

Caldwell County Emergency
Services District No. 5
Audit of Financial Statements
September 30, 2025

Caldwell County Emergency Services District No. 5

TABLE OF CONTENTS

Independent Auditor's Report 1-2

Management's Discussion and Analysis (unaudited)..... 3-7

Basic Financial Statements:

 Governmental Funds Balance Sheet and Statement of Net Position 8

 Governmental Fund Revenues, Expenditures, and Changes in
 Fund Balances and Statement of Activities..... 9

Notes to Basic Financial Statements 10-23

Required Supplemental Information:

 Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget to Actual – General Fund..... 24



MEDACK & OLTMANN, LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

James E. Medack, CPA
Melodi J. Oltmann, CPA

PROFESSIONAL STAFF

Ashton McGonagle, CPA
Laura Frerich, E.A.
Tyler Cupit, Staff Accountant

MEMBERS

American Institute of
Certified Public Accountants

Texas Society of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Caldwell County Emergency Services District No. 5

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Caldwell County Emergency Services District No. 5 as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Caldwell County Emergency Services District No. 5, as of September 30, 2025, 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 Caldwell County Emergency Services District No. 5, 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 Caldwell County Emergency Services District No. 5'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 Caldwell County Emergency Services District No. 5'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 3-7 and 24 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
April 2, 2026

*Caldwell County Emergency Services District No. 5
214 Bufkin Lane
Lockhart, Texas 78644*

As the Board of Commissioners of Caldwell County Emergency Services District No. 5 (the District), we present the following narrative overview and analysis of the financial activities of the District for the year ended September 30, 2025.

Financial Highlights

This is the first year of operations for the District. Significant current year transactions include the following:

- The General Fund had revenues exceeding expenditures (including financing proceeds) by \$2,368,817.
- The District's Net Position increased by \$4,194,961, resulting in a balance of \$4,116,255 at September 30, 2025.
- The District entered into a loan agreement during the fiscal year with First Lockhart in the amount of \$179,000.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the District as a whole and present a long-term view of the District's finances. Fund financial statements show how the emergency services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most financially significant funds.

This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the District's financial activity, (3) identify any material deviations from the financial plan, and (4) identify changes in the District's financial position.

The District's basic financial statements now include adjustments to the statement of net assets and the statement of activities. The economic focus of these statements is similar to a private-sector business.

Government-Wide Financial Statements

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. The statement of activities shows all changes in net position as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. Due to the size of the District, the fund financial statements are presented on the face of the statement with adjustments to the respective government-wide statement.

Governmental Funds: The District's services are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds provide a detail short-term view of the District's operations and the services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's emergency services program.

Notes to the financial statements: The note disclosures provide additional information that is essential to a full understanding of the data provided in the governmental-wide and fund financial statements.

The District as a Whole

The District's total net position for the year ending September 30, 2025 is shown in the table below. Our analysis focuses on the net position and changes in net position of the District's governmental activities as reported in the accrual basis of accounting.

Table 1 – Net Position

	<u>9/30/2025</u>	<u>9/30/2024</u>
Assets		
Current Assets	\$3,181,171	\$ 302,533
Fixed Assets	<u>1,364,773</u>	<u>49,405</u>
Total Assets	<u>\$4,545,944</u>	<u>\$ 351,938</u>
Deferred Outflows of Resources	\$ 198,813	\$ -
Liabilities		
Current Obligations	\$ 379,267	\$ 430,645
Long-term Obligations	<u>249,235</u>	<u>-</u>
Total Liabilities	<u>\$ 628,502</u>	<u>\$ 430,645</u>
Net Position		
Net investment in capital assts	\$1,185,773	\$ 50,000
Unrestricted	<u>2,930,482</u>	<u>(128,706)</u>
Total Net Position	<u>\$4,116,255</u>	<u>\$ (78,706)</u>

Table 2 – Change in Net Position

	<u>9/30/2025</u>	<u>9/30/2024</u>
Revenues		
Property Taxes	\$ 6,171,122	\$ -
EMS Billing	2,573,855	-
Grants/Contributions	54,712	-
Interest	75,966	2,779
Miscellaneous	4,695	-
Total Revenues	<u>\$ 8,880,350</u>	<u>\$ 2,779</u>
Expenses		
Administration	\$ 4,662,428	\$ 74,503
Debt Service	22,960	6,983
Total Expenses	<u>\$ 4,685,389</u>	<u>\$ 81,486</u>
Increase (decrease) in net position	\$ 4,194,961	\$ (78,707)
Beginning net position	<u>\$ (78,706)</u>	<u>\$ -</u>
Ending net position	<u>\$ 4,116,255</u>	<u>\$ (78,707)</u>

The District's Funds

Fund balance of the General Fund was \$2,552,189 at September 30, 2025, which represents an increase of \$2,368,817.

Budget

The District's budget was not amended during the fiscal year. Actual revenues were less than budgeted revenues by \$530,505. Actual expenditures were less than budgeted expenditures by \$572,116.

Debt Administration

As of September 30, 2025, and September 30, 2024, the District was obligated on the following debt:

Outstanding Debt at Year-End

	<u>Balance</u> <u>9/30/2024</u>	<u>Balance</u> <u>9/30/2025</u>
Notes Payable	\$ 304,500	\$ 179,000
Compensated Absences	-	102,587
Total	<u>\$ 304,500</u>	<u>\$ 281,587</u>

Additional information on the District's non-current liabilities can be found in Note 3.

Fixed Assets

The District's investment in capital assets for its governmental activities as of September 30, 2025, amounts to \$1,364,773 (net of accumulated depreciation). This investment in capital assets includes vehicles, machinery, equipment, and buildings:

	9/30/2024	9/30/2025
Land	\$ -	\$ -
Medical Equipment	-	468,866
Vehicles	-	284,099
Ambulances	50,000	700,824
Building	-	-
Radios	-	50,781
Computer & Peripherals	-	9,860
Furniture & Fixtures	-	567
Total Capital Assets	50,000	1,514,997
Accumulated Depreciation	\$ (595)	\$ (150,224)
Total Net Capital Assets	\$ 49,405	\$ 1,364,773

More detailed information about the District's capital assets is presented in Note 4.

Economic Factors, Budgets and Rates

Caldwell County Emergency Services District No. 5 (ESD #5) was established by its voting constituency on November 7, 2023, to provide emergency medical services. ESD #5 is governed by a Board of Commissioners (ESD #5 BOC), whose members are appointed by the Caldwell County Commissioners and the Caldwell County Judge. ESD #5 serves the entirety of Caldwell County.

Facing continued economic challenges due to ongoing district growth and development, ESD #5 remains committed to delivering quality emergency medical services. This will be achieved through strategic planning, sustained teamwork, and efficient coordination of resources within Caldwell County.

The ESD #5 BOC has structured its budget to leverage available resources, meet strategic timelines, and achieve deliverables that address the needs of its expanding community. ESD #5's revenue sources include an ad valorem property tax, currently capped constitutionally at \$0.10 cents per \$100.00 of appraised taxable value.

On February 1, 2025 ESD #5 took over operations of all Caldwell County EMS operations under one entity. All assets we acquired from both prior municipal services from the City of Lockhart and the City of Luling. Future plans include acquiring land and/or buildings for EMS stations as well as replacing aging ambulances.

Going forward, ESD #5 plans to add one to two ambulances annually, along with the necessary staffing, to keep pace with the unprecedented growth in Caldwell County. This expansion will ensure the continued provision of high-quality, state-of-the-art medical care to Caldwell County residents.

Request for Information

This financial report is designed to provide a general overview of the District's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Caldwell County Emergency Services District No. 5
Board of Commissioners
214 Bufkin Lane
Lockhart, Texas 78644

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO. 5
GOVERNMENTAL FUNDS BALANCE SHEET AND
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	General Fund	Adjustments (Note 7)	Statement of Net Position
ASSETS			
Cash	\$ 181,032	\$ -	\$ 181,032
Investments	1,055,815		1,055,815
Receivables:			
Property Taxes	295,855	-	295,855
EMS Billing	1,604,897	-	1,604,897
Prepaid Expenses	43,572	-	43,572
Capital assets, net of accumulated depreciation	-	1,364,773	1,364,773
TOTAL ASSETS	\$ 3,181,171	\$ 1,364,773	\$ 4,545,944
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - TCDRS	\$ -	\$ 198,813	\$ 198,813
LIABILITIES			
Accounts Payable	\$ 85,190	\$ -	\$ 85,190
Payroll Liabilities	36,027	-	36,027
Accrued Wages	211,910	-	211,910
Accrued Interest Payable	-	13,788	13,788
Long-term liabilities:			
Due within one year	-	32,352	32,352
Due after one year	-	249,235	249,235
TOTAL LIABILITIES	\$ 333,127	\$ 295,375	\$ 628,502
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	\$ 295,855	\$ (295,855)	\$ -
FUND BALANCES/NET POSITION			
Fund balances:			
Nonspendable	\$ 43,572	\$ (43,572)	\$ -
Restricted	-	-	-
Committed	-	-	-
Unassigned	2,508,617	(2,508,617)	-
TOTAL FUND BALANCES	\$ 2,552,189	\$ (2,552,189)	\$ -
Total liabilities, deferred inflows of resources and fund balances	\$ 3,181,171		
Net position:			
Net investment in capital assets		\$ 1,185,773	\$ 1,185,773
Unrestricted		2,930,482	2,930,482
Total net position		\$ 4,116,255	\$ 4,116,255

See Accompanying Notes to the Financial Statements

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO. 5
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
AND STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

	<u>General Fund</u>	<u>Adjustments (Note 7)</u>	<u>Statement of Activities</u>
EXPENDITURES/EXPENSES			
Professional Fees	\$ 248,393	\$ -	\$ 248,393
Personnel Costs	2,953,142	(96,224)	2,856,918
Appraisal District/Tax Office	319,524	-	319,524
Insurance	52,074	-	52,074
Communications	558,343	-	558,343
Supplies and Materials	276,339	-	276,339
Miscellaneous	22,257	-	22,257
Utilities	10,049	-	10,049
Repairs and Maintenance	154,781	-	154,781
Staff Development/Training	14,121	-	14,121
Capital Outlay	1,464,997	(1,464,997)	-
Depreciation Expense	-	149,629	149,629
Debt Service:			
Principal	304,500	(304,500)	-
Interest	16,157	6,803	22,960
TOTAL EXPENDITURES/EXPENSES	<u>\$ 6,394,678</u>	<u>\$ (1,709,289)</u>	<u>\$ 4,685,389</u>
PROGRAM REVENUES			
EMS Billing	\$ 2,573,855	\$ -	\$ 2,573,855
Grants/Contributions	54,712	-	54,712
TOTAL PROGRAM REVENUES	<u>\$ 2,628,567</u>	<u>\$ -</u>	<u>\$ 2,628,567</u>
GENERAL REVENUES			
Ad Valorem Taxes	\$ 5,875,267	\$ 295,855	\$ 6,171,122
Interest	75,966	-	75,966
Miscellaneous	4,695	-	4,695
TOTAL GENERAL REVENUES	<u>\$ 5,955,928</u>	<u>\$ 295,855</u>	<u>\$ 6,251,783</u>
Revenues over (under) expenditures	\$ 2,189,817	\$ (2,189,817)	\$ -
OTHER FINANCING SOURCES			
Loan Proceeds	\$ 179,000	\$ (179,000)	\$ -
TOTAL OTHER FINANCING SOURCES (USES)	179,000	(179,000)	-
Change in Fund Balance	\$ 2,368,817	\$ (2,368,817)	
Change in Net Position		\$ 4,194,961	\$ 4,194,961
Fund Balance/Net Position			
Beginning of the year	<u>\$ 183,372</u>	<u>\$ (262,078)</u>	<u>\$ (78,706)</u>
End of the year	<u>\$ 2,552,189</u>	<u>\$ 1,564,066</u>	<u>\$ 4,116,255</u>

See Accompanying Notes to the Financial Statements

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

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

On November 7, 2023, the voters of the District approved the formation of an emergency services district to provide medical services within its boundaries pursuant to Chapter 775 of the Texas Health & Safety Code. This is the first year of operations for the District.

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, the District has only one major fund all fund, the General Fund. 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 funds (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.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

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 are 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.

The net cost by function is normally covered by general revenues (intergovernmental revenues, interest income, etc). Historically, the previous model did not summarize or present net cost by function or activity. The District does not currently employ indirect cost allocation systems.

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 statement 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 District reports the following major governmental fund-

The General Fund includes financial resources used for general operations. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

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.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Amounts reported as program revenues include, (1) changes to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues, such as all taxes.

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. 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' acquisition of net position applicable to a future reporting period.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

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 with a maturity of three (3) months or less.

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, 2025.

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.

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, or have any leases as required to be reported under GASB 87.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

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 – 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 – 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. The liability for these compensated absences is recorded as long-term debt in the government-wide statements.

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.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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, 2025, 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.

USE OF ESTIMATES

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

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.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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 April 2024, the GASB issued Statement No. 103, Financial Reporting Model Improvements, effective for fiscal years beginning after June 15, 2025. The primary objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement includes updated requirements for Management Discussion and Analysis, unusual or infrequent items, and budgetary comparison information. Management is evaluating the effects that the full implementation of GASB Statement No. 103 will have on its financial statements for the year ended September 30, 2026.

RECENTLY ADOPTED 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. The implementation of GASB Statement No. 101 did not have a material impact on the District's financial statements, the adoption did not result in a restatement of previously reported fund balance for the year ended September 30, 2025.

NOTE 2: CASH AND INVESTMENTS

Cash

Deposits were not in excess of FDIC coverage at the end of the fiscal year (Category 1). At September 30, 2025, the carrying amount of the District's deposits was \$181,032 and the bank balance was \$178,588.

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.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2025

NOTE 2: CASH AND INVESTMENTS – continued

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 \$1,055,815 (fair value) in an external local governmental investment pool, Texas Local Governmental Investment Pool ("TexPool"), at September 30, 2025. 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, 2025, 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, 2025, 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.

Investment	Fair Value	Effective Duration (in years)	Credit Risk
TexPool	\$1,055,815	0.0	AAAM

The District's investment in TexPool represent 100% of its investment portfolio.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2025

NOTE 3: DEBT

The District entered into a promissory note agreement with Government Capital Corporation on June 20, 2024, for \$304,500 at 7.75%, maturing February 15, 2025 with one annual payments of \$304,500. The note is secured by an interest in ad valorem tax revenues received or to be received by the District. This note was fully paid off as of September 30, 2025.

The District entered into a promissory note agreement with First-Lockhart National Bank on December 19, 2024, for \$179,000 at 5.00%, maturing December 19, 2029 with annual payments of \$41,426. The note is secured by an interest in equipment owned by the District.

Transactions for the year ended September 30, 2025, are summarized as follows:

Governmental Activities:	Balance 9/30/2024	Additions	Reductions	Balance 9/30/2025	Due Within One Year
Notes Payable					
Government Capital #10705	\$ 304,500	\$ -	\$ 304,500	\$ -	\$ -
First Lockhart	-	179,000	-	179,000	32,352
Total Notes Payable	\$ 304,500	\$ 179,000	\$ 304,500	\$ 179,000	\$ 32,352
Compensated Absences	-	102,587	-	102,587	-
Total Governmental Activities	\$ 304,500	\$ 281,587	\$ 304,500	\$ 281,587	\$ 32,352

The annual aggregate maturities for years subsequent to September 30, 2025, are as follows:

September 30	Principal	Interest	Total
2026	32,352	9,074	41,426
2027	33,992	7,434	41,426
2028	35,715	5,711	41,426
2029	37,515	3,911	41,426
2030	39,427	1,999	41,426
Total	\$ 179,000	\$ 28,130	\$ 207,130

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

NOTE 4: FIXED ASSETS

	Balance 9/30/2024	Additions	Retirements	Balance 9/30/2025
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction-in-Progress	-	-	-	-
Total capital assets not being depreciated	-	-	-	-
Capital assets being depreciated:				
Medical Equipment	-	468,866	-	468,866
Vehicles	-	284,099	-	284,099
Ambulances	50,000	650,824	-	700,824
Buildings	-	-	-	-
Radios	-	50,781	-	50,781
Computers & Peripherals	-	9,860	-	9,860
Furniture & Fixtures	-	567	-	567
Total capital assets being depreciated	50,000	1,464,997	-	1,514,997
Accumulated depreciation	(595)	(149,629)	-	(150,224)
Total accumulated depreciation	(595)	(149,629)	-	(150,224)
Total capital assets being depreciated, net	49,405	1,315,368	-	1,364,773
Governmental activities capital assets, net	<u>\$ 49,405</u>	<u>\$ 1,315,368</u>	<u>\$ -</u>	<u>\$ 1,364,773</u>

Current year depreciation expense was \$149,629.

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, 2024, upon which the 2024 levy was based, was \$6,117,371,052 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 2024 levy was \$6,118,212 and the tax rate was \$0.10 per \$100 assessed valuation. Tax collections for the year ended September 30, 2025, were 96% of the 2024 tax levy.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

NOTE 6: PENSION PLAN

The District began participation in the Texas County & District Retirement System (TCDRS) as of February 1, 2025, and therefore did not have any participating employees as of the TCERS measurement date, December 31, 2024.

Plan Description. Caldwell County Emergency Services District #5 participates in the Texas County & District Retirement System (TCERS), which is a statewide, agent multiple-employer, public employee retirement system.

A description of the pension plan pursuant to GASB 68 is as follows:

- 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) TCERS is a savings-based plan. For the District's plan, 7% of each employee's pay is deposited into his or her TCERS account. By law, employee accounts earn 7% interest per year on the beginning of year balances. At retirement, the account is matched at an employer set percentage (current match is 200%) and is then converted to a lifetime annuity.
 - 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 TCERS Act. They may be amended as of Jan. 1 each year, but must remain in conformity with the Act.
- b. As of the measurement date (December 31, 2024), the District had no employees covered in TCERS.
- c. The District's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The District's contribution rate is based on the TCERS funding policy adopted by the TCERS Board of Trustees and must conform with the TCERS Act. The employee contribution rates are set by the District and are currently 7%. The actuarially determined employer contribution rate for 2025 was 9.76%. Contributions to the pension plan from the District were \$198,812 for the fiscal year ended September 30, 2025.
- d. The most recent comprehensive annual financial report for TCERS can be found at the following link, www.tcders.org.

NOTE 7: 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.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025

NOTE 7: FUND BALANCE – continued

Committed - Amounts that can only be used for specific purposes 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.

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, 2025, the District has not adopted a minimum fund balance policy.

NOTE 8: COMMITMENTS

The District has entered into several Interlocal Agreements (ILA) with other governmental organizations.

- City of Luling-station lease commencing January 1, 2025 for a 6 month period for \$1/month with the option to purchase after 30 days for \$583,000.
- The District also entered into a management service agreement with the City of Luling commencing November 1, 2024 through February 2, 2025, for \$7,683.24/month.
- City of Lockhart-station lease commencing September 22, 2024, for \$1/month for 1 year with a 1 year option.
- The District also entered into a management service agreement with the City of Lockhart commencing November 13, 2024 through January 1, 2025, for \$10,920/month.
- The District entered into an emergency medical services agreement for 3 years with the City of Schertz commencing January 1, 2025, for \$42,833/year.
- The District entered into an agreement for 3 years commencing November 1, 2024, with the Lower Colorado River Authority for radio equipment and service fee based on need.

The District entered into an agreement with Emergicon for billing and claims management services for ambulance and emergency medical services provided by the District to individuals and other entities not residents of Caldwell County. Emergicon will be paid 7% of collections made.

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2025

NOTE 9: 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 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	\$1,514,997
Accumulated depreciation	<u>(150,224)</u>
	\$1,364,773

Deferred inflows and outflows related to pension liability are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred outflows related to pension liability	\$198,812
--	-----------

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

Accrued interest	\$13,788
------------------	----------

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	\$32,352
Due after one year	\$249,235

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

Deferred revenue	\$(295,855)
------------------	-------------

Differences between the Governmental Fund Operating Statement and the Statement of 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	\$102,587
Change in Deferred Outflows related to Pension	<u>(198,813)</u>
Total adjustment	\$(96,224)

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO 5
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2025

NOTE 9: EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND
 AND GOVERNMENT-WIDE STATEMENTS – continued

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	\$(1,464,997)
Depreciation Expense	149,629

Interest expense is recognized as expenditures in the governmental funds. The statement of activities includes only the interest expense for the current period.

Accrued Interest Payable	\$15,803
--------------------------	----------

Repayment of notes payable is reported as an expenditure in governmental funds. For the district, 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 Debt Principal	\$(304,500)
---------------------------	-------------

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

Financing Proceeds	\$(170,000)
--------------------	-------------

Because some property taxes will not be collected for several months after the district's fiscal year end, they are not considered as "available" revenues in the governmental funds.

Adjustment for property taxes collected after year-end	\$295,855
--	-----------

NOTE 10: DATE OF MANAGEMENT'S REVIEW

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

NOTE 11: SUBSEQUENT EVENTS

Subsequent to year end, the District entered into a promissory note agreement with Government Capital in the amount of \$591,745 at 5.49% interest for 20 years with annual payments of \$49,476 for the purpose of financing an EMS Station. This note is secured by Ad Valorem taxes.

Subsequent to year end, the District entered into a promissory note agreement with Government Capital in the amount of \$660,000 at 5.20% interest for 5 years with annual payments of \$153,287 for the purpose of financing new equipment. This note is secured by Ad Valorem taxes.

REQUIRED SUPPLEMENTAL INFORMATION

CALDWELL COUNTY EMERGENCY SERVICES DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL- GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE FAVORABLE/ (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES:				
Ad Valorem Taxes	\$ 6,200,000	\$ 6,200,000	\$ 5,875,267	(324,733)
Miscellaneous	-	-	4,695	4,695
EMS Billing	2,915,000	2,915,000	2,573,855	(341,145)
Grants/Contributions	-	-	54,712	54,712
Interest	-	-	75,966	75,966
TOTAL REVENUES	\$ 9,115,000	\$ 9,115,000	\$ 8,584,495	(530,505)
EXPENDITURES:				
Professional Fees	\$ 359,830	\$ 359,830	\$ 248,393	\$ 111,437
Personnel Costs	4,285,244	4,285,244	2,953,142	1,332,102
Appraisal District/Tax Office	200,000	200,000	319,524	(119,524)
Insurance	2,120	2,120	52,074	(49,954)
Communications	50,000	50,000	558,343	(508,343)
Supplies and Materials	489,600	489,600	276,339	213,261
Miscellaneous	-	-	22,257	(22,257)
Utilities	30,000	30,000	10,049	19,951
Repairs and Maintenance	75,000	75,000	154,781	(79,781)
Staff Development/Training	65,000	65,000	14,121	50,879
Capital Outlay	1,410,000	1,410,000	1,464,997	(54,997)
Debt Service:				
Principal	-	-	304,500	(304,500)
Interest	-	-	16,157	(16,157)
TOTAL EXPENDITURES	\$ 6,966,794	\$ 6,966,794	\$ 6,394,678	572,116
OTHER FINANCING SOURCES/(USES)				
Loan Proceeds	\$ -	\$ -	\$ 179,000	179,000
Total Other Financing Sources/(Uses)	\$ -	\$ -	\$ 179,000	\$ 179,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	\$ 2,148,206	\$ 2,148,206	\$ 2,368,817	\$ (923,622)
Net change in fund balance	\$ 2,148,206	\$ 2,148,206	\$ 2,368,817	220,611
Beginning of year			\$ 183,372	
End of year			<u>\$ 2,552,189</u>	