

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



SINGLETON, CLARK
& COMPANY, PC CERTIFIED PUBLIC ACCOUNTANTS

LLANO COUNTY, TEXAS
ANNUAL FINANCIAL AND COMPLIANCE REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and Members of the Commissioners Court
Llano 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 Llano County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Llano County, Texas'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 Llano County, Texas, as of September 30, 2024, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and Road and Bridge Fund 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 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 Llano County, Texas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Llano County, Texas's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 Llano County, Texas'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 Llano County, Texas's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis section which precedes the basic financial statements and the pension and other post-employment benefits liabilities related schedules following the notes to the financial statements be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included within the annual report. Our opinions on the basic financial statements do not cover this other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2025 on our consideration of Llano County, Texas'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Llano County, Texas's 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 Llano County, Texas's internal control over financial reporting and compliance.

Singleton, Clark & Company, PC

Singleton, Clark & Company, PC
Cedar Park, Texas

January 24, 2025

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LLANO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

As management of Llano County, Texas (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2024. Please read it in conjunction with the independent auditor's report on page 1 and the County's basic financial statements which follow this section.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$29,983,479 (net position). Of this amount, \$14,550,181 represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$23,257,207, a decrease of \$682,719 in comparison with the prior year. Approximately 51% of this amount, or \$11,892,756 is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,892,756 or approximately 70% of total General Fund current year expenditures before Other Sources (Uses).

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial 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.

The *statement of net position* presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial health of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, judicial, highways and streets, public facilities, health and welfare, culture and recreation, and conservation and development. The County currently does not have any business-type activities.

LLANO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

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

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

The County maintains forty-six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road & Bridge Fund, Indigent Health Fund, CARES Act Fund, and the 2023 Tax Notes Projects Fund which are considered to be major funds. Data from the other forty-one governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The County adopts an annual appropriated budget for its General Fund, Road & Bridge Fund and the Debt Service Fund. Budgetary comparison statements for the General Fund and Road & Bridge Fund have been provided within the basic financial statements section of this report. The budgetary comparison for the Debt Service Fund has been provided within the other supplementary information section.

Proprietary Funds. The County has the option of maintaining two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County does not currently utilize an enterprise fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among a County's functions. Because the services provided by internal service funds predominantly benefit governmental rather than business-type functions, they are usually included within *governmental activities* in the government-wide financial statements. The County is not currently utilizing an internal service fund.

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

The County maintains two different types of fiduciary funds. The *private-purpose trust fund* is used to report resources held in trust for Llano County School Land. The *custodial fund* reports resources held by the County in a custodial capacity for individuals, County offices, and other governments.

LLANO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the County's participation in the Texas County and District Retirement System (TCDRS) for its employees. The required supplementary information can be found immediately following the notes section of this report.

Combining and Individual Fund Financial Statements and Schedules. Other schedules supporting the basic financial statements are presented here, such as combining schedules of individual non-major governmental funds, custodial funds, and the budgetary comparison schedule for the Debt Service Fund.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial health. In the case of the County, assets exceeded liabilities by \$29,983,479 at the close of the most recent fiscal year.

Table I
LLANO COUNTY, TEXAS
NET POSITION

	Governmental Activities 2024	Governmental Activities 2023	Change
Current & Other Assets	\$ 29,363,421	\$ 31,815,637	\$ (2,452,216)
Capital Assets	13,018,994	10,571,380	2,447,614
Deferred Outflows	650,228	1,010,266	(360,038)
Total Assets & Deferred Outflows	43,032,643	43,397,283	(364,640)
Current Liabilities	2,728,510	4,536,871	(1,808,361)
Long-Term Liabilities	9,458,581	10,847,418	(1,388,837)
Deferred Inflows	862,073	1,894,882	(1,032,809)
Total Liabilities & Deferred Inflows	13,049,164	17,279,171	(4,230,007)
Net Position			
Net Investment in Capital Assets	8,320,812	7,525,627	795,185
Restricted	4,616,922	6,627,864	(2,010,942)
Unrestricted	14,550,181	11,964,621	2,585,560
Total Net Position	\$ 27,487,915	\$ 26,118,112	\$ 1,369,803

Of the total net position, 28% or \$8,320,812 comprises of investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

LLANO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

An additional portion of the County's net position, \$7,112,486 or 24%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$14,550,181, or 49%, is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors. At the end of the current fiscal year, the County is able to report positive balances in all reported categories of net position.

Governmental Activities. During the current fiscal year, net position for governmental activities increased by \$4,117,673 from the prior fiscal year for an ending balance of \$29,983,479. The increase is primarily due to the increase in the General Fund caused by total revenues exceeding originally budgeted amounts and expenditures being under originally budgeted amounts.

Table II
LLANO COUNTY, TEXAS
CHANGES IN NET POSITION

	Governmental Activities 2023	Governmental Activities 2022	Change
Revenues:			
Program Revenues:			
Charges for Services	\$ 3,068,700	\$ 3,305,560	\$ (236,860)
Operating Grants & Contributions	2,787,263	1,842,848	944,415
General Revenues:			
Property Taxes	19,407,240	17,057,624	2,349,616
Other Taxes	655,143	623,915	31,228
Other	2,096,503	1,651,348	445,155
Total Revenue	<u>28,014,849</u>	<u>24,481,295</u>	<u>3,533,554</u>
Expenses:			
General Government	9,209,407	6,991,123	2,218,284
Public Safety	6,336,858	6,332,694	4,164
Justice System	1,619,619	1,675,979	(56,360)
Public Facilities	1,208,224	1,152,711	55,513
Culture and Recreation	425,038	401,523	23,515
Health and Human Services	1,185,131	1,045,601	139,530
Conservation and Development	1,064,663	791,181	273,482
Highways and Streets	2,822,461	2,826,601	(4,140)
Interest on Long-Term Debt	159,194	240,538	(81,344)
Total Expenses	<u>24,030,595</u>	<u>21,457,951</u>	<u>2,572,644</u>
Increase (Decrease) in Net Position before Transfers and Special Items:	<u>3,984,254</u>	<u>3,155,045</u>	<u>829,209</u>
Transfers and Special Items:			
Gain on Sale of Assets	133,419	51,695	81,724
Insurance Proceeds	-	465,897	(465,897)
Total Transfers and Special Items	<u>133,419</u>	<u>517,592</u>	<u>(384,173)</u>
Increase (Decrease) in Net Position	<u>4,117,673</u>	<u>3,540,936</u>	<u>576,737</u>
Net position - Beginning	26,118,112	22,577,176	3,540,936
Prior period adjustment	(252,306)	-	(252,306)
Net position - Ending	<u>\$ 29,983,479</u>	<u>\$ 26,118,112</u>	<u>\$ 3,865,367</u>

LLANO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Financial Analysis of Governmental 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. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a County's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or the County itself.

At September 30, 2024, the County's governmental funds reported combined fund balances of \$23,257,207, a decrease of \$682,719 in comparison with the prior year fund balance. Additionally, a further decrease of \$252,306 is attributed to prior period adjustments from prior year starting fund balance.

The fund balance of the County's General Fund increased by \$1,394,122 to end at \$11,892,756. This increase was primarily due to expenditures coming in significantly below budgeted amounts across all departments. This was the result of actual costs being lower than anticipated leading to unspent allocations across multiple line items.

The Road & Bridge Fund, a major governmental fund, had a \$281,283 increase in fund balance during the current fiscal year, which resulted in an overall ending fund balance amount of \$1,347,942. The increase in fund balance was due to actual expenditures in the Highways and Streets line item coming under previously budgeted appropriations and the sale of assets in this fund.

The Indigent Health Fund, a major governmental fund, experienced a \$4,156 increase in fund balance during the current fiscal year resulting in an overall ending fund balance amount of \$741,613. Due to indigent health costs being difficult to predict each year, this fund is expected to have slight increases or decreases in fund balance each year.

The CARES Act Fund, a major governmental fund and federal grant, reported a fund balance decrease of \$18,624 which resulted in an ending fund balance of -\$0-. The purpose of this fund is to provide the County with necessary funds to support activities listed in the CARES Act and ARP Act.

The 2023 Tax Notes Fund, a major governmental funds, had a \$919,141 decrease in fund balance during the current fiscal year which resulted in an overall ending fund balance amount of \$3,058,720. This decrease is due to expenditures related to ongoing capital projects.

General Fund Budgetary Highlights

Original Budget Compared to Final Budget. During the year, budgetary amendments made in the General Government and Capital Outlay line items in the General Fund were considered significant.

Capital Assets and Debt Administration

Capital Assets. The County's investment in capital assets for its governmental activities as of September 30, 2024, amounts to \$8,320,812 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, and vehicles. Additional information on the County's capital assets can be found in the notes to the financial statements section of this report.

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LLANO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Governmental Activities 2024	Governmental Activities 2023	Change
Land	\$ 162,378	\$ 162,378	\$ -
Construction in Progress	204,801	1,417,420	(1,212,619)
Buildings and Improvements	16,031,350	15,704,436	326,914
Infrastructure	2,869,998	2,367,298	502,700
Furniture and Equipment	16,354,038	12,026,748	4,327,290
Right to Use Leased Assets	427,367	378,426	48,941
Total	<u>36,049,932</u>	<u>32,056,706</u>	<u>3,993,226</u>
Less Accumulated Depreciation	<u>(23,030,938)</u>	<u>(21,485,326)</u>	<u>(1,545,612)</u>
Capital Assets, Net of Depreciation	<u>\$ 13,018,994</u>	<u>\$ 10,571,380</u>	<u>\$ 2,447,614</u>

Long-term Debt. At the end of the current fiscal year, the County had long-term obligations consisting of notes payable, right to use leases payable, and liabilities for compensated absences.

	Governmental Activities 2024	Governmental Activities 2023	Change
Notes Payable	\$ 8,797,953	\$ 10,171,993	\$ (1,374,040)
Right to Use Leases Payable	221,586	186,117	35,469
Compensated Absences	439,042	378,025	61,017
Total	<u>\$ 9,458,581</u>	<u>\$ 10,736,135</u>	<u>\$ (1,277,554)</u>

The County's total overall debt decreased by \$1,277,554 during the current fiscal year due to the County making normal scheduled debt payments during the year. Additional information on the County's long-term debt can be found in notes to the financial statements section of this report.

Economic Factors and Next Year's Budgets and Rates

The adopted budget for fiscal year 2024-2025 for the County's General Fund is approximately \$23.41 million, which reflects an approximate increase of \$2.64 million from the fiscal year 2023-2024 General Fund adopted budget. The County adopted a tax rate of \$0.20518 for the General Fund, \$0.02700 for the Road and Bridge Fund and \$0.01794 for the Debt Service Fund for a combined total tax rate of \$0.25012 for the fiscal year 2024-2025.

Requests for Information

This financial report is designed to provide a general overview of the County finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Auditor's Office, 100 W. Sandstone, Ste 200, Llano, Texas 78643 or by calling (325) 247-3783.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

	Primary Government Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 25,760,904
Property Taxes Receivable	448,521
Allowance for Uncollectible Taxes	(44,852)
Accounts Receivable	1,329,225
Notes Receivable	862,073
Net Pension Asset	1,007,550
Capital Assets not Being Depreciated:	
Land	162,378
Construction in Progress	204,801
Capital Assets, Being Depreciated:	
Buildings and Improvements	16,031,350
Infrastructure	2,869,998
Machinery, Equipment, and Vehicles	16,354,038
Right to Use Lease Assets	427,367
Accumulated Depreciation	(23,030,938)
Total Assets	42,382,415
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows - Pensions	650,228
Total Deferred Outflows of Resources	650,228
LIABILITIES	
Accounts Payable	609,788
Interest Payable	44,926
Accrued Salaries and Wages	257,505
Due to Others	95,372
Unearned Revenues	1,720,919
Long-Term Liabilities:	
Current Portion of Long-Term Debt	1,697,200
Notes Payable	7,396,465
Right to Use Leases Payable	145,395
Other Long-Term Debt	219,521
Total Liabilities	12,187,091
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows - Unavailable Revenue	862,073
Total Deferred Inflows of Resources	862,073
NET POSITION	
Net Investment in Capital Assets	8,320,812
Restricted for Road and Bridge	1,389,514
Restricted for Debt Service	311,137
Restricted for Other Purposes	2,916,271
Unrestricted	14,550,181
Total Net Position	\$ 29,983,479

The notes to the financial statements are an integral part of this statement.

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

Functions/Programs:	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Primary Governmental Activities
Primary Government:				
Governmental Activities:				
General Government	\$ 9,209,407	\$ 1,444,519	\$ 17,380	\$ (7,747,508)
Public Safety	6,336,858	100,535	827,170	(5,409,153)
Judicial System	1,619,619	629,130	49,913	(940,576)
Highways and Streets	2,822,461	856,158	64,512	(1,901,791)
Public Facilities	1,208,224	-	-	(1,208,224)
Health and Welfare	1,185,131	29,135	1,828,288	672,292
Culture and Recreation	425,038	9,223	-	(415,815)
Conservation and Development	1,064,663	-	-	(1,064,663)
Debt Interest	159,194	-	-	(159,194)
Total Governmental Activities:	<u>\$ 24,030,595</u>	<u>\$ 3,068,700</u>	<u>\$ 2,787,263</u>	<u>(18,174,632)</u>
General Revenues:				
				19,407,240
				655,143
				51,096
				1,854,492
				190,915
				<u>22,158,886</u>
				3,984,254
				133,419
				4,117,673
				26,118,112
				<u>(252,306)</u>
				<u>\$ 29,983,479</u>

The notes to the financial statements are an integral part of this statement.

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FUND BASIS FINANCIAL STATEMENTS

LLANO COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS ON SEPTEMBER 30, 2024

	General Fund	Road and Bridge Fund	Indigent Health Fund
ASSETS			
Cash and Cash Equivalents	\$ 12,490,696	\$ 1,443,621	\$ 741,613
Property Taxes Receivable	371,419	46,191	-
Allowance for Uncollectible Taxes	(37,142)	(4,619)	-
Due from Others	121,458	29,376	-
Due from Other Funds	42,464	-	-
Notes Receivable	102,564	-	759,509
Total Assets	<u>\$ 13,091,459</u>	<u>\$ 1,514,569</u>	<u>\$ 1,501,122</u>
LIABILITIES			
Accounts Payable	\$ 483,900	\$ 35,511	\$ -
Accrued Payroll	205,567	33,963	-
Due to Other Funds	192	55,581	-
Due to Others	72,203	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>761,862</u>	<u>125,055</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Property Taxes	334,277	41,572	-
Deferred Inflows - Unavailable Revenue	102,564	-	759,509
Total Deferred Inflows of Resources	<u>436,841</u>	<u>41,572</u>	<u>759,509</u>
FUND BALANCES (DEFICITS)			
Restricted for:			
Road & Bridge	-	1,347,942	-
Debt Service	-	-	-
Capital Projects	-	-	-
Specific Purposes	-	-	741,613
Unassigned	11,892,756	-	-
Total Fund Balances	<u>11,892,756</u>	<u>1,347,942</u>	<u>741,613</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 13,091,459</u>	<u>\$ 1,514,569</u>	<u>\$ 1,501,122</u>

The notes to the financial statements are an integral part of this statement.

CARES Act Fund	2023 Tax Notes Projects Fund	Total Non- Major Funds	Total Governmental Funds
\$ 1,665,064	\$ 3,136,152	\$ 6,283,758	\$ 25,760,904
-	-	30,911	448,521
-	-	(3,091)	(44,852)
-	-	29,053	179,887
-	-	13,309	55,773
-	-	-	862,073
<u>\$ 1,665,064</u>	<u>\$ 3,136,152</u>	<u>\$ 6,353,940</u>	<u>\$ 27,262,306</u>
\$ 5,964	\$ 77,432	\$ 6,981	\$ 609,788
-	-	17,975	257,505
-	-	-	55,773
-	-	23,169	95,372
1,659,100	-	61,819	1,720,919
<u>1,665,064</u>	<u>77,432</u>	<u>109,944</u>	<u>2,739,357</u>
-	-	27,820	403,669
-	-	-	862,073
<u>-</u>	<u>-</u>	<u>27,820</u>	<u>1,265,742</u>
-	-	-	1,347,942
-	-	283,317	283,317
-	3,058,720	3,758,201	6,816,921
-	-	2,174,658	2,916,271
-	-	-	11,892,756
<u>-</u>	<u>3,058,720</u>	<u>6,216,176</u>	<u>23,257,207</u>
<u>\$ 1,665,064</u>	<u>\$ 3,136,152</u>	<u>\$ 6,353,940</u>	<u>\$ 27,262,306</u>

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

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances - Governmental Funds \$ 23,257,207

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

Governmental activities capital assets	\$36,049,932	
Less accumulated depreciation	<u>(23,030,938)</u>	13,018,994

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Notes and right to use leases payable	(9,019,539)	
Compensated absences	<u>(439,042)</u>	(9,458,581)

The County recognizes pension expenditures in the governmental funds only as paid. However, pension expense and other pension related items are measured actuarially in the government-wide statements. Current differences reflected on the statement of net position are as follows:

Current pension funding asset	1,007,550	
Deferred outflows related to pensions	<u>650,228</u>	1,657,778

Uncollected property taxes are not available to pay for current operations and are therefore not recorded within the fund balance of the governmental funds. These amounts are however recorded in the statement of net position, net of an allowance for uncollectible amounts.

403,669

Other long-term receivables, such as those for outstanding fines and warrants, are not recognized in the governmental funds, but are recognized in the Statement of Net Position, net of an allowance for uncollectible amounts.

1,149,338

Accrued interest on long-term debt related to governmental fund activities is not due and payable in the current period and, therefore, not reported in the governmental funds.

(44,926)

Net Position of Governmental Activities \$ 29,983,479

The notes to the financial statements are an integral part of this statement.

LLANO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Road and Bridge Fund	Indigent Health Fund
REVENUES			
Property Taxes	\$ 15,957,750	\$ 1,955,509	\$ -
General Sales and Use Taxes	218,108	-	-
Fines and Fees	742,261	-	-
Charges for Services	155,043	728,518	-
Donations	-	-	-
Investment Income	1,012,312	109,247	-
Intergovernmental Revenues	399,022	64,512	-
Rent and Lease Revenue	16,336	-	1,033,000
Other Revenue	187,271	2,998	-
Total Revenues	18,688,103	2,860,784	1,033,000
EXPENDITURES			
Current:			
General Government	6,985,383	-	-
Public Safety	5,868,050	-	-
Judicial System	1,514,422	-	-
Highways and Streets	-	2,632,184	-
Public Facilities	1,133,043	-	-
Health and Welfare	-	-	1,078,844
Culture and Recreation	-	-	-
Conservation and Development	230,346	-	-
Debt Service:			
Principal	142,845	1,450	-
Interest	24,564	380	-
Fees	-	-	-
Capital Outlay	1,191,608	80,889	-
Total Expenditures	17,090,261	2,714,903	1,078,844
Excess (Deficiency) of Revenue Over Expenditures	1,597,842	145,881	(45,844)
OTHER FINANCING SOURCES (USES)			
Proceeds from Right to Use Leased Assets	98,621	17,103	-
Transfers In	151,235	-	50,000
Sale of Assets	15,120	118,299	-
Transfers Out	(468,696)	-	-
Total Other Financing Sources (Uses)	(203,720)	135,402	50,000
Net Change in Fund Balance	1,394,122	281,283	4,156
Fund Balance - Beginning	10,598,407	1,066,659	737,457
Prior Period Adjustment	(99,773)	-	-
Fund Balance - Ending	\$ 11,892,756	\$ 1,347,942	\$ 741,613

The notes to the financial statements are an integral part of this statement.

CARES Act Fund	2023 Tax Notes Projects Fund	Total Non- Major Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,365,543	\$ 19,278,802
-	-	437,035	655,143
-	-	298,969	1,041,230
-	-	26,352	909,913
-	-	51,096	51,096
172,335	267,983	292,615	1,854,492
1,762,913	-	560,820	2,787,267
-	-	-	1,049,336
-	-	646	190,915
<u>1,935,248</u>	<u>267,983</u>	<u>3,033,076</u>	<u>27,818,194</u>
656,468	474,018	488,632	8,604,501
-	-	188,153	6,056,203
-	-	24,044	1,538,466
-	-	21,040	2,653,224
-	-	-	1,133,043
-	-	-	1,078,844
-	-	412,754	412,754
-	-	744,786	975,132
-	-	1,310,000	1,454,295
-	-	209,487	234,431
-	-	1,049,619	1,049,619
1,297,404	713,106	276,537	3,559,544
<u>1,953,872</u>	<u>1,187,124</u>	<u>4,725,052</u>	<u>28,750,056</u>
<u>(18,624)</u>	<u>(919,141)</u>	<u>(1,691,976)</u>	<u>(931,862)</u>
-	-	-	115,724
-	-	412,999	614,234
-	-	-	133,419
-	-	(145,538)	(614,234)
-	-	267,461	249,143
<u>(18,624)</u>	<u>(919,141)</u>	<u>(1,424,515)</u>	<u>(682,719)</u>
18,624	3,977,861	7,793,224	24,192,232
-	-	(152,533)	(252,306)
<u>\$ -</u>	<u>\$ 3,058,720</u>	<u>\$ 6,216,176</u>	<u>\$ 23,257,207</u>

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LLANO COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

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

Net Change in Fund Balances - Total Governmental Funds \$ (682,719)

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

Expenditures for capitalized assets	\$ 4,608,594	
Less current year depreciation	<u>(2,160,980)</u>	2,447,614

Long-term receivables, such as those for fines and warrants, are not recorded in the funds. Therefore, any change in these items during the year is not reflected in the change in fund balance of governmental funds. 68,221

Long-term liabilities, such as bonds and notes payable, are not recorded within the governmental funds due to them not representing current liabilities. When principal repayments are made on these obligations, they represent expenditures in the governmental funds and reduce long-term liabilities in the statement of activities.

Current year debt additions	(115,724)	
Payments on long-term debt	1,454,295	
Change in long-term liabilities for compensated absences	<u>(61,017)</u>	1,277,554

Accrued interest on long-term debt is not recorded in the governmental funds, and therefore any change in accrued interest does not affect fund balance. 75,806

Revenues in the statements of activities for property taxes are recognized in the period levied, not collected. Therefore the uncollected property taxes of the current period increase the change in net position. 128,438

Governmental funds report pension contributions as current year expenditures for pensions. However, pension expense is measured actuarially in the statement of activities. These differences are as follows:

Actuarial current year pension (expense)/benefit	750,019	
Contributions made after the measurement date	<u>52,740</u>	<u>802,759</u>

Change in Net Position of Governmental Activities \$ 4,117,673

The notes to the financial statements are an integral part of this statement.

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LLANO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 15,877,032	\$ 15,877,032	\$ 15,957,750	\$ 80,718
General Sales and Use Taxes	100,000	100,000	218,108	118,108
Fines and Fees	606,800	606,800	742,261	135,461
Charges for Services	118,425	118,425	155,043	36,618
Investment Income	650,300	650,300	1,012,312	362,012
Intergovernmental Revenues	391,121	391,121	399,022	7,901
Rent and Lease Revenue	16,200	16,200	16,336	136
Other Revenue	35,000	35,000	187,271	152,271
Total Revenues	<u>17,794,878</u>	<u>17,794,878</u>	<u>18,688,103</u>	<u>893,225</u>
EXPENDITURES				
Current:				
General Government	8,816,148	8,585,148	6,985,383	1,599,765
Public Safety	6,598,276	6,598,276	5,868,050	730,226
Judicial System	1,837,778	1,837,778	1,514,422	323,356
Public Facilities	1,538,990	1,540,790	1,133,043	407,747
Conservation and Development	263,861	263,861	230,346	33,515
Debt Service:				
Principal	64,040	143,140	142,845	295
Interest	15,830	24,930	24,564	366
Capital Outlay	1,635,701	1,776,701	1,191,608	585,093
Total Expenditures	<u>20,770,624</u>	<u>20,770,624</u>	<u>17,090,261</u>	<u>3,680,363</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(2,975,746)</u>	<u>(2,975,746)</u>	<u>1,597,842</u>	<u>4,573,588</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Right to Use Leased Assets	-	-	98,621	98,621
Transfers In	1,200	1,200	151,235	150,035
Sale of Assets	10,000	10,000	15,120	5,120
Transfers Out	(500,000)	(500,000)	(468,696)	31,304
Total Other Financing Sources (Uses)	<u>(488,800)</u>	<u>(488,800)</u>	<u>(203,720)</u>	<u>285,080</u>
Net Change in Fund Balance	(3,464,546)	(3,464,546)	1,394,122	4,858,668
Fund Balance - Beginning	10,598,407	10,598,407	10,598,407	-
Prior Period Adjustment	-	-	(99,773)	99,773
Fund Balance - Ending	<u>\$ 7,133,861</u>	<u>\$ 7,133,861</u>	<u>\$ 11,892,756</u>	<u>\$ 4,758,895</u>

The notes to the financial statements are an integral part of this statement.

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LLANO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – ROAD AND BRIDGE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$1,983,971	\$1,983,971	\$1,955,509	\$ (28,462)
Charges for Services	675,200	675,200	728,518	53,318
Investment Income	75,000	75,000	109,247	34,247
Intergovernmental Revenues	62,000	62,000	64,512	2,512
Other Revenue	10,000	10,000	2,998	(7,002)
Total Revenues	<u>2,806,171</u>	<u>2,806,171</u>	<u>2,860,784</u>	<u>54,613</u>
EXPENDITURES				
Current:				
Highways and Streets	2,880,594	2,881,694	2,632,184	249,510
Debt Service:				
Principal	-	1,500	1,450	50
Interest	-	400	380	20
Capital Outlay	95,000	92,000	80,889	11,111
Total Expenditures	<u>2,975,594</u>	<u>2,975,594</u>	<u>2,714,903</u>	<u>260,691</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(169,423)</u>	<u>(169,423)</u>	<u>145,881</u>	<u>315,304</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Right to Use Lease Assets	-	-	17,103	17,103
Sale of Assets	10,000	10,000	118,299	108,299
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>10,000</u>	<u>135,402</u>	<u>125,402</u>
Net Change in Fund Balance	(159,423)	(159,423)	281,283	440,706
Fund Balance - Beginning	1,066,659	1,066,659	1,066,659	-
Fund Balance - Ending	<u>\$ 907,236</u>	<u>\$ 907,236</u>	<u>\$1,347,942</u>	<u>\$ 440,706</u>

The notes to the financial statements are an integral part of this statement.

LLANO COUNTY, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	Llano County School Fund	Custodial Funds
ASSETS		
Cash and Cash Equivalents	\$ 149,233	\$ 865,238
Accounts Receivable	-	15,230
Total Assets	149,233	880,468
LIABILITIES		
Accounts Payable	117,049	-
Due to Others	-	53,323
Total Liabilities	117,049	53,323
NET POSITION		
Restricted for:		
Specific Purposes	32,184	827,145
Total Net Position	\$ 32,184	\$ 827,145

The notes to the financial statements are an integral part of this statement.

LLANO COUNTY, TEXAS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Llano County School Fund	Custodial Funds
ADDITIONS		
Lease Revenue	\$ 122,873	\$ -
Intergovernmental Revenues	-	-
Fines and Fees	-	312
Other Income	-	91,009,916
Total Additions	122,873	91,010,228
DEDUCTIONS		
Trust Payments	137,729	-
Other Operating Costs	-	91,026,653
Total Deductions	137,729	91,026,653
Change in Net Position	(14,856)	(96,826)
Net Position - Beginning	47,040	923,971
Net Position - Ending	\$ 32,184	\$ 827,145

The notes to the financial statements are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS

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LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE-1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting entity

Llano County, Texas (the “County”) is a public corporation governed by an elected county judge and four-member governing court (the “Court”). The accompanying financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. Based on these criteria, no component units have been included within the financial statements of Llano County.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the County’s funds, including its fiduciary funds and blended component units. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Major Funds and Fund Types

The County reports the following major governmental funds:

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

The Road & Bridge Fund is the County’s special revenue fund that is used to account for resources used by the County in connection with providing transportation services to its citizens. This fund met the criteria to be considered a major fund this year.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

The Indigent Health Fund is a special revenue fund used to account for expenditures under the Indigent Health Care Program.

The CARES Act Fund is the county's special revenue fund that is used to account for Cares Act grant and expenses related to COVID 19. This fund met the criteria to be considered a major fund this year.

The 2023 Tax Notes Projects Fund is used to account for the proceeds from long-term debt financing or other revenues and expenditures related to the County's capital projects.

For the year ended September 30, 2023, the County reported one additional major fund, the 2021 Tax Notes Projects Fund. This fund is not reported as a major fund for the year ended September 30, 2024 as it did not meet the quantitative threshold.

Additionally, the County reports the following fund types:

Special revenue funds account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted or committed to expenditures for specified purposes.

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

The Private-Purpose Trust Fund accounts for contributions that both the principal and the income must be used for specific non-County related purposes in a private purpose trust fund.

The Capital Projects Fund is used to account for the construction, improvement, and renovation of County buildings in the County along with the acquisition of land and equipment. This fund is budgeted on a project basis rather than annually.

The Custodial Funds account for funds collected and held by the County departments on behalf of others that have yet to be remitted to those other individuals or the County Treasurer for County purposes.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds or advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the County.

Custodial funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities.

Budgetary information

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Road and Bridge Fund, and Debt Service Fund. Other special revenue funds do not have appropriated budgets since other means control the use of these resources (e.g., grant awards and endowment requirements) and sometimes span a period of more than one fiscal year.

The appropriated budget is prepared by fund and department. The County's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Commissioners Court. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Excess of expenditures over appropriations

For the year ended September 30, 2024, the County did not exceed any budgeted appropriations.

Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Investments for the County are reported at fair value (generally based on quoted market prices) except for positions in Local Government Investment Pools when applicable. In accordance with state law, these investment pools operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the pools qualify as 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The pools are subject to regulatory oversight by the State Treasurer, although it is not registered with the SEC.

3. Inventories and prepaid items

The County does not report inventories of supplies for consumable items due to the unused amount of these items being on hand any given time being deemed immaterial. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year.

As the County constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated fair value at the date of donation.

LLANO COUNTY, TEXAS
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Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Capital asset classes	Lives
Buildings & Improvements	5-22
Machinery and Equipment	3-15
Vehicles	7
Infrastructure	10-50

5. *Deferred outflows/inflows of resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

6. *Net position flow assumption*

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

7. *Fund balance flow assumptions*

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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8. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision-making authority. Commissioners Court is the highest level of decision-making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The court has by resolution authorized the County Judge to assign fund balance. The Commissioners Court may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and expenditures/expenses

1. Program revenues

Amounts reported as *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 or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property taxes

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll of January 1, 2023, upon which the levy for the 2023-2024 fiscal year was based, was \$7,245,225,949. Taxes are delinquent if not paid by February 1st of the following calendar year. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended September 30, 2024, to finance General Fund, Road & Bridge Fund and Debt Service Fund operations were \$0.22037, \$0.02700 and \$0.01884 respectively, for a total tax rate of \$0.266210 per \$100 valuation. The total tax levy for the General Fund, Road & Bridge Fund and Debt Service Fund for the 2023-2024 fiscal year was \$19,287,516. Tax collections, including collections of prior year delinquent balances, for the year ended September 30, 2024, were approximately 99% of the year end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates for the year of the levy. Allowances for uncollectible taxes within the General, Road & Bridge and Debt Service Funds are based on historical experience in collecting taxes.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

3. *Compensated absences*

Vacation

The County's policy permits employees to accumulate earned, but unused, vacation benefits which are eligible for payment upon separation from County service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Sick Leave

The County's policy permits employees to accumulate sick leave which is eligible for payment upon separation from County service (subject to the following: maximum of 120 hours of sick leave provided a minimum of 10 years of employee service to the County). The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

4. *Pensions*

For purposes of measuring the net pension liability, the economic resources measurement focus and full accrual basis of accounting have been used. This includes deferred inflows and outflows of resources related to pensions, pension expense, and information about assets, liabilities, and additions to/deductions from the net position of the pension plan. 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.

NOTE-2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Violations of legal or contractual provisions

For the year ended September 30, 2024, there were no known violations of legal and contractual provisions.

B. Deficit fund equity

For the year ended September 30, 2024, there were no funds reported with deficit fund equity.

NOTE-3 CASH AND INVESTMENTS

Cash deposits with financial institutions

Custodial credit risk-deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. However, as of September 30, 2024, and as of the highest cash balance during the year, the County's bank balance was covered by the Federal Deposit Insurance Corporation (FDIC) and pledged securities.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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Investments

The state treasurer’s investment pool (the “Pool”) operates in accordance with state law, which requires it to meet all of the requirements of Rule 2a-7 of the Securities and Exchange Commission. See note I.G.2, *Investments*, for a discussion of how the shares in the Pool are valued. Local government investment pools in this rating category meet the highest standards for credit quality, conservative investment policies, and safety of principal. The Pool invests in a high quality portfolio of debt securities investments legally permissible for municipalities and school districts in the state. The County utilizes a pooled investment concept for all its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested. State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the state treasurer’s investment pool.

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

Investment Type	Fair Value
Local Government Investment Pools:	
Lone Star Investment Pool	\$ 9,944,384
Texas CLASS	5,086,351
LOGIC	3,549,794
Certificates of Deposit - Arrowhead Bank	1,505,557
Total Investments	\$ 20,086,086

The County had investments in three external local governmental investment pool at September 30, 2024, consisting of the Lone Star Investment Pool (“Lone Star”), LOGIC Investment Pool, and Texas CLASS (Public Trust) Investment Pool.

LLONE STAR INVESTMENT POOL (FIRST PUBLIC)

The Corporate Overnight Fund is a fund within the Lone Star Investment Pool. Its objective is to maintain a stable \$1.00 per share net asset value (NAV), while it provides the highest possible rate of return. The fund represents one of three Texas public investment funds sponsored by the Texas Association of School Boards (TASB). The other funds--Government Overnight Fund and Corporate Overnight Plus Fund--also maintain S&P Global ratings. The Lone Star Investment Pool was created pursuant to the Interlocal Cooperation Act of the State of Texas as an investment vehicle for local school districts and other public entities. The funds within Lone Star Investment Pool are not registered mutual funds under the Investment Company Act of 1940, and are not available to individual investors.

The Lone Star Investment Pool is sponsored by TASB. The investment advisers to the pool are American Beacon Advisors and Standish. First Public LLC provides administrative and distribution services to the pool and State Street Bank is the custodian for all pool assets. In addition, CAPTRUST Financial Advisors monitors the pool's operations and performance and reports its findings to First Public and the board of trustees for the Lone Star Investment Pools.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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LOGIC

LOGIC is a local government investment pool organized under the authority of the Interlocal Cooperation Act, chapter 791, of the Texas Government Code, and the Public Funds Investment Act, chapter 2256, of the Texas Government Code. The pool was created in April 1994 through a contract among its participating governmental units, and is governed by a board of directors (the board) to provide for the joint investments of participant's public funds and funds under their control.

LOGIC's policy seeks to invest pooled assets in a manner that will provide for safety of principal, liquidity in accordance with the operating requirements of the Participants, and a competitive rate of return by utilizing economies of scale and professional investment expertise.

Since September 2005, J.P. Morgan Investment Management Inc. (JPMIM) has served as investment adviser to LOGIC. JPMIM is an SEC registered investment adviser and an affiliate of J.P. Morgan Asset Management (JPMAM), which is the marketing name for the asset management business of JPMorgan Chase & Co. Hilltop Securities Inc. (Hilltop Securities) and JPMIM serve as co-administrators to LOGIC, and Hilltop Securities provides administrative, participant support, and marketing services. Hilltop Securities is a registered broker dealer, member of FINRA/SIPC, which provides financial advisory and investment banking services to governmental entities across the country. JPMorgan Chase Bank N.A. provides custodial services.

Texas CLASS (Public Trust)

Texas CLASS is a local government investment pool created to meet the cash management and short-term investment needs of Texas governmental entities. Texas CLASS seeks to provide participants with a competitive market yield while maintaining daily liquidity and a stable net asset value. Fund management expects the fund to maintain a maximum dollar-weighted average maturity of 60 days or less, and all investments will have a maximum maturity of 397 days or less, except for variable rate securities issued by the U.S. Treasury or agencies in instrumentalities, which carry a maximum maturity of 762 days. Eligible investments include securities issued or guaranteed by the U.S. government, its agencies, or instrumentalities, and repurchase agreements.

Public Trust Advisors, LLC serves as the pool's administrator and investment adviser. The marketing and operation functions of the portfolio are also performed by Public Trust Advisors, LLC. The pool is subject to the general supervision of the Board of Trustees and its Advisory Board, both of which are elected by the Texas CLASS Participants. Wells Fargo Bank, N.A. serves as custodian for the pool.

Interest rate risk. In accordance with its investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than ten months.

Credit risk. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the County's policy to limit its investments in these investment types to the top rating issued by NRSROs. As of September 30, 2024, the County's investments in Lone Star Investment Pool, Logic Investment Pool, and Texas CLASS were rated AAAM by Standard & Poor's.

Concentration of credit risk. The County's investment policy does not allow for an investment in any one issuer that is in excess of 5 percent of the County's total investments. This restriction however does not apply to government investment pools due to the low risk nature of this type of investment.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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Custodial credit risk-investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

NOTE-4 DUE FROM/TO OTHER GOVERNMENTS

The County receives some grants from federal and state programs to partially or fully fund certain activities. Grants and entitlements are recorded as revenue when earned, therefore at year end amounts earned but not yet received in cash may be recorded as due from the grantor government. Amounts already received in cash but not yet earned are recorded as due to the grantor government.

A summary of amounts recorded as Due From/Due To Other Governments in the basic financial statements as of September 30, 2024 are summarized below:

Due From Other Governments:

Fund	State Grants	Other Governments	Total
General Fund	\$ 22,024	\$ 99,434	\$ 121,458
Road and Bridge	22,595	6,781	29,376
Non-Major Governmental Funds	5,363	23,690	29,053
Total	<u>\$ 49,982</u>	<u>\$ 129,905</u>	<u>\$ 179,887</u>

Due To Other Governments:

Fund	State Grants	Other Governments	Total
General Fund	\$ -	\$ 8,760	\$ 8,760
Non-Major Governmental Funds	22,405	64,207	86,612
Total	<u>\$ 22,405</u>	<u>\$ 72,967</u>	<u>\$ 95,372</u>

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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NOTE-5 CAPITAL ASSETS

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

	Balance 10/1/23	Increases	Decreases	Adjustments	Balance 9/30/24
Capital Assets, Not Being Depreciated:					
Land	\$ 162,378	\$ -	\$ -	\$ -	\$ 162,378
Construction-in-progress	1,417,420	457,572	-	(1,670,191)	204,801
Total Capital Assets, Not Being Depreciated	1,579,798	457,572	-	(1,670,191)	367,179
Capital Assets, Being Depreciated:					
Buildings and Improvements	15,704,436	326,914	-	-	16,031,350
Infrastructure	2,367,298	502,700	-	-	2,869,998
Furniture and Equipment	12,026,748	3,205,684	(548,585)	1,670,191	16,354,038
Right to Use Leased Assets	378,426	115,724	(66,783)	-	427,367
Total Capital Assets, Being Depreciated	30,476,908	4,151,022	(615,368)	1,670,191	35,682,753
Less Accumulated Depreciation for:					
Buildings and Improvements	(11,901,682)	(680,276)	-	-	(12,581,958)
Infrastructure	(285,716)	(143,500)	-	-	(429,216)
Furniture and Equipment	(9,092,893)	(1,250,926)	548,585	-	(9,795,234)
Right to Use Leased Assets	(205,035)	(86,278)	66,783	-	(224,530)
Total Accumulated Depreciation	(21,485,326)	(2,160,980)	615,368	-	(23,030,938)
Total Capital Assets Being Depreciated, Net	8,991,582	1,990,042	-	1,670,191	12,651,815
Governmental Activities Capital Assets, Net	\$ 10,571,380	\$ 2,447,614	\$ -	\$ -	\$ 13,018,994

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

Governmental Activities:

General Government	\$ 828,167
Public Safety	582,898
Judicial System	148,075
Highways and Streets	255,368
Public Facilities	109,053
Health and Welfare	103,837
Culture and Recreation	39,727
Conservation and Development	93,855
Total Depreciation Expense - Governmental Activities	\$ 2,160,980

NOTE-6 PENSION OBLIGATIONS

Texas County & District Retirement System (TCDRS)

Plan Description

- a. Llano County participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.

LLANO COUNTY, TEXAS
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b. A brief description of benefit terms:

- 1) All full- and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
- 2) The plan provides retirement, disability and survivor benefits.
- 3) TCDRS is a savings-based plan. For the county’s plan, 7% of each employee’s pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 160%) and is then converted to an annuity.
- 4) There are no automatic COLAs. Each year, the county may elect an ad hoc COLA for its retirees (if any). There are two COLA types, each limited by actual inflation.
- 5) Benefit terms are established under the TCDRS Act. They may be amended as of Jan. 1 each year, but must remain in conformity with the Act.

c. Membership information is shown in the chart below.

d. The county’s contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Llano County contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the county and are currently 7%. Contributions to the pension plan from the county for 2023 are shown in the Schedule of Employer Contributions.

e. The most recent comprehensive annual financial report for TCDRS can be found at the following link, www.tcdrs.org/employer.

Membership Information

Members	12/31/2022	12/31/2023
Number of inactive employees entitled to but not yet receiving benefits:	173	176
Number of active employees	155	163
Average monthly salary:*	\$ 3,431	\$ 3,715
Average age:*	50.01	50.92
Average length of service in years:*	9.96	10.44
<hr/>		
Inactive Employees (or their Beneficiaries) Receiving Benefits		
Number of benefit recipients:	143	144
Average monthly benefit:	\$ 936	\$ 994

*Averages reported for active employees.

LLANO COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
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The following are the key assumptions and methods used in this GASB analysis.

Actuarial Assumptions

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial Cost Method	Entry Age (Level Percent of Pay)
Amortization Method	
Recognition of economic/demographic gains or losses	Straight-Line amortization over Expected Working Life
Recognition of assumptions changes or inputs	Straight-Line amortization over Expected Working Life
Asset Valuation Method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary Increases	3.00%
Investment Rate of Return	7.6% (Gross of administrative expenses)
Cost-of-Living Adjustments	Cost-of-Living Adjustments for Llano County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Llano County specific table
Turnover	Llano County specific table
Mortality	Llano County specific table
Adjustment for Plans with the Partial-Lump Sum Payment Option (Liability and Normal Cost)	For employers who have elected this option, a 0.75% increase is applied to the TPL related to the member deposit portion of the estimated monthly benefit for future retirees.

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 2024 information for a 10-year time horizon.

Note that the valuation assumption for the long-term expected return is re-assessed in detail at a minimum of every four years, and is set based on a long-term time horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standard of practice. Millman relies on the expertise of Cliffwater in this assessment.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
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Target Allocations

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	11.5%	4.75%
Global Equities	MSCI World (net) Index	2.5%	4.75%
International Equities-Developed Markets	MSCI World Ex USA (net) Index	5.0%	4.75%
International Equities-Emerging Markets	MSCI Emerging Markets (net) Index	6.0%	4.75%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.0%	2.35%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.0%	3.65%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.0%	7.25%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.0%	6.90%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.0%	4.10%
Master Limited Ptnrs (MLPs)	Alerian MLP Index	2.0%	5.20%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.0%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.0%	7.75%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.0%	3.25%
Cash Equivalents	90-Day U.S. Treasury	2.0%	0.60%
		100%	

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

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

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

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

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

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.6%. The 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.

The following presents the net pension liability of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.6%) or 1-percentage-point higher (8.6%) than the current rate:

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Sensitivity of the net pension liability to changes in the discount rate

	1% Decrease in Discount Rate (6.6%)	Discount Rate 7.6%	1% Increase in Discount Rate (8.6%)
Total Pension Liability	\$ 32,486,967	\$ 29,239,102	\$ 26,471,493
Fiduciary Net Position	30,246,651	30,246,651	30,246,651
Net Pension Liability/(Asset)	\$ 2,240,316	\$ (1,007,550)	\$ (3,775,158)

Pension Plan Fiduciary Net Position

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

A detail of the changes in the Net Pension Liability/(Asset) of the County is as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability/(Asset)
Balances as of December 31, 2022	\$ 28,039,291	\$ 27,928,007	\$ 111,284
Changes for the year:			
Service cost	808,099	-	808,099
Interest on total pension liability	2,124,657	-	2,124,657
Effect of plan changes	-	-	-
Effect of econ./demo. gains/losses	83,054	-	83,054
Effect of assump. changes or inputs	-	-	-
Refund of contributions	(199,054)	(199,054)	-
Benefit payments	(1,616,945)	(1,616,945)	-
Administrative expenses	-	(15,794)	15,794
Member contributions	-	527,427	(527,427)
Net investment income	-	3,062,353	(3,062,353)
Employer contributions	-	584,692	(584,692)
Other	-	(24,035)	24,035
Balances as of December 31, 2023	<u>\$ 29,239,102</u>	<u>\$ 30,246,651</u>	<u>\$ (1,007,550)</u>

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

For the year ended September 30, 2024, the County recognized pension expense of \$52,741.

LLANO COUNTY, TEXAS
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At September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 77,635	\$ -
Changes of assumptions	-	-
Net Difference between projected and actual investment earnings	81,339	-
Contributions made subsequent to the measurement date	491,254	-
Total	\$ 650,228	\$ -

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense in the pension plan year as follows:

Year Ended	Pension Expense
2024	\$ (170,976)
2025	(84,272)
2026	607,734
2027	(193,512)
2028	-
Thereafter	-

NOTE-7 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. To reduce its risk exposure in these areas the County is a member of the Texas Association of Counties Risk Pool (the “Risk Pool”) for liability, property, and workers’ compensation. The Risk Pool is a public entity risk pool and was created based on the general objectives of formulation, developing and administering a program of self-insurance for the membership and obtaining lower costs for coverage. The Risk Pool has the power to establish fees, contributions and methods for establishing rates. Under contract with the Risk Pool, the Association provides for such services as claims administration and management, underwriting, loss control services and training, and financial reporting as its members.

The Pool is governed by a Board of Directors made up of employees or officials of counties, which are members of the Pool. Member counties make contributions to the Pool, and the Pool provides insurance coverage and applicable reinsurance or stop loss coverage. The insurance policies carry various deductibles and aggregate maximum loss totals. The by-laws of the Pool are detailed in a separate document, which can be obtained from the Texas Association of Counties, 1210 San Antonio Street, Austin 78701. The County’s workers’ compensation claim expense for the year ended September 30, 2024 was \$83,142.

Health Insurance

During the year ended September 30, 2024, employees of Llano County, Texas were covered by a health insurance plan (the Plan) through the Texas Association of Counties. The County paid premiums of \$974 per month per employee for health insurance. In addition, the County paid \$19 for dental and \$2 for life insurance premiums per month per employee. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement. The total cost to the County for employee health insurance during the year ended September 30, 2024 was \$1,603,793.

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE-8 LONG-TERM LIABILITIES

The long-term liabilities of the County comprise of notes payable, right to use lease payables, and compensated absences. The details of notes payable and right to use lease payables is as follows:

Governmental Activities:	Outstanding
Type	9/30/24
Notes Payable:	
\$4,000,000 Maintenance Tax Notes, Series 2019 due in annual installments of \$605,000 to \$620,000 through February 1, 2026; interest at 1.57%.	\$ 1,225,000
\$5,000,000 Tax Notes, Series 2021 due in annual installments of \$525,000 to \$1,190,000 through February 1, 2028; interest at 0.6% to 1.21%.	3,415,000
\$4,000,000 Tax Notes, Series 2023 due in annual installments of \$205,000 to \$1,515,000 through February 1, 2030; interest at 4.00% to 4.65%.	3,800,000
\$904,380 HVAC Equipment Note, with Government Capital Corporation, issued 2014, due in annual installments of \$79,925 through January 10, 2029; interest at 3.75%.	357,953
Right to Use Lease Payable:	
\$6,016 Phone Lease, with Vyve Business Solutions, issued in 2022, due in annual installments of \$1,896 to \$2,010, through August 1, 2025; interest at 3%.	1,896
\$42,510 Right to Use Copier Leases (3), with Benchmark Business Solutions, due in monthly installments of \$764 through January 2025 for a 60 month term; interest at 3%.	3,036
\$45,757 Right to Use Copier Leases (4), with Benchmark Business Solutions, due in monthly installments of \$786 through March 2027 for a 63 month term; interest at 3%.	22,687
\$36,625 Right to Use Copier Leases (4), with Benchmark Business Solutions, due in monthly installments of \$639 through June 2027 for a 63 month term; interest at 3%.	19,902
\$33,240 Right to Use Copier Leases (3), with Benchmark Business Solutions, due in monthly installments of \$571 through March 2027 for a 63 month term; interest at 3%.	17,009
\$12,040 Right to Use Copier Lease, with Benchmark Business Solutions, due in monthly installments of \$207 through August 2026 for a 63 month term; interest at 3%.	4,618
\$34,471 Right to Use Copier Lease, with TLC Office Systems, due in monthly installments of \$604 through January 2028 for a 63 month term; interest at 3.9%.	22,212
\$41,482 Right to Use Copier Lease, with TLC Office Systems, due in monthly installments of \$720 through July 2028 for a 63 month term; interest at 3.52%.	30,440
\$12,549 Right to Use Copier Lease, with TLC Office Systems, due in monthly installments of \$215 through April 2028 for a 63 month term; interest at 4.27%.	8,473
\$17,103 Right to Use Copier Lease, with Visual Edge, due in monthly installments of \$305 through July 2029 for a 63 month term; interest at 4.61%.	15,653
\$14,633 Right to Use Copier Lease, with Visual Edge, due in monthly installments of \$258 through June 2029 for a 63 month term; interest at 4.15%.	13,166
\$22,150 Right to Use Copier Lease, with Visual Edge, due in monthly installments of \$295 through July 2029 for a 63 month term; interest at 4.61%.	20,273
\$61,838 Right to Use Building Lease, with the Llano Masonic Lodge, due in monthly installments of \$1,850 through September 2026 for a 36 month term; interest at 4.88%	42,221
Total General Long-Term Debt	<u>\$ 9,019,539</u>

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Changes in long-term liabilities

Changes in the County’s long-term liabilities for the year ended September 30, 2024 are as follows:

Governmental Activities

Description	Balance 10/1/23	Additions	Deletions	Balance 9/30/24	Due in One Year
Notes Payable	\$10,171,993	\$ -	\$(1,374,040)	\$ 8,797,953	\$ 1,401,488
Right to Use Lease Payable	186,117	115,724	(80,255)	221,586	76,191
Compensated Absences	378,025	61,017	-	439,042	219,521
Gov. Activities Long-Term Liabilities	<u>\$10,736,135</u>	<u>\$ 176,741</u>	<u>\$(1,454,295)</u>	<u>\$ 9,458,581</u>	<u>\$ 1,697,200</u>

Accumulated unpaid annual leave is not accrued in governmental funds using the modified accrual basis of accounting, but are reflected in the government-wide Statement of Net Position. At September 30, 2024, accrued employee benefits recorded as long-term liability were for annual vacation pay, holiday pay, and compensated pay and amounted to \$439,042.

Notes Payable

Annual principal installments for maintenance tax notes payable vary each year. The debt service requirements to maturity for maintenance tax notes as of September 30, 2024 are as follows:

Year Ended September 30,	Principal	Interest	Total Requirements
2025	\$ 1,401,488	\$ 213,311	\$ 1,614,799
2026	1,423,981	187,509	1,611,490
2027	1,451,568	162,006	1,613,574
2028	1,479,252	136,672	1,615,924
2029	1,526,664	92,878	1,619,542
2030	1,515,000	30,300	1,545,300
	<u>\$ 8,797,953</u>	<u>\$ 822,676</u>	<u>\$ 9,620,629</u>

Right to Use Lease Payable

The County’s lease obligations for the year ending September 30, 2024 are as follows:

Year Ended September 30,	Principal	Interest	Total Requirements
2025	\$ 76,191	\$ 7,267	\$ 83,458
2026	73,900	4,368	78,268
2027	42,335	1,998	44,333
2028	20,704	774	21,478
2029	8,456	863	9,319
	<u>\$ 221,586</u>	<u>\$ 15,270</u>	<u>\$ 236,856</u>

LLANO COUNTY, TEXAS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE-9 FUND BALANCE

Minimum fund balance policy. It is the policy of this County to maintain at all times an overall Unrestricted Fund Balance (Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance) of not less than three months of regular General Fund operating expenditures, measured based on the most recently completed fiscal year. If it is determined that the County is below this minimum established fund balance level, the governing body will be informed of this condition and take necessary budgetary steps to bring the fund balance level into compliance with this policy through budgetary actions.

NOTE-10 INTERFUND RECEIVABLES AND PAYABLES

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

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Road & Bridge Fund	\$ 42,420
	Special Revenue Fund	44
		<u>42,464</u>
Debt Service Fund	Road & Bridge Fund	13,161
		<u>13,161</u>
Special Revenue Fund	Special Revenue Fund	148
		<u>148</u>
Total		<u><u>\$ 55,773</u></u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds which the General Fund expects to collect in the subsequent year.

NOTE-11 INTERFUND TRANSFERS

The composition of interfund transfers for the year ended September 30, 2024 is as follows:

	Transfer in to:		
	General Fund	Special Revenue Funds	Total
Transfer out from:			
General Fund	\$ -	\$ 450,000	\$ 450,000
Special Revenue Funds	164,234	-	164,234
Total	<u>\$ 164,234</u>	<u>\$ 450,000</u>	<u>\$ 614,234</u>

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

During the year, recurring transfers are used to 1) move revenues from a fund with collection authority to another fund with related expenditure requirements, and 2) move General Fund resources to provide subsidies to other funds as needs arise.

NOTE-12 UNEARNED REVENUE

Unearned revenue at September 30, 2024 consisted of the following:

Fund	Federal Grants	Other	Total
CARES Act Fund	\$ 1,659,100	\$ -	\$ 1,659,100
Non-Major Gov. Funds	-	61,819	61,819
Total	<u>\$ 1,659,100</u>	<u>\$ 61,819</u>	<u>\$ 1,720,919</u>

NOTE-13 CONTINGENCIES

The County participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the County's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, will be immaterial.

NOTE-14 SUBSEQUENT EVENTS

The County has evaluated subsequent events through January 24, 2025, the date of the audit report. The County is not aware of any subsequent events that materially affect the financial statements as of that date.

NOTE-15 PRIOR PERIOD ADJUSTMENT

The County recognized a prior period adjustment during the year in order to correct errors in prior year accounts payable and accounts receivable accounts for the General Fund and Hotel Occupancy Fund respectively.

The following is a detail of the financial effects of the prior period adjustment:

	Statement of Activities
Effect of correction of prior year Accounts Payable error	\$ (99,773)
Effect of correction of prior year Accounts Receivable error	(153,533)
Total Effect of Prior Period Adjustment	<u>\$ (253,306)</u>

	General Fund	Hotel Occupancy Fund	Total
Effect of correction of prior year Accounts Payable error	\$ (99,773)	\$ -	\$ (99,773)
Effect of correction of prior year Accounts Receivable error	-	(153,533)	(153,533)
Total Effect of Prior Period Adjustment	<u>\$ (99,773)</u>	<u>\$ (153,533)</u>	<u>\$ (253,306)</u>

LLANO COUNTY, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE-16 IMPLEMENTATION OF NEW GOVERNMENTAL ACCOUNTING STANDARD

During the year the District implemented Governmental Accounting Standards Board Statement No. 100 – *Accounting Changes and Error Corrections* (“GASB 100”). The objective of GASB 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

For the year ended September 30, 2024, the County did not have any changes in policy or circumstance that required a restatement. However, as a result of the implementation of GASB 100, the County has disclosed on Note 1 to the financial statements on Page 36 of this report that the 2021 Tax Notes Projects Fund is not presented as a major fund for the year ended September 30, 2024.

NOTE-17 NEW GOVERNMENTAL ACCOUNTING PRONOUNCEMENT

Governmental Accounting Standards Board Statement No. 101 – *Compensated Absences* (GASB 101) provides guidance on the accounting and financial reporting for Compensated Absences for governments. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means.

The requirements of this statement are effective for fiscal years beginning after December 15, 2023. GASB 101 will be implemented in the District’s fiscal year 2025 financial statements and the impact has not yet been determined.

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REQUIRED SUPPLEMENTARY INFORMATION

LLANO COUNTY, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Measurement Year		
	2023	2022	2021
Total Pension Liability			
Service cost	\$ 808,099	\$ 791,483	\$ 747,771
Interest on total pension liability	2,124,657	2,034,718	1,944,777
Effect of plan changes	-	-	-
Effect of assumption changes or inputs	-	-	(131,894)
Effect of economic/demographic (gains) or losses	83,054	66,800	136,193
Benefit payments/refunds of contributions	(1,815,999)	(1,639,648)	(1,477,571)
Net change in total pension liability	<u>1,199,811</u>	<u>1,253,353</u>	<u>1,219,276</u>
Total pension liability, beginning	<u>28,039,291</u>	<u>26,785,938</u>	<u>25,566,661</u>
Total pension liability, ending (a)	<u>\$29,239,102</u>	<u>\$28,039,291</u>	<u>\$26,785,938</u>
Fiduciary Net Position			
Employer contributions	\$ 584,692	\$ 574,976	\$ 546,022
Member contributions	527,427	487,242	446,514
Investment income net of investment expenses	3,062,353	(1,727,286)	5,502,720
Benefit payments/refunds of contributions	(1,815,999)	(1,639,648)	(1,477,571)
Administrative expenses	(15,794)	(16,366)	(16,395)
Other	(24,035)	(55,972)	2,627
Net change in fiduciary net position	<u>2,318,642</u>	<u>(2,377,056)</u>	<u>5,003,917</u>
Fiduciary net position, beginning	<u>27,928,007</u>	<u>30,305,063</u>	<u>25,301,147</u>
Fiduciary net position, ending (b)	<u>\$30,246,651</u>	<u>\$27,928,007</u>	<u>\$30,305,063</u>
Net pension liability / (asset), ending = (a) - (b)	<u>\$ (1,007,550)</u>	<u>\$ 111,283</u>	<u>\$ (3,519,125)</u>
Fiduciary net position as a % of total pension liability	103.45%	99.60%	113.14%
Pension covered payroll	\$ 7,534,677	\$ 6,756,519	\$ 6,378,770
Net pension liability as a % of covered payroll	-13.37%	1.65%	-55.17%

Measurement Year						
2020	2019	2018	2017	2016	2015	2014
\$ 682,506	\$ 678,378	\$ 687,947	\$ 672,698	\$ 694,022	\$ 630,281	\$ 628,372
1,917,109	1,827,764	1,742,046	1,661,268	1,555,023	1,477,841	1,397,673
-	-	-	-	-	(73,061)	-
1,259,559	-	-	112,765	-	217,696	-
(511,128)	21,444	(1,557)	(146,856)	(118,634)	(221,100)	(141,434)
(1,504,482)	(1,355,794)	(1,365,259)	(1,272,299)	(1,034,695)	(1,043,401)	(892,978)
1,843,564	1,171,792	1,063,178	1,027,576	1,095,716	988,256	991,633
23,723,098	22,551,305	21,488,128	20,460,552	19,364,836	18,376,580	17,384,947
\$ 25,566,661	\$ 23,723,097	\$ 22,551,306	\$ 21,488,128	\$ 20,460,552	\$ 19,364,835	\$ 18,376,580
\$ 535,196	\$ 479,840	\$ 495,010	\$ 472,641	\$ 487,191	\$ 481,016	\$ 446,428
436,641	421,443	411,528	397,180	382,502	370,013	357,552
2,421,784	3,376,996	(404,849)	2,780,918	1,325,986	122,838	1,179,023
(1,504,482)	(1,355,794)	(1,365,259)	(1,272,299)	(1,034,695)	(1,043,401)	(892,978)
(18,513)	(17,872)	(16,515)	(14,268)	(14,403)	(12,905)	(13,462)
(22,849)	(12,294)	(13,797)	(5,528)	31,151	28,210	(96,701)
1,847,777	2,892,319	(893,882)	2,358,644	1,177,732	(54,230)	979,862
23,453,371	20,561,051	21,454,933	19,096,289	17,918,557	17,972,787	16,992,923
\$ 25,301,147	\$ 23,453,371	\$ 20,561,051	\$ 21,454,933	\$ 19,096,290	\$ 17,918,556	\$ 17,972,784
\$ 265,514	\$ 269,726	\$ 1,990,255	\$ 33,195	\$ 1,364,263	\$ 1,446,279	\$ 403,796
98.96%	98.86%	91.17%	99.85%	93.33%	92.53%	97.80%
\$ 6,237,726	\$ 6,020,618	\$ 5,878,976	\$ 5,673,994	\$ 5,365,558	\$ 5,285,900	\$ 5,107,891
4.26%	4.48%	33.85%	0.59%	25.43%	27.36%	7.91%

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LLANO COUNTY, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS –
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Year	Actuarially Determined Contribution (1)	Actual Employer Contribution (1)	Contribution Deficiency (Excess)	Pensionable Covered Payroll (2)	Actual Contribution as a % of Covered Payroll
2024	\$ 637,431	\$ 637,431	-	\$ 8,110,054	7.9%
2023	591,319	591,319	-	7,446,546	7.9%
2022	563,915	563,915	-	6,616,770	8.5%
2021	540,659	540,659	-	6,312,399	8.6%
2020	520,651	520,651	-	6,176,872	8.4%
2019	485,151	485,151	-	6,001,960	8.1%
2018	495,010	495,010	-	5,878,976	8.4%
2017	472,641	472,641	-	5,673,994	8.3%
2016	487,191	487,191	-	5,365,558	9.1%
2015	481,016	481,016	-	5,285,900	9.1%

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

Hotel Occupancy Fund – to account for the hotel tax revenue used to promote tourism.

LCSO Seizure Fund – to account for the LCSO activities.

Library Fund – to account for the fees collected for library services and spend on library needs.

Library Donation Fund – to account for donations and related expenditures for the libraries.

County Clerk Training Fund – to account for fees collected for marriage and death certificates that are used for training offered by the state.

Guardianship Fund – to pay a guardian ad litem or an attorney ad litem appointed in a guardianship proceeding and to pay for guardianship programs for indigent incapacitated persons without family members to serve as guardians.

Court Reporter Service Fund – to account for district court reporter fees.

Language Access Fund – to provide language access services for individuals appearing before the court or receiving court services.

Pretrial Intervention Fund – to reimburse a county for expenses related to a defendant's participation in a pretrial intervention program offered in the county.

Law Library Fund – to account for the fees collected pursuant to Local Government Code 323.023 for the operations of the law library.

Probate Training Fund – to pay the continuing education of the judge and staff of the probate court.

Courthouse Security Fund – to pay for security personnel, services and items related to a building housing a court.

JC Building Security Fund - to pay for security personnel, services and items related to a building housing a JP court not located in the county courthouse

Court Facility Fund – to fund construction, renovation or improvement of facilities that house the courts.

CC/DC Technology Fund – to pay the costs of training for county and district courts regarding technological enhancements; the purchase and maintenance of technological enhancements for county and district courts.

JP Technology Fund – to pay for court personnel, continuing education for justice court judges and court personnel, and purchase and maintain technological enhancements for justice courts.

Special Revenue Funds (cont.)

Elections Administration Fund – to account for fees and expenses for election administration costs.

Election Chapter 19 Fund – to help defray the cost of voter registration.

Sheriff Leose Fund – to pay for continuing education of licensed peace officers or training for full-time fully paid law enforcement support personnel for the Sheriff's office.

Constable PCT#1 Leose – to pay for continuing education of licensed peace officers or training for full-time fully paid law enforcement officers and support personnel for the Constable's office.

Constable PCT#2 Leose – to pay for continuing education of licensed peace officers or training for full-time fully paid law enforcement officers and support personnel for the Constable's office.

Constable PCT#3 Leose – to pay for continuing education of licensed peace officers or training for full-time fully paid law enforcement officers and support personnel for the Constable's office.

Constable PCT#4 Leose – to pay for continuing education of licensed peace officers or training for full-time fully paid law enforcement officers and support personnel for the Constable's office.

County Records Management Fund – for records management and preservation, including for automation purposes of the county.

CC Records MGMT / PRSV Fund – for records management and preservation, including for automation purposes of the County Clerk's office.

CC Archive Fund – for the preservation and restoration services performed by the County Clerk in connection with maintaining a County Clerk's records archive on public documents.

DC Records MGMT / PRSV Fund – for records management and preservation, including for automation purposes of the District Clerk's office.

DC Records Technology Fund – for the preservation and restoration services performed by the County Clerk in connection with maintaining a District Clerk's records archive on public documents.

Rural Prosecutors Grant Fund – to provide salary assistance for SB 22 grant funds.

Rural Sheriff Grant Fund - to provide salary assistance for SB 22 grant funds.

Opioid Settlement Fund – to help defray the cost of personnel associated with mental health disorders and opioid addiction.

Sheriff Donation Fund – to account for donations received by the Sheriff's office.

Sheriff Commissary Fund – to pay for, staff and equip a social program for county prisoners, purchase clothing, writing materials, and hygiene supplies for county prisoners; to pay for jail improvements, technology and equipment.

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Special Revenue Funds (cont.)

Child Advocacy Fund – to account for grant and expenses related to prevention and treatment services to fight child abuse and neglect.

CCE Fund – to account for expenses related to the Community Collection Event that is a public/private sponsored event for the disposal of batteries, oil, paint, antifreeze, tires, and electronics.

Unclaimed Fund – to account for unclaimed funds held by the County.

Limited Access fund – to account for the fees collected from defendants in cases that the uses are restricted.

Debt Service Fund

The Debt Service Fund – to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

Capital Projects Fund

The Capital Projects Fund – to account for the proceeds from long-term debt financing or other revenues and expenditures related to the County’s capital projects.

Flood Recovery Fund – to account for clean-up and restoration costs for flood related damage.

2021 Tax Notes Projects Fund – to finance capital equipment and for building three Emergency Management System Stations for the County.

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

	Hotel Occupancy Fund	LCSO Seizure Fund	Library Fund	Library Donation Fund
ASSETS				
Cash and Cash Equivalents	\$ 519,686	\$ 3,782	\$ 30,777	\$ 62,751
Property Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes	-	-	-	-
Accounts Receivable	-	-	-	-
Due from Other funds	-	-	-	-
Total Assets	<u>\$ 519,686</u>	<u>\$ 3,782</u>	<u>\$ 30,777</u>	<u>\$ 62,751</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 6,929	\$ -
Accrued Salaries and Wages	-	-	10,722	-
Due to Others	-	-	-	-
Unearned Revenues	-	-	-	61,819
Total Liabilities	<u>-</u>	<u>-</u>	<u>17,651</u>	<u>61,819</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Specific Purposes	519,686	3,782	13,126	932
Total Fund Balances	<u>519,686</u>	<u>3,782</u>	<u>13,126</u>	<u>932</u>
Total Liabilities and Fund Balances	<u>\$ 519,686</u>	<u>\$ 3,782</u>	<u>\$ 30,777</u>	<u>\$ 62,751</u>

The notes to the financial statements are an integral part of this statement.

County Clerk Training Fund	Guardianship Fund	Court Reporter Service Fund	Language Access Fund	Pretrial Intervention Fund	Law Library Fund	Probate Training Fund
\$ 12,917	\$ 55,260	\$ 9,741	\$ 5,892	\$ 63,691	\$ 48,472	\$ 4,924
-	-	-	-	-	-	-
-	-	-	-	-	-	-
56	480	1,219	261	50	1,680	75
-	-	-	-	-	-	-
<u>\$ 12,973</u>	<u>\$ 55,740</u>	<u>\$ 10,960</u>	<u>\$ 6,153</u>	<u>\$ 63,741</u>	<u>\$ 50,152</u>	<u>\$ 4,999</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,973	55,740	10,960	6,153	63,741	50,152	4,999
12,973	55,740	10,960	6,153	63,741	50,152	4,999
<u>\$ 12,973</u>	<u>\$ 55,740</u>	<u>\$ 10,960</u>	<u>\$ 6,153</u>	<u>\$ 63,741</u>	<u>\$ 50,152</u>	<u>\$ 4,999</u>

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

	Courthouse Security Fund	JC Building Security Fund	Court Facility Fund	CC/DC Technology Fund
ASSETS				
Cash and Cash Equivalents	\$ 95,568	\$ 18,477	\$ 23,896	\$ 3,885
Property Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes	-	-	-	-
Accounts Receivable	987	95	960	71
Due from Other funds	-	-	-	-
Total Assets	<u>\$ 96,555</u>	<u>\$ 18,572</u>	<u>\$ 24,856</u>	<u>\$ 3,956</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Wages	-	-	-	-
Due to Others	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Specific Purposes	96,555	18,572	24,856	3,956
Total Fund Balances	<u>96,555</u>	<u>18,572</u>	<u>24,856</u>	<u>3,956</u>
Total Liabilities and Fund Balances	<u>\$ 96,555</u>	<u>\$ 18,572</u>	<u>\$ 24,856</u>	<u>\$ 3,956</u>

JP Technology Fund	Elections Administration Fund	Election Chapter 19 Fund	Sheriff Lease Fund	Constable PCT#1 Lease	Constable PCT#2 Lease	Constable PCT#3 Lease
\$ 15,606	\$ 84,966	\$ 339	\$ 3,099	\$ 8,407	\$ 2,657	\$ 3,304
-	-	-	-	-	-	-
-	-	-	-	-	-	-
311	-	-	-	-	-	-
-	-	-	148	-	-	-
<u>\$ 15,917</u>	<u>\$ 84,966</u>	<u>\$ 339</u>	<u>\$ 3,247</u>	<u>\$ 8,407</u>	<u>\$ 2,657</u>	<u>\$ 3,304</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
15,917	84,966	339	3,247	8,407	2,657	3,304
<u>15,917</u>	<u>84,966</u>	<u>339</u>	<u>3,247</u>	<u>8,407</u>	<u>2,657</u>	<u>3,304</u>
<u>\$ 15,917</u>	<u>\$ 84,966</u>	<u>\$ 339</u>	<u>\$ 3,247</u>	<u>\$ 8,407</u>	<u>\$ 2,657</u>	<u>\$ 3,304</u>

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

	Constable PCT#4 Lease	County Records Management Fund	CC Records MGMT/ PRSV Fund	CC Archive Fund
ASSETS				
Cash and Cash Equivalents	\$ 6,142	\$ 25,904	\$ 236,060	\$ 263,225
Property Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes	-	-	-	-
Accounts Receivable	-	240	5,747	5,510
Due from Other funds	-	-	-	-
Total Assets	<u>\$ 6,142</u>	<u>\$ 26,144</u>	<u>\$ 241,807</u>	<u>\$ 268,735</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Wages	-	-	-	-
Due to Others	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Specific Purposes	6,142	26,144	241,807	268,735
Total Fund Balances	<u>6,142</u>	<u>26,144</u>	<u>241,807</u>	<u>268,735</u>
Total Liabilities and Fund Balances	<u>\$ 6,142</u>	<u>\$ 26,144</u>	<u>\$ 241,807</u>	<u>\$ 268,735</u>

DC Records MGMT/PRSV Fund	DC Records Technology Fund	Rural Prosecutors Grant Fund	Rural Sheriff Grant Fund	Opioid Settlement Fund	2021 Tax Notes Projects Fund	Sheriff Donation Fund
\$ 28,746	\$ 18,260	\$ 22,405	\$ 39,631	\$ 32,566	\$ 2,495,564	\$ 22,117
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,142	-	5,353	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 29,888</u>	<u>\$ 18,260</u>	<u>\$ 27,758</u>	<u>\$ 39,631</u>	<u>\$ 32,566</u>	<u>\$ 2,495,564</u>	<u>\$ 22,117</u>
\$ -	\$ -	\$ -	\$ -	\$ 52	\$ -	\$ -
-	-	5,353	1,900	-	-	-
-	-	22,405	-	-	-	-
-	-	-	-	-	-	-
-	-	27,758	1,900	52	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,495,564	-
29,888	18,260	-	37,731	32,514	-	22,117
<u>29,888</u>	<u>18,260</u>	<u>-</u>	<u>37,731</u>	<u>32,514</u>	<u>2,495,564</u>	<u>22,117</u>
<u>\$ 29,888</u>	<u>\$ 18,260</u>	<u>\$ 27,758</u>	<u>\$ 39,631</u>	<u>\$ 32,566</u>	<u>\$ 2,495,564</u>	<u>\$ 22,117</u>

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

	Sheriff Comissary Fund	Child Advocacy Fund	CCE Fund	Unclaimed Funds
ASSETS				
Cash and Cash Equivalents	\$ 19,136	\$ 417,187	\$ 46,230	\$ 1,054
Property Taxes Receivable	-	-	-	-
Allowance for Uncollectible Taxes	-	-	-	-
Accounts Receivable	1,961	1,496	-	-
Due from Other funds	-	-	-	-
Total Assets	<u>\$ 21,097</u>	<u>\$ 418,683</u>	<u>\$ 46,230</u>	<u>\$ 1,054</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Wages	-	-	-	-
Due to Others	-	764	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>764</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)				
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Specific Purposes	21,097	417,919	46,230	1,054
Total Fund Balances	<u>21,097</u>	<u>417,919</u>	<u>46,230</u>	<u>1,054</u>
Total Liabilities and Fund Balances	<u>\$ 21,097</u>	<u>\$ 418,683</u>	<u>\$ 46,230</u>	<u>\$ 1,054</u>

The notes to the financial statements are an integral part of this statement.

Limited Access Fund	Debt Service Fund	Capital Projects Fund	Flood Recovery Fund	Total Non- Major Funds
\$ -	\$ 268,797	\$ -	\$ 1,262,637	\$ 6,283,758
-	30,911	-	-	30,911
-	(3,091)	-	-	(3,091)
-	1,359	-	-	29,053
-	13,161	-	-	13,309
<u>\$ -</u>	<u>\$ 311,137</u>	<u>\$ -</u>	<u>\$ 1,262,637</u>	<u>\$ 6,353,940</u>
\$ -	\$ -	\$ -	\$ -	\$ 6,981
-	-	-	-	17,975
-	-	-	-	23,169
-	-	-	-	61,819
-	-	-	-	109,944
-	27,820	-	-	27,820
-	27,820	-	-	27,820
-	283,317	-	-	283,317
-	-	-	1,262,637	3,758,201
-	-	-	-	2,174,658
-	283,317	-	1,262,637	6,216,176
<u>\$ -</u>	<u>\$ 311,137</u>	<u>\$ -</u>	<u>\$ 1,262,637</u>	<u>\$ 6,353,940</u>

LLANO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Hotel Occupancy Fund	LCSO Seizure Fund	Library Fund	Library Donation Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	437,035	-	-	-
Fines and Fees	-	-	1,973	-
Charges for Services	-	-	7,251	-
Donations	-	-	-	16,400
Investment Income	46,103	-	-	932
Intergovernmental Revenues	-	-	-	-
Other Revenue	-	-	256	-
Total Revenues	483,138	-	9,480	17,332
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Judicial System	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	396,354	16,400
Conservation and Development	744,786	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fees	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	744,786	-	396,354	16,400
Excess (Deficiency) of Revenue Over	(261,648)	-	(386,874)	932
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	400,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	400,000	-
Net Change in Fund Balance	(261,648)	-	13,126	932
Fund Balance - Beginning	933,867	3,782	-	-
Prior Period Adjustment	(152,533)	-	-	-
Fund Balance - Ending	\$ 519,686	\$ 3,782	\$ 13,126	\$ 932

The notes to the financial statements are an integral part of this statement.

County Clerk Training Fund	Guardianship Fund	Court Reporter Service Fund	Language Access Fund	Pretrial Intervention Fund	Law Library Fund	Probate Training Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
638	5,550	11,428	2,520	7,200	15,855	830
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
638	5,550	11,428	2,520	7,200	15,855	830
-	-	-	-	-	6,050	3,595
-	-	-	-	-	-	-
-	-	12,174	330	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	12,174	330	-	6,050	3,595
638	5,550	(746)	2,190	7,200	9,805	(2,765)
12,335	-	-	-	-	-	-
-	-	-	-	-	-	-
12,335	-	-	-	-	-	-
12,973	5,550	(746)	2,190	7,200	9,805	(2,765)
-	50,190	11,706	3,963	56,541	40,347	7,764
-	-	-	-	-	-	-
\$ 12,973	\$ 55,740	\$ 10,960	\$ 6,153	\$ 63,741	\$ 50,152	\$ 4,999

LLANO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Courthouse Security Fund	JC Building Security Fund	Court Facility Fund	CC/DC Technology Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	-	-	-
Fines and Fees	13,282	1,195	9,100	436
Charges for Services	-	-	-	-
Donations	-	-	-	-
Investment Income	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	13,282	1,195	9,100	436
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Judicial System	1,540	10,000	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation and Development	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fees	-	-	-	-
Capital Outlay	19,592	-	-	-
Total Expenditures	21,132	10,000	-	-
Excess (Deficiency) of Revenue Over	(7,850)	(8,805)	9,100	436
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	(7,850)	(8,805)	9,100	436
Fund Balance - Beginning	104,405	27,377	15,756	3,520
Prior Period Adjustment	-	-	-	-
Fund Balance - Ending	\$ 96,555	\$ 18,572	\$ 24,856	\$ 3,956

JP Technology Fund	Elections Administration Fund	Election Chapter 19 Fund	Sheriff Lease Fund	Constable PCT#1 Lease	Constable PCT#2 Lease	Constable PCT#3 Lease
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
3,775	29,562	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	7,031	1,743	1,438	1,437
-	-	-	-	-	-	-
<u>3,775</u>	<u>29,562</u>	<u>-</u>	<u>7,031</u>	<u>1,743</u>	<u>1,438</u>	<u>1,437</u>
-	1,050	-	-	-	-	-
-	-	-	3,784	620	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	25,629	-	-	-	-	-
-	<u>26,679</u>	<u>-</u>	<u>3,784</u>	<u>620</u>	<u>-</u>	<u>-</u>
<u>3,775</u>	<u>2,883</u>	<u>-</u>	<u>3,247</u>	<u>1,123</u>	<u>1,438</u>	<u>1,437</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,775</u>	<u>2,883</u>	<u>-</u>	<u>3,247</u>	<u>1,123</u>	<u>1,438</u>	<u>1,437</u>
<u>12,142</u>	<u>82,083</u>	<u>339</u>	<u>-</u>	<u>7,284</u>	<u>1,219</u>	<u>1,867</u>
-	-	-	-	-	-	-
<u>\$ 15,917</u>	<u>\$ 84,966</u>	<u>\$ 339</u>	<u>\$ 3,247</u>	<u>\$ 8,407</u>	<u>\$ 2,657</u>	<u>\$ 3,304</u>

LLANO COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Constable PCT#4 Leose	County Records Management Fund	CC Records MGMT/ PRSV Fund	CC Archive Fund
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	-	-	-
Fines and Fees	-	3,070	73,449	71,580
Charges for Services	-	-	-	-
Donations	-	-	-	-
Investment Income	-	-	-	-
Intergovernmental Revenues	1,438	-	-	-
Other Revenue	-	-	-	-
Total Revenues	<u>1,438</u>	<u>3,070</u>	<u>73,449</u>	<u>71,580</u>
EXPENDITURES				
Current:				
General Government	-	720	29,793	46,266
Public Safety	-	-	-	-
Judicial System	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation and Development	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fees	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>-</u>	<u>720</u>	<u>29,793</u>	<u>46,266</u>
Excess (Deficiency) of Revenue Over	<u>1,438</u>	<u>2,350</u>	<u>43,656</u>	<u>25,314</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	1,438	2,350	43,656	25,314
Fund Balance - Beginning	4,704	23,794	198,151	243,421
Prior Period Adjustment	-	-	-	-
Fund Balance - Ending	<u>\$ 6,142</u>	<u>\$ 26,144</u>	<u>\$ 241,807</u>	<u>\$ 268,735</u>

DC Records MGMT/PRSV Fund	DC Records Technology Fund	Rural Prosecutors Grant Fund	Rural Sheriff Grant Fund	Opioid Settlement Fund	2021 Tax Notes Projects Fund	Sheriff Donation Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
9,380	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	29,150
-	-	1,604	1,684	7,063	212,033	413
-	-	180,353	350,000	-	-	-
-	-	-	-	-	-	-
9,380	-	181,957	351,684	7,063	212,033	29,563
-	-	181,957	-	-	-	-
-	-	-	122,076	841	-	44,877
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,049,050	-
-	-	-	191,877	-	-	9,679
-	-	181,957	313,953	841	1,049,050	54,556
9,380	-	-	37,731	6,222	(837,017)	(24,993)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
9,380	-	-	37,731	6,222	(837,017)	(24,993)
20,508	18,260	-	-	26,292	3,332,581	47,110
-	-	-	-	-	-	-
\$ 29,888	\$ 18,260	\$ -	\$ 37,731	\$ 32,514	\$ 2,495,564	\$ 22,117

LLANO COUNTY, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Sheriff Comissary Fund	Child Advocacy Fund	CCE Fund	Unclaimed Funds
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
General Sales and Use Taxes	-	-	-	-
Fines and Fees	-	38,094	-	-
Charges for Services	19,101	-	-	-
Donations	-	-	5,546	-
Investment Income	-	-	-	-
Intergovernmental Revenues	-	17,380	-	-
Other Revenue	-	-	-	390
Total Revenues	19,101	55,474	5,546	390
EXPENDITURES				
Current:				
General Government	-	200,000	19,201	-
Public Safety	15,955	-	-	-
Judicial System	-	-	-	-
Highways and Streets	-	-	-	-
Culture and Recreation	-	-	-	-
Conservation and Development	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fees	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	15,955	200,000	19,201	-
Excess (Deficiency) of Revenue Over	3,146	(144,526)	(13,655)	390
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	664
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	664
Net Change in Fund Balance	3,146	(144,526)	(13,655)	1,054
Fund Balance - Beginning	17,951	562,445	59,885	-
Prior Period Adjustment	-	-	-	-
Fund Balance - Ending	\$ 21,097	\$ 417,919	\$ 46,230	\$ 1,054

The notes to the financial statements are an integral part of this statement.

Limited Access Fund	Debt Service Fund	Capital Projects Fund	Flood Recovery Fund	Total Non- Major Funds
\$ -	\$ 1,365,543	\$ -	\$ -	\$ 1,365,543
-	-	-	-	437,035
52	-	-	-	298,969
-	-	-	-	26,352
-	-	-	-	51,096
-	22,758	25	-	292,615
-	-	-	-	560,820
-	-	-	-	646
52	1,388,301	25	-	3,033,076
-	-	-	-	488,632
-	-	-	-	188,153
-	-	-	-	24,044
-	-	-	21,040	21,040
-	-	-	-	412,754
-	-	-	-	744,786
-	1,310,000	-	-	1,310,000
-	209,487	-	-	209,487
-	569	-	-	1,049,619
27,820	-	1,940	-	276,537
27,820	1,520,056	1,940	21,040	4,725,052
(27,768)	(131,755)	(1,915)	(21,040)	(1,496,233)
-	-	-	-	412,999
(145,538)	-	-	-	(145,538)
(145,538)	-	-	-	267,461
(173,306)	(131,755)	(1,915)	(21,040)	(1,424,515)
173,306	415,072	1,915	1,283,677	7,793,224
-	-	-	-	(152,533)
\$ -	\$ 283,317	\$ -	\$ 1,262,637	\$ 6,216,176

LLANO COUNTY, TEXAS
 COMBINING STATEMENT OF NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Jury Fund	County Attorney Hot Check Fund	LCSO State Seizure Fund	Lateral Road Fund	State Fees Fund
ASSETS					
Cash and Temporary Investments	\$ 36,077	\$ 13,611	\$ 2,747	\$ -	\$ 35,638
Accounts Receivable	338	-	-	-	14,892
Total Assets	<u>\$ 36,415</u>	<u>\$ 13,611</u>	<u>\$ 2,747</u>	<u>\$ -</u>	<u>\$ 50,530</u>
LIABILITIES					
Due to Others	\$ 2,330	\$ 463	\$ -	\$ -	\$ 50,530
Total Liabilities	<u>2,330</u>	<u>463</u>	<u>-</u>	<u>-</u>	<u>50,530</u>
NET POSITION					
Restricted for:					
Specific Purposes	34,085	13,148	2,747	-	-
Total Net Position	<u>\$ 34,085</u>	<u>\$ 13,148</u>	<u>\$ 2,747</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

District Clerk Fines/Fees	District Clerk Trust	County Clerk Court Registry	Sales and Use Tax	Auto Tax	Ad Valorem	Liquor & Beer
\$ 38,936	\$ 268,554	\$ 79,440	\$ 79,048	\$ 42,988	\$ 213,933	\$ 2,836
-	-	-	-	-	-	-
<u>\$ 38,936</u>	<u>\$ 268,554</u>	<u>\$ 79,440</u>	<u>\$ 79,048</u>	<u>\$ 42,988</u>	<u>\$ 213,933</u>	<u>\$ 2,836</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
38,936	268,554	79,440	79,048	42,988	213,933	2,836
<u>\$ 38,936</u>	<u>\$ 268,554</u>	<u>\$ 79,440</u>	<u>\$ 79,048</u>	<u>\$ 42,988</u>	<u>\$ 213,933</u>	<u>\$ 2,836</u>

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LLANO COUNTY, TEXAS
 COMBINING STATEMENT OF NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

	VIT Interest	Inmate Trust	Total Custodial Funds
ASSETS			
Cash and Temporary Investments	\$ 33,702	\$ 17,728	\$ 865,238
Accounts Receivable	-	-	15,230
Total Assets	<u>\$ 33,702</u>	<u>\$ 17,728</u>	<u>\$ 880,468</u>
LIABILITIES			
Due to Others	\$ -	\$ -	\$ 53,323
Total Liabilities	<u>-</u>	<u>-</u>	<u>53,323</u>
NET POSITION			
Restricted for:			
Specific Purposes	33,702	17,728	827,145
Total Net Position	<u>\$ 33,702</u>	<u>\$ 17,728</u>	<u>\$ 827,145</u>

The notes to the financial statements are an integral part of this statement.

LLANO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 CUSTODIAL FUNDS
 AS ON SEPTEMBER 30, 2024

	Jury Fund	County Attorney Hot Check Fund	LCSO State Seizure Fund	Lateral Road Fund	State Fees Fund
ADDITIONS					
Investment Income	\$ -	\$ 233	\$ 79	\$ -	\$ -
Other Contributions	26,925	225	1,650	-	-
Total Additions	<u>26,925</u>	<u>458</u>	<u>1,729</u>	<u>-</u>	<u>-</u>
DEDUCTIONS					
Other Operating Costs	26,400	130	-	-	-
Other Deductions	-	-	-	80,401	-
Total Deductions	<u>26,400</u>	<u>130</u>	<u>-</u>	<u>80,401</u>	<u>-</u>
Change in Net Position	525	328	1,729	(80,401)	-
Net Position - Beginning	33,560	12,820	1,018	80,401	-
Net Position - Ending	<u>\$ 34,085</u>	<u>\$ 13,148</u>	<u>\$ 2,747</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

District Clerk Fines/Fees	District Clerk Trust	County Clerk Court Registry	Sales and Use Tax	Auto Tax	Ad Valorem	Liquor & Beer
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
179,044	151,661	372,781	1,863,285	4,077,813	84,134,274	19,047
179,044	151,661	372,781	1,863,285	4,077,813	84,134,274	19,047
168,769	225,136	384,963	1,924,267	4,070,000	84,036,584	19,076
-	-	-	-	-	-	-
168,769	225,136	384,963	1,924,267	4,070,000	84,036,584	19,076
10,275	(73,475)	(12,182)	(60,982)	7,813	97,690	(29)
28,661	342,029	91,622	140,030	35,175	116,243	2,865
\$ 38,936	\$ 268,554	\$ 79,440	\$ 79,048	\$ 42,988	\$ 213,933	\$ 2,836

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LLANO COUNTY, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

	VIT Interest	Inmate Trust	Total Custodial Funds
ADDITIONS			
Fines and Fees	\$ -	\$ -	\$ 312
Other Income	38,442	144,769	91,009,916
Total Additions	<u>38,442</u>	<u>144,769</u>	<u>91,010,228</u>
DEDUCTIONS			
Other Operating Costs	38,562	132,766	91,026,653
Other Deductions	-	-	80,401
Total Deductions	<u>38,562</u>	<u>132,766</u>	<u>91,107,054</u>
Change in Net Position	(120)	12,003	(96,826)
Net Position - Beginning	33,822	5,725	923,971
Net Position - Ending	<u>\$ 33,702</u>	<u>\$ 17,728</u>	<u>\$ 827,145</u>

The notes to the financial statements are an integral part of this statement.

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LLANO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 1,363,211	\$ 1,363,211	\$ 1,365,543	\$ 2,332
Investment Income	-	-	22,758	22,758
Total Revenues	<u>1,363,211</u>	<u>1,363,211</u>	<u>1,388,301</u>	<u>25,090</u>
EXPENDITURES				
Debt Service:				
Principal	1,310,000	1,310,000	1,310,000	-
Interest	209,525	209,525	209,487	38
Fees	1,200	1,200	569	631
Total Expenditures	<u>1,520,725</u>	<u>1,520,725</u>	<u>1,520,056</u>	<u>669</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(157,514)</u>	<u>(157,514)</u>	<u>(131,755)</u>	<u>24,421</u>
Net Change in Fund Balance	(157,514)	(157,514)	(131,755)	25,759
Fund Balance - Beginning	415,072	415,072	415,072	-
Fund Balance - Ending	<u>\$ 257,558</u>	<u>\$ 257,558</u>	<u>\$ 283,317</u>	<u>\$ 25,759</u>

The notes to the financial statements are an integral part of this statement.

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OTHER SUPPLEMENTARY INFORMATION SECTION

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

Honorable County Judge and Members of the Commissioners Court
Llano County, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Llano County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Llano County, Texas's basic financial statements and have issued our report thereon dated January 24, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify a deficiency in internal control that we consider to be a material weakness.

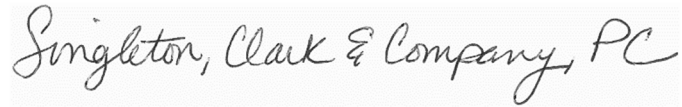
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Llano County, Texas'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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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.

A handwritten signature in black ink that reads "Singleton, Clark & Company, PC". The signature is written in a cursive style and is set against a light gray rectangular background.

Singleton, Clark & Company, PC.
Cedar Park, Texas

January 24, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL FOR EACH MAJOR PROGRAM AS REQUIRED BY UNIFORM GUIDANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

To the Honorable County Judge, Members of the Commissioner's Court and Citizens of Llano County, Texas

Report on Compliance for Each Major Federal Program

We have audited the County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended September 30, 2024. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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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 program on a timely basis.

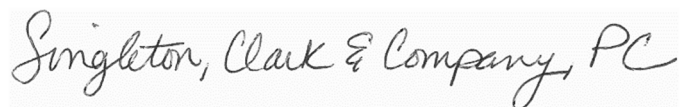
A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Report on Schedule of Expenditures of Federal Awards Required by *Uniform Guidance*

We have audited the financial statements of the County as of and for the year ended September 30, 2024, and have issued our report thereon dated January 24, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



Singleton, Clark & Company, P.C.
Cedar Park, Texas

January 24, 2025

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LLANO COUNTY, TEXAS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal ALN Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>FEDERAL AWARDS</u>			
U.S. DEPARTMENT OF TREASURY			
<u>Direct Award</u>			
Coronavirus State and Fiscal Recovery Funds	21.027	N/A	\$ 1,953,873
Total Direct Award			<u>1,953,873</u>
TOTAL U.S. DEPARTMENT OF TREASURY			<u>1,953,873</u>
 U.S DEPARTMENT OF JUSTICE			
<u>Direct Award</u>			
FY23 Body-Worn Camera Grant	16.835	N/A	38,787
Total Direct Award			<u>38,787</u>
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>38,787</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 1,992,660</u></u>

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

General – The accompanying schedule of expenditures of federal awards presents all federal expenditures of the Llano County, Texas (the “County”).

Basis of Accounting – The expenditures on the accompanying schedule of expenditures of federal awards are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized in the accounting period in which it becomes available and measurable, and expenditures in the accounting period in which the fund liability is incurred, if measurable.

The County does not currently have a negotiated indirect cost rate. When indirect costs are claimed on federal grants, the federal de minimis cost rate is used.

Relationship to the Basic Financial Statements – Expenditures of federal awards are reported in the County’s basic financial statements primarily in the General Fund but at times a Special Revenue Fund or a Capital Projects Fund is used.

Relationship to Federal Financial Reports – Amounts reported in the accompanying schedule of expenditures of federal awards agree with the amounts reported in the related federal financial reports in all significant respects.

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

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weaknesses? Yes None reported

Type of auditors’ report issued on compliance for major programs:

Coronavirus State and Fiscal Recovery Funds	Unmodified
---	------------

Any audit findings disclosed that are required to be in accordance with federal Uniform Guidance? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus State and Fiscal Recovery Funds

Dollar threshold used to distinguish Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

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

SECTION II – FINANCIAL STATEMENT FINDINGS

Findings Related to Financial Statements Which are Required to be Reported in Accordance with Government Auditing Standards:

No findings of questioned costs required to be reported in accordance with Government Auditing Standards for the year ended September 30, 2024.

Prior year financial statement findings as required to be restated with current status:

2023-001 Budgetary Compliance

Criteria: Each year the County’s Commissioners Court adopts an appropriations budget which limits expenditure amounts within specific line items that can be made by management.

Condition Found: As of year-end, actual expenditure amounts in the General Fund exceeded budgeted appropriations in the Transfers Out line item by \$352,078.

Cause: The needed budget amendments were either not known by year-end or not brought timely for approval.

Effect: The effect of this condition is a technical noncompliance with the legally adopted appropriations budget.

Recommendation: We recommend the budget-to-actual expenditure amounts be closely monitored during the year and needed budget amendments be brought to the Commissioners Court as needed to be considered for approval.

Current Status: We did not observe this condition again for the year ended September 30, 2024.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Findings Related to Federal Awards Which are Required to be Reported in Accordance with Uniform Guidance:

No findings of questioned costs required to be reported in accordance with Uniform Guidance for the years ended September 30, 2024 and September 30, 2023.