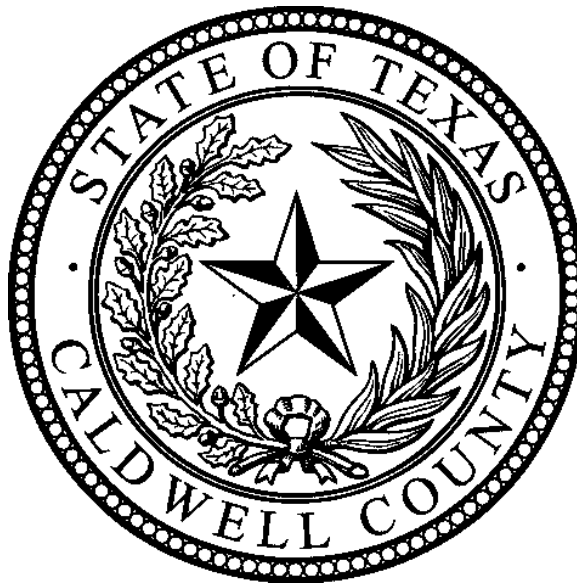


CALDWELL COUNTY, TEXAS

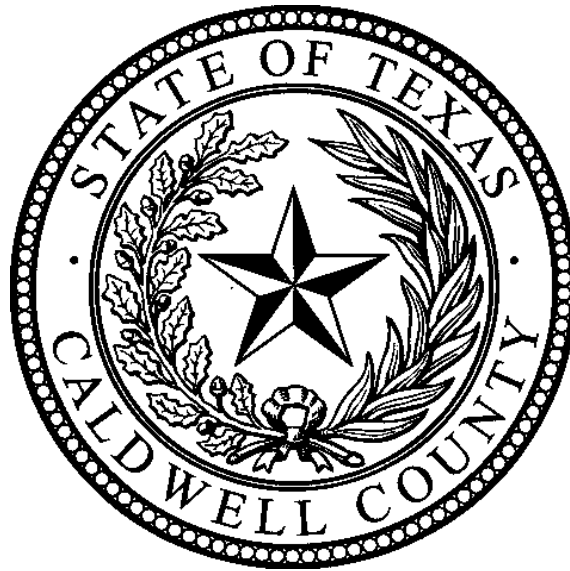
ANNUAL FINANCIAL REPORT

*FISCAL YEAR ENDED
SEPTEMBER 30, 2024*



DEPARTMENT ISSUING REPORT

Caldwell County Auditor's Office
Danielle Teltow, County Auditor



CALDWELL COUNTY, TEXAS
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FOR THE YEAR ENDED SEPTEMBER 30, 2024

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PRINCIPAL OFFICIALS

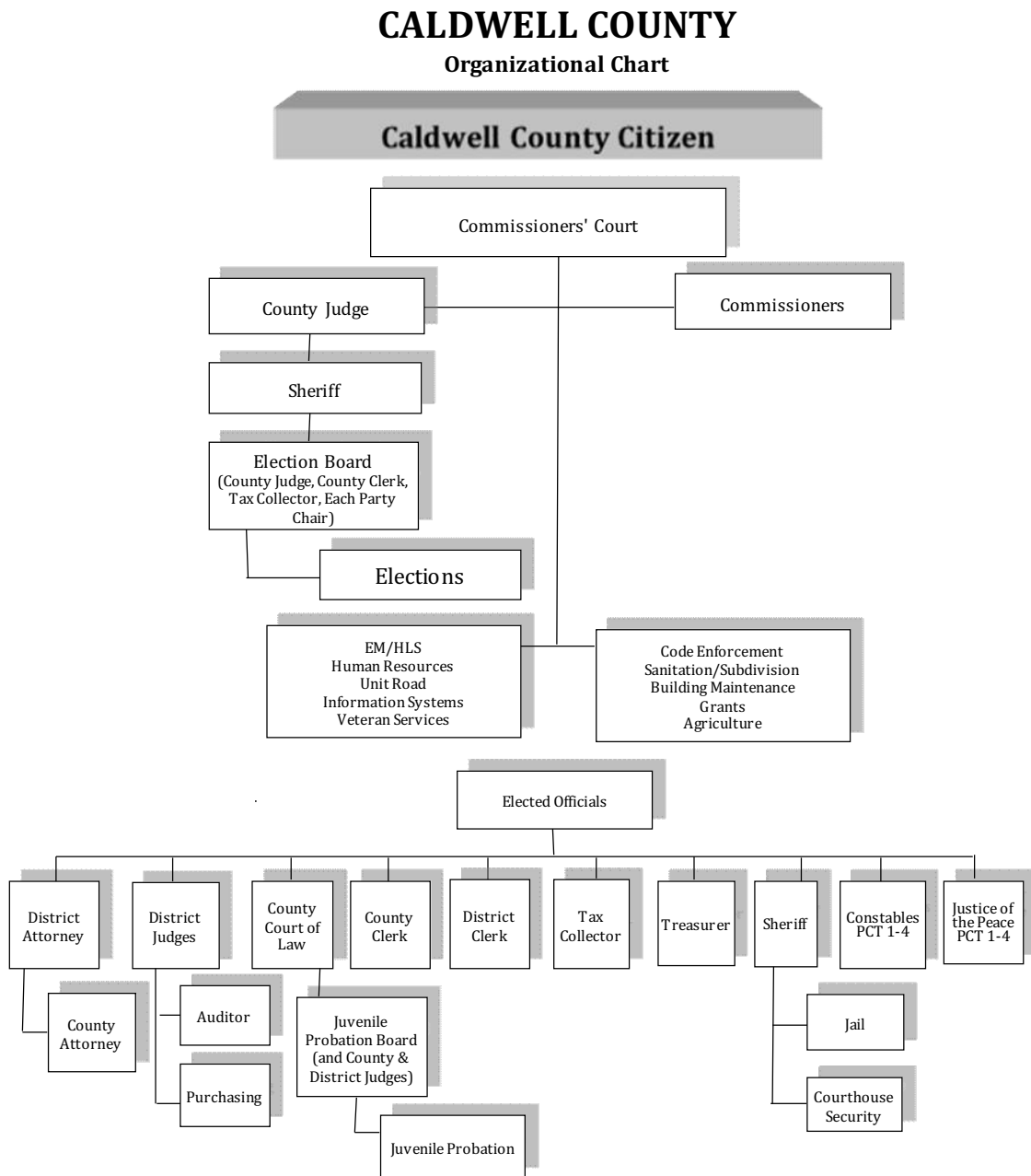
COUNTY JUDGE..... HOPPY HADEN
COMMISSIONER, PRECINCT 1 B.J. WESTMORELAND
COMMISSIONER, PRECINCT 2 RUSTY HORNE
COMMISSIONER, PRECINCT 3 EDWARD THERIOT
COMMISSIONER, PRECINCT 4 DYRAL THOMAS
COUNTY AUDITOR DANIE TELTOW
COUNTY TREASURER GLORIA GARCIA
ASSESSOR-COLLECTOR OF TAXES..... DEBBIE SANDERS
COUNTY CLERK TERESA RODRIGUEZ
DISTRICT CLERK..... JUANITA ALLEN
SHERIFF MIKE LANE
COUNTY ATTORNEY FRED WEBER
COUNTY COURT-AT-LAW JUDGE TREY HICKS

OFFICIAL ISSUING REPORT

COUNTY AUDITOR
DANIELLE TELTOW

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

ORGANIZATIONAL CHART





Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and
Members of the Commissioners' Court
Caldwell County, Texas

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Caldwell County, 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 Caldwell County 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.

Management's Responsibility for the Financial Statements

Caldwell County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Caldwell County's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibility 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 the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison information, schedule of changes – net pension liability/asset and related ratios, the schedule of County Contributions and related ratios listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 management's discussion and analysis, budgetary comparison information and schedule of changes – net pension liability and related ratios, and the schedule of County's Contributions because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

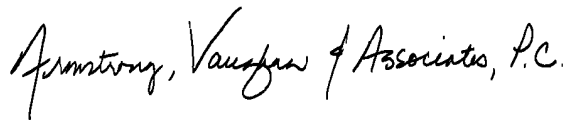
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Caldwell County's basic financial statements. The comparative statements and combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal and state awards required by the federal audit requirements of the State of Texas Uniform Grant Management Standards issued by the State Comptroller are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The comparative financial statements and combining and individual nonmajor fund financial statements and schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 comparative financial statements and the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal and state are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

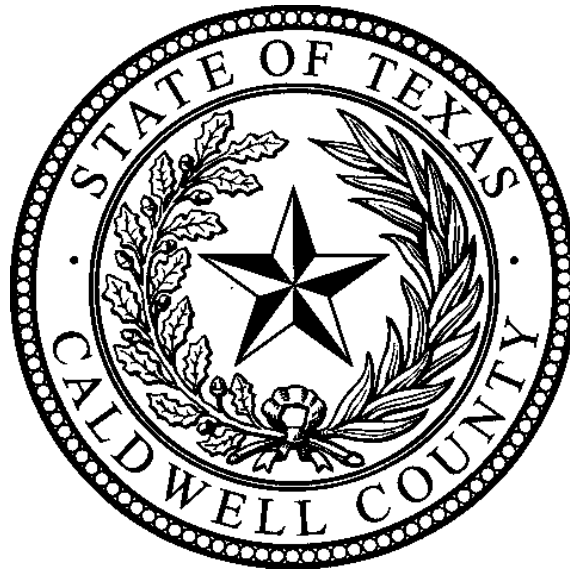
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2025 on our consideration of Caldwell County's 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 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 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 Caldwell County's internal control over financial reporting and compliance.



Armstrong, Vaughan & Associates, P.C.

April 15, 2025



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Caldwell County, Texas (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

The government-wide financial statements report financial information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The total government-wide assets and deferred outflows of resources of the County exceeded the liabilities and deferred inflows of resources at September 30, 2024 by \$62.3 million (net position), an increase from the previous year of 21.62%.
- During the year, the County's expenses were \$32.0 million, which was \$11.1 million less than the \$43.1 million generated in taxes and other revenues for governmental activities.
- Total revenue from all sources was \$43.1 million. The primary revenue sources for governmental activities were property (ad valorem) taxes (\$26.7 million), charges for services (\$4.5 million), and sales and other taxes (\$3.7 million). These three revenue sources accounted for 62%, 10%, and 9% respectively, or 81% of total governmental activities revenues.
- Total expenses for governmental activities were \$32.0 million. The largest functional expenses were public safety (\$10.2 million), general government (\$6.2 million) and public transportation (\$5.9 million).
- The County received a State Infrastructure Bank (SIB) loan from the Texas Department of Transportation for \$2.1 million.

Highlights for Fund Financial Statements

- The fund financial statements report financial information about the County's major, or most significant funds, using the current financial resources measurement focus and modified accrual basis of accounting.

Fund Balance

- The County's General Fund reported a fund balance of \$23.6 million, an increase of 1.2 million from September 30, 2023.
- Of the total fund balance for General Fund (\$23.6 million), the unassigned fund balance of \$23.6 million equals 11 months of the 2024 general fund expenditures.

Highlights on Revenue

- Investment earnings increased by 44% from the prior fiscal year. The County's interest rates on investment accounts have increased with national economic uncertainty driving the interest rates to their highest in many years. This was noted especially for the County's TexPool accounts, which the County has been making a concerted effort to increase through transfers from the County's local banking to the TexPool accounts.

- The County received a large operating donation of \$600 thousand from Kinder Morgan for unit road maintenance operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

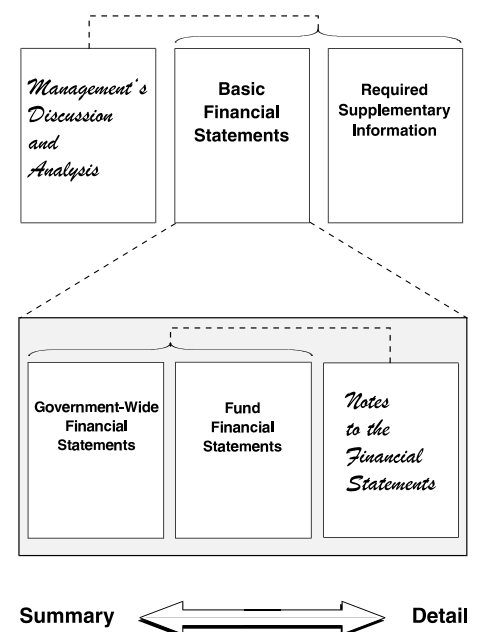
This annual report consists of three parts—management’s discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the County:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County’s operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates *like businesses*, such as self-funded employee medical insurance.

Fiduciary fund statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1, Required Components of the County’s Annual Financial Report



Government-wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the County’s finances, in a manner similar to a private-sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County and all liabilities. Additionally, certain adjustments have occurred to eliminate interfund transactions.

The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the County's net position and how they have changed. Net assets—the difference between the County's assets and liabilities—is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County's tax base.

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, judicial, public safety, infrastructure, etc. Property taxes and charges for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The County establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Position

The County's net position was \$62.3 million at September 30, 2024. (See Table A-1).

Table A-1
Caldwell County's Net Position

	Governmental Activities	
	2024	2023
ASSETS		
Cash and Investments	\$ 44,573,576	\$ 37,935,871
Receivables (net of allowances for uncollectible):		
Taxes	3,161,563	2,564,596
Fines	787,142	746,556
Sales Tax	621,748	590,636
Intergovernmental	514,213	54,177
Accounts	14,111	117,916
Prepaid Items	24,221	11,861
Inventory	127,946	49,540
Capital Assets:	34,955,521	32,601,583
Net Pension Asset	696,483	-
Right of Use Asset	1,130,073	759,961
TOTAL ASSETS	86,606,597	75,432,697
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension Related	1,061,379	1,511,080
Deferred Outflows - Charge on Refunding	45,591	49,391
	1,106,970	1,560,471
LIABILITIES		
Accounts Payable	3,848,670	1,261,685
Wages, Salaries & Benefits Payable	520,660	396,607
Compensated Absences	617,379	637,219
Interest Payable	70,515	92,945
Deferred Grant Revenue	1,886,925	5,344,559
Due to Other Governments	1,468,945	1,030,811
<i>Noncurrent Liabilities:</i>		
Net Pension Liability	-	173,950
Due Within One Year	1,603,840	2,202,409
Due in More Than One Year	15,323,302	14,455,602
TOTAL LIABILITIES	25,340,236	25,595,787
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Pension Related	55,003	155,369
	55,003	155,369
NET POSITION:		
Net Investment in Capital Assets	24,475,425	16,950,378
Restricted Net Position	5,313,354	3,823,513
Unrestricted Net Position	32,529,549	30,468,121
TOTAL NET POSITION	\$ 62,318,328	\$ 51,242,012

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$62.3 million at the close of the current fiscal year. Of this amount, \$24.5 million represents the portion the County has invested in capital assets (e.g. land, buildings, machinery, and equipment), net of accumulated depreciation less any outstanding debt used to construct or acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these funds are not available for future spending.

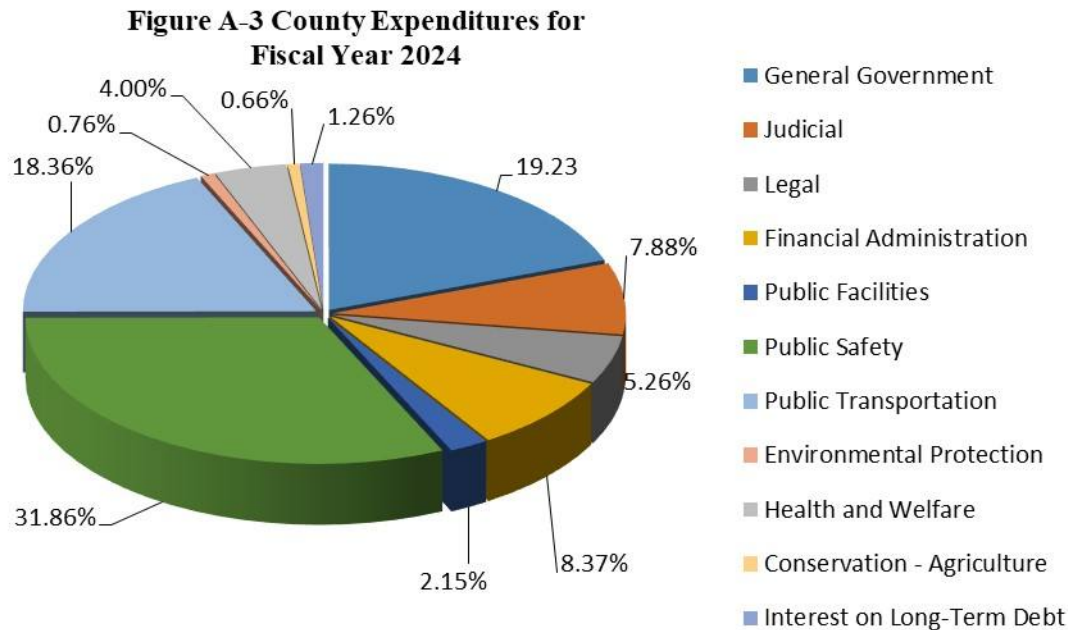
Statement of Activities

Table A-2 indicates changes in net position for governmental activities. (Note: The County does not have any business-type activities.)

Table A-2
Changes in Caldwell County's Net Position

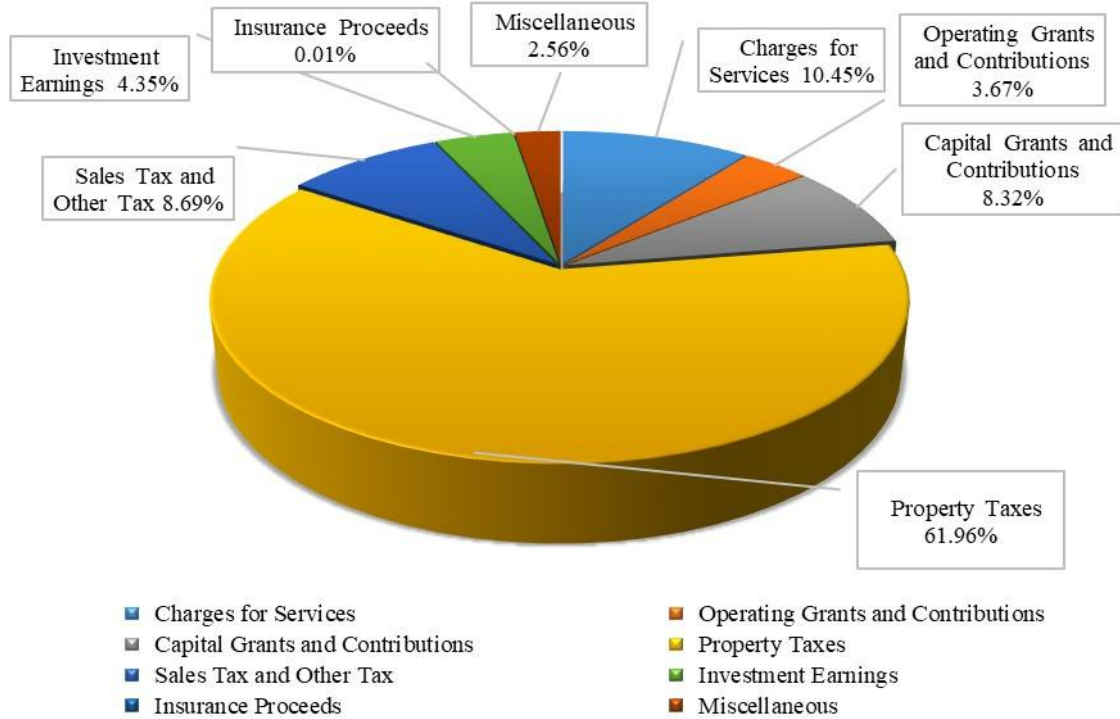
	Governmental Activities	
	2024	2023
Revenues		
Program Revenues:		
Charges for Services	\$ 4,500,365	\$ 4,224,922
Operating Grants and Contributions	1,579,463	724,570
Capital Grants and Contributions	3,584,611	2,697,081
General Revenues:		
Property Taxes	26,679,319	24,862,087
Sales Tax and Other Tax	3,740,434	3,516,682
Investment Earnings	1,870,990	1,303,315
Insurance Proceeds	2,376	51,555
Miscellaneous	1,102,613	1,228,408
Total Revenues	43,060,171	38,608,620
Expenses:		
General Government	6,218,992	5,915,460
Judicial	2,519,720	2,942,799
Legal	1,681,793	1,652,162
Financial Administration	2,677,233	2,548,562
Public Facilities	686,484	912,801
Public Safety	10,189,844	10,465,167
Public Transportation	5,872,320	5,888,638
Environmental Protection	243,546	189,062
Health and Welfare	1,279,107	1,242,589
Conservation - Agriculture	210,963	145,848
Interest on Long-Term Debt	403,853	474,132
Total Expenses	31,983,855	32,377,220
Increase (Decrease) in Net Position	11,076,316	6,231,400
Net Position at Beginning of Year	51,242,012	45,010,612
Net Position at End of Year	\$ 62,318,328	\$ 51,242,012

Expenditures. The total cost of all programs and services was \$32.0 million (see Figure A-3).



- General Government includes County Court, Commissioners' Court, County Clerk, Information Technology, Non Departmental, Human Resources, County Auditor, Treasurer, Tax Office, Maintenance, and Airport.
- Judicial includes County Judge, County Court at Law, Court Compliance, District Courts, Crime Victims' Rights, District Attorneys, District Clerk, Justice of the Peace, County Attorney, Juvenile Probation, and Adult Probation.
- Legal includes the County Law Library.
- Financial Administration includes the Treasurer and Auditor's Offices.
- Public Facilities includes Jail and Juvenile Detention.
- Public Safety includes Constables, Sheriff and Department of Public Safety.
- Public Transportation includes roads and bridges.
- Environmental Protection includes Environmental Health
- Health and Welfare includes Health & Emergency Services, Animal Control, Fire Protection and Indigent Health.
- Conservation includes Agriculture

**Figure A-4 County Revenues
for Fiscal Year 2024**



Revenues. The County’s total revenues were \$43.1 million. A significant portion, 71.0%, of the County’s revenue comes from taxes, including primarily property tax and sales tax. (See Figure A-4.) Other revenue sources include 10.5% from charges for services.

Changes in Net Position. Table A-3 presents the cost of each of the County’s largest functions as well as each function’s net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all *governmental* activities this year was \$32.0 million.
- However, the amount that our taxpayers paid for these activities through property taxes was \$26.7 million and \$3.7 million through sales tax.
- The cost paid by those who directly benefited from the programs was \$4.5 million.
- The total received by the County for grants and contributions was \$5.2 million.

Table A-3
Net Cost of Selected County Functions

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
General Government	\$ 6,218,992	\$ 5,915,460	\$ (1,881,253)	\$ (3,083,080)
Judicial	2,519,720	2,942,799	(198,381)	(769,954)
Legal	1,681,793	1,652,162	(1,655,250)	(1,630,775)
Financial Administration	2,677,233	2,548,562	(2,648,322)	(2,530,601)
Public Facilities	686,484	912,801	(686,484)	(912,801)
Public Safety	10,189,844	10,465,167	(9,852,651)	(9,951,734)
Public Transportation	5,872,320	5,888,638	(5,136,539)	(5,565,946)
Environmental Protection	243,546	189,062	1,633,387	1,576,813
Health and Welfare	1,279,107	1,242,589	(1,279,107)	(1,242,589)
Conservation - Agriculture	210,963	145,848	(210,963)	(145,848)
Interest and Bond Issuance Costs	403,853	474,132	(403,853)	(474,132)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the 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. This information is useful in assessing the County's financing requirements. Specifically, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balance approximating \$38.4 million, an increase of \$7.5 million in comparison with the prior year.

The County's major general governmental funds are contained in the General Fund, Unit Road Fund, COVID Relief Program (ARPA) Fund, Capital Projects Fund and Grants.

General Fund. The General Fund is the chief operating fund of the County. The total fund balance for general fund was \$23.6 million with the unassigned fund balance of the General Fund at \$23.6 million.

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance to total general fund expenditures. Unassigned fund balance for fiscal year 2024 represents 92% of total General Fund actual expenditures. This significant fund balance to total expenditure ratio indicates a healthy financial position.

Expenditures in the General Fund increased by approximately \$927 thousand or about 4% over the prior year. Increases in the majority of functions are a result of an across the board cost of living pay increase and increased expenditures in different classifications as needed.

Unit Road Fund. The Unit Road Fund is the primary fund responsible for maintaining County roads. At the end of the current fiscal year, the fund balance in the Unit Road Fund was \$3.6 million.

Capital Projects Fund. The Capital Projects Fund accounts for disbursements for the County's major projects. The County acquired a State Infrastructure Bank (SIB) loan from the Texas Department of Transportation for \$2.1 million.

COVID Relief Program (ARPA) Fund. This fund consists of funds received from the Federal Government for infrastructure and other COVID related items.

Grants Fund. This fund accounts for grant revenues from various sources.

Budgetary Highlights

The County revised its original budget for the general fund several times to adjust for changes resulting in an overall decrease of \$376 thousand in revenues and increase of \$932 thousand in expenses. As part of the budget revisions, decreases were made to the licenses and permits revenue and the largest expenditures increase was in public safety. The departments were originally not collecting as many licenses and permits and were not projected to hit their revenue targets. Revenues by year end did however exceed the amended and original budget for licenses and permits. The increase in public safety was the result of anticipated donation and corresponding expenditure from Kinder Morgan for Sheriff's equipment of \$500 thousand. The donation was not received until fiscal year 2025.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024, the County had invested \$73.2 million in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of \$4.2 million or 6.0% percent more than last year.

Table A-4
County's Capital Assets

	Governmental Activities	
	2024	2023
Land	\$ 886,927	\$ 584,029
Infrastructure	17,903,449	15,262,589
Buildings and Improvements	32,303,155	32,131,378
Equipment, Machinery and Furniture	16,223,351	15,558,442
Construction In Progress	5,927,529	5,464,036
Totals at Historical Cost	73,244,411	69,000,474
Total Accumulate Depreciation	(38,288,890)	(36,398,891)
Net Capital Assets	\$ 34,955,521	\$ 32,601,583

Note: More detailed information on capital assets can be found in the notes to the financial statements (NOTE F – CAPITAL ASSETS).

Long Term Debt

At year-end the County had \$16.1 million in bonds and notes outstanding as shown in Table A-5.

Table A-5
County's Long Term Debt

	Governmental Activities	
	2024	2023
Limited Tax Refund Bonds, Series 2014	\$ 4,665,000	\$ 5,170,000
Combined Limited Pledged Revenue Certificates of Obligation, Series 2018	5,815,000	5,895,000
Limited Tax Refunding Bonds, Series 2019	1,275,000	1,760,000
Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020	2,255,000	2,445,000
Notes Payable	2,106,600	-
Total Outstanding Debt	\$ 16,116,600	\$ 15,270,000

Bond Ratings

The County's bonds presently carry "AA" ratings with underlying ratings as follows: Standard & Poors "AA".

Note: More detailed information on long-term debt can be found in the notes to the financial statements (NOTE G – LONG-TERM DEBT).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

With several major developments planned for the area, Caldwell County is poised for continued growth in the tax base over the next several years. Investments in infrastructure will be required as well as a cohesive strategy for managing this growth.

Caldwell County is experiencing the same economic issues that other counties are in the state of Texas with Senate Bill 2 and continued population growth. These two major concerns will have to be taken into consideration when working with the FY 2025 budget.

Some key factors to consider in the upcoming future budgets:

With anticipated growth in the rural areas of Caldwell County there will be significant needs throughout the County.

Caldwell County is proactively preparing by strategically planning through a budget-neutral energy savings performance contracting program that will have a positive impact on major improvements for facilities County-wide.

Other strategic planning will be aligned with performance measures on departmental budgets assisting in the accountability of overall performance and maintenance of budget versus actual revenues and/or expenditures within budgets to assist in maintaining the above factors.

Caldwell County continues funding Unit Road's new projects such as repairs of bridges and mowing contracts. Caldwell County fleet funding mechanism needs are maintained through a systematic retention and replacement of county wide vehicles.

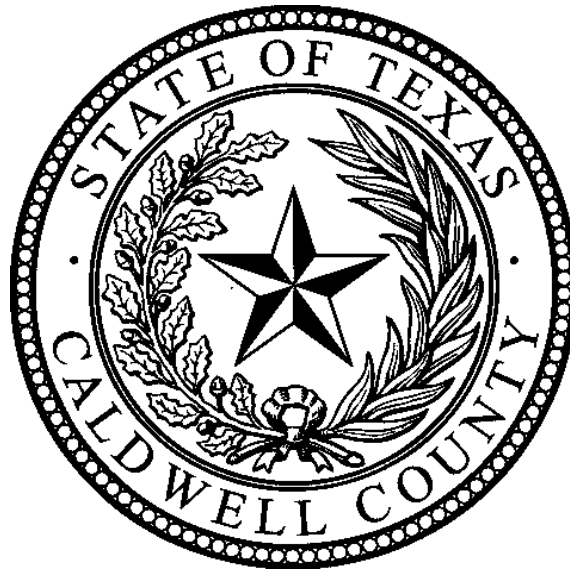
Caldwell County passed a \$150 million road bond in fiscal year 2025

Caldwell County could be negatively impacted if HB 19 passes. This could restrict local governments in their ability to acquire bonds by adding more restrictive measures. Caldwell County plans to try and initiate a C.O. bond for an administrative building for staff growth, before the HB 19 is potentially passed.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office at:

Caldwell County, Texas
Office of County Auditor
Main Historic Courthouse
110 South Main
Caldwell, Texas 78644
(512) 398-1801



CALDWELL COUNTY, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2024

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – wide financial statements
- Fund financial statements:
 - Governmental funds
 - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CALDWELL COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities
	<hr/>
ASSETS	
Cash and Investments	\$ 44,573,576
Receivables (net of allowances for uncollectible):	
Taxes	3,161,563
Fines	787,142
Sales Tax	621,748
Intergovernmental	514,213
Accounts Receivable	14,111
Prepaid Items	24,221
Inventory	127,946
Right of Use Asset	1,130,073
Capital Assets:	
Land	886,927
Infrastructure, net	3,756,238
Buildings, net	20,398,187
Machinery and Equipment, net	3,986,640
Construction in Progress	5,927,529
Net Pension Asset	696,483
TOTAL ASSETS	<hr/> 86,606,597 <hr/>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pension Related	1,061,379
Deferred Outflows - Charge on Refunding	45,591
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<hr/> \$ 1,106,970 <hr/>

See accompanying notes to basic financial statements.

CALDWELL COUNTY, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2024

	Governmental Activities
LIABILITIES	
Accounts Payable	\$ 3,848,670
Wages, Salaries & Benefits Payable	520,660
Compensated Absences	617,379
Interest Payable	70,515
Unearned Grant Revenue	1,886,925
Due to Other Governments	1,468,945
<i>Noncurrent Liabilities:</i>	
Due Within One Year	1,603,840
Due in More Than One Year	15,323,302
TOTAL LIABILITIES	25,340,236
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Pension Related	55,003
TOTAL DEFERRED INFLOWS OF RESOURCES	55,003
NET POSITION:	
Net Investment in Capital Assets	24,475,425
Restricted Net Position:	
Debt Service	835,570
Road and Bridge Maintenance	3,475,045
Judicial	104,923
Legal	41,308
Public Safety	287,160
Records Management	556,770
Sheriff	12,578
Unrestricted Net Position	32,529,549
TOTAL NET POSITION	\$ 62,318,328

See accompanying notes to basic financial statements.

CALDWELL COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions and Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 6,218,992	\$ 102,919	\$ 676,862	\$ 3,557,958
Judicial	2,519,720	2,129,961	191,378	-
Legal	1,681,793	26,543	-	-
Financial Administration	2,677,233	28,911	-	-
Public Facilities	686,484	-	-	-
Public Safety	10,189,844	225,970	111,223	-
Public Transportation	5,872,320	109,128	600,000	26,653
Environmental Protection	243,546	1,876,933	-	-
Health and Welfare	1,279,107	-	-	-
Conservation - Agriculture	210,963	-	-	-
Interest and Bond Issuance Costs	403,853	-	-	-
Total Governmental Activities	<u>\$ 31,983,855</u>	<u>\$ 4,500,365</u>	<u>\$ 1,579,463</u>	<u>\$ 3,584,611</u>
General Revenues:				
Taxes				
General Property Taxes				
Unit Road Property Taxes				
Sales Taxes				
Interest and Investment Earnings				
Insurance Proceeds				
Miscellaneous				
Total General Revenues				
Change in Net Position				
Net Position at Beginning of Year				
Net Position at End of Year				

See accompanying notes to basic financial statements.

Net (Expense)
Revenue and
Changes in
Net Position

Governmental
Activities

\$	(1,881,253)
	(198,381)
	(1,655,250)
	(2,648,322)
	(686,484)
	(9,852,651)
	(5,136,539)
	1,633,387
	(1,279,107)
	(210,963)
	(403,853)
	<hr/> (22,319,416) <hr/>

	25,702,539
	976,780
	3,740,434
	1,870,990
	2,376
	1,102,613
	<hr/> 33,395,732 <hr/>

	11,076,316
	<hr/> 51,242,012 <hr/>
\$	<hr/> 62,318,328 <hr/>

CALDWELL COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Capital Projects	Unit Road Fund
ASSETS			
Cash and Cash Equivalents	\$ 27,529,861	\$ 3,212,156	\$ 2,405,526
Taxes Receivable, net	2,923,077	-	488
Fines Receivables, net	787,142	-	-
Sales Tax Receivable	621,748	-	-
Intergovernmental Receivables	-	-	4,587
Accounts Receivables	14,111	-	-
Due from Other Funds	635,030	11,367	1,641,499
Inventories	-	-	127,946
Prepaid Items	12,360	-	-
TOTAL ASSETS	<u><u>\$ 32,523,329</u></u>	<u><u>\$ 3,223,523</u></u>	<u><u>\$ 4,180,046</u></u>

See accompanying notes to basic financial statements.

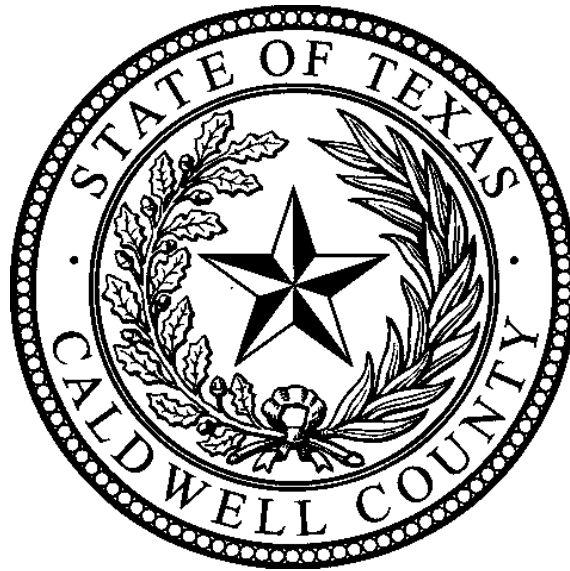
COVID Relief Program ARPA Fund	Grants	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 4,446,168	\$ 5,368,296	\$ 1,611,569	\$ 44,573,576
-	-	237,998	3,161,563
-	-	-	787,142
-	-	-	621,748
-	484,128	25,498	514,213
-	-	-	14,111
-	724,066	59,606	3,071,568
-	-	-	127,946
-	-	11,861	24,221
<u>\$ 4,446,168</u>	<u>\$ 6,576,490</u>	<u>\$ 1,946,532</u>	<u>\$ 52,896,088</u>

CALDWELL COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024

	General Fund	Capital Projects	Unit Road Fund
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ 944,473	\$ -	\$ 443,026
Accrued Liabilities and other Payables	520,660	-	134,029
Due to Other Governments	1,468,945	-	-
Due to Other Funds	2,536,740	-	-
Unearned Grant Revenue	20	-	-
<i>Total Liabilities</i>	<u>5,470,838</u>	<u>-</u>	<u>577,055</u>
<i>Deferred Inflows of Resources</i>			
Deferred Tax Revenue	2,697,431	-	472
Deferred Fine Revenue	787,142	-	-
<i>Total Deferred Inflows of Resources</i>	<u>3,484,573</u>	<u>-</u>	<u>472</u>
<i>Fund Balances:</i>			
Nonspendable Fund Balance:			
Prepaid Items/Inventory	12,360	-	127,946
Restricted Fund Balance:			
Debt Service	-	-	-
Capital Projects	-	3,223,523	-
Road and Bridge Maintenance	-	-	3,474,573
Judicial	-	-	-
Legal	-	-	-
Public Safety	-	-	-
Records Management	-	-	-
Sheriff	-	-	-
Law Library	-	-	-
Unassigned Fund Balance (Deficit)	23,555,558	-	-
<i>Total Fund Balances</i>	<u>23,567,918</u>	<u>3,223,523</u>	<u>3,602,519</u>
TOTAL LIABILITIES, DEFERRED INFLOWS & FUND BALANCES	<u><u>\$ 32,523,329</u></u>	<u><u>\$ 3,223,523</u></u>	<u><u>\$ 4,180,046</u></u>

See accompanying notes to basic financial statements.

COVID Relief Program ARPA Fund	Grants	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,952,529	\$ 373,706	\$ 907	\$ 3,714,641
-	-	-	654,689
-	-	-	1,468,945
1,258	426,471	107,099	3,071,568
1,882,529	4,376	-	1,886,925
<u>3,836,316</u>	<u>804,553</u>	<u>108,006</u>	<u>10,796,768</u>
-	-	220,564	2,918,467
-	-	-	787,142
-	-	220,564	3,705,609
-	-	11,861	152,167
-	-	615,006	615,006
-	5,771,937	-	8,995,460
-	-	-	3,474,573
-	-	104,923	104,923
-	-	41,308	41,308
-	-	287,160	287,160
-	-	556,770	556,770
-	-	12,578	12,578
-	-	46,446	46,446
609,852	-	(58,090)	24,107,320
<u>609,852</u>	<u>5,771,937</u>	<u>1,617,962</u>	<u>38,393,711</u>
<u>\$ 4,446,168</u>	<u>\$ 6,576,490</u>	<u>\$ 1,946,532</u>	<u>\$ 52,896,088</u>



CALDWELL COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS	\$	38,393,711
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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.		34,955,521
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Right of Use Leased Assets used in governmental activities are not financial resources and therefore are not reported in the funds		1,130,073
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Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		3,705,609
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds.

Deferred Outflows - Charge on Refunding	45,591		
Accrued Compensated Absences	(617,379)		
Accrued Interest	(70,515)		
Bonds, Notes Payable and Premium Payable	<u>(16,927,142)</u>		(17,569,445)

The governmental funds report pension and other postemployment benefit contributions as expenditures when paid. However, in the statement of activities differences between pension plan and other postemployment benefit contributions and costs for the year are reported as an asset or obligation.

Net Pension Asset (Liability)	696,483		
Deferred Outflows - Pension Related	1,061,379		
Deferred Inflows - Pension Related	<u>(55,003)</u>		<u>1,702,859</u>

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	<u><u>62,318,328</u></u>
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CALDWELL COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Capital Projects	Unit Road Fund
REVENUES			
Taxes:			
Property Taxes	\$ 23,311,121	\$ -	\$ 5,289
Other Taxes	3,669,569	-	-
Intergovernmental Revenue	408,502	-	26,653
Fees of Office	1,177,818	-	-
Fines	894,874	-	-
Licenses and Permits	1,901,921	-	1,080,620
Investment Earnings	1,667,223	121,879	26
Miscellaneous Revenue	751,788	-	700,499
TOTAL REVENUES	<u>33,782,816</u>	<u>121,879</u>	<u>1,813,087</u>
EXPENDITURES			
General Administration	5,119,962	-	-
Judicial	2,561,626	-	-
Legal	1,743,782	-	-
Financial Administration	2,576,596	-	-
Public Facilities	655,720	-	-
Public Safety	10,674,265	-	-
Public Transportation	357,299		5,210,773
Environmental Protection	213,009	-	-
Health and Welfare	1,224,336	-	-
Conservation - Agriculture	207,147	-	-
Capital Outlay	269,379	57,229	175,710
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	<u>25,603,121</u>	<u>57,229</u>	<u>5,386,483</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>\$ 8,179,695</u>	<u>\$ 64,650</u>	<u>\$ (3,573,396)</u>

See accompanying notes to basic financial statements.

COVID Relief Program ARPA Fund	Grants	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,908,628	\$ 25,225,038
-	-	-	3,669,569
-	2,215,126	105,533	2,755,814
3,643,721	-	303,197	5,124,736
-	-	-	894,874
-	-	-	2,982,541
-	503	81,360	1,870,991
-	12,443	5,396	1,470,126
<u>3,643,721</u>	<u>2,228,072</u>	<u>2,404,114</u>	<u>43,993,689</u>
-	103,625	655,584	5,879,171
-	108,897	54,077	2,724,600
-	-	-	1,743,782
-	-	-	2,576,596
-	-	-	655,720
1,014,846	501,508	62,092	12,252,711
-	-	-	5,568,072
-	-	-	213,009
19,089	45,509	-	1,288,934
-	-	-	207,147
2,119,795	1,271,533	-	3,893,646
-	-	-	-
-	-	1,260,000	1,260,000
-	-	445,081	445,081
<u>3,153,730</u>	<u>2,031,072</u>	<u>2,476,834</u>	<u>38,708,469</u>
<u>\$ 489,991</u>	<u>\$ 197,000</u>	<u>\$ (72,720)</u>	<u>\$ 5,285,220</u>

CALDWELL COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Capital Projects	Unit Road Fund
OTHER FINANCING			
SOURCES (USES)			
Transfers In	\$ -	\$ 45,467	\$ 3,546,609
Transfers Out	(7,119,919)	-	-
Insurance Proceeds	2,376	-	-
Lease Proceeds	144,254	2,106,600	-
TOTAL OTHER FINANCING			
SOURCES (USES)	<u>(6,973,289)</u>	<u>2,152,067</u>	<u>3,546,609</u>
Net Change in Fund Balance	1,206,406	2,216,717	(26,787)
Fund Balances at Beginning of Year	<u>22,361,512</u>	<u>1,006,806</u>	<u>3,629,306</u>
Fund Balances at End of Year	<u><u>\$ 23,567,918</u></u>	<u><u>\$ 3,223,523</u></u>	<u><u>\$ 3,602,519</u></u>

See accompanying notes to basic financial statements.

COVID Relief Program ARPA Fund	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 3,102,638	\$ 631,580	\$ 7,326,294
(206,375)	-	-	(7,326,294)
-	-	-	2,376
-	-	-	2,250,854
(206,375)	3,102,638	631,580	2,253,230
283,616	3,299,638	558,860	7,538,450
326,236	2,472,299	1,059,102	30,855,261
\$ 609,852	\$ 5,771,937	\$ 1,617,962	\$ 38,393,711

CALDWELL 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

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 7,538,450

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

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.

Current Year Additions	5,295,495	
Current Year Amortization	(681,447)	
Current Period Depreciation	<u>(1,889,999)</u>	2,724,049

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

Change in Property Taxes Receivable Not Collected within 60 Days of Year End	482,796	
Accrued District and County Court Fines Receivable	<u>40,585</u>	523,381

The issuance of long-term-debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Proceeds from Debt Issuance	(2,106,600)	
Proceeds from Lease Issuance	(144,254)	
Bond Principal Payments and Notes Payable Payments	1,959,124	
Amortization of Premium	<u>22,599</u>	(269,131)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

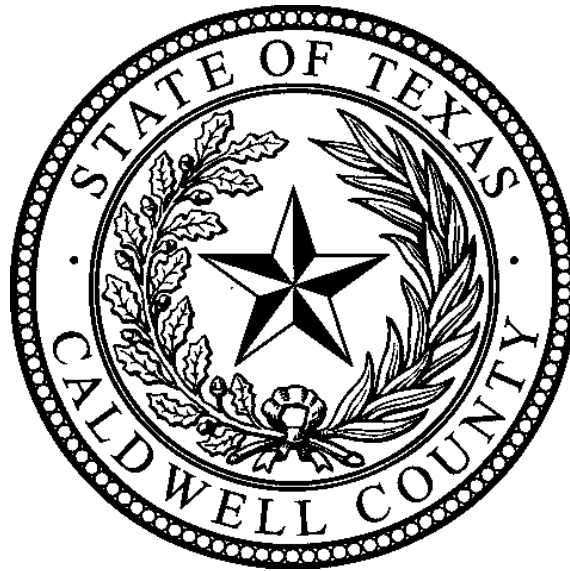
Compensated Absences	19,840	
Amortization of Charge on Refunding	(3,800)	
Interest Payable	<u>22,430</u>	38,470

Governmental funds report required contributions to employee pensions as expenditures. However, in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that the actuarially determined contributions exceeded pension expense.

521,097

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES

\$ 11,076,316



CALDWELL COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	\$ 4,831,055
Intergovernmental Revenues	<u>13,819</u>
TOTAL ASSETS	<u><u>\$ 4,844,874</u></u>
LIABILITIES	
Accounts Payable	<u>\$ 34,200</u>
TOTAL LIABILITIES	<u>34,200</u>
NET POSITION	
Restricted for:	
Individuals, Organizations and other Governments	<u>4,810,674</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 4,844,874</u></u>

See accompanying notes to basic financial statements.

CALDWELL COUNTY, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Custodial Funds
ADDITIONS	
Tax Collections	\$ 680,630
Fees of Office	12,210,971
Receipts from Fiduciaries	1,000,950
Miscellaneous	25,924
TOTAL ADDITIONS	<u>13,918,475</u>
DEDUCTIONS	
Payments to County	2,592,256
Payments to Other Governments	8,127,653
Payments to Beneficiaries	3,616,261
Other Distributions	27,317
TOTAL DEDUCTIONS	<u>14,363,487</u>
Net Increase in Fiduciary Net Position	(445,012)
Beginning Net Position	<u>5,255,686</u>
Ending Net Position	<u>\$ 4,810,674</u>

See accompanying notes to basic financial statements.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The more significant of the County's accounting policies are described below:

1. REPORTING ENTITY

Primary Government

Caldwell County (the County) is a public corporation and political subdivision of the State of Texas. The Commissioners' Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general government (e.g. administration, judicial & legal, elections administration, and financial administration), public safety (fire protection, law enforcement and corrections), infrastructure (highways and streets), social services and conservation.

In evaluating how to define the government, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14, "The Financial Reporting Entity". The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is 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 primary government.

The **government-wide financial statements** include the statement of net assets and the statement of activities. Government-wide statements report information on all of the activities of the County (except for County fiduciary activity). The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and charges for services.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Separate **fund financial statements** are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund, Unit Road (Special Revenue) Fund, COVID Relief Program (ARPA) Fund and Capital Projects Fund meet the criteria as **major governmental funds**. Each major fund is reported in separate columns in the fund financial statements. Nonmajor funds include other Special Revenue and Debt Service funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within Combining Fund Statements and Schedules.

3. 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. This measurement focus is also used for the proprietary fund financial statements. Revenues are 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 revenues in the year for which they are levied. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental fund level financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. However, sales tax is considered collectible for only 30 days.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued.)

The government reports the following major governmental funds:

The General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, social services, and capital Projects.

Unit Road Fund accounts for taxes assessed, along with fines and forfeitures associated with the support of the development and maintenance of County highways, streets and bridges.

COVID Relief Program (ARPA) Fund. This fund consists of funds received from the Federal Government for infrastructure and other COVID related items.

Capital Projects Fund accounts for money transferred from the general fund and the bond proceeds to account for construction projects.

Grants Fund. accounts for grant revenues from various sources.

Nonmajor funds include special revenue and debt service funds.

Fiduciary fund level financial statements are used to account for resources held on behalf of others. These include fiduciary funds which are classified into private purpose trust and agency funds. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature.

4. CASH AND INVESTMENTS

Cash and investments include amounts in demand deposits, short-term certificates of deposit with a maturity date within three months of the date acquired by the government, and deposits in local government investment pools.

State statutes authorize the government to invest in obligations of the U.S. Government, federal agency and instrumentality obligations, and certificates of deposit collateralized by obligations of the U.S. Treasury. Investments are stated at amortized cost, except for deposits in local government investment pools and participating interest-earning investment contracts (U.S. Treasuries) that have a remaining maturity at time of purchase of one year or less. Those investments are stated at amortized cost.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. ACCOUNTS RECEIVABLE

Property taxes are levied based on taxable value at January 1 and become due October 1st and past due after January 31st. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectible.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred inflows of resources in the fund statements. Receivables are shown net of an allowance for uncollectibles.

6. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund statements.

7. INVENTORIES AND PREPAID ITEMS

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent "available spendable resources".

8. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. CAPITAL ASSETS (Continued)

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. Interest has not been capitalized during the construction period on property, plant and equipment.

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

ASSETS	YEARS
Buildings and improvements	50 years
Improvements	20 years
Infrastructure	30 years
Machinery and equipment	5 to 10 years

9. DEFERRED INFLOWS/OUTFLOWS

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category: deferred pension related costs which will be included in the subsequent actuarial valuation.

Deferred inflows of resources represents an Projects of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. The County has deferred pension in OPEB related revenues which will be included in subsequent actuarial valuation. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Unavailable revenues from property tax and court fines is deferred and recognized as an inflow of resource in the period the amounts become available.

10. COMPENSATED ABSENCES

The County permits employees to accumulate earned but unused vacation and compensatory benefits. When an employee leaves the service of the county for any reason other than gross misconduct, he or she will be paid for all accrued but unused vacation leave upon retirement. Vacation for full-time employees can be accrued up to 240 hours and for Law Enforcement up to 360 hours. The rate of pay will be determined by the salary rate in effect at the time of separation. Unused sick leave may be accumulated to certain limits. In the event of termination, no reimbursement is made for accumulated sick leave. No liability is reported for unpaid accumulated sick leave.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. UNEARNED REVENUE

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grant and reimbursement revenues received in advance of expenses/expenditures are reflected as unearned revenue.

12. INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

13. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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.

14. PENSIONS

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

15. FUND EQUITY

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – pre-paid items or inventories; or (b) legally or contractually required to be maintained intact.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. FUND EQUITY (Continued)

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Commissioners' Court – the government's highest level of decision making authority. The Commissioners' Court is the highest level of decision-making authority for the County that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (by adoption of another resolution) to remove or revise the limitation.

Assigned fund balance. This classification reflects the amounts constrained by the County's "intent" to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed. Assigned fund balances are established by the County commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of property and equipment, construction, debt service or other purposes.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Negative fund balances existed in the Justice Court Technology Fund. This will be addressed by reducing the expenses in these funds as well as possible transfers from the General fund.

16. NET POSITION

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

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. USE OF ESTIMATES

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

18. COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year has been provided for the General Fund and Unit Road Fund in the fund financial statements in order to provide an understanding of the changes in the financial position and operation of these funds.

Certain reclassifications have been made to the 2023 financial statements to conform to the 2024 financial statement presentation. The reclassifications had no effect on the changes in financial position.

NOTE B - DEPOSITS AND INVESTMENTS

The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledge securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

State statutes authorize the County to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d).

Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations. Investments in local government investment pools are reported at amortized cost, which approximates fair value. All investments are valued at fair value.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

The County investments are as follows:

	Fair Value	Days to Maturity
Logic (Government Sponsored Investment Pool)	\$ 5,840,237	49
Texas Class (Government Sponsored Investment Pool)	1,349,364	41
TexPool (Local Government Investment Pool)	32,391,254	36
Total	<u>\$ 39,580,855</u>	

Investment Rate Risk. The County manages investment rate risk by limiting the weighted average maturity of its investments to less than one year.

Credit Risk. The County's investment policy limits investments to obligations of the United States or its instrumentalities; direct obligation of the State of Texas, the principle and interest that are unconditionally guaranteed or insured by this state or state rated as to investment quality of not less than AAA by a nationally recognized investment rating firm.

The County may also invest its funds in state law authorized government investment pools provided the pool maintains an AAA rating, the pool maintains a stable asset value, and the average dollar weighted maturity does not exceed 90 days, and Commissioners' Court must approve of the investment. As of September 30, 2024, the investments were rated AAAM.

The County may also invest in certificates of deposit or share certificates issued by a depository institution which has its main office or a branch office in this state and is guaranteed or insured by FDIC or the NCUSIC, or is secured by collateral or other method provided for by state law.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

Custodial Credit Risk - Investment. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2024, the County's investments were held in government investment pools.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE C – RECEIVABLES

Receivables consist of the following as of September 30, 2024:

	General	Unit Road Fund	Grants	Nonmajor Governmental Funds
Delinquent Property Taxes Receivable	\$ 3,177,304	\$ 530	\$ -	\$ 258,693
Property Tax Allowance	(254,227)	(42)	-	(20,695)
Court Fines and Fees Receivable	15,742,834	-	-	-
Court Fines and Fees Allowance	(14,955,692)	-	-	-
Sales Tax Receivable	621,748	-	-	-
Intergovernmental Receivables	-	4,587	484,128	25,498
Accounts Receivable	14,111	-	-	-
	<u>\$ 4,346,078</u>	<u>\$ 5,075</u>	<u>\$ 484,128</u>	<u>\$ 263,496</u>

NOTE D – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at September 30, 2024 consisted of the following:

	Receivable	Payable	Purpose
General Fund	\$ 635,030	\$ 2,536,740	Current Year Cash Reimbursements
Capital Projects	11,367	-	Current Year Cash Reimbursements
Unit Fund	1,641,499	-	Current Year Cash Reimbursements
COVID Relief Program (ARPA) Fund	-	1,258	Current Year Cash Reimbursements
Grants Funds	724,066	426,471	Current Year Cash Reimbursements
Nonmajor Fund	59,606	107,099	Current Year Cash Reimbursements
	<u>\$ 3,071,568</u>	<u>\$ 3,071,568</u>	

Interfund transfers at September 30, 2024 consisted of the following:

Transfer Out	Transfer In	Transfers	Purpose
General Fund	Unit Road Fund	\$ 3,546,609	Budgeted Transfer for Projects
General Fund	Nonmajor Funds	631,580	Budgeted Transfer for Projects
General Fund	Grant Funds	2,896,263	Budgeted Transfer for Projects
ARPA Fund	Grant Funds	206,375	Budgeted Transfer for Projects
General Fund	Capital Acquisition	45,467	
	Total	<u>\$ 7,326,294</u>	

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE E - PROPERTY TAX CALENDAR

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are payable in full by the following January 31. The County bills and collects its own property taxes and also the taxes for several other taxing agencies. The County acts only as an intermediary in the collection and distribution of property taxes to other entities. Tax collections deposited for the County are distributed as collected to the General, Unit Road and Debt Service Funds of the County. The distribution is based upon the tax rate established for each fund by Commissioners' Court for the tax year for which the collections are made.

The County is authorized by the tax laws for the State of Texas to levy taxes up to .80 per \$100 of the assessed valuation for general government invoices and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under article 3, Section 52 of the Texas Constitution. Net taxes receivable at the end of the fiscal year are treated as deferred outflows of resources.

The combined tax rate assessed on the 2023 tax roll (Caldwell County and Farm to Market Road) to finance operations and debt service for the fiscal year ended September 30, 2024, was \$.4691 per \$100 assessed valuation. The total tax levy for the fiscal year 2024 was \$25,091,646 of which \$1,130,865 thousand remained outstanding in delinquent taxes as of September 30, 2024.

NOTE F – CAPITAL ASSETS

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

	Balance 10/1/2023	Additions/ Transfers	Disposals/ Transfers	Balance 9/30/24
<i>Governmental Activities</i>				
<i>Capital Assets Not Depreciated:</i>				
Construction in Progress	\$ 5,464,036	\$ 3,039,103	\$ (2,575,610)	\$ 5,927,529
Land	584,029	302,898	-	886,927
<i>Total Capital Assets Not Depreciated</i>	<u>6,048,065</u>	<u>3,342,001</u>	<u>(2,575,610)</u>	<u>6,814,456</u>
<i>Capital Assets Being Depreciated:</i>				
Infrastructure	15,262,589	65,250	2,575,610	17,903,449
Buildings and Improvements	32,131,378	171,777	-	32,303,155
Equipment, Machinery and Furniture	15,558,442	664,909	-	16,223,351
<i>Total Capital Assets Depreciated</i>	<u>62,952,409</u>	<u>901,936</u>	<u>2,575,610</u>	<u>66,429,955</u>
Totals at Historical Cost	<u>69,000,474</u>	<u>4,243,937</u>	<u>-</u>	<u>73,244,411</u>
<i>Less Accumulated Depreciation:</i>				
Infrastructure	(13,882,055)	(265,156)	-	(14,147,211)
Buildings and Improvements	(11,217,800)	(687,168)	-	(11,904,968)
Equipment	(11,299,036)	(937,675)	-	(12,236,711)
<i>Total Accumulated Depreciation</i>	<u>(36,398,891)</u>	<u>(1,889,999)</u>	<u>-</u>	<u>(38,288,890)</u>
Governmental Capital Assets, Net	<u>\$ 32,601,583</u>	<u>\$ 2,353,938</u>	<u>\$ -</u>	<u>\$ 34,955,521</u>

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE F – CAPITAL ASSETS (Continued)

	Balance 10/1/2023	Additions/ Transfers	Disposals/ Transfers	Balance 9/30/24
<i>Right of Use Lease Assets</i>				
Leased Vehicles	\$ 1,788,667	\$ 1,051,558	\$ -	\$ 2,840,225
Accumulated Amortization	(1,028,705)	(681,447)	-	(1,710,152)
<i>Right of Use Lease Assets, Net</i>	<u>\$ 759,962</u>	<u>\$ 370,111</u>	<u>\$ -</u>	<u>\$ 1,130,073</u>

Depreciation was charged to the governmental functions as follows:

General Government	\$ 282,840
Judicial	229,782
Public Facilities	48,242
Public Safety	474,689
Public Transportation	841,187
Environmental Protection	8,485
Conservation - Agriculture	4,774
Total Depreciation Expense - Governmental Activities	<u>\$ 1,889,999</u>

NOTE G - LONG-TERM DEBT

The County had the following changes in long-term debt outstanding for the year ended September 30, 2024:

	Balance Outstanding 10/1/23	Added During Year	Retired During Year	Balance Outstanding 9/30/24	Due Within One Year
<i>Governmental Activities:</i>					
<i>Public Offerings</i>					
Limited Tax Refund Bonds, Series 2014	\$ 5,170,000	\$ -	\$ (505,000)	\$ 4,665,000	\$ 520,000
Combined Limited Pledged Revenue Certificates of Obligation, Series 2018	5,895,000	-	(80,000)	5,815,000	95,000
Premium	97,425	-	(6,960)	90,465	6,960
Limited Tax Refunding Bonds, Series 2019	1,760,000	-	(485,000)	1,275,000	510,000
Premium	78,191	-	(15,639)	62,552	15,639
<i>Public Offerings:</i>	<u>13,000,616</u>	<u>-</u>	<u>(1,092,599)</u>	<u>11,908,017</u>	<u>1,147,599</u>
<i>Direct Placement</i>					
Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020	2,445,000	-	(190,000)	2,255,000	190,000
<i>Direct Placement:</i>	<u>2,445,000</u>	<u>-</u>	<u>(190,000)</u>	<u>2,255,000</u>	<u>190,000</u>
<i>Notes Payable</i>					
2024 SIB Loan	-	2,106,600	-	2,106,600	-
<i>Notes Payable</i>	<u>-</u>	<u>2,106,600</u>	<u>-</u>	<u>2,106,600</u>	<u>-</u>
Lease Liabilities	1,212,395	144,254	(699,124)	657,525	266,241
Subtotal	<u>16,658,011</u>	<u>144,254</u>	<u>(1,981,723)</u>	<u>16,927,142</u>	<u>1,603,840</u>
Compensated Absences	637,219	-	(19,840)	617,379	617,379
<i>Total Governmental Activities</i>	<u>\$ 17,295,230</u>	<u>\$ 144,254</u>	<u>\$ (2,001,563)</u>	<u>\$ 17,544,521</u>	<u>\$ 2,221,219</u>

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE G - LONG-TERM DEBT (Continued)

The annual requirements for principal and interest on the outstanding certificates obligation and tax notes on public offerings are as follows:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 1,125,000	\$ 375,544	\$ 1,500,544
2026	1,175,000	338,118	1,513,118
2027	1,035,000	301,393	1,336,393
2028	1,040,000	263,970	1,303,970
2029	1,080,000	228,125	1,308,125
2030-2034	4,185,000	638,516	4,823,516
2035-2038	2,115,000	140,156	2,255,156
TOTAL	<u>\$ 11,755,000</u>	<u>\$ 2,285,822</u>	<u>\$ 14,040,822</u>

The annual requirements for principal and interest on the outstanding certificates obligation and tax notes on direct placements are as follows:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 190,000	\$ 27,648	\$ 217,648
2026	195,000	25,184	220,184
2027	195,000	22,688	217,688
2028	195,000	20,192	215,192
2029	205,000	17,632	222,632
2030-2034	1,055,000	48,224	1,103,224
2035-2038	220,000	1,408	221,408
TOTAL	<u>\$ 2,255,000</u>	<u>\$ 162,976</u>	<u>\$ 2,417,976</u>

The State Infrastructure Bank (SIB) loan was disbursed to the County on August 21, 2024 for \$2,106,600. The County covenants and agrees to repay the SIB loan from ad valorem tax revenues and to maintain a sinking fund equivalent to 2% of the original principal amount. As of September 30, 2024 the County had not set up a sinking fund with the required 2%.

The annual requirements for principal and interest on the outstanding note are as follows:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ -	\$ -	\$ -
2026	82,116	75,369	157,485
2027	84,761	65,188	149,949
2028	87,490	62,459	149,949
2029	90,307	59,642	149,949
2030-2034	497,072	252,673	749,745
2035-2038	582,423	167,322	749,745
2040-2044	682,431	67,314	749,745
TOTAL	<u>\$ 2,106,600</u>	<u>\$ 749,967</u>	<u>\$ 2,856,567</u>

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE G - LONG-TERM DEBT (Continued)

The total annual requirements for principal and interest on the outstanding certificates obligation, tax notes and notes payable on all debt are as follows:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 1,315,000	\$ 403,192	\$ 1,718,192
2026	1,452,116	438,671	1,890,787
2027	1,314,761	389,269	1,704,030
2028	1,322,490	346,621	1,669,111
2029	1,375,307	305,399	1,680,706
2030-2034	5,737,072	939,413	6,676,485
2035-2038	2,917,423	308,886	3,226,309
2040-2044	682,431	67,314	749,745
TOTAL	\$ 16,116,600	\$ 3,198,765	\$ 19,315,365

The County has both Public Offerings and Direct Placements. The following are the Certificates of Obligation and Notes Payable:

Certificates of Obligation and Notes Payable	Balance at 9/30/24	Due Within One Year
<i>Public Offering:</i>		
Limited Tax Refund Bonds, Series 2014 Original issue amount of \$8,555,000, interest rate varies between 2.00-3.75%, With final maturity date of February 1, 2032	\$ 4,665,000	\$ 520,000
Combined Limited Pledged Revenue Certificates of Obligation, Series 2018 Original Issue amount of \$5,955,000, interest rate varies between 3.00%-4.00%, With final maturity date of February 1, 2038.	5,815,000	95,000
Limited Tax Refunding Bonds, Series 2019 Original Issue amount of \$3,530,000, interest rate varies between 2.50%-4.00%, With final maturity date of February 1, 2029	1,275,000	510,000
<i>Direct Placement:</i>		
Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020 Original Issue amount of \$3,000,000, interest rate of 1.28%, With final maturity date of February 1, 2035	2,255,000	190,000
<i>Notes Payable</i>		
2024 State Infrastructure Bank Loan Original Principal amount of \$2,106,600, interest rate of 3.22%, With final maturity date of October 1, 2043	2,106,600	-
TOTAL CERTIFICATES OF OBLIGATION AND NOTES PAYABLE	\$ 16,116,600	\$ 1,315,000

The County entered into new lease agreements for 67 vehicles. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments. The lease liability was measured at a discount of .39-11.57%. As a result of the lease, the County has recorded right to use assets (vehicles) with a net book value of \$1,130,073.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE G - LONG-TERM DEBT (Continued)

Future minimum lease payments under the leases along with the present value of the minimum lease payments as of September 30, 2024:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 266,241	\$ 36,677	\$ 302,918
2026	257,022	16,753	273,775
2027	114,351	7,453	121,804
2028	19,911	1,298	21,209
TOTAL	<u>\$ 657,525</u>	<u>\$ 62,181</u>	<u>\$ 719,706</u>

NOTE H - EMPLOYEES' RETIREMENT SYSTEM

Texas County and District Retirement System

Plan Description

The County participates as one of over 919 plans in the nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is an agency created by the state of Texas and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for County and District employees in the State of Texas. The Board of Trustees of TCDRS is responsible for the administration and management of the system. 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 PO Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS. Members can retire at age 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. A member is vested after 8 years but must leave his accumulated contributions in the plan. Members who withdraw their personal contributions in a partial lump sum are entitled to any amounts contributed by the 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 District within the actuarial constraints imposed by the TCDRS Act so 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.

Contributions

The County has elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The County contributed using the actuarially determined rate of 5.46% for the months of the calendar year 2023, and 5.40% for the months of the calendar year in 2024.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Contributions (Continued)

The contribution rate payable by the employee members for 2023 and 2024 is the rate of 5% as adopted by the governing body of the County. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the District, within the options available in the state statutes governing TCDRS

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the District-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

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

	<u>12/31/2022</u>	<u>12/31/2023</u>
Inactive Employees Receiving Benefits	147	154
Inactive Employees	321	324
Active Employees	252	282
	<u>720</u>	<u>760</u>

Net Pension Liability/(Asset)

The District's Net Pension Liability (NPL) 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%
Overall Payroll Growth	5.00%
Investment Rate of Return	7.50%

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Actuarial Assumptions (Continued)

Depositing Members	135% of the RP-2010 Active Employee Mortality Table for males and 120% of the RP-2010 Active Employee Mortality Table for females, projected with 100% of the MP-2021 Ultimate scale after 2010.
Service Retirees, Beneficiaries and Non-Depositing Members	135% of the RP-2010 Healthy Annuitant Mortality Table for males and 120% of the RP-2010 Healthy Annuitant Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled Retirees	160% of the RP-2010 Disabled Annuitant Mortality Table for males and 125% of the RP-2010 Disabled Annuitant Mortality Table for females, both projected with 100% of the MP-2021 Ultimate Scale after 2010.

Assumptions are reviewed annually. New investment return and inflation assumptions were reflected from 2022.. Updated mortality assumptions were adopted in 2016. All other actuarial assumptions that determined the total pension liability as of December 31, 2017 were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.6%. 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. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2023 information for a 10 year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon; the most recent analysis was performed in March 2021. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 – December 31, 2016 for more details.

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Actuarial Assumptions (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return (Geometric)</u>
US Equities	11.50%	4.75%
Global Equities	2.50%	4.75%
International Equities - Developed	5.00%	4.75%
International Equities - Emerging	6.00%	4.75%
Investment-Grade Bonds	3.00%	2.35%
Strategic Credit	9.00%	3.65%
Direct Lending	16.00%	7.25%
Distressed Debt	4.00%	6.90%
REIT Equities	2.00%	4.10%
Master Limited Partnerships (MLPs)	2.00%	5.20%
Private Real Estate Partnerships	6.00%	5.70%
Private Equity	25.00%	7.75%
Hedge Funds	6.00%	3.25%
Cash Equivalents	2.00%	0.60%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the Total Pension Liability/(Asset) was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Discount Rate Sensitivity Analysis

The following presents the net pension liability/(asset) of the County, calculated using the discount rate of 7.6%, 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 point higher (8.60%) than the current rate:

	<u>Discount Rate 6.60%</u>	<u>Discount Rate 7.60%</u>	<u>Discount Rate 8.60%</u>
Total pension liability	\$ 35,530,669	\$ 31,072,527	\$ 27,386,375
Fiduciary net position	31,769,010	31,769,010	31,769,010
Net Pension Liability/(asset)	<u>\$ 3,761,659</u>	<u>\$ (696,483)</u>	<u>\$ (4,382,635)</u>

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Changes in Net Pension Liability (Asset)

The below schedule presents the changes in the Net Pension Liability (Asset) as of December 31, 2023:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset)/Liability
Balance at December 31, 2022	\$ 28,625,295	\$ 28,451,345	\$ 173,950
Changes for the year:			
Service Cost	1,049,539	-	1,049,539
Interest on total pension liability	2,209,011	-	2,209,011
Change of Benefit Terms	-	-	-
Economic/Demographic gains or losses	429,185	-	429,185
Changes of Assumptions	-	-	-
Refund of Contributions	(130,212)	(130,212)	-
Benefit Payments	(1,110,290)	(1,110,290)	-
Administrative Expense	-	(16,589)	16,589
Member Contributions	-	681,370	(681,370)
Net Investment Income	-	3,128,663	(3,128,663)
Employer Contributions	-	774,055	(744,055)
Other	-	20,669	(20,669)
Net Changes	2,447,233	3,347,666	(870,433)
Balance at December 31, 2023	\$ 31,072,528	\$ 31,799,011	\$ (696,483)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issues TCDRS financial report. That report may be obtained at www.tcdrs.com.

For the year ended September 30, 2024, the County recognized pension expense of \$320,918. Also as of 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	\$ 321,889	\$ 55,003
Changes in Actuarial Assumptions	-	-
Net difference between projected and Actual Earnings	147,222	-
Contributions Subsequent to the Measurement Date	592,268	-
	\$ 1,061,379	\$ 55,003

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE H - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

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

Deferred outflows of resources in the amount of \$592,268 is related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the plan year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year ended December 31,		
2024	\$	(139,299)
2025		16,470
2026		728,799
2027		(191,862)
	\$	<u>414,108</u>

NOTE I - COMMITMENTS AND CONTINGENCIES

Litigation

The County is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the County's liability in these cases, if decided adversely to the County, will not have a material effect on the County's financial position.

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. The County carries commercial insurance for all such risks. During the year ended September 30, 2024, settled claims resulting from these risks did not exceed commercial insurance coverage.

Construction Commitments

	Total Commitment	Incurred Through September 30, 2024	Estimated Future Commitment
Emergency Shelter	\$ 3,526,737	\$ 2,709,163	\$ 817,574
Radio System	3,570,000	2,677,500	892,500
	<u>\$ 7,096,737</u>	<u>\$ 5,386,663</u>	<u>\$ 1,710,074</u>

CALDWELL COUNTY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE J – TAX ABATEMENT DISCLOSURES

Caldwell County negotiates property tax abatement agreements on an individual basis. The agreements freeze property tax revenues received from the paying entity at current levels and deprives the County of a percentage of future increases in ad valorem property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid or the tax abatement period terminates. As of September 31, 2024, the County has tax abatement agreements with four entities. The gross amount of property tax abated during 2024 was \$5,215

Veritacor Manufacturing, LLC – a tax abatement agreement was entered into on March 9, 2021 with Veritacor Manufacturing, LLC. for the construction of a multi-tenant business facility that can operate manufacturing and distribution businesses valued at an estimate cost of \$3,250,000. The effective date of the agreement is March 9, 2021 and will expire on March 9, 2031. The total amount of property tax abated during 2024 per the agreement was \$0.

Visionary Fiber Technologies – a tax abatement agreement was entered into on November 11, 2018 with Visionary Fiber Technologies. for the expansion of the business facility and job creation. The effective date of the agreement is November 11, 2018 and will expire on November 11, 2027. The agreement was amended on February 28, 2023 to increase the year 6 and 7 to a 66% rebate. The total amount of property tax abated during 2024 per the agreement was \$5,215

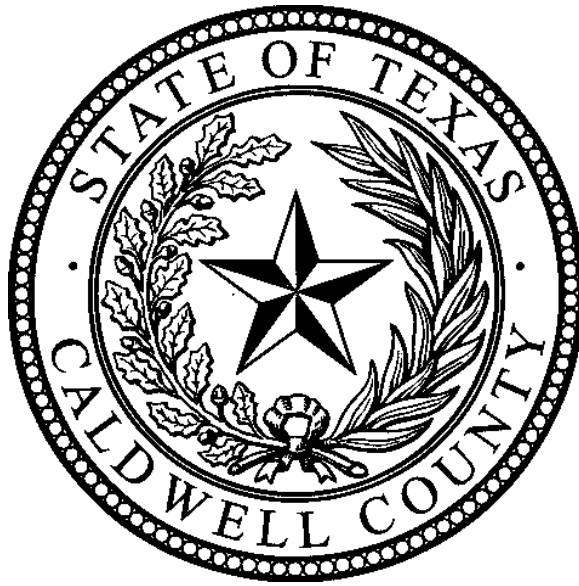
Pure Castings Company – a tax abatement agreement was entered into on February 23, 2015 with Visionary Fiber Technologies. for the expansion of the business facility and job creation. The effective date of the agreement is February 23, 2018 and will expire on February 23, 2023. The agreement was amended on February 28, 2023 to increase the year 6 and 7 to a 66% rebate. The total amount of property tax abated during 2024 per the agreement was \$0.

NOTE K – DEFICIT FUND BALANCE

The County has a deficit fund balance in the Justice Court Technology Fund. The County will make the appropriate transfers to cover the expenditures to eliminate the deficit.

NOTE L -- CHANGES WITHIN THE FINANCIAL REPORTING ENTITY

During fiscal year 2024, the Grants fund was reclassified from nonmajor to a major fund due to significant increase in its revenues, and assets.



REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules – General Fund
- Budgetary Comparison Schedule – Unit Road Fund
- Budgetary Comparison Schedule – COVID Relief Program (ARPA) Funds
- Budgetary Comparison Schedule – Grants Fund
- Notes to Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
- Net Pension Liability and Related Ratios
- Schedule of Contributions and Related Notes

CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Taxes:					
Property Taxes	\$ 23,713,711	\$ 23,713,711	\$ 23,311,121	\$ (402,590)	\$ 22,723,692
Other Taxes	2,700,000	2,700,000	3,669,569	969,569	3,460,335
Intergovernmental Revenue	386,073	394,473	408,502	14,029	504,385
Fees of Office	1,158,495	1,158,495	1,177,818	19,323	975,005
Fines	606,650	606,650	894,874	288,224	757,488
Licenses and Permits	1,612,000	1,227,364	1,901,921	674,557	1,783,246
Investment Earnings	30,000	30,000	1,667,223	1,637,223	1,198,854
Miscellaneous Revenue	1,978,280	1,978,280	751,788	(1,226,492)	666,082
TOTAL REVENUES	32,185,209	31,808,973	33,782,816	1,973,843	32,069,087
EXPENDITURES					
General Administration	5,723,760	5,883,003	5,119,962	763,041	4,919,065
Judicial	2,960,592	2,960,592	2,561,626	398,966	2,929,496
Legal	1,758,803	1,758,803	1,743,782	15,021	1,643,204
Financial Administration	2,540,600	2,591,422	2,576,596	14,826	2,411,169
Public Facilities	768,723	841,541	655,720	185,821	832,468
Public Safety	11,106,991	10,827,479	10,674,265	153,214	10,402,661
Public Transportation	401,956	401,956	357,299	44,657	367,831
Environmental Protection	262,746	262,746	213,009	49,737	183,867
Health and Welfare	1,203,998	1,304,137	1,224,336	79,801	843,902
Conservation - Agriculture	206,426	206,426	207,147	(721)	142,361
Capital Outlay	269,379	269,379	269,379	-	-
TOTAL EXPENDITURES	27,203,974	27,307,484	25,603,121	1,704,363	24,676,024
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,981,235	4,501,489	8,179,695	3,678,206	7,393,063
OTHER FINANCING SOURCES (USES)					
Transfers In	2,905,143	-	-	-	-
Transfers Out	(4,723,787)	(8,456,979)	(7,119,919)	1,337,060	(4,426,988)
Insurance Proceeds	55,000	55,000	2,376	(52,624)	51,555
Lease Proceeds	-	-	144,254	144,254	770,789
TOTAL OTHER FINANCING SOURCES (USES)	(1,763,644)	(8,401,979)	(6,973,289)	1,428,690	(3,604,644)
Net Change in Fund Balance	3,217,591	(3,900,490)	1,206,406	5,106,896	3,788,419
Fund Balances at Beginning of Year	22,361,512	22,361,512	22,361,512	-	18,573,093
Fund Balances at End of Year	<u>\$25,579,103</u>	<u>\$18,461,022</u>	<u>\$23,567,918</u>	<u>\$ 5,106,896</u>	<u>\$22,361,512</u>

CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
UNIT ROAD FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Taxes:					
Property Taxes	\$ 5,215	\$ 5,215	\$ 5,289	\$ 74	\$ 4,566
Intergovernmental Revenue	648,555	648,555	26,653	(621,902)	208,684
Licenses and Permits	816,000	816,000	1,080,620	264,620	742,946
Miscellaneous Revenue	500,000	500,000	700,499	200,499	504,995
Interest Income	-	-	26	26	-
TOTAL REVENUES	<u>1,969,770</u>	<u>1,969,770</u>	<u>1,813,087</u>	<u>(156,683)</u>	<u>1,461,191</u>
EXPENDITURES					
Public Transportation	5,340,669	5,340,669	5,210,773	129,896	5,437,367
Capital Outlay	175,710	175,710	175,710	-	-
TOTAL EXPENDITURES	<u>5,516,379</u>	<u>5,516,379</u>	<u>5,386,483</u>	<u>129,896</u>	<u>5,437,367</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,546,609)	(3,546,609)	(3,573,396)	(26,787)	(3,976,176)
OTHER FINANCING SOURCES (USES)					
Transfers In	3,546,609	3,546,609	3,546,609	-	4,426,988
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,546,609</u>	<u>3,546,609</u>	<u>3,546,609</u>	<u>-</u>	<u>4,426,988</u>
Net Change in Fund Balance	-	-	(26,787)	(26,787)	450,812
Fund Balance at Beginning of Year	3,629,306	3,629,306	3,629,306	-	3,178,494
Fund Balance at End of Year	<u>\$ 3,629,306</u>	<u>\$ 3,629,306</u>	<u>\$ 3,602,519</u>	<u>\$ (26,787)</u>	<u>\$ 3,629,306</u>

CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
COVID RELIEF (ARPA) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final	2024 Actual		
REVENUES					
Intergovernmental Revenues	\$ -	\$ -	\$ 3,643,721	\$ 3,643,721	\$ 1,663,831
TOTAL REVENUES	-	-	3,643,721	3,643,721	1,663,831
EXPENDITURES					
Financial Administration	202	804,674	-	804,674	-
Public Safety	4,389,209	5,819,167	1,014,846	4,804,321	1,388,922
Health and Welfare	98,051	98,051	19,089	78,962	1,949
Capital Outlay	2,119,795	2,119,795	2,119,795	-	-
TOTAL EXPENDITURES	6,607,257	8,841,687	3,153,730	5,687,957	1,390,871
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,607,257)	(8,841,687)	489,991	9,331,678	272,960
OTHER FINANCING SOURCES (USES)					
Transfers Out	-	-	(206,375)	(206,375)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(206,375)	(206,375)	-
Net Change in Fund Balance	(6,607,257)	(8,841,687)	283,616	9,125,303	272,960
Fund Balances at Beginning of Year	326,236	326,236	326,236	-	53,275
Fund Balances at End of Year	<u>\$(6,281,021)</u>	<u>\$(8,515,451)</u>	<u>\$ 609,852</u>	<u>\$ 9,125,303</u>	<u>\$ 326,235</u>

CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	<u>Budgeted Amounts</u>			Variance With Final Budget -	
	<u>Original</u>	<u>Final</u>	2024 <u>Actual</u>	Positive (Negative)	2023 <u>Actual</u>
REVENUES					
Intergovernmental Revenue	\$ 16,137,447	\$ 16,140,661	\$ 2,215,126	\$ (13,925,535)	\$ 1,827,737
Interest income	-	-	503	503	-
Miscellaneous Revenue	-	-	12,443	12,443	1,130
TOTAL REVENUES	<u>16,137,447</u>	<u>16,140,661</u>	<u>2,228,072</u>	<u>(13,912,589)</u>	<u>1,828,867</u>
EXPENDITURES					
General Administration	201,885	201,885	103,625	98,260	429,500
Judicial	91,765	261,765	108,897	152,868	1,951
Public Safety	15,890,274	16,247,476	501,508	15,745,968	201,232
Health and Welfare	57,260	56,334	45,509	10,825	335,715
Capital Outlay	<u>1,271,533</u>	<u>1,271,533</u>	<u>1,271,533</u>	-	-
TOTAL EXPENDITURES	<u>17,512,717</u>	<u>18,038,993</u>	<u>2,031,072</u>	<u>16,007,921</u>	<u>968,398</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,375,270)	(1,898,332)	197,000	2,095,332	860,469
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	3,102,638	3,102,638	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>3,102,638</u>	<u>3,102,638</u>	<u>-</u>
Net Change in Fund Balance	(1,375,270)	(1,898,332)	3,299,638	5,197,970	860,469
Fund Balances at Beginning of Year	<u>2,472,299</u>	<u>2,472,299</u>	<u>2,472,299</u>	-	<u>1,611,830</u>
Fund Balances at End of Year	<u><u>\$ 1,097,029</u></u>	<u><u>\$ 573,967</u></u>	<u><u>\$ 5,771,937</u></u>	<u><u>\$ 5,197,970</u></u>	<u><u>\$ 2,472,299</u></u>

CALDWELL COUNTY, TEXAS
NOTES TO SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SEPTEMBER 30, 2024

Budget and Budgetary Accounting

An annual budget is adopted for substantially all governmental funds of the County. Actual expenditures may not legally exceed budgeted appropriations at the expense summary classification level.

The procedures followed by Caldwell County in establishing the budgetary data reflected in the financial statements are as follows:

Budget Preparation – The County Judge, assisted by the County Auditor, prepares a proposed operating budget for the fiscal year beginning the following October 1, and files the proposed budget with the County Clerk in whose office it is available for public inspection. The operating budget includes proposed expenditures and the means of financing them.

Public Hearing – After proper publication of notice, a budget hearing is conducted by the Commissioners' Court to obtain taxpayer comments.

Budget Adoption – During a regular term of the Commissioners' Court the budget is adopted through the passage of an order. A separate order is provided in the budget.

Amendments to Budget – Amendments to the budget to transfer budgeted amounts from one budget classification (summary line) to another may be made by the Commissioners' Court at its discretion. Amendments to provide for items not included in the original budget may be made by the Commissioners' Court upon finding and declaring the existence of an emergency sufficient to require such action. The final amended budget is presented in this report.

Formal Budgetary Integration – Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service and Building Construction.

Budgets on GAAP Basis – The Budgets for all governmental fund types are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).

Expenditure Classifications – Budget is adopted by department for personnel services, operations and capital outlay. For management purposes, however, accounting records are maintained to match actual expenditures against several more detailed classifications within each of the budget categories.

Lapse of Appropriations – All budget appropriations lapse at the end of each fiscal period. Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at the end of each year and do not constitute expenditures or liabilities because the commitments must be reappropriated and honored during the subsequent year.

CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN PLAN YEARS

Total Pension Liability/(Asset)				
	2014	2015	2016	2017
Service Cost	\$ 661,894	\$ 699,158	\$ 735,926	\$ 709,330
Interest (on the Total Pension Liability)	1,104,107	1,204,758	1,295,217	1,422,180
Changes of Benefit Terms	-	(123,589)	-	316,503
Difference between Expected and Actual Experience	14,581	(234,308)	(173,840)	20,818
Change of Assumptions	-	171,772	-	77,063
Benefit Payments, Including Refunds of Employee Contributions	(543,659)	(617,525)	(572,411)	(706,990)
Net Change in Total Pension Liability	1,236,923	1,100,266	1,284,892	1,838,904
Total Pension Liability - Beginning	13,572,985	14,809,908	15,910,174	17,195,066
Total Pension Liability - Ending	<u>\$ 14,809,908</u>	<u>\$ 15,910,174</u>	<u>\$ 17,195,066</u>	<u>\$ 19,033,970</u>
Plan Fiduciary Net Position				
	2014	2015	2016	2017
Contributions - Employer	\$ 326,662	\$ 333,197	\$ 337,091	\$ 361,461
Contributions - Employee	408,329	416,496	421,365	457,059
Net Investment Income	990,419	(90,925)	1,174,886	2,502,740
Benefit Payments, Including Refunds of Employee Contributions	(543,659)	(617,525)	(572,411)	(706,990)
Administrative Expense	(11,711)	(11,390)	(12,768)	(13,125)
Other	(17,254)	58,418	(75,001)	1,371
Net Change in Plan Fiduciary Net Position	1,152,786	88,271	1,273,162	2,602,516
Plan Fiduciary Net Position - Beginning	14,619,645	15,772,431	15,860,702	17,133,864
Net Pension Liability - Ending	<u>\$ 15,772,431</u>	<u>\$ 15,860,702</u>	<u>\$ 17,133,864</u>	<u>\$ 19,736,380</u>
Net Pension Liability (Asset) - Ending	\$ (962,523)	\$ 49,472	\$ 61,202	\$ (702,410)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.50%	99.69%	99.64%	103.69%
Covered Payroll	\$ 8,166,575	\$ 8,329,910	\$ 8,427,292	\$ 9,036,531
Net Pension Liability as a Percentage of Covered Payroll	-11.79%	0.59%	0.73%	-7.77%

Total Pension Liability/(Asset)					
2018	2019	2020	2021	2022	2023
\$ 763,772	\$ 743,510	\$ 892,005	\$ 1,026,107	\$ 1,037,590	\$ 1,049,539
1,568,765	1,656,350	1,812,912	1,958,914	2,080,210	2,209,011
-	-	-	-	-	-
(323,580)	379,074	138,650	(78,054)	(165,009)	429,185
-	-	1,557,190	(58,035)	-	-
(877,643)	(938,325)	(1,053,033)	(1,231,625)	(1,298,420)	(1,240,502)
1,131,314	1,840,609	3,347,724	1,617,307	1,654,371	2,447,233
19,033,970	20,165,284	22,005,893	25,353,617	26,970,924	28,625,295
<u>\$ 20,165,284</u>	<u>\$ 22,005,893</u>	<u>\$ 25,353,617</u>	<u>\$ 26,970,924</u>	<u>\$ 28,625,295</u>	<u>\$ 31,072,528</u>
Plan Fiduciary Net Position					
2018	2019	2020	2021	2022	2023
\$ 418,322	\$ 446,256	\$ 490,141	\$ 525,193	\$ 731,634	\$ 744,055
471,084	515,299	556,935	578,404	607,669	681,370
(367,645)	3,179,089	2,329,342	5,445,690	(1,771,990)	3,128,663
(877,643)	(938,325)	(1,053,033)	(1,231,625)	(1,298,420)	(1,240,502)
(15,549)	(17,182)	(18,187)	(16,321)	(16,673)	(16,589)
(6,074)	3,936	2,058	11,613	30,967	20,669
(377,505)	3,189,073	2,307,256	5,312,954	(1,716,813)	3,317,666
19,736,380	19,358,875	22,547,948	24,855,204	30,168,158	28,451,345
<u>\$ 19,358,875</u>	<u>\$ 22,547,948</u>	<u>\$ 24,855,204</u>	<u>\$ 30,168,158</u>	<u>\$ 28,451,345</u>	<u>\$ 31,769,011</u>
\$ 806,409	\$ (542,056)	\$ 498,412	\$ (3,197,234)	\$ 173,950	\$ (696,483)
96.00%	102.46%	98.03%	111.85%	99.39%	102.24%
\$ 9,421,683	\$ 10,305,979	\$ 11,138,709	\$ 11,568,089	\$ 12,153,370	\$ 13,627,398
8.56%	-5.26%	4.47%	-27.64%	1.43%	-5.11%

CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS AND RELATED NOTES
LAST TEN FISCAL YEARS

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Employee Covered Payroll
9/30/2015	\$ 326,662	\$ (326,662)	\$ -	\$ 8,301,131	3.9%
9/30/2016	337,091	(337,091)	-	8,292,576	4.1%
9/30/2017	353,533	(353,533)	-	8,835,056	4.0%
9/30/2018	411,418	(411,418)	-	9,510,392	4.3%
9/30/2019	418,322	(418,322)	-	9,421,683	4.4%
9/30/2020	446,256	(446,256)	-	10,305,979	4.3%
9/30/2021	490,103	(490,103)	-	11,138,709	4.4%
9/30/2022	525,193	(525,193)	-	11,568,089	4.5%
9/30/2023	646,070	646,070	-	13,210,181	4.9%
9/30/2024	773,350	(773,350)	-	14,284,441	5.4%

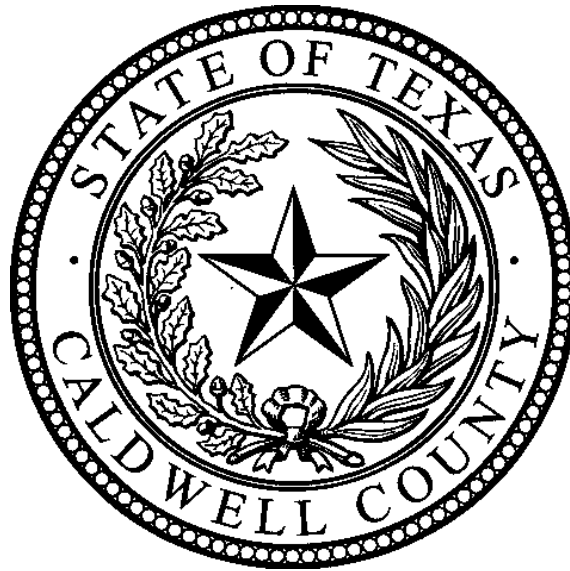
CALDWELL COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS AND RELATED NOTES (CONTINUED)
LAST TEN FISCAL YEARS

Valuation Date:

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 Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	18.8 years (based on contribution rate calculated in 12/31/23 valuation)
Asset Valuation Method	5 year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Plan Provisions	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 Assumptions 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.



SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Comparative Statement – General Fund – Balance Sheet
- Comparative Statement – Unit Road Fund – Balance Sheet
- Comparative Statement – COVID Relief Program (ARPA) Fund – Balance Sheet
- Comparative Statement – Capital Projects Fund
- Comparative Statement – Grant Fund
- Combining Statement – Nonmajor Governmental Funds
- Combining Statement – Special Revenue Funds
- Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Nonmajor Governmental Funds

CALDWELL COUNTY, TEXAS
GENERAL FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 27,529,861	\$ 23,718,206
Taxes Receivable	3,177,304	2,582,985
Allowance for Uncollectible Taxes (Credit)	(254,227)	(206,681)
Fines Receivables	15,742,834	14,931,128
Allowance for Fines (Credit)	(14,955,692)	(14,184,572)
Sales Tax Receivables	621,748	590,636
Intergovernmental Receivables	-	18,673
Accounts Receivables	14,111	20,528
Due from Other Funds	635,030	490,512
Prepaid Items	12,360	16,316
	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 32,523,329</u></u>	<u><u>\$ 27,977,731</u></u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 944,473	\$ 865,885
Accrued Liabilities and other Payables	520,660	396,610
Due to Other Governments	1,468,945	1,030,811
Due to Others	2,536,740	320,830
Unearned Grant Revenue	20	20
	<u> </u>	<u> </u>
<i>Total Liabilities</i>	<u>5,470,838</u>	<u>2,614,156</u>
<i>Deferred Inflows of Resources</i>		
Deferred Tax Revenue	2,697,431	2,255,507
Deferred Fine Revenue	787,142	746,556
	<u> </u>	<u> </u>
<i>Total Deferred Inflows of Resources</i>	<u>3,484,573</u>	<u>3,002,063</u>
<i>Fund Balances:</i>		
Nonspendable Fund Balance:		
Prepaid Items/Notes Receivable	12,360	16,316
Unassigned Fund Balance	23,555,558	22,345,196
	<u> </u>	<u> </u>
<i>Total Fund Balances</i>	<u>23,567,918</u>	<u>22,361,512</u>
	<u> </u>	<u> </u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u><u>\$ 32,523,329</u></u>	<u><u>\$ 27,977,731</u></u>

CALDWELL COUNTY, TEXAS
UNIT ROAD FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,405,526	\$ 3,553,211
Intergovernmental Receivables	4,587	4,587
Due from Other Funds	1,641,499	319,010
Inventories	127,946	33,224
Taxes Receivables - Net	<u>488</u>	<u>488</u>
TOTAL ASSETS	<u>\$ 4,180,046</u>	<u>\$ 3,910,520</u>
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 443,026	275,702
Accrued Liabilities and other Payables	<u>134,029</u>	<u>5,040</u>
<i>Total Liabilities</i>	<u>577,055</u>	<u>280,742</u>
<i>Deferred Inflows of Resources:</i>		
Deferred Tax Revenue	<u>472</u>	<u>472</u>
<i>Total Deferred Inflows of Resources:</i>	<u>472</u>	<u>472</u>
<i>Fund Balances:</i>		
Nonspendable	127,946	33,224
Restricted:		
Capital Acquisition	<u>3,474,573</u>	<u>3,596,082</u>
<i>Total Fund Balances</i>	<u>3,602,519</u>	<u>3,629,306</u>
TOTAL LIABILITIES, DEFERRED INFLOW AND FUND BALANCES	<u>\$ 4,180,046</u>	<u>\$ 3,910,520</u>

CALDWELL COUNTY, TEXAS
COVID RELIEF PROGRAM (ARPA) FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 4,446,168	\$ 5,571,831
TOTAL ASSETS	<u>\$ 4,446,168</u>	<u>\$ 5,571,831</u>
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 1,952,529	\$ 1,705
Due to Others	1,258	1,258
Unearned Grant Revenue	1,882,529	5,242,633
<i>Total Liabilities</i>	<u>3,836,316</u>	<u>5,245,596</u>
<i>Fund Balances:</i>		
Unassigned Fund Balance	609,852	326,235
<i>Total Fund Balances</i>	<u>609,852</u>	<u>326,235</u>
TOTAL LIABILITIES, DEFERRED INFLOW AND FUND BALANCES	<u>\$ 4,446,168</u>	<u>\$ 5,571,831</u>

CALDWELL COUNTY, TEXAS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 3,212,156	\$ 1,006,806
Due From General Fund	<u>11,367</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 3,223,523</u>	<u>\$ 1,006,806</u>
LIABILITIES AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>		
Restricted for Capital Projects	<u>3,223,523</u>	<u>1,006,806</u>
<i>Total Fund Balances</i>	<u>3,223,523</u>	<u>1,006,806</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,223,523</u>	<u>\$ 1,006,806</u>

CALDWELL COUNTY, TEXAS
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE
SEPTEMBER 30, 2024 AND 2023

	2024 Actual	2023 Actual
REVENUES		
Investment Earnings	\$ 121,879	\$ 99,867
TOTAL REVENUES	121,879	99,867
EXPENDITURES		
Capital Outlay	57,229	-
TOTAL EXPENDITURES	57,229	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	64,650	99,867
OTHER FINANCING SOURCES (USES)		
Transfers In	45,467	-
Proceeds of Debt Issuance	2,106,600	-
TOTAL OTHER FINANCING SOURCES (USES)	2,152,067	-
Net Change in Fund Balance	2,216,717	99,867
Fund Balance at Beginning of Year	1,006,806	906,939
Fund Balance at End of Year	\$ 3,223,523	\$ 1,006,806

CALDWELL COUNTY, TEXAS
GRANT FUND
COMPARATIVE BALANCE SHEET
SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 5,368,296	\$ 2,979,329
Intergovernmental Receivables	484,128	5,883
Accounts Receivable	-	97,388
Due from other Funds	<u>724,066</u>	<u>-</u>
TOTAL ASSETS	<u><u>\$ 6,576,490</u></u>	<u><u>\$ 3,082,600</u></u>
LIABILITIES, DEFERRED INFLOW AND FUND BALANCES		
<i>Liabilities:</i>		
Accounts Payable	\$ 373,706	\$ 81,924
Unearned Revenue	4,376	101,906
Due to Others Funds	<u>426,471</u>	<u>426,471</u>
<i>Total Liabilities</i>	<u><u>804,553</u></u>	<u><u>610,301</u></u>
<i>Fund Balances:</i>		
Restricted Fund Balance	<u>5,771,937</u>	<u>2,472,299</u>
<i>Total Fund Balances</i>	<u><u>5,771,937</u></u>	<u><u>2,472,299</u></u>
TOTAL LIABILITIES, DEFERRED INFLOW AND FUND BALANCES	<u><u>\$ 6,576,490</u></u>	<u><u>\$ 3,082,600</u></u>

CALDWELL COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024

	Debt Fund	Total Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 597,572	\$ 1,013,997	\$ 1,611,569
Taxes Receivable	258,693	-	258,693
Allowance for Uncollectible Taxes (Credit)	(20,695)	-	(20,695)
Intergovernmental Receivables	-	25,498	25,498
Due from Other Funds	-	59,606	59,606
Prepaid Items	-	11,861	11,861
TOTAL ASSETS	<u>\$ 835,570</u>	<u>\$ 1,110,962</u>	<u>\$ 1,946,532</u>
LIABILITIES AND FUND BALANCE			
<i>Liabilities:</i>			
Accounts Payable	\$ -	\$ 907	\$ 907
Due to Other Funds	-	107,099	107,099
<i>Total Liabilities</i>	<u>-</u>	<u>108,006</u>	<u>108,006</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	220,564	-	220,564
<i>Total Deferred Inflows of Resources</i>	<u>220,564</u>	<u>-</u>	<u>220,564</u>
<i>Fund Balance:</i>			
Nonspendable - Prepaids	-	11,861	11,861
Restricted Fund Balance			
Debt Services	615,006	-	615,006
Judicial	-	104,923	104,923
Legal	-	41,308	41,308
Public Safety	-	287,160	287,160
Records Management	-	556,770	556,770
Law Library	-	46,446	46,446
Sheriff	-	12,578	12,578
Unrestricted Fund Balance (Deficit)	-	(58,090)	(58,090)
<i>Total Fund Balance</i>	<u>615,006</u>	<u>1,002,956</u>	<u>1,617,962</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	<u>\$ 835,570</u>	<u>\$ 1,110,962</u>	<u>\$ 1,946,532</u>

CALDWELL COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
SEPTEMBER 30, 2024

	Debt Fund	Total Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES			
Property Tax Revenue	\$ 1,908,628	\$ -	\$ 1,908,628
Intergovernmental	-	105,533	105,533
Fees of Office	-	303,197	303,197
Investment Earnings	81,360	-	81,360
Miscellaneous Revenue	-	5,396	5,396
TOTAL REVENUES	<u>1,989,988</u>	<u>414,126</u>	<u>2,404,114</u>
EXPENDITURES			
General Administration	-	655,584	655,584
Judicial Expenditures	-	54,077	54,077
Public Safety Expenses	-	62,092	62,092
Debt Service:			
Principal	1,260,000	-	1,260,000
Interest and Fiscal Charges	445,081	-	445,081
TOTAL EXPENDITURES	<u>1,705,081</u>	<u>771,753</u>	<u>2,476,834</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>284,907</u>	<u>(357,627)</u>	<u>(72,720)</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	-	631,580	631,580
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>631,580</u>	<u>631,580</u>
Net Change in Fund Balance	284,907	273,953	558,860
Fund Balance at Beginning of Year	330,099	729,003	1,059,102
Fund Balance at End of Year	<u>\$ 615,006</u>	<u>\$ 1,002,956</u>	<u>\$ 1,617,962</u>

CALDWELL COUNTY, TEXAS
COMBINING FINANCIAL STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources which are legally restricted to expenditures for specified current operating purposes, or to the Projects of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short – lived fixed assets. The Special Revenue Funds used by the County are as follows:

911 GIS- A special revenue fund to account for emergency services for the geographic information systems (GIS).

LEOSE Constable Fund – To account for fees collected from the Law Enforcement Officer Standards and Education Fund. These funds must be used to provide continuing education for law enforcement officers.

Justice Court Technology Fund – To account for the fees collected from a defendant convicted of a misdemeanor offense in Justice Court. The expenses may be used to purchase technological enhancements for the Justice Courts.

Records Preservation Fund – To account for receipts and expenditures for records management.

Law Library Fund – To account for receipts and expenditures for the law library.

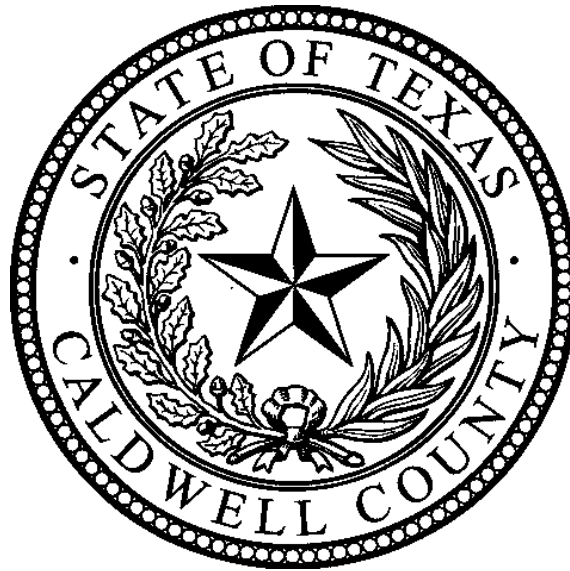
Sheriff Forfeiture Fund – To account for federal and state forfeitures restricted to expenditures for law enforcement.

Hot Check Fund – To account for receipts and expenditures for hot checks.

District Attorney Forfeiture Fund – To account for federal and state forfeitures restricted to expenditures for law enforcement.

Records Management Fund – To account for receipts and expenditures for records management.

Courthouse Security Fund – A special revenue fund to account for the fees collected by the County Clerk and District Clerk. These expenses must be spent in accordance with the Code of Criminal Procedures, Section 102.017.



CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024

	911 G.I.S. Fund	LEOSE Constables Fund	Justice Court Technology	Records Preservation Fund
ASSETS				
Cash and Cash Equivalents	\$ 238,326	\$ 22,130	\$ -	\$ 468,423
Intergovernmental Receivables	25,498	-	-	-
Due from Othe Funds	1,325	-	-	5,520
Prepaid Items	-	-	-	-
TOTAL ASSETS	<u>\$ 265,149</u>	<u>\$ 22,130</u>	<u>\$ -</u>	<u>\$ 473,943</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts Payable	\$ 119	\$ -	\$ -	\$ -
Due to Other Funds	-	-	58,090	-
<i>Total Liabilities</i>	<u>119</u>	<u>-</u>	<u>58,090</u>	<u>-</u>
<i>Fund Balance:</i>				
Nonspendable - Prepaids	-	-	-	-
Restricted Fund Balance	265,030	22,130	-	473,943
Unrestricted Fund Balance (Deficit)	-	-	(58,090)	-
<i>Total Fund Balance</i>	<u>265,030</u>	<u>22,130</u>	<u>(58,090)</u>	<u>473,943</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	<u>\$ 265,149</u>	<u>\$ 22,130</u>	<u>\$ -</u>	<u>\$ 473,943</u>

<u>Law Library</u>	<u>Sheriff's Forfeiture</u>	<u>Hot Check</u>	<u>DA Forfeiture Fund</u>	<u>Records Management</u>	<u>Courthouse Security</u>	<u>Special Revenue Subtotals</u>
\$ 93,698	\$ 12,578	\$ 58,684	\$ 41,308	\$ 78,850	\$ -	\$ 1,013,997
-	-	-	-	-	-	25,498
2,220	-	-	-	4,000	46,541	59,606
-	-	-	-	11,861	-	11,861
<u>\$ 95,918</u>	<u>\$ 12,578</u>	<u>\$ 58,684</u>	<u>\$ 41,308</u>	<u>\$ 94,711</u>	<u>\$ 46,541</u>	<u>\$ 1,110,962</u>
\$ 463	\$ -	\$ 300	\$ -	\$ 23	\$ 2	\$ 907
49,009	-	-	-	-	-	107,099
<u>49,472</u>	<u>-</u>	<u>300</u>	<u>-</u>	<u>23</u>	<u>2</u>	<u>108,006</u>
-	-	-	-	11,861	-	11,861
46,446	12,578	58,384	41,308	82,827	46,539	1,049,185
-	-	-	-	-	-	(58,090)
<u>46,446</u>	<u>12,578</u>	<u>58,384</u>	<u>41,308</u>	<u>94,688</u>	<u>46,539</u>	<u>1,002,956</u>
<u>\$ 95,918</u>	<u>\$ 12,578</u>	<u>\$ 58,684</u>	<u>\$ 41,308</u>	<u>\$ 94,711</u>	<u>\$ 46,541</u>	<u>\$ 1,110,962</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	911 G.I.S. Fund	LEOSE Constables Fund	Justice Court Technology	Records Preservation Fund
REVENUES				
Intergovernmental	\$ 97,462	\$ 8,071	\$ -	\$ -
Fees of Office	-	-	23,100	209,478
Miscellaneous Revenue	-	-	-	-
TOTAL REVENUES	<u>97,462</u>	<u>8,071</u>	<u>23,100</u>	<u>209,478</u>
EXPENDITURES				
General Administration	-	-	-	110,786
Judicial	-	-	54,077	-
Public Safety	<u>61,252</u>	<u>840</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>61,252</u>	<u>840</u>	<u>54,077</u>	<u>110,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>36,210</u>	<u>7,231</u>	<u>(30,977)</u>	<u>98,692</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>5,300</u>	<u>-</u>	<u>39,720</u>	<u>22,080</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,300</u>	<u>-</u>	<u>39,720</u>	<u>22,080</u>
Net Change in Fund Balance	41,510	7,231	8,743	120,772
Fund Balance at Beginning of Year (Deficit)	<u>223,520</u>	<u>14,899</u>	<u>(66,833)</u>	<u>353,171</u>
Fund Balance at End of Year (Deficit)	<u>\$ 265,030</u>	<u>\$ 22,130</u>	<u>\$ (58,090)</u>	<u>\$ 473,943</u>

Law Library	Sheriff's Forfeiture	Hot Check	DA Forfeiture Fund	Records Management	Courthouse Security	Special Revenue Subtotals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,533
25,888	-	655	-	7,792	36,284	303,197
-	2,291	867	2,238	-	-	5,396
25,888	2,291	1,522	2,238	7,792	36,284	414,126
5,444	13,422	2,002	2,125	-	521,805	655,584
-	-	-	-	-	-	54,077
-	-	-	-	-	-	62,092
5,444	13,422	2,002	2,125	-	521,805	771,753
20,444	(11,131)	(480)	113	7,792	(485,521)	(357,627)
8,880	-	-	-	16,000	539,600	631,580
8,880	-	-	-	16,000	539,600	631,580
29,324	(11,131)	(480)	113	23,792	54,079	273,953
17,122	23,709	58,864	41,195	70,896	(7,540)	729,003
\$ 46,446	\$ 12,578	\$ 58,384	\$ 41,308	\$ 94,688	\$ 46,539	\$ 1,002,956

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – 911GIS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Intergovernmental	\$ 97,462	\$ 97,462	\$ 97,462	\$ -	\$ 101,125
TOTAL REVENUES	<u>97,462</u>	<u>97,462</u>	<u>97,462</u>	<u>-</u>	<u>101,125</u>
EXPENDITURES					
Public Safety	<u>79,736</u>	<u>79,736</u>	<u>61,252</u>	<u>18,484</u>	<u>51,009</u>
TOTAL EXPENDITURES	<u>79,736</u>	<u>79,736</u>	<u>61,252</u>	<u>18,484</u>	<u>51,009</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,726	17,726	36,210	18,484	50,116
OTHER FINANCING SOURCES (USES)					
Transfers In	<u>5,300</u>	<u>5,300</u>	<u>5,300</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>5,300</u>	<u>5,300</u>	<u>5,300</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	23,026	23,026	41,510	18,484	50,116
Fund Balances at Beginning of Year	<u>223,520</u>	<u>223,520</u>	<u>223,520</u>	<u>-</u>	<u>173,404</u>
Fund Balances at End of Year	<u>\$ 246,546</u>	<u>\$ 246,546</u>	<u>\$ 265,030</u>	<u>\$ 18,484</u>	<u>\$ 223,520</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – LEOSE CONSTABLE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	<u>Budgeted Amounts</u>			Variance With	
	<u>Original</u>	<u>Final</u>	2024 <u>Actual</u>	Final Budget - Positive (Negative)	2023 <u>Actual</u>
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 8,071	\$ 8,071	\$ 2,785
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>8,071</u>	<u>8,071</u>	<u>2,785</u>
EXPENDITURES					
Public Safety	<u>1,108</u>	<u>13,123</u>	<u>840</u>	<u>12,283</u>	<u>1,397</u>
TOTAL EXPENDITURES	<u>1,108</u>	<u>13,123</u>	<u>840</u>	<u>12,283</u>	<u>1,397</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,108)	(13,123)	7,231	20,354	1,388
Fund Balances at Beginning of Year	<u>14,899</u>	<u>14,899</u>	<u>14,899</u>	<u>-</u>	<u>13,511</u>
Fund Balances at End of Year	<u>\$ 13,791</u>	<u>\$ 1,776</u>	<u>\$ 22,130</u>	<u>\$ 20,354</u>	<u>\$ 14,899</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – JUSTICE COURT TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With	
	Original	Final	2024 Actual	Final Budget - Positive (Negative)	2023 Actual
REVENUES					
Fees of Office	\$ 14,750	\$ 14,750	\$ 23,100	\$ 8,350	\$ 19,361
TOTAL REVENUES	<u>14,750</u>	<u>14,750</u>	<u>23,100</u>	<u>8,350</u>	<u>19,361</u>
EXPENDITURES					
Judicial	<u>54,470</u>	<u>54,470</u>	<u>54,077</u>	<u>393</u>	<u>49,793</u>
TOTAL EXPENDITURES	<u>54,470</u>	<u>54,470</u>	<u>54,077</u>	<u>393</u>	<u>49,793</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,720)	(39,720)	(30,977)	8,743	(30,432)
OTHER FINANCING SOURCES (USES)					
Transfers In	<u>39,720</u>	<u>39,720</u>	<u>39,720</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>39,720</u>	<u>39,720</u>	<u>39,720</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	8,743	8,743	(30,432)
Fund Balances at Beginning of Year	<u>(66,833)</u>	<u>(66,833)</u>	<u>(66,833)</u>	<u>-</u>	<u>(36,401)</u>
Fund Balances at End of Year	<u>\$ (66,833)</u>	<u>\$ (66,833)</u>	<u>\$ (58,090)</u>	<u>\$ 8,743</u>	<u>\$ (66,833)</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – RECORDS PRESERVATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Fees of Office	\$ 167,000	\$ 167,000	\$ 209,478	\$ 42,478	\$ 169,501
TOTAL REVENUES	<u>167,000</u>	<u>167,000</u>	<u>209,478</u>	<u>42,478</u>	<u>169,501</u>
EXPENDITURES					
General Administration	<u>189,080</u>	<u>189,080</u>	<u>110,786</u>	<u>78,294</u>	<u>159,386</u>
TOTAL EXPENDITURES	<u>189,080</u>	<u>189,080</u>	<u>110,786</u>	<u>78,294</u>	<u>159,386</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,080)	(22,080)	98,692	120,772	10,115
OTHER FINANCING SOURCES (USES)					
Transfers In	<u>22,080</u>	<u>22,080</u>	<u>22,080</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>22,080</u>	<u>22,080</u>	<u>22,080</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	120,772	120,772	10,115
Fund Balances at Beginning of Year	<u>353,171</u>	<u>353,171</u>	<u>353,171</u>	<u>-</u>	<u>343,056</u>
Fund Balances at End of Year	<u>\$ 353,171</u>	<u>\$ 353,171</u>	<u>\$ 473,943</u>	<u>\$ 120,772</u>	<u>\$ 353,171</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Fees of Office	\$ 15,000	\$ 15,000	\$ 25,888	\$ 10,888	\$ 20,727
TOTAL REVENUES	<u>15,000</u>	<u>15,000</u>	<u>25,888</u>	<u>10,888</u>	<u>20,727</u>
EXPENDITURES					
General Administration	6,120	6,120	5,444	676	5,276
TOTAL EXPENDITURES	<u>6,120</u>	<u>6,120</u>	<u>5,444</u>	<u>676</u>	<u>5,276</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,880	8,880	20,444	11,564	15,451
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	8,880	8,880	-
Transfers Out	8,880	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>8,880</u>	<u>-</u>	<u>8,880</u>	<u>8,880</u>	<u>-</u>
Net Change in Fund Balance	17,760	8,880	29,324	20,444	15,451
Fund Balances at Beginning of Year	17,122	17,122	17,122	-	1,671
Fund Balances at End of Year	<u>\$ 34,882</u>	<u>\$ 26,002</u>	<u>\$ 46,446</u>	<u>\$ 20,444</u>	<u>\$ 17,122</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – HOT CHECK FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Fees of Office	\$ 1,000	\$ 1,000	\$ 655	\$ (345)	\$ 660
Miscellaneous Revenue	500	500	867	367	595
TOTAL REVENUES	<u>1,500</u>	<u>1,500</u>	<u>1,522</u>	<u>22</u>	<u>1,255</u>
EXPENDITURES					
General Administration	4,000	4,000	2,002	1,998	3,636
TOTAL EXPENDITURES	<u>4,000</u>	<u>4,000</u>	<u>2,002</u>	<u>1,998</u>	<u>3,636</u>
Net Change in Fund Balance	(2,500)	(2,500)	(480)	(2,020)	(2,381)
Fund Balances at Beginning of Year	58,864	58,864	58,864	-	61,245
Fund Balances at End of Year	<u>\$ 56,364</u>	<u>\$ 56,364</u>	<u>\$ 58,384</u>	<u>\$ (2,020)</u>	<u>\$ 58,864</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – RECORDS MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

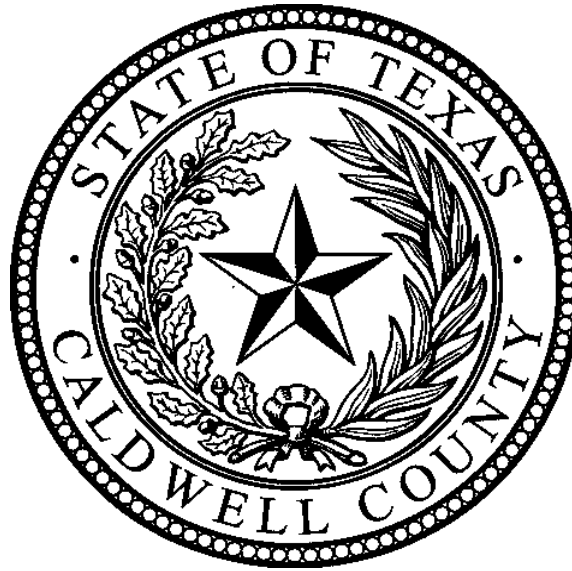
	Budgeted Amounts			Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final	2024 Actual		
REVENUES					
Fees of Office	\$ 16,000	\$ 16,000	\$ 7,792	\$ (8,208)	\$ 24,585
TOTAL REVENUES	<u>16,000</u>	<u>16,000</u>	<u>7,792</u>	<u>(8,208)</u>	<u>24,585</u>
EXPENDITURES					
Judicial	-	-	-	-	18,192
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,192</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,000	16,000	7,792	(8,208)	6,393
OTHER FINANCING SOURCES (USES)					
Transfers In	-	16,000	16,000	-	-
Transfer Out	(16,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(16,000)</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	32,000	23,792	(8,208)	6,393
Fund Balances at Beginning of Year	70,896	70,896	70,896	-	64,503
Fund Balances at End of Year	<u>\$ 70,896</u>	<u>\$ 102,896</u>	<u>\$ 94,688</u>	<u>\$ (8,208)</u>	<u>\$ 70,896</u>

CALDWELL COUNTY, TEXAS
SPECIAL REVENUE FUNDS – COURTHOUSE SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Fees of Office	\$ 34,000	\$ 34,000	\$ 36,284	\$ 2,284	\$ 45,795
TOTAL REVENUES	<u>34,000</u>	<u>34,000</u>	<u>36,284</u>	<u>2,284</u>	<u>45,795</u>
EXPENDITURES					
General Administration	<u>573,600</u>	<u>573,600</u>	<u>521,805</u>	<u>51,795</u>	<u>550,817</u>
TOTAL EXPENDITURES	<u>573,600</u>	<u>573,600</u>	<u>521,805</u>	<u>51,795</u>	<u>550,817</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(539,600)	(539,600)	(485,521)	54,079	(505,022)
OTHER FINANCING SOURCES (USES)					
Transfers In	<u>539,600</u>	<u>539,600</u>	<u>539,600</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>539,600</u>	<u>539,600</u>	<u>539,600</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	54,079	54,079	(505,022)
Fund Balances at Beginning of Year	(7,540)	(7,540)	(7,540)	-	497,482
Fund Balances at End of Year	<u>\$ (7,540)</u>	<u>\$ (7,540)</u>	<u>\$ 46,539</u>	<u>\$ 54,079</u>	<u>\$ (7,540)</u>

CALDWELL COUNTY, TEXAS
DEBT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Budgeted Amounts			Variance With Final Budget -	
	Original	Final	2024 Actual	Positive (Negative)	2023 Actual
REVENUES					
Taxes	\$ 1,656,300	\$ 1,656,300	\$ 1,908,628	\$ 252,328	\$ 1,562,338
Investment earnings	4,000	4,000	81,360	77,360	4,142
TOTAL REVENUES	<u>1,660,300</u>	<u>1,660,300</u>	<u>1,989,988</u>	<u>329,688</u>	<u>1,566,480</u>
EXPENDITURES					
Debt Service:					
Principal	1,260,000	1,260,000	1,260,000	-	1,210,000
Interest and Fiscal Charges	445,767	445,767	445,081	686	482,868
TOTAL EXPENDITURES	<u>1,705,767</u>	<u>1,705,767</u>	<u>1,705,081</u>	<u>686</u>	<u>1,692,868</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,467)	(45,467)	284,907	(330,374)	(126,388)
OTHER FINANCING SOURCES (USES)					
Transfers In	45,467	45,467	-	(45,467)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>45,467</u>	<u>45,467</u>	<u>-</u>	<u>(45,467)</u>	<u>-</u>
Net Change in Fund Balance	-	-	284,907	284,907	(126,388)
Fund Balances at Beginning of Year	330,099	330,099	330,099	-	456,487
Fund Balances at End of Year	<u>\$ 330,099</u>	<u>\$ 330,099</u>	<u>\$ 615,006</u>	<u>\$ 284,907</u>	<u>\$ 330,099</u>



COMPLIANCE SECTION



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and
Members of the Commissioners' Court
Caldwell County

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caldwell County as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Caldwell County's basic financial statements, and have issued our report thereon dated April 15, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Caldwell County's internal control over financial reporting (internal control) to determine the 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 Caldwell County's internal control. Accordingly, we do not express an opinion on the effectiveness of Caldwell County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we did identify a deficiency in internal control that we consider to be a material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2024-001 to be a material weaknesses.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Caldwell County's 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 determination of financial statement amounts. 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*.

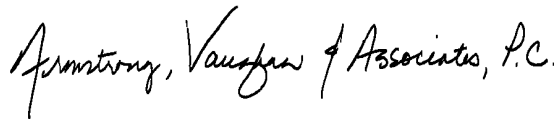
We noted certain matters that we have reported to management of the County in a separate letter dated April 15, 2025.

Caldwell County's Response to Findings

Caldwell County's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Caldwell County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion about it.

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 the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Armstrong, Vaughan & Associates, P.C.

April 15, 2025



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM AND
REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and
Members of the Commissioners' Court
Caldwell County

Report on Compliance for Each Major State Program

Opinion on Each Major Federal and State Program

We have audited the Caldwell County's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and in the *Texas Comptroller of Public Accounts, State of Texas Uniform Grant Management Standards*, which includes the State of Texas Single Audit Circular (UGMS) that could have a direct and material effect on each of Caldwell County, Texas' major federal and state programs for the year ended September 30, 2024. Caldwell County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Caldwell County complied, in all material respects, with the 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); 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 UGMS. Our responsibilities under those standards, the Uniform Guidance, and UGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Caldwell 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 and program. Our audit does not provide a legal determination of Caldwell 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 and implementation, and maintenance of effective internal control over compliance with the requirements of the laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Caldwell County.

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 Caldwell 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 UGMS 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 Caldwell 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, UGMS 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 Caldwell 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 Caldwell 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 UGMS, but not for the purpose of expressing an opinion on the effectiveness of Caldwell 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.

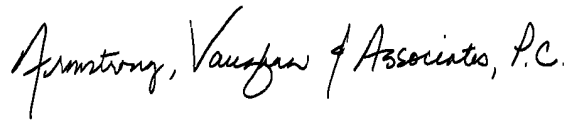
Report on Internal Control Over Compliance

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 a 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 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 and 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.

Caldwell County's response to the internal control over compliance finding identified in our audit are described in the accompanying schedule of findings and questioned costs. The county's response was not subjected to auditing procedures applied in the audit of compliance and, accordingly, we express no opinion to the response.

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 UGMS. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Armstrong, Vaughan & Associates, P.C.".

Armstrong, Vaughan & Associates, P.C.

April 15, 2025

CALDWELL COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

A. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Any material weaknesses identified?	Yes
Any significant deficiencies identified?	No
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal control over major programs:	
Any material weaknesses identified?	No
Any significant deficiencies identified?	No

Type of auditor's report issued on compliance for major programs:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
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Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds
14.228	Community Development Block Grant - Mitigation

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
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Auditee qualified as low-risk auditee?	No
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B. Financial Statement Findings

2024-01

C. Federal Award Findings and Questioned Costs

N/A

D. Prior Year State I Findings

2023-01 through 2023-05

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

Explanation Finding Recommendation: 2023-001 Cash and Cash Equivalents

Current Status: Not Implemented

Managements Explanation If Not Implemented: The Treasurer has begun to assume responsibility for investment accounts and is reconciling on a monthly basis. The Audit department of the County is researching with Incode to clear outstanding items in the closed pooled cash account.

Explanation Finding Recommendation: 2023-002 Revenue Coding

Current Status: Implemented

Managements Explanation If Not Implemented: N/A

Explanation Finding Recommendation: 2023-003 Segregation of Duties and Access Control

Current Status: Implemented

Managements Explanation If Not Implemented: N/A

Explanation Finding Recommendation: 2022-004 General Ledger Accounts not Reconciled to Underlying Subsidiary Accounts and Records

Current Status: Not Implemented

Managements Explanation If Not Implemented: This has not been accomplished due to staff turnover in the auditor's office.

Explanation Finding Recommendation: 2023-005 Preparation of the Schedule of the Expenditures of Federal Awards (SEFA)

Current Status: Implemented

Managements Explanation If Not Implemented: N/A

CALDWELL COUNTY, TEXAS
SCHEDULE OF FINDINGS AND RESPONSE ON INTERNAL CONTROL
OVER FINANCIAL REPORTING
FOR THE YEAR ENDED SEPTEMBER 30, 2024

We consider the following deficiencies to be material weaknesses:

2024-001 Cash and Cash Equivalents

Criteria - A primary control over cash is the timely and accurate reconciliation of all cash accounts. Outstanding items in the closed pooled cash account were not cleared timely. Reconciliations of the County's cash accounts is a requirement of Texas Local Government Code, Sec. 113.008, Reconciliation of Depository Accounts. Additionally, interest earned on investment accounts are not being recorded monthly.

Condition – Claim on cash did not reconcile to the pooled cash account by a material degree until corrections were made during the audit. Interest earned on investment accounts was not recorded until the audit.

Effect – Inaccurate financial information was provided to Commissioners' Court as the bank reconciliations have large outstanding items and not all revenue was recorded.

Cause – The former Treasurer was unable to reconcile the bank accounts on a timely basis which caused the issue to persist into the current fiscal year.

Recommendation - The County Treasurer and assistants should receive training in reconciling bank accounts (with continued support from outside professionals, if necessary), until all bank accounts are reconciled on a timely basis and tie to the general ledger.

2024-002 General Ledger Accounts not Reconciled to Underlying Subsidiary Accounts and Records

Criteria - A primary control over accurate financial statements is the reconciliation of the subsidiary accounts to the general ledger.

Condition – The County Auditor is charged with maintaining the records of the County's financial transactions including the general ledger. We noted numerous balance sheet accounts are not being reconciled to the supporting subsidiary ledgers and accounts. This includes accruals such as receivables and liabilities, as well as, interfund transactions including due to/from and transfers.

Effect – Inaccurate financial information was provided to Commissioners' Court. Additionally, the balance sheet accounts were either over or understated.

Cause – Subsidiary Ledgers are not being compared to the corresponding general ledger accounts in the accounting software system by the County Auditor's Office.

Recommendation – Supporting subsidiary ledgers and accounts should be prepared by the appropriate department/personnel, such as the elected official, purchasing agent or grant coordinator and then audited and reconciled to the general ledger by the County Auditor's office. There has been improvement in this area in the past year.

Danielle Teltow
CALDWELL COUNTY AUDITOR
CALDWELL COUNTY, TEXAS

110 S. MAIN STREET, LOCKHART, TX 78644

Tel: (512) 398-1801 • Fax (512) 398-1829

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CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Management concurs with the audit findings and has adopted a corrective action plan as summarized below:

2024-001 Cash and Cash Equivalents

An action plan included training and working with the Treasurer to reconcile money market accounts and bank statements.

2024-002 General Ledger Accounts not Reconciled to Underlying Subsidiary Accounts and Records

An action plan is for the County Auditor's office to continue scheduling the quarterly assessments and reconciliations. The County Auditor's office addressed taking several liabilities to Commissioner's Court for disbursement after year end. The County Auditor's office will review the entries made during the audit and begin making necessary end of year accruals for accounts payable, other liabilities, and revenues/receivables.

CALDWELL COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Number	Federal Expenditures
HOUSING OF URBAN DEVELOPMENT			
Passed Through Texas General Land Office			
Community Development Board Grant - Mitigation	14.228	22085024D265	1,499,771
DEPARTMENT OF TREASURY			
American Rescue Plan Act	21.027	N/A	3,153,730
DEPARTMENT OF JUSTICE			
Residential Substance Abuse Treatment	16.593	3519103.000	13,340
CJI Victims Services	16.582	15POVC23GK00799NONF	10,000
BUREAU OF JUSTICE ASSISTANCE			
State Criminal Alien Assistance Program	16.606	15PBJA23RR05943	4,488
TOTAL FEDERAL AWARDS EXPENDED			<u><u>\$ 4,681,329</u></u>

CALDWELL COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS (CONT.)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

State Grantor/Pass-through Grantor/Program Title	Pass-Through Entity Number	State Expenditures
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS		
Rural Law Enforcement Salary Assistance Program SO	IA 000000525	\$ 243,625
Rural Law Enforcement Salary Assistance Program DA		101,992
TEXAS OFFICE OF THE ATTORNEY GENERAL		
Texas Victim Information and Notification Everyday Program	2110708	18,030
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY		
Capital Area Council of Governments Emergency Response	20-12-01	76,799
Capital Area Council of Governments Emergency Response	24-12-02	16,700
OFFICE OF THE GOVERNOR		
2021 County Essential Services (CES)	4866001.000	6,905
TEXAS WATER DEVELOPMENT BOARD		
Flood Infrastructure Fund Category 1	G1001276	<u>103,625</u>
TOTAL STATE AWARDS EXPENDED		<u><u>\$ 567,676</u></u>

CALDWELL COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 -- BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of State Awards (SESA) and the Schedule of Expenditures of Federal Awards (SEFA) includes the state and federal grant activity for the County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance and the State of Texas Single Audit Circular (Audit Circular). Uniform Guidance sets for the standards and requirements for the Federal Government. The Audit Circular was issued under the authority of the Texas Government Code, Chapter 783, entitled Uniform Grant and Contracts Management. This circular sets standards for obtaining consistency and uniformity among state agencies for the coordinated audit of local governments expending any state awards. Because the schedule presents only a selected portion of the operations of the county, it is not intended to and does not present the financial position of the County.

