

# Texas Emergency Services Retirement System

Report on Pension Information  
August 31, 2024

# CONTENTS

Page

Independent Auditor's Report.....1

Schedule of Participating Department Allocations .....3

Schedule of Collective Pension Amounts .....8

Notes to Schedule of Participating Department Allocations and  
Schedule of Collective Pension Amounts .....9

## **Independent Auditor's Report**

To the Board of Trustees and Executive Director  
Texas Emergency Services Retirement System

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying schedule of participating department allocations of Texas Emergency Services Retirement System ("the System"), as of and for the year ended August 31, 2024, and the related notes.

We have also audited the columns titled net pension liability, total deferred outflows of resources excluding participating department specific amounts, total deferred inflows of resources excluding participating department specific amounts, and plan pension expense (specified column totals) included in the accompanying schedule of collective pension amounts of the System, as of and for the year ended August 31, 2024, and the related notes.

In our opinion, the schedules referred to above present fairly, in all material respects, the participating department allocations and the net pension liability, total deferred outflows of resources excluding participating department specific amounts, total deferred inflows of resources excluding participating department specific amounts, and plan pension expense for the total participating departments for the System, as of and for the year ended August 31, 2024, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedules section of our report. We are required to be independent of the System 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 Schedules**

The System's management is responsible for the preparation and fair presentation of the schedules 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 the schedules that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibilities for the Audit of the Schedules**

Our objectives are to obtain reasonable assurance about whether the schedule of participating department allocations and the specified column totals included in the schedule of collective pension amounts, 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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedules, 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 schedules.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System'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 schedules.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System'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.

### **Other Matter**

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the System as of and for the year ended August 31, 2024, and our report thereon, dated January 27, 2025, expressed an unmodified opinion on those financial statements.

### **Restrictions on Use**

Our report is intended solely for the information and use of the System's management, board of trustees and executive director, participating departments and their auditors, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Austin, Texas  
February 19, 2025

# Texas Emergency Services Retirement System

## Schedule of Participating Department Allocations

### As of and for the Year Ended August 31, 2024

Contributing Entity	2024 Contributions	Contributing Entity Allocation Percentage
Alamo Volunteer Fire Department	\$ 2,592	0.050%
Alpine Emergency Services Board Inc	5,112	0.099%
Alpine Volunteer Fire Department	7,812	0.151%
Alvarado Volunteer Fire Department	432	0.008%
Alvin Volunteer Fire Department	112,875	2.187%
Andrews Volunteer Fire Department	14,472	0.280%
Angleton Volunteer Fire Department	63,726	1.235%
Austin County Emergency Services District #2	1,296	0.025%
Baird Volunteer Fire Department	4,200	0.081%
Ballinger Fire Department	11,340	0.220%
Bastrop County ESD # 1	10,600	0.205%
Bexar County ESD#5 Fire and Rescue	432	0.008%
Brady Volunteer Fire Department	6,588	0.128%
Brazoria County ESD#3	3,350	0.065%
Brazoria Volunteer Fire Department	7,560	0.146%
Bremond Fire Department	4,644	0.090%
Brenham Fire Department	29,560	0.573%
Bridge City Fire & Rescue	10,728	0.208%
Bridgeport Volunteer Fire Department	17,424	0.338%
Brownfield Fire Department	3,024	0.059%
BUFFALO VFD	6,768	0.131%
Burkburnett Fire Department	8,640	0.167%
Burnet County ESD#4	3,600	0.070%
Burnet Volunteer Fire Department	7,808	0.151%
Cactus Volunteer Fire Department	2,952	0.057%
Cameron Volunteer Fire Department	10,368	0.201%
Canadian Volunteer Fire Department	31,300	0.606%
Canyon Fire Department	42,450	0.822%
Carthage Volunteer Fire Department	13,644	0.264%
Center Volunteer Fire Department	9,360	0.181%
CITY OF BEACH CITY	6,000	0.116%
Clarksville Volunteer Fire Department	3,672	0.071%
Claude Volunteer Fire and Ambulance Department	4,716	0.091%
Clute Volunteer Fire Department	35,805	0.694%
Columbus Fire Department	31,860	0.617%
COOPER VOLUNTEER FIRE DEPARTMENT	26,175	0.507%
Crockett Volunteer Fire Department	3,456	0.067%
Crosbyton Volunteer Fire Department	6,336	0.123%
Cuero Volunteer Fire Department	8,184	0.159%
Daingerfield Volunteer Fire Department	8,900	0.172%
Dalhart Volunteer Fire Department	12,456	0.241%
Dallas County Fire and Rescue	864	0.017%
Dayton Volunteer Fire Department	17,784	0.345%
Deer Park Volunteer Fire Department	87,264	1.691%
Denver City Volunteer Fire Department	15,504	0.300%

The Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts are an integral part of this statement.

**Texas Emergency Services Retirement System**  
Schedule of Participating Department Allocations – Continued  
As of and for the Year Ended August 31, 2024

Contributing Entity	2024 Contributions	Contributing Entity Allocation Percentage
Diboll Volunteer Fire Department	\$ 2,592	0.050%
Dickinson Volunteer Fire Department	70,200	1.360%
Dimmitt Fire Department	22,575	0.437%
Donna Volunteer Fire Department	9,072	0.176%
Dumas Volunteer Fire Department	2,844	0.055%
Eagle Lake Volunteer Fire Department	25,000	0.484%
Edcouch Volunteer Fire Department	8,208	0.159%
Edgecliff Volunteer Fire Department	1,332	0.026%
Edinburg Volunteer Fire Department	43,790	0.848%
El Campo Volunteer Fire Department	43,060	0.834%
El Paso County Emergency District #1	32,168	0.623%
El Paso County Emergency District #2	61,200	1.186%
Electra Volunteer Fire Department	8,496	0.165%
Fairfield Volunteer Fire Department	2,448	0.047%
Farmersville Volunteer Fire Department	6,084	0.118%
Ferris Fire Department	432	0.008%
Flatonia Volunteer Fire Department	40,500	0.785%
Fort Stockton Volunteer Fire Department	12,492	0.242%
Fredericksburg Fire Department	25,760	0.499%
Freeport Volunteer Fire Department	432	0.008%
Freer Volunteer Fire Department	8,244	0.160%
Friendswood Volunteer Fire Department	122,316	2.370%
Giddings Volunteer Fire Department	9,792	0.190%
Gilmer Volunteer Fire Department	4,760	0.092%
Gonzales County Emergency Services District #1	5,616	0.109%
Gonzales Fire Department	7,848	0.152%
Grand Saline Volunteer Fire Department	10,200	0.198%
Grandbury Volunteer Fire Department	87,210	1.690%
Grandview Volunteer Fire Department	4,356	0.084%
Greenwood Rural VFD	4,176	0.081%
Groesbeck Volunteer Fire Department	5,616	0.109%
Groves Volunteer Fire Department	3,888	0.075%
Gun Barrel City Fire Department	3,456	0.067%
Hallettsville Volunteer Fire Department	19,800	0.384%
Hamlin Volunteer Fire Department	13,500	0.262%
Harris County Emergency Services District No. 80	34,650	0.671%
Harris County ESD No 46	21,100	0.409%
Haskell Volunteer Fire Department	14,250	0.276%
Hays County ESD#6	40,000	0.775%
Hearne Volunteer Fire Department	20,475	0.397%
Hereford Fire Department	26,800	0.519%
Huntsville Fire Department	4,932	0.096%
Iowa Park Volunteer Fire Department	16,400	0.318%
Iraan Volunteer Fire Department & EMS	2,160	0.042%
Jasper Volunteer Fire Department	49,675	0.962%

The Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts are an integral part of this statement.

**Texas Emergency Services Retirement System**  
Schedule of Participating Department Allocations – Continued  
As of and for the Year Ended August 31, 2024

Contributing Entity	2024 Contributions	Contributing Entity Allocation Percentage
Jeff Davis County Emergency Services District #1	\$ 13,248	0.257%
Jefferson Volunteer Fire Department	7,704	0.149%
Kermit Volunteer Fire Department	19,300	0.374%
Kingsville Volunteer Fire Department	6,480	0.126%
La Grange Volunteer Fire Department	24,225	0.469%
Lake Jackson Volunteer Fire Department	50,200	0.973%
Lamesa Volunteer Fire Department	43,400	0.841%
LaPorte Fire Department	82,460	1.598%
League City Volunteer Fire Department	290,600	5.630%
Levelland Fire Department	12,168	0.236%
Lindale Volunteer Fire Department	14,940	0.289%
Linn-San Manuel VFD	3,168	0.061%
Littlefield Volunteer Fire Department	6,552	0.127%
Llano Volunteer Fire Department	16,600	0.322%
Lockhart Volunteer Fire Department	432	0.008%
Louise Volunteer Fire Department	15,930	0.309%
Madisonville Volunteer Fire Department	10,692	0.207%
MARFA VOLUNTEER FIRE DEPARTMENT	22,798	0.442%
Mathis Volunteer Fire Department	2,448	0.047%
Mercedes Volunteer Fire Department	1,188	0.023%
Merkel Volunteer Fire Department	2,160	0.042%
Mineola Volunteer Fire Department	6,228	0.121%
Mineral Wells Volunteer Fire Department	2,400	0.046%
Mission Volunteer Fire Department	2,988	0.058%
Mont Belvieu Fire Department	63,750	1.235%
Morton Volunteer Fire Department	4,392	0.085%
Moulton Fire Department	8,244	0.160%
Mount Vernon Volunteer Fire Department	6,876	0.133%
Muleshoe Volunteer Fire Department	6,948	0.135%
Nixon Volunteer Fire Department	7,260	0.141%
Northeast Gaines County ESD#1	13,150	0.255%
Odem Volunteer Fire Department	4,320	0.084%
Old Ocean Volunteer Fire Department	9,600	0.186%
Palacios Volunteer Fire Department	15,450	0.299%
Pasadena Fire Department	407,414	7.893%
Pearland Volunteer Fire Department	450	0.009%
Pearsall Volunteer Fire Department	18,500	0.358%
Perryton Fire Department	18,240	0.353%
Pharr Volunteer Fire Department	36,540	0.708%
Port Aransas Volunteer Fire Department	11,304	0.219%
Quanah Volunteer Fire Department	9,180	0.178%
Quitman Volunteer Fire Department	7,524	0.146%
Randall County	17,550	0.340%
Randall County Volunteer Fire Deptment	30,672	0.594%
Raymondville Volunteer Fire Department	10,320	0.200%

The Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts are an integral part of this statement.

**Texas Emergency Services Retirement System**  
Schedule of Participating Department Allocations – Continued  
As of and for the Year Ended August 31, 2024

Contributing Entity	2024 Contributions	Contributing Entity Allocation Percentage
Reeves County ESD 1	\$ 16,560	0.321%
Reno Volunteer Fire Department	7,452	0.144%
Richwood Volunteer Fire Department	15,600	0.302%
Roby Volunteer Fire Department	3,024	0.059%
Rockwall Volunteer Fire Department	2,940	0.057%
Rosenberg Fire Department	34,951	0.677%
Rotan Volunteer Fire Department	2,484	0.048%
San Augustine Volunteer Fire Department	7,776	0.151%
San Juan Volunteer Fire Department	6,900	0.134%
San Saba Volunteer Fire Department	6,048	0.117%
Sanger Volunteer Fire Department	1,296	0.025%
Santa Fe Volunteer Fire Department	78,000	1.511%
Schulenburg Volunteer Fire Department	71,120	1.378%
Seabrook Volunteer Fire Department	20,020	0.388%
Seminole Volunteer Fire Department	26,400	0.511%
Seymour Volunteer Fire Department	12,516	0.242%
Shiner Volunteer Fire Department	18,972	0.368%
Sinton Volunteer Fire Department	9,072	0.176%
Slaton Volunteer Fire Department	8,208	0.159%
Snyder Volunteer Fire Department	3,852	0.075%
Sonora Volunteer Fire Department	11,232	0.218%
South Houston Volunteer Fire Department	12,780	0.248%
Spearman Volunteer Fire Department	1,152	0.022%
Spring Fire Department	45,600	0.883%
Spur Volunteer Fire Department	7,524	0.146%
Sunray Volunteer Fire Department	4,320	0.084%
Sweeny Fire and Rescue	21,250	0.412%
Tahoka Volunteer Fire Department	8,640	0.167%
Teague Fire Department	10,260	0.199%
Terrell Volunteer Fire Department	15,250	0.295%
Trinity Volunteer Fire Department	7,776	0.151%
UPTON COUNTY ESD #2	5,832	0.113%
Uvalde Volunteer Fire Department	43,920	0.851%
Waller Harris ESD 200	12,528	0.243%
WASHINGTON VOLUNTEER FIRE DEPARTMENT	34,596	0.670%
Weimar Volunteer Fire Department	20,577	0.399%
Wellington Volunteer Fire Department	6,408	0.124%
West Columbia Volunteer Fire Department	22,560	0.437%
Wharton Fire Department	22,200	0.430%
Wild Peach Volunteer Fire Department	22,100	0.428%
Williamson County ESD #1	80,850	1.566%
Windcrest Fire Department	6,984	0.135%
Wolforth Volunteer Fire & EMS	7,920	0.153%
Woodville Volunteer Fire Department	15,525	0.301%
Yoakum Volunteer Fire Department	7,308	0.142%

The Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts are an integral part of this statement.



**Texas Emergency Services Retirement System**  
 Schedule of Participating Department Allocations – Continued  
 As of and for the Year Ended August 31, 2024

Contributing Entity	2024 Contributions	Contributing Entity Allocation Percentage
Yorktown Volunteer Fire Department	11,124	0.216%
State of Texas' 2024 Contribution	1,292,763	25.045%
<b>Total</b>	<b>\$ 5,161,701</b>	<b>100%</b>

The Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts are an integral part of this statement.

**Texas Emergency Services Retirement System**  
Schedule of Collective Pension Amounts  
As of and for the Year Ended August 31, 2024

Deferred Outflows of Resources					Deferred Inflows of Resources				
Net Pension Liability	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Outflows of Resources Excluding Participating Department Specific Amounts*	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Total Deferred Inflows of Resources Excluding Participating Department Specific Amounts*	Plan Pension Expense
\$ 107,374,812	\$ 3,595,429	\$ 38,249,195	\$ 5,766,028	\$ 47,610,652	\$ -	\$ -	\$ -	\$ -	\$ 35,441,598

\* Participating department specific amounts that are excluded from this schedule are the changes in proportion and differences between participating department contributions and proportionate share of contributions as defined in paragraphs .54 and .55 of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

The Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts are an integral part of this statement.

# **Texas Emergency Services Retirement System**

## Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts

### **Note 1. Background and Reporting Entity**

The Texas Emergency Services Retirement System (the System) is an agency of the State of Texas and its financial records comply with state statutes and regulations. The nine-member Board of Trustees, appointed by the Governor, establishes policy for the administration of the Texas Emergency Services Retirement System.

The System was created as a standalone agency by the 83rd Legislature via the passage of SB 220, effective September 1, 2013, to assume the functions of the abolished Office of the Fire Fighters' Pension Commissioner. While the agency is new, the System has been in existence since 1977. The System, which is under the authority of Title 8, Subtitle H, Chapters 861-865 of the Texas Government Code, provides death and disability benefits to active volunteer fire fighters and first responders, and a pension to members with vested service, as well as to their survivor/beneficiaries. For financial reporting purposes, the State of Texas is considered the primary reporting government. The System's financial statements are included in the State's Annual Comprehensive Financial Report. The System issues a publicly available Annual Financial Report, which includes financial statements, notes, and required supplementary information, which can be obtained at [www.tesrs.org](http://www.tesrs.org). The separately issued actuarial valuations which may be of interest are also available at the same link.

Information that is available in the annual financial report is not repeated in the allocation schedules and related notes.

The preparation of the schedules of participating department allocations and collective pension amounts in conformity with accounting principles generally accepted in the United States of America requires management to make significant estimates and assumptions that affect the reported amounts during the reporting period. Actual results could differ from those estimates.

### **Note 2. Schedule of Participating Department Allocations**

The contribution requirement per active emergency services personnel member per month is not actuarially determined. Rather, the minimum contribution provisions are set by board rule, and there is no maximum contribution rate.

Participating department contributions for the fiscal year ended August 31, 2024 were used for purposes of preparing the allocation schedule. Adjustments were made in the following circumstances, with the treatment detailed below for material items:

- For newly participating departments, lump sum contributions were eliminated and contributions were annualized
- MTES contributions for legacy departments were eliminated
- Revocation charges were eliminated
- Interest on contributions and administrative penalties were eliminated
- 13<sup>th</sup> checks, which are passed directly through to the participants, were eliminated

# Texas Emergency Services Retirement System

## Notes to Schedule of Participating Department Allocations and Schedule of Collective Pension Amounts

### Note 3. Schedule of Collective Pension Amounts

The System has prepared the Schedule of Collective Pension Amounts. The collective pension expense based on the System's fiscal year ended August 31, 2024 is shown in the following table:

Service cost	\$	1,621,989
Interest		12,589,929
Projected earnings on pension plan investments		(9,359,431)
Amortization of differences between projected and actual earnings on plan investments		1,762,448
Amortization of changes of assumptions		23,527,109
Amortization of differences between expected and actual experience		2,851,587
Pension plan administrative expense		307,475
Changes in benefit provisions		2,140,492
		2,140,492
	\$	35,441,598

Amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized in pension expense in future years as follows:

Fiscal Year Ended August 31,	Net Deferred Outflows Minus Deferred Inflows
2025	\$ 28,271,410
2026	21,065,735
2027	(642,016)
2028	(1,084,477)
	\$ 47,610,652

Each participating department will need to calculate two additional types of deferred outflows of resources and deferred inflows of resources, which are participating department specific amounts. These amounts relate to differences between actual contributions made by a participating department and their proportionate share of total contributions calculated based on the allocation percentage.

The participating department's proportionate share of the collective pension expense for its fiscal year ended between September 1, 2024 and August 31, 2025 is equal to the collective pension expense multiplied by the participating department's allocation percentage for the System's fiscal year ended August 31, 2024 as shown in the schedule of participating department allocations.