

FALLS COUNTY EMERGENCY SERVICES DISTRICT NO. 1

Board of Emergency Services Commissioners



Fiscal Year 2027 Budget

Amendment No. 1

Budget period October 1, 2026 – September 30, 2027

Amendment No. 1 adopted: _____

Original budget adopted June 18, 2026



Prepared by Rural Emergency Services Administration, LLC
Falls County ESD No. 1 · P.O. Box 1235, Marlin, TX 76661



Falls County Emergency Services District No. 1

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Budget period October 1, 2026 – September 30, 2027

PROJECTED REVENUE \$1,752,966 Property tax, sales tax & interest	TOTAL EXPENDITURES \$1,254,420 71.6% of revenue	RESERVE CONTRIBUTION \$498,547 Revenue in excess of expenditures (28.4%)	ADOPTED TAX RATE \$0.1000 per \$100 valuation
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Revenue Calculation

Certified taxable value	\$1,658,966,323
× Adopted tax rate (per \$100 valuation)	\$0.1000
Property tax levy (gross)	\$1,658,966.32
Sales and use tax revenue (estimated)	\$50,000.00
Interest income (estimated)	\$44,000.00
Total projected FY2027 revenue	\$1,752,966.32
Less: total budgeted expenditures	(\$1,254,419.69)
Projected contribution to reserves	\$498,546.63
Contribution to reserves excluding estimated sales and use tax	\$448,546.63

Reserve Summary

Most recent reported fund balance (Sept. 30, 2026, unaudited)	\$1,280,243.32
Beginning reserve balance (October 1, 2026, unaudited)	\$1,178,014.41
Add: projected FY2027 contribution to reserves	\$498,546.63
Projected ending reserve balance (September 30, 2027)	\$1,676,561.04

Figure 1. Revenue, expenditures, and projected contribution to reserves

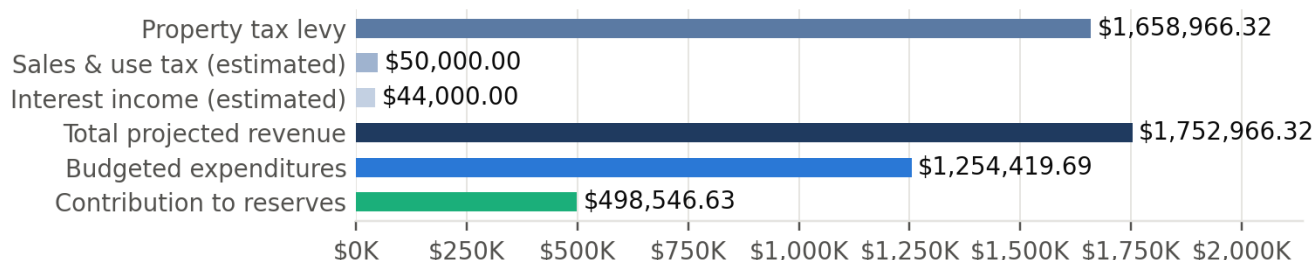
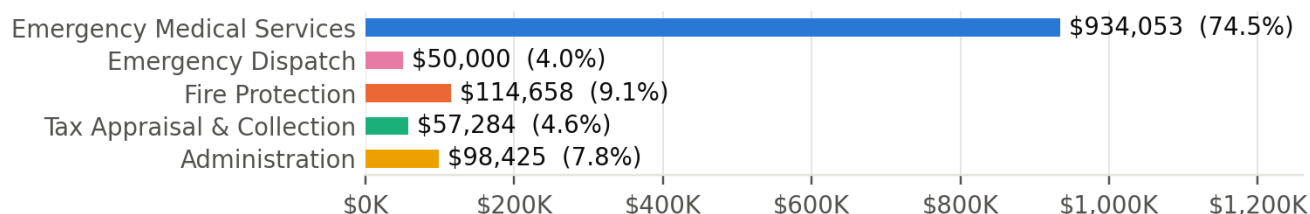


Figure 2. Expenditures by functional area



Administrator's Budget Message

To the Board of Emergency Services Commissioners, Falls County Emergency Services District No. 1

Presented here is Amendment No. 1 to the District's Fiscal Year 2027 Budget, which was originally adopted on June 18, 2026. The amendment updates the budget to reflect the District's current service commitments, administrative needs, and an additional revenue source, while keeping the District on a sound financial footing.

Revenue. Total projected revenue is \$1,752,966.32. Nearly all of it comes from the property tax levy of \$1,658,966.32, based on a certified taxable value of \$1,658,966,323 and the adopted rate of \$0.1000 per \$100 valuation. The budget also recognizes an estimated \$50,000.00 in sales and use tax revenue, set conservatively because the District does not yet have a full year of collection history, and an estimated \$44,000.00 in interest income based on the District's current investment earnings.

Expenditures. Total budgeted expenditures are \$1,254,419.69. Emergency medical services remain the District's primary commitment at \$934,052.59 (74.5% of the budget). The amendment adds Falls County Consolidated Dispatch (budgeted at a maximum estimated amount of \$50,000.00), professional district administration, district communications, and a one-time upgrade of MVFD radio communications to the 800MHz system, and it reduces the District's website cost. It also updates the appraisal district fee to the Falls County Appraisal District's FY2027 payment schedule, and the PHI Cares, SAFE-D and Tax Assessor-Collector amounts to their current invoices.

Financial position. Revenue is projected to exceed expenditures by \$498,546.63, which will be contributed to the District's reserves. The budget does not depend on the new sales tax estimate to balance: without any sales and use tax revenue, the contribution to reserves would still be \$448,546.63. Reserves are maintained to protect the District against unforeseen expenses and to prepare for the continued development of emergency services and emergency communications within the District.

Recommendation. Administration recommends that the Board approve Amendment No. 1 to the Fiscal Year 2027 Budget as presented.

Respectfully submitted,



Wesley Rolan
District Administrator

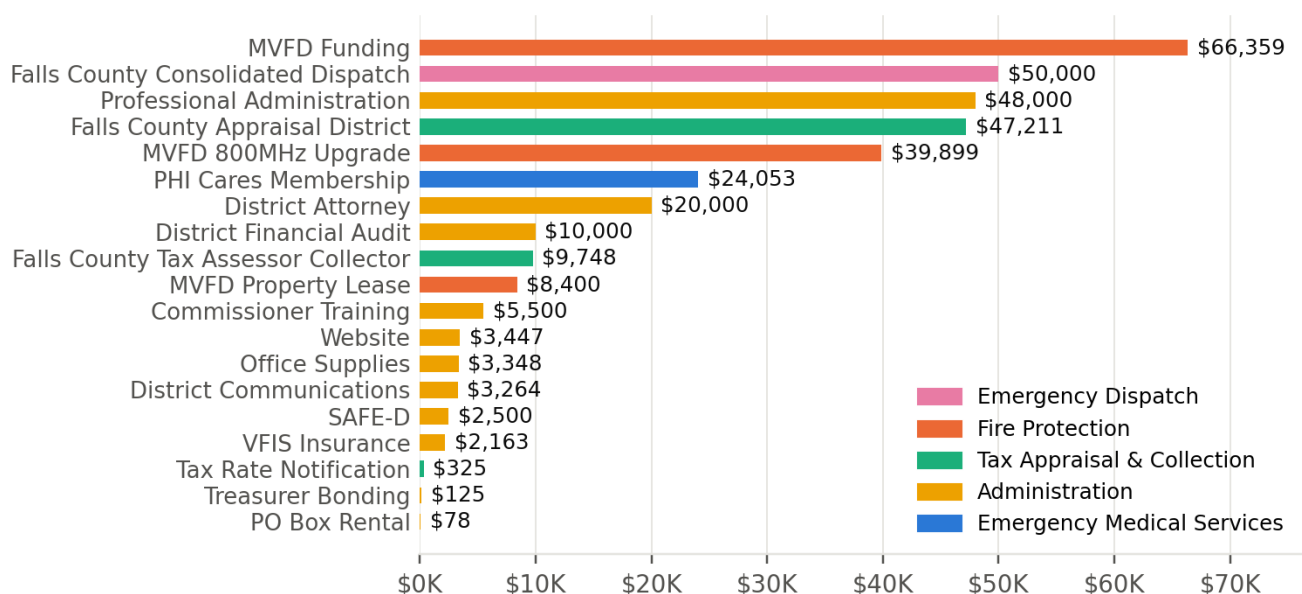
Budget at a Glance

Recurring operating expenditures	\$1,214,520.35
One-time project expenditure (MVFD 800MHz Upgrade)	\$39,899.34
Total budgeted expenditures	\$1,254,419.69
Projected contribution to reserves	\$498,546.63
Contribution to reserves excluding estimated sales and use tax	\$448,546.63
Highest projected monthly cash requirement (February 2027)	\$158,931.00
Most recent reported fund balance (September 30, 2026, unaudited)	\$1,280,243.32
Beginning reserve balance (October 1, 2026, unaudited)	\$1,178,014.41

Expenditure Summary by Line Item

Line Item	Description	Annual Budget	% of Total
Emergency Medical Services		\$934,052.59	74.5%
Ambulance Service	Contracted ambulance (EMS) service	\$909,999.96	72.5%
PHI Cares Membership	Air medical membership, annual payment	\$24,052.63	1.9%
Emergency Dispatch		\$50,000.00	4.0%
Falls County Consolidated Dispatch	Dispatch services (maximum estimate)	\$50,000.00	4.0%
Fire Protection		\$114,658.34	9.1%
MVFD Funding	Annual allocation, 4% of tax revenue	\$66,359.00	5.3%
MVFD 800MHz Upgrade	One-time 800MHz radio upgrade	\$39,899.34	3.2%
MVFD Property Lease	Monthly property lease payment	\$8,400.00	0.7%
Tax Appraisal & Collection		\$57,283.76	4.6%
Falls County Appraisal District	Quarterly appraisal fee	\$47,211.13	3.8%
Falls County Tax Assessor Collector	Quarterly collection fee	\$9,747.63	0.8%
Tax Rate Notification	Annual tax rate publication	\$325.00	0.0%
Administration		\$98,425.00	7.8%
Commissioner Training	Training; commissioner travel and mileage	\$5,500.00	0.4%
District Attorney	District legal counsel	\$20,000.00	1.6%
District Financial Audit	Independent financial audit	\$10,000.00	0.8%
Website	Website hosting & maintenance	\$3,447.00	0.3%
District Communications	Monthly communications service	\$3,264.00	0.3%
Professional Administration	Monthly professional administration services	\$48,000.00	3.8%
Office Supplies	Office supplies	\$3,348.00	0.3%
SAFE-D	Annual membership dues	\$2,500.00	0.2%
VFIS Insurance	Annual premium	\$2,163.00	0.2%
Treasurer Bonding	Annual treasurer bond premium	\$125.00	0.0%
PO Box Rental	Annual P.O. box rental	\$78.00	0.0%
Total Expenditures		\$1,254,419.69	100.0%

Figure 3. Line items excluding ambulance service (ambulance service: \$910,000, shown in Figure 2)

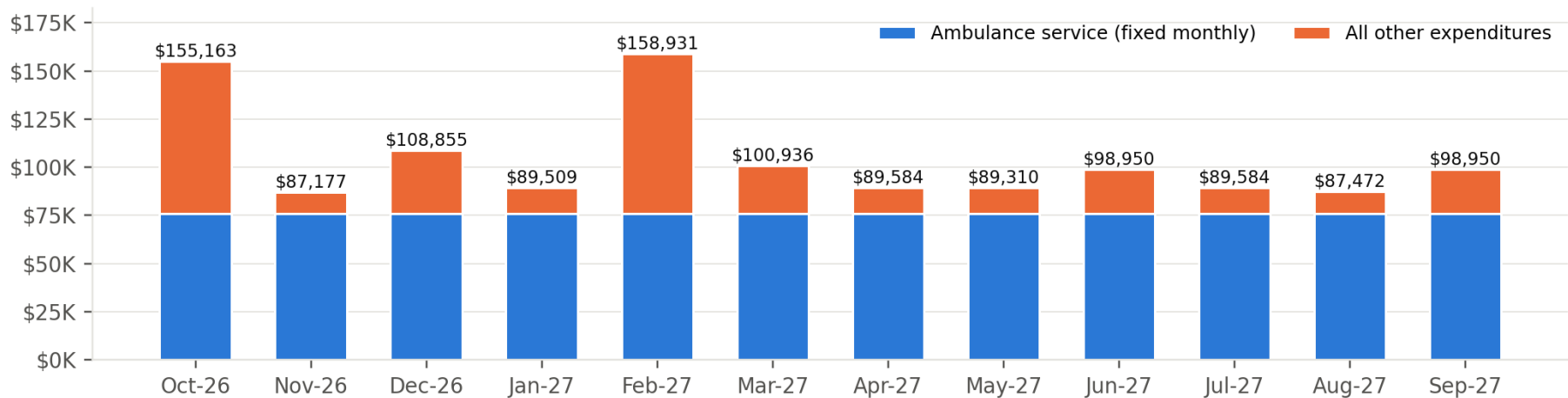


Monthly Expenditure Schedule

Line Item	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Annual
Ambulance Service	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	75,833.33	909,999.96
Falls County Consolidated Dispatch	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.67	4,166.63	50,000.00
PHI Cares Membership	24,052.63	—	—	—	—	—	—	—	—	—	—	—	24,052.63
MVFD Funding	—	—	—	—	66,359	—	—	—	—	—	—	—	66,359.00
MVFD 800MHz Upgrade	39,899.34	—	—	—	—	—	—	—	—	—	—	—	39,899.34
MVFD Property Lease	700	700	700	700	700	700	700	700	700	700	700	700	8,400.00
Commissioner Training	—	—	—	—	5,500	—	—	—	—	—	—	—	5,500.00
Falls County Appraisal District	—	—	11,802.78	—	—	11,802.78	—	—	11,802.78	—	—	11,802.79	47,211.13
Falls County Tax Assessor Collector	2,436.91	—	—	2,436.91	—	—	2,436.91	—	—	2,436.90	—	—	9,747.63
Tax Rate Notification	—	—	—	—	—	—	—	—	—	—	325	—	325.00
District Attorney	815	1,680	1,680	1,700	1,700	1,775	1,775	1,775	1,775	1,775	1,775	1,775	20,000.00
District Financial Audit	—	—	10,000	—	—	—	—	—	—	—	—	—	10,000.00
Website	367	280	280	280	280	280	280	280	280	280	280	280	3,447.00
District Communications	272	272	272	272	272	272	272	272	272	272	272	272	3,264.00
Professional Administration	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000.00
Office Supplies	120	120	120	120	120	2,028	120	120	120	120	120	120	3,348.00
SAFE-D	2,500	—	—	—	—	—	—	—	—	—	—	—	2,500.00
VFIS Insurance	—	—	—	—	—	—	—	2,163	—	—	—	—	2,163.00
Treasurer Bonding	—	125	—	—	—	—	—	—	—	—	—	—	125.00
PO Box Rental	—	—	—	—	—	78	—	—	—	—	—	—	78.00
Monthly Total	155,162.88	87,177.00	108,854.78	89,508.91	158,931.00	100,935.78	89,583.91	89,310.00	98,949.78	89,583.90	87,472.00	98,949.75	1,254,419.69

All amounts in U.S. dollars. "—" indicates no scheduled payment in that month.

Figure 4. Monthly cash outflow · Highest projected monthly cash requirement: Feb-27 — \$158,931.00



Changes from the Original Budget

Amendment No. 1 makes the following changes to the original FY2027 budget adopted June 18, 2026. Together they increase total budgeted expenditures by \$137,683.46 and add an estimated \$50,000.00 in sales and use tax revenue and \$44,000.00 in interest income.

New revenue source – Interest Income. Estimated interest income of \$44,000.00 is added to projected revenue, based on the District's current investment earnings (approximately \$3,671 in August 2026). The amount is an estimate and will vary with interest rates.

New revenue source – Sales and Use Tax. Estimated sales and use tax revenue of approximately \$50,000.00 per year is added to projected revenue. The amount is an estimate and is subject to change.

New line item – District Communications. Added at \$272.00 per month (\$3,264.00 annually).

New line item – Professional Administration. Added at \$4,000.00 per month (\$48,000.00 annually).

New line item – MVFD 800MHz Upgrade. Added as a one-time expenditure of \$39,899.34 in October 2026.

New line item – Falls County Consolidated Dispatch. Added at a maximum estimated amount of \$50,000.00 annually, paid in monthly installments of \$4,166.67 beginning October 2026 (final September 2027 installment of \$4,166.63).

Website rate change. The monthly website cost is reduced to \$280.00 beginning November 2026 (previously \$367.00 in November and \$381.00 per month December–September). The October 2026 payment of \$367.00 is unchanged. Annual website cost decreases from \$4,544.00 to \$3,447.00.

Appraisal district schedule. The Falls County Appraisal District's FY2027 payment schedule sets the District's share at \$47,211.13, due in installments before December 31, March 31 and June 30 (\$11,802.78 each) and September 30 (\$11,802.79). This replaces the original budget of \$46,643.80 (\$11,660.95 per quarter), an increase of \$567.33.

Invoice updates. PHI Cares membership is now a single annual payment of \$24,052.63 in October 2026 (previously \$27,215.00 in monthly installments). SAFE-D membership dues are \$2,500.00, paid in October 2026 (previously \$1,750.00 in August 2027). Tax Assessor-Collector fees are \$2,436.91 in October, January and April and \$2,436.90 in July, \$9,747.63 in total (previously \$2,743.25 per quarter).

Restated totals. Category totals are now calculated directly from the monthly schedule. The original Tax Assessor-Collector total (\$10,653.30) is restated to \$10,973.00 (four quarterly payments of \$2,743.25), and the original Website total (\$4,177.00) is restated to \$4,544.00 before the rate change above. Together with a \$0.83 rounding difference in the original grand total, these restatements account for \$687.53.

Reconciliation of Total Expenditures

Original adopted total expenditures	\$1,116,736.23
Restatement of totals to match monthly schedule	\$687.53
Add: District Communications	3,264.00
Add: Professional Administration	48,000.00
Add: MVFD 800MHz Upgrade	39,899.34
Add: Falls County Consolidated Dispatch	50,000.00
Less: Website rate reduction	(1,097.00)
Add: Falls County Appraisal District schedule increase	567.33
Less: PHI Cares annual payment	(3,162.37)
Add: SAFE-D membership dues	750.00
Less: Tax Assessor-Collector invoices	(1,225.37)
Amended total expenditures	\$1,254,419.69
Original projected contribution to reserves (surplus)	\$542,230.09
Less: net increase in total expenditures	(\$137,683.46)
Add: estimated sales and use tax revenue	\$50,000.00
Add: estimated interest income	\$44,000.00
Amended projected contribution to reserves	\$498,546.63

Line Item Name Changes

Original	Amended	Original	Amended
Ambulance	Ambulance Service	Legal	District Attorney
PHI	PHI Cares Membership	SafeD	SAFE-D
Tax A/C	Falls County Tax Assessor Collector	Audit	District Financial Audit
Tax Appr	Falls County Appraisal District	Tax Rate	Tax Rate Notification
Bond	Treasurer Bonding	USPS Box Rent	PO Box Rental
Office	Office Supplies	Training	Commissioner Training
VFD Lea	MVFD Property Lease	VFIS	VFIS Insurance
Vol FD	MVFD Funding		

Name changes do not affect budgeted amounts. Commissioner Training and VFIS Insurance are presented under Administration.

Budget Notes

Property tax revenue. The District's FY2027 property tax levy is calculated using the certified taxable value of \$1,658,966,323 and the adopted tax rate of \$0.1000 per \$100 valuation, resulting in a gross levy of \$1,658,966.32. Budgeted revenue assumes collection of the full current-year levy.

Sales and use tax revenue. Sales and use tax revenue is an estimate of approximately \$50,000.00 per year. Because the District does not yet have a full 12 months of collection history, the amount has been intentionally budgeted conservatively. Even with no sales and use tax revenue, the budget would still produce a contribution to reserves of \$448,546.63. The actual amount is not yet known and will be monitored as receipts are reported; the projected contribution to reserves will change accordingly.

Interest income. Interest income is estimated at \$44,000.00, based on the District's current earnings on its TexPool, TexasCLASS, and bank accounts (approximately \$3,671 in August and \$3,658 in September 2026). Interest rates vary, and the actual amount may be higher or lower. Interest income is not included in the base used to calculate MVFD funding.

MVFD funding. Pursuant to the District's agreement with the Marlin Volunteer Fire Department (MVFD), the MVFD funding allocation is set at 4% of property tax revenue (\$66,358.65, budgeted as \$66,359), disbursed in February 2027 after Board approval.

Ambulance service. Contracted ambulance service is the District's largest expenditure and is paid in twelve equal monthly installments of \$75,833.33.

Payments over \$50,000. Any single expenditure over \$50,000 may not be paid unless presented to and approved by the Board (Health and Safety Code §775.073(b)). In FY2027 this applies to each monthly Allegiance Ambulance installment (\$75,833.33) and to the February MVFD funding disbursement (\$66,359.00). These approvals are scheduled in the District's Compliance Calendar.

Falls County Consolidated Dispatch. The \$50,000.00 budgeted for consolidated dispatch services is a maximum estimated amount, paid in monthly installments of \$4,166.67 beginning October 2026 (final September 2027 installment of \$4,166.63). The amount has been budgeted at the maximum so that the District's obligation is fully covered. If the actual cost is lower, the difference will remain with the District and increase the contribution to reserves.

Tax appraisal and collection. Appraisal district fees follow the Falls County Appraisal District's FY2027 schedule: \$47,211.13, paid in installments due before December 31, March 31, June 30 (\$11,802.78 each) and September 30 (\$11,802.79); tax assessor-collector fees are paid quarterly: \$2,436.91 in October, January and April and \$2,436.90 in July.

PHI Cares and SAFE-D. The PHI Cares air medical membership is paid in a single annual payment of \$24,052.63 in October 2026, and SAFE-D membership dues of \$2,500.00 are paid in October 2026.

Commissioner travel. Commissioner mileage and travel reimbursements under the District's Travel and Expense Reimbursement Policy are paid from the Commissioner Training line.

MVFD 800MHz upgrade. A one-time expenditure of \$39,899.34 is scheduled for October 2026 to upgrade MVFD radio communications to the 800MHz system.

Reserves. Revenue in excess of budgeted expenditures is contributed to the District's reserve fund. The Board maintains reserves for two purposes: (1) to protect the District against unforeseen expenses, such as emergency repairs, unplanned contract or cost increases, or revenue shortfalls, without interruption of service; and (2) to prepare for the continued development of emergency services and emergency communications within the District, including future service enhancements, equipment, and communications infrastructure. The FY2027 contribution to reserves is approximate because sales and use tax revenue is an estimate. The beginning reserve balance of \$1,178,014.41 is the combined September 30, 2026 closing balance of the District's reserve accounts (TexPool, \$1,167,970.61; TexasCLASS, \$10,043.80); it is unaudited until confirmed by the District's annual financial audit. With the projected contribution, the reserve balance is projected to reach \$1,676,561.04 by September 30, 2027. Any use of reserve funds requires approval by the Board.

Adoption and amendment. The original FY2027 budget was adopted June 18, 2026. Amendment No. 1, presented in this document, is adopted on the date recorded on the Board Approval page.

Board Approval

The Board of Emergency Services Commissioners of Falls County Emergency Services District No. 1, meeting in regular session on _____, has reviewed and approved Amendment No. 1 to the Fiscal Year 2027 Budget as presented in this document.

Record of Adoption

Original FY2027 Budget adopted

June 18, 2026

Amendment No. 1 adopted

Motion by

Seconded by

Vote (For / Against / Abstain)

____ / ____ / ____

Jace Albright

President

Dean Tate

Vice President

Sandra Weathers

Treasurer

Jeff Marten Sr.

Secretary

William Range

Commissioner

Date signed: _____



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