

MEDINA COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2024

MEDINA COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and
Commissioners' Court
Hondo, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Medina County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Medina County, Texas' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Medina County, Texas as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Medina County, Texas 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.

Emphasis of Matter – Change in Accounting Principle

As described in the notes to the financial statements, in fiscal year 2024, the County adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62. Our opinion is not modified with respect to this matter.

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 Medina County, Texas' 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.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

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 GAAS and *Government 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 GAAS and *Government 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 Medina County, Texas' 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 Medina County, Texas' 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, budgetary comparison information, and pension and OPEB information 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Medina County, Texas' basic financial statements. The combining and individual nonmajor fund financial statements and schedules and schedule of expenditures of federal and state awards, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State of Texas Grant Management Standards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24 2025, on our consideration of Medina County, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Medina County, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Medina County, Texas' internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 24, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As management of Medina County, we offer readers of Medina County's financial statements this narrative overview and analysis of the financial activities of Medina County for the fiscal year ended September 30, 2024.

Financial Highlights

- The assets and deferred outflows of Medina County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$69,960,054.
- The County's total net position increased by \$4,118,562.
- Unrestricted net position of \$16,228,693 is available to meet the County's ongoing obligations to citizens and creditors.
- Restricted net position of \$5,196,360 are funds set aside for specific purposes.
- As of the close of the fiscal year ending September 30, 2024, Medina County's governmental funds reported combined ending fund balances of \$19,471,108, an increase of \$26,967 from the prior year.
- Unassigned fund balance for the General Fund was \$14,090,050.

Overview of the Financial Statements

This discussion and analysis is an introduction to Medina County's basic financial statements. The County's basic financial statements encompass three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements provide readers with a broad overview of Medina County's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to the direction of the financial position of Medina County.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, debt payments, and earned but unused vacation leave).

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like the state and other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of available resources, as well as on balances of available resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Medina County maintains 37 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, and the Hill County PDO Fund which are considered to be major funds. Data from the other 35 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Medina County adopts an annual appropriated budget for its General Fund, certain Special Revenue Funds, and the Debt Service Fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with these budgets.

Proprietary funds. Medina County maintains proprietary funds in the form of Internal Service Funds. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Medina County uses an Internal Service Fund to account for its Employee Health Insurance funds and Claims Escrow. Because both of these services benefit governmental activities, they have been included within governmental activities in the government-wide financial statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties which are not a component of the County. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Medina County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Financial Analysis of Government-wide Statements

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Medina County, assets exceeded liabilities by \$69,960,054 at the close of the most recent fiscal year.

MEDINA COUNTY'S NET POSITION

	Governmental Activities	
	2024	2023
Current assets	\$ 27,198,271	\$ 28,741,297
Noncurrent assets	75,608,402	72,780,877
Total assets	<u>102,806,673</u>	<u>101,522,174</u>
Deferred outflows of resources	<u>2,179,550</u>	<u>3,037,194</u>
Current liabilities	4,343,895	4,924,024
Noncurrent liabilities	30,032,661	33,027,084
Total liabilities	<u>34,376,556</u>	<u>37,951,108</u>
Deferred inflows of resources	<u>649,613</u>	<u>766,768</u>
Net position:		
Net investment		
in capital assets	48,535,001	44,465,665
Restricted	5,196,360	3,673,274
Unrestricted	<u>16,228,693</u>	<u>17,702,553</u>
Total net position	<u>\$ 69,960,054</u>	<u>\$ 65,841,492</u>

An additional portion of the County's net position, \$5,196,360, represents resources that are subject to external restrictions on how they may be used. The unrestricted net position of \$16,228,693 may be used to meet the County's ongoing obligations to citizens and creditors.

MEDINA COUNTY'S CHANGES IN NET POSITION

	Governmental Activities	
	2024	2023
REVENUES		
Program revenues:		
Charges for services	\$ 5,873,174	\$ 5,812,312
Operating grants and contributions	6,527,211	5,389,819
Capital grants and contributions	1,331,832	-
General revenues:		
Property taxes	27,890,049	25,888,766
Sales taxes	4,480,651	4,391,674
Other	197,720	77,078
Investment earnings	723,903	610,960
Miscellaneous	371,106	380,453
Total revenues	<u>47,395,646</u>	<u>42,551,062</u>
EXPENSES		
General government	12,957,823	11,463,770
Legal	7,202,121	6,906,609
Public safety	15,166,263	12,844,345
Public transportation	5,076,172	4,102,387
Health and welfare	2,159,693	1,916,833
Interest on long-term debt	715,012	730,108
Total expenses	<u>43,277,084</u>	<u>37,964,052</u>
CHANGE IN NET POSITION	4,118,562	4,587,010
NET POSITION, BEGINNING	<u>65,841,492</u>	<u>61,254,482</u>
NET POSITION, ENDING	<u>\$ 69,960,054</u>	<u>\$ 65,841,492</u>

Property taxes are collected to support government activity through the General Fund, special road and bridge funds, and Debt Service Fund. The County tax rate decreased from the prior year. Property tax revenues increased by \$2,001,283 to \$27,890,049 for the year because of increased values and new developments added to the rolls.

Financial Analysis of the Governmental Funds

As noted earlier, Medina County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Medina County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Medina County's governmental funds reported combined ending fund balances of \$19,471,108, an increase of \$26,967 in comparison with the prior year. This increase is primarily attributable to of increased values and new developments added to the rolls. Revenues exceeded expenditures for regular operations. Approximately 69% percent of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable, restricted or assigned and is not available for new spending.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, total fund balance of the General Fund was \$15,020,898. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Fund balance in the General Fund represents 56% of total General Fund expenditures. Maintaining a significant fund balance is essential for sound financial management because a great majority of the grant funding for the County is in the form of reimbursements requiring the use of County funding upfront.

Proprietary funds. Proprietary funds are made up of an Internal Service Fund, which include the Employee Health Insurance Fund.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget for fiscal year ending September 30, 2024, can be summarized as follows:

- Actual revenue exceeded budgeted revenue by \$370,008.
- Actual revenues exceeded expenditures by \$1,806,623.
- Final budgeted expenditures exceeded the actual final expenditures amount by \$1,269,632.

Capital Asset and Debt Administration

Capital assets. Medina County’s investment in capital assets for its governmental activities as of September 30, 2024, amounts to \$75,608,402 (net of accumulated depreciation). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, roads, highways, and bridges.

A portion of the County’s net position, \$48,535,001, reflects its net investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment). Medina County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to repay the debt associated with these capital assets must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Capital assets are shown in the chart below.

	2024	2023
Non-depreciable:		
Construction in progress	\$ 20,700,103	\$ 19,742,570
Land	4,906,852	4,860,944
Capital assets, non-depreciable	25,606,955	24,603,514
Capital assets, net of depreciation:		
Buildings and improvements	30,063,832	29,268,759
Machinery and equipment	27,422,188	25,470,645
Infrastructure	29,290,181	26,622,413
Right to use:		
Leases	1,908,020	827,133
SBITAs	-	488,886
Less: accumulated depreciation	(38,682,774)	(34,500,473)
Total capital assets	\$ 75,608,402	\$ 72,780,877

Major capital asset events during the current fiscal year included the following:

- Continued construction for the Courthouse Annex and County Jail;
- Acquisition of additional machinery for road maintenance; and
- Acquisition of vehicles and equipment for various departments.

Additional information about Medina County’s capital assets can be found in Note 3 of the notes to the financial statements.

Long-term debt. During the current fiscal year, the County had long-term debt of \$25,788,163. The full amount is backed by the full faith and credit of the County. Included in this amount certificates of obligation, tax notes, time warrants, and leases.

Additional information on Medina County’s long-term debt can be found in Note 3 of the notes to the financial statements.

	Governmental Activities	
	2024	2023
Certificates of obligation	\$ 20,630,000	\$ 21,430,000
Premium on certificate of obligation	1,229,285	1,311,237
Tax notes	2,165,000	3,455,000
Time warrants	-	57,030
Leases	1,763,878	815,941
SBITAs	-	94,570
Total	<u>\$ 25,788,163</u>	<u>\$ 27,163,778</u>

Economic Factors and Next Year's Budgets and Rates

The County of Medina develops a budget to help effectively accomplish the highest priorities and objectives throughout the upcoming October-September fiscal year.

Our fiscal year 2024-2025 budget had a new taxable appraised value of \$6.75 billion, an increase of \$518 million (7.6%) from the previous fiscal year. This appraised value includes \$1.03 billion of frozen appraised values for individuals over 65 years of age. The total tax rate for fiscal year 2024-2025 adopted by the Commissioners Court for the County of Medina is \$0.4511 per \$100 of assessed valuation, an increase from the total tax rate of \$0.4356 from prior fiscal year 2023-2024. This tax rate will provide 53.6% of our approximate total \$72.2 million of budgeted expenses and expect the remaining from other revenue sources and beginning fund balance. The general fund budgeted expenses increased in fiscal year 2024-2025 budget to \$30.6 million from \$29.4 million in prior fiscal year budget. This 4.08% increase in the budget was primarily due to cost-of-living adjustments to employee wages, salary realignments for elected officials based on the Texas Association of Counties 2024 Salary Survey, additional staff added, increase in countywide property insurance premiums and the nationwide inflation of maintenance and operations.

Requests for Information

This financial report provides an overview of Medina County's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Eduardo Lopez, Medina County Auditor.

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**BASIC
FINANCIAL STATEMENTS**

MEDINA COUNTY, TEXAS**STATEMENT OF NET POSITION**

SEPTEMBER 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 19,883,737
Receivables:	
Ad valorem taxes	1,480,696
Sales tax	1,517,969
Intergovernmental	1,835,707
Fines	2,088,734
Other	354,099
Prepays	37,329
Capital assets:	
Nondepreciable	25,606,955
Depreciable, net of accumulated depreciation	<u>50,001,447</u>
Total assets	<u>102,806,673</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	2,051,360
Deferred outflows related to OPEB	<u>128,190</u>
Total deferred outflows of resources	<u>2,179,550</u>
LIABILITIES	
Accounts payable	1,850,993
Accrued liabilities	1,021,692
Interest payable	62,634
Unearned revenue	822,842
Other liabilities	585,734
Noncurrent liabilities:	
Due within one year:	
Long-term debt	2,243,192
Total OPEB - retiree health	131,636
Due in more than one year:	
Long-term debt	23,886,907
Retainage payable	1,493,589
Net pension liability	21,019
Total OPEB - retiree health	<u>2,256,318</u>
Total liabilities	<u>34,376,556</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	54,841
Deferred inflows related to OPEB - retiree health	<u>594,772</u>
Total deferred outflows of resources	<u>649,613</u>
NET POSITION	
Net investment in capital assets	48,535,001
Restricted for:	
Road and bridge	2,828,101
Debt service	174,465
Records management and technology	1,140,071
Law enforcement and security	334,393
Grant requirements	719,330
Unrestricted	<u>16,228,693</u>
Total net position	<u>\$ 69,960,054</u>

MEDINA COUNTY, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Primary Government:					
Governmental activities:					
General administration	\$ 12,957,823	\$ 3,821,205	\$ 83,131	\$ 540,005	\$ (8,513,482)
Legal	7,202,121	201,936	3,616,347	-	(3,383,838)
Public safety	15,166,263	735,117	1,365,025	791,827	(12,274,294)
Public transportation	5,076,172	1,110,016	-	-	(3,966,156)
Health and welfare	2,159,693	4,900	1,462,708	-	(692,085)
Interest on long-term debt	715,012	-	-	-	(715,012)
Total governmental activities	<u>\$ 43,277,084</u>	<u>\$ 5,873,174</u>	<u>\$ 6,527,211</u>	<u>\$ 1,331,832</u>	<u>\$ (29,544,867)</u>
General revenues:					
Taxes:					
Property					27,890,049
Sales					4,480,651
Other taxes					197,720
Investment earnings					723,903
Miscellaneous					<u>371,106</u>
Total general revenues					<u>33,663,429</u>
Change in net position					4,118,562
Net position, beginning					<u>65,841,492</u>
Net position, ending					<u>\$ 69,960,054</u>

The accompanying notes are an integral part of these financial statements.

MEDINA COUNTY, TEXAS**BALANCE SHEET****GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2024

	General	Hill Country PDO
ASSETS		
Cash and investments	\$ 13,268,889	\$ 65,332
Receivables:		
Ad valorem taxes	1,055,888	-
Sales tax	1,517,969	-
Intergovernmental	377,392	894,444
Other	210,942	-
Due from other funds	1,086,936	-
Prepaid assets	36,729	-
Total assets	<u>17,554,745</u>	<u>959,776</u>
LIABILITIES		
Accounts payable	716,843	80,190
Payroll liabilities	647,559	112,842
Other liabilities	200,317	266,703
Due to other funds	-	500,289
Unearned revenue	-	-
Total liabilities	<u>1,564,719</u>	<u>960,024</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	969,128	-
Total deferred inflows of resources	<u>969,128</u>	<u>-</u>
FUND BALANCES		
Nonspendable - prepaid assets	36,729	-
Restricted for:		
Road and bridge	-	-
Debt service	-	-
Records management and technology	-	-
Law enforcement and security	-	-
Grant requirements	-	-
Capital projects	-	-
Assigned for:		
Subsequent year's budget	894,119	-
Unassigned	14,090,050	(248)
Total fund balances	<u>15,020,898</u>	<u>(248)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 17,554,745</u>	<u>\$ 959,776</u>

Other Governmental	Total Governmental Funds
\$ 6,520,223	\$ 19,854,444
424,808	1,480,696
-	1,517,969
563,871	1,835,707
135,124	346,066
301,084	1,388,020
600	37,329
<u>7,945,710</u>	<u>26,460,231</u>
1,049,471	1,846,504
261,291	1,021,692
118,714	585,734
887,731	1,388,020
814,809	814,809
<u>3,132,016</u>	<u>5,656,759</u>
<u>363,236</u>	<u>1,332,364</u>
<u>363,236</u>	<u>1,332,364</u>
600	37,329
2,595,734	2,595,734
106,230	106,230
1,140,071	1,140,071
334,393	334,393
719,330	719,330
208,351	208,351
-	894,119
<u>(654,251)</u>	<u>13,435,551</u>
<u>4,450,458</u>	<u>19,471,108</u>
<u>\$ 7,945,710</u>	<u>\$ 26,460,231</u>

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MEDINA COUNTY, TEXAS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

SEPTEMBER 30, 2024

Total fund balances - governmental funds balance sheet \$ 19,471,108

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 74,114,813

Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized in the statement of net position.

Accrued interest	\$ (62,634)	
Certificates of obligation	(20,630,000)	
Premium on issuance	(1,229,285)	
Tax Notes	(2,165,000)	
Leases	(1,763,878)	
Compensated absences	(341,936)	
Deferred outflow related to pensions	2,051,360	
Deferred inflow related to pensions	(54,841)	
Deferred outflow related to OPEB	128,190	
Deferred inflow related to OPEB	(594,772)	
Net pension liability	(21,019)	
Total OPEB liability	<u>(2,387,954)</u>	
Total long-term liabilities		(27,071,769)

The assets and liabilities of the Internal Service Fund are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position. 24,804

Long-term assets are not available to pay for current period expenditures and, therefore are not reported in the funds.

Fines and court costs	2,088,734	
Property taxes	<u>1,332,364</u>	
Total long-term assets		<u>3,421,098</u>

Net position of governmental activities \$ 69,960,054

MEDINA COUNTY, TEXAS**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES****GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General	Debt Service*	Certificates of Obligation 2019*
REVENUES			
Property taxes	\$ 18,370,426		
Sales tax	4,480,651		
Other taxes	34,561		
Licenses and permits	-		
Intergovernmental	215,279		
Charges for services	3,297,247		
Fines and forfeitures	410,231		
Interest	479,127		
Miscellaneous	196,417		
Total revenues	<u>27,483,939</u>		
EXPENDITURES			
Current:			
General administration	7,815,480		
Legal	3,914,371		
Public safety	12,836,362		
Public transportation	-		
Health and welfare	598,487		
Capital outlay	397,378		
Debt service:			
Principal	99,755		
Interest and other charges	15,483		
Total expenditures	<u>25,677,316</u>		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,806,623</u>		
OTHER FINANCING SOURCES (USES)			
Proceeds from lease issuance	-		
Sale of capital assets	6,086		
Transfers in	100,429		
Transfers out	(2,492,986)		
Total other financing sources and uses	<u>(2,386,471)</u>		
NET CHANGE IN FUND BALANCES	(579,848)		
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	15,600,746	173,347	(38,006)
ADJUSTMENTS			
Change in financial reporting entity- formerly a major fund*	<u>-</u>	<u>(173,347)</u>	<u>38,006</u>
FUND BALANCES, BEGINNING, RESTATED	<u>15,600,746</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 15,020,898</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral
part of these financial statements.

American Rescue Plan*	Hill Country PDO	Other Governmental	Total Governmental Funds
	\$ -	\$ 9,198,393	\$ 27,568,819
	-	-	4,480,651
	-	163,159	197,720
		957,800	957,800
2,214,491		4,927,253	7,357,023
764,368		1,157,607	5,219,222
-		1,036,465	1,446,696
-		243,772	722,899
-		174,689	371,106
<u>2,978,859</u>		<u>17,859,138</u>	<u>48,321,936</u>
	-	3,046,466	10,861,946
3,090,861		561,259	7,566,491
-		1,338,582	14,174,944
-		5,758,469	5,758,469
-		1,431,213	2,029,700
1,080,610		3,175,068	4,653,056
127,488		2,147,030	2,374,273
<u>32,511</u>		<u>753,703</u>	<u>801,697</u>
<u>4,331,470</u>		<u>18,211,790</u>	<u>48,220,576</u>
<u>(1,352,611)</u>		<u>(352,652)</u>	<u>101,360</u>
1,080,610		-	1,080,610
-		3,911	9,997
342,883		1,256,186	1,699,498
<u>(70,875)</u>		<u>(300,637)</u>	<u>(2,864,498)</u>
<u>1,352,618</u>		<u>959,460</u>	<u>(74,393)</u>
7		606,808	26,967
107,241	(255)	3,601,068	19,444,141
<u>(107,241)</u>	<u>-</u>	<u>242,582</u>	<u>-</u>
<u>-</u>	<u>(255)</u>	<u>3,843,650</u>	<u>19,444,141</u>
<u>\$ -</u>	<u>\$ (248)</u>	<u>\$ 4,450,458</u>	<u>\$ 19,471,108</u>

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MEDINA COUNTY, TEXAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds \$ 26,967

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 6,654,839	
Depreciation expense	<u>(4,770,926)</u>	
Net adjustment		1,883,913

Repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

Repayments:		
General and certificates of obligations	800,000	
Premium on bonds issuance	81,952	
Tax notes	1,290,000	
Time warrants	57,030	
SBITAs	94,570	
Leases	<u>132,673</u>	
Net adjustment		2,456,225

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Accounts receivable:		
Property taxes	321,230	
Fines and court costs	<u>(1,248,524)</u>	
Net adjustment		(927,294)

An Internal Service Fund is used by management to charge the costs of certain activities, such as health insurance premiums, to individual funds. The net revenue (expense) of certain Internal Service Funds is reported with governmental activities.

(67,302)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are recognized for transactions that are normally paid with expendable, available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized as an expenditure under the modified accrual basis of accounting until due, rather than as it accrues.

Interest on long-term debt	4,733	
Compensated absences	8,032	
OPEB cost	168,067	
Pension cost	<u>565,222</u>	
Net adjustment		746,054

Change in net position of governmental activities \$ 4,118,563

MEDINA COUNTY, TEXAS

STATEMENT OF NET POSITION

GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND

SEPTEMBER 30, 2024

ASSETS

Cash and investments	\$ 29,293
Other receivables	<u>8,033</u>

Total assets	<u>37,326</u>
--------------	---------------

LIABILITIES

Accounts payable	4,489
Unearned revenue	<u>8,033</u>

Total liabilities	<u>12,522</u>
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NET POSITION

Unrestricted	<u>24,804</u>
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Total net position	<u>\$ 24,804</u>
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MEDINA COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024

OPERATING REVENUES

Charges for services	<u>\$ 3,681,330</u>
Total operating revenues	<u>3,681,330</u>

OPERATING EXPENSES

Claims	135,573
Premiums and administrative	<u>4,779,064</u>
Total operating expenses	<u>4,914,637</u>

OPERATING INCOME (LOSS) (1,233,307)

NONOPERATING REVENUES

Interest and investment earnings	<u>1,004</u>
Income before transfers	<u>(1,232,303)</u>

TRANSFERS

Transfer In	<u>1,165,000</u>
-------------	------------------

CHANGE IN NET POSITION (67,303)

TOTAL NET POSITION, BEGINNING 92,107

TOTAL NET POSITION, ENDING \$ 24,804

MEDINA COUNTY, TEXAS

STATEMENT OF CASH FLOWS

GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from users	\$ 3,681,330
Cash paid to suppliers for services	<u>(4,914,289)</u>
Net cash used by operating activities	<u>(1,232,959)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers in from other funds	<u>1,165,000</u>
Net cash provided by operating activities	<u>1,165,000</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and investment earnings	<u>1,004</u>
Net cash provided by investing activities	<u>1,004</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS

(66,955)

CASH AND CASH EQUIVALENTS, BEGINNING

96,248

CASH AND CASH EQUIVALENTS, ENDING

\$ 29,293

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
USED BY OPERATING ACTIVITIES**

Operating loss	\$ (1,233,307)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Increase (decrease) in accounts payable	<u>348</u>
Net cash used by operating activities	<u>\$ (1,232,959)</u>

MEDINA COUNTY, TEXAS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

SEPTEMBER 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and investments	<u>\$ 10,591,073</u>
Total assets	<u>10,591,073</u>
LIABILITIES	
Due to other governments	<u>3,250,450</u>
Total liabilities	<u>3,250,450</u>
NET POSITION	
Restricted for individuals, organizations and other governments	<u>7,340,623</u>
Total net position	<u>\$ 7,340,623</u>

MEDINA COUNTY, TEXAS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Contributions from judgements	\$ 433,062
Commissions income	75,849
Taxes and fees collected	157,565,949
Bonds received	786,595
Deposits held	34,759,752
Interest income	22,328
Seizure	<u>44,877</u>
Total additions	<u>193,688,412</u>
DEDUCTIONS	
Bonds refunded	156,852
Disbursements on behalf of contracting entities	152,627,824
Buy money	2,000
Judgements	82,458
Tax sale Fee	297,158
Deposits returned	33,873,736
Disbursements to beneficiaries	1,401,798
Other	<u>2,238</u>
Total deductions	<u>188,444,064</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	<u>5,244,348</u>
NET POSITION, BEGINNING	<u>2,096,275</u>
NET POSITION, ENDING	<u>\$ 7,340,623</u>

MEDINA COUNTY, TEXAS

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Medina County, Texas, was organized in 1848. The County operates under a County Judge-Commissioners' Court type of government and provides the following services throughout the County: public safety (law enforcement), public transportation (highways and roads), health and welfare, conservation (agriculture), public facilities, judicial and legal, election functions, and general and financial administrative services. A summary of the significant accounting policies consistently applied in the preparation of financial statements follows:

The definition of the reporting entity is based primarily on the notion of financial accountability. The elected officials governing Medina County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity, it is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discretely presented component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Based upon the foregoing criteria, there are no component units for Medina County.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenue.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Hill Country PDO is used to account for the Hill Country Regional Public Defender Office. This is an interlocal agreement with Bandera, Gillespie, Kendall, Kerr and Medina Counties to establish a regional public defenders office. Medina County functions as the fiscal agent for this office.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for specific revenue sources (other than for capital projects) that are legally restricted to expenditures for specified purposes. These legal restrictions can come from outside the county or from Commissioners' Court.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Internal Service Fund accounts for health insurance services provided to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis.

Fiduciary Funds account for assets held by the County in a trustee capacity or as an agent for others.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenue. Likewise, general revenue includes all taxes.

D. Assets, Liabilities and Net Position or Equity

Cash and Investments

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

Operating cash is administered using a "pool" concept which combines the monies of most County funds into a single interest-bearing bank account for control purposes. Each fund's portion of this pool is accounted for in the applicable fund. Interest earnings on these deposits are apportioned to each fund based on their end of month balance in the pool. Investments for the County are reported at fair value, except for the position in investment pools.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans).

Property Taxes

Property is appraised and a lien on such property becomes enforceable as of January 1, subject to certain procedures for rendition, appraisal, appraisal review, and judicial review. Property taxes are levied by October 1 of the year in which assessed or as soon thereafter as practicable. The Medina County Tax Assessor-Collector bills and collects the ad valorem property taxes (including penalty and interest and delinquent tax attorney fees, if any) for the County. Property taxes are due and payable from October 1 of the year in which levied until January 31 of the following year without interest or penalty.

Collections of the current year's levy are reported as current collections if received by June 30 (within nine months of the October 1 due date). Collections received thereafter are reported as delinquent collections.

The County's taxes on Medina property are a lien against such property until paid. The County may foreclose on Medina property upon which it has a lien for unpaid taxes. The exception is homestead property belonging to persons 65 years of age or older. Although the County does collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected, are generally paid when there is a sale or a transfer of the title to the property.

Any liens and subsequent suits against the taxpayer for payment of delinquent personal property taxes are barred unless instituted within four years from the time such taxes become delinquent. Unlike Medina property, the sale or transfer of most personal property does not require any evidence that taxes thereon are paid.

The County distributes all tax collections to the General Fund, Road and Bridge, and Debt Service Funds.

The 2023 Tax Rate for the fiscal year ended September 30, 2024, was \$0.4356 per \$100 valuation.

The Texas Legislature in 1979 adopted a comprehensive Property Tax Code (the "Code") which established a County-wide appraisal district and an appraisal review board in each County in the State. The Medina County Tax Appraisal District (the "Appraisal District") is responsible for the recording and appraisal of property for all taxing units in the County.

The Appraisal District is required under the Code to assess property at 100% of its appraised value. Further, Medina County property must be reappraised at least every four years. Under certain circumstances, taxpayers and taxing units, including the County, may challenge orders of the Appraisal Review Board through various appeals and, if necessary, legal action. Under the Code, the Commissioners' Court will continue to set County tax rates on property.

Inventories

Inventories of supplies on hand have not been recorded, as such supplies are of an expendable nature and are expensed when purchased. As these amounts do not seem to fluctuate a great deal from year to year, it is felt that the exclusion of inventories does not materially affect either the financial position or results of operations of these funds.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental column in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following useful lives:

Assets	Years
Right to use - buildings	20-50
Right to use - land	25-50
Right to use - software	3-10
Buildings	20-50
Improvements	5-50
Equipment	5-20

Compensatory Time (Comp Time)

Medina County employees may be required by their department heads to work hours in excess of forty (40) hours per week. Due to our restricted revenues, only law enforcement departments are budgeted for overtime pay. Therefore, all non-exempt employees that work in excess of 40 hours per week for an unbudgeted department, Medina County uses compensatory time off (Comp Time) to compensate for overtime hours worked. Comp time accrues only when an employee actually works over 40 hours per week. An employee may accrue a maximum of 40 hours of Comp time, any additional overtime hours worked will be paid at the one-and-one-half (1 ½) times the employee's regular hourly pay rate. Overtime for law enforcement employees shall be handled in accordance with the policy for overtime compensation established by the Sheriff's Department and approved by the Commissioner's Court. Employees are entitled to payment for unused Comp Time upon termination.

Personnel Time Off (PTO) & Vacation Leave

All full-time regular employees of Medina County are eligible for Personnel Time Off (PTO) and vacation benefits. Accrual of PTO and vacation benefits shall begin on the employee's first day of work in a full-time position. However, an employee must work for a minimum of ninety (90) days in said position before he/she is eligible to use PTO or vacation time. Employees shall not be allowed to borrow PTO or vacation time against future accruals, nor should employees be allowed to receive pay in lieu of taking time off. PTO and vacation time accrue at a rate of 3.08 hour per pay-period. An employee may accrue a maximum of 240 hours of PTO and a maximum of 160 hours of vacation leave. Once an employee reaches the maximum accrual balance, he/she will stop accruing time until the balance is below the maximum allowed. An employee may carry over a maximum of 240 hours of PTO and a maximum of 40 hours of vacation leave from one calendar year to the next. Any accrued time over the carry-over maximum allowed will be removed from payroll records at the end of the calendar year and the employee will lose that time with no payment received. If a holiday falls during PTO or vacation leave, the holiday shall be charged in accordance with the policy on holidays and shall not be charged against the employee's PTO nor vacation balance. Unused PTO leave is cancelled upon leaving Medina County employment without compensation to the employee. Employees cannot use PTO in lieu of giving their two-week's notice. Unlike PTO, at the time of an employee's termination from Medina County employment, accrued vacation leave will be paid out at the employee's current rate of pay, not to exceed 160 hours.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses on refunding of bond issues are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases

The County is a lessee for noncancellable leases of radio towers and buildings. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Subscription-Based Information Technology Arrangements

The County is a lessee for subscription-based IT arrangements (SBITAs). The County recognizes liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a SBITA, the County initially measures the liability at the present value of payments expected to be made during the agreement term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the County determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term, and (3) agreed upon payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the noncancellable period of the SBITA.
- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability. These right to use assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

Retiree Health Insurance. For purposes of measuring the total OPEB liability, OPEB related deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the County for benefits due and payable that are not reimbursed by plan assets. Information regarding the County's total OPEB liability is obtained from a report prepared by a consulting actuary.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Nonspendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by ordinance of the Commissioners' Court, the County's highest level of decision-making authority. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- **Assigned:** This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Commissioners' Court or County Judge.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category:

- Difference in expected and actual pension experience - This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions – This difference is deferred and amortized over a closed five-year period.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.

In addition to liability, 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualified for reporting in this category.

- Unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Difference in expected and actual pension and OPEB experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.

Change in Accounting Principle

GASB Statement No. 100, *Accounting Changes and Error Corrections*, - an amendment of GASB Statement No. 62 – was adopted for the fiscal year ended September 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. As a result of this new accounting standard, the County was required to report changes within the financial reporting entity in more detail.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

The following funds had a deficit fund balance:

- Certificates of Obligation 2019 \$(660,599)
- Hill Country PDO \$(248)
- Health Unit \$(33,961)
- Juvenile Probation Department \$(69,256)
- Long-Term Grants \$(77)
- Grants \$(7,847)

The County anticipates revenues in future periods will eliminate these deficit fund balances, or the County will transfer funds from the General Fund to eliminate these deficits.

3. DETAILED NOTES ON ALL FUNDS AND ACTIVITIES

Deposits and Investments

As of September 30, 2024, the County had the following investments:

<u>Investment Type</u>	<u>Net Asset Value</u>	<u>Weighted Average Maturity (Days)</u>
TexPool	6,227,983	26
Certificates of Deposit	3,897,795	204

Interest Rate Risk. In accordance with its investment policy, the County manages its exposure to declines in fair market values by limiting the its investment portfolio to highly liquid investments and reallocating amounts into securities expected to significantly outperform current holdings.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U. S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of September 30, 2024, the County's deposit balance was collateralized with securities held by the pledging financial institution and FDIC insurance.

Credit Risk. It is the County's policy, as defined by the Texas Public Funds Investment Act, to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization.

Public Funds Investment Pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one-half of one percent of the value of its shares.

Receivables

Receivables as of year-end for the County's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>Hill Country PDO</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Receivables:				
Property taxes	\$ 1,055,888	\$ -	\$ 424,808	\$ 1,480,696
Sales tax	1,517,969	-	-	1,517,969
Intergovernmental	377,392	894,444	563,871	1,835,707
Other	<u>210,942</u>	<u>-</u>	<u>135,124</u>	<u>346,066</u>
Total receivables	<u>\$ 3,162,191</u>	<u>\$ 894,444</u>	<u>\$ 1,123,803</u>	<u>\$ 5,180,438</u>

Capital Assets

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

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 4,860,944	\$ 45,908	\$ -	\$ 4,906,852
Construction in progress	19,742,570	957,533	-	20,700,103
Total capital assets not being depreciated	24,603,514	1,003,441	-	25,606,955
Capital assets, being depreciated:				
Buildings and improvements	29,268,759	795,073	-	30,063,832
Equipment	25,470,645	2,051,282	(99,739)	27,422,188
Infrastructure	26,622,413	2,667,768	-	29,290,181
Right to use - land	827,133	-	-	827,133
Right to use - buildings	-	1,080,887	-	1,080,887
Right to use - software	488,886	-	(488,886)	-
Total capital assets being depreciated	82,677,836	6,595,010	(588,625)	88,684,221
Less accumulated depreciation:				
Buildings and improvements	10,486,715	2,120,046	-	12,606,761
Equipment	13,107,909	1,833,942	(99,739)	14,842,112
Infrastructure	10,582,522	429,160	-	11,011,682
Right to use - land	43,964	21,982	-	65,946
Right to use - buildings	-	156,273	-	156,273
Right to use - software	279,363	209,523	(488,886)	-
Total accumulated depreciation	34,500,473	4,770,926	(588,625)	38,682,774
Total capital assets, being depreciated, net	48,177,363	1,824,084	-	50,001,447
Governmental activities capital assets, net	\$ 72,780,877	\$ 2,827,525	\$ -	\$ 75,608,402

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 1,910,974
Public safety	839,317
Public transportation	1,903,991
Health and welfare	116,644
Total depreciation expense - governmental activities	\$ 4,770,926

Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2024, is as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental	\$ 586,647
General Fund	Hill Country PDO	500,289
Nonmajor Governmental	Nonmajor Governmental	301,084
Total		\$ 1,388,020

All balances of the due to/due from resulted from short-term loans that are to be reimbursed within the next year.

Interfund Transfers:

	Transfers In:				
	General Fund	Hill Country PDO	Nonmajor Governmental	Internal Service Fund	Total
Transfers Out:					
General Fund	\$ -	\$ 342,883	\$ 985,103	\$ 1,165,000	\$ 2,492,986
Hill Country PDO	-	-	70,875	-	70,875
Nonmajor Governmental	100,429	-	200,208	-	300,637
Total Transfers Out	\$ 100,429	\$ 342,883	\$ 1,256,186	\$ 1,165,000	\$ 2,864,498

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-term Debt

Certificates of Obligation

In prior years, the County has issued Certificates of Obligation to fund various capital projects and capital acquisitions. The certificates are expected to be repaid by pledged property tax revenues and the good faith and credit of the County. Annual debt service requirements to maturity for the certificates are as follows:

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2025	\$ 1,050,000	\$ 681,100
2026	1,095,000	638,200
2027	1,140,000	593,500
2028	1,185,000	547,000
2029	1,230,000	498,700
2030-2034	6,895,000	1,762,625
2035-2039	<u>8,035,000</u>	<u>617,175</u>
Total	<u>\$ 20,630,000</u>	<u>\$ 5,338,300</u>

Tax Notes

As of September 30, 2024, the County has five tax notes outstanding, with interest rates ranging from 0.35% to 2.60%.

Annual debt service requirements to maturity for the tax notes are as follows:

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2025	\$ 900,000	\$ 21,280
2026	630,000	10,640
2027	<u>635,000</u>	<u>3,556</u>
Total	<u>\$ 2,165,000</u>	<u>\$ 35,476</u>

Leases

As of September 30, 2024, the County has three leases outstanding as lessee for the use of two radio towers. Both leases have annual interest rates of 1.722%, are payable in monthly installments, and mature between fiscal years 2051 and 2066. The related assets and accumulated amortization are reported under Right to Use – Land in the County's capital assets. The third lease is for buildings. The lease has an annual interest rate of 3.179%, is payable in monthly installments, and matures in 2030. The related assets and accumulated amortization are reported under Right to Use – Buildings in the County's capital assets.

Debt service requirements to maturity for the leases are as follows:

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2025	\$ 142,853	\$ 42,241
2026	153,648	37,645
2027	163,761	32,728
2028	175,354	27,480
2029	186,456	21,881
2030-2034	233,852	66,583
2035-2039	86,046	57,490
2040-2044	114,642	48,899
2045-2049	146,098	37,745
2050-2054	103,577	26,216
2055-2059	104,307	17,893
2060-2064	123,678	8,122
2065-2066	<u>29,606</u>	<u>298</u>
Total	<u>\$ 1,763,878</u>	<u>\$ 425,221</u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Government activities					
Certificate of obligation	\$ 21,430,000	\$ -	\$ 800,000	\$ 20,630,000	\$ 1,050,000
Premium on certificate of obligation	1,311,237	-	81,952	1,229,285	81,952
Tax notes	3,455,000	-	1,290,000	2,165,000	900,000
Time warrants	57,030	-	57,030	-	-
Leases	815,941	1,080,610	132,673	1,763,878	142,853
Compensated absences	349,968	488,440	496,472	341,936	68,387
SBITAs	94,570	-	94,570	-	-
Total long-term liabilities	<u>\$ 27,513,746</u>	<u>\$ 1,569,050</u>	<u>\$ 2,952,697</u>	<u>\$ 26,130,099</u>	<u>\$ 2,243,192</u>

If the County were to default on any long-term debt, any registered owner of the obligations is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring the County to make a payment.

Compensated absences are typically funded by the General and Road and Bridge Funds.

Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. The County has not had any significant reductions in insurance coverage in the prior year.

The County is a member of the Texas Association of Counties Risk Pool for health insurance. The pool is a public entity risk pool and was created based on the general objectives of formulating, developing and administering a program of self-insurance for the membership and obtaining lower costs for coverages. The pool coverage is offered through interlocal agreements between the Pool and counties. The Pool has the power to establish fees, contributions and methods for establishing rates. Under contract with the Pool, the Association provides for such services as claims administration and management, underwriting, loss control services and training, and financial reporting for its members. The Association submits sealed bids to counties during the bid process. The Pool is governed by a Board of Directors made up of employees or officials of counties which are members of the Pool. Member counties make contributions to the Pool, and the Pool provides insurance coverage and applicable reinsurance or stop loss coverage. The insurance policies carry various deductibles and aggregate maximum loss totals. The by-laws of the Pool are detailed in a separate document which can be obtained from the Texas Association of Counties, 1210 San Antonio Street, Austin, TX 78701.

The County began using the Texas Association of Counties Risk Pool for health insurance on January 1, 2018. Before January 1, 2018, the County was self-insured for healthcare. There have been no significant reductions in coverage from the coverage in the past fiscal year, and there have been no settlements exceeding insurance coverage.

Defined Benefit Pension Plan

Plan Description. The County's nontraditional defined benefit pension plan, Texas County and District Retirement System (TCDRS), provides pensions for all of its full-time employees. The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over nontraditional defined benefit pension plans. TCDRS in the aggregate issues an Annual Comprehensive Financial Report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at P.O. Box 2034 Austin, TX, 78768-2034.

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.

Benefits Provided. TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees covered by benefit terms

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	140
Inactive employees entitled to but not yet receiving benefits	206
Active employees	<u>338</u>
	<u>684</u>

Contributions. The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the County were 8.47% and 8.33% in calendar years 2023 and 2024. The County's contributions to TCDRS for the year ended September 30, 2024, were \$1,681,758 and were equal to the required contributions.

Net Pension Asset. The County's Net Pension Asset (NPA) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	7.50%, net of pension plan investment and administrative expense, including inflation

The County has no automatic cost-of-living adjustments ("COLA") and one is not considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the actuarial valuation. Each year, the County may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

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

All actuarial assumptions that determined the total pension liability as of December 31, 2023, were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.50%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. The application of the investment return assumptions was changed for purposes of determining plan liabilities at the March 2022 meeting. All plan liabilities are now valued using an 7.6% discount rate.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2024 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a long-term time horizon; the most recent analysis was performed in 2021. The target allocation and best estimates of geometric real rates return for each major assets class are summarized in the following table:

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

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

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

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

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

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

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.6%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods. The employee is legally required to make the contribution specified in the funding policy. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on the above assumptions, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the net pension liability and net pension liability of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 7.60% has been used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2022	\$ 41,297,237	\$ 39,909,296	\$ 1,387,941
Changes for the year:			
Service cost	2,038,352	-	2,038,352
Interest on total pension liability ⁽¹⁾	3,231,399	-	3,231,399
Effect of economic/demographic gains or losses	417,732	-	417,732
Refund of contributions	(141,880)	(141,880)	-
Benefit payments	(1,522,962)	(1,522,962)	-
Administrative expenses	-	(23,653)	23,653
Member contributions	-	1,085,880	(1,085,880)
Net investment income	-	4,395,513	(4,395,513)
Employer contributions	-	1,532,901	(1,532,901)
Other ⁽²⁾	-	63,764	(63,764)
Balance at 12/31/2023	\$ 45,319,878	\$ 45,298,859	\$ 21,019

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ Relates to allocation of system-wide items.

Sensitivity Analysis

The following presents the net pension asset of the County, calculated using the discount rate of 7.60%, as well as what the County's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage-higher (8.60%) than the current rate:

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 51,740,828	\$ 45,319,878	\$ 39,990,686
Fiduciary net position	45,298,859	45,298,859	45,298,859
Net pension liability/(asset)	\$ 6,441,969	\$ 21,019	\$ (5,308,173)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at www.tcdrs.org.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2024, the County recognized pension expense of \$1,116,539. At September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 569,322	\$ 41,863
Changes in actuarial assumptions	-	12,978
Difference between projected and actual investment earnings	260,970	-
Contributions subsequent to the measurement date	<u>1,221,068</u>	<u>-</u>
Total	<u>\$ 2,051,360</u>	<u>\$ 54,841</u>

\$1,221,068 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date, but before September 30, 2024, will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

<u>For The Year Ended September 30,</u>	
2025	\$ (63,305)
2026	126,609
2027	977,212
2028	(265,065)

Other Post-retirement Health Care Benefits

Plan Description

The County provides certain health care and dental benefits, under county policy, for employees upon retirement that meet one of the following requirements: age 60 with 8 or more years of service, at least 30 years of service at any age, or a combined age plus service of at least 75. Employees hired on October 1, 2011 or after will no longer be eligible for such retiree coverage.

Benefits and Contributions

Except for employees hired on or after October 1, 2012, a Medina County employee who retires and chooses a monthly pension through Texas County and District Retirement System is covered on Medina County's health and dental insurance plan through the month he or she turns 65. Retirees who take a lump sum payment of retirement savings are only eligible to remain on Medina County's health and dental insurance plan as provided for by COBRA guidelines. The qualified retiree may continue any dependent coverage up to the retiree's age of 65 at the same rate afforded to current employees. When the retiree turns 65 and becomes Medicare eligible, he or she is removed from coverage on Medina County's health and dental insurance plan. The retiree may continue dependent coverage according to COBRA guidelines.

Expenses for post-retirement health care benefits are recognized on a pay-as-you-go basis. During the year, post-retirement health care benefits paid by the County were \$72,746.

The number of employees currently covered by the benefit terms is as follows:

Inactive employees receiving benefits	56
Active employees	<u>9</u>
	<u>65</u>

Actuarial Methods and Assumptions

Significant methods and assumptions were as follows:

Actuarial cost method	Individual Entry Age Normal Cost Method - Level Percentage of Projected Salary.
Inflation rate	2.50%
Salary increases	3.50%
Termination rates	The termination rates were developed from the withdrawal assumption used in the 2017 actuarial report for TCDRS. The rates are a 15-year select and ultimate table and are sex specific.
Retirement rates	The retirement rates were developed from the assumption used in the 2017 actuarial report for the TCDRS retirement plans. These rates are unisex.
Mortality	RPH-2014 Total Table with Projection MP-2021.
Health care cost trend rates	Level 4.50% for medical and 1.5% for dental.
Participation rates	100% of all retirees who currently have healthcare coverage will continue with the same coverage. 100% of all actives who currently have healthcare coverage will continue with employee only coverage upon retirement.
Discount rate	4.06% as of September 30, 2024.

Projections of health benefits are based on the plan as understood by the County and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the County and its employees to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

A Single Discount Rate of 4.06% was used to measure the total OPEB liability. The S&P Municipal Bond 20 Year High Grade Rate Index was used for determining the discount rate.

Changes in the Total OPEB Liability

The County's total OPEB liability of \$2,387,954 was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2024.

	Total OPEB Liability
Balance at 9/30/23	\$ 2,494,810
Changes for the year:	
Service cost	57,788
Interest on the total liability	121,106
Difference between expected and actual experience	(275,503)
Changes in assumptions	121,389
Benefit payments	(131,636)
Net changes	(106,856)
Balance at 09/30/2024	<u>\$ 2,387,954</u>

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.06%) in measuring the total OPEB liability.

	1% Decrease in Discount Rate (3.06%)	Discount Rate (4.06%)	1% Increase in Discount Rate (5.06%)
County's total OPEB liability	\$ 2,545,411	\$ 2,387,954	\$ 2,238,944

Healthcare Cost Trend Rate Sensitivity Analysis

The following schedule shows the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate Assumption</u>	<u>1% Increase</u>
County's total OPEB liability	\$ 2,191,124	\$ 2,387,954	\$ 2,609,384

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2024, the County recognized OPEB expense of \$36,430. At September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 14,559	\$ 314,853
Changes in actuarial assumptions	<u>113,631</u>	<u>279,919</u>
Total	\$ <u>128,190</u>	\$ <u>594,772</u>

Amounts reported as deferred outflows and inflows of resources related to the OPEB will be recognized in OPEB expense as follows:

<u>Year Ended September 30,</u>	
2025	\$ (237,811)
2026	(187,203)
2027	(41,568)

Commitments and Contingencies

Various claims and lawsuits are pending against the County. The evaluation of County management is that any liability to the County relating to such claims and lawsuits will not have a material impact on the County's financial position. Historically, the County has not incurred significant losses from claims or lawsuits which arise during the ordinary course of business.

In addition, the County also participates in several federally assisted grant programs, all of which are subject to federal regulations and guidelines. Should any of the grant program expenditures be disallowed by any of the respective grantor agencies or should any other contingency become a Medina liability, funds would have to be appropriated in future County budgets for settlements.

Related Party Transactions

One member of the County's commissioner's court held an ownership interest in a company that occasionally does business with the County. During the year ended September 30, 2024, the County purchased \$105 of goods from this company. The commissioner filed the appropriate conflict of interest forms and abstained from voting when these payments were approved.

Changes within the Financial Reporting Entity

The Debt Service, Certificates of Obligation 2019, and American Rescue Funds were previously reported as a major funds and are now reported as a nonmajor fund. The change in classification is required based on quantitative factors.

	9/30/2023 As Previously Reported	Change Within Financial Reporting Entity	9/30/2023 As Restated
Governmental Funds			
Major Funds:			
General	\$ 15,600,746	\$ -	\$ 15,600,746
Debt Service	173,347	(173,347)	-
Certificates of Obligation 2	(38,006)	38,006	-
American Rescue Plan	107,241	(107,241)	-
Hill County PDO	(255)	-	(255)
Nonmajor funds	3,601,068	242,582	3,843,650
Total governmental funds	<u>\$ 19,444,141</u>	<u>\$ -</u>	<u>\$ 19,444,141</u>

New Accounting Principles

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the County include the following:

GASB Statement No. 101, *Compensated Absences* - 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. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* - The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2024, and the impact has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements* - The 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 also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* - The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

**REQUIRED
SUPPLEMENTARY INFORMATION**

MEDINA COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes				
Ad valorem	\$18,808,411	\$18,808,411	\$18,370,426	\$ (437,985)
Sales	3,800,000	3,800,000	4,480,651	680,651
Beer and wine	29,000	29,000	34,561	5,561
Total taxes	<u>22,637,411</u>	<u>22,637,411</u>	<u>22,885,638</u>	<u>248,227</u>
Intergovernmental				
Federal grants	-	-	53,274	53,274
State allocation - grants	<u>195,752</u>	<u>195,752</u>	<u>162,005</u>	<u>(33,747)</u>
Total intergovernmental	<u>195,752</u>	<u>195,752</u>	<u>215,279</u>	<u>19,527</u>
Charges for services				
County clerk	392,000	392,000	519,266	127,266
District clerk	50,000	50,000	118,234	68,234
Tax assessor-collector	225,000	225,000	234,448	9,448
Sheriff	1,200,168	1,200,168	1,713,269	513,101
County treasurer	150,000	150,000	92,347	(57,653)
Constable fees	35,000	35,000	36,047	1,047
Other taxing entities	160,000	160,000	216,435	56,435
Other fees	<u>367,100</u>	<u>367,100</u>	<u>367,201</u>	<u>101</u>
Total charges for services	<u>2,579,268</u>	<u>2,579,268</u>	<u>3,297,247</u>	<u>717,979</u>
Fines and forfeitures				
Justice of the peace	<u>600,500</u>	<u>600,500</u>	<u>410,231</u>	<u>(190,269)</u>
Total fines and forfeitures	<u>600,500</u>	<u>600,500</u>	<u>410,231</u>	<u>(190,269)</u>
Interest	<u>150,000</u>	<u>150,000</u>	<u>479,127</u>	<u>329,127</u>

MEDINA COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget -</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Miscellaneous				
Other	\$ 951,000	\$ 951,000	\$ 196,417	\$ (754,583)
Total miscellaneous	<u>951,000</u>	<u>951,000</u>	<u>196,417</u>	<u>(754,583)</u>
Total revenues	<u>27,113,931</u>	<u>27,113,931</u>	<u>27,483,939</u>	<u>370,008</u>
EXPENDITURES				
General administration				
Commissioners' court				
Personnel services	289,340	289,340	286,347	2,993
Supplies	2,000	2,000	1,294	706
Other services and charges	<u>16,900</u>	<u>16,900</u>	<u>8,029</u>	<u>8,871</u>
Total commissioners' court	<u>308,240</u>	<u>308,240</u>	<u>295,670</u>	<u>12,570</u>
Loss control				
Personnel services	300	300	-	300
Supplies	<u>200</u>	<u>200</u>	<u>-</u>	<u>200</u>
Total loss control	<u>500</u>	<u>500</u>	<u>-</u>	<u>500</u>
County clerk				
Personnel services	568,246	572,851	518,903	53,948
Supplies	19,500	19,000	10,614	8,386
Other services and charges	<u>50,200</u>	<u>51,600</u>	<u>29,044</u>	<u>22,556</u>
Total county clerk	<u>637,946</u>	<u>643,451</u>	<u>558,561</u>	<u>84,890</u>
Veteran service officer				
Personnel services	171,741	171,741	160,720	11,021
Supplies	6,750	8,590	7,290	1,300
Other services and charges	<u>19,150</u>	<u>17,310</u>	<u>7,870</u>	<u>9,440</u>
Total veteran service officer	<u>197,641</u>	<u>197,641</u>	<u>175,880</u>	<u>21,761</u>

MEDINA COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget -</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Positive</u>
EXPENDITURES				<u>(Negative)</u>
General administration				
Elections				
Personnel services	\$ 423,844	\$ 423,844	\$ 417,107	\$ 6,737
Supplies	30,000	30,000	15,606	14,394
Other services and charges	75,600	75,600	77,014	(1,414)
Total elections	<u>529,444</u>	<u>529,444</u>	<u>509,727</u>	<u>19,717</u>
County auditor				
Personnel services	615,084	617,884	541,513	76,371
Supplies	3,000	3,000	2,186	814
Other services and charges	34,820	32,020	24,542	7,478
Total county auditor	<u>652,904</u>	<u>652,904</u>	<u>568,241</u>	<u>84,663</u>
County treasurer				
Personnel services	357,248	357,248	314,520	42,728
Supplies	5,200	5,200	2,177	3,023
Other services and charges	31,600	32,000	24,411	7,589
Total county treasurer	<u>394,048</u>	<u>394,448</u>	<u>341,108</u>	<u>53,340</u>
Human resources				
Personnel services	320,056	326,633	314,832	11,801
Supplies	6,000	6,000	2,836	3,164
Other services and charges	30,850	30,600	21,065	9,535
Total human resources	<u>356,906</u>	<u>363,233</u>	<u>338,733</u>	<u>24,500</u>
Tax assessor-collector				
Personnel services	1,156,506	1,156,506	1,014,681	141,825
Supplies	12,000	12,000	11,195	805
Other services and charges	103,100	103,100	96,828	6,272
Total tax assessor-collector	<u>1,271,606</u>	<u>1,271,606</u>	<u>1,122,704</u>	<u>148,902</u>
Nondepartmental				
Personnel services	622,500	615,027	527,439	87,588
Supplies	100,000	100,000	92,479	7,521
Other services and charges	1,973,065	1,972,665	1,817,628	155,037
Total nondepartmental	<u>2,695,565</u>	<u>2,687,692</u>	<u>2,437,546</u>	<u>250,146</u>
County agent				
Personnel services	210,021	210,021	176,696	33,325
Supplies	3,050	3,050	2,353	697
Other services and charges	12,760	12,760	8,804	3,956
Total county agent	<u>225,831</u>	<u>225,831</u>	<u>187,853</u>	<u>37,978</u>

MEDINA COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget -</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Positive</u>
EXPENDITURES				<u>(Negative)</u>
General administration				
Courthouse and buildings				
Personnel services	\$ 426,768	\$ 426,768	\$ 398,272	\$ 28,496
Supplies	125,200	125,000	140,350	(15,350)
Other services and charges	818,250	818,650	713,949	104,701
Total courthouse and buildings	<u>1,370,218</u>	<u>1,370,418</u>	<u>1,252,571</u>	<u>117,847</u>
Subdivision administration department				
Personnel services	9,296	12,576	10,311	2,265
Supplies	200	200	96	104
Other services and charges	34,500	34,500	16,479	18,021
Total subdivision administration department	<u>43,996</u>	<u>47,276</u>	<u>26,886</u>	<u>20,390</u>
Total general administration	<u>8,684,845</u>	<u>8,692,684</u>	<u>7,815,480</u>	<u>877,204</u>
Legal				
District and county court				
Personnel services	639,188	639,188	635,111	4,077
Supplies	12,500	11,100	9,506	1,594
Other services and charges	474,300	478,700	392,606	86,094
Total district and county court	<u>1,125,988</u>	<u>1,128,988</u>	<u>1,037,223</u>	<u>91,765</u>
District clerk				
Personnel services	541,202	541,202	505,626	35,576
Supplies	7,500	6,800	3,734	3,066
Other services and charges	40,750	41,450	14,588	26,862
Total district clerk	<u>589,452</u>	<u>589,452</u>	<u>523,948</u>	<u>65,504</u>

MEDINA COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Legal				
Justices of the peace				
Personnel services	\$ 995,064	\$ 995,064	\$ 964,754	\$ 30,310
Supplies	17,200	15,545	10,806	4,739
Other services and charges	<u>37,550</u>	<u>39,205</u>	<u>25,595</u>	<u>13,610</u>
Total justices of the peace	<u>1,049,814</u>	<u>1,049,814</u>	<u>1,001,155</u>	<u>48,659</u>
 District attorney				
Personnel services	1,248,003	1,248,003	1,234,371	13,632
Supplies	15,500	15,500	13,647	1,853
Other services and charges	<u>96,900</u>	<u>101,900</u>	<u>104,027</u>	<u>(2,127)</u>
Total district attorney	<u>1,360,403</u>	<u>1,365,403</u>	<u>1,352,045</u>	<u>13,358</u>
 Total legal	<u>4,125,657</u>	<u>4,133,657</u>	<u>3,914,371</u>	<u>219,286</u>
 Public safety				
County jail				
Personnel services	2,848,325	2,848,325	2,657,707	190,618
Supplies	500,000	496,500	334,067	162,433
Other services and charges	<u>874,100</u>	<u>877,600</u>	<u>1,404,323</u>	<u>(526,723)</u>
Total county jail	<u>4,222,425</u>	<u>4,222,425</u>	<u>4,396,097</u>	<u>(173,672)</u>

MEDINA COUNTY, TEXAS**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget -</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Positive</u>
EXPENDITURES				<u>(Negative)</u>
Public safety				
Constables				
Personnel services	\$ 307,918	\$ 307,918	\$ 311,259	\$ (3,341)
Supplies	9,700	22,271	20,640	1,631
Other services and charges	19,800	19,800	10,656	9,144
Total constables	<u>337,418</u>	<u>349,989</u>	<u>342,555</u>	<u>7,434</u>
Sheriff				
Personnel services	6,468,077	6,468,077	6,345,764	122,313
Supplies	134,350	134,350	84,702	49,648
Other services and charges	1,153,684	1,141,747	1,278,933	(137,186)
Total sheriff	<u>7,756,111</u>	<u>7,744,174</u>	<u>7,709,399</u>	<u>34,775</u>
Juvenile board				
Personnel services	<u>16,331</u>	<u>16,331</u>	<u>12,533</u>	<u>3,798</u>
Total juvenile board	<u>16,331</u>	<u>16,331</u>	<u>12,533</u>	<u>3,798</u>
DPS/license and weight				
Personnel services	96,355	96,355	95,989	366
Supplies	6,000	6,000	3,605	2,395
Other services and charges	33,100	33,100	18,255	14,845
Total DPS/license and weight	<u>135,455</u>	<u>135,455</u>	<u>117,849</u>	<u>17,606</u>
Highway patrol				
Personnel services	96,155	96,155	86,548	9,607
Supplies	2,605	2,605	2,184	421
Other services and charges	8,625	8,625	8,545	80
Total highway patrol	<u>107,385</u>	<u>107,385</u>	<u>97,277</u>	<u>10,108</u>
Emergency management				
Personnel services	102,091	102,091	100,321	1,770
Supplies	6,000	6,000	4,095	1,905
Other services and charges	96,500	72,526	56,236	16,290
Total emergency management	<u>204,591</u>	<u>180,617</u>	<u>160,652</u>	<u>19,965</u>
Total public safety	<u>12,779,716</u>	<u>12,756,376</u>	<u>12,836,362</u>	<u>(79,986)</u>

MEDINA COUNTY, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget -</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Positive</u>
EXPENDITURES				<u>(Negative)</u>
Health and welfare				
Sanitation inspection				
Personnel services	\$ 243,791	\$ 243,791	\$ 238,993	\$ 4,798
Supplies	6,000	6,000	2,793	3,207
Other services and charges	<u>24,875</u>	<u>24,875</u>	<u>16,345</u>	<u>8,530</u>
Total sanitation inspection	<u>274,666</u>	<u>274,666</u>	<u>258,131</u>	<u>16,535</u>
Social services and indigent services				
Personnel services	340,267	340,267	311,500	28,767
Supplies	10,500	10,400	9,349	1,051
Other services and charges	<u>29,500</u>	<u>29,600</u>	<u>19,507</u>	<u>10,093</u>
Total social services and indigent services	<u>380,267</u>	<u>380,267</u>	<u>340,356</u>	<u>39,911</u>
Total health and welfare	<u>654,933</u>	<u>654,933</u>	<u>598,487</u>	<u>56,446</u>
Capital outlay	<u>757,300</u>	<u>690,103</u>	<u>397,378</u>	<u>292,725</u>
Debt service				
Principal	5,097	5,097	99,755	(94,658)
Interest	<u>14,098</u>	<u>14,098</u>	<u>15,483</u>	<u>(1,385)</u>
Total debt service	<u>19,195</u>	<u>19,195</u>	<u>115,238</u>	<u>(96,043)</u>
Total expenditures	<u>27,021,646</u>	<u>26,946,948</u>	<u>25,677,316</u>	<u>1,269,632</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER EXPENDITURES	<u>92,285</u>	<u>166,983</u>	<u>1,806,623</u>	<u>1,639,640</u>
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	150,000	150,000	6,086	(143,914)
Transfers in	70,875	70,875	100,429	29,554
Transfers out	<u>(2,419,893)</u>	<u>(2,501,830)</u>	<u>(2,492,986)</u>	<u>8,844</u>
Total other financing sources (uses)	<u>(2,199,018)</u>	<u>(2,280,955)</u>	<u>(2,386,471)</u>	<u>(105,516)</u>
NET CHANGE IN FUND BALANCE	(2,106,733)	(2,113,972)	(579,848)	1,534,124
FUND BALANCE, BEGINNING	<u>15,600,746</u>	<u>15,600,746</u>	<u>15,600,746</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u>13,494,013</u>	\$ <u>13,486,774</u>	\$ <u>15,020,898</u>	\$ <u>1,534,124</u>

MEDINA COUNTY, TEXAS

NOTES TO BUDGETARY SCHEDULE

SEPTEMBER 30, 2024

A. Budgetary Information

The Commissioners' Court may levy taxes only in accordance with the budget. After final approval of the budget, the Commissioners' Court may spend County funds only in strict compliance with the budget, except in an emergency. The Commissioners' Court may authorize an emergency expenditure as an amendment to the original budget only in a case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable diligent thought and attention. If the Court amends the original budget to meet an emergency, the Court must file a copy of its order amending the budget with the County Clerk and the Clerk shall attach the copy to the original budget. Only the Commissioners' Court may amend the budget and shift funds from one budget account to another.

The General Fund, the County's main operating fund, is the only fund with a legally adopted budget. The original budget is adopted by the Commissioners' Court and filed with the County Clerk. Amendments are made during the year and approved by the Commissioners' Court. The budget should not be exceeded in any expenditures category under state law. The budget was amended to reflect as closely as possible revenue and expenditures for the 12-month period. Certain categories exceeded the budget estimates. These variances were due to the fluctuations in revenue and expenditures as opposed to the prorated budget estimates.

The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioners' Court, the County Judge, with the help of the County Auditor, prepares an estimate of revenue and a compilation of requested departmental expenditures and submits this data to the Commissioners' Court.

The Commissioners' Court invites various department heads to appear for a hearing concerning the department's budget request. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the estimate of revenue and available resources. Also, amendments can be made within the above guidelines.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. Appropriations lapse at year-end.

The level of control is the department. By state law, expenditures can exceed appropriations as long as the amounts do not exceed the available revenue and cash balances. The County prepares its budget on a GAAP basis. Since revenue and expenditures are carefully monitored, it is felt that with the GAAP basis, the County will be in compliance with state law.

MEDINA COUNTY, TEXAS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Plan Year Ended December 31	2023	2022	2021	2020
Total Pension Liability				
Service Cost	\$ 2,038,352	\$ 1,535,030	\$ 1,505,140	\$ 1,210,502
Interest on total pension liability	3,231,399	2,934,085	2,743,657	2,542,333
Effect of plan changes	-	-	-	-
Effect of economic/demographic (gains) or losses	417,732	512,046	(167,452)	25,870
Effect of assumption changes or inputs	-	-	(51,912)	2,146,373
Benefit payments/refunds of contributions	<u>(1,664,842)</u>	<u>(1,483,392)</u>	<u>(1,621,472)</u>	<u>(1,392,640)</u>
Net change in total pension liability	4,022,641	3,497,769	2,407,961	4,532,438
Total pension liability - beginning	<u>41,297,236</u>	<u>37,799,467</u>	<u>35,391,506</u>	<u>30,859,068</u>
Total pension liability - ending (a)	<u>\$ 45,319,877</u>	<u>\$ 41,297,236</u>	<u>\$ 37,799,467</u>	<u>\$ 35,391,506</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 1,532,901	\$ 1,332,602	\$ 973,828	\$ 926,500
Member contributions	1,085,880	877,674	730,371	694,873
Investment income net of investment expenses	4,395,513	(2,498,735)	7,480,874	3,165,355
Benefit payments/refunds of contributions	(1,664,842)	(1,483,392)	(1,621,473)	(1,392,640)
Administrative expenses	(23,653)	(23,388)	(22,488)	(24,889)
Other	<u>63,764</u>	<u>137,076</u>	<u>11,508</u>	<u>9,806</u>
Net change in plan fiduciary net position	5,389,563	(1,658,163)	7,552,620	3,379,005
Plan fiduciary net position - beginning	<u>39,909,295</u>	<u>41,567,458</u>	<u>34,014,838</u>	<u>30,635,833</u>
Plan fiduciary net position - ending (b)	<u>\$ 45,298,858</u>	<u>\$ 39,909,295</u>	<u>\$ 41,567,458</u>	<u>\$ 34,014,838</u>
Net pension liability/(asset) - ending (a)-(b)	<u>\$ 21,019</u>	<u>\$ 1,387,941</u>	<u>\$ (3,767,991)</u>	<u>\$ 1,376,668</u>
Fiduciary net position as a percentage of total pension liability/(asset)	99.95%	96.64%	109.97%	96.11%
Pensionable covered payroll	\$ 18,098,005	\$ 14,627,896	\$ 12,172,856	\$ 11,581,224
Net pension liability/(asset) as a percentage of covered payroll	0.12%	9.49%	-30.95%	11.89%

2019	2018	2017	2016	2015	2014
\$ 1,133,013	\$ 1,072,407	\$ 1,096,294	\$ 1,047,627	\$ 965,430	\$ 904,251
2,363,979	2,215,666	2,058,841	1,860,738	1,739,114	1,599,983
-	-	-	-	(215,866)	-
10,747	(182,717)	(119,781)	46,951	(283,157)	98,008
-	-	155,259	-	275,381	-
<u>(1,374,407)</u>	<u>(1,296,981)</u>	<u>(1,166,783)</u>	<u>(1,020,613)</u>	<u>(961,512)</u>	<u>(926,667)</u>
2,133,332	1,808,375	2,023,830	1,934,703	1,519,390	1,675,575
<u>28,725,736</u>	<u>26,917,361</u>	<u>24,893,531</u>	<u>22,958,828</u>	<u>21,439,438</u>	<u>19,763,863</u>
<u>\$ 30,859,068</u>	<u>\$ 28,725,736</u>	<u>\$ 26,917,361</u>	<u>\$ 24,893,531</u>	<u>\$ 22,958,828</u>	<u>\$ 21,439,438</u>
\$ 825,040	\$ 796,819	\$ 762,738	\$ 711,667	\$ 670,857	\$ 639,941
618,782	597,615	571,174	533,753	503,059	479,959
4,313,836	(496,014)	3,381,770	1,570,996	(125,071)	1,335,589
(1,374,407)	(1,296,981)	(1,166,783)	(1,020,613)	(961,512)	(926,667)
(23,346)	(21,099)	(17,747)	(17,127)	(15,282)	(15,735)
<u>6,848</u>	<u>5,584</u>	<u>2,073</u>	<u>64,365</u>	<u>40,468</u>	<u>(9,303)</u>
4,366,753	(414,076)	3,533,225	1,843,041	112,519	1,503,784
<u>26,269,080</u>	<u>26,683,156</u>	<u>23,149,931</u>	<u>21,306,889</u>	<u>21,194,370</u>	<u>19,690,586</u>
<u>\$ 30,635,833</u>	<u>\$ 26,269,080</u>	<u>\$ 26,683,156</u>	<u>\$ 23,149,930</u>	<u>\$ 21,306,889</u>	<u>\$ 21,194,370</u>
<u>\$ 223,235</u>	<u>\$ 2,456,656</u>	<u>\$ 234,205</u>	<u>\$ 1,743,601</u>	<u>\$ 1,651,939</u>	<u>\$ 245,068</u>
99.28%	91.45%	99.13%	93.00%	92.80%	98.86%
\$ 10,313,033	\$ 9,960,254	\$ 9,519,560	\$ 8,895,879	\$ 8,384,324	\$ 7,999,314
2.16%	24.66%	2.46%	19.60%	19.70%	3.06%

MEDINA COUNTY, TEXAS**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Fiscal Year Ended September 30,	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$ 666,600	\$ 666,600	\$ -	\$ 8,332,498	8.0%
2016	725,661	725,661	-	9,070,767	8.0%
2017	754,355	754,355	-	9,429,443	8.0%
2018	781,451	781,451	-	9,768,135	8.0%
2019	824,742	824,742	-	10,335,915	8.0%
2020	869,481	869,481	-	10,884,475	8.0%
2021	958,914	958,914	-	12,003,657	8.0%
2022	1,200,881	1,200,881	-	13,592,529	8.8%
2023	1,473,475	1,473,475	-	17,063,589	8.6%
2024	1,681,758	1,681,758	-	20,097,767	8.4%

MEDINA COUNTY, TEXAS

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Valuation Timing Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contributions rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	17.0 years (based on contribution rate calculated in 12/31/2023 valuation)
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of investment expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule. 2023: No changes in plan provisions were reflected in the Schedule.

* Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.

MEDINA COUNTY, TEXAS**RETIREE HEALTH INSURANCE PLAN****SCHEDULE OF CHANGES IN OPEB LIABILITY
AND RELATED RATIOS**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Plan Year Ended September 30	2018	2019	2020	2021
Total OPEB Liability:				
Service cost	\$ 99,715	\$ 103,763	\$ 103,763	\$ 117,706
Interest	113,043	117,513	91,640	68,528
Difference between expected and actual experience	-	(87,951)	(110,995)	(40,751)
Changes in assumptions	-	515,574	(408,330)	568
Benefit payments	(109,342)	(104,078)	(92,328)	(86,572)
Net change in total pension liability	103,416	544,821	(416,250)	59,479
Total OPEB liability - beginning	<u>2,739,270</u>	<u>2,842,686</u>	<u>3,387,507</u>	<u>2,971,257</u>
Total OPEB liability - ending (a)	<u>\$ 2,842,686</u>	<u>\$ 3,387,507</u>	<u>\$ 2,971,257</u>	<u>\$ 3,030,736</u>
Covered - employee payroll	\$ 4,306,477	\$ 4,359,713	\$ 3,960,587	\$ 3,868,342
Total OPEB liability as a percentage of covered - employee payroll	66.01%	77.70%	75.02%	78.35%

Note: This schedule is required to have 10 years of information, but the information prior to 2018 is not available.

2022	2023	2024
\$ 118,907	\$ 65,293	\$ 57,788
70,368	115,510	121,106
(211,955)	28,165	(275,503)
(526,897)	(17,628)	121,389
(72,038)	(105,651)	(131,636)
(621,615)	85,689	(106,856)
<u>3,030,736</u>	<u>2,409,121</u>	<u>2,494,810</u>
<u>\$ 2,409,121</u>	<u>\$ 2,494,810</u>	<u>\$ 2,387,954</u>
\$ 4,189,162	\$ 3,725,758	\$ 3,106,952
57.51%	66.96%	76.86%

MEDINA COUNTY, TEXAS

NOTES TO OTHER POST EMPLOYMENT BENEFITS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Valuation date	September 30, 2024
Measurement date	September 30, 2024
Methods and assumptions:	
Actuarial Method	Individual Entry Age Normal Cost Method - Level Percentage of Projected Salary.
Service Cost	Determined for each employee as the Actuarial Present Value of Benefits allocated to the valuation year. The benefit attributed to the valuation year is that incremental portion of the total projected benefit earned during the year in accordance with the plan's benefit formula. This allocation is based on each participant's service between date of hire and date of expected termination.
Total OPEB Liability	The Actuarial Present Value of Benefits allocated to all periods prior to the valuation year.
Discount Rate	4.06% (1.56% real rate of return plus 2.50% inflation)
Health Care Cost Trend	Level 4.50% for medical and 1.50% for dental
Mortality	RPH-2014 Total Table with Projection MP-2021
Turnover	Rates varying based on gender, age and select and ultimate at 15 year. Rates based on the TCDRS actuarial assumptions form the 2017 retirement plan valuation report.
Disability	None assumed
Retiree Contributions	None for individual coverage. Retiree pays a contribution for family coverage. Effective January 1, 2012, eligible retirees retiring on or after that date are required to contribute \$50 or \$60 per month for individual medical coverage.
Salary Scale	3.50%
Data Assumptions:	
Coverage	100% of all retirees who currently have healthcare coverage will continue with the same coverage. 100% of all actives who currently have healthcare coverage will continue with employee only coverage upon retirement.

**COMBINING
FUND STATEMENTS**

MEDINA COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	Special Revenue			
	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4
ASSETS				
Cash and investments	\$ 512,376	\$ 1,349,890	\$ 617,394	\$ 470,331
Receivables:				
Ad valorem taxes	88,646	85,367	57,147	49,931
Intergovernmental	-	-	-	-
Other	30,888	19,179	19,832	15,991
Due from other funds	-	-	-	-
Prepaid assets	600	-	-	-
Total assets	<u>632,510</u>	<u>1,454,436</u>	<u>694,373</u>	<u>536,253</u>
LIABILITIES				
Accounts payable	48,993	9,133	21,862	7,967
Payroll liabilities	39,381	34,873	25,566	26,444
Other liabilities	-	-	-	-
Due to other funds	55,197	140,511	78,944	-
Unearned revenue	-	-	-	-
Total liabilities	<u>143,571</u>	<u>184,517</u>	<u>126,372</u>	<u>34,411</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	<u>83,058</u>	<u>53,407</u>	<u>51,559</u>	<u>44,343</u>
Total deferred inflows of resources	<u>83,058</u>	<u>53,407</u>	<u>51,559</u>	<u>44,343</u>
FUND BALANCES				
Nonspendable - prepaid assets	600	-	-	-
Restricted	405,281	1,216,512	516,442	457,499
Unassigned	-	-	-	-
Total fund balances	<u>405,881</u>	<u>1,216,512</u>	<u>516,442</u>	<u>457,499</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 632,510</u>	<u>\$ 1,454,436</u>	<u>\$ 694,373</u>	<u>\$ 536,253</u>

Special Revenue

WIC	Health Unit	Juvenile Probation Department	Truancy Prevention Diversion	County Attorney Special	County Law Library	Court Reporter
\$ 13,006	\$ 8,876	\$ 13,317	\$ 79,954	\$ 6,512	\$ 14,921	\$ 38,117
-	-	-	-	-	-	-
222,236	80,475	120,199	-	-	-	-
-	-	-	2,018	-	6,173	3,634
-	26,432	-	-	-	-	-
-	-	-	-	-	-	-
<u>235,242</u>	<u>115,783</u>	<u>133,516</u>	<u>81,972</u>	<u>6,512</u>	<u>21,094</u>	<u>41,751</u>
8,049	1,200	44,148	-	512	5,221	3,480
24,400	14,543	22,794	-	-	-	-
-	-	-	-	-	-	-
180,252	134,001	135,830	-	-	-	-
-	-	-	-	-	-	-
<u>212,701</u>	<u>149,744</u>	<u>202,772</u>	<u>-</u>	<u>512</u>	<u>5,221</u>	<u>3,480</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
22,541	-	-	-	-	-	-
-	-	-	81,972	6,000	15,873	38,271
-	(33,961)	(69,256)	-	-	-	-
<u>22,541</u>	<u>(33,961)</u>	<u>(69,256)</u>	<u>81,972</u>	<u>6,000</u>	<u>15,873</u>	<u>38,271</u>
<u>\$ 235,242</u>	<u>\$ 115,783</u>	<u>\$ 133,516</u>	<u>\$ 81,972</u>	<u>\$ 6,512</u>	<u>\$ 21,094</u>	<u>\$ 41,751</u>

MEDINA COUNTY, TEXAS**COMBINING BALANCE SHEET****NONMAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2024

	Special Revenue			
	County Sheriff Forfeiture	Forfeitures Constables	County Clerk Records Management	Records Management
ASSETS				
Cash and investments	\$ 73,991	\$ 509	\$ 538,352	\$ 24,565
Receivables:				
Ad valorem taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	8,528	855
Due from other funds	-	-	-	-
Prepaid assets	-	-	-	-
Total assets	<u>73,991</u>	<u>509</u>	<u>546,880</u>	<u>25,420</u>
LIABILITIES				
Accounts payable	116	-	3,995	-
Payroll liabilities	-	-	1,872	-
Other liabilities	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>116</u>	<u>-</u>	<u>5,867</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable - prepaid assets	-	-	-	-
Restricted	73,875	509	541,013	25,420
Unassigned	-	-	-	-
Total fund balances	<u>73,875</u>	<u>509</u>	<u>541,013</u>	<u>25,420</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 73,991</u>	<u>\$ 509</u>	<u>\$ 546,880</u>	<u>\$ 25,420</u>

Special Revenue

Courthouse Security	LEOSE Sheriff	Justice Court Technology	D. A. Federal Forfeiture	Records Management Archival County Clerk	Records Management Archival District Clerk	Justice Court Security
\$ 74,294	\$ 5,219	\$ 5,272	\$ 134,728	\$ 438,604	\$ 74,433	\$ 51,045
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,780	-	2,036	-	10,300	6,276	42
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>79,074</u>	<u>5,219</u>	<u>7,308</u>	<u>134,728</u>	<u>448,904</u>	<u>80,709</u>	<u>51,087</u>
-	-	-	-	-	-	100
11,379	-	-	116	-	-	-
-	-	-	22,233	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>11,379</u>	<u>-</u>	<u>-</u>	<u>22,349</u>	<u>-</u>	<u>-</u>	<u>100</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
67,695	5,219	7,308	112,379	448,904	80,709	50,987
-	-	-	-	-	-	-
<u>67,695</u>	<u>5,219</u>	<u>7,308</u>	<u>112,379</u>	<u>448,904</u>	<u>80,709</u>	<u>50,987</u>
<u>\$ 79,074</u>	<u>\$ 5,219</u>	<u>\$ 7,308</u>	<u>\$ 134,728</u>	<u>\$ 448,904</u>	<u>\$ 80,709</u>	<u>\$ 51,087</u>

MEDINA COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	Special Revenue			
	HAVA (Help America Vote Act)	Environmental Health Food Permit	District Clerk Technology	Improvement Districts
ASSETS				
Cash and investments	\$ 231,407	\$ 9,365	\$ 20,688	\$ 194,905
Receivables:				
Ad valorem taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	500	156	3,936
Due from other funds	-	-	-	-
Prepaid assets	-	-	-	-
Total assets	<u>231,407</u>	<u>9,865</u>	<u>20,844</u>	<u>198,841</u>
LIABILITIES				
Accounts payable	558	-	-	-
Payroll liabilities	-	-	-	-
Other liabilities	-	-	-	96,481
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>558</u>	<u>-</u>	<u>-</u>	<u>96,481</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable - prepaid assets	-	-	-	-
Restricted	230,849	9,865	20,844	-
Unassigned	-	-	-	102,360
Total fund balances	<u>230,849</u>	<u>9,865</u>	<u>20,844</u>	<u>102,360</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 231,407</u>	<u>\$ 9,865</u>	<u>\$ 20,844</u>	<u>\$ 198,841</u>

Special Revenue

Improvement District - Auditor	Improvement District - Treasurer	Improvement District - Tax	Grants	American Rescue Plan*	TAN Series 2020	Long Term Grants
\$ 46,979	\$ 54,790	\$ 72,234	\$ -	\$ 620,234	\$ -	\$ 614,817
-	-	-	-	-	-	-
-	-	-	129,024	-	-	11,937
-	-	-	-	-	-	-
-	-	-	-	-	274,652	-
-	-	-	-	-	-	-
<u>46,979</u>	<u>54,790</u>	<u>72,234</u>	<u>129,024</u>	<u>620,234</u>	<u>274,652</u>	<u>626,754</u>
300	224	167	38,176	126,483	-	68,188
209	484	-	-	-	-	58,643
-	-	-	-	-	-	-
-	-	-	96,695	-	66,301	-
-	-	-	2,000	312,809	-	500,000
<u>509</u>	<u>708</u>	<u>167</u>	<u>136,871</u>	<u>439,292</u>	<u>66,301</u>	<u>626,831</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
46,470	54,082	72,067	-	180,942	208,351	-
-	-	-	(7,847)	-	-	(77)
<u>46,470</u>	<u>54,082</u>	<u>72,067</u>	<u>(7,847)</u>	<u>180,942</u>	<u>208,351</u>	<u>(77)</u>
\$ <u>46,979</u>	\$ <u>54,790</u>	\$ <u>72,234</u>	\$ <u>129,024</u>	\$ <u>620,234</u>	\$ <u>274,652</u>	\$ <u>626,754</u>

*Formerly a major fund

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MEDINA COUNTY, TEXAS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

	<u>Special Revenue</u>	<u>Capital Projects</u>		
	Chapter 59 Forfeiture	Certificates of Obligation 2019*	Debt Service*	Total Nonmajor Governmental
ASSETS				
Cash and investments	\$ 15,716	\$ -	\$ 93,382	\$ 6,520,223
Receivables:				
Ad valorem taxes	-	-	143,717	424,808
Intergovernmental	-	-	-	563,871
Other	-	-	-	135,124
Due from other funds	-	-	-	301,084
Prepaid assets	-	-	-	600
Total assets	<u>15,716</u>	<u>-</u>	<u>237,099</u>	<u>7,945,710</u>
LIABILITIES				
Accounts payable	-	660,599	-	1,049,471
Payroll liabilities	587	-	-	261,291
Other liabilities	-	-	-	118,714
Due to other funds	-	-	-	887,731
Unearned revenue	-	-	-	814,809
Total liabilities	<u>587</u>	<u>660,599</u>	<u>-</u>	<u>3,132,016</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	-	-	130,869	363,236
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>130,869</u>	<u>363,236</u>
FUND BALANCES				
Nonspendable - prepaid assets	-			600
Restricted	-		106,230	5,104,109
Unassigned	15,129	(660,599)	-	(654,251)
Total fund balances	<u>15,129</u>	<u>(660,599)</u>	<u>106,230</u>	<u>4,450,458</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 15,716</u>	<u>\$ -</u>	<u>\$ 237,099</u>	<u>\$ 7,945,710</u>

*Formerly a major fund

MEDINA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	Road and Bridge No. 1	Road and Bridge No. 2	Road and Bridge No. 3	Road and Bridge No. 4
REVENUES				
Property taxes	\$ 1,676,039	\$ 1,805,514	\$ 1,269,561	\$ 959,329
Other taxes	54,381	36,450	41,214	31,114
Licenses and permits	238,960	237,990	238,248	237,702
Intergovernmental	-	-	-	-
Fines and forfeitures	152,791	152,791	152,791	152,791
Charges for services	-	-	-	-
Interest	27,990	56,617	21,369	14,985
Miscellaneous	6,310	5,827	19,415	3,447
Total revenues	<u>2,156,471</u>	<u>2,295,189</u>	<u>1,742,598</u>	<u>1,399,368</u>
EXPENDITURES				
Current:				
General administration	-	-	-	-
Legal	-	-	-	-
Public safety	-	-	-	-
Public transportation	1,638,075	1,687,253	1,253,401	1,179,740
Health and welfare	-	-	-	-
Capital outlay	325,989	48,442	112,455	26,184
Debt service:				
Principal retirement	29,190	27,840	-	-
Interest and fiscal charges	892	851	-	-
Total expenditures	<u>1,994,146</u>	<u>1,764,386</u>	<u>1,365,856</u>	<u>1,205,924</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>162,325</u>	<u>530,803</u>	<u>376,742</u>	<u>193,444</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	3,911	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>3,911</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	166,236	530,803	376,742	193,444
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	239,645	685,709	139,700	264,055
ADJUSTMENTS				
Change in financial reporting entity- formerly a major fund*	-	-	-	-
FUND BALANCES, BEGINNING , RESTATED	<u>239,645</u>	<u>685,709</u>	<u>139,700</u>	<u>264,055</u>
FUND BALANCES, ENDING	<u>\$ 405,881</u>	<u>\$ 1,216,512</u>	<u>\$ 516,442</u>	<u>\$ 457,499</u>

Special Revenue

WIC	Health Unit	Juvenile Probation Department	Truency Prevention Diversion	County Attorney Special	County Law Library	Court Reporter
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,021,418	441,474	441,498	17,395	-	-	-
-	-	-	-	105	29,649	-
-	-	-	-	-	-	22,228
-	-	-	-	-	-	-
-	-	118,893	-	-	-	-
<u>1,021,418</u>	<u>441,474</u>	<u>560,391</u>	<u>17,395</u>	<u>105</u>	<u>29,649</u>	<u>22,228</u>
-	-	-	-	-	-	-
-	-	449,059	-	3,021	-	52,391
-	-	764,897	-	-	64,621	-
-	-	-	-	-	-	-
991,699	439,514	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>991,699</u>	<u>439,514</u>	<u>1,213,956</u>	<u>-</u>	<u>3,021</u>	<u>64,621</u>	<u>52,391</u>
<u>29,719</u>	<u>1,960</u>	<u>(653,565)</u>	<u>17,395</u>	<u>(2,916)</u>	<u>(34,972)</u>	<u>(30,163)</u>
-	-	-	-	-	-	-
-	10,764	599,466	-	-	24,000	57,900
<u>(29,717)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(29,717)</u>	<u>10,764</u>	<u>599,466</u>	<u>-</u>	<u>-</u>	<u>24,000</u>	<u>57,900</u>
2	12,724	(54,099)	17,395	(2,916)	(10,972)	27,737
22,539	(46,685)	(15,157)	64,577	8,916	26,845	10,534
-	-	-	-	-	-	-
<u>22,539</u>	<u>(46,685)</u>	<u>(15,157)</u>	<u>64,577</u>	<u>8,916</u>	<u>26,845</u>	<u>10,534</u>
\$ 22,541	\$ (33,961)	\$ (69,256)	\$ 81,972	\$ 6,000	\$ 15,873	\$ 38,271

MEDINA COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	County Sheriff Forfeiture	Forfeitures Constables	County Clerk Records Management	Records Management
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Fines and forfeitures	23,519	-	122,351	5,663
Charges for services	-	-	-	-
Interest	163	1	13,416	-
Miscellaneous	-	-	-	-
Total revenues	<u>23,682</u>	<u>1</u>	<u>135,767</u>	<u>5,663</u>
EXPENDITURES				
Current:				
General administration	-	-	80,269	1,231
Legal	-	-	-	-
Public safety	12,933	-	-	-
Public transportation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	22,991	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>35,924</u>	<u>-</u>	<u>80,269</u>	<u>1,231</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(12,242)</u>	<u>1</u>	<u>55,498</u>	<u>4,432</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(12,242)	1	55,498	4,432
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	86,117	508	485,515	20,988
ADJUSTMENTS				
Change in financial reporting entity- formerly a major fund*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, BEGINNING , RESTATED	<u>86,117</u>	<u>508</u>	<u>485,515</u>	<u>20,988</u>
FUND BALANCES, ENDING	<u>\$ 73,875</u>	<u>\$ 509</u>	<u>\$ 541,013</u>	<u>\$ 25,420</u>

Special Revenue						
Courthouse Security	LEOSE Sheriff	Justice Court Technology	D. A. Federal Forfeiture	Records Management Archival County Clerk	Records Management Archival District Clerk	Justice Court Security
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	6,157	-	-	-	-	-
22,842	-	16,634	31,020	120,245	22,558	-
16,365	-	-	13,500	-	-	416
-	-	-	101	13,891	-	-
-	-	-	-	-	-	-
<u>39,207</u>	<u>6,157</u>	<u>16,634</u>	<u>44,621</u>	<u>134,136</u>	<u>22,558</u>	<u>416</u>
-	-	-	-	-	-	-
-	-	45,622	11,166	-	-	-
288,456	1,006	-	-	-	-	28,668
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	176,242	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>288,456</u>	<u>1,006</u>	<u>45,622</u>	<u>11,166</u>	<u>176,242</u>	<u>-</u>	<u>28,668</u>
<u>(249,249)</u>	<u>5,151</u>	<u>(28,988)</u>	<u>33,455</u>	<u>(42,106)</u>	<u>22,558</u>	<u>(28,252)</u>
-	-	-	-	-	-	-
250,000	-	26,000	-	-	-	-
-	-	-	-	-	-	-
<u>250,000</u>	<u>-</u>	<u>26,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
751	5,151	(2,988)	33,455	(42,106)	22,558	(28,252)
66,944	68	10,296	78,924	491,010	58,151	79,239
-	-	-	-	-	-	-
<u>66,944</u>	<u>68</u>	<u>10,296</u>	<u>78,924</u>	<u>491,010</u>	<u>58,151</u>	<u>79,239</u>
<u>\$ 67,695</u>	<u>\$ 5,219</u>	<u>\$ 7,308</u>	<u>\$ 112,379</u>	<u>\$ 448,904</u>	<u>\$ 80,709</u>	<u>\$ 50,987</u>

MEDINA COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	HAVA (Help America Vote Act)	Environmental Health Food Permit	District Clerk Technology	Improvement Districts
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ 714,056
Other taxes	-	-	-	-
Licenses and permits	-	4,900	-	-
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	668	-
Charges for services	135,226	-	-	915,872
Interest	413	-	-	513
Miscellaneous	-	-	-	-
Total revenues	<u>135,639</u>	<u>4,900</u>	<u>668</u>	<u>1,630,441</u>
EXPENDITURES				
Current:				
General administration	77,837	-	269	1,519,331
Legal	-	-	-	-
Public safety	-	-	-	-
Public transportation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	6,813	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>84,650</u>	<u>-</u>	<u>269</u>	<u>1,519,331</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>50,989</u>	<u>4,900</u>	<u>399</u>	<u>111,110</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	50,989	4,900	399	111,110
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	179,860	4,965	20,445	(8,750)
ADJUSTMENTS				
Change in financial reporting entity- formerly a major fund*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, BEGINNING , RESTATED	<u>179,860</u>	<u>4,965</u>	<u>20,445</u>	<u>(8,750)</u>
FUND BALANCES, ENDING	<u>\$ 230,849</u>	<u>\$ 9,865</u>	<u>\$ 20,844</u>	<u>\$ 102,360</u>

Special Revenue

Improvement District - Auditor	Improvement District - Treasurer	Improvement District - Tax	Grants	American Rescue Plan*	TAN Series 2020	Long Term Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	225,958	1,998,353	-	775,000
-	-	-	-	-	-	-
18,000	18,000	18,000	-	-	-	-
74	100	118	-	92,425	118	513
-	-	-	20,797	-	-	-
<u>18,074</u>	<u>18,100</u>	<u>18,118</u>	<u>246,755</u>	<u>2,090,778</u>	<u>118</u>	<u>775,513</u>
13,741	17,632	1,248	16,902	685,245	-	625,029
-	-	-	-	-	-	-
-	-	-	163,067	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	75,841	1,331,832	-	162,498
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>13,741</u>	<u>17,632</u>	<u>1,248</u>	<u>255,810</u>	<u>2,017,077</u>	<u>-</u>	<u>787,527</u>
<u>4,333</u>	<u>468</u>	<u>16,870</u>	<u>(9,055)</u>	<u>73,701</u>	<u>118</u>	<u>(12,014)</u>
-	-	-	-	-	-	-
-	-	-	5,199	-	-	11,937
-	-	-	-	-	(270,920)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,199</u>	<u>-</u>	<u>(270,920)</u>	<u>11,937</u>
4,333	468	16,870	(3,856)	73,701	(270,802)	(77)
42,137	53,614	55,197	(3,991)	-	479,153	-
-	-	-	-	107,241	-	-
<u>42,137</u>	<u>53,614</u>	<u>55,197</u>	<u>(3,991)</u>	<u>107,241</u>	<u>479,153</u>	<u>-</u>
\$ 46,470	\$ 54,082	\$ 72,067	\$ (7,847)	\$ 180,942	\$ 208,351	\$ (77)

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MEDINA COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES**

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Special Revenue</u>	<u>Capital Projects</u>		
	Chapter 59 Forfeiture	Certificates of Obligation 2019*	Debt Service*	Total Nonmajor Governmental
REVENUES				
Property taxes	\$ -	\$ -	\$ 2,773,894	\$ 9,198,393
Other taxes	-	-	-	163,159
Licenses and permits	-	-	-	957,800
Intergovernmental	-	-	-	4,927,253
Fines and forfeitures	30,047	-	-	1,036,465
Charges for services	-	-	-	1,157,607
Interest	16	-	949	243,772
Miscellaneous	-	-	-	174,689
Total revenues	<u>30,063</u>	<u>-</u>	<u>2,774,843</u>	<u>17,859,138</u>
EXPENDITURES				
Current:				
General administration	-	7,732	-	3,046,466
Legal	-	-	-	561,259
Public safety	14,934	-	-	1,338,582
Public transportation	-	-	-	5,758,469
Health and welfare	-	-	-	1,431,213
Capital outlay	-	885,781	-	3,175,068
Debt service:				
Principal retirement	-	-	2,090,000	2,147,030
Interest and fiscal charges	-	-	751,960	753,703
Total expenditures	<u>14,934</u>	<u>893,513</u>	<u>2,841,960</u>	<u>18,211,790</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>15,129</u>	<u>(893,513)</u>	<u>(67,117)</u>	<u>(352,652)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	-	-	-	3,911
Transfers in	-	270,920	-	1,256,186
Transfers out	-	-	-	(300,637)
Total other financing sources (uses)	<u>-</u>	<u>270,920</u>	<u>-</u>	<u>959,460</u>
NET CHANGE IN FUND BALANCES	15,129	(622,593)	(67,117)	606,808
FUND BALANCE - BEGINNING, AS PREVIOUSLY REPORTED	-	-	-	3,601,068
ADJUSTMENTS				
Change in financial reporting entity- formerly a major fund*	<u>-</u>	<u>(38,006)</u>	<u>173,347</u>	<u>242,582</u>
FUND BALANCES, BEGINNING , RESTATED	<u>-</u>	<u>(38,006)</u>	<u>173,347</u>	<u>3,843,650</u>
FUND BALANCES, ENDING	<u>\$ 15,129</u>	<u>\$ (660,599)</u>	<u>\$ 106,230</u>	<u>\$ 4,450,458</u>

MEDINA COUNTY, TEXAS**DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 2,841,561	\$ 2,841,561	\$ 2,773,894	\$ (67,667)
Interest	-	-	949	949
Total revenues	<u>2,841,561</u>	<u>2,841,561</u>	<u>2,774,843</u>	<u>(66,718)</u>
EXPENDITURES				
Debt service				
Principal	2,090,000	2,090,000	2,090,000	-
Interest	<u>751,561</u>	<u>751,561</u>	<u>751,960</u>	<u>(399)</u>
Total expenditures	<u>2,841,561</u>	<u>2,841,561</u>	<u>2,841,960</u>	<u>(399)</u>
NET CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(67,117)</u>	<u>(66,319)</u>
FUND BALANCE, BEGINNING	<u>173,347</u>	<u>173,347</u>	<u>173,347</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 173,347</u>	<u>\$ 173,347</u>	<u>\$ 106,230</u>	<u>\$ (66,319)</u>

MEDINA COUNTY, TEXAS**ROAD AND BRIDGE NO. 1****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 1,717,221	\$ 1,717,221	\$ 1,676,039	\$ (41,182)
Other taxes	14,779	14,779	54,381	39,602
Licenses and permits	232,746	232,746	238,960	6,214
Fines and forfeitures	147,736	147,736	152,791	5,055
Interest	5,000	5,000	27,990	22,990
Miscellaneous	-	-	6,310	6,310
Total revenues	<u>2,117,482</u>	<u>2,117,482</u>	<u>2,156,471</u>	<u>38,989</u>
EXPENDITURES				
Public transportation	2,147,099	1,927,099	1,638,075	289,024
Capital outlay	100,000	326,000	325,989	11
Debt service:				
Principal	29,190	29,190	29,190	-
Interest	895	895	892	3
Total expenditures	<u>2,277,184</u>	<u>2,283,184</u>	<u>1,994,146</u>	<u>289,038</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(159,702)</u>	<u>(165,702)</u>	<u>162,325</u>	<u>328,027</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of assets	-	-	3,911	3,911
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,911</u>	<u>3,911</u>
NET CHANGE IN FUND BALANCE	(159,702)	(165,702)	166,236	331,938
FUND BALANCE, BEGINNING	<u>239,645</u>	<u>239,645</u>	<u>239,645</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 79,943</u>	<u>\$ 73,943</u>	<u>\$ 405,881</u>	<u>\$ 331,938</u>

MEDINA COUNTY, TEXAS**ROAD AND BRIDGE NO. 2****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 1,810,152	\$ 1,810,152	\$ 1,805,514	\$ (4,638)
Other taxes	9,906	9,906	36,450	26,544
Licenses and permits	232,746	232,746	237,990	5,244
Fines and forfeitures	147,736	147,736	152,791	5,055
Interest	10,000	10,000	56,617	46,617
Miscellaneous	-	-	5,827	5,827
Total revenues	<u>2,210,540</u>	<u>2,210,540</u>	<u>2,295,189</u>	<u>84,649</u>
EXPENDITURES				
Public transportation	2,643,134	2,683,134	1,735,695	947,439
Debt service:				
Principal	27,840	27,840	27,840	-
Interest	<u>855</u>	<u>855</u>	<u>851</u>	<u>4</u>
Total expenditures	<u>2,671,829</u>	<u>2,711,829</u>	<u>1,764,386</u>	<u>947,443</u>
NET CHANGE IN FUND BALANCE	<u>(461,289)</u>	<u>(501,289)</u>	<u>530,803</u>	<u>1,032,092</u>
FUND BALANCE, BEGINNING	<u>685,709</u>	<u>685,709</u>	<u>685,709</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 224,420</u>	<u>\$ 184,420</u>	<u>\$ 1,216,512</u>	<u>\$ 1,032,092</u>

MEDINA COUNTY, TEXAS**ROAD AND BRIDGE NO. 3****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
REVENUES				
Taxes	\$ 1,301,441	\$ 1,301,441	\$ 1,269,561	\$ (31,880)
Other taxes	11,200	11,200	41,214	30,014
Licenses and permits	232,746	232,746	238,248	5,502
Fines and forfeitures	147,736	147,736	152,791	5,055
Interest	5,000	5,000	21,369	16,369
Miscellaneous	-	-	19,415	19,415
Total revenues	<u>1,698,123</u>	<u>1,698,123</u>	<u>1,742,598</u>	<u>44,475</u>
EXPENDITURES				
Public transportation	1,388,738	1,500,738	1,253,401	247,337
Capital outlay	<u>50,000</u>	<u>112,500</u>	<u>112,455</u>	<u>45</u>
Total expenditures	<u>1,438,738</u>	<u>1,613,238</u>	<u>1,365,856</u>	<u>247,382</u>
NET CHANGE IN FUND BALANCE	<u>259,385</u>	<u>84,885</u>	<u>376,742</u>	<u>291,857</u>
FUND BALANCE, BEGINNING	<u>139,700</u>	<u>139,700</u>	<u>139,700</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 399,085</u>	<u>\$ 224,585</u>	<u>\$ 516,442</u>	<u>\$ 291,857</u>

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MEDINA COUNTY, TEXAS**ROAD AND BRIDGE NO. 4****SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 982,521	\$ 982,521	\$ 959,329	\$ (23,192)
Other taxes	8,456	8,456	31,114	22,658
Licenses and permits	232,746	232,746	237,702	4,956
Fines and forfeitures	147,736	147,736	152,791	5,055
Interest	6,000	6,000	14,985	8,985
Miscellaneous	-	-	3,447	3,447
Total revenues	<u>1,377,459</u>	<u>1,377,459</u>	<u>1,399,368</u>	<u>21,909</u>
EXPENDITURES				
Public transportation	1,477,871	1,510,371	1,179,740	330,631
Capital outlay	<u>150,000</u>	<u>129,000</u>	<u>26,184</u>	<u>102,816</u>
Total expenditures	<u>1,627,871</u>	<u>1,639,371</u>	<u>1,205,924</u>	<u>433,447</u>
NET CHANGE IN FUND BALANCE	<u>(250,412)</u>	<u>(261,912)</u>	<u>193,444</u>	<u>455,356</u>
FUND BALANCE, BEGINNING	<u>264,055</u>	<u>264,055</u>	<u>264,055</u>	<u>-</u>
FUND BALANCE, ENDING	<u>\$ 13,643</u>	<u>\$ 2,143</u>	<u>\$ 457,499</u>	<u>\$ 455,356</u>

MEDINA COUNTY, TEXAS**COMBINING STATEMENT OF FIDUCIARY NET POSITION**

SEPTEMBER 30, 2024

	Custodial Funds				
	State Taxes	County Clerk	District Clerk	Unclaimed Money	Tax Office
ASSETS					
Cash and investments	\$ 201,982	\$ 371,069	\$ 1,236,045	\$ 26,561	\$ 7,989,944
Total assets	<u>201,982</u>	<u>371,069</u>	<u>1,236,045</u>	<u>26,561</u>	<u>7,989,944</u>
LIABILITIES					
Due to other governments	-	39,531	380,367	-	2,561,769
Total liabilities	<u>-</u>	<u>39,531</u>	<u>380,367</u>	<u>-</u>	<u>2,561,769</u>
NET POSITION					
Restricted for individuals, organizations and other governments	<u>201,982</u>	<u>331,538</u>	<u>855,678</u>	<u>26,561</u>	<u>5,428,175</u>
Total net position	<u>\$ 201,982</u>	<u>\$ 331,538</u>	<u>\$ 855,678</u>	<u>\$ 26,561</u>	<u>\$ 5,428,175</u>

Custodial Funds							Total Custodial Funds
County Sheriff	LEOSE	Cafeteria Plan	4th Court of Appeals	Medina County Elected Official Escrow	D.A. Pretrial Diversion Program	Forfeiture	
\$ 381,561	\$ 49,081	\$ 31,419	\$ 80	\$ 168,174	\$ 65,455	\$ 69,702	\$ 10,591,073
<u>381,561</u>	<u>49,081</u>	<u>31,419</u>	<u>80</u>	<u>168,174</u>	<u>65,455</u>	<u>69,702</u>	<u>10,591,073</u>
 100,609	 -	 -	 -	 168,174	 -	 -	 3,250,450
<u>100,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>168,174</u>	<u>-</u>	<u>-</u>	<u>3,250,450</u>
 280,952	 49,081	 31,419	 80	 -	 65,455	 69,702	 7,340,623
<u>\$ 280,952</u>	<u>\$ 49,081</u>	<u>\$ 31,419</u>	<u>\$ 80</u>	<u>\$ -</u>	<u>\$ 65,455</u>	<u>\$ 69,702</u>	<u>\$ 7,340,623</u>

MEDINA COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Custodial Funds				
	State Taxes	County Clerk	District Clerk	Unclaimed Money	Tax Office
ADDITIONS					
Contributions from judgements	\$ -	\$ 2,139	\$ 228,431	\$ 15,534	\$ -
Commissions income	-	-	-	-	-
Taxes and fees collected	-	-	-	-	157,221,049
Bonds received	-	26,989	671,496	-	-
Deposits held	642,008	572	-	-	-
Interest income	-	107	838	-	21,139
Seizure	-	-	-	-	-
Total additions	<u>642,008</u>	<u>29,807</u>	<u>900,765</u>	<u>15,534</u>	<u>157,242,188</u>
DEDUCTIONS					
Bonds refunded	-	32,695	81,500	-	-
Disbursements on behalf of contracting entities	-	-	-	-	152,620,621
Buy money	-	-	-	-	-
Judgments	-	-	-	-	-
Tax sale fee	-	-	-	-	-
Deposits returned	-	497	-	-	-
Disbursements to beneficiaries	660,381	-	369,324	148	-
Other	-	-	-	-	-
Total deductions	<u>660,381</u>	<u>33,192</u>	<u>450,824</u>	<u>148</u>	<u>152,620,621</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	<u>(18,373)</u>	<u>(3,385)</u>	<u>449,941</u>	<u>15,386</u>	<u>4,621,567</u>
NET POSITION, BEGINNING	<u>220,355</u>	<u>334,923</u>	<u>405,737</u>	<u>11,175</u>	<u>806,608</u>
NET POSITION, ENDING	<u>\$ 201,982</u>	<u>\$ 331,538</u>	<u>\$ 855,678</u>	<u>\$ 26,561</u>	<u>\$ 5,428,175</u>

Custodial Funds							
County Sheriff	LEOSE	Cafeteria Plan	4th Court of Appeals	Medina County Elected Official Escrow	D.A. Pretrial Diversion Program	Forfeiture	Total Custodial Funds
\$ 36,486	\$ -	\$ -	\$ 4,067	\$ -	\$ 69,255	\$ 77,150	\$ 433,062
24,530	51,319	-	-	-	-	-	75,849
344,900	-	-	-	-	-	-	157,565,949
88,110	-	-	-	-	-	-	786,595
234,036	-	138,026	-	33,745,110	-	-	34,759,752
244	-	-	-	-	-	-	22,328
44,877	-	-	-	-	-	-	44,877
<u>773,183</u>	<u>51,319</u>	<u>138,026</u>	<u>4,067</u>	<u>33,745,110</u>	<u>69,255</u>	<u>77,150</u>	<u>193,688,412</u>
42,657	-	-	-	-	-	-	156,852
7,203	-	-	-	-	-	-	152,627,824
2,000	-	-	-	-	-	-	2,000
75,010	-	-	-	-	-	7,448	82,458
297,158	-	-	-	-	-	-	297,158
27,125	-	-	-	33,842,314	3,800	-	33,873,736
225,011	-	142,252	4,682	-	-	-	1,401,798
-	2,238	-	-	-	-	-	2,238
<u>676,164</u>	<u>2,238</u>	<u>142,252</u>	<u>4,682</u>	<u>33,842,314</u>	<u>3,800</u>	<u>7,448</u>	<u>188,444,064</u>
<u>97,019</u>	<u>49,081</u>	<u>(4,226)</u>	<u>(615)</u>	<u>(97,204)</u>	<u>65,455</u>	<u>69,702</u>	<u>5,244,348</u>
<u>183,933</u>	<u>-</u>	<u>35,645</u>	<u>695</u>	<u>97,204</u>	<u>-</u>	<u>-</u>	<u>2,096,275</u>
<u>\$ 280,952</u>	<u>\$ 49,081</u>	<u>\$ 31,419</u>	<u>\$ 80</u>	<u>\$ -</u>	<u>\$ 65,455</u>	<u>\$ 69,702</u>	<u>\$ 7,340,623</u>

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COMPLIANCE SECTION

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable County Judge and
Commissioners' Court
Hondo, Texas

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Medina County, Texas (the "County"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Medina County, Texas' basic financial statements, and have issued our report thereon dated March 24, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Medina County, Texas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Medina County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Medina County, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Medina County, Texas' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Medina County, Texas' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 24, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE
AND THE STATE OF TEXAS GRANT MANAGEMENT STANDARDS**

Honorable County Judge and
Commissioners' Court
Hondo, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Medina County, Texas' (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Grant Management Standards* (TxGMS) that could have a direct and material effect on each of the County's major federal and state programs for the year ended September 30, 2024. The County's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and TxGMS. Our responsibilities under those standards, the Uniform Guidance, and TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal and state programs.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and TxGMS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and TxGMS. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 24, 2025

MEDINA COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Agency or Pass-through Number	Expenditures
FEDERAL AWARDS			
<u>U. S. Department of Agriculture</u>			
Pass-through Texas Health and Human Services Commission:			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	HHS000805300001	\$ 959,736
Supplemental Nutrition Assistance Program - (SNAP) Cluster	10.561	HHS000805300001	<u>61,682</u>
Total Passed through the Texas Health and Human Services Commission			<u>1,021,418</u>
Total U. S. Department of Agriculture			<u>1,021,418</u>
<u>U. S. Department of Justice</u>			
Direct Programs:			
Internet Crimes Against Children	16.543	C-01285	<u>8,585</u>
State Criminal Alien Assistance Program	16.606	15PJA-21-RR-05080-SCAA	<u>5,389</u>
Bulletproof Vest Program	16.607	2019BUBX19097430	<u>11,348</u>
Total Direct Programs			<u>25,322</u>
Total U. S. Department of Justice			<u>25,322</u>
<u>U. S. Department of Treasury</u>			
Direct programs:			
COVID-19 - American Rescue Plan Act (ARPA)	21.027	ARP 2021	<u>1,998,353</u>
Total Direct programs			<u>1,998,353</u>
Total U.S. Department of Treasury			<u>1,998,353</u>
<u>U. S. Department of Health and Human Services</u>			
Pass-through Texas Department of State Health Services:			
Public Health Emergency Preparedness (PHEP)	93.069	HHS001311200040	85,461
Public Health Emergency Preparedness (PHEP)	93.069	HHS001439500026	<u>29,236</u>
Total Assistance Listing Number 93.069			<u>114,697</u>
Immunization Cooperative Agreements	93.268	HHS001331300046	63,139
PHER: Public Health Crisis Response	93.354	HHS001077300001	82,021
STLT Response to Public Health	93.391	HHS001057600032	49,086
Public Health Grant	93.967	HHS001312600001	5,948
Preventative Health and Health Services Block Grant	93.991	HHS001324900035	<u>29,711</u>
Total Passed through the Texas Department of State Health Services:			<u>344,602</u>
Total U. S. Department of Health and Human Services			<u>344,602</u>
<u>Federal Emergency Management Agency</u>			
Pass-through Texas Water Development Board:			
FEMA TWDB FMA Scoping	97.029	TWDB 2200012804	<u>53,274</u>
Total Passed through Texas Water Development Board			<u>53,274</u>
Total Federal Emergency Management Agency			<u>53,274</u>
<u>U. S. Department of Homeland Security</u>			
Pass-through Office of the Governor			
State Homeland Security Program	97.067	47531-01	<u>17,998</u>
Total Passed through Office of the Governor			<u>17,998</u>
Total U. S. Department of Homeland Security			<u>17,998</u>
Total Federal Awards			<u>\$ 3,460,967</u>

MEDINA COUNTY, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Assistance Listing Number	Agency or Pass-through Number	Expenditures
STATE AWARDS			
<u>Texas Indigent Defense Commission</u>			
Indigent Defense Formula Grant	N/A	212-24-163	\$ 34,472
Indigent Defense Sustainability Grant	N/A	SG-24-005	<u>2,214,491</u>
Total Texas Indigent Defense Commission			<u>2,248,963</u>
<u>Office of the Texas Comptroller</u>			
Rural Sheriff's Office Salary Assistance Grant	N/A	IA-0000000067	500,000
Rural Prosecutor's Office Salary Assistance Grant	N/A	IA-0000000247	<u>275,000</u>
Total Office of the Texas Comptroller			<u>775,000</u>
<u>Texas Department of State Health Services</u>			
Immunization Cooperative Agreements	N/A	HHS001331300046	73,072
Preventative Health and Health Services Block Grant	N/A	HHS001324900035	<u>19,335</u>
Total Texas Department of State Health Services			<u>92,407</u>
<u>Texas Office of the Attorney General</u>			
VINE Grant	N/A	C-01148	<u>18,030</u>
Total Texas Office of the Attorney General			<u>18,030</u>
<u>Texas Office of the Governor</u>			
Operation Lone Star	N/A	4578102	<u>164,608</u>
Total Texas Office of the Governor			<u>164,608</u>
Total State Awards			<u>\$ 3,299,008</u>

MEDINA COUNTY, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

1. GENERAL

The accompanying schedule of expenditures of federal and state awards presents the activity of all applicable federal and state awards of Medina County, Texas. The County's reporting entity is defined in Note 1 to the County's basic financial statements. Federal and State awards received directly from federal and state agencies as well as federal and state awards passed through other government agencies are included in the respective schedule.

2. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal and state awards is presented using modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements.

3. INDIRECT COSTS

The County has elected to use the de minimis indirect cost rate as allowed in the Uniform Guidance, Section 414.

4. PASS-THROUGH EXPENDITURES

None of the expenditures reported on the Schedule of Expenditures of Federal and State Awards have been passed through to subrecipients.

MEDINA COUNTY, TEXAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Summary of Auditors' Results

Financial Statements:

Type of auditors' report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	None

Federal and State Awards:

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance or TxGMS	None
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Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster:

21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Fund
10.557	Special Supplemental Nutrition Program for Woman, Infants, and Children

Identification of major state programs:

Name of State Program:

Rural Sheriff's Office Salary Assistance Grant
Rural Prosecutor's Office Salary Assistance Grant

Dollar threshold used to distinguish between type A and type B federal programs	\$750,000
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Dollar threshold used to distinguish between type A and type B state programs	\$750,000
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Auditee qualified as low-risk auditee for federal single audit Yes

Findings Related to the Financial Statements Which Are Required to be Reported in Accordance With Generally Accepted Government Auditing Standards

None

Findings and Questioned Costs for Federal and State Awards

None

MEDINA COUNTY, TEXAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

None