

Travis County Emergency
Services District No. 8
Financial Statements
September 30, 2024

Travis County Emergency Services District No. 8
For the Year ending September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Travis County Emergency Services District No. 8 as of and for the year ended September 30, 2024, 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 each major fund of Travis County Emergency Services District No. 8, as of September 30, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Travis County Emergency Services District No. 8, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Travis County Emergency Services District No. 8's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Travis County Emergency Services District No. 8'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 budgetary comparison information on pages 3-8 and 31-33 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.

Medack & Oltmann - LLP

Medack & Oltmann, LLP
Giddings, Texas
May 7, 2025



PEDERNALES FIRE DEPARTMENT

TRAVIS COUNTY EMERGENCY SERVICE DISTRICT 8

801 Bee Creek Road
Briarcliff, Texas 78669
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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, 2024. 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 \$11,184,796.
- General Fund balance increased by \$600,177, with an ending balance of \$6,182,477.

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, 2024, and 2023, 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

	9/30/2023	9/30/2024
Assets:		
Current and other assets	\$ 5,930,548	\$ 6,552,238
Pension asset	1,069,943	1,191,273
Capital assets, net	6,079,676	6,740,034
TOTAL ASSETS	\$ 13,080,167	\$ 14,483,545
 Deferred Outflows of Resources	 561,059	 680,818
 Liabilities:		
Current liabilities	\$ 908,196	\$ 722,714
Long-term liabilities	2,881,472	3,256,853
TOTAL LIABILITIES	\$ 3,789,668	\$ 3,979,567
 Net position:		
Net investment in capital assets	\$ 2,879,606	\$ 3,428,848
Unrestricted	6,971,952	7,755,948
TOTAL NET POSITION	\$ 9,851,558	\$ 11,184,796

The District's total assets were \$14,483,545 as of September 30, 2024. Of this amount, \$6,740,034 is accounted for by capital assets. The District had outstanding liabilities of \$3,979,567, of which \$3,311,186 represents notes payable.

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

STATEMENT OF ACTIVITIES

	9/30/2023	9/30/2024
EXPENSES:		
Apparatus	\$ 128,346	\$ 197,562
Support Equipment	235,462	282,737
Communications	171,599	182,613
Public Relations	75,502	46,777
Training	102,635	166,968
Stations	129,785	180,864
Clothing & Protective Gear	86,454	88,099
Personnel	5,308,809	6,843,935
Administrative	320,800	284,691
Debt Service	109,452	154,891
Depreciation	465,916	547,007
TOTAL EXPENSE	<u>\$ 7,134,760</u>	<u>\$ 8,976,144</u>
REVENUES:		
General	\$ 6,485,782	\$ 7,509,382
Interlocal Agreement	2,500,000	2,800,000
TOTAL REVENUES	<u>\$ 8,985,782</u>	<u>\$ 10,309,382</u>
CHANGE IN NET POSITION	<u>\$ 1,851,022</u>	<u>\$ 1,333,238</u>
Beginning Net Position	\$ 8,000,536	\$ 9,851,558
Ending Net Position	<u>\$ 9,851,558</u>	<u>\$ 11,184,796</u>

Total revenues increased by approximately \$1,323,600 to \$10,309,382 for the fiscal year ended September 30, 2024. Property taxes generated \$3,847,645 and sales tax generated \$3,167,347 in revenues. Total expenses increased by \$1,841,384 to \$8,976,144 for the fiscal year ended September 30, 2024, mainly due to the increase in payroll. Net position increased \$1,333,238 for the fiscal year ended September 30, 2024, compared to an increase of \$1,851,022 for the fiscal year ended September 30, 2023.

The District Governmental Fund

At September 30, 2024, the District's governmental fund reported a fund balance of \$6,812,477, which is an increase of \$600,177 from the prior year. This increase in fund balance can be attributed to the financing proceeds resulting in an increase of revenues over expenditures from other financing sources at September 30, 2024.

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, with an increase in revenues of \$523,038 and overall expenditures increased by \$623,164 (6.50%).

The actual expenditures in the General Fund were \$233,483 more than the budgeted amounts primarily due to the increase in capital outlay expenditures. Actual revenues in the General Fund were approximately \$76,660 more than budgeted amounts primarily due to an increase in sales tax.

Capital Asset and Debt Administration

Capital Assets

At September 30, 2024, and 2023, the District had the following capital assets in operation:

	9/30/2023	9/30/2024
Buildings	\$ 5,223,194	\$ 5,379,792
Vehicles & Equipment	3,901,407	4,940,932
Total Capital Assets	9,124,601	10,320,724
Accumulated Depreciation	(3,044,925)	(3,580,690)
Total Net Capital Assets	\$ 6,079,676	\$ 6,740,034

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

Notes Payable

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 \$122,555 during the year ended September 30, 2024, related to this note payable agreement.

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 \$66,144 during the year ending September 30, 2024.

In 2021, the District entered into a note payable agreement to refinance multiple existing loans into one consolidated note for a total of \$1,889,388. The District made principal payments \$369,496 during the year ended September 30, 2024.

In 2022, the District entered into a note payable agreement from a bank to finance the acquisition of a truck for a total of \$101,176. The District made principal payments \$12,767 during the year ended September 30, 2024.

In 2024, the District entered into a note payable agreement from a bank to finance the acquisition of a truck for a total of \$750,000. The District made principal payments \$67,922 during the year ended September 30, 2024.

More detailed information about the District's notes payable 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 the ESD8 Board of Commissioners, Fire Chief, Assistant Chief, Director of Administration, Administrative Battalion Chief, EMS Coordinator, and Executive Assistant.

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 operations Battalion Chiefs. The Fire Chief oversees administrative, strategic management, and compliance operations through the efforts of the Director of Administration, Administrative Battalion Chief, and Executive Assistant.

The Executive Assistant acts as the primary department contact, accounts receivable, entering invoices, Board of Commissioner communications, assist with employee benefit enrolment, and preparation of the Board Meeting agendas.

The Director of Administration acts similar to a comptroller, responsible for Human Resources, Payroll and accounts payable, financial reporting, strategic management initiatives related to financial and compliance matters as well as overseas all business operations.

ESD8 is committed to its greatest assets; the professional firefighters and emergency medical staff that provide services to your community. As the budget and demands for the ESD continue to grow, the ESD continues to analyze pay rates and benefits to remain competitive with neighboring districts. Over the past 5 years the ESD has increased pay rates and benefits, each year, while maintaining a balanced budget. The ESD is also a proud member of the Texas County and District Retirement System as of 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 include balancing the financial resources with the demands for improved service coming from a growing population and the corresponding demands for improved services 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 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.

ESD8 serves a section of the Texas Hill Country near Lake Travis, approximately 30 miles outside of Austin, TX. It operates with three stations and an authorized strength of 45 operations personnel in addition to the 6 members of the administrative staff.

ESD 8 is in an area long known for tourism to Lake Travis, with a strong growth in permanent residences. This developing bedroom community is spurred, not only by the Austin economy, but expanded telecommute 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.

ESD 8 management has addressed these challenges well, evidenced by the following community 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 all three stations with a four-person staffing minimum requirement 24/7.
- Updating fleet and facilities. The department has construction projects in progress at multiple facilities in order to better provide for ESD responders as they serve our community.

Enhancing professional development with department sponsored training classes and certification programs designed to ensure our responders knowledge, skills and abilities are constantly maintained. The ESD 8 staff and its Board remain good stewards of taxpayer funds, with a constant focus on delivering professional services that the 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, 2024

	General Fund	Adjustments (Note 10)	Statement of Net Position
ASSETS			
Cash	\$ 157,158	\$ -	\$ 157,158
Investments	4,995,310	-	4,995,310
Property Taxes Receivable	106,386	-	106,386
Sales Tax Receivable	584,435	-	584,435
Other Receivable	706,000	-	706,000
Prepays	2,949	-	2,949
Pension Asset	-	1,191,273	1,191,273
Capital Assets (net of accumulated depreciation)	-	6,740,034	6,740,034
TOTAL ASSETS	<u>\$ 6,552,238</u>	<u>\$ 7,931,307</u>	<u>\$ 14,483,545</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ -	\$ 680,818	\$ 680,818
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ -</u>	<u>\$ 680,818</u>	<u>\$ 680,818</u>
LIABILITIES			
Payroll Liabilities Payable	\$ 129,334	\$ -	\$ 129,334
Accounts Payable	133,994	-	133,994
Accrued Interest	-	77,487	77,487
Long-term liabilities:			
Due within one year	-	381,899	381,899
Due after one year	-	3,256,853	3,256,853
TOTAL LIABILITIES	<u>\$ 263,328</u>	<u>\$ 3,716,239</u>	<u>\$ 3,979,567</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	\$ 106,433	\$ (106,433)	\$ -
FUND BALANCES/NET POSITION			
Fund balances:			
Non-spendable	\$ 2,949	\$ (2,949)	\$ -
Assigned	-	-	-
Unassigned	6,179,528	(6,179,528)	-
Total fund balances	<u>6,182,477</u>	<u>(6,182,477)</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,552,238</u>		
Net position:			
Net investment in capital assets		3,428,848	3,428,848
Restricted		-	-
Unrestricted		7,755,948	7,755,948
TOTAL NET POSITION		<u>\$ 11,184,796</u>	<u>\$ 11,184,796</u>

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, 2024

	General Fund	Adjustments (Note 10)	Statement of Activities
EXPENDITURES/EXPENSES			
Apparatus	\$ 197,562	\$ -	\$ 197,562
Support Equipment	282,737	-	282,737
Communications	182,613	-	182,613
Public Relations	46,777	-	46,777
Training	166,968	-	166,968
Stations	180,864	-	180,864
Clothing & Protective Gear	88,099	-	88,099
Personnel	7,009,821	(165,886)	6,843,935
Administrative	284,691	-	284,691
Capital Outlay	1,217,537	(1,217,537)	-
Debt Service:			
Principal	638,884	(638,884)	-
Interest	149,972	4,919	154,891
Depreciation Expense	-	547,007	547,007
Total expenditures/expenses	<u>\$ 10,446,525</u>	<u>\$ (1,470,381)</u>	<u>\$ 8,976,144</u>
PROGRAM REVENUES			
Interlocal Agreement	\$ 2,800,000	\$ -	\$ 2,800,000
Total program revenues	<u>\$ 2,800,000</u>	<u>\$ -</u>	<u>\$ 2,800,000</u>
GENERAL REVENUES			
Property Taxes	\$ 3,824,794	\$ 22,851	\$ 3,847,645
Penalties and Interest	28,919	-	28,919
Sales Taxes	3,167,347	-	3,167,347
Interest	297,755	-	297,755
Gain/(loss) on sale of assets	-	(3,171)	(3,171)
Miscellaneous Income	170,887	-	170,887
Total general revenues	<u>\$ 7,489,702</u>	<u>\$ 19,680</u>	<u>\$ 7,509,382</u>
Excess of Revenues over Expenditures	<u>\$ (156,823)</u>	<u>\$ 1,490,061</u>	
Other financing sources (uses)			
Proceeds from sale of assets	\$ 7,000	\$ (7,000)	\$ -
Financing proceeds	750,000	(750,000)	-
Total other financing sources	<u>\$ 757,000</u>	<u>\$ (757,000)</u>	<u>\$ -</u>
Net change in fund balances	\$ 600,177	\$ (600,177)	\$ -
Change in net position		<u>\$ 1,333,238</u>	<u>\$ 1,333,238</u>
Fund Balance/Net Position			
Beginning of the year	<u>\$ 5,582,300</u>	<u>\$ 4,269,258</u>	<u>\$ 9,851,558</u>
End of the year	<u>\$ 6,182,477</u>	<u>\$ 5,002,319</u>	<u>\$ 11,184,796</u>

See Accompanying Notes to the Financial Statements

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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 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.

Fund Accounting

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.

The focus of Governmental Fund measurement (in the Fund Financial Statements) is based upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The District reports the following major governmental funds:

General Fund

The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

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.

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.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents are considered to be cash on hand and demand deposits.

AD VALOREM PROPERTY TAXES

Delinquent taxes are prorated based on rates adopted for the year of the levy. Allowances for uncollectibles within the General Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. There were no allowance for uncollectible property taxes as of September 30, 2024.

LEASES

The District complies with GASB Statement No. 87, *Leases*, which requires the recognition of certain lease assets and liabilities. It also establishes a single model for lease accounting based on the principle that leases are financing of the right to use an asset.

For those leases where the District is the lessee, the District recognized a lease liability and a lease asset at the commencement of the lease term excluding leases below the capitalization threshold of \$6,000 per unit, short-term leases, and leases that transferred ownership of the underlying asset. The lease liability was measured at the present value of payments expected to be made during the lease term less any lease incentives. The lease asset was measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The cost of all leased assets is amortized over the shorter of the lease term or the useful life of the underlying asset. For those leases where the underlying lease asset transferred ownership, the District followed the provision applicable to capital assets and to long-term debt or payables, depending on the financing as directed by GASB 87.

The District uses estimates and judgments to determine the lease term and the discount rate it uses to discount the expected lease payments and lease receipts to present value. The District uses the interest rate identified in the contract as the discount rate, unless one is not specified, in which case the District uses its estimated incremental borrowing rate as the discount rate. The lease term includes the noncancelable period of the lease and extensions the District is reasonably certain to exercise. The District continually monitors changes in circumstances that are expected to significantly affect the amount of a lease liability or receivable that may require a remeasurement of its leases.

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.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

Leased assets are recorded at the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The cost of all leased assets is amortized over the shorter of the lease term or the useful life of the underlying asset.

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.

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.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

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.

PENSIONS

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

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, 2024, 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.

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 interlocal agreement as program revenues.

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.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

In addition to liabilities, the statement of financial position 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.

FAIR VALUE MEASUREMENTS

The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity
- Level 3 are observable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach – uses prices generated by market transactions involving identical or comparable assets or liabilities
- Cost approach – uses the amount that currently would be required to replace the service capacity of an asset (replacement cost)
- Income approach – uses valuation techniques to convert future amounts to present amounts based on current market expectations

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, effective for fiscal years beginning after December 15, 2023. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is evaluating the effects that the full implementation of GASB Statement No. 101 will have on its financial statements for the year ended September 30, 2025.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2: CASH AND INVESTMENTS

Cash

Deposits did not exceed FDIC coverage at the end of the fiscal year. Throughout the year, deposits exceeded FDIC coverage, therefore, in accordance with the depository contract, the bank has pledged additional collateral. This collateral consisted of securities having a market value of \$629,839 (Category 2). At September 30, 2024, the carrying amount of the District's deposits was \$157,158 and the bank balance was \$273,709.

The collateral pledged is represented by specific identifiable investment securities and classified as to credit risk by the three categories described below:

- 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.

Investments

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 \$4,995,310 in an external local governmental investment pool, Texas Local Governmental Investment Pool ("TexPool"), at September 30, 2024. 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, 2024, 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.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2: CASH AND INVESTMENTS – continued

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, 2024, 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.

Investment	Fair Value	Effective Duration (in years)	Credit Risk
TexPool	\$4,995,310	0.0	AAAm

NOTE 3: 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, 2023, upon which the 2023 levy was based, was \$4,748,208,586 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 2023 levy was \$3,846,049 and the tax rate was \$0.081 per \$100 assessed valuation.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4: CAPITAL ASSETS

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

	Balance 09/30/2023	Additions/ Completions	Retirements/ Adjustments	Balance 09/30/2024
Governmental Activities:				
Capital assets, not being depreciated				
Construction in Progress	\$ -	\$ 39,391	\$ -	\$ 39,391
Total capital assets not being depreciated	\$ -	\$ 39,391	\$ -	\$ 39,391
Capital assets, being depreciated				
Vehicles	\$ 3,167,728	\$ 935,082	\$ (21,413)	\$ 4,081,397
Equipment	733,679	180,145	-	913,824
Buildings and Structures	5,223,194	62,918	-	5,286,112
Total capital assets being depreciated	\$ 9,124,601	\$ 1,178,145	\$ (21,413)	\$10,281,333
Total capital assets	\$ 9,124,601	\$ 1,217,536	\$ (21,413)	\$10,320,724
Less accumulated depreciation for:				
Vehicles	\$ 1,538,521	\$ 333,099	\$ (11,242)	\$ 1,860,378
Equipment	447,835	66,534	-	514,369
Buildings and Structures	1,058,569	147,374	-	1,205,943
Total accumulated depreciation	\$ 3,044,925	\$ 547,007	\$ (11,242)	\$ 3,580,690
Governmental activities capital assets, net	\$ 6,079,676	\$ 670,529	\$ (10,171)	\$ 6,740,034

Depreciation was charged to the governmental activities of \$544,763.

NOTE 5: LONG-TERM DEBT

Transactions for the year ended September 30, 2024, are summarized as follows:

Date of Issue	Amount of Original Issue	Maturity Date	Interest Rate	Outstanding at 9/30/2024	Due Within One Year
08/28/08	\$ 2,000,000	2028	4.26%	\$ 545,613	\$ 127,859
12/17/19	1,725,000	2039	3.79%	1,472,803	68,649
10/06/20	1,889,388	2029	2.25%	536,807	102,624
06/21/22	101,176	2029	4.33%	73,885	13,325
10/03/23	750,000	2032	5.72%	682,078	69,442
	<u>\$ 6,465,564</u>			<u>\$ 3,311,186</u>	<u>\$ 381,899</u>

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5: LONG-TERM DEBT – continued

	Balance 09/30/2023	Additions	Retirements	Balance 09/30/2024	Due within one year
Governmental Activities:					
Notes Payable	\$ 3,200,070	\$ 750,000	\$ 638,884	\$ 3,311,186	\$ 381,899
Total Notes	\$ 3,200,070	\$ 750,000	\$ 638,884	\$ 3,311,186	\$ 381,899
Compensated Absences	252,363	75,203	-	327,566	-
Total Debt	\$ 3,452,433	\$ 825,203	\$ 638,884	\$ 3,638,752	\$ 381,899

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

Fiscal Year	Principal	Interest	Total Requirement
2025	\$ 381,899	\$ 131,746	\$ 513,645
2026	396,950	116,695	513,645
2027	412,648	100,996	513,644
2028	429,025	84,620	513,645
2028	295,813	69,932	365,745
2029-2033	738,117	210,677	948,794
2034-2038	536,865	85,168	622,033
2039-2032	119,869	4,538	124,407
Total	\$ 3,311,186	\$ 804,372	\$ 4,115,558

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

NOTE 6: 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, 2024, there were no plans by any other entity to annex property.

NOTE 7: PENSION PLAN

Plan Description. Travis County Emergency Services District #8 participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.

a. A brief description of benefit terms:

- 1) All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
- 2) The plan provides retirement, disability and survivor benefits.
- 3) TCDRS is a savings-based plan. For the district's plan, 7% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 250%) and is then converted to an annuity.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7: PENSION PLAN – continued

- 4) There are no automatic COLAs. Each year, the district may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.
- 5) Benefit terms are established under the TCDRS Act. They may be amended as of Jan. 1 each year, but must remain in conformity with the Act.
- b. The district's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Travis County Emergency Services District #8 contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the district and are currently 7%. Contributions to the pension plan from the district for 2023 are shown in the Schedule of Employer Contributions.
- c. The most recent comprehensive annual financial report for TCDRS can be found at the following link, www.tcdrs.org.

Employee membership data related to the Plan, as of the valuation date of December 31, 2022, was as follows:

Members	Dec. 31, 2022	Dec. 31, 2023
Number of inactive employees entitled to but not yet receiving benefits	1	6
Number of active employees	49	59
Average monthly salary:	\$6,577	\$6,569
Average age:	37.44	37.54
Average length of service in years:	5.99	5.84
Inactive Employees (or their Beneficiaries) Receiving Benefits		
Number of benefit recipient:	0	0
Average monthly benefit:	\$0	\$0

Net Pension Liability

The District's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age (level percent of pay)
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7: PENSION PLAN – continued

Asset Valuation Method

Smoothing period 5 years
Recognition method Non-asymptotic
Corridor None

Inflation 2.50%

Salary Increases The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual 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.

Investment Rate of Return 7.60% (Gross of administrative expenses)

Cost-of-Living Adjustments Cost-of-Living Adjustments for Travis County Emergency Services District #8 are 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 cost-of-living adjustments is included in the funding valuation.

Retirement Age Deferred members are assumed to retire (100% probability) at the later of: a) age 60 b) earliest retirement eligibility.

(For all eligible members ages 75 and later, retirement is assumed to occur immediately.)

Turnover Same as funding valuation

Mortality

Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2024 information for a 10-year time horizon.

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

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7: PENSION PLAN – continued

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾
US Equities	Dow Jones US Total Stock Market Index	11.50%	4.75%
Global Equities	MSCI World (net) Index	2.50%	4.75%
Int'l Equities – Developed Mkts	MSCI World Ex USA (net) Index	5.00%	4.75%
Int'l Equities – Emerging Mkts	MSCI Emerging Markets (net) Index	6.00%	4.75%
Investment-Grade Bonds	Bloomberg US Aggregate Bond Index	3.00%	2.35%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.65%
Direct Lending	Morningstar LSTA US Leveraged Loan Index TR USD Index	16.00%	7.25%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	6.90%
REIT Equities	67% FTSE NAREIT All Equity REITs Index +33% S&P Global REIT (net) Index	2.00%	4.10%
Master Limited Partnerships	Alerian MLP Index	2.00%	5.20%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.00%	7.75%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.25%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.60%

(1) Target asset allocation adopted at the March 2024 TCDRS Board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.2% per Cliffwater's 2024 capital market assumptions.

(3) Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

(4) Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

(5) Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

Net Pension Liability / (Asset)

	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2023</u>
Total pension liability	\$112,439	\$1,001,186
Fiduciary net position	1,182,382	2,192,459
Net pension liability / (asset)	(1,069,943)	(1,191,273)
Fiduciary net position as a % of total pension liability	1051.57%	218.99%
Pensionable covered payroll ⁽¹⁾	\$639,774	\$4,399,043
Net pension liability as a % of covered payroll	(167.24%)	(27.08%)

The total pension liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Note: Rounding differences may exist above or in other tables in this report.

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

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7: PENSION PLAN – continued

Discount Rate

	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2023</u>
Discount rate ⁽²⁾	7.60%	7.60%
Long-term expected rate of return, net of investment expense ⁽²⁾	7.60%	7.60%
Municipal bond rate ⁽³⁾	Does not apply	Does not apply

⁽²⁾ This rate reflects the long-term rate of return funding valuation assumption of 7.50%, plus 0.10% adjustment to be gross of administrative expenses as required by GASB 68.

⁽³⁾ The plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return, and the municipal bond rate does not apply.

Changes in Net Pension Liability / (Asset)

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) – (b)
Balances as of December 31, 2022	\$112,439	\$1,182,382	\$(1,069,943)
<i>Changes for the year:</i>			
Service cost	710,949		710,949
Interest on total pension liability ⁽¹⁾	62,578		62,578
Effect of plan changes ⁽²⁾	0		0
Effect of economic/demographic gains or losses	115,220		115,220
Effect of assumptions changes or inputs	0		0
Refund of contributions	0	0	0
Benefit payments	0	0	0
Administrative expenses		(1,145)	1,145
Member contributions		307,933	(307,933)
Net investment income		138,168	(138,168)
Employer contributions		523,046	(523,046)
Other ⁽³⁾	0	42,074	(42,074)
Balances as of December 31, 2023	\$1,001,186	\$2,192,459	\$(1,191,273)

⁽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 of the district, calculated using the discount rate of 7.60%, 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 or 1 percentage point higher than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total Pension Liability	\$1,225,848	\$1,001,186	\$824,414
Fiduciary Net Position	2,192,459	2,192,459	2,192,459
Net pension liability/(asset)	(\$966,611)	(\$1,191,273)	(\$1,368,045)

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7: PENSION PLAN – continued

As of September 30, 2024, the deferred inflows and outflows of resources are as follows:

Deferred Inflows/Outflows of Resources

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$0	\$104,805
Changes of assumption	0	0
Net difference between projected and actual earnings	0	73,329
Contributions made subsequent to measurement date	N/A	502,684
Totals	\$0	\$680,818

The \$502,684 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. The remaining amounts currently reported as deferred outflows of resources related to pensions will be recognized in pension expenses as follows:

Year ended September 30:

2025	\$35,978
2026	35,978
2027	35,976
2028	7,325
2029	10,482
Thereafter ⁽¹⁾	52,395

⁽¹⁾ Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

NOTE 8: EMPLOYEE BENEFITS

The District also provides a health insurance plan for its full-time employees. The total amount expended for the fiscal year was \$575,338.

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, 2024, contributions totaled \$211,659 and \$215,717 for the employer contributions and employees' contributions, respectively. There are no unfunded obligations. Employees are 100% vested at the time the contribution is made.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9: 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 constitutional provisions, or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - Amounts that can only be used for specific purpose pursuant to approval by formal action by the Board. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through resolutions approved 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.

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, 2024, the District has not adopted a minimum fund balance policy.

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.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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

Cost of capital assets	\$10,320,724
Accumulated Depreciation	<u>(3,580,690)</u>
	<u>\$6,740,034</u>

The statement of net position includes as Deferred Outflows of Resources amounts that are permitted to be recognized as part of pension expense over a period of years in the governmental funds.

Deferred outflows related to pensions	\$680,818
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Accrued interest payable is not due and payable in the current period, and, therefore, is not reported in the funds.

Accrued Interest Payable	\$77,487
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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	\$381,899
Due after one year	3,256,853

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

Deferred revenue	\$(106,433)
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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	\$75,203
Adjustment for Pension Asset	(121,330)
Change in Deferred Inflows/Outflows related to Pension	<u>(119,759)</u>
Total adjustment	<u>\$(165,886)</u>

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.

Capital Outlay	\$(1,217,537)
Depreciation Expense	547,007

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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	\$(638,884)
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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	\$4,917
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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	\$22,851
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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.

Gain/(loss) from disposal of assets	\$(3,171)
Proceeds from sale of assets	(7,000)

The issuance of long-term debt provides current financial resources to the governmental funds, however, this has no effect on net position. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Financing Proceeds	\$(750,000)
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NOTE 11: 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, 2024, the District's fee for these services was \$28,069.

The District has 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 \$3,000.

The District entered an interlocal agreement with Travis County Emergency Services District No. 16 (ESD 16) to provide emergency medical services on behalf ESD 16 within ESD 16's boundaries for fiscal years 2019-2025. For the year ended September 30, 2024, the District received \$2,800,000.

NOTE 12: DATE OF MANAGEMENT'S REVIEW

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

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, 2024

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL AMOUNTS	
REVENUES:				
Property Taxes	\$ 3,790,004	\$ 3,790,004	\$ 3,824,794	\$ 34,790
Penalties & Interest	-	-	28,919	28,919
Sales Taxes	2,800,000	2,800,000	3,167,347	367,347
Interlocal Agreement	2,900,000	2,800,000	2,800,000	-
Interest	200,000	200,000	297,755	97,755
Miscellaneous Income	-	623,038	170,887	(452,151)
TOTAL REVENUES	<u>\$ 9,690,004</u>	<u>\$ 10,213,042</u>	<u>\$ 10,289,702</u>	<u>\$ 76,660</u>
EXPENDITURES:				
Apparatus	\$ 175,000	\$ 175,000	\$ 197,562	\$ (22,562)
Support Equipment	538,048	475,883	282,737	193,146
Communications	239,910	268,231	182,613	85,618
Recruitment & Retention	74,500	74,500	46,777	27,723
Training	175,643	175,643	166,968	8,675
Stations	193,699	193,720	180,864	12,856
Clothing & Protective Gear	82,000	97,000	88,099	8,901
Personnel	7,129,292	7,129,292	7,009,821	119,471
Administrative	300,284	319,321	284,691	34,630
Capital Outlay	-	515,000	1,217,537	(702,537)
Debt Service:				
Principal	681,502	789,452	638,884	150,568
Interest	-	-	149,972	(149,972)
TOTAL EXPENDITURES	<u>\$ 9,589,878</u>	<u>\$ 10,213,042</u>	<u>\$ 10,446,525</u>	<u>\$ (233,483)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 100,126	\$ -	\$ (156,823)	\$ (156,823)
Other Sources/Uses:				
Proceeds from sale of assets	\$ -	\$ -	\$ 7,000	\$ 7,000
Financing proceeds	-	-	750,000	750,000
	<u>-</u>	<u>-</u>	<u>757,000</u>	<u>757,000</u>
Net change in fund balance	\$ 100,126	\$ -	\$ 600,177	\$ 600,177
FUND BALANCE:				
Beginning of year			\$ 5,582,300	
End of year			<u>\$ 6,182,477</u>	

Travis County Emergency Services District No. 8
Schedule of Changes in Net Pension Liability and Related Ratios

	Year Ended December 31									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 710,949	\$ 104,428	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on total pension liability	62,578	7,937	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of plan changes	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of assumption changes or inputs	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of economic/demographic (gains) or losses	115,220	74	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments/refunds of contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net change in total pension liability	888,747	112,439	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total pension liability, beginning	112,439	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total pension liability, ending (a)	\$ 1,001,186	\$ 112,439	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary Net Position										
Employer contributions	523,046	1,076,069	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Member contributions	307,933	44,784	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Investment income net of investment expenses	138,168	(95,585)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit payments/refunds or contributions	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Administrative expenses	(1,145)	(693)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other	42,074	157,807	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net change in fiduciary net position	1,010,076	1,182,382	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net position, beginning	1,182,382	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net position, ending (b)	\$ 2,192,458	\$ 1,182,382	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability/(asset), ending = (a) - (b)	\$ (1,191,272)	\$ (1,069,943)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fiduciary net position as a % of total pension liability	218.99%	1051.58%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pensionable covered payroll	\$ 4,399,043	\$ 639,774	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net pension liability as a % of covered payroll	-27.08%	-167.24%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Travis County Emergency Services District No. 8
Schedule of Employer Contributions

Year Ending September 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll*	Actual Contribution as a % of Covered Payroll
2015					
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023	58,795	1,076,069	(1,017,274)	639,774	168.2%
2024	404,272	523,046	(118,774)	4,399,043	11.9%

*Payroll is calculated based on contributions as reported to TCDRS.

TRAVIS COUNTY EMERGENCY SERVICES DISTRICT NO. 8
NOTES TO THE SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2024

Valuation Date:	Actuarially determined contribution rates are calculated each December 31, two years prior to the end of the fiscal year in which contributions are reported.
<u>Methods and assumptions used to determine contribution rates:</u>	
Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	0.5 years (based on contribution rate calculated in 12/31/2023 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010
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.
Changes in Plan Provisions Reflected in the Schedule	2022: 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.*