

Travis County Emergency  
Services District No. 8  
Financial Statements  
September 30, 2021

Travis County Emergency Services District No. 8  
For the Year ending September 30, 2021

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Travis County Emergency Services District No. 8

We have audited the accompanying financial statements of the governmental activities, and each major fund, of Travis County Emergency Services District No. 8, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund, of Travis County Emergency Services District No. 8, as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

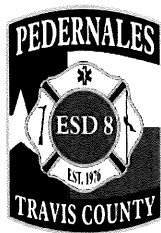
**Other Matters**

*Required Supplementary Information*

*Accounting* principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 24 through 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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.



Medack & Oltmann, LLP  
Giddings, TX  
April 29, 2022



In accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 34, the management of Travis County Emergency Services District No. 8 (the “District”) offers the following narrative on the financial performance of the District for the year ended September 30, 2021. Please read it in connection with the District’s financial statements that follow.

### Financial Highlights:

- Net Position at the close of the most recent period was \$5,258,062.
- General Fund balance increased by \$1,859,273, with an ending balance of \$4,191,708.
- During the year, the District refinanced 4 existing loans into one loan in the amount of \$1,889,388.

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the “General Fund” column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

### Management’s Discussion and Analysis

#### Overview of the Basic Financial Statements

The District’s reporting is comprised of two parts:

- *Management’s Discussions and Analysis (this section)*
- *Basic Financial Statements:*
  - *Statement of Net Position and Governmental Fund Balance Sheet*
  - *Statement of Activities and Governmental Fund Revenues, Expenditures, And Changes in Fund Balance*
  - *Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual – General Fund*
  - *Notes to Basic Financial Statements*

The *Statement of Net Position and Governmental Fund Balance Sheet* includes a column (titled “General Fund”) that represents a balance sheet prepared using the modified accrual basis of accounting. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District’s net position will indicate financial health.

The *Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance* includes a column (titled "General Fund") that derives the change in fund balance resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund* presents a comparison statement between the District's adopted budget to its actual results.

The *Notes to Basic Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statements of Net Position and Governmental Fund Balance Sheet* and the *Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance*.

### The District as a Whole

The District's combined net position for the years ending September 30, 2021, and 2020, are shown in the table below. Our analysis below focuses on the net position and changes in the net position of the District's governmental activities as reported in the accrual basis of accounting.

#### STATEMENT OF NET POSITION

	<u>9/30/2021</u>	<u>9/30/2020</u>
<b>Assets:</b>		
Current	\$ 4,445,448	\$ 2,706,881
Capital assets (net of accumulated depreciation)	<u>5,538,660</u>	<u>6,795,065</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 9,984,108</u></u>	<u><u>\$ 9,501,946</u></u>
<b>Liabilities:</b>		
Current liabilities	\$ 847,846	\$ 877,509
Long-term liabilities	<u>3,878,200</u>	<u>4,397,299</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 4,726,046</u></u>	<u><u>\$ 5,274,808</u></u>
<b>Net position:</b>		
Net investment in capital assets	\$ 1,330,348	\$ 2,099,108
Unrestricted	<u>3,927,714</u>	<u>2,128,030</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 5,258,062</u></u>	<u><u>\$ 4,227,138</u></u>

The District's total assets were \$9,984,108 as of September 30, 2021. Of this amount, \$5,538,660 is accounted for by capital assets. The District had outstanding liabilities of \$4,726,046, of which \$4,208,313 represents notes payable and capital lease obligations.

The changes in net position for the respective periods are also shown in the table below.

**STATEMENT OF ACTIVITIES**

	9/30/2021	9/30/2020
<b>EXPENSES:</b>		
Apparatus	\$ 114,790	\$ 102,123
Support Equipment	162,828	176,224
Communications	165,655	116,916
Public Relations	11,454	10,995
Training	53,903	20,408
Stations	119,815	136,711
Clothing & Protective Gear	42,344	33,711
Personnel	3,991,772	3,201,221
Administrative	141,713	244,204
Debt Service	193,049	138,883
Depreciation	414,439	278,833
<b>TOTAL EXPENSE</b>	<b>\$ 5,411,762</b>	<b>\$ 4,460,229</b>
 <b>REVENUES:</b>		
General	\$ 4,442,686	\$ 4,298,659
Interlocal Agreement	2,000,000	1,900,000
<b>TOTAL REVENUES</b>	<b>\$ 6,442,686</b>	<b>\$ 6,198,659</b>
 <b>CHANGE IN NET POSITION</b>	 <b>\$ 1,030,924</b>	 <b>\$ 1,738,430</b>
 Beginning Net Position	 \$ 4,227,138	 \$ 2,488,708
 Ending Net Position	 <b>\$ 5,258,062</b>	 <b>\$ 4,227,138</b>

Total revenues increased by approximately \$244,027 to \$6,442,686 for the fiscal year ended September 30, 2021. Property taxes generated \$2,634,234 and sales tax generated \$2,274,716 in revenues. Total expenses increased by \$951,533 to \$5,411,762 for the fiscal year ended September 30, 2021, mainly due to the increase in payroll. Net position increased \$1,030,924 for the fiscal year ended September 30, 2021, compared to an increase of \$1,738,430 for the fiscal year ended September 30, 2020.

**The District Governmental Fund**

At September 30, 2021, the District’s governmental fund reported a fund balance of \$4,191,708, which is an increase of \$1,859,273 from the prior year. This increase in fund balance can be attributed to an increase of revenues over expenditures at September 30, 2021.

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which 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. Those fund balance classifications are described below.

Non-spendable – Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constraints imposed by external providers or imposed by constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board of Commissioners.

Assigned – For the General Fund, amounts that are appropriated by the Board of Commissioners, or their designee, that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as non-spendable, restricted, or committed.

Unassigned – Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

### **General Fund Budgetary Highlights**

During the year, the board amended the original budget, while overall revenues increased by \$5,569 did not change, overall expenditures increased by \$35,111 (5.67%).

The actual expenditures in the General Fund were \$1,098,874 more than the budgeted amounts primarily due to the payoff of loans. Actual revenues in the General Fund were approximately \$1,095,301 more than budgeted amounts primarily due to increase in sales tax.

### **Capital Asset and Debt Administration**

#### **Capital Assets**

At September 30, 2021, and 2020, the District had the following capital assets in operation:

	9/30/2021	9/30/2020
Buildings	\$ 4,991,938	\$ 4,991,938
Vehicles & Equipment	2,992,982	3,891,263
Total Capital Assets	\$ 7,984,920	\$ 8,883,201
Accumulated Depreciation	\$ (2,446,260)	\$ (2,088,136)
Total Net Capital Assets	\$ 5,538,660	\$ 6,795,065

More detailed information about the District's capital assets is presented in the *Notes to Basic Financial Statements*.

#### **Notes Payable and Capital Lease**

In 2008, the District entered into a note payable agreement from a bank to fund the construction of the District's new fire station. The District made principal payments of \$107,923 during the year ended September 30, 2021, related to this note payable agreement.



In 2012, the District entered into a note payable agreement from a bank to finance the acquisition of another fire apparatus for Pedernales Emergency Services. The District made principal payments of \$26,064 during the year ended September 30, 2021, on this agreement.

In 2013, the District entered into a note payable agreement from a bank to finance the acquisition of 2 fire trucks for a total of \$575,000. The District made principal payments of \$79,632 during the year, as of September 30, 2021, this note was paid off.

In 2016, the District entered into a capital lease agreement to finance the purchase of lake assault boat for a total of \$348,000. The District refinanced this note during the year ending September 30, 2021.

In 2019, the District entered into a note payable agreement from a bank to finance the acquisition of a truck for a total of \$84,581. The District refinanced this note during the year ending September 30, 2021.

In 2020, the District entered into a note payable agreement from a bank to finance the acquisition of a truck for a total of \$ 83,980. The District refinanced this note during the year ending September 30, 2021.

In 2020, the District entered into a note payable agreement from a bank to finance the construction of a new fire station for a total of \$1,725,000. The District made principal payments of \$60,915 during the year ending September 30, 2021.

In 2020, the District entered into a note payable agreement from a bank to finance the acquisition of a 2 fire trucks for a total of \$1,500,000. The District refinanced this note during the year ending September 30, 2021.

In 2021, the District refinanced 4 notes for a total of \$1,889,388. During the year, the District made principal payments of \$268,379.

More detailed information about the District's notes payable and capital lease and the liens securing those notes and lease are presented in the *Notes to Basic Financial Statements*.

### **Economic Factors, Budgets and Rates**

Travis County Emergency Services District 8 ("ESD8") officially acquired the assets of the Pedernales Fire Department ("PFD") on October 1, 2013.

PFD Management consists of ESD8 Board of Commissioners, Fire Chief, Special Projects Officer, Office Manager, and Business Manager.

The Board of Commissioners approves the budget and delegates management responsibility to the Fire Chief. The Fire Chief oversees and delegates operations management to an Assistant Fire Chief and three Battalion Chiefs. The Fire Chief oversees administrative, strategic management, and compliance operations through the efforts of the Special Projects Officer, Administrative Assistant, and Business Manager.

The Special Projects Officer is responsible for operational support, strategic management needs for operations, and related projects as assigned.

Administrative Assistant acts as an Office Manager, responsible for Human Resources, payroll, Accounts Payable, and expense management.

The Business Manager acts similar to comptroller, responsible for financial reporting and strategic management initiatives related to financial and compliance matters.

ESD8 is committed to its greatest asset; the professional firefighters and emergency medical staff that provide services to our community. As the budget and demands for the ESD continue to grow, the ESD continues to analyze pay rates and benefits to become competitive with neighboring districts. Over the past five years the ESD has increased pay rates and benefits, each year, while maintaining a balanced budget. The ESD is in the process of evaluating the feasibility of becoming a member of the Texas County and District Retirement System. If feasible, ESD projects to enter into the System effective FY 2022-2023

Travis County ESD 8 is located in an area of moderate to strong economic growth with housing and commercial construction increasing. The area also serves as the main corridor for access to Lakeway and Austin, and for communities west of Travis County.

The challenges the ESD faces as a responsible governmental organization is balancing the financial resources with the demands for improved service coming from a growing population, and the corresponding demands for improved service coming from local and state governmental entities.

There is no doubt the citizens of Travis County ESD 8 support both financial restraint and improved services. We do intend to make the most of our citizens' financial support to provide consistently outstanding fire and emergency services in every sector of Travis County Emergency Services District 8.

FY 2020-2021 was a challenging year due to COVID 19, rising costs in fuel and other needed items combined with limited supply lines. PFD Management and Staff successfully managed these obstacles and continued to provide quality service to its constituents. With strategic planning, continued teamwork, and coordination of resources ESD 8 will continue to work within our means to provide the services that the citizens of Travis County ESD8 deserve.

ESD8 serves a section of Texas Hill Country near Lake Travis, approximately 30 miles outside of Austin, TX. It operates with three Stations and 39 personnel. It is administratively managed by a Fire Chief, Office Manager, Business Manager, and Special Projects Officer.

ESD 8 is in an area long known for tourist coming to Lake Travis, but now there is strong growth in residences. This developing bedroom community is spurred, not only by the Austin economy, but expanded telecommuting careers. ESD 8 services a large portion of State Highway 71; a corridor between Austin and Texas Hill country attractions such as Marble Falls, Fredericksburg, etc.

During FY 2020-2021, ESD operations have been greatly impacted, not only with the growing pains relative to growth and activity in the area, but the challenges of navigating the pandemic and other related economic issues.

ESD 8 management has managed these challenges well, evidenced by its ability to home in on the needs of its growing community and delivering to that community great services:

- Committing resources to meet the increasing obligations of fire suppression, while providing emergency medical services in concert with Travis County Emergency Services District 16.
- Operating Station 803 at 24 hours to meet demand in Barton Creek Lakeside area.
- Updating outdated equipment and facilities, as evidenced by updating Station 801 and Station 803 facilities.
- Enhancing professional capabilities through sponsoring training classes and certifications.

ESD 8 and its Board remain good stewards of its citizenry funds, with constant focus on the services that its constituents deserve

**Contacting the District's Financial Management**

The 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:

Travis County Emergency Services District No. 8  
Attn: Treasurer  
801 Bee Creek Road  
Briarcliff, Texas 78669

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO 8  
GOVERNMENTAL FUNDS BALANCE SHEET AND  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2021

	General Fund	Adjustments (Note 10)	Statement of Net Position
<b>ASSETS</b>			
Cash	\$ 215,610	\$ -	\$ 215,610
Investments	2,813,050	-	2,813,050
Property Taxes Receivable	48,140	-	48,140
Sales Tax Receivable	470,429	-	470,429
Other Receivable	855,826	-	855,826
Prepays	42,393	-	42,393
Capital Assets (net of accumulated depreciation)	-	5,538,660	5,538,660
<b>TOTAL ASSETS</b>	<b>\$ 4,445,448</b>	<b>\$ 5,538,660</b>	<b>\$ 9,984,108</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	\$ -	\$ -	\$ -
<b>LIABILITIES</b>			
Payroll Liabilities Payable	\$ 140,300	\$ -	\$ 140,300
Accounts Payable	64,600	-	64,600
Accrued Interest	-	89,892	89,892
Other Current Liabilities	700	-	700
Long-term liabilities:			
Due within one year	-	552,354	552,354
Due after one year	-	3,878,200	3,878,200
<b>TOTAL LIABILITIES</b>	<b>\$ 205,600</b>	<b>\$ 4,520,446</b>	<b>\$ 4,726,046</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	\$ 48,140	\$ (48,140)	\$ -
<b>FUND BALANCES/NET POSITION</b>			
Fund balances:			
Non-spendable	\$ 42,393	\$ (42,393)	\$ -
Assigned	-	-	-
Unassigned	4,149,315	(4,149,315)	-
Total fund balances	4,191,708	(4,191,708)	-
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,445,448</b>		
Net position:			
Net investment in capital assets		1,330,348	1,330,348
Restricted		-	-
Unrestricted		3,927,714	3,927,714
<b>TOTAL NET POSITION</b>		<b>\$ 5,258,062</b>	<b>\$ 5,258,062</b>

See Accompanying Notes to the Financial Statements

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO 8  
GOVERNMENTAL FUND REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
AND STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDING SEPTEMBER 30, 2021

<b>EXPENDITURES/EXPENSES</b>	<u>General Fund</u>	<u>Adjustments (Note 10)</u>	<u>Statement of Activities</u>
Apparatus	\$ 114,790	\$ -	\$ 114,790
Support Equipment	162,828	-	162,828
Communications	165,655	-	165,655
Public Relations	11,454	-	11,454
Training	53,903	-	53,903
Stations	119,815	-	119,815
Clothing & Protective Gear	42,344	-	42,344
Personnel	3,949,123	42,649	3,991,772
Administrative	141,713	-	141,713
Capital Outlay	-	-	-
Debt Service:			
Principal	2,377,033	(2,377,033)	-
Interest	184,445	8,604	193,049
Depreciation Expense	-	414,439	414,439
Total expenditures/expenses	<u>\$ 7,323,103</u>	<u>\$ (1,911,341)</u>	<u>\$ 5,411,762</u>
<b>PROGRAM REVENUES</b>			
Interlocal Agreement	\$ 2,000,000	\$ -	\$ 2,000,000
Total program revenues	<u>\$ 2,000,000</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>
<b>GENERAL REVENUES</b>			
Property Taxes	\$ 2,642,568	\$ (8,334)	\$ 2,634,234
Penalties and Interest	17,014	-	17,014
Sales Taxes	2,274,716	-	2,274,716
Interest	1,154	-	1,154
Gain/loss on disposal of assets	-	(841,968)	(841,968)
Miscellaneous Income	357,536	-	357,536
Total general revenues	<u>\$ 5,292,988</u>	<u>\$ (850,302)</u>	<u>\$ 4,442,686</u>
Excess of Revenues over Expenditures	<u>\$ (30,115)</u>	<u>\$ 1,061,039</u>	
Other financing sources (uses)			
Financing Proceeds	\$ 1,889,388	\$ (1,889,388)	\$ -
Total other financing sources	<u>\$ 1,889,388</u>	<u>\$ (1,889,388)</u>	<u>\$ -</u>
Net change in fund balances	\$ 1,859,273	\$ (1,859,273)	\$ -
Change in net position		<u>\$ 1,030,924</u>	<u>\$ 1,030,924</u>
Fund Balance/Net Position			
Beginning of the year	<u>\$ 2,332,435</u>	<u>\$ 1,894,703</u>	<u>\$ 4,227,138</u>
End of the year	<u>\$ 4,191,708</u>	<u>\$ 1,066,354</u>	<u>\$ 5,258,062</u>

See Accompanying Notes to the Financial Statements

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the District have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. More significant of these accounting policies are described below.

REPORTING ENTITY

The Travis County Emergency Services District No. 8 (the District) was created by Article III, Section 48-d of the Constitution of Texas to protect life and property from fire and to conserve natural and human resources. It was approved by voters of the District in a general election on November 5, 1985. The District was legally converted to a district operating under the Health & Safety Code Chapter 775 by an election of the voters and effectively became known as Travis County Services District No 8 on December 2, 1999.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic - but not the only - criterion for including a potential component unit with the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, no potential component units appear to exist.

BASIS OF PRESENTATION

*Basic Financial Statements*

Basic Financial Statements and Management Discussion and Analysis for State and Local Governments set forth minimum criteria for the determination of major funds based on a percentage of the assets, liabilities, revenues or expenditures/expenses or either fund category or governmental and enterprise combined. Due to the fund structure of the District, all funds have been classified as major funds. As a part of this Statement, there is a reporting requirement regarding the local government's infrastructure (road, bridges, etc.). The District does not own any infrastructure assets and therefore is unaffected by this requirement.

The basic financial statements include both government-wide (based on the District as a whole) and fund financial statements. The reporting model focus is on either the District as a whole or major individual fund (within the fund financial statements). In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources basis, which incorporated long-term assets and

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

receivables as well as long-term debt and obligations. The District does not have any business-type activities.

The government-wide Statement of Activities reflects both the gross and net cost per functional category which is otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function.

The District does not currently employ indirect cost allocation systems.

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

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The fund financial statements are similar to the financial statements presented in the previous accounting model.

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the District's actual experience conforms to the budget or fiscal plan.

GASB provides that for governments engaged in a single governmental program, the fund financial statements and the government-wide statements may be combined. The District presents the general fund in the first column. The next column is an adjustments column. It reconciles the amounts reported in the governmental funds to show how each would change when reported on the full-accrual basis of accounting. The last column of these combination statements shows the amounts that normally would appear in the government-wide statements.

#### BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are presented on an accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred, or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenues as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement #33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

BUDGETS

The District follows these procedures in establishing the budget reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the District prepares a budget. The operating budget includes proposed expenditures and the means of financing those expenditures and is prepared in accordance with the basis of accounting utilized by that fund.
2. Public meetings are conducted at which all interested persons' comments concerning the budget are heard. After such meetings, the Board of Commissioners formally adopts the budget through passage of an ordinance.
3. The District amends the budget throughout the year approving such additional expenses. The amended budget is used in presenting the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual.
4. All annual appropriations lapse at fiscal year-end.

CAPITAL ASSETS

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements.

*Government-wide Statements*

In the government-wide financial statements, fixed assets are accounted for as capital assets. Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at the fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The capitalization policy, i.e. the dollar value above which asset acquisitions are added to the capital accounts, is \$ 6,000.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives with no salvage value. The range of estimated useful lives by type of asset is as follows:

Buildings and Structures	39.5 years
Vehicles	10-15 years
Other Equipment	5-10 years

The Department does not own any infrastructure assets.



TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

*Fund Financial Statements*

In the fund financial statements, capital assets are accounted for as capital outlay expenditures of the governmental fund upon acquisitions.

EQUITY CLASSIFICATIONS

*Government-wide Statements*

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – 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 improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other government; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

*Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable or spendable with spendable being further classified into restricted, committed, assigned or unassigned.

COMPENSATED ABSENCES

The District’s policies regarding vacation time permit employees to accumulate earned but unused vacation leave. As of the year end, the liability for accrued vacation reflects that time earned by the employees in the current year and any allowable carryover from prior periods.

RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases its insurance from regular commercial companies. As of September 30, 2021, no claims or losses have been incurred that were not covered by insurance. There is no liability due to any claim or suit having ever been filed.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

PROGRAM REVENUES

The District considers program revenues as revenues that (1) originate from the program or from parties other than the government's taxpayers or citizens as a whole and (2) reduce the expenses of the function that has to be financed by general revenues. Revenues of this type can originate from a governmental source, but the proceeds are a charge for services or products produced by a government agency, where that agency is considered a vendor within the marketplace. Additionally, program revenues are fees charged by the government agency that are used to support a specific operation of that governmental unit. The District reports revenues from its fire academy as program revenues.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The District adopted GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District adopted GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statements and the reported amounts of income and expenses during the period. Operating results in the future could vary from the amounts derived from management's estimates.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued GASB Statement No. 87, *Leases*, effective for fiscal years beginning after July 15, 2021. The objective of GASB Statement No. 87 is to improve accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

GASB Statement No. 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. Management is evaluating the effects that the full implementation of GASB Statement No. 87 will have on its financial statements for the year ended September 30, 2022.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 2: CASH AND INVESTMENTS

The District's deposits are required to be secured in the manner provided by law for the security of the funds. At September 30, 2021, such deposits, reported as Cash totaled \$215,610. These funds were adequately secured by Federal Deposit Insurance Corporation (Category 1).

- Category 1- Insured by FDIC or collateralized with securities held by the District or by its agent in its name.
- Category 2- Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.
- Category 3- Uncollateralized.

The Public Funds Investment Act authorizes the District to invest funds under a written investment policy. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The primary objectives of the District's investment strategy, in order of priority, are safety, liquidity, and yield.

The District had an investment of \$2,813,050 in an external local governmental investment pool, Texas Local Governmental Investment Pool ("TexPool"), at September 30, 2021. The investments in TexPool had a weighted average maturity of one day and a Standard and Poor's rating of AAAM.

TexPool is an external investment pool offered to local governments. Although TexPool is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool.

TexPool also has an advisory board to advise on TexPool's investment policy; this board is made up equally of participants and nonparticipants who do not have a business relationship with TexPool.

Federated Investors manages daily operations of TexPool under a contract with the Comptroller and is the investment manager for the pool. TexPool uses amortized cost rather than market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of the TexPool shares. TexPool's investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

Credit Risk- Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At September 30, 2021, investments were included in a local governmental investment pool with a rating from Standard and Poor's in compliance with the District's investment policy.

Concentration of Credit Risk- Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. At September 30, 2021, all of the District's investments were with TexPool.

Interest Rate Risk- The District considers the holdings in the local governmental investment pool to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021, was as follows:

	Balance 09/30/2020	Additions/ Completions	Retirements/ Adjustments	Balance 09/30/2021
Governmental Activities:				
Capital assets, not being depreciated				
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital assets, being depreciated				
Vehicles	\$ 3,286,229	\$ -	\$ (886,282)	\$ 2,399,947
Equipment	605,036	-	(12,001)	593,035
Buildings and Structures	4,991,938	-	-	4,991,938
Total capital assets being depreciated	<u>\$ 8,883,203</u>	<u>\$ -</u>	<u>\$ (898,283)</u>	<u>\$ 7,984,920</u>
Total capital assets	<u>\$ 8,883,203</u>	<u>\$ -</u>	<u>\$ (898,283)</u>	<u>\$ 7,984,920</u>
Less accumulated depreciation for:				
Vehicles	\$ 1,226,559	\$ 200,370	\$ (44,314)	\$ 1,382,615
Equipment	210,733	79,492	(12,001)	278,224
Buildings and Structures	650,844	134,577	-	785,421
Total accumulated depreciation	<u>\$ 2,088,136</u>	<u>\$ 414,439</u>	<u>\$ (56,315)</u>	<u>\$ 2,446,260</u>
Governmental activities capital assets, net	<u>\$ 6,795,067</u>	<u>\$ (414,439)</u>	<u>\$ (841,968)</u>	<u>\$ 5,538,660</u>

In prior years, the District entered into a capital lease for the purchase of fire equipment. At September 30, 2021, the gross amount of the asset was \$348,000 and accumulated amortization was \$188,500. Amortization expense is included in depreciation expense.

Depreciation was charged to the governmental activities of \$414,439.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2021

NOTE 4: LONG-TERM DEBT

Transactions for the year ended September 30, 2021, are summarized as follows:

Date of Issue	Amount of Original Issue	Maturity Date	Interest Rate	Outstanding at 9/30/2021	Due Within One Year
08/28/08	\$ 2,000,000	2028	4.26%	\$ 898,233	\$ 112,596
09/14/12	219,775	2022	4.00%	24,985	24,985
12/17/19	1,725,000	2039	3.79%	1,664,085	61,407
10/06/20	1,889,388	2029	2.25%	1,621,009	353,366
	<u>\$ 5,834,163</u>			<u>\$ 4,208,312</u>	<u>\$ 552,354</u>

	Balance 09/30/2020	Additions	Retirements	Balance 09/30/2021	Due within one year
Governmental Activities:					
Notes Payable	\$ 4,480,599	\$ 1,889,388	\$ 2,161,675	\$ 4,208,312	\$ 443,952
Capital Lease Payable	215,358	-	215,358	-	-
Total Notes & Capital Leases	\$ 4,695,957	\$ 1,889,388	\$ 2,377,033	\$ 4,208,312	\$ 552,354
Compensated Absences	179,593	42,649	-	222,242	-
Total Debt	<u>\$ 4,875,550</u>	<u>\$ 1,932,037</u>	<u>\$ 2,377,033</u>	<u>\$ 4,430,554</u>	<u>\$ 552,354</u>

Debt service requirements to maturity for the District's notes payable and capital lease are summarized as follows:

Fiscal Year	<u>Notes Payable</u>			Total Requirement
	Principal	Interest		
2022	\$ 552,354	\$ 136,732		\$ 689,086
2023	542,542	120,894		663,436
2024	558,194	105,241		663,435
2025	299,132	89,093		388,225
2026	309,582	78,643		388,225
2027-2031	1,012,404	252,010		1,264,414
2032-2036	480,229	141,813		622,042
2037-2041	453,875	43,747		497,622
Total	\$ 4,208,312	\$ 968,173		\$ 5,176,485

The debt is secured by the capital assets purchased and by property and sales tax.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 5: PROPERTY TAXES

The District has contracted with the Travis County Tax Assessor Collector to bill and collect its property tax. The District's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. The assessed value of the roll as of January 1, 2020, upon which the 2020 levy was based, was \$2,645,241,532 as certified by the Travis Central Appraisal District.

Taxes are due by January 31 following the October 1 levy date. On February 1 of each year, a tax lien attaches to the property. The total 2020 levy was \$2,645,242 and the tax rate was \$0.10 per \$100 assessed valuation.

NOTE 6: OPERATING LEASE

In addition to the capital lease, the District also has entered into operating leases agreements for a copy machine and phone system. These leases are fixed and not subject to increase without renegotiating the agreements. The amount expended for these leases for the year ending September 30, 2021, was \$4,761. Future lease payments are \$456/year through September 2022.

NOTE 7: COMMITMENTS

The District has entered into an agreement with the City of Austin for its dispatching services with the fee structure based upon projected calls. For the year ending September 30, 2021, the District's fee for these services was \$21,595.

NOTE 8: FUND BALANCE

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which 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 the resources reported in governmental funds. Those fund balance classifications are described below.

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

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purpose pursuant to approval by formal action by the Board.

Assigned - For the General Fund, amounts that are appropriated by the Board or Board designee that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as non-spendable, restricted, or committed.

Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The detail of the fund balance is included in the Governmental Fund Balance Sheet on page 10.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2021

NOTE 8: FUND BALANCE – continued

Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board has delegated the authority to assign fund balance for a specific purpose to the District's Chief or Assistant Chief.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

As of September 30, 2021, the District has not adopted a minimum fund balance policy.

NOTE 9: ANNEXATION OF DISTRICT LAND

The District could in the future face the possibility of annexation which could result in a reduction of the total value of property within the District and therefore a reduction in the total tax revenue to be collected. For the year ending September 30, 2021, there were no plans by any other entity to annex property.

NOTE 10: EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND  
 AND GOVERNMENT-WIDE STATEMENTS

Differences between the Governmental Fund Balance Sheet and the Statement of Net Position:

The differences (as reflected in the adjustments column) primarily result from the long-term economic resources focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

When capital assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds.

However, the statement of net position includes those capital assets among the assets of the District as a whole.

Cost of capital assets	\$7,984,920
Accumulated Depreciation	<u>(2,446,260)</u>
	<u>\$5,538,660</u>

Accrued interest payable is not due and payable in the current period, and, therefore, is not reported in the funds. \$89,892

Long-term liabilities applicable to the district's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities – both current and long-term—are reported in the statement of net position.

Due within one year	\$552,354
Due after one year	3,878,200

Taxes receivable are offset by deferred revenues in the governmental funds and thus are not included in fund balance.

Deferred revenue	\$(48,140)
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TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2021

NOTE 10: EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND  
 AND GOVERNMENT-WIDE STATEMENTS – continued

Differences between the Governmental Fund Operating Statement and the Statement of Net Activities:

The differences (as reflected in the adjustments column) arise primarily from the long-term economic resources focus of the statement of activities versus the current financial resources focus of the governmental funds.

Some expenses reporting in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Adjustment for Compensated Leave	\$42,649
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When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Depreciation Expense	\$414,439
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Repayment of notes payable is reported as expenditures in governmental funds. For the district as a whole, however, the principal payments reduce the liabilities in the statement of net position and do not result in an expense in the statement of activities.

Payment of Principal	\$(2,377,033)
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Interest expense is recognized as expenditures in the governmental funds. The statement of activities includes only the interest expense for the current period.

Change in Accrued Interest Payable	\$8,604
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Because some property taxes will not be collected for several months after the district's year end, they are not considered as "available" revenues in the governmental funds.

Adjustment for property taxes collected after year-end	\$(8,334)
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In the statement of activities, only the gain on the sale of equipment is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the equipment less any accumulated depreciation.

Loss from disposal of assets	\$(841,968)
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NOTE 11: CONTRACTUAL AGREEMENTS

The District has also entered into a contract with Sales Tax Assurance LLC. Under this contract the company searches for organizations that do business in the District's boundaries and have not or do not remit sales tax to the ESD. Under the terms of the contract, the company receives a commission of 50% for all sales taxes found and collected. For the current year, the ESD paid \$8,670.



TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021

NOTE 12: EMPLOYEE BENEFITS

The District also provides a health insurance plan for its full-time employees. The total amount expended for the fiscal year was \$421,511.

The District offers its full-time employees a Deferred Compensation Plan and a Roth IRA Plan, the "Pedernales Fire Department 457(b) Deferred Compensation Plan", which is a Defined Contribution Plan. Any contributions made to the plan are in compliance with Section 457 of the Internal Revenue Code and is administered by Mass Mutual. The employer will match every dollar contributed up to 7% of employee compensation. For the year ending September 30, 2021, contributions totaled \$168,221 and \$152,392 for the employer contributions and employees' contributions, respectively. There are no unfunded obligations. Employees are 100% vested at the time the contribution is made.

NOTE 13: DATE OF MANAGEMENT'S REVIEW

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

NOTE 14: SUBSEQUENT EVENT

The Coronavirus (COVID-19) pandemic impacted the nation, leading to consumer uncertainties and financial setbacks for many businesses and individuals. COVID-19 may have a continued material adverse impact on economic and market conditions, triggering a period of global economic slowdown. Management continues to monitor and evaluate the continually evolving environment associated with the virus. While it is not possible at this time to estimate the impact that COVID-19 will have on the District's operations, the pandemic could adversely affect the District's financial position and activities.

Required Supplemental Information

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No 8  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDING SEPTEMBER 30, 2021

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL AMOUNTS</u>	
<b>REVENUES:</b>				
Property Taxes	\$ 2,626,621	\$ 2,626,621	\$ 2,642,568	\$ 15,947
Penalties & Interest	-	-	17,014	17,014
Sales Taxes	1,554,497	1,560,066	2,274,716	714,650
Interlocal Agreement	2,000,000	2,000,000	2,000,000	-
Interest	5,000	5,000	1,154	(3,846)
Miscellaneous Income	6,000	6,000	357,536	351,536
<b>TOTAL REVENUES</b>	<u>\$ 6,192,118</u>	<u>\$ 6,197,687</u>	<u>\$ 7,292,988</u>	<u>\$ 1,095,301</u>
<b>EXPENDITURES:</b>				
Apparatus	\$ 134,807	\$ 134,807	\$ 114,790	\$ 20,017
Support Equipment	237,150	230,376	162,828	67,548
Communications	162,805	162,805	165,655	(2,850)
Recruitment & Retention	25,000	25,000	11,454	13,546
Training	135,500	135,500	53,903	81,597
Stations	462,398	464,990	119,815	345,175
Clothing & Protective Gear	40,000	46,774	42,344	4,430
Personnel	4,169,231	4,168,181	3,949,123	219,058
Administrative	184,227	211,162	141,713	69,449
Capital Outlay	-	-	-	-
Debt Service:				
Principal	638,000	644,634	2,377,033	(1,732,399)
Interest	-	-	184,445	(184,445)
<b>TOTAL EXPENDITURES</b>	<u>\$ 6,189,118</u>	<u>\$ 6,224,229</u>	<u>\$ 7,323,103</u>	<u>\$ (1,098,874)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 3,000</u>	<u>\$ (26,542)</u>	<u>\$ (30,115)</u>	<u>\$ (3,573)</u>
<b>Other Sources/Uses:</b>				
Financing Proceeds	-	-	1,889,388	1,889,388
<b>Net change in fund balance</b>	<u>\$ 3,000</u>	<u>\$ (26,542)</u>	<u>\$ 1,859,273</u>	<u>\$ 1,885,815</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>\$ 2,332,435</u>	
End of year			<u>\$ 4,191,708</u>	

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT No. 8  
NOTES TO THE SCHEDULE OF REVENUE AND EXPENDITURES  
BUDGET TO ACTUAL COMPARISON GENERAL FUND  
FOR THE YEAR ENDING SEPTEMBER 30, 2021

EXPENDITURES IN EXCESS OF APPROPRIATIONS

The general government expenditures for financing proceeds and principal payments exceeded appropriations due to under-budgeting of expense for the refinance of existing notes payable. The District's management will monitor the budget vs actual statement and amend the budget as necessary as circumstances arise.