



Report of Examination

County of Blanco, Texas

Johnson City, Texas

**For the Year Ended
September 30, 2024**

BLANCO COUNTY, TEXAS

BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

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

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NEFFENDORF & BLOCKER, P.C.

Independent Auditor's Report

Honorable Judge and County Commissioners
Blanco County, Texas
Johnson City, TX 78636

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Blanco County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Blanco 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 Blanco County, Texas, as of September 30, 2024, and the respective changes in financial position 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 Blanco 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 Blanco 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 Blanco 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 Blanco 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 and budgetary comparison information and the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Employer Contributions and the Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 4-11 and 52-62 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 Blanco County, Texas's basic financial statements. The accompanying combining nonmajor fund financial statements 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2025, on our consideration of Blanco 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 Blanco 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 Blanco County, Texas's internal control over financial reporting and compliance.

Neffendorf & Blocker, P.C.
NEFFENDORF & BLOCKER, P.C.
Fredericksburg, Texas

April 18, 2025

BLANCO COUNTY, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Blanco County, Texas, we offer readers of the County's financial statements this narrative overview and analysis of the financial statements of the County for the year ended September 30, 2024. Please read it in conjunction with the independent auditors' report on page 1, and County's Basic Financial Statements which begin on page 12.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$34,141,462 (net position). Of this amount, \$11,604,981 (unrestricted net position) may be used to meet the County's ongoing obligations to citizen's and creditors.
- The County's net position increased by \$3,248,100 as a result of this year's operations.
- At September 30, 2024, the County's governmental funds reported combined ending fund balances of \$15,098,228, a decrease of \$3,459,740 in comparison with the prior year.
- At September 30, 2024, the unassigned fund balance of the general fund was \$11,017,163, or 101 percent of total general fund expenditures.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 12 and 14). These provide information about the activities of the County as a whole and present a longer-term view of the County's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (on pages 16 & 19) report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the County.

The notes to the financial statements (starting on page 26) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The Budgetary Comparison Schedules (operating fund), the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Employer Contributions and the Schedule of Changes in the Total OPEB Liability and Related Ratios are presented as required supplementary information on pages 52-62. The combining statements (starting on page 63) for nonmajor funds contain even more information about the County's individual funds.

Reporting the County as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the County's overall financial condition and operations begins on page 12. Its primary purpose is to show whether the County is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the County's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the County's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The County's revenues are divided into those provided by outside parties who pay for the costs of some programs and grants provided by the outside parties and agencies (program revenues), and revenues provided by the taxpayers or other unrestricted sources (general revenues). All the County's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the County's net position and changes in them. The County's net position (the difference between assets and liabilities) provide one measure of the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the County, however, you should consider other factors as well, such as changes in the County's customers or its property tax base and the condition of the County's facilities.

In the Statement of Net Position and the Statement of Activities, the County has one kind of activity:

➤ Governmental activity - Most of the County's basic services are reported here, including the public safety, roads and bridges, justice system, juvenile services, health and human services, culture and recreation, conservation and development and administration. Property taxes, grants, user charges, sales tax and other tax finance most of these activities.

Reporting the County's Most Significant Funds

Fund Financial Statements

The fund financial statements on pages 16 & 19 provide detailed information about the most significant funds - not the County as a whole. Laws and contracts require the County to establish some funds, such as grants received from a government agency. The County's administration establishes many other funds to help it control and manage money for particular purposes.

➤ Governmental funds - Most of the County's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the County's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the County's governmental activities.

Net position of the County's governmental activities increased from \$30,912,741 to \$34,141,462. Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements - was \$11,604,981 at September 30, 2024. This increase in governmental net position was the result of three factors. First, the County's expenditures exceeded the revenues by \$3,459,740. Second, the County issued new debt in the amount of \$831,586 and retired long-term debt in the amount of \$2,060,140 and third, the County acquired capital assets in the amount of \$6,937,503 and recorded depreciation and amortization in the amount of \$1,624,257.

Table I
Blanco County, Texas

NET POSITION in thousands

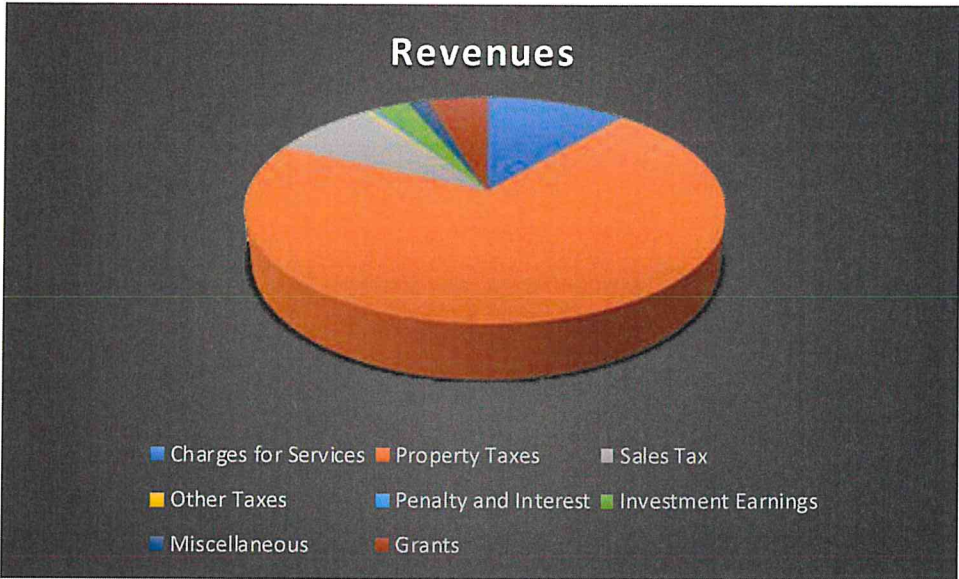
	Governmental Activities	
	2024	2023
Current and Other Assets	\$ 18,590	\$ 21,148
Capital Assets	29,837	24,512
Total Assets	\$ 48,427	\$ 45,660
Deferred Outflow of Resources	\$ 1,030	\$ 1,111
Long-Term Liabilities	\$ 10,390	\$ 11,718
Other Liabilities	3,313	2,835
Total Liabilities	\$ 13,703	\$ 14,553
Deferred Inflow of Resources	\$ 1,613	\$ 1,305
Net Position:		
Invested in Capital Assets		
Net of Related Debt	\$ 18,640	\$ 12,088
Restricted	3,896	2,517
Unrestricted	11,605	16,308
Total Net Position	\$ 34,141	\$ 30,913

Table II
Blanco County, Texas

CHANGES IN NET POSITION
in thousands

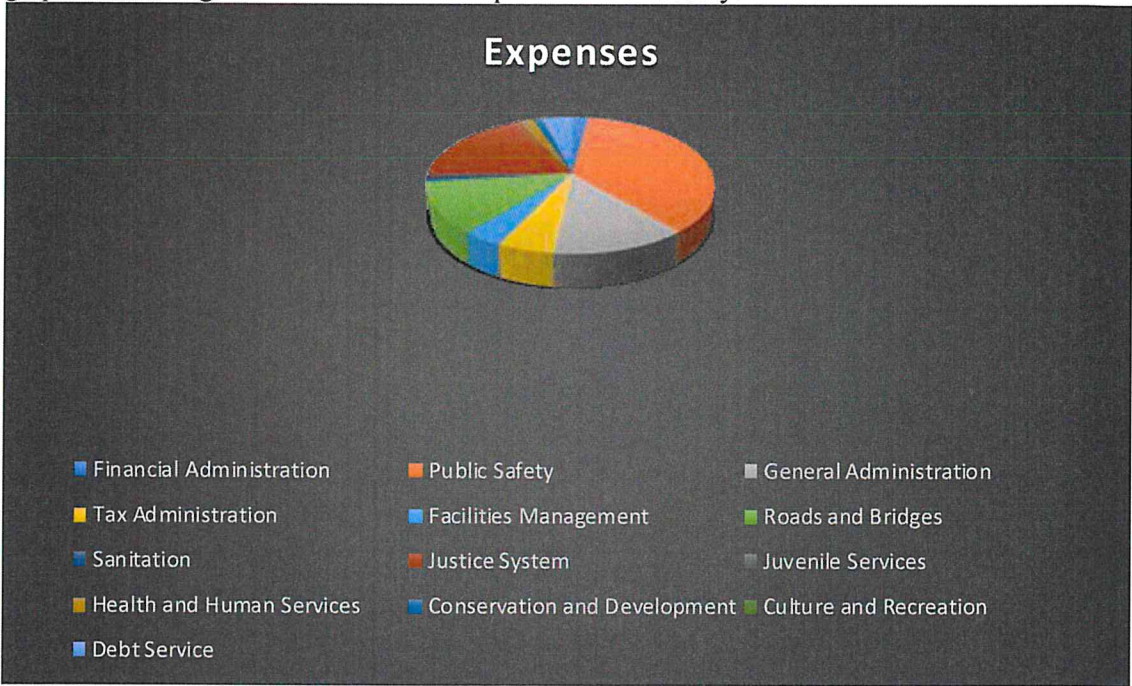
	Governmental Activities	
	2024	2023
Revenues:		
Charges for Services	\$ 1,812	\$ 1,513
Property Taxes	11,408	9,248
Sales Tax	1,353	1,306
Other Taxes	54	46
Penalty and Interest	93	77
Investment Earnings	432	281
Miscellaneous	258	230
Grants	774	2,523
Total Revenue	<u>\$ 16,184</u>	<u>\$ 15,224</u>
Expenses:		
Financial Administration	\$ 282	\$ 264
Public Safety	4,718	4,019
Elections		23
General Administration	1,696	1,340
Tax Administration	680	538
Facilities Management	502	502
Roads and Bridges	1,582	1,357
Sanitation	192	176
Justice System	2,300	2,213
Juvenile Services	73	43
Health and Human Services	236	194
Conservation and Development	148	143
Culture and Recreation	16	7
Debt Service	511	446
Total Expenses	<u>\$ 12,936</u>	<u>\$ 11,265</u>
Increase in Net Position	\$ 3,248	\$ 3,959
Net Position - Beginning of Year	30,913	27,041
Prior Period Adjustment	(19)	(87)
Net Position - End of Year	<u>\$ 34,141</u>	<u>\$ 30,913</u>

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the County’s activities:



The cost of all governmental activities this year was \$12,935,847. However, as shown in the Statement of Activities on page 14, the amount that our taxpayers ultimately financed for these activities through County taxes was only \$9,240,275 because the other costs were paid by sales tax (\$1,352,803), operating grants and capital grants (\$774,052), user charges (\$1,812,078), investment earnings (\$432,231) and other miscellaneous (\$258,290).

This graph shows the governmental function expenses of the County:



THE COUNTY'S FUNDS

As the County completed the year, its governmental funds (as presented in the balance sheet on page 17) reported a combined fund balance of \$15,098,228, which is less than last year's total of \$18,557,968. Included in this year's total change in fund balance is an increase of \$806,315 in the County's General Fund.

The Commissioner's Court adopted the General Fund Budget, the Road and Bridge Fund Budget and the Debt Service Fund Budget. Actual expenditures in the General Fund were less than the budgeted amount and less than the budgeted amount in the Road and Bridge Fund and the Debt Service Fund. Actual revenues in the General Fund budget and the Road and Bridge Fund were more than budgeted amounts. Actual revenues in the Debt Service Fund were less than budgeted amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

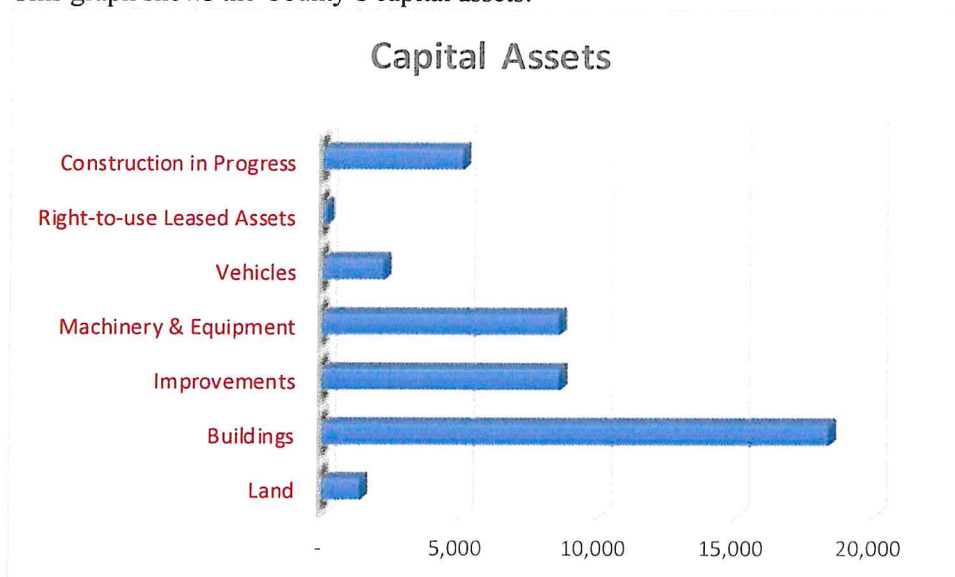
At the end of 2024, the County had \$44,194,797 invested in a broad range of capital assets, including land, buildings, vehicles, equipment, other improvements and right-to-use leased assets. This amount represents a net increase of \$6,616,684, or 18 percent, more than last year.

CAPITAL ASSETS

in thousands

	Governmental Activities	
	2024	2023
Land	\$ 1,364	\$ 1,364
Buildings	18,350	12,149
Improvements	8,587	8,152
Machinery & Equipment	8,553	7,986
Vehicles	2,182	2,318
Right-to-Use Leased Assets	122	89
Construction in Progress	5,037	5,539
Total Capital Assets	\$ 44,195	\$ 37,597
Accumulated Depreciation and Amortization	(14,358)	(13,085)
Capital Assets, Net	<u>\$ 29,837</u>	<u>\$ 24,512</u>

This graph shows the County's capital assets:



This year's major additions included:

Precinct Projects	\$ 437,686
Fair Grounds and Old Jail	1,467,379
Vehicles and Equipment	710,782
Construction in Progress	<u>4,251,014</u>
TOTAL	<u>\$ 6,866,861</u>

More detailed information about the County's capital assets is presented in Note 3.E. to the financial statements.

DEBT

At September 30, 2024, the County had the following outstanding debt:

OUTSTANDING DEBT in thousands

	Governmental Activities	
	2024	2023
Refunding Bonds	\$ 2,140	\$ 2,525
Certificates of Obligation	7,285	7,730
Limited Tax Notes	920	1,300
Financing Purchases	782	806
Leases	54	63
SBITAs	16	2
Total Outstanding Debt	<u>\$ 11,197</u>	<u>\$ 12,426</u>

This graph shows the County's outstanding debt:



At year-end the County had \$11,197,435 in certificates of obligation, refunding bonds, Limited Tax Notes, Financing Purchase Agreements, Leases and SBITAs outstanding, a decrease in total debt of \$1,228,554 from the previous year.

More detailed information about the County's long-term liabilities is presented in Note 3. I, J, K, L, M and N to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected and appointed officials considered many factors when setting the fiscal-year 2025 budget and tax rates. The major factors are the economy and property tax valuations. These indicators were taken into account when adopting the General Fund and Road and Bridge Fund budgets for 2025. Amounts available for appropriation in the General Fund budget are \$13,661,767 and expenditures are estimated to be \$16,841,150. Estimated revenues for the Road and Bridge Fund are \$2,164,095 (including transfer from the general fund of \$1,628,095) and expenditures are estimated to be \$2,178,124.

If these estimates are realized, the County's budgetary General Fund balance and the Road and Bridge Fund balance will decrease by the close of 2025.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Judge's office, Johnson City, Texas.

BASIC FINANCIAL STATEMENTS

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

EXHIBIT A-1 (Cont'd)

	Primary Government
	Governmental Activities
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 8,079,062
Investments - Current	8,094,548
Taxes Receivable, Net	333,749
Accounts Receivable, Net	305,356
Lease Receivable, Net	1,620,435
Due from Other Governments	156,668
Capital Assets:	
Land Purchase and Improvements	1,363,739
Buildings, Net	13,452,847
Improvements other than Buildings, Net	5,921,068
Furniture and Equipment, Net	3,992,712
Right-to-Use Lease Assets	52,043
SBITA Assets	17,447
Construction in Progress	5,037,202
Total Assets	<hr/> 48,426,876 <hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge for Refunding	352,060
Deferred Outflow Related to Pension Plan	629,064
Deferred Outflow Related to OPEB	49,104
Total Deferred Outflows of Resources	<hr/> 1,030,228 <hr/>

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

EXHIBIT A-1

	Primary Government
	Governmental Activities
<hr/>	
LIABILITIES	
Accounts Payable	675,882
Compensated Absences Payable	65,454
Retainage Payable	401,385
Accrued Interest Payable	59,509
Unearned Revenues	401,042
Notes Payable - Current	587,677
Bonds Payable - Current	1,095,000
Right-to-Use Leases Payable - Current	19,266
SBITAs Payable - Current	7,617
Noncurrent Liabilities:	
Due in More Than One Year:	
Bonds Payable - Noncurrent	9,887,730
Net Pension Liability	269,291
Net OPEB Liability	232,825
Total Liabilities	<u>13,702,678</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflow Related to Pension Plan	5,265
Deferred Inflow Related to OPEB	35,678
Deferred Resource Inflow for Leases	1,572,021
Total Deferred Inflows of Resources	<u>1,612,964</u>
NET POSITION	
Net Investment in Capital Assets and Lease Assets	18,639,620
Restricted:	
Restricted for Debt Service	1,095,786
Restricted for Special Revenue	2,801,075
Unrestricted	11,604,981
Total Net Position	<u><u>\$ 34,141,462</u></u>

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

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

		Program Revenues	
		Charges for Services	Operating Grants and Contributions
	Expenses		
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
Financial Administration	\$ 281,876	\$ -	\$ 4,599
General Administration	1,696,107	-	-
Tax Administration	680,709	6,376	3,518
Facilities Management	502,099	-	-
Public Safety	4,718,476	207,511	397,399
Roads and Bridges	1,581,912	631,200	74,477
Sanitation	192,051	-	-
Justice System	2,299,898	966,991	115,815
Juvenile Services	71,952	-	-
Health and Human Services	236,355	-	-
Culture and Recreation	16,011	-	-
Conservation and Development	147,819	-	-
Interest on Debt	484,738	-	-
Interest on SBITAs	42	-	-
Bond Interest	23,902	-	-
Fiscal Agent's Fees	1,900	-	-
TOTAL PRIMARY GOVERNMENT	\$ 12,935,847	\$ 1,812,078	\$ 595,808

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

General Sales and Use Taxes

Other Taxes

Penalty and Interest on Taxes

Grants and Contributions

Miscellaneous Revenue

Investment Earnings

Total General Revenues

Change in Net Position

Net Position - Beginning

Prior Period Adjustment

Net Position - Ending

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

		Net (Expense) Revenue and Changes in Net Position	
Capital Grants and Contributions		Primary Government Governmental	
\$	-	\$	(277,277)
	-		(1,696,107)
	-		(670,815)
	-		(502,099)
156,668			(3,956,898)
	-		(876,235)
	-		(192,051)
	-		(1,217,092)
	-		(71,952)
	-		(236,355)
	-		(16,011)
	-		(147,819)
	-		(484,738)
	-		(42)
	-		(23,902)
	-		(1,900)
\$	156,668		(10,371,293)

9,240,275
2,167,472
1,352,803
54,031
92,715
21,576
258,290
432,231
13,619,393
3,248,100
30,912,741
(19,379)
\$ 34,141,462

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

	General Fund	Major Fund Road & Bridge Fund	Major Fund Debt Service Fund
ASSETS			
Cash and Cash Equivalents	\$ 2,804,064	\$ 1,341,181	\$ 1,076,138
Investments - Current	8,094,548	-	-
Taxes Receivable	292,470	-	58,845
Allowance for Uncollectible Taxes (credit)	(14,624)	-	(2,942)
Accounts Receivable, Net	195,524	-	19,648
Due from Other Governments	156,668	-	-
Due from Other Funds	32,286	-	-
Total Assets	<u>\$ 11,560,936</u>	<u>\$ 1,341,181</u>	<u>\$ 1,151,689</u>
LIABILITIES			
Accounts Payable	\$ 230,803	\$ 17,926	\$ -
Retainage Payable	-	-	-
Due to Other Funds	1,198	-	-
Unearned Revenues	-	-	-
Total Liabilities	<u>232,001</u>	<u>17,926</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	277,847	-	55,903
Total Deferred Inflows of Resources	<u>277,847</u>	<u>-</u>	<u>55,903</u>
FUND BALANCES			
Restricted Fund Balance:			
Restricted for Special Revenue	33,925	1,323,255	-
Capital Acquisition and Contractual Obligation	-	-	-
Retirement of Long-Term Debt	-	-	1,095,786
Unassigned Fund Balance	11,017,163	-	-
Total Fund Balances	<u>11,051,088</u>	<u>1,323,255</u>	<u>1,095,786</u>
Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 11,560,936</u>	<u>\$ 1,341,181</u>	<u>\$ 1,151,689</u>

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

Major Fund Capital Projects	Major Fund SB22 Grant	Other Funds	Total Governmental Funds
\$ 945,600	\$ 407,593	\$ 1,504,486	\$ 8,079,062
-	-	-	8,094,548
-	-	-	351,315
-	-	-	(17,566)
-	-	31,089	246,261
-	-	-	156,668
-	-	-	32,286
<u>\$ 945,600</u>	<u>\$ 407,593</u>	<u>\$ 1,535,575</u>	<u>\$ 16,942,574</u>
\$ 360,011	\$ 57,593	\$ 9,549	\$ 675,882
401,385	-	-	401,385
-	-	31,089	32,287
-	350,000	51,042	401,042
<u>761,396</u>	<u>407,593</u>	<u>91,680</u>	<u>1,510,596</u>
-	-	-	333,750
-	-	-	333,750
-	-	1,443,895	2,801,075
184,204	-	-	184,204
-	-	-	1,095,786
-	-	-	11,017,163
<u>184,204</u>	<u>-</u>	<u>1,443,895</u>	<u>15,098,228</u>
<u>\$ 945,600</u>	<u>\$ 407,593</u>	<u>\$ 1,535,575</u>	<u>\$ 16,942,574</u>

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

Total Fund Balances - Governmental Funds	\$ 15,098,228
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.	11,952,127
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2024 capital outlays and debt principal payments is to increase net position.	9,029,111
The County is required under GASB Statement No. 68 to report their net pension liability/asset in the Governmental Wide Statement of Net Position. The items reported as a result of this requirement included a net pension liability of \$269,291, a deferred resource outflow of \$629,064 and a deferred resource inflow of \$5,265. The net effect of these is to increase net position.	354,508
The County is required under GASB Statement No. 75 to report their OPEB benefit plan through TCDRS. The requirement resulted in an OPEB liability of \$232,825, a deferred resource outflow of \$49,104 and a deferred resource inflow of \$35,678. The net effect of these was to decrease net position.	(219,399)
The 2024 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(1,624,257)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease net position.	(448,856)
Net Position of Governmental Activities	<u><u>\$ 34,141,462</u></u>

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

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

	General Fund	Major Fund Road & Bridge Fund	Major Fund Debt Service Fund
REVENUES:			
Taxes:			
Property Taxes	\$ 9,066,675	\$ -	\$ 2,260,859
General Sales and Use Taxes	1,352,803	-	-
Other Taxes	54,031	-	-
Penalty and Interest on Taxes	92,715	-	-
Licenses and Permits	147,347	490,228	-
Intergovernmental Revenue and Grants	348,443	15,094	-
Charges for Services	759,444	-	-
Fines	43,544	161,001	-
Investment Earnings	432,231	-	-
Interest Revenue - Leases	47,039	-	-
Rents and Royalties	961	-	-
Contributions & Donations from Private Sources	276	-	-
Other Revenue	136,628	14,047	-
Total Revenues	12,482,137	680,370	2,260,859
EXPENDITURES:			
Current:			
General Government:			
Financial Administration	249,554	-	-
General Administration	1,440,798	-	-
Tax Administration	601,227	-	-
Facilities Management	686,001	-	-
Public Safety	3,796,648	-	-
Public Works:			
Roads and Bridges	14,755	1,754,401	-
Sanitation	169,671	-	-
Justice System	2,146,183	-	-
Juvenile Services	63,341	-	-
Health and Welfare:			
Health and Human Services	190,133	-	-
Culture and Recreation	14,095	-	-
Conservation and Development	131,538	-	-
Debt Service:			
Principal on Debt	840,162	-	1,210,000
Principal on SBITAs	9,977	-	-
Interest on Debt	79,791	-	404,947
Interest on SBITAs	42	-	-
Fiscal Agent's Fees	-	-	1,900
Capital Outlay:			
Capital Outlay	489,695	12,808	-
Total Expenditures	10,923,611	1,767,209	1,616,847
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,558,526	(1,086,839)	644,012
OTHER FINANCING SOURCES (USES):			
Sale of Real and Personal Property	3,006	-	-
Proceeds from Right-to-Use Leases	8,875	-	-
Noncurrent Loans	799,128	-	-
Transfers In	197,775	1,454,831	-
Proceeds from SBITAs	23,583	-	-
Transfers Out	(1,784,578)	-	-
Total Other Financing Sources (Uses)	(752,211)	1,454,831	-

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

Major Fund Capital Projects	Major Fund SB22 Grant	Other Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 11,327,534
-	-	-	1,352,803
-	-	-	54,031
-	-	-	92,715
-	-	-	637,575
-	350,000	45,039	758,576
1,816	-	205,734	966,994
-	-	2,965	207,510
-	-	-	432,231
-	-	-	47,039
-	-	100	1,061
15,200	-	-	15,476
-	-	9,944	160,619
17,016	350,000	263,782	16,054,164
-	-	-	249,554
-	-	48,966	1,489,764
-	-	-	601,227
-	-	-	686,001
-	350,000	72,263	4,218,911
-	-	-	1,769,156
-	-	-	169,671
-	-	3,135	2,149,318
-	-	-	63,341
-	-	18,054	208,187
-	-	-	14,095
-	-	-	131,538
-	-	-	2,050,162
-	-	-	9,977
-	-	-	484,738
-	-	-	42
-	-	-	1,900
5,534,461	-	13,950	6,050,914
5,534,461	350,000	156,368	20,348,496
(5,517,445)	-	107,414	(4,294,332)
-	-	-	3,006
-	-	-	8,875
-	-	-	799,128
-	-	329,747	1,982,353
-	-	-	23,583
(120,504)	-	(77,271)	(1,982,353)
(120,504)	-	252,476	834,592

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

	General Fund	Major Fund Road & Bridge Fund	Major Fund Debt Service Fund
Net Change in Fund Balances	806,315	367,992	644,012
Fund Balance - October 1 (Beginning)	<u>10,244,773</u>	<u>955,263</u>	<u>451,774</u>
Fund Balance - September 30 (Ending)	<u>\$ 11,051,088</u>	<u>\$ 1,323,255</u>	<u>\$ 1,095,786</u>

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

Major Fund Capital Projects	Major Fund SB22 Grant	Other Funds	Total Governmental Funds
(5,637,949)	-	359,890	(3,459,740)
5,822,153	-	1,084,005	18,557,968
<u>\$ 184,204</u>	<u>\$ -</u>	<u>\$ 1,443,895</u>	<u>\$ 15,098,228</u>

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

Total Net Change in Fund Balances - Governmental Funds	\$ (3,459,740)
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2024 capital outlays and debt principal payments is to increase the change in net position.	9,029,111
The entries required by GASB Statement No. 68 did require that some expenses on B-1 be adjusted. The net effect on the change in net position on Exhibit B-1 is an increase in net position.	48,661
The requirements of recording the OPEB liability under GASB Statement No. 75 resulted in a decrease in net position.	(2,594)
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.	(1,624,257)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease the change in net position.	(743,081)
Change in Net Position of Governmental Activities	<u><u>\$ 3,248,100</u></u>

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

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

	Private Purpose Trust Fund	Custodial Fund
<hr/>		
ASSETS		
Cash and Cash Equivalents	\$ 95,873	\$ 3,070,559
Due from Other Governments	30,688	-
Total Assets	<u>126,561</u>	<u>3,070,559</u>
NET POSITION		
Restricted for Schools	126,561	-
Restricted for Other Purposes	-	3,070,559
Total Net Position	<u>\$ 126,561</u>	<u>\$ 3,070,559</u>

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

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

	Private Purpose Trust Fund	Custodial Fund
ADDITIONS:		
Investment Earnings	\$ 84	\$ -
Rents and Royalties	12,000	-
Other Revenue	-	3,292,527
Total Additions	<u>12,084</u>	<u>3,292,527</u>
DEDUCTIONS:		
Other Operating Costs	<u>1,702</u>	<u>10,009,172</u>
Total Deductions	<u>1,702</u>	<u>10,009,172</u>
Net Change in Fiduciary Net Position	10,382	(6,716,645)
Total Net Position - October 1 (Beginning)	<u>116,179</u>	<u>9,787,204</u>
Total Net Position - September 30 (Ending)	<u>\$ 126,561</u>	<u>\$ 3,070,559</u>

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

BLANCO COUNTY, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Blanco County have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

1.A. FINANCIAL REPORTING ENTITY

The County is an independent unit and is managed by a governing body of elected officials. The accompanying financial statements present the County's primary government.

In evaluating how to define the government, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14. The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Based on the foregoing criteria, there were no component units identified that would require inclusion in this report.

1.B. BASIS OF PRESENTATION

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria.

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditure/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund, the primary operating fund of the County, is always classified as a major fund. It is the basic fund of the County and covers all activities for which a separate fund has not been established.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Debt Service Funds

The Debt Service Fund accounts for the accumulation of financial resources for and the payment of principal and interest on general long-term debt of the County other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the County's debt.

Capital Projects Fund - To account for financial resources to be used for the acquisition and construction of major capital facilities.

Fiduciary Funds (Not included in government-wide statements)

Custodial Funds

The County accounts for resources held for others in a custodial capacity in custodial funds. The County's Custodial Fund is the officials fines and fees accounts.

Private Purpose Trust Funds

Private Purpose Trust Funds report trust arrangements under which principal and income benefit individuals, private organizations, or other governments. The reporting entity includes one private purpose trust fund.

Major and Nonmajor Funds

The funds are further classified as major or nonmajor. The major funds are as follows:

Major Fund	Brief Description
General	See above for description.
Special Revenue Fund - Road & Bridge Fund	See above for description
Special Revenue Fund – SB22 Grant Fund	See above for description
Capital Projects Fund	See above for description

Nonmajor funds consist of special revenue funds and the debt service fund. These funds are detailed in the Combining and Individual Fund Statements - Nonmajor Funds.

I.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. Agency and Permanent Trust Funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expense, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statement, governmental funds and agency funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized revenues when both "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectable within the current period or within 60 days after year end. Also under the modified accrual basis of accounting, expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

I.D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Cash and Cash Investments

For the purpose of the Statement of Net Position, "Cash and Cash Equivalents" includes demand deposit accounts and government investment pools. All amounts are considered available upon demand and are considered to be "cash equivalents."

Several funds may be invested in an investment account and each fund has an equity interest therein. Interest earned on the Investment of these monies is allocated based upon relative equity at month end.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances of uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. The major receivable balances for the governmental activities relate to property taxes and court fines and fees.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants, and other intergovernmental revenues since they are usually both measurable and available. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Fixed Assets

Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable.

Donated assets are recorded at their estimated fair value at the date of donation.

Pursuant to GASB Statement Number 34, an extended period of deferral is available before the requirement to record and depreciate infrastructure assets (e.g., roads, bridges, and similar items) acquired before the implementation date becomes effective. Therefore, infrastructure assets acquired prior to October 1, 2002 have not yet been capitalized.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	25 - 50 years
Improvements	10 - 50 years
Machinery and Equipment	3 - 20 years
Infrastructure	25 - 50 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Long-term Debt

All long term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of bond and note payables and capital lease transactions.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

Compensated Absences

Vacation and Sick Leave - Vacation and sick leave expenses are charged to operations when taken by the employees of the County. After one year of service an employee is entitled to two weeks of vacation. If the employee does not take the vacation within the year, they will lose the benefit. If an employee is terminated for any reason they will be entitled to payment for the vacation they have earned.

Fund Equity

The County implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Non-spendable fund balance – amounts that are in non-spendable form (such as inventory and prepaids) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (i.e. County Commissioners). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.
- Assigned fund balance – amounts the County intends to use for a specific purpose. Intent can be expressed by the County Commissioners or by an official or body to which the County Commissioners delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The County Commissioners establish (and modify or rescind) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the County Commissioners through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or other purposes).

Pensions

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

Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Texas County & District Retirement System Group Term Life Program (GTLP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities and additions to/deductions from GTLP's fiduciary net position. 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.

Deferred Inflows of Resources and Deferred Outflows of Resources

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period while a deferred inflow of resources is an acquisition of net position. These items are presented in separate sections following assets (deferred outflows) or liabilities (deferred inflows) on the statement of net position.

Revenues are recognized when they become both measurable and available in the fund statements. Available means when due, or past due, and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Revenues are not expected to be available for the current period are reflected as deferred revenue. Unavailable revenues arise when assets are recognized before revenue recognition criteria have been satisfied.

Fair Value Measurements

The County adopted GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into three-level fair value hierarchy as follows:

Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.

Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.

Level 3 inputs are observable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

Market approach – uses prices generated by market transactions involving identical or comparable assets or liabilities.

Cost approach – uses the amount that currently would be required to replace the service capacity of an asset (replacement costs).

Income approach – uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Implementation of GASB Statement No. 87

As of October 1, 2021, the County adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundation principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Disclosures required by this standard are included in Note 3.D. and 3.M.

Implementation of GASB Statement No. 96

As of October 1, 2022, the County adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The implementation of this standard establishes a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. The standard requires recognition of right-to-use subscription assets and liabilities for SBITAs that previously were classified as operating expenditures based on the payment provisions of the contract. The disclosures required by this standard are included in Note 3.N.

Net Position

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

Use of Estimates

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

Future Adoption of Accounting Principles

The GASB has issued the following potentially significant statements which the County has not yet adopted, and which require adoption subsequent to September 30, 2024.

Statement No.	Title	Adoption Required
101	Compensated Absences	September 30, 2025
102	Certain Risk Disclosures	September 30, 2025
103	Financial Reporting Model Improvements	September 30, 2026
104	Disclosure of Certain Capital Assets	September 30, 2026

1.E. REVENUES, EXPENDITURES AND EXPENSES

Property Taxes

The County contracted with the Blanco County Appraisal District for the appraisal of properties and collection of taxes. Property taxes are levied by October 1, in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1, of the year following the year in which imposed. On January 1, of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. For the 2023 tax roll, the total assessed valuation was \$2,722,073,082 and the taxes assessed amounted to \$11,549,488. The total tax rate was \$.365097 per \$100 valuation and allocated \$.2925970 to the General Fund and \$.0725 to the Debt Service Fund. The maximum tax levy allowed by State law for the above purposes is \$0.80 per \$100 valuation.

In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end. Due to the immaterial amount of additional property taxes receivable after the 60-day period, no additional accrual is made in the government-wide financial statements.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - by Character: Current (further classified by function)
 Debt Service
 Capital Outlay

In the fund financial statements, governmental funds report expenditures of financial resources.

Interfund Transfers

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the County is subject to various federal, state and local laws and contractual regulations. An analysis of the County's compliance with significant laws and regulations and demonstration of its stewardship over County resources follows.

Budgetary Information

The County Judge and staff prepare the proposed budget, using revenue estimates furnished by the County Treasurer and submit the data to Commissioners Court. A public hearing is held on the budget by Commissioners Court. Before determining the final budget, Commissioners Court may increase or decrease the amounts requested by the various departments. In the final budget, which is usually adopted in September, expenditures for current operating funds cannot exceed the estimated available cash balances in such funds on October 1, plus the estimate of revenues for the ensuing year. At any time during the year, Commissioners Court may increase the budget for unexpected revenues. Commissioners Court may transfer amounts among individual budget line items within major expenditure categories during the year, but no such transfer may increase the overall total of the budget. Formal budgetary integration is employed for the General and Special Revenue operations. Budgets for these funds are prepared on a cash basis. Unused appropriations lapse at the end of each year.

NOTE 3 - DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

3.A. Deposits and Investments

The funds of the County must be deposited and invested under the terms of a contract, contents of which are set out in the **Depository Contract Law**. The depository bank places approved pledged securities for safekeeping and trust with the County's agent bank in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

At September 30, 2024, the carrying amount of the County's deposits was \$11,245,494 and the bank balance was \$11,470,858. The County's cash deposits held at Texas Regional Bank at September 30, 2024 and during the year ended September 30, 2024 were entirely covered by FDIC insurance or by pledged collateral held by the County's agent bank in the County's name.

The **Public Funds Investment Act** (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the County to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County is in substantial compliance with the requirements of the Act and with local policies.

The County's temporary investments at September 30, 2024 are shown below:

Name	Carrying Amount	Market Value	FDIC Coverage	Pledged Securities
Government Pool:				
Texpool *	\$ 5,993,948	\$ 5,993,948	\$ -	\$ -
Certificate of Deposit:				
Texas Regional Bank	2,100,600	2,100,600	-	2,100,600
	<u>8,094,548</u>	<u>8,094,548</u>		<u>2,100,600</u>

*TexPool is a Local Government Investment Pool established in conformity with the Inter-local Cooperation Act, Chapter 791 of the Texas Government Code and the Public Investment Act, Chapter 2256 of the Code. TexPool is structured similar to money market mutual funds. Such funds allow shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are adjusted daily and the funds seek to maintain a constant net asset value of \$1.00, although this cannot be guaranteed. TexPool is rated AAAM and must maintain a weighted average maturity not to exceed 60 days.

At September 30, 2024, TexPool had a weighted average maturity of 31 days. The County considers the holdings in these funds to have a one day weighted average maturity. This is due to the fact that the share position can usually be redeemed each day at the discretion of the shareholder, short of a significant change in value. The State Comptroller oversees TexPool with a third party managing the daily operations of the pool under contract.

Policies Governing Deposits and Investments

In compliance with the **Public Funds Investment Act**, the County has adopted a deposit and investment policy. That policy does address the following risks:

Custodial Credit Risk - Deposits: This is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County was not exposed to custodial credit risk since its deposits at year-end were covered by depository insurance or by pledged collateral held by the County's agent bank in the County's name.

Custodial Credit Risk - Investments: 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. Investments are subject to custodial credit risk only if they are evidenced by securities that exist in physical or book entry form. Thus positions in external investment pools are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

Other Credit Risk: There is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk, TexPool Investment Pool invests only in investments authorized under the Public Funds Investment Act. TexPool's portfolio has low market (credit) risk due to restrictions on weighted average maturity and maximum maturity of any one investment. At September 30, 2024, the County was not exposed to concentration of credit risk or foreign currency risk.

3.B. AD VALOREM TAXES RECEIVABLE

Ad Valorem taxes have been reported in the financial statements net of the allowance for uncollectible taxes. Ad Valorem taxes are prorated between maintenance, debt service, and special revenues based on rates adopted for the year of the levy. Allowances for uncollectible within the General, Debt Service and Special Revenue Funds are based upon historical experience in collecting property taxes. The County is prohibited from writing off real property taxes without specific authority from the Texas Legislature.

Ad Valorem tax payments, received throughout the year, are recognized as revenue in the year received, except for those received within 60 days after year-end, which are recognized as revenue as of September 30, 2024.

The following is a summary, by major and nonmajor funds, of the gross taxes, the allowance for uncollectible taxes, and net taxes receivable.

	Taxes Receivable	Allowance for Uncollectible Taxes	Net Taxes Receivable
General Fund	\$ 292,470	\$ 14,624	\$ 277,847
Debt Service	58,845	2,942	55,903
TOTAL - ALL FUNDS	\$ 351,315	\$ 17,566	\$ 333,750

3.C. COURT FINES AND FEES RECEIVABLE

With the implementation of GASB Statement Number 34, the County has determined the amount of court fines and fees receivable to be \$295,473 which represents amounts owed and outstanding at September 30, 2024. Based on historical collection rates for the various courts, the County has booked an allowance for uncollectible court fines and fees of \$236,378, resulting in a net receivable of \$59,095.

3.D. LEASE RECEIVABLE

On October 1, 2022 the County entered into a 720 month lease with Waste Connections Lone Star, Inc. as Lessor for the use of the solid waster transfer station located at 2021 US Hwy 281 S, Johnson City, Texas. An initial lease receivable in the amount of \$1,626,229 was recorded. As of September 30, 2024, the value of the lease receivable is \$1,620,434. The Lessee is required to make monthly fixed payments of \$4,000. The lease has an interest rate of 2.9%. The value of the deferred inflow of resources as of September 30, 2024 was \$1,572,021 and the County recognized lease revenue of \$27,104 during the fiscal year.

3.E. CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended September 30, 2024.

	Balance 09/30/23	Additions	Deletions	Balance 09/30/24
<i>Governmental Activities:</i>				
Land	1,363,739	-	-	1,363,739
Buildings	12,149,273	6,201,005	-	18,350,278
Improvements	8,151,928	437,686	(2,997)	8,586,617
Machinery & Equipment	7,985,824	710,782	(143,502)	8,553,104
Vehicles	2,318,235	70,641	(206,779)	2,182,097
Construction in Progress	5,519,812	4,251,014	(4,733,625)	5,037,201
Total Capital Assets Being Depreciated	37,488,810	11,671,128	(5,086,903)	44,073,036
<i>Less Accumulated Depreciation:</i>				
Buildings	(4,523,708)	(240,871)	-	(4,764,579)
Improvements	(2,391,011)	(352,544)	2,008	(2,741,547)
Machinery & Equipment	(4,874,101)	(694,792)	143,502	(5,425,391)
Vehicles	(1,271,463)	(309,265)	206,779	(1,373,949)
Total Accumulated Depreciation	(13,060,283)	(1,597,472)	352,289	(14,305,466)
Total Capital Assets Being Depreciated, Net	24,428,527	10,073,656	(4,734,614)	29,767,570
<i>Right-to-Use Lease Assets being Amortized</i>				
Equipment	83,392	8,875	-	92,267
SBITA	5,911	23,583	-	29,494
Total Right-to-Use Lease Assets	89,303	32,458	-	121,761
<i>Less Accumulated Amortization:</i>				
Equipment	(22,262)	(17,962)	-	(40,224)
SBITA	(3,224)	(8,823)	-	(12,047)
Total Accumulated Amortization	(25,486)	(26,785)	-	(52,271)
Total Right-to-Use Assets being Amortized, Net	63,817	5,673	-	69,490
Governmental Activities Capital Assets, Net	\$ 24,492,344	\$ 10,079,329	\$ (4,734,614)	\$ 29,837,060

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

Governmental Activities:		
Financial Administration	\$	33,926
General Administration		202,528
Tax Administration		81,735
Facilities Management		93,259
Public Safety		573,545
Roads & Bridges		240,510
Sanitation		23,066
Justice System		292,192
Juvenile Services		8,611
Health & Human Services		28,302
Culture and Recreation		1,916
Conservation & Development		17,882
Total Depreciation Expense -		
Governmental Activities	\$	<u>1,597,472</u>

Amortization expense was charged to functions/programs of the County as follows:

Governmental Activities:		
General Administration	\$	17,962
Justice System		8,823
Total Amortization Expense -		
Governmental Activities	\$	<u>26,785</u>

3.F. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Due to/from other funds:

	Receivable Fund	Payable Fund	Amount
General		Special Revenue	\$ 32,286
TOTAL			<u>\$ 32,286</u>

This balance results from the time lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund Transfers:

	Transfers	Transfers
	In	Out
General Fund	\$ 197,775	\$ 1,784,578
Special Revenue Fund	329,747	77,271
Road & Bridge Fund	1,454,831	
Capital Projects Fund		120,504
	<u>\$ 1,982,353</u>	<u>\$ 1,982,353</u>

3.G. UNEARNED REVENUES

As of the year ended September 30, 2024 the County had \$51,042 of unspent Local Assistance and Tribal Consistency funds and \$350,000 of SB22 Grant funds received in September 2024 for the 2024-2025 budget year.

3.H. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The financial statements report separate sections for deferred outflows and inflows of resources. Deferred outflows represent an acquisition of net position that applies to a future period and so will not be recognized as an outflow of resources(expense/expenditure) until that time. Deferred inflows represent an acquisition of fund balance that applies to a future period and so will not be recognized as an inflow of resource(revenue) until that time.

Deferred outflows on the Statement of Net Position consists of the deferred charge for refunding \$352,060 TCDRS pension deferred outflow of \$629,064(see note 4.A.) and the TCDRS OPEB deferred outflow of \$49,104(see note 4.B.)

Deferred inflows on the Statement of Net position consists of the TCDRS pension deferred inflow of \$5,265(see note 4.A.), the TCDRS OPEB deferred inflow of \$35,678(see note 4.B.) and the deferred inflow related to lease receivable \$1,572,021(see note 3.D.).

Deferred inflows on the Balance Sheet – Governmental Funds consist of:

	General	Debt Service	Total
	Fund	Fund	
Delinquent Property Tax	\$ 277,847	\$ 55,903	\$ 333,750
Deferred Inflows - Exhibit C-1	\$ 277,847	\$ 55,903	\$ 333,750

3.I. LONG-TERM DEBT

Governmental Activities

As of September 30, 2024, the governmental long-term debt consisted of the following:

Changes in Long-Term Debt

	Balance 10/1/2023	Issued	Retired	Balance 9/30/2024	Due Within One Year
Bonds Payable -					
Certificates of Obligation Payable -					
Series 2012	\$ 695,000	\$ -	\$ 110,000	\$ 585,000	\$ 110,000
General Obligation Refunding Bonds -					
Series 2012	2,525,000	-	385,000	2,140,000	400,000
Limited Tax Note -					
Series 2017	150,000	-	150,000	-	-
Limited Tax Note -					
Series 2021	1,150,000		230,000	920,000	230,000
Certificates of Obligation Payable -					
Series 2022	3,285,000	-	175,000	3,110,000	185,000
Certificates of Obligation Payable -					
Series 2023	3,750,000		160,000	3,590,000	170,000
Financing Purchases Payable					
Government Capital	805,626	799,128	822,664	782,090	587,677
Leases Payable	62,635	8,875	17,498	54,012	19,266
SBITA Payable	2,728	23,583	9,978	16,333	7,617
Subtotal	12,425,989	831,586	2,060,140	11,197,435	1,709,560
Premium on Refunding Bonds	442,452		42,599	399,853	-
Pension Liability	307,273		37,982	269,291	-
OPEB Liability	201,786	31,039		232,825	-
Comp Time	50,096	15,358		65,454	65,454
TOTAL LONG TERM DEBT	\$ 13,427,596	\$ 877,983	\$ 2,140,721	\$ 12,164,858	\$ 1,775,014

3.J. CERTIFICATES OF OBLIGATIONS, TAX REFUNDING BONDS AND LIMITED TAX NOTES

Certificates of Obligation payable at September 30, 2024 consists of the following:

\$4,020,000 General Obligation Refunding Bonds, Series 2012 due in annual installments of principal and interest through August 1, 2029; interest at 2% to 3.25%.	\$ 2,140,000
\$1,730,000 Combination and Tax Revenue Certificates of Obligation, Series 2012 due in annual installments of principal and interest through August 1, 2029; interest at 2.0% to 3.0%.	585,000
\$1,620,000 Limited Tax Note Series 2021 due in annual installments of principal and interest through February 15, 2028, interest at 1.060%	920,000
\$3,460,000 Combination Tax and Revenue Certificates of Obligation, Series 2022 due in annual installments of principal and interest through August 1, 2037, Interest at 5.0% to 3.5%	3,110,000
\$3,750,000 Combination Tax and Revenue Certificates of Obligation, Series 2023 due in annual installments of principal and interest through August 1, 2039, Interest at 4.0% to 5.0%	3,590,000
	<hr/>
Total Long-Term Debt	<u><u>\$ 10,345,000</u></u>

The annual requirements for principal and interest on the outstanding certificates of obligation are as follows:

Year Ended September 30	Principal	Interest	Total
2025	\$ 1,095,000	366,045	\$ 1,461,045
2026	1,130,000	331,407	1,461,407
2027	1,165,000	296,381	1,461,381
2028	1,200,000	260,019	1,460,019
2029	1,005,000	223,814	1,228,814
2030 - 2034	2,425,000	733,580	3,158,580
2035 - 2039	2,325,000	239,652	2,564,652
Totals	<u><u>\$ 10,345,000</u></u>	<u><u>\$ 2,450,898</u></u>	<u><u>\$ 12,795,898</u></u>

3.K. LONG-TERM DEBT ADVANCE REFUNDING

During 2013, the County advance refunded a portion of the Series 2009 Certificates of Obligation by issuing \$4,020,000 general obligation refunding bonds – Series 2012. The certificates of obligation were called and were redeemed by depositing \$5,656,057 into an escrow account on July 26, 2012 (including the County's contribution of \$1,500,000). The certificates of obligation have been defeased and removed as a liability of the County. The Series 2012 refunding bonds mature on August 1, in each of the years 2014 through 2029. The refunding bonds resulted in a gross debt service savings of \$863,864 and the net present value savings of \$468,034. The following obligations are considered to be defeased and the liability removed from the accompanying financial statements:

Description	Refunded Amount	Balance 9/30/24
Certificates of Obligation - Series 2009	\$ 4,340,000	\$ 2,505,000

3.L. FINANCE PURCHASES PAYABLE

On October 5, 2023 the County executed a \$799,128 finance purchase obligation with Government Capital Corporation for the purchase of various equipment. The finance contract is due in 2 annual installments of \$428,494 ending June 5, 2025, with an interest rate of 6.12%.

On December 16, 2022 the County executed a \$736,489 finance purchase obligation with Government Capital Corporation for the purchase of various equipment. The finance contract is due in 4 annual installments of \$205,534 ending June 16, 2026, with an interest rate of 5.72%.

On October 14, 2022 the County executed a \$502,334 finance purchase obligation with Government Capital Corporation for the purchase of various equipment. The finance contract is due in 2 annual installments of \$266,414 ending June 14, 2024, with an interest rate of 5.147%.

Annual requirements to amortize the financing purchases payable and related interest as of September 30, 2024:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 587,677	\$ 46,350	\$ 634,027
2026	194,413	11,120	205,533
	<u>\$ 782,090</u>	<u>\$ 57,470</u>	<u>\$ 839,560</u>

3.M. LEASE LIABILITY

The County entered into a right-to-use asset lease with Toshiba Business Solutions for a copier. The lease term began August 24, 2024 and continues through February 24, 2027 (30 months). The monthly lease payments are \$152 and include interest at 3.5%.

The County entered into a right-to-use asset lease with Toshiba Business Solutions for a copier. The lease term began April 1, 2024 and continues through December 31, 2026 (33 months). The monthly lease payments are \$143 and include interest at 3.5%.

The County entered into a right-to-use asset lease with Pitney Bowes for a mail machine. The lease term began February 28, 2023 and continues through February 28, 2028 (60 months). The monthly lease payments are \$341 and include interest at 3.5%.

The County entered into a right-to-use asset lease with Toshiba Business Solutions for a copier. The lease term began February 2022 and continues through February 2027 (60 months). The monthly lease payments are \$1,188 and include interest at 3.5%.

Annual requirements to amortize the leases payable and related interest are as follows:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 20,311	\$ 1,577	\$ 21,888
2026	21,033	855	21,888
2027	9,650	233	9,883
2028	3,018	53	3,071
	<u>\$ 54,012</u>	<u>\$ 2,718</u>	<u>\$ 56,730</u>

3.N. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS PAYABLE

On December 20, 2023, the County entered into a 36 month subscription for the use of DebtBook Platform. An initial subscription liability was recorded in the amount of \$23,583. As of September 30, 2024, the value of the subscription liability is \$16,333. The County is required to make annual payments at an interest rate of 3.2540%.

Annual requirements to amortize the SBITA payable and related interest are as follows:

Year Ending September 30,	Principal	Interest	Annual Requirements
2025	\$ 7,617	\$ 339	\$ 7,956
2026	8,716	63	8,779
	<u>\$ 16,333</u>	<u>\$ 402</u>	<u>\$ 16,735</u>

NOTE 4 - OTHER NOTES

4.A. EMPLOYEE RETIREMENT PLAN

Plan Description

A description of the pension plan pursuant to Paragraph 40 of GASB Statement No. 68 is as follows:

- a. Blanco County participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- 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 150%) 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 January 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 Blanco 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 2022 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.

Members covered by benefit terms.

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

Inactive employees or beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	75
Active employees	<u>79</u>
	213

Contributions

A combination of three elements fund each employer's plan: employee deposits, employer contributions and investment income.

- The deposit rate for employees is 4%, 5%, 6% or 7% of compensation, as adopted by the employer's governing body.
- Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Employer contribution rates are determined annually and approved by the TCDRS Board of Trustees.
- Investment income funds a large part of the benefits employees earn.

Pursuant to state law, employers participating in the system must pay 100% of their actuarially determined required contributions on an annual basis.

Each employer has the opportunity to make additional contributions in excess of its annual required contribution rate either by adopting an elected rate that is higher than the required rate or by making additional contributions on an ad hoc basis. Employers may make additional contributions to pay down their liabilities faster, pre-fund benefit enhancements and/or buffer against future adverse experience.

The contribution rate payable by the employee members for calendar year 2023 is the rate of 7% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County's contributions to TCDRS for the year ended September 30, 2024 were \$419,876 and were equal to the required contributions.

Net Pension Liability

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

Actuarial assumptions:

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

Valuation Timing	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
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Actuarial Cost Method	Entry Age (level percent of pay) ⁽¹⁾
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	
Smooth Period	5 years
Recognition Method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary Increases	The annual salary increase rates assumed for individual members vary by length of service and by entry-age group. The annual rates consist of a general wage inflation component of 3.00% (made up of 2.50% inflation and .5% productivity increase assumptions) and a merit, promotion and longevity component that on average approximates 1.7% per year for a career employee.
Investment Rate of Return	7.60% (Gross of administrative expenses)
Cost of Living Adjustments	Cost-of-Living Adjustments for Blanco 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	Deferred members are assumed to retire (100% probability) at the later of: a) age 60; b) earliest retirement eligibility.
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality	Pub-2010 Mortality Tables
Adjustment for Plans with the Partial-Lump Sum Payment Option (Liability and Normal Cost)	For employers who have elected this option, a .75% increase is applied to the TPL related to the member deposit portion of the estimated monthly benefit for future retirees.

(1) Individual entry age normal cost method, as required by GASB 68, used for GASB calculations. Note that the replacement life entry age cost method is used for the funding actuarial valuation, which differs from the GASB-required approach in that it assumes that the current benefit provisions always applied.

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 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 standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

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

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

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

⁽³⁾ Includes vintage years 2003 – 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 7.60%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pensions 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.

Changes in Net Pension Liability / (Asset)

Changes in Net Pension Liability / (Asset)	Increase/(Decrease)		
	Total Pension	Fiduciary	Net Pension
	Liability	Net Position	Liability/ (Asset)
	(a)	(b)	(a)-(b)
Balances as of December 31, 2022	\$ 12,176,619	11,869,347	\$ 307,272
Changes for the Year:			-
Service Cost	435,495		435,495
Interest on Total Pension Liability (1)	931,138		931,138
Effect of Plan Changes ⁽²⁾	307,053		307,053
Effects of Economic/Demographic- Gains or Losses	351,135		351,135
Effect of Assumptions Changes or Inputs			-
Refund of Contributions	(50,029)	(50,029)	-
Benefit Payments	(684,001)	(684,001)	-
Administrative Expenses		(6,892)	6,892
Member Contributions		298,683	(298,683)
Net Investment Income		1,304,701	(1,304,701)
Employer Contributions		460,300	(460,300)
Other ⁽³⁾		6,011	(6,011)
Balances as of December 31, 2023	\$ <u>13,467,410</u>	\$ <u>13,198,119</u>	\$ <u>269,291</u>

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

⁽²⁾ Reflects plan changes adopted effective in 2024

⁽³⁾ Relates to allocation of system-wide items.

Sensitivity Analysis

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

	1% Decrease <u>6.60%</u>	Current Discount Rate <u>7.60%</u>	1% Increase <u>8.60%</u>
Total Pension Liability	\$ 15,035,019	13,467,410	12,138,079
Fiduciary Net Position	<u>13,198,119</u>	<u>13,198,119</u>	<u>13,198,119</u>
Net Pension Liability/ (Asset)	\$ <u>1,836,900</u>	\$ <u>269,291</u>	\$ <u>(1,060,040)</u>

Pension Expense / (Income)

Prepaid Expense/(Income)	January 1, 2023 to December 31, 2023
Service Cost	\$ 435,495
Interest on Total Pension Liability ⁽¹⁾	931,138
Effect of Plan Changes	307,053
Administrative Expenses	6,892
Member Contributions	(298,683)
Expected Investment Return Net of Investment Expenses	(902,968)
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of Economic/Demographic Gains or Losses	134,392
Recognition of Assumption Changes or Inputs	111,335
Recognition of Investment Gains or Losses	(222,270)
Other ⁽²⁾	(6,011)
Pension Expense/(Income)	\$ 496,373

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

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

As of December 31, 2023, the deferred inflows and outflows of resources are as follows:

Deferred Inflows / Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 5,265	\$ 234,090
Changes of assumptions	-	-
Net difference between projected and actual earnings	-	55,253
Contributions made subsequent to measurement date		339,721
	\$ 5,265	\$ 629,064

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year Ended December 31

2024	\$ 28,101
2025	76,944
2026	259,381
2027	(80,348)
2028	-
Thereafter ⁽⁴⁾	-

⁽³⁾ Any eligible employer contributions made subsequent to the measurement date through the employer's fiscal year end should be reflected as a deferred outflow of resources.

⁽⁴⁾ Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

4.B. GROUP TERM LIFE FUND (OPEB)

Plan Description

A description of the OPEB plan pursuant to Paragraph 50 of GASB Statement No. 75 is as follows:

- a. Blanco County participates in the retiree Group Term Life program for the Texas County & District Retirement System (TCDRS), which is a statewide, multiple-employer, public employee retirement system.
- 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 and are eligible for the TCDRS pension plan. Only employer that have elected participation in the retiree Group Term Life program are included in the OPEB plan.
 - 2) The plan provides a \$5,000 post-retirement death benefit to beneficiaries to services retirees and disability retirees of employers that have elected participation in the retiree GTL program.
 - 3) The OPEB benefit is a fixed \$5,000 lump-sum benefit.
 - 4) No future increases are assumed in the \$5,000 benefit amount.
 - 5) Benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out (or opt into) coverage as of Jan. 1 each year.
- c. Membership information is shown in the chart below.
- d. Contributions made to the retiree GTL Program are held in the GTL Fund. The GTL fund does not meet the requirements of a trust under Paragraph 4b of GASB 75, as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan.
- e. Benefits terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of Jan. 1 each year. The county's contribution rate for the retiree GTL program is calculated annually on an actuarial basis, and is equal to the cost of providing a one-year death benefit equal to \$5,000.

Members covered by benefit terms.

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

Inactive employees or beneficiaries currently receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	14
Active employees	79
	<hr/> 140

Contributions

For GASB 75 purposes, the OPEB plan is not a cost sharing plan as the employer's benefit payment for the year are treated as being equal to its annual retiree GTL contributions. Employers in the TCDRS Group Term Life (GTL) Program make a combined contribution for both active and retiree coverage; however, only the retiree coverage is considered an OPEB plan and therefore only the contributions associated with retirees covered are included under GASB 75.

The following shows a breakdown of the employer's contributions to the GTL program for the calendar year 2023. The contributions for retiree GTL coverage are assigned to the OPEB plan under GASB 75 and are used to determine the benefit payments used to calculate changes in total OPEB liability. The contributions for active coverage are not considered an OPEB benefit under GASB 75, so there should be no change in how these amounts are reported.

Coverage Type	2023 GTL Rate	Amount	Financial Reporting
Active Member GTL Benefit	0.30%	12,801	No change from prior year
Retiree GTL Benefit	0.18%	7,680	GASB 75

Employer OPEB contributions made in the fiscal year, but subsequent to the measurement date of December 31, 2023 should be reflected as a deferred outflow. As previously noted, only contributions to the GTL program for retiree coverage should be included under GASB 75. Therefore, once the total GTL contributions made subsequent to the measurement date have been determined, this amount should be multiplied by the portion attributable to retiree coverage to determine the OPEB contributions made subsequent to the measurement date that should be reported under GASB 75. This proportion is 40.81633%, allocated as follows:

Coverage Type	2024 GTL Rate	Proportion	Financial Reporting
Active Member GTL Benefit	0.29%	59.18367%	No change from prior year
Retiree GTL Benefit	0.20%	40.81633%	GASB 75

The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act. The County's contributions to TCDRS for the year ended September 30, 2024 were \$23,146 and were equal to the required contributions.

Total OPEB Liability

The County's Total OPEB Liability (NPL) was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability as of December 31, 2023 actuarial valuation was determined using the following 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 of Percent of Salary

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	Does not apply
Inflation	Does not apply
Salary Increases	Does not apply
Investment Rate of Return (Discount Rate)	3.26% 20 Year Bond GO Index published by bondbuyer.com as of December 28, 2023.
Cost of Living Adjustments	Does not apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age.
Mortality	Pub-2010 Mortality Tables
Retirement	Deferred members are assumed to retire (100% probability) at the later of: a) age 60 b) earliest retirement eligibility ** For all eligible members ages 75 and later, retirement is assumed to occur immediately.
Other Termination of Employment	For non-depositing members who are not vested, 100% are assumed to elect a withdrawal. No termination after eligibility for retirement is assumed.

Discount Rate

The TCDRS GTL program is treated as an unfunded OPEB plan because the GTL trust covers both active and retirees and the assets are not segregated for these groups. Under GASB 75 (paragraph 155), the discount rate for an unfunded OPEB plan should be based on a 20-year tax-exempt AA or higher Municipal Bonds. Therefore, a discount rate of 3.26% based on the 20 Year Bond Go Index published by bondbuyer.com is used as of the measurement date of December 31, 2023.

Changes in Total OPEB Liability

	Changes in Total OPEB Liability
Balances as of December 31, 2022	\$ 201,786
Changes for the year:	
Service Cost	6,794
Interest on total OPEB liability(1)	7,618
Changes of benefit terms(2)	
Effect of economic/demographic experience	9,235
Effect of assumptions changes or inputs	15,072
Benefit payments	(7,680)
Other	
Balance as of December 31, 2023	\$ 232,825

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

⁽²⁾ No plan changes are valued.

⁽³⁾ Reflects change in discount rate.

Sensitivity Analysis

The following presents the Total OPEB liability of the employer, calculated using the discount rate of 3.26%, as well as what the Blanco County Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate. Note that the healthcare cost trend rate does not affect the Total OPEB Liability, so sensitivity to the healthcare cost trend rate is not shown.

	1% Decrease	Current Discount Rate	1% Increase
	2.26%	3.26%	4.26%
Total OPEB Liability	\$ 271,765	\$ 232,825	\$ 201,944

OPEB Expense/ (Income)

	January 1, 2023 to December 31, 2023
Service Cost	6,794
Interest on total OPEB liability(1)	7,618
Effect of plan changes	
Recognition of deferred inflows/outflows of resources	
Recognition of economic/demographic gains or losses	4,060
Recognition of assumption changes or inputs	4,173
Other	
OPEB expense/(income)	22,645

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

As of December 31, 2023, the deferred inflows and outflows of resources are as follows:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 12,074
Changes of assumptions	35,678	18,797
Contributions made subsequent to measurement date ⁽²⁾		18,233
	<u>\$ 35,678</u>	<u>\$ 49,104</u>

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to OPEB benefits, excluding contributions made subsequent to the measurement date, will be recognized in OPEB expense as follows:

Year ended December 31:

2024	\$ 723
2025	(4,125)
2026	(6,268)
2027	4,863
2028	-
Thereafter ⁽¹⁾	-

⁽¹⁾Total remaining balance to be recognized in future years, if any. Note that additional future deferred inflows and outflows of resources may impact these numbers.

⁽²⁾Any eligible employer contributions made subsequent to the measurement date through the employer's fiscal year end should be reflected as deferred outflows of resources.

4.C. RISK MANAGEMENT

The County is exposed to various risks of loss relating to general liability, the accidental loss of real and personal property, damage to County assets, error and omissions and personnel risks which relate to workers compensation. The county carries commercial insurance through the Texas Association of Counties in order to manage the above listed risks. The County also provides group health insurance coverage for full time employees through the Texas Association of Counties Insurance Trust (Blue Cross - Blue Shield).

4.D. PERMANENT SCHOOL TRUST FUND

The Blanco County Permanent School Fund was established by State statute to receive and disburse funds earned from State lands and other investments granted to the County for educational purposes. Administration of the Fund vests in the office of the County Judge. Allocation of available funds to the County's independent school districts is according to the scholastic population of each district. The land owned by the Fund (738.96 acres located in Bailey County, Texas) was patented to Blanco County by certificate issued by the Commissioner of the General Land Office on January 4, 1906.

On December 31, 1978, the effective date of the abolition of the County School Administrative Offices, the "corpus" of the fund amounted to \$36,416. The remaining fund balance at September 30, 2024 in excess of the permanent portion is carried forward to the subsequent fiscal periods as a State required reserve of sufficient amount to pay the ad valorem taxes.

In addition to the regular distribution of annual net revenues to the school districts each year, distributions of previously undistributed funds in excess of the permanent corpus and reserved ad valorem tax money may be distributed to each district.

4.E. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor agency cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

4.F. EXCESS EXPENDITURES OVER APPROPRIATIONS

Expenditures in the debt principal and interest line items in the General Fund exceeded appropriations but not in total. Expenditures in the debt interest in the Debt Service Fund exceeded appropriations but not in total.

4.G. PRIOR PERIOD ADJUSTMENT

A prior period adjust was necessary in the Government Wide Statement of Activities in the amount of \$19,379 to correct an error in the capitalization of assets. The re-stated beginning Net Position is \$30,893,362.

4.H. SUBSEQUENT EVENTS

The County has evaluated subsequent events through April 18, 2025, the date which the financial statements were available to be issued. The County entered into (2) finance purchase agreements with Government Capital Corporation on October 18, 2024 and December 5, 2024 for the purchase of various capital equipment in the amount of \$1,810,327. The County is not aware of any other subsequent events that materially impact the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

BLANCO COUNTY, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
Taxes:				
Property Taxes	\$ 9,200,961	\$ 9,200,961	\$ 9,066,675	\$ (134,286)
General Sales and Use Taxes	1,273,148	1,273,148	1,352,803	79,655
Other Taxes	30,000	30,000	54,031	24,031
Penalty and Interest on Taxes	35,000	35,000	92,715	57,715
Licenses and Permits	42,500	42,500	147,347	104,847
Intergovernmental Revenue and Grants	69,858	69,858	348,443	278,585
Charges for Services	412,604	412,604	759,444	346,840
Fines	42,600	42,600	43,544	944
Investment Earnings	2,000	2,000	432,231	430,231
Interest Revenue - Leases	-	-	47,039	47,039
Rents and Royalties	48,000	48,000	961	(47,039)
Contributions & Donations from Private Sources	-	-	276	276
Other Revenue	6,251	6,231	136,628	130,397
Total Revenues	11,162,922	11,162,902	12,482,137	1,319,235
EXPENDITURES:				
Current:				
Financial Administration	303,107	293,107	249,554	43,553
General Administration	1,684,898	1,689,898	1,440,798	249,100
Tax Administration	622,880	622,880	601,227	21,653
Facilities Management	970,095	970,095	686,001	284,094
Public Safety	5,283,255	5,289,405	3,796,648	1,492,757
Roads and Bridges	17,000	16,300	14,755	1,545
Sanitation	213,256	227,256	169,671	57,585
Justice System	2,312,572	2,301,272	2,146,183	155,089
Juvenile Services	63,341	63,341	63,341	-
Health and Human Services	308,970	267,370	190,133	77,237
Culture and Recreation	14,500	14,500	14,095	405
Conservation and Development	210,784	170,784	131,538	39,246
Debt Service:				
Principal on Debt	-	-	840,162	(840,162)
Principal on SBITAs	-	10,000	9,977	23
Interest on Debt	-	5,000	79,791	(74,791)
Interest on SBITAs	-	-	42	(42)
Capital Outlay:				
Capital Outlay	728,435	741,785	489,695	252,090
Total Expenditures	12,733,093	12,682,993	10,923,611	1,759,382
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,570,171)	(1,520,091)	1,558,526	3,078,617
OTHER FINANCING SOURCES (USES):				
Sale of Real and Personal Property	-	-	3,006	3,006
Proceeds from Right-to-Use Leases	-	-	8,875	8,875
Noncurrent Loans	-	-	799,128	799,128
Transfers In	-	-	197,775	197,775
Proceeds from SBITAs	-	-	23,583	23,583
Transfers Out	(1,454,831)	(1,454,831)	(1,784,578)	(329,747)
Total Other Financing Sources (Uses)	(1,454,831)	(1,454,831)	(752,211)	702,620
Net Change in Fund Balances	(3,025,002)	(2,974,922)	806,315	3,781,237
Fund Balance - October 1 (Beginning)	10,244,773	10,244,773	10,244,773	-
Fund Balance - September 30 (Ending)	\$ 7,219,771	\$ 7,269,851	\$ 11,051,088	\$ 3,781,237

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

BLANCO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - SPECIAL REVENUE - ROAD & BRIDGE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive or (Negative)
REVENUES:				
Licenses and Permits	\$ 420,000	\$ 420,000	\$ 490,228	\$ 70,228
Intergovernmental Revenue and Grants	16,000	16,000	15,094	(906)
Fines	100,000	100,000	161,001	61,001
Other Revenue	-	-	14,047	14,047
Total Revenues	536,000	536,000	680,370	144,370
EXPENDITURES:				
Public Works	2,025,596	2,025,596	1,754,401	271,195
Capital Outlay:				
Capital Outlay	-	-	12,808	(12,808)
Total Expenditures	2,025,596	2,025,596	1,767,209	258,387
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,489,596)	(1,489,596)	(1,086,839)	402,757
OTHER FINANCING SOURCES (USES):				
Transfers In	1,454,831	1,454,831	1,454,831	-
Total Other Financing Sources (Uses)	1,454,831	1,454,831	1,454,831	-
Change in Fund Balance	(34,765)	(34,765)	367,992	402,757
Fund Balance - October 1 (Beginning)	955,263	955,263	955,263	-
Fund Balance - September 30 (Ending)	\$ 920,498	\$ 920,498	\$ 1,323,255	\$ 402,757

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

BLANCO COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	GAAP BASIS (See Note)	Final Budget Positive or (Negative)
REVENUES:				
Property Taxes	\$ 2,279,824	\$ 2,279,824	\$ 2,260,859	\$ (18,965)
Total Revenues	2,279,824	2,279,824	2,260,859	(18,965)
EXPENDITURES:				
Debt Service:				
Principal on Debt	2,251,112	2,251,112	1,210,000	1,041,112
Interest on Debt	266,414	266,414	404,947	(138,533)
Fiscal Agent's Fees	-	-	1,900	(1,900)
Total Expenditures	2,517,526	2,517,526	1,616,847	900,679
Change in Fund Balance	(237,702)	(237,702)	644,012	881,714
Fund Balance - October 1 (Beginning)	451,774	451,774	451,774	-
Fund Balance - September 30 (Ending)	\$ 214,072	\$ 214,072	\$ 1,095,786	\$ 881,714

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

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

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
A. Total Pension Liability			
Service Cost	\$ 435,495	\$ 400,603	\$ 392,076
Interest (on the Total Pension Liability)	931,138	883,253	832,575
Changes of Benefit Terms	307,053	-	-
Difference between Expected and Actual Experience	351,135	(15,793)	78,725
Changes of Assumptions	-	-	(78,308)
Benefit Payments, Including Refunds of Employee Contributions	(734,030)	(613,946)	(521,307)
Net Change in Total Pension Liability	\$ 1,290,791	\$ 654,117	\$ 703,761
Total Pension Liability - Beginning	12,176,619	11,522,502	10,818,742
Total Pension Liability - Ending	\$ 13,467,410	\$ 12,176,619	\$ 11,522,503
B. Total Fiduciary Net Position			
Contributions - Employer	\$ 460,300	\$ 296,005	\$ 243,856
Contributions - Employee	298,683	246,965	228,513
Net Investment Income	1,304,701	(737,513)	2,289,505
Benefit Payments, Including Refunds of Employee Contributions	(734,030)	(613,946)	(521,307)
Administrative Expense	(6,892)	(6,956)	(6,862)
Other	6,010	607	1,491
Net Change in Plan Fiduciary Net Position	\$ 1,328,772	\$ (814,838)	\$ 2,235,196
Plan Fiduciary Net Position - Beginning	11,869,347	12,684,186	10,448,992
Plan Fiduciary Net Position - Ending	\$ 13,198,119	\$ 11,869,348	\$ 12,684,188
C. Net Pension Liability (Asset)	\$ 269,291	\$ 307,271	\$ (1,161,685)
D. Plan Fiduciary Net Position as a Percentage of Total Pension Liability	98.00%	97.48%	110.08%
E. Covered Payroll	\$ 4,266,902	\$ 3,528,066	\$ 3,264,465
F. Net Pension Liability (Asset) as a Percentage of Covered Payroll	6.31%	8.71%	(35.59%)

Note: GASB Codification, Vol. 2, P20.146 requires that the data in this schedule be presented for the time period covered by the measurement date rather than the governmental entity's current fiscal year.

FY 2021 Plan Year 2020		FY 2020 Plan Year 2019		FY 2019 Plan Year 2018		FY 2018 Plan Year 2017		FY 2017 Plan Year 2016		FY 2016 Plan Year 2015		FY 2015 Plan Year 2014	
\$	358,545	\$	320,269	\$	320,071	\$	308,115	\$	298,580	\$	277,626	\$	266,960
	791,382		741,094		695,871		664,095		616,075		580,585		537,964
	-		-		-		70,234		-		(26,977)		-
	(14,526)		27,355		19,694		(175,305)		(37,860)		(66,371)		32,334
	549,745		-		-		-		-		92,199		-
	(545,384)		(468,422)		(486,288)		(487,285)		(405,683)		(389,059)		(309,055)
\$	1,139,762	\$	620,296	\$	549,348	\$	379,854	\$	471,112	\$	468,003	\$	528,203
	9,678,980		9,058,685		8,509,338		8,129,485		7,658,373		7,190,371		6,662,168
\$	10,818,742	\$	9,678,981	\$	9,058,686	\$	8,509,339	\$	8,129,485	\$	7,658,374	\$	7,190,371
\$	229,972	\$	202,322	\$	209,846	\$	195,825	\$	205,809	\$	203,480	\$	198,429
	210,707		197,801		188,323		176,419		169,291		166,982		157,842
	988,857		1,361,347		(160,196)		1,102,509		520,443		21,582		448,322
	(545,384)		(468,422)		(486,288)		(487,285)		(405,683)		(389,059)		(309,055)
	(7,646)		(7,296)		(6,658)		(5,683)		(5,692)		(5,075)		(5,214)
	(1,621)		(1,005)		(1,767)		(1,595)		7,229		49,865		24,255
\$	874,885	\$	1,284,747	\$	(256,740)	\$	980,190	\$	491,397	\$	47,775	\$	514,580
	9,574,107		8,289,359		8,546,099		7,565,911		7,074,514		7,026,738		6,512,159
\$	10,448,992	\$	9,574,106	\$	8,289,359	\$	8,546,101	\$	7,565,911	\$	7,074,513	\$	7,026,739
\$	369,750	\$	104,875	\$	769,327	\$	(36,762)	\$	563,574	\$	583,861	\$	163,633
	96.58%		98.92%		91.51%		100.43%		93.07%		92.38%		97.72%
\$	3,010,105	\$	2,825,730	\$	2,690,335	\$	2,520,267	\$	2,418,441	\$	2,385,462	\$	2,254,881
	12.28%		3.71%		28.60%		(1.46%)		23.30%		24.48%		7.26%

BLANCO COUNTY, TEXAS
SCHEDULE OF CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE FISCAL YEAR 2024

	2024	2023	2022
Actuarially Determined Contribution	\$ 419,877	\$ 329,647	\$ 289,072
Contributions in Relation to the Actuarially Determined Contributions	419,877	329,647	289,072
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 4,744,628	\$ 4,146,414	\$ 3,468,601
Contributions as a Percentage of Covered Employee Payroll	8.80%	7.90%	8.30%

Note: GASB Codification, Vol. 2, P20.146 requires that the data in this schedule be presented as of the governmental entity's respective fiscal years as opposed to the time periods covered by the measurement dates ending December 31 for the respective fiscal years.

2021	2020	2019	2018	2017	2016	2015
\$ 242,491	\$ 219,079	\$ 204,742	\$ 206,622	\$ 197,800	\$ 201,155	\$ 203,480
242,491	219,079	204,742	206,622	197,800	201,155	203,480
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,226,469	\$ 2,916,077	\$ 2,793,487	\$ 2,651,694	\$ 2,482,744	\$ 2,362,325	\$ 2,385,462
7.50%	7.50%	7.33%	7.80%	7.97%	8.52%	8.50%

BLANCO COUNTY
NOTES TO THE SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2024

Valuation Date:

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of payroll, closed
Remaining Amortization Period	16.3 years (based on contribution rate calculated in 12/31/2023 valuation)
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New Investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: No changes in plan provisions were reflected in the Schedule. 2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: No changes in plan provisions were reflected in the Schedule. 2023: No changes in plan provisions were reflected in the Schedule.

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

BLANCO COUNTY, TEXAS
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
Total OPEB Liability			
Service Cost	\$ 6,794	\$ 10,282	\$ 10,252
Interest on the Total OPEB Liability	7,618	5,282	5,049
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual Experience	15,072	(59,462)	5,789
Changes of Assumptions	9,235	3,833	4,906
Benefit Payments*	(7,680)	(8,467)	(7,182)
Net Change in Total OPEB Liability	31,039	(48,532)	18,814
Total OPEB Liability - Beginning	201,786	250,318	231,504
Total OPEB Liability - Ending	\$ 232,825	\$ 201,786	\$ 250,318
Covered Payroll	\$ 4,266,902	\$ 3,528,066	\$ 3,264,465
Total OPEB Liability as a Percentage of Covered Payroll	5.46%	5.72%	7.67%

*The Supplemental Death Benefit Fund is considered to be an unfunded OPEB plan under GASB 75. Because of this benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Note: GASB Codification, Vol. 2, P52.139 states that the information on this schedule should be determined as of the measurement date of the plan.

As required by GASB 75, this schedule will be built prospectively as the information becomes available until 10 years of information is presented.

FY 2021 Plan Year 2020		FY 2020 Plan Year 2019		FY 2019 Plan Year 2018		FY 2018 Plan Year 2017	
\$	9,458	\$	5,479	\$	6,675	\$	
	5,620		6,487		5,850		
	-		-		-		
	22,120		37,341		(15,818)		
	2,124		208		(760)		
	(6,923)		(6,217)		(6,995)		
	32,399		43,298		(11,048)		
	199,105		155,807		166,855		
\$	231,504	\$	199,105	\$	155,807	\$	
\$	3,010,105	\$	2,825,730	\$	2,690,335	\$	
	7.69%		7.05%		5.79%		

BLANCO COUNTY
NOTES TO THE SCHEDULE OF CHANGES IN THE
TOTAL OPEB LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2024

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Level Percent of Salary
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	Does not apply
Inflation	Does not apply
Salary Increases	Salary increases do not affect benefits but are used in the allocation of costs under the actuarial cost method.
Investment Rate of Return (Discount Rate)	3.26% 20 Year Bond GO Index published by bondbuyer.com as of December 28, 2023
Cost of Living Adjustment	Does not apply
Disability	Members who become disabled are eligible to commence benefit payments regardless of age. Rates of disability are in a custom table based on TCDRS experience.
Mortality	RP-2010 General Employees Mortality Table
Retirement	Deferred member are assumed to retire (100% probability at the later of: a) age 60 b) earliest retirement eligibility
Other Termination of Employment	The rate of assumed future termination from active participation in the plan vary. No termination after eligibility for retirement is assumed.

SUPPLEMENTARY INFORMATION

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

	Hot Check Fee	Records Management Co Clerk	Courthouse Security	Child Safety Program
ASSETS				
Cash and Cash Equivalents	\$ 6,866	\$ 228,814	\$ 69,333	\$ 44,483
Accounts Receivable, Net	-	-	-	-
Total Assets	<u>\$ 6,866</u>	<u>\$ 228,814</u>	<u>\$ 69,333</u>	<u>\$ 44,483</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 14	\$ 1,488	\$ -
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>14</u>	<u>1,488</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
Restricted for Special Revenue	<u>6,866</u>	<u>228,800</u>	<u>67,845</u>	<u>44,483</u>
Total Fund Balances	<u>6,866</u>	<u>228,800</u>	<u>67,845</u>	<u>44,483</u>
Total Liabilities and Fund Balances	<u>\$ 6,866</u>	<u>\$ 228,814</u>	<u>\$ 69,333</u>	<u>\$ 44,483</u>

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

Constable Pct 1	Hot Tax Fund	Hazard Mitigation Plan Grant	Records Management District Clk	JP 1 Technology Fund	JP 4 Technology Fund	County Clerk Archive Fund	Vital Statistics Preservation
\$ -	\$ 68,299	\$ -	\$ 9,698	\$ 11,994	\$ 12,352	\$ 121,545	\$ 2,618
-	-	31,089	-	-	-	-	-
<u>\$ -</u>	<u>\$ 68,299</u>	<u>\$ 31,089</u>	<u>\$ 9,698</u>	<u>\$ 11,994</u>	<u>\$ 12,352</u>	<u>\$ 121,545</u>	<u>\$ 2,618</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	31,089	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>31,089</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	68,299	-	9,698	11,994	12,352	121,545	2,618
<u>-</u>	<u>68,299</u>	<u>-</u>	<u>9,698</u>	<u>11,994</u>	<u>12,352</u>	<u>121,545</u>	<u>2,618</u>
<u>\$ -</u>	<u>\$ 68,299</u>	<u>\$ 31,089</u>	<u>\$ 9,698</u>	<u>\$ 11,994</u>	<u>\$ 12,352</u>	<u>\$ 121,545</u>	<u>\$ 2,618</u>

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

	Third Court of Appeals	Family Protection	Chapter 19 Funds	Cares Act Coronavirus Relief Fund
ASSETS				
Cash and Cash Equivalents	\$ 5,560	\$ 10,716	\$ 1,128	\$ 426,470
Accounts Receivable, Net	-	-	-	-
Total Assets	<u>\$ 5,560</u>	<u>\$ 10,716</u>	<u>\$ 1,128</u>	<u>\$ 426,470</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	51,042
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,042</u>
FUND BALANCES				
Restricted Fund Balance:				
Restricted for Special Revenue	5,560	10,716	1,128	375,428
Total Fund Balances	<u>5,560</u>	<u>10,716</u>	<u>1,128</u>	<u>375,428</u>
Total Liabilities and Fund Balances	<u>\$ 5,560</u>	<u>\$ 10,716</u>	<u>\$ 1,128</u>	<u>\$ 426,470</u>

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

Supplemental Guardianship Fees	Child Abuse Prevention	District Court Technology	County Clerk Technology	District Court Record Preservation	County Court Record Preservation	District Crt Civil Tech Fee	Blanco Co Historical Commission
\$ 9,738	\$ 568	\$ 559	\$ 1,614	\$ 4,811	\$ 7,664	\$ 10,008	\$ 4,856
-	-	-	-	-	-	-	-
<u>\$ 9,738</u>	<u>\$ 568</u>	<u>\$ 559</u>	<u>\$ 1,614</u>	<u>\$ 4,811</u>	<u>\$ 7,664</u>	<u>\$ 10,008</u>	<u>\$ 4,856</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
9,738	568	559	1,614	4,811	7,664	10,008	4,856
<u>9,738</u>	<u>568</u>	<u>559</u>	<u>1,614</u>	<u>4,811</u>	<u>7,664</u>	<u>10,008</u>	<u>4,856</u>
<u>\$ 9,738</u>	<u>\$ 568</u>	<u>\$ 559</u>	<u>\$ 1,614</u>	<u>\$ 4,811</u>	<u>\$ 7,664</u>	<u>\$ 10,008</u>	<u>\$ 4,856</u>

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

	County Wide Road & Bridge Improvement	E-Filing Service Fee	VHF Trunking Improvement Replacement	Local Truancy Prev and Divers
ASSETS				
Cash and Cash Equivalents	\$ 1,596	\$ 1,055	\$ 74,744	\$ 27,007
Accounts Receivable, Net	-	-	-	-
Total Assets	<u>\$ 1,596</u>	<u>\$ 1,055</u>	<u>\$ 74,744</u>	<u>\$ 27,007</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted Fund Balance:				
Restricted for Special Revenue	<u>1,596</u>	<u>1,055</u>	<u>74,744</u>	<u>27,007</u>
Total Fund Balances	<u>1,596</u>	<u>1,055</u>	<u>74,744</u>	<u>27,007</u>
Total Liabilities and Fund Balances	<u>\$ 1,596</u>	<u>\$ 1,055</u>	<u>\$ 74,744</u>	<u>\$ 27,007</u>

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

District Clerk Account Cash	Specialty Court Account	Blanco Co Sheriff Special Fund	American Rescue Plan	TxDot Grant	Language Access Fund	Justice Crt Support Fund	Clerk of the Court
\$ 4,188	\$ 2,547	\$ 292,667	\$ -	\$ -	\$ 2,840	\$ 4,731	\$ 24,972
-	-	-	-	-	-	-	-
<u>\$ 4,188</u>	<u>\$ 2,547</u>	<u>\$ 292,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,840</u>	<u>\$ 4,731</u>	<u>\$ 24,972</u>
\$ -	\$ -	\$ 8,047	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>8,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4,188	2,547	284,620	-	-	2,840	4,731	24,972
<u>4,188</u>	<u>2,547</u>	<u>284,620</u>	<u>-</u>	<u>-</u>	<u>2,840</u>	<u>4,731</u>	<u>24,972</u>
<u>\$ 4,188</u>	<u>\$ 2,547</u>	<u>\$ 292,667</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,840</u>	<u>\$ 4,731</u>	<u>\$ 24,972</u>

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

	Court Facility Fee Fund	Total Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 8,445	\$ 1,504,486	\$ 1,504,486
Accounts Receivable, Net	-	31,089	31,089
Total Assets	<u>\$ 8,445</u>	<u>\$ 1,535,575</u>	<u>\$ 1,535,575</u>
LIABILITIES			
Accounts Payable	\$ -	\$ 9,549	\$ 9,549
Due to Other Funds	-	31,089	31,089
Unearned Revenues	-	51,042	51,042
Total Liabilities	<u>-</u>	<u>91,680</u>	<u>91,680</u>
FUND BALANCES			
Restricted Fund Balance:			
Restricted for Special Revenue	8,445	1,443,895	1,443,895
Total Fund Balances	<u>8,445</u>	<u>1,443,895</u>	<u>1,443,895</u>
Total Liabilities and Fund Balances	<u>\$ 8,445</u>	<u>\$ 1,535,575</u>	<u>\$ 1,535,575</u>

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

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

	Hot Check Fee	Records Management Co Clerk	Courthouse Security	Child Safety Program
REVENUES:				
Intergovernmental Revenue and Grants	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	43,172	14,474	23,968
Fines	-	-	-	-
Rents and Royalties	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	-	43,172	14,474	23,968
EXPENDITURES:				
Current:				
General Government:				
General Administration	-	48,107	-	-
Public Safety	-	-	6,362	-
Public Works:				
Justice System	-	-	-	-
Health and Welfare:				
Health and Human Services	-	-	-	18,054
Capital Outlay:				
Capital Outlay	-	-	-	-
Total Expenditures	-	48,107	6,362	18,054
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(4,935)	8,112	5,914
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	(4,935)	8,112	5,914
Fund Balance - October 1 (Beginning)	6,866	233,735	59,733	38,569
Fund Balance - September 30 (Ending)	\$ 6,866	\$ 228,800	\$ 67,845	\$ 44,483

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

Constable Pct 1	Hot Tax Fund	Hazard Mitigation Plan Grant	Records Management District Clk	JP 1 Technology Fund	JP 4 Technology Fund	County Clerk Archive Fund	Vital Statistics Preservation
\$ -	\$ -	\$ 31,089	\$ -	\$ -	\$ -	\$ -	\$ -
-	73,727	-	2,166	3,762	2,859	18,566	882
-	-	-	-	-	-	-	-
-	100	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	73,827	31,089	2,166	3,762	2,859	18,566	882
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,528	31,089	859	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	5,528	31,089	859	-	-	-	-
-	68,299	-	1,307	3,762	2,859	18,566	882
59,383	-	-	-	-	-	-	-
(77,271)	-	-	-	-	-	-	-
(17,888)	-	-	-	-	-	-	-
(17,888)	68,299	-	1,307	3,762	2,859	18,566	882
17,888	-	-	8,391	8,232	9,493	102,979	1,736
\$ -	\$ 68,299	\$ -	\$ 9,698	\$ 11,994	\$ 12,352	\$ 121,545	\$ 2,618

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

	Third Court of Appeals	Family Protection	Chapter 19 Funds	Cares Act Coronavirus Relief Fund
REVENUES:				
Intergovernmental Revenue and Grants	\$ -	\$ -	\$ -	\$ 13,950
Charges for Services	1,195	-	1,344	-
Fines	-	-	-	-
Rents and Royalties	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	<u>1,195</u>	<u>-</u>	<u>1,344</u>	<u>13,950</u>
EXPENDITURES:				
Current:				
General Government:				
General Administration	-	-	-	-
Public Safety	-	-	-	-
Public Works:				
Justice System	-	-	1,555	-
Health and Welfare:				
Health and Human Services	-	-	-	-
Capital Outlay:				
Capital Outlay	-	-	-	13,950
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,555</u>	<u>13,950</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,195</u>	<u>-</u>	<u>(211)</u>	<u>-</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	1,195	-	(211)	-
Fund Balance - October 1 (Beginning)	<u>4,365</u>	<u>10,716</u>	<u>1,339</u>	<u>375,428</u>
Fund Balance - September 30 (Ending)	<u>\$ 5,560</u>	<u>\$ 10,716</u>	<u>\$ 1,128</u>	<u>\$ 375,428</u>

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

Supplemental Guardianship Fees	Child Abuse Prevention	District Court Technology	County Clerk Technology	District Court Record Preservation	County Court Record Preservation	District Crt Civil Tech Fee	Blanco Co Historical Commission
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,033	25	130	266	1,720	421	6	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,033	25	130	266	1,720	421	6	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,380	-	-	-	-	200	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,380	-	-	-	-	200	-	-
653	25	130	266	1,720	221	6	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
653	25	130	266	1,720	221	6	-
9,085	543	429	1,348	3,091	7,443	10,002	4,856
\$ 9,738	\$ 568	\$ 559	\$ 1,614	\$ 4,811	\$ 7,664	\$ 10,008	\$ 4,856

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

	County Wide Road & Bridge Improvement	E-Filing Service Fee	VHF Trunking Improvement Replacement	Local Truancy Prev and Divers
REVENUES:				
Intergovernmental Revenue and Grants	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	16	-	-
Fines	-	-	-	-
Rents and Royalties	-	-	-	-
Other Revenue	-	-	-	7,955
Total Revenues	-	16	-	7,955
EXPENDITURES:				
Current:				
General Government:				
General Administration	-	-	-	-
Public Safety	-	-	-	-
Public Works:				
Justice System	-	-	-	-
Health and Welfare:				
Health and Human Services	-	-	-	-
Capital Outlay:				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	16	-	7,955
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balance	-	16	-	7,955
Fund Balance - October 1 (Beginning)	1,596	1,039	74,744	19,052
Fund Balance - September 30 (Ending)	\$ 1,596	\$ 1,055	\$ 74,744	\$ 27,007

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

District Clerk Account Cash	Specialty Court Account	Blanco Co Sheriff Special Fund	American Rescue Plan	TxDot Grant	Language Access Fund	Justice Crt Support Fund	Clerk of the Court
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	13,642
-	-	-	-	-	1,104	1,861	-
-	-	-	-	-	-	-	-
1,220	769	-	-	-	-	-	-
<u>1,220</u>	<u>769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,104</u>	<u>1,861</u>	<u>13,642</u>
-	-	-	-	-	-	-	-
-	-	29,284	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	29,284	-	-	-	-	-
1,220	769	(29,284)	-	-	1,104	1,861	13,642
-	-	270,364	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	270,364	-	-	-	-	-
1,220	769	241,080	-	-	1,104	1,861	13,642
2,968	1,778	43,540	-	-	1,736	2,870	11,330
<u>\$ 4,188</u>	<u>\$ 2,547</u>	<u>\$ 284,620</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,840</u>	<u>\$ 4,731</u>	<u>\$ 24,972</u>

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

	Court Facility Fee Fund	Total Nonmajor Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES:			
Intergovernmental Revenue and Grants	\$ -	\$ 45,039	\$ 45,039
Charges for Services	1,360	205,734	205,734
Fines	-	2,965	2,965
Rents and Royalties	-	100	100
Other Revenue	-	9,944	9,944
Total Revenues	<u>1,360</u>	<u>263,782</u>	<u>263,782</u>
EXPENDITURES:			
Current:			
General Government:			
General Administration	-	48,966	48,966
Public Safety	-	72,263	72,263
Public Works:			
Justice System	-	3,135	3,135
Health and Welfare:			
Health and Human Services	-	18,054	18,054
Capital Outlay:			
Capital Outlay	-	13,950	13,950
Total Expenditures	<u>-</u>	<u>156,368</u>	<u>156,368</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,360</u>	<u>107,414</u>	<u>107,414</u>
OTHER FINANCING SOURCES (USES):			
Transfers In	-	329,747	329,747
Transfers Out	-	(77,271)	(77,271)
Total Other Financing Sources (Uses)	<u>-</u>	<u>252,476</u>	<u>252,476</u>
Net Change in Fund Balance	1,360	359,890	359,890
Fund Balance - October 1 (Beginning)	<u>7,085</u>	<u>1,084,005</u>	<u>1,084,005</u>
Fund Balance - September 30 (Ending)	<u>\$ 8,445</u>	<u>\$ 1,443,895</u>	<u>\$ 1,443,895</u>

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



NEFFENDORF & BLOCKER, P.C.

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 Judge and Commissioners
Blanco County, Texas
Johnson City, TX 78636

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 Blanco County, Texas as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 18, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

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

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.

Sincerely,

Neffendorf & Blocker, P.C.

NEFFENDORF & BLOCKER, P.C.

Fredericksburg, Texas

April 18, 2025

**BLANCO COUNTY, TEXAS
SCHEDULE OF STATUS OF PRIOR YEAR FINDINGS/
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Current Year's Findings/Noncompliance and Corrective Action Plan:

NONE

Prior Year's Finding/Noncompliance and Status:

2023-001

Type of Finding:	Material Weakness
Criteria:	For governmental funds, generally accepted accounting principles require the adoption of the modified accrual basis of accounting.
Condition:	The County failed to record retainage payable in the amount of \$463,838 for the construction projects.
Cause:	The County failed to comply with generally accepted accounting principles.
Effect:	The County's payables and expenditures were materially understated at year-end.
Questioned Costs:	None
Recommendation:	The County should comply with generally accepted accounting principles.
Current Year Status:	Corrective action was taken by the County.



NEFFENDORF & BLOCKER, P.C.

April 18, 2025

Honorable Judge and Commissioners
Blanco County, Texas
Johnson City, TX 78636

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Blanco County for the year ended September 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 1, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Blanco County, Texas are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2024. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant accounting estimates.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to

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be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 18, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis (pages 4 through 11), budgetary comparison information (pages 52 and 54) and the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of Employer Contributions and the Schedule of Changes in the Total OPEB Liability and Related Ratios on pages 55-62 which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining non-major fund financial statements which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Recommendations

Payroll Account Bank Reconciliation

Audit testing of the payroll clearing account bank reconciliation revealed outstanding items that were not outstanding items (an EFT over 30 days and a journal entry). We recommend the County review and correct the payroll clearing account bank reconciliation.

This information is intended solely for the use of the Commissioner's Court and management of Blanco County and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Neffendorf & Blocker, P.C.

NEFFENDORF & BLOCKER, P.C.

Fredericksburg, Texas