount Rate - The discount rate used to measure the Total Pension Liability was 7.6%. The projection of cash flows used to determine the discount rate assumed that contributions from employees will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of all 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.

Note XII – Pension Plan-Continued

Changes in the Net Pension Liability/(Asset):

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance as of December 31, 2023	$ 379,693	$ 650,128	$ (270,435)
Changes for the year:			
Service cost	322,520	-	322,520
Interest on total pension liability (1)	53,356	-	53,356
Effect of plan changes (2)	-	-	-
Effect of economic/demographic gains or losses	(10,838)	-	(10,838)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(337)	(337)	-
Benefit payments	-	-	-
Administrative expenses	-	(559)	559
Member contributions	-	146,611	(146,611)
Net investment income	-	72,377	(72,377)
Employer contributions	-	142,003	(142,003)
Other (3)	-	16,061	(16,061)
Balance as of December 31, 2024	$ 744,394	$ 1,026,284	$ (281,890)

(1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.
(2) No plan changes valued.
(3) Relates to allocation of system-wide items.

Sensitivity Analysis - The following presents the Net Pension Liability/(Asset) of the District, calculated using the discount rate of 7.6%, as well as what the District's Net Pension Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.6%) or 1-percentage-point higher (8.6%) than the current rate:

Note XII – Pension Plan-Continued

	1% Decrease in Discount Rate (6.60%)	Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
Total Pension Liability	$ 914,165	$ 744,394	$ 609,518
Fiduciary Net Position	1,026,283	1,026,284	1,026,283
Net Pension Liability / (Asset)	$ (112,118)	$ (281,890)	$ (416,765)

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's Fiduciary Net Position is available in TCDRS's separately-issued annual comprehensive financial report for the year ended December 31, 2024. The report was issued in accordance with accounting principles generally accepted in the United States of America and can be viewed online at www.tcdrs.org.

Payable to the Pension Plan - At September 30, 2025, the District owed $26,327 to the pension plan for contributions for the year ended September 30, 2025. The payable is included in payroll liabilities.

Pension Expense/(Income) and Deferred Outflows and Inflows of Resources - For the year ended September 30, 2025, the District recognized pension expense of $169,986. At September 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ 10,526	$ 274,654
Net difference between projected and actual earnings	12,669	16,712
Changes in assumptions/inputs	-	1,782
Contributions made subsequent to measurement date	-	139,438
Total	$ 23,195	$ 432,586

Note XII – Pension Plan-Continued

The deferred outflows of resources and deferred inflows of resources, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:		
2025	$	17,004
2026		18,121
2027		9,765
2028		10,513
2029		12,840
Thereafter		201,710
Total	$	269,953

Notes XIII– Deposits

The District's bank balances were covered by federal depository insurance or by collateral held by the District's agent in the District's name. At September 30, 2025, the amount of the District's bank deposits was $5,081,062. Deposits are categorized to give an indication of the level of risk assumed at year end. Categories are as follows:

Category 1 – Insured or collateralized with securities held by the District or its agent in the District's name.

Category 2 – Collateralized with securities and/or letter of credit held by the pledging financial institution's trust department or agent in the District's name.

Category 3 – Uncollateralized.

At year end, the District's deposits are categorized as follows:

	Category 1	Category 2	Category 3
2025	$750,000	$4,331,062	$ -

Note XIV – Budgetary Comparison Schedule

During the fiscal year, the District approved a budget for administrative expenses. The budgetary comparison schedule is presented on page 36.

Note XV – Commitments

During fiscal year 2025, the District renewed its agreements with the following volunteer fire departments: Franklin, Easterly, Wheelock, Bremond, Seale-Round Prairie, Blackjack, Hearne, and Calvert. These agreements are effective October 1, 2025, and under the agreements the fire departments agreed to provide emergency services to all persons and property within the emergency services district. Amounts to be paid to the volunteer fire departments are disbursed at the discretion of the Board.

Note XVI – Subsequent Events

Management has evaluated subsequent events through June 30, 2026, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

Robertson County Emergency Services District
(dba Robertson County Emergency Medical Services)
Budgetary Comparison Schedule
General Fund
For the year ended September 30, 2025

	Original Budget	Final Budget	Actual	(Over)/Under
24 Hr. Radio Maintenance	$ 10,200	$ 10,200	$ 10,200	$ -
Accounting Fees	42,000	42,000	43,300	(1,300)
Administrative Fees	2,000	2,000	1,046	954
Alerting System	1,500	1,500	398	1,102
Appraisal Costs	86,397	86,397	74,707	11,690
Building Maintenance	11,700	11,700	24,970	(13,270)
Capital Outlay	916,128	899,782	748,414	151,368
Debt Service	262,200	262,200	536,082	(273,882)
Communications	1,000	1,000	200	800
Computer Expenses	1,000	1,000	-	1,000
Conferences/Meetings/Trainings	16,775	16,775	7,177	9,598
Contract 1099	23,600	23,600	963	22,637
Dues/Memberships	117,505	117,505	111,888	5,617
Electrical Inspections	1,000	1,000	187	813
Electricity Service	3,500	3,500	5,540	(2,040)
Emergicon Fees	-	-	166,772	(166,772)
Equipment Maintenance	7,000	7,000	3,644	3,356
Equipment Repairs	8,000	8,000	484	7,516
Fire Prevention Program	1,800	1,800	1,556	244
Ground Maintenance	700	700	2,420	(1,720)
Insurance and Bonds	232,560	232,560	253,111	(20,551)
Janitorial Supplies	4,000	4,000	3,454	546
Legal Fees	20,000	20,000	12,844	7,156
Lodging/Meals	3,175	3,175	9,879	(6,704)
Mechanical Supplies/Tools	500	500	34	466
Medical Supplies	150,000	150,000	186,565	(36,565)
Mileage Reimbursement	500	500	127	373
Miscellaneous	110,000	110,000	70,154	39,846
Office Supplies	14,600	14,600	3,713	10,887
Postage/Box Rent	900	900	939	(39)
Propane/Fuel Costs	1,200	1,200	102	1,098
Property Lease	11,344	11,344	-	11,344
Public Notices	1,000	1,000	32	968
Rent/Utilities	1,000	1,000	-	1,000
Salaries, Benefits, Payroll Taxes	3,215,100	3,215,100	2,972,707	242,393
Tax Assessor/Collector Fees	2,080	2,080	-	2,080
Utilities	46,200	46,200	31,108	15,092
Vehicle Fuel	120,000	120,000	115,555	4,445
Vehicle Maintenance	85,000	85,000	58,176	26,824
VFD Expenses	361,128	293,529	502,555	(209,026)
	$ 5,894,292	$ 5,810,347	$ 5,961,003	$ (150,656)

<Note> The general fund expenditures are over budget for fiscal year 2025 mainly due to the fact that the District did not budget for lease payments or Emergicon fees. Additionally, VFD budget amendments are tracked internally but are not included in the final budget above.

ROBERTSON COUNTY EMERGENCY SERVICES DISTRICT
(dba ROBERTSON COUNTY EMERGENCY MEDICAL SERVICES)
Required Supplementary Information
Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios

September 30, 2025

	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability								
Service cost	$ 322,520	$ 9,313	$ 8,479	$ 8,378	$ 7,028	$ 6,711	$ 6,415	$ 7,801
Interest on total pension liability	53,356	5,636	4,390	3,489	2,568	1,847	1,205	632
Effect on plan changes	-	-	3,272	-	-	-	-	-
Effect on assumption changes or inputs	-	-	-	163	2,865	-	-	17
Effect on economic/demographic (gains) or losses	(10,838)	300,515	17	(285)	396	29	12	7
Benefit payments/refunds of contributions	(337)	(1,207)	-	-	-	-	-	-
Net change in total pension liability	364,701	314,257	16,158	11,745	12,857	8,587	7,632	8,457
Total pension liability, beginning	379,693	65,436	49,278	37,533	24,676	16,089	8,457	-
Total pension liability, ending (a)	$ 744,394	$ 379,693	$ 65,436	$ 49,278	$ 37,533	$ 24,676	$ 16,089	$ 8,457
Fiduciary Net Position								
Employer contributions	$ 142,003	$ 129,301	$ 268,968	$ 4,414	$ 4,378	$ 4,018	$ 3,907	$ 3,415
Member contributions	146,611	133,497	3,896	3,740	3,710	3,396	3,240	2,834
Investment income net of investment expenses	72,377	39,528	(26,275)	8,494	2,459	2,249	(40)	101
Benefit payments/refunds of contributions	(337)	(1,207)	-	-	-	-	-	-
Administrative expenses	(559)	(339)	(195)	(28)	(26)	(18)	(11)	(4)
Other	16,061	13,230	38,460	240	242	257	213	84
Net change in fiduciary net position	376,156	314,010	284,854	16,860	10,763	9,902	7,309	6,430
Fiduciary net position, beginning	650,128	336,118	51,264	34,404	23,641	13,739	6,430	-
Fiduciary net position, ending (b)	$ 1,026,284	$ 650,128	$ 336,118	$ 51,264	$ 34,404	$ 23,641	$ 13,739	$ 6,430
Net pension liability/(asset), ending = (a) - (b)	$ (281,890)	$ (270,435)	$ (270,682)	$ (1,986)	$ 3,129	$ 1,035	$ 2,350	$ 2,027
Fiduciary net position as a % of total pension liability	137.87%	171.22%	513.66%	104.03%	91.66%	95.81%	85.39%	76.03%
Pensionable covered payroll	$ 2,094,448	$ 1,907,098	$ 55,664	$ 53,434	$ 52,995	$ 48,510	$ 46,288	$ 40,480
Net pension liability/(asset) as a % of covered payroll	-13.46%	-14.18%	-486.28%	-3.72%	5.90%	2.13%	5.08%	5.01%

ROBERTSON COUNTY EMERGENCY SERVICES DISTRICT
(dba ROBERTSON COUNTY EMERGENCY MEDICAL SERVICES)

Schedule of Employer Contributions to the Pension Plan
September 30, 2025

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution (1)	Contribution Deficiency (Excess)	Pension Covered Payroll (2)	Actual Contribution as a % of Covered Payroll
2017	$ 3,416	$ 3,416	$ -	$ 40,480	8.4%
2018	3,907	3,907	-	46,288	8.4%
2019	4,012	4,018	(6)	48,510	8.3%
2020	4,377	4,378	(1)	52,995	8.3%
2021	4,382	4,414	(32)	53,434	8.3%
2022	5,549	268,968	(263,419)	55,664	483.2%
2023	129,301	129,301	-	1,907,098	6.8%
2024	142,003	142,003	-	2,094,448	6.8%

(1) TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement 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.

Notes to Schedule

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

Methods and assumption used to determine contribution rates:

Actuarial cost method Entry Age (level percentage of pay)

Amortization method Level percentage of payroll, closed

Remaining Amortization Period 0.0 years (based on contribution rate calculated in 12/31/2024 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 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.

Changes 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.

ROBERTSON COUNTY EMERGENCY SERVICES DISTRICT
(dba ROBERTSON COUNTY EMERGENCY MEDICAL SERVICES)
Schedule of Employer Contributions to the Pension Plan - Continued
September 30, 2025

Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: Not applicable, prior to TCDRS participation
	2016: Not applicable, prior to TCDRS participation
	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.
	2018: No changes in plan provisions were reflected in the Schedule.
	2019: No changes in plan provisions were reflected in the Schedule.
	2020: No changes in plan provisions were reflected in the Schedule.
	2021: No changes in plan provisions were reflected in the Schedule.
	2022: No changes in plan provisions were reflected in the Schedule.
	2023: Employer contributions reflect that the current service matching rate was increased to 175% for future benefits
	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 the Notes to Schedule.