



Annual Financial Report
For Fiscal Year Ended
September 30, 2024

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

County Auditor:
Melissa Green

Kleberg County, Texas
 Annual Financial Report
 For The Year Ended September 30, 2024

TABLE OF CONTENTS

| | <u>Page</u> | <u>Exhibit/Table</u> |
|--|-------------|----------------------|
| FINANCIAL SECTION | | |
| Independent Auditors' Report..... | 1 | |
| Management's Discussion and Analysis (Required Supplementary Information)..... | 4 | |
| <u>Basic Financial Statements</u> | | |
| Government-wide Financial Statements: | | |
| Statement of Net Position..... | 16 | Exhibit A-1 |
| Statement of Activities..... | 17 | Exhibit A-2 |
| Fund Financial Statements: | | |
| Balance Sheet - Governmental Funds..... | 19 | Exhibit A-3 |
| Reconciliation of the Governmental Funds | | |
| Balance Sheet to the Statement of Net Position..... | 21 | Exhibit A-4 |
| Statement of Revenues, Expenditures, and Changes in | | |
| Fund Balances - Governmental Funds..... | 22 | Exhibit A-5 |
| Reconciliation of the Statement of Revenues, Expenditures, and Changes in | | |
| Fund Balances of Governmental Funds to the Statement of Activities..... | 24 | Exhibit A-6 |
| Statement of Net Position - Internal Service Funds..... | 25 | Exhibit A-7 |
| Statement of Revenues, Expenses, and Changes in | | |
| Fund Net Position - Internal Service Funds..... | 26 | Exhibit A-8 |
| Statement of Cash Flows - Proprietary Funds..... | 27 | Exhibit A-9 |
| Statement of Fiduciary Net Position - Fiduciary Funds..... | 28 | Exhibit A-10 |
| Statement of Changes in Fiduciary Net Position - Fiduciary Funds..... | 29 | Exhibit A-11 |
| Notes to the Financial Statements | 30 | |
| <u>Required Supplementary Information</u> | | |
| Budgetary Comparison Schedules: | | |
| General Fund..... | 51 | Exhibit B-1 |
| Road & Bridge..... | 55 | Exhibit B-2 |
| Schedule of the County's Proportionate Share of the | | |
| Net Pension Liability -TCDRS | 56 | Exhibit B-4 |
| Schedule of County's Contributions - TCDRS | 57 | Exhibit B-5 |
| Notes to the Schedule of TCDRS Proportionate Share | 58 | |
| Schedule of the County's Proportionate Share of the | | |
| Net OPEB Liability - OPEB Plan..... | 59 | Exhibit B-6 |
| Notes to Required Supplementary Information..... | 60 | |

Kleberg County, Texas
Annual Financial Report
For The Year Ended September 30, 2024

TABLE OF CONTENTS

| | <u>Page</u> | <u>Exhibit/Table</u> |
|--|-------------|----------------------|
| <u>Combining Statements and Budgetary Comparison Schedules as Supplementary Information:</u> | | |
| Combining Balance Sheet - All Nonmajor Governmental Funds..... | 61 | Exhibit C-1 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Nonmajor Governmental Funds..... | 62 | Exhibit C-2 |
| Special Revenue Funds: | | |
| Combining Balance Sheet - Nonmajor Special Revenue Funds..... | 63 | Exhibit C-3 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds..... | 75 | Exhibit C-4 |
| Budgetary Comparison Schedules: | | |
| TASK FORCE PROGRAM INCOME..... | 87 | Exhibit C-5 |
| Sheriff Chapter 59 Forfeiture..... | 88 | Exhibit C-6 |
| CPS Exxon Building..... | 89 | Exhibit C-7 |
| Community Supervision..... | 90 | Exhibit C-8 |
| CSCD Personal Bond Fund..... | 91 | Exhibit C-9 |
| TEXAS A&M UNIVERSITY FUND..... | 92 | Exhibit C-10 |
| Records Management..... | 93 | Exhibit C-11 |
| D.A.'s Forfeiture..... | 94 | Exhibit C-12 |
| Human Services 1/1-12/31..... | 95 | Exhibit C-13 |
| Human Services | 96 | Exhibit C-14 |
| Human Services 10/1-9/30..... | 97 | Exhibit C-15 |
| COVID-ARPA..... | 98 | Exhibit C-16 |
| Debt Service Funds: | | |
| Budgetary Comparison Schedule: | | |
| Debt Service Fund..... | 99 | Exhibit C-17 |
| Capital Projects Funds: | | |
| Combining Balance Sheet - Nonmajor Capital Projects Funds..... | 100 | Exhibit C-18 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds..... | 101 | Exhibit C-19 |
| Budgetary Comparison Schedule: | | |
| RODEO/OUTSIDE ARENA..... | 102 | Exhibit C-20 |
| Fiduciary Funds: | | |
| Combining Statement of Fiduciary Assets and Liabilities..... | 103 | Exhibit C-23 |
| Combining Statement of Changes in Assets and Liabilities..... | 107 | Exhibit C-24 |

Kleberg County, Texas
 Annual Financial Report
 For The Year Ended September 30, 2024

TABLE OF CONTENTS

| | <u>Page</u> | <u>Exhibit/Table</u> |
|---|-------------|----------------------|
| OTHER SUPPLEMENTARY INFORMATION SECTION | | |
| Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 111 | |
| Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance and Texas Grant Management Standard..... | 113 | |
| Schedule of Findings and Questioned Costs | 116 | |
| Summary Schedule of Prior Audit Findings..... | 120 | |
| Corrective Action Plan..... | 121 | |
| Schedule of Expenditures of Federal and State Awards | 122 | Exhibit D-1 |
| Notes to the Schedule of Expenditures of Federal and State Awards..... | 125 | |

This page is left blank intentionally.

Financial Section

This page is left blank intentionally.

Raul Hernandez & Company, P.C.
Certified Public Accountants
5402 Holly Rd., Suite 102
Corpus Christi, Texas 78411

Independent Auditor's Report

To the County Commissioners
Kleberg County, Texas
P.O. Box 72
Kingsville, Texas 78364

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying 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 Kleberg County, Texas, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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 Kleberg 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 Kleberg County, Texas's ability to continue as a going concern for twelve months beyond the financial statement issuance 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information and schedule of the County's proportionate share of the net pension liability and schedule of County pension contributions, and schedule of the County's proportionate share of the net OPEB liability and schedule of County OPEB contributions 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 Kleberg County, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the *Texas Grant Management Standards* are presented for purposes of additional analysis and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal & state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

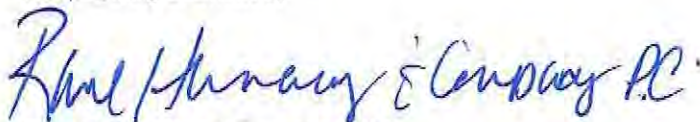
Management is responsible for the other information included in the annual report. The other information as identified in the table of contents comprises the information included in the annual report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 13, 2026 on our consideration of Kleberg 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 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 Kleberg County, Texas's internal control over financial reporting and compliance.

Respectfully submitted,



Raul Hernandez & Company, P.C.

Corpus Christi, Texas
April 13, 2026

KLEBERG COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Kleberg County (the County) annual financial report presents Management's Discussion and Analysis (MD&A) of the County's financial performance during the fiscal year ended September 30, 2024. The MD&A should be read in conjunction with the transmittal letter found in the introductory section of this report and the County's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the Kleberg County exceeded its liabilities at the close of the most recent fiscal year by \$43,375,413 (net position). Of this amount, \$12,821,588 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$22,955,488 of which, \$11,071,537 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$15,308,061, or 86%, of total general fund expenditures; these expenditures were \$2,169,687 more than 2023 due to increases in every expenditure category.
- The fund balance for the General fund increased to \$15,308,061 in 2024, an increase of \$299,932 from 2023.
- At the end of the current fiscal year, the deferred outflows of resources totaled \$1,879,139. Furthermore, deferred inflows of resources totaled \$93,756.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- *Proprietary fund* statements offer short- and long-term financial information about the activities the government operates like businesses. The County maintains one type of proprietary fund- an internal service fund. The Internal Service Fund is used to report activities of the County's self-insurance program. Because these services predominately

KLEBERG COUNTY, TEXAS

benefit governmental rather than business-type functions, the Internal Service Fund is reported with governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The Internal Service Fund is presented as a single, aggregated presentation in the proprietary fund financial statements.

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

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

Figure A-1 Major Features of the County's Government-wide and Fund Financial Statements

| <u>Type of Statements</u> | <u>Government-wide</u> | <u>Governmental Funds</u> | <u>Proprietary Funds</u> | <u>Fiduciary Funds</u> |
|---|--|---|--|--|
| <u>Scope</u> | Entire county Government (except Fiduciary funds) and the county's component units | The activities of the county that are not proprietary or fiduciary | Activities of County similar to private business; self insurance | Instances in which the county is the trustee or agent for someone else's resources |
| <u>Required Financial Statements</u> | <i>Statement of Net position</i> <i>Statement of Activities</i> | <i>Balance Sheet</i> <i>Statement of revenues, expenditures & changes in fund balances</i> <i>Statement of cash flows</i> | <i>Statement of net position</i> <i>Statement of rev, exp. & changes in net position</i> <i>Statement of flows</i> | <i>Statement of fiduciary net position</i> <i>Statement of net position</i> |
| <u>Accounting basis and measurement focus</u> | Accrual accounting and economic resources focus | Modified accrual accounting and current financial | Accrual accounting and economic focus | Accrual accounting economic resources focus |

Figure A-1 shows how the required parts of this annual financial report are arranged and relate to one another. In addition to these required elements, a section with combining statements that provides details about the non-major governmental funds and internal service funds is included.

Government-wide Statements

The two government-wide statements report the County's net position and how they have changed. Net Position—the difference between the County's assets and liabilities—is one way to measure the County's financial health or position.

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

KLEBERG COUNTY, TEXAS

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, public safety, highways and streets, sanitation, economic development, culture and recreation, and interest on long-term debt. Property taxes and grants finance most of these activities.

Fund Financial Statements

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

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

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Proprietary funds*- The County maintains one type of proprietary fund, an internal service fund. The Internal Service Fund is used to report activities of the County's self-insurance program. Because these services predominantly benefit governmental rather than business-type functions, the Internal Service Fund is reported with *governmental activities* in the *government-wide financial statements*.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The Internal Service Fund is presented as a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

KLEBERG COUNTY, TEXAS

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net position. The County's combined net position was \$40,706,243, and \$40,261,859, at September 30, 2023 and 2022, respectively. (See Table A-1).

**Table A-1
County's Net Position**

| | Governmental Activities | | Increase (Decrease) |
|---|----------------------------|----------------------|------------------------|
| | 2024 | 2023 | 2024-2023 |
| Current assets: | | | |
| Cash/Cash equivalents | 23,204,606 | 22,608,388 | 596,218 |
| Equity in Pooled Cash | - | 588,108 | (588,108) |
| Taxes Receivable | 1,121,398 | 1,088,744 | 32,654 |
| Accounts Receivable | 1,075,117 | 877,415 | 197,702 |
| Intergovernmental Receivable | 435,880 | 1,293,650 | (857,770) |
| Prepaid Items | 83,146 | - | 83,146 |
| Net Pension Asset | - | - | - |
| Total current assets: | <u>\$ 25,920,147</u> | <u>\$ 26,456,305</u> | <u>(536,158)</u> |
| Capital Assets: | | | |
| Capital Assets | 59,615,442 | 53,481,344 | 6,134,098 |
| Less Accumulated Depreciation | (26,535,310) | (24,867,811) | (1,667,499) |
| Total capital assets: | <u>33,080,132</u> | <u>28,613,533</u> | <u>4,466,599</u> |
| Total Assets | <u>\$ 59,000,279</u> | <u>\$ 55,069,838</u> | <u>3,930,441</u> |
| Deferred Outflows of Resources | | | |
| Deferred Outflow Related to OPEB | 15,049 | 882 | 14,167 |
| Deferred Outflow Related to Pension Plan | 1,782,523 | 1,573,471 | 209,052 |
| Deferred Charge of Refunding Bonds | 81,567 | 95,160 | (13,593) |
| Total Deferred Outflows of Resources | <u>1,879,139</u> | <u>1,669,513</u> | <u>209,626</u> |
| Current Liabilities | | | |
| Accounts payable and other current liabilities | 1,873,983 | 1,723,204 | 150,779 |
| Accrued Wages Payable | 344,374 | 254,175 | 90,199 |
| Accrued Interest Payable | 25,088 | 32,171 | (7,083) |
| Due to Other Governments and Agencies | 255,856 | 143,097 | 112,759 |
| Due to Others | 87,415 | 39,212 | 28,203 |
| Unearned Revenue | 10,207 | 10,207 | - |
| Total current liabilities | <u>2,576,923</u> | <u>2,202,066</u> | <u>374,857</u> |
| Long-term liabilities: | | | |
| Due within one year | 808,456 | 988,756 | (180,300) |
| Due in more than one year | 7,021,646 | 7,086,187 | (664,541) |
| Right to Use Liability | 76,774 | 99,275 | (22,501) |
| Net Pension Liability - due in more than one year | 6,621,843 | 4,464,663 | 2,157,160 |
| Net OPEB Liability - due in more than one year | 304,607 | 289,526 | 15,081 |
| Total Liabilities | <u>\$ 17,410,249</u> | <u>\$ 15,631,218</u> | <u>1,702,257</u> |
| Deferred Inflows of Resources | | | |
| Deferred Amounts Related to OPEB | 59,295 | 158,756 | (99,463) |
| Deferred Amounts Related to Pensions | 34,461 | 68,921 | (34,460) |
| Total Deferred Inflows of Resources | <u>93,756</u> | <u>227,679</u> | <u>(133,923)</u> |
| Net Position: | | | |
| Net Investment in Capital Assets | 25,330,190 | 20,224,358 | 5,105,832 |
| Restricted For: | | | |
| Federal and State Programs | - | - | - |
| Debt Service | 3,610,024 | 1,238,368 | 2,371,656 |
| Capital Projects | 1,613,611 | 3,110,620 | (1,497,009) |
| Unrestricted | 12,821,588 | 16,132,897 | (3,311,309) |
| Total Net Position | <u>\$ 43,375,413</u> | <u>\$ 40,706,243</u> | <u>2,669,170</u> |

KLEBERG COUNTY, TEXAS

The County's overall financial position has increased in the amount of \$2,669,170. The largest portion of the County's assets are invested in capital assets (e.g. land, construction in progress, infrastructure, buildings & improvements, machinery and equipment). The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The unrestricted portion of net assets was \$12,821,588, or 40% of total net position, which is down (\$3,311,309) due, in part, to special revenue funds having deficit fund balances.

Table A-2
Kleberg County's Changes in Net position – Governmental Activities

| | Governmental Activities | | Increase (Decrease) |
|-----------------------------------|----------------------------|----------------------|------------------------|
| | <u>2024</u> | <u>2023</u> | <u>2024-2023</u> |
| Revenues: | | | |
| Program: | | | |
| Charges for services | \$ 5,740,475 | \$ 4,698,411 | \$ 1,042,064 |
| Operating Grants & Contributions | 11,553,616 | 9,759,930 | 1,793,686 |
| Cap. Grants & Contributions | 768,251 | - | 768,251 |
| General: | | | |
| Property Taxes | 17,691,465 | 12,251,606 | 5,439,859 |
| Sales Taxes | 3,489,186 | 3,683,516 | (194,330) |
| Intergovernmental Revenues | - | - | - |
| Investment Income | 1,085,701 | 1,096,893 | (11,192) |
| Miscellaneous Revenues | 117,528 | 750,332 | (632,804) |
| Total Revenues | <u>\$ 40,446,222</u> | <u>\$ 32,240,688</u> | <u>\$ 8,205,534</u> |
| Cost of Services: | | | |
| General Government | 9,717,154 | 7,861,775 | 1,855,379 |
| Judicial | 3,909,385 | 3,776,073 | 133,312 |
| Public Safety | 12,071,218 | 11,604,923 | 466,295 |
| Public Transportation | 1,907,350 | 1,423,460 | 483,890 |
| Health and Welfare | 4,464,257 | 3,224,006 | 1,240,251 |
| Culture and Recreation | 2,518,505 | 2,246,278 | 272,227 |
| Conservation | 157,939 | 154,245 | 3,694 |
| Economic Development & Assistance | 2,879,965 | 1,257,633 | 1,622,332 |
| Interest on Long-term debt | 151,279 | 247,911 | (96,632) |
| Total Cost of Services | <u>\$ 37,777,052</u> | <u>\$ 31,796,304</u> | <u>\$ 5,980,748</u> |
| Change in net assets | 2,669,170 | 444,384 | 2,224,786 |
| Net position - beginning | <u>40,706,243</u> | <u>40,261,859</u> | <u>444,384</u> |
| Net position - ending | <u>\$ 43,375,413</u> | <u>\$ 40,706,243</u> | <u>\$ 2,669,170</u> |

KLEBERG COUNTY, TEXAS

Governmental Activities

- Property tax was up 3,439,859, or 5%, due to a increase in general property tax revenues in the General Fund and Debt Service. Net taxable property values was \$1,773,540,838, and the total tax levy was \$.771870.
- Operating Grants & Contributions increased \$1,793,686 due to increases in General Government, Judicial, and Public Safety program revenues compared to the prior year.

Revenues. The County's total revenues were \$38,446,222. A significant portion, 38%, of the County's revenue comes from property taxes. In addition, 30% comes from operating grants & contributions, and 15% relates to charges for services. (See Figure A-1 and Table A-2)

Figure A-1

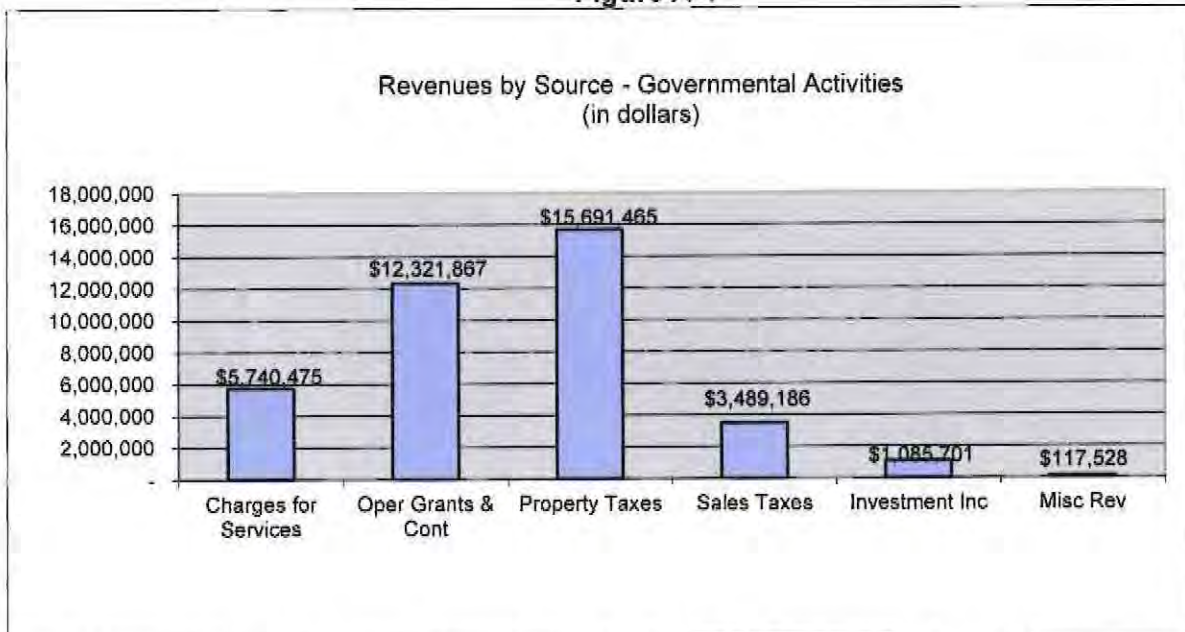


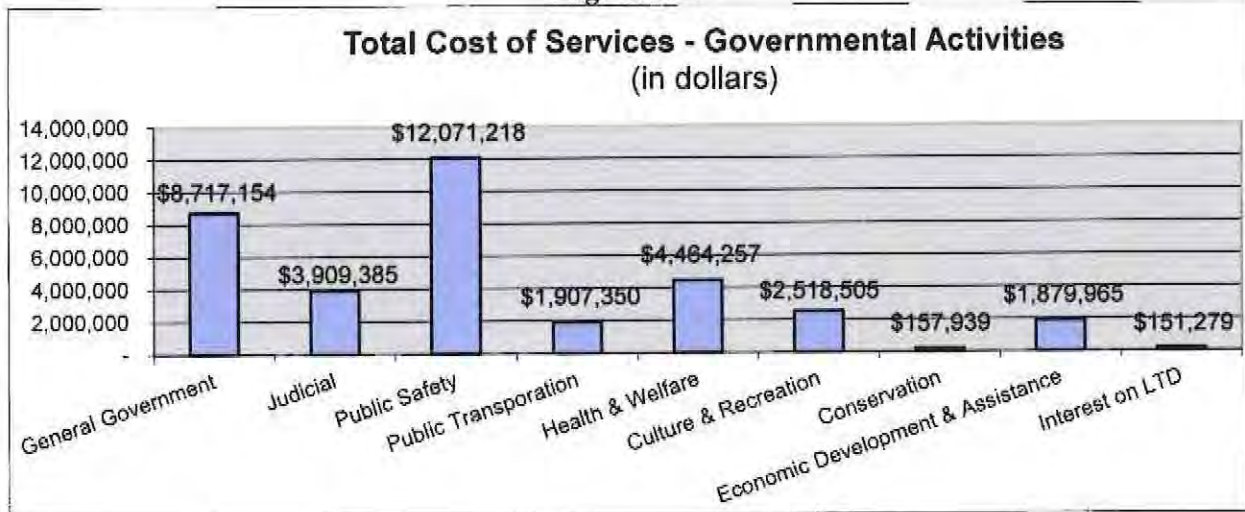
Table A-2 and Figure A-2 present the cost of each of the County's largest functions.

- The cost of all governmental activities this year was \$35,777,052. However, the amount that our taxpayers paid for these activities through property taxes was \$18,691,465.
- Some of the costs, \$3,909,385, or 15%, were paid by those who directly benefited from the programs such as human services, state juvenile and adult probationary fees, and fees of office.
- Of total costs, \$12,071,218 is attributed to Public Safety, which had a net increase from the prior year by \$466,295 due, in part, to the increase in expenditures in the General Fund, Task Force Program Income, Community Supervision, South Texas Task Force Federal, and Operation Lone Star Funds.

KLEBERG COUNTY, TEXAS

- Total costs of services were up \$3,980,748, where health and welfare expenditures had the most significant increase in the amount of \$1,240,251. The majority of the health and welfare expenditure increase was part of the Human Services.

Figure A-2



FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements. The County has maintained an AAA/Aaa bond rating since 1978.

Governmental funds. The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of the *County's governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$22,955,488, a net decrease of (\$183,773) compared with the prior year. The largest decrease in fund balance was in the COVID ARPA Fund.

The General fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$15,308,061 in contrast to \$15,008,129 in the prior year. The County, in 2024, had an increase in Taxes of \$1,439,859, which includes general property taxes, general sales & use taxes, gross receipts business taxes, and miscellaneous taxes.

KLEBERG COUNTY, TEXAS

The Debt Service Fund (County-wide) has a total fund balance of \$3,610,024, an increase of \$2,371,656. The reserves for the payment of debt service combined with the estimated first quarter collections on current year assessments will cover next year's scheduled debt. The increase in the net fund balance was the result of decreases in debt payments of principal, interest & fiscal charges, along with a decrease in bond issuance costs.

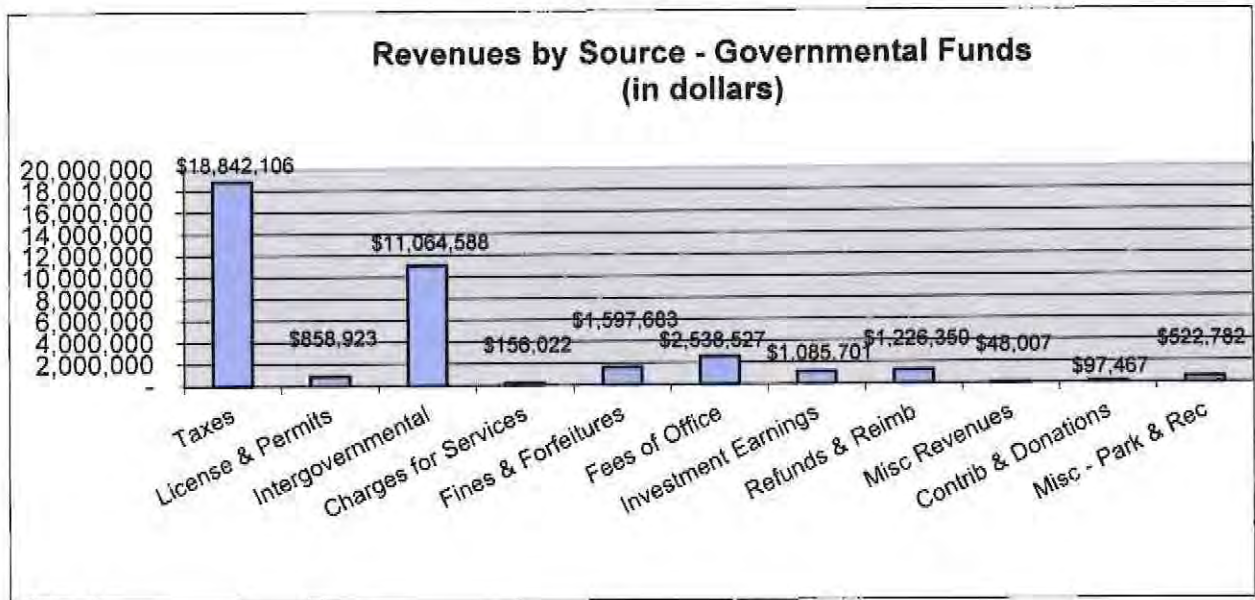
FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Revenues

Revenues from governmental fund types totaled \$38,038,156, which was a increase of \$4,159,395 compared to the preceding year. The most significant variances in governmental fund revenues were derived from taxes and intergovernmental revenues, which increased 1,201,699, and \$1,797,907, respectively. The increase in intergovernmental revenues was due to, in part, decreases in revenues for the Road & Bridge Maintenance, CDBG Mitigation Fund, Economic Development Grant, and Operation Stonegarden Grants.

The County's primary source of revenue consists of taxes, which comprise 52% of the County's total revenues. In addition, intergovernmental, fees of office, and fines & forfeitures comprise 27%, 5.5%, and 4.8% of total revenues, respectively. The County's departments that charge for services include park & recreational, fees of office from justice of the peace precincts, and constables, which are all an important part of the County's revenues. They are an integral part of the County's ability to provide the services to which citizens have become accustomed. (See Figure A-3 and Table A-3)

Figure A-3



KLEBERG COUNTY, TEXAS

**Table A-3
Governmental Funds – Revenues by Source***

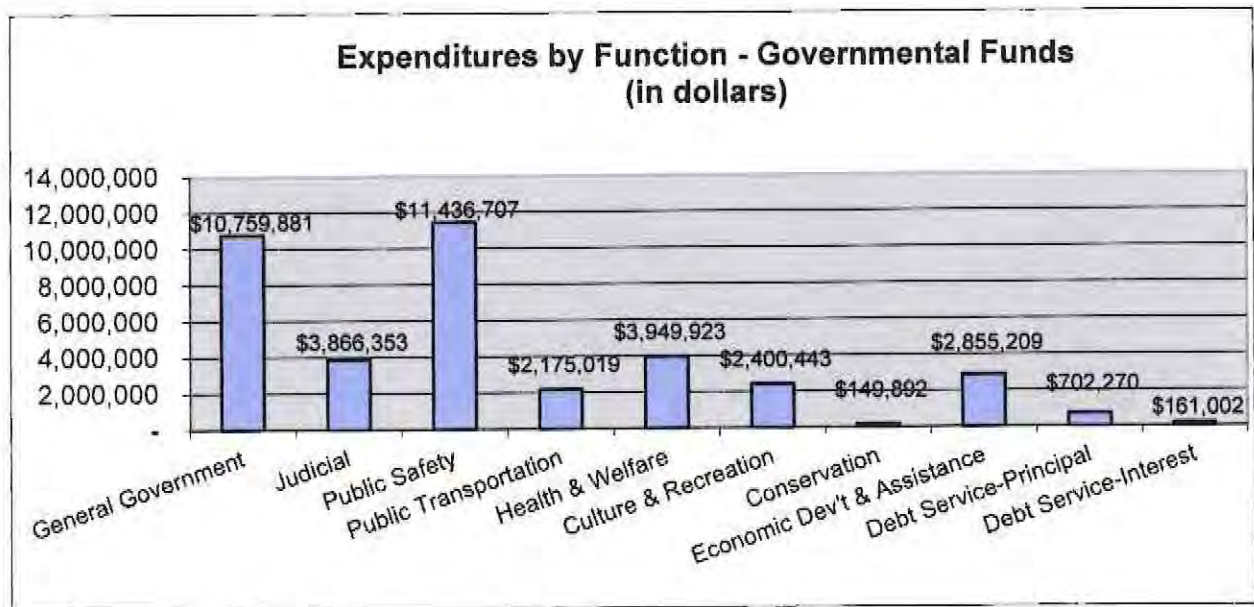
| | FY 2024 | FY 2023 | Increase (Decrease) |
|----------------------------|----------------------|----------------------|------------------------|
| Taxes | \$ 18,842,106 | \$ 17,640,407 | \$ 1,201,699 |
| License and Permits | 858,923 | 562,996 | 295,927 |
| Intergovernmental | 11,064,588 | 9,266,681 | 1,797,907 |
| Charges for Services | 156,022 | 124,514 | 31,508 |
| Fines & Forfeitures | 1,597,683 | 1,627,744 | (30,061) |
| Fees of Office | 2,538,527 | 1,835,013 | 703,514 |
| Investment Earnings | 1,085,701 | 1,096,893 | (11,192) |
| Refunds & Reimbursements | 1,226,350 | 463,249 | 763,101 |
| Miscellaneous Revenues | 48,007 | 683,155 | (635,148) |
| Contributions & Donations | 97,467 | 44,731 | 52,736 |
| Misc - Park & Recreational | 522,782 | 533,378 | (10,596) |
| Total Revenues | \$ 38,038,156 | \$ 33,878,761 | \$ 4,159,395 |

(*) For comparative purposes: Taxes consists of General Property taxes, General Sales & Use taxes, and other miscellaneous taxes.

Expenditures

The County's primary expenditures were for public safety, general government, and culture & recreation categories. Public Safety accounts for 34% of total expenditures, and General Government now accounts for 24% of total expenditures. (See Figure A-4 and Table A-4)

Figure A-4



KLEBERG COUNTY, TEXAS

**Table A-4
Governmental Funds – Expenditures by Function**

| | <u>FY 2024</u> | <u>FY 2023</u> | <u>Increase (Decrease)</u> |
|--|----------------------|----------------------|--------------------------------|
| General Government | \$ 10,579,881 | \$ 8,549,020 | \$ 2,030,861 |
| Judicial | 3,866,353 | 3,477,323 | 389,030 |
| Public Safety | 11,436,707 | 11,835,938 | (399,231) |
| Public Transportation | 2,175,019 | 1,593,244 | 581,775 |
| Health and Welfare | 3,949,923 | 3,980,708 | (30,785) |
| Culture and Recreation | 2,400,443 | 3,298,676 | (898,233) |
| Conservation | 149,892 | 143,128 | 6,764 |
| Economic Development and Assistance | 2,855,209 | 1,234,718 | 1,620,491 |
| Debt Service: | | | |
| Principal | 702,270 | 680,733 | 21,537 |
| Interest and Fiscal Charges | 161,002 | 266,430 | (105,428) |
| Total Expenditures | <u>\$ 38,276,699</u> | <u>\$ 35,059,918</u> | <u>\$ 3,216,781</u> |

Other financing sources from the County came from:

**Table A-5
Other Financing Resources**

| | <u>FY 2024</u> | <u>FY 2023</u> | <u>Increase (Decrease)</u> |
|-----------------------------|------------------|------------------|--------------------------------|
| Transfers In | \$ 1,506,451 | \$ 549,044 | \$ 957,407 |
| Transfers Out | (1,506,451) | \$ (549,044) | \$ (957,407) |
| Right to Use Lease Proceeds | 54,770 | 34,089 | 20,681 |
| | <u>\$ 54,770</u> | <u>\$ 34,089</u> | <u>\$ 20,681</u> |

General Fund Budgetary Highlights

The final budget was adopted with total General Fund revenues of \$23,106,780 and expenditures of \$20,811,222, which both include transfers.

The following are significant variations between the final budget and actual amount.

- Actual revenues (excluding transfers) were lower than budgeted figures by (\$2,325,989). Of this amount, General Property Taxes had the largest negative variance of (\$2,187,188).
- Actual expenditures (excluding transfers) were \$1,429,673 below final budget amounts. The most significant positive variances were in the Sheriff, Non-Departmental, and County Jail departments which had positive variances of \$363,310, \$510,287, and \$132,685, respectively. County departments were encouraged to hold the line of salaries and expenditures to support the overall County budget due to the fact that the County was incurring higher costs on items such as medical insurance, data services, and utilities.

KLEBERG COUNTY, TEXAS

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2024, the County had invested \$59,615,442 in a broad range of capital assets, including land, construction in progress, infrastructure, buildings & improvements, and machinery & equipment. (See Table A-6.)

The capital assets of the County are those assets (land, construction in progress, infrastructure, buildings & improvements, and machinery & equipment), which are used in the performance of the County's functions. At September 30, 2024, net capital assets of the governmental activities totaled \$33,080,132. Depreciation on capital assets is recognized in the Government-wide financial statements. Accumulated depreciation for infrastructure, buildings & improvements, and equipment totaled \$26,535,310. More detailed information about the county's capital assets is presented in the notes to the financial statements on page 41.

Table A-6
County's Capital Assets

| | 2024 | 2023 | 2024-2023 |
|--------------------------------|---------------|---------------|--------------|
| Land | \$ 2,532,703 | \$ 2,036,559 | \$ 496,144 |
| Construction in Progress | 11,581,392 | 11,581,392 | - |
| Infrastructure | 3,044,321 | 2,342,720 | 701,601 |
| Buildings and Improvements | 21,717,905 | 18,312,381 | 3,405,524 |
| Machinery & Equipment | 20,463,615 | 18,988,556 | 1,475,059 |
| Right to Use Asset | 275,506 | 219,736 | 55,770 |
| Total at historical cost | \$ 59,615,442 | \$ 53,481,344 | \$ 6,134,098 |
| Total Accumulated Depreciation | (26,535,310) | (24,867,809) | (1,667,501) |
| Net Capital Assets | \$ 33,080,132 | \$ 28,613,535 | \$ 4,466,597 |

Long Term Debt

At year-end, the County had \$7,554,164 in bonds, and compensated absences, as shown in Table A-7. The County's total debt had a net decrease from the prior year, due to additional bond debt payments in 2024. More detailed information about the County's debt is presented in the notes to the financial statements on page 51.

Table A-7
Long Term Debt

| | Governmental Activities | |
|-------------------------------|----------------------------|--------------|
| | 2024 | 2023 |
| General obligation bonds | \$ 7,380,000 | \$ 8,005,000 |
| Compensated absences | 174,164 | 377,772 |
| Total governmental activities | \$ 7,554,164 | \$ 8,382,772 |

KLEBERG COUNTY, TEXAS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2025 budget preparation increased \$123,514,868 to \$1,773,540,838. With a tax rate of \$.77187, the County expects tax revenues to remain stable.
- General operating fund spending in the 2025 budget is expected to have a slight increase as compared to 2024.
- All other funding sources are expected to stay somewhat stable with the above property tax providing the needed funding for 2024.

These indicators were taken into account when adopting the general fund budget for 2024. This budget will increase revenue from property taxes than last year's budget by an amount of \$1,172,555, which is an increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$167,129.

Expenditures are budgeted to increase.

If these estimates are realized, the County's budgetary general fund balance is expected to increase. If this estimate holds true, the County will have a fund balance of an estimated \$15,850,509. In light of the County's building fund balance, the Commissioners' Court is constantly monitoring the budget. Such concerns will also be reflected in the upcoming preparation of the 2025 budget to ensure that the County continues to build a positive fund balance.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

County Auditor's Department
700 East Kleberg
Kingsville, Texas 78363
(361)595-8526

This page is left blank intentionally.

Basic Financial Statements

This page is left blank intentionally.

KLEBERG COUNTY, TEXAS

STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

| | Governmental Activities |
|---|----------------------------|
| ASSETS: | |
| <i>Cash and Cash Equivalents</i> | \$ 23,204,606 |
| <i>Taxes Receivables (net of allowances for uncollectibles):</i> | 1,121,398 |
| <i>Accounts Receivable</i> | 1,075,117 |
| <i>Intergovernmental Receivable</i> | 435,880 |
| <i>Prepaid Items</i> | 83,146 |
| Capital Assets (net of accumulated depreciation): | |
| <i>Land</i> | 2,532,704 |
| <i>Buildings and System</i> | 9,518,504 |
| <i>Improvements other than Buildings</i> | 462,648 |
| <i>Machinery and Equipment</i> | 6,295,790 |
| <i>Infrastructure</i> | 2,602,992 |
| <i>Construction in Progress</i> | 11,581,392 |
| <i>Right to Use Asset</i> | 86,102 |
| Total Assets | <u>59,000,279</u> |
| | |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Outflow Related to OPEB | 15,049 |
| Deferred Outflow Related to Pension Plan | 1,782,523 |
| Deferred Charge of Refunding Bonds | 81,567 |
| Total Deferred Outflows of Resources | <u>1,879,139</u> |
| | |
| LIABILITIES: | |
| <i>Accounts Payable and Other Current Liabilities</i> | 1,873,983 |
| <i>Accrued Wages Payable</i> | 344,374 |
| <i>Accrued Interest Payable</i> | 25,088 |
| <i>Due to Other Governments and Agencies</i> | 255,856 |
| <i>Due to Others</i> | 67,415 |
| <i>Unearned Revenue</i> | 10,207 |
| Noncurrent Liabilities- | |
| <i>Due within one year</i> | 808,456 |
| <i>Due in more than one year</i> | 7,021,646 |
| <i>Right to Use Liability</i> | 76,774 |
| <i>Net Pension Liability-due in more than one year</i> | 6,621,843 |
| <i>Net OPEB Liability-due in more than one year</i> | 304,607 |
| Total Liabilities | <u>17,410,249</u> |
| | |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred Amounts Related to OPEB | 59,295 |
| Deferred Amounts Related to Pensions | 34,461 |
| Total Deferred Inflows of Resources | <u>93,756</u> |
| | |
| NET POSITION: | |
| Net Investment in Capital Assets | 25,330,190 |
| Restricted For: | |
| Debt Service | 3,610,024 |
| Capital Projects | 1,613,611 |
| Unrestricted | 12,821,588 |
| Total Net Position | <u>\$ 43,375,413</u> |

The accompanying notes are an integral part of this statement.

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

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT: | | | | |
| Governmental Activities: | | | | |
| <i>General Government</i> | \$ 9,717,154 | \$ 2,366,883 | \$ -- | \$ -- |
| <i>Judicial</i> | 3,909,385 | 26,931 | 1,564,519 | -- |
| <i>Public Safety</i> | 12,071,218 | 1,285,557 | 2,834,969 | -- |
| <i>Public Transportation</i> | 1,907,350 | 1,525,027 | 600,213 | -- |
| <i>Health and Welfare</i> | 4,464,257 | 13,295 | 4,859,088 | -- |
| <i>Culture and Recreation</i> | 2,518,505 | 522,782 | -- | 768,251 |
| <i>Conservation</i> | 157,939 | -- | -- | -- |
| <i>Economic Development and Assistance</i> | 2,879,965 | -- | 1,694,827 | -- |
| <i>Interest on Long-term Debt</i> | 151,279 | -- | -- | -- |
| Total Governmental Activities | <u>37,777,052</u> | <u>5,740,475</u> | <u>11,553,616</u> | <u>768,251</u> |
| Total Primary Government | <u>\$ 37,777,052</u> | <u>\$ 5,740,475</u> | <u>\$ 11,553,616</u> | <u>\$ 768,251</u> |
| General Revenues: | | | | |
| <i>Property Taxes</i> | | | | |
| <i>Sales Taxes</i> | | | | |
| <i>Investment Income</i> | | | | |
| <i>Miscellaneous Revenues</i> | | | | |
| Total General Revenues | | | | |
| Change in Net Assets | | | | |
| Net Position - Beginning | | | | |
| Reclassification of Beginning Net Position | | | | |
| Net Position - Ending | | | | |

The accompanying notes are an integral part of this statement.

| <u>Net (Expense)</u> | |
|----------------------|--------------------------|
| <u>Revenue and</u> | |
| <u>Changes in</u> | |
| <u>Net Position</u> | |
| <u>Governmental</u> | |
| <u>Activities</u> | |
| \$ | (7,350,271) |
| | (2,317,935) |
| | (7,950,692) |
| | 217,890 |
| | 408,126 |
| | (1,227,472) |
| | (157,939) |
| | (1,185,138) |
| | (151,279) |
| | <u>(19,714,710)</u> |
| | <u>(19,714,710)</u> |
| | 17,691,465 |
| | 3,489,186 |
| | 1,085,701 |
| | 117,528 |
| | <u>22,383,880</u> |
| | 2,669,170 |
| | 40,706,243 |
| | -- |
| \$ | <u><u>43,375,413</u></u> |

KLEBERG COUNTY, TEXAS

BALANCE SHEET - GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2024

| | <u>General Fund</u> | <u>Road & Bridge Maintenance</u> |
|---|-------------------------|--|
| ASSETS | | |
| Assets: | | |
| <i>Cash and Cash Equivalents</i> | \$ 16,240,583 | \$ 722,221 |
| <i>Equity in Pooled Cash</i> | -- | -- |
| <i>Taxes Receivables (net of allowances for uncollectibles):</i> | 921,518 | -- |
| <i>Accounts Receivable</i> | 701,245 | 99,974 |
| <i>Intergovernmental Receivable</i> | 196,163 | -- |
| <i>Prepaid Items</i> | 83,146 | -- |
| Total Assets | <u>\$ 18,142,655</u> | <u>\$ 822,195</u> |
| LIABILITIES AND FUND BALANCES: | | |
| Liabilities: | | |
| <i>Accounts Payable</i> | \$ 1,544,719 | \$ 38,916 |
| <i>Accrued Wages Payable</i> | 274,805 | 28,620 |
| <i>Due to Others</i> | -- | -- |
| <i>Due to Other Governments and Agencies</i> | 93,552 | -- |
| <i>Deferred Revenue</i> | -- | -- |
| Total Liabilities | <u>1,913,076</u> | <u>67,536</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable Revenue -- Property Taxes | 921,518 | -- |
| Total Deferred Inflows of Resources | <u>921,518</u> | <u>--</u> |
| Fund Balances: | | |
| <i>Restricted</i> | -- | 754,659 |
| <i>Committed</i> | -- | -- |
| <i>Unassigned</i> | 15,308,061 | -- |
| Total Fund Balance | <u>15,308,061</u> | <u>754,659</u> |
| Total Liabilities and Fund Balance | <u>\$ 18,142,655</u> | <u>\$ 822,195</u> |

The accompanying notes are an integral part of this statement.

EXHIBIT A-3

| <u>Debt Service Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|----------------------------------|---|---|
| \$ 3,602,003 | \$ 3,794,221 | \$ 24,359,028 |
| -- | (518,551) | (518,551) |
| 199,880 | -- | 1,121,398 |
| 8,022 | 260,808 | 1,070,049 |
| -- | 239,717 | 435,880 |
| -- | -- | 83,146 |
| <u>\$ 3,809,905</u> | <u>\$ 3,776,195</u> | <u>\$ 26,550,950</u> |
| | | |
| \$ -- | \$ 290,348 | \$ 1,873,983 |
| -- | 40,949 | 344,374 |
| -- | 67,415 | 67,415 |
| -- | 84,532 | 178,084 |
| -- | 10,207 | 10,207 |
| <u>--</u> | <u>493,451</u> | <u>2,474,063</u> |
| | | |
| 199,881 | -- | 1,121,399 |
| <u>199,881</u> | <u>--</u> | <u>1,121,399</u> |
| | | |
| 3,610,024 | 6,991,036 | 11,355,719 |
| -- | 528,232 | 528,232 |
| -- | (4,236,524) | 11,071,537 |
| <u>3,610,024</u> | <u>3,282,744</u> | <u>22,955,488</u> |
| | | |
| <u>\$ 3,809,905</u> | <u>\$ 3,776,195</u> | <u>\$ 26,550,950</u> |

KLEBERG COUNTY, TEXAS

*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024*

| | |
|--|----------------------|
| Total fund balances - governmental funds balance sheet | \$ 22,955,488 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | |
| Capital assets used in governmental activities are not reported in the funds. | 33,080,161 |
| Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds. | 1,121,399 |
| The assets and liabilities of internal service funds are included in governmental activities in the SNP. | (630,804) |
| Payables for bond principal which are not due in the current period are not reported in the funds. | (7,638,579) |
| Payables for right-to-use leases which are not due in the current period are not reported in the funds. | (76,774) |
| Payables for debt interest which are not due in the current period are not reported in the funds. | (25,088) |
| Payables for compensated absences which are not due in the current period are not reported in the funds. | (174,164) |
| Recognition of the County's proportionate share of the net pension liability is not reported in the funds. | (6,621,842) |
| Deferred Resource Inflows related to the pension plan are not reported in the funds. | (34,461) |
| Deferred Resource Outflows related to the pension plan are not reported in the funds. | 1,782,523 |
| The accumulated accretion of interest on capital appreciation bonds is not reported in the funds. | (13,593) |
| Recognition of the County's proportionate share of the net OPEB liability is not reported in the funds. | (304,607) |
| Deferred Resource Inflows related to the OPEB plan are not reported in the funds. | (59,295) |
| Deferred Resource Outflows related to the OPEB plan are not reported in the funds. | 15,049 |
| Net position of governmental activities - Statement of Net Position | <u>\$ 43,375,413</u> |

The accompanying notes are an integral part of this statement.

This page is left blank intentionally.

KLEBERG COUNTY, TEXAS

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

| | General Fund | Road & Bridge Maintenance |
|--|----------------------|---------------------------------|
| Revenue: | | |
| Taxes: | | |
| <i>General Property Taxes</i> | \$ 12,423,106 | \$ -- |
| <i>General Sales and Use Taxes</i> | 3,489,186 | -- |
| <i>Gross Receipts Business Taxes</i> | -- | -- |
| <i>Other Taxes - Miscellaneous</i> | 192,276 | -- |
| <i>License and Permits</i> | 355,012 | 503,911 |
| <i>Intergovernmental</i> | 22,317 | -- |
| <i>Charges for Services</i> | 2,434 | -- |
| <i>Fines and Forfeitures</i> | 172,865 | 1,021,116 |
| <i>Fees of Office</i> | 1,635,376 | -- |
| <i>Investment Earnings</i> | 646,658 | 25,578 |
| <i>Refunds & Reimbursements</i> | 1,226,350 | -- |
| <i>Miscellaneous Revenues</i> | 38,441 | -- |
| <i>Contributions & Donations</i> | 26,988 | -- |
| <i>Miscellaneous-Park & Recreational</i> | 522,782 | -- |
| Total Revenues | <u>20,753,791</u> | <u>1,550,605</u> |
| Expenditures: | | |
| Current: | | |
| <i>General Government</i> | 6,562,000 | -- |
| <i>Judicial</i> | 3,082,421 | -- |
| <i>Public Safety</i> | 7,919,178 | -- |
| <i>Public Transportation</i> | 124,784 | 1,907,350 |
| <i>Health and Welfare</i> | 289,815 | -- |
| <i>Culture and Recreation</i> | 1,181,715 | -- |
| <i>Conservation</i> | 149,892 | -- |
| <i>Economic Development and Assistance</i> | -- | -- |
| Debt Service: | | |
| <i>Principal</i> | 66,107 | 1,679 |
| <i>Interest and Fiscal Charges</i> | 5,637 | 337 |
| Total Expenditures | <u>19,381,549</u> | <u>1,909,366</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>1,372,242</u> | <u>(358,761)</u> |
| Other Financing Sources (Uses): | | |
| <i>Transfers In</i> | 327,103 | 200,000 |
| <i>Transfers Out</i> | (1,454,183) | -- |
| <i>Right to Use Lease Proceeds</i> | 54,770 | -- |
| Total Other Financing Sources (Uses) | <u>(1,072,310)</u> | <u>200,000</u> |
| Net Change in Fund Balances | 299,932 | (158,761) |
| Fund Balances - Beginning | 15,008,129 | 913,420 |
| Fund Balances - Ending | <u>\$ 15,308,061</u> | <u>\$ 754,659</u> |

The accompanying notes are an integral part of this statement.

EXHIBIT A-5

| Debt Service Fund | Other Governmental Funds | Total Governmental Funds |
|-------------------------|--------------------------------|--------------------------------|
| \$ 2,641,630 | \$ -- | \$ 15,064,736 |
| -- | -- | 3,489,186 |
| -- | 69,521 | 69,521 |
| 26,387 | -- | 218,663 |
| -- | -- | 858,923 |
| -- | 11,042,271 | 11,064,588 |
| -- | 153,588 | 156,022 |
| -- | 403,702 | 1,597,683 |
| -- | 903,151 | 2,538,527 |
| 142,368 | 271,097 | 1,085,701 |
| -- | -- | 1,226,350 |
| -- | 9,566 | 48,007 |
| -- | 70,479 | 97,467 |
| -- | -- | 522,782 |
| <u>2,810,385</u> | <u>12,923,375</u> | <u>38,038,156</u> |
| -- | 4,017,881 | 10,579,881 |
| -- | 783,932 | 3,866,353 |
| -- | 3,517,529 | 11,436,707 |
| -- | 142,885 | 2,175,019 |
| -- | 3,660,108 | 3,949,923 |
| -- | 1,218,728 | 2,400,443 |
| -- | -- | 149,892 |
| -- | 2,855,209 | 2,855,209 |
| 380,000 | 254,484 | 702,270 |
| 59,529 | 95,499 | 161,002 |
| <u>439,529</u> | <u>16,546,255</u> | <u>38,276,699</u> |
| <u>2,370,856</u> | <u>(3,622,880)</u> | <u>(238,543)</u> |
| 800 | 978,548 | 1,506,451 |
| -- | (52,268) | (1,506,451) |
| -- | -- | 54,770 |
| <u>800</u> | <u>926,280</u> | <u>54,770</u> |
| 2,371,656 | (2,696,600) | (183,773) |
| 1,238,368 | 5,979,344 | 23,139,261 |
| <u>\$ 3,610,024</u> | <u>\$ 3,282,744</u> | <u>\$ 22,955,488</u> |

KLEBERG COUNTY, TEXAS

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

| | |
|--|---------------------|
| Net change in fund balances - total governmental funds | \$ (183,773) |
| Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because: | |
| Certain property tax revenues are deferred in the funds. This is the change in these amounts this year. | 6,360,484 |
| Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA. | 625,000 |
| Repayment of right-to-use lease principal is an expenditure in the funds but is not an expense in the SOA. | 77,271 |
| (Increase) decrease in accrued interest from beginning of period to end of period. | 9,722 |
| The net revenue (expense) of internal service funds is reported with governmental activities. | (690,049) |
| Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds. | 203,608 |
| Proceeds of right-to-use leases do not provide revenue in the SOA, but are reported as current resources in the SOA. | (54,770) |
| Implementing GASB 75 required certain expenditures to be de-expended and recorded as deferred resources in the SOA. | (3,678,323) |
| Change in net position of governmental activities - Statement of Activities | <u>\$ 2,669,170</u> |

The accompanying notes are an integral part of this statement.

KLEBERG COUNTY, TEXAS

STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2024

| | <u>Internal Service Funds</u> |
|---|---------------------------------------|
| ASSETS: | |
| Current Assets: | |
| <i>Cash and Cash Equivalents</i> | \$ (685,513) |
| <i>Investments</i> | |
| <i>Receivables (net of allowances for uncollectibles):</i> | <u>5,068</u> |
| Total Current Assets | <u>(680,445)</u> |
| Noncurrent Assets: | |
| Restricted Cash, Cash Equivalents and Investments- | |
| <i>Investments</i> | <u>49,642</u> |
| Total Noncurrent Assets | <u>49,642</u> |
| Total Assets | <u>\$ (630,803)</u> |
| LIABILITIES: | |
| Current Liabilities: | |
| Current Liabilities Payable from Restricted Assets- | |
| Total Liabilities | <u>--</u> |
| NET POSITION: | |
| Total Net Position | <u>\$ (630,803)</u> |

The accompanying notes are an integral part of this statement.

KLEBERG COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Internal Service Funds |
|---|------------------------------|
| OPERATING REVENUES: | |
| Charges for Sales and Services: | |
| <i>Premiums and reimbursements</i> | \$ 2,228,525 |
| Total Operating Revenues | <u>2,228,525</u> |
| OPERATING EXPENSES: | |
| <i>Insurance premiums and Claims</i> | 2,918,574 |
| Total Operating Expenses | <u>2,918,574</u> |
| Operating Income | <u>(690,049)</u> |
| NON-OPERATING REVENUES (EXPENSES): | |
| Total Non-operating Revenues (Expenses) | <u>--</u> |
| Income before Transfers | <u>(690,049)</u> |
| Change in Net Assets | <u>(690,049)</u> |
| Total Net Assets - Beginning | 59,246 |
| Total Net Assets - Ending | <u>\$ (630,803)</u> |

The accompanying notes are an integral part of this statement.

KLEBERG COUNTY, TEXAS
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Internal Service Funds |
|---|------------------------------|
| Cash Flows from Operating Activities: | |
| Cash Receipts (Payments) for Interfund Services provided and used: | |
| Operating Transactions with Other Funds | \$ -- |
| Cash Payments to Other Suppliers for Goods and Services | (739,711) |
| Net Cash Provided (Used) by Operating Activities | <u>(739,711)</u> |
| Cash Flows from Non-capital Financing Activities: | |
| Proceeds (Payments) from (for) Interfund Borrowings | -- |
| Transfers From (To) Primary Government | -- |
| Net Cash Provided (Used) by Non-capital Financing Activities | <u>--</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (739,711) |
| Cash and Cash Equivalents at Beginning of Year | 54,198 |
| Cash and Cash Equivalents at End of Year | <u>\$ (685,513)</u> |
| Reconciliation of Operating Income to Net Cash Provided by Operating Activities: | |
| Operating Income (Loss) | \$ (690,049) |
| Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities | |
| Change in Assets and Liabilities: | |
| Decrease (Increase) in Receivables | (20) |
| Increase (Decrease) in Accounts Payable | (49,642) |
| Increase (Decrease) in Unearned Revenue | -- |
| Total Adjustments | <u>(49,662)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>\$ (739,711)</u> |

The accompanying notes are an integral part of this statement.

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

| | Total Fiduciary Funds |
|---|-----------------------------|
| ASSETS: | |
| Cash and Cash Equivalents | \$ 6,708,693 |
| Account Receivable | -- |
| Total Assets | <u>6,708,693</u> |
| LIABILITIES: | |
| Due to Other Governments and Agencies | <u>2,010,513</u> |
| Total Liabilities | <u>2,010,513</u> |
| NET POSITION | |
| Restricted for: | |
| Individuals, organizations, and other governments | 4,698,180 |
| Total Net Position | <u>\$ 4,698,180</u> |

The accompanying notes are an integral part of this statement.

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

| | Investment Trust Funds | Custodial Funds | Total Fiduciary Funds |
|---|---------------------------|---------------------|-----------------------------|
| ADDITIONS: | | | |
| Contributions | \$ -- | \$ -- | \$ -- |
| Governmental fees collected | -- | -- | -- |
| Taxes collected for other governments | -- | 54,017,395 | 54,017,395 |
| Payroll funds collected | -- | 9,137,517 | 9,137,517 |
| Other funds collected | 555,520 | 3,771,812 | 4,327,332 |
| Total Additions | <u>555,520</u> | <u>66,926,724</u> | <u>67,482,244</u> |
| DEDUCTIONS: | | | |
| Texas remitted to other governments | -- | 53,972,865 | 53,972,865 |
| Payroll funds remitted | -- | 9,137,517 | 9,137,517 |
| Other funds remitted | 479,905 | 3,709,248 | 4,189,153 |
| Total Deductions | <u>479,905</u> | <u>66,819,630</u> | <u>67,299,535</u> |
| Change in Fiduciary Net Position | 75,615 | 107,094 | 182,709 |
| Net Position-Beginning of the Year | 3,375,388 | 1,140,083 | 4,515,471 |
| Prior Period Adjustment | -- | -- | -- |
| Net Position-End of the Year | <u>\$ 3,451,003</u> | <u>\$ 1,247,177</u> | <u>\$ 4,698,180</u> |

The accompanying notes are an integral part of this statement.

This page is left blank intentionally.

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

A. Summary of Significant Accounting Policies

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally acceptable in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in Governmental Accounting and Financial Reporting Standards. The financial report has been prepared in accordance with GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", issued in June 1999 and implemented by the County in fiscal year 2004. The most significant accounting and reporting policies of the County are described in the following notes to the financial statements.

1. Reporting Entity

The County's basic financial statements include the accounts of all its operations. The County evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the County's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County
- the exclusion of the organization would result in misleading or incomplete financial statements

Based on these criteria, the County has no component units. Additionally, the County is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues which rely to a significant extent on fees and charges for support.

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

Separate fund financial statements are provided for the governmental funds, interest and sinking fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The general fund and the District Attorney's forfeiture fund are major funds and the debt service fund and road and bridge fund are designated as major funds and are reported in separate columns in the fund financial statements.

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

3. Measurement focus, basis of accounting, and financial statement presentation

Government-wide and Fiduciary Fund Financial Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows including claims and judgments reported in the County's internal service fund (proprietary fund). Property taxes are recognized as revenues in the year for which they are levied. Fees and fines are considered as earned when paid. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Intergovernmental revenues, rents, commissions, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County, which includes, delinquent property taxes, licenses, fees and fines. For grants, like the government-wide financial statements, the revenue is recognized when all the eligibility requirements have been met.

When the county incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the County's policy to use restricted resources first, then unrestricted resources.

The County reports four major governmental funds:

The General Fund is the County's primary operating fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

The Debt Service Fund accounts for tax levies and other funds used to meet annual principle and interest payment requirements on the outstanding general obligation debt and outstanding lease purchase contracts.

The Road and Bridge Fund is a special revenue fund used to account for certain types of fines and forfeitures, licenses and permits, and intergovernmental revenues. Expenditures related to road and bridge maintenance are accounted for in this fund.

All other governmental funds are combined and reported as non-major. Non-major funds included parks, grants and other special revenue funds.

Additionally, the County reports the following fund types:

Internal service funds accounted for and financed the County's uninsured risks of loss from group health insurance. Expenses are for benefits, claims and administrative expenses which were incurred in 2022. Proprietary funds distinguish operation revenues and expenses from non-operating. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal and ongoing operations.

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

According to GASB Statement No. 84 Fiduciary Activities, Fiduciary funds are used to account for resources held for the benefit of parties outside the government. They are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. Proprietary funds are similar. Custodial funds are used to report fiduciary activities that are not required to be reported in any other type of fiduciary funds. Investment trust funds are used to report fiduciary activities from the external portion of investment pools and individual accounts that are held in a trust that meet the criteria in paragraph 11c(1) of Statement 84. The County's custodial funds include assets and liabilities of the Sheriff, Justices of the Peace, Parks Department, Tax Assessor/Collector, Library, County Clerk, District Clerk, and County Attorney.

4. Assets, liabilities, and net assets

General Fund

a. Deposits and investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than 90 days and local government pools. State statutes and the County's official Investment Policy authorize the County to invest in obligations of the U.S. and its agencies, certificates of deposit, local government pools, repurchase agreements, and direct obligations of states, agencies, counties, cities, and other political subdivisions of any state rated "A" or its equivalent.

Investments for the County are reported at fair value in accordance with provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. All investment income is recognized as revenue in the appropriate fund's statement of revenue, expenditures, and change in fund balance. Deposit and Investment Risk Disclosures are in accordance with GASB Statement No. 40.

b. Receivables and payables

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade receivables are directly written off when circumstances indicate a receivable is no longer collectible, usually within one year that the receivable was incurred.

Property taxes are levied prior to September 30, based on taxable value as of January 1, and become due October 1 and past due after January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. On the governmental fund financial statements, outstanding property taxes receivable is reported as deferred revenue.

Accounts receivable include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are recorded as receivables and unearned revenue (a liability) at the time the contracts are approved and signed. Grant revenues are recognized when eligibility requirements established by the grantor have been met at which time unearned revenue (the liability account) is reduced.

Lending or borrowing between funds is reflected as "due to or due from" (current position) or "advances to/from other funds" (non-current). Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Interfund activity reflected in "due to or due from" is eliminated on the government-wide statements.

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

b. Inventories and Prepaid Items

Inventories on the balance sheet are stated at weighted average cost. Inventory items are recorded as expenditures when they are consumed. Inventory amounts at year-end were insignificant and therefore not reported on the financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and are accounted for under the purchases method.

Inventories of governmental funds are offset by a fund balance reserve which indicates that they do not constitute "available expendable resources" even though they are a component of net current assets.

c. Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of two years.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

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

| <u>Asset Class</u> | <u>Estimated Useful Lives</u> |
|-----------------------|-------------------------------|
| Infrastructure | 30 |
| Buildings | 50 |
| Building Improvements | 20 |
| Vehicles | 2-15 |
| Office Equipment | 3-15 |
| Computer Equipment | 3-15 |

d. Receivable and Payable Balances

Receivables as of September 30, 2024 for the general fund and non-major funds including the applicable allowances for uncollectible accounts, are as follows:

| | <u>General & Other Major Funds</u> | <u>Non-major Funds</u> | <u>Total Governmental Funds</u> | <u>Internal Service Fund</u> | <u>Total Governmental Activities</u> |
|---|--|------------------------|---------------------------------|------------------------------|--------------------------------------|
| Receivables: | | | | | |
| Taxes | \$ 1,456,361 | \$ -- | \$ 1,456,361 | \$ -- | \$ 1,456,361 |
| Accounts | 809,241 | 260,808 | 1,070,049 | -- | 1,070,049 |
| Intergovernmental | 196,163 | 239,717 | 435,880 | -- | 435,880 |
| Gross Receivables | 2,394,547 | 1,186,079 | 3,580,626 | -- | 3,580,626 |
| Less: allowance for uncollectible taxes | (334,962) | -- | (334,962) | -- | (334,962) |
| Net total receivables | \$ <u>2,059,585</u> | \$ <u>1,186,079</u> | \$ <u>3,245,664</u> | \$ <u>--</u> | \$ <u>3,245,664</u> |

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

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

The County believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

e. **Compensated Absences**

Accumulated vacation and comp time is accrued when incurred and reported in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

f. **Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide net assets.

See Note F for interfund balances and activity.

f. **Use of Estimates**

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

i. **Fund Equity**

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts for Road & Bridge improvements, State & Federal grants, and Debt Service Fund.

Committed Fund Balance - represents amounts that can only be used for a specific purpose pursuant to constraints imposed by County ordinance or resolution no later than the close of the fiscal year. Committed amounts cannot be used for any other purpose unless the Board of Commissioners removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Commissioners. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation. County ordinance and resolution are equally difficult to remove the constraint on fund balance. The committed fund balance represent amounts for Asset Forfeitures, Golf Course Fund, and CSCD Personal Bond Unit.

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

Assigned Fund Balance - represents amounts which the County intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Commissioners Court authorizes the Count Auditor to assign fund balance. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the County itself. When the Commissioners Court elects to assign a fund balance, they instruct the County Auditor to do so based on the specific purpose brought to their attention. These amounts represent purchases on order and subsequent year's budget appropriation of fund balance.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

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

- j. Certain reclassifications have been made to prior year amounts in order to conform to current year presentation.

k. Right to Use and SBITA

The County has adopted all current GASB pronouncements that are applicable to its operations and activities. The accounting principles governing the reported amounts, financial presentations, and disclosures are subject to change from time to time based on new pronouncements and/or rules issued by various standards-setting bodies.

The County has implemented GASB 87 for reporting leases during the reporting period. A right to use lease is defined as a contract that convey control of another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a lease, the lease must meet the definition of "long-term" lease provided in GASB 87 and must meet the capitalization level set by the Commissioners' Court. The right to use liability is reported in the government-wide statements. The lease liability is calculated as the present value of the reasonably certain expected paymentes to be made over the term of the lease and the interest included in the lease paymnet is recorded as an expense.

With GASB 87, the initial measure of a new right to sue lease arrangement is reported in government fund types as an other financial source during the current period. Monthly payments are reported as principal and interest payments during the reporting period of the fund level statements.

The right to use lease asset capitalization level is determined by the Commissioners' Court. The term of the lease must be the noncancelable period during which the County has the right to use the tangible assets of another entity plus any periods in which either the lessee or the lessor has the sole option to extend the lease is it reasonably certain the option will be exercised, plus any periods in which either the lessee or the lessor has the sole option to terminate the lease is it is reasonably certain the option will not be exercised by that party and must not meet the definition of a short-term lease under GASB 87. If the lease is in a governmental fund, the full amount of the lease asst will be reported as an expenditure in the fund level statements the year the agreement is made.

The County implemented GASB 96 for reporting subscription-based information technology arrangements (SBITAs) during this reporting period. A SBITA is defined as a contract that conveys control over another entity's IT software as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a SBITA, it must meet the definition of a "long-term" SBITA provided in GASB 96. The right-to-use SBITA liability is reported in the government-wide statements. The SBITA liability is calculated as the present value of the reasonably

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

certain expected payments made over the term of the contract and the interest included in the SBITA payments is recorded as an expense. There were no SBITAs material to the financial statements that were recorded during the audit year.

GASB 63 - Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources are the consumption of net assets by the government that is applicable to a future reporting period and deferred inflows of resources are the acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources and deferred inflows of resources are incorporated is not the definitions of the required components of the residual measure and that measure is renamed as net position, rather than net assets.

B. Compliance and Accountability

1. Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets at year end:

| <u>Fund Name</u> | <u>Deficit Amount</u> |
|----------------------------------|---------------------------|
| CDBG Mitigation Fund | (4,950) |
| Targeted Specific Grant | (2,523) |
| CCRTA Grant | (24,311) |
| Human Services 10/1-9/30 | (200,392) |
| Kleberg 2014 CTIF Grant | (17,929) |
| CDBG Construction CFC21-0479 | (164,179) |
| Operation Stonegarden Grants | (185,511) |
| Courthouse Security | (27,394) |
| EDA Disaster Fund | (602,978) |
| Economic Development Grant | (2,070,343) |
| Human Services | (200,392) |
| Other Special Revenue Funds | (120,386) |
| Airport Ramp Grant | (97,612) |
| CEAP ARPA Fund | (4,697) |
| Rural Business Development Grant | (55,135) |

2. Excess of expenditures over appropriations

| | | |
|---------------------------|---|----------|
| General Fund | Debt Service/Principal | (66,107) |
| General Fund | Debt Service/Interest | (5,637) |
| General Fund | Sheriff / Other Services and Charges | (24,043) |
| Road and Bridge | Debt Service/Principal and Interest | (2,016) |
| Task Force Program Income | Debt Service/Principal and Interest | (2,568) |
| Human Services 1/1-12/31 | Health & Welfare/Principal and Interest | (4,133) |
| Human Services | Health & Welfare/Principal and Interest | (2,957) |

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

3. Budgetary Data

The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

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

The original budget is adopted by the commissioner's court and filed with the county clerk. Amendments are made during the year and approved by the commissioner's court. The budget should not be exceeded in any expenditure category under state law. The budget was amended to reflect as close as possible revenues and expenditures for the twelve month period. Certain categories exceeded the budget estimates. These variances were due to the fluctuations in revenues and expenditures as opposed to the prorated budget estimates.

The county judge is by statute, the budget officer of the county. He usually requests and relies on the assistance of the county auditor to prepare the annual budget. After being furnished budget guidelines by the commissioner's court, the county judge, with the help of the county auditor, he prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to commissioner's court.

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

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

Budgets for the general fund and budgeted special revenue, debt service and budgeted capital projects funds are prepared and adopted in accordance with generally accepted accounting principles (GAAP).

The following funds had adopted budgets for the fiscal year ended September 30, 2021:

- General Fund
- Road and Bridge Fund
- D.A.'s Forfeiture Fund
- CPS Exxon Building
- Human Services 1/1-12/31
- Task Force Program Income
- COVID ARPA Fund
- Debt Service Fund
- Sheriff Chapter 59 Forfeiture
- Community Supervision
- Human Services
- Texas A&M University Fund
- CSCD Personal Bond Fund
- Human Services 10/1-9/30
- Rodeo/Outside Arena Fund
- Records Management

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

The level of control is the fund. By state law, expenditures can exceed appropriations as long as the amounts do not exceed the available revenues and cash balances. Since revenues and expenditures are carefully monitored, it is believed that with GAAP basis, the county will be in compliance with state law.

The legal level of budgetary control (the level on which expenditures may not exceed appropriations) is on an object class basis. If total expenditures exceed appropriations and are in excess of revenues and available cash then transfers of appropriated amounts must be made and approval must be obtained from the commissioner's court. Management may not amend the budget. All amendments must be made by and approved by the commissioner's court.

C. Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than 90 days, and local government pools. The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledged securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

Cash and Investments

Texas statutes authorize the County to invest in (1) obligations of the U.S. Treasury or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; (4) obligations of states, agencies, counties or cities rated "A" or better by a national investment rating firm; (5) certificates of deposit that are insured by the Federal Deposit Insurance Corporation (FDIC) or secured by obligations having a fair value of at least the principal amount of the certificates; (6) fully collateralized direct repurchase agreements; and (7) local government pools.

1. Cash & Cash Equivalents

At September 30, 2024, the carrying amount of the County's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$29,282,496 and the bank balance was \$27,724,421 and was entirely covered by FDIC insurance or properly secured by collateral held by the County's agent in the County's name.

2. Investments

The County is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, and maturity and the quality and capability of investment management; and include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the County adhered to the requirements of the Act. However, investment practices of the County were not in accordance with local policies.

The Act determines the types of investments which are allowable for the County. These include, with certain restrictions, (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, and (10) common trust funds.

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

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

| <u>Investment or Investment Type</u> | <u>Maturity</u> | <u>Fair Value</u> |
|--------------------------------------|-----------------|----------------------|
| Texpool (AAAm) | N/A | \$ 6,705,325 |
| Texas Class | | 11,241,875 |
| Total Investments | | <u>\$ 17,947,200</u> |

Investment Accounting Policy

The County's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investments value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools

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

The County's investments in pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value, which equals fair value. A 2a7-like pool is one which is not registered with the Securities & Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the County was exposed to the following specific investment risks at year end and if so, the reporting of the certain related disclosures:

a. Credit Risks

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. It is the County's policy to conform to Texas statutes for authorized investments, as stated above. At the end of the period, the County was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the County's name.

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

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the County's name. This type of transaction is not addressed by the County's investment policy, and, therefore, is not an investment option for the County at this time.

At the end of the period, the County was not exposed to custodial credit risk.

c. Concentration of Risk

This risk is the risk of loss attributed to the magnitude of government's investment in a single issuer. At the end of the period, the County was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk associated with changes in interest rates that will adversely affect the fair value of an investment. It is the County's policy that, in order to minimize risk of loss due to interest rate fluctuation, investment maturities will not exceed the anticipated cash flow requirements of the funds. At the end of the period, the County was not significantly exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At the end of the period, the County was not exposed to foreign currency risk.

D. Capital Assets

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

| | Beginning Balances | Increases | Decreases | Ending Balances |
|--|-----------------------|--------------|-----------|--------------------|
| <i>Governmental activities:</i> | | | | |
| <i>Capital assets not being depreciated:</i> | | | | |
| Land | \$ 2,036,559 | \$ 496,144 | \$ -- | \$ 2,532,703 |
| Construction in progress | 11,581,392 | -- | -- | 11,581,392 |
| Total capital assets not being depreciated | 13,617,951 | 496,144 | -- | 14,114,095 |
| <i>Capital assets being depreciated:</i> | | | | |
| Infrastructure | 2,342,720 | 701,601 | -- | 3,044,321 |
| Buildings and improvements | 18,312,381 | 3,405,524 | -- | 21,717,905 |
| Equipment | 18,990,556 | 1,473,059 | -- | 20,463,615 |
| Right to Use Asset | 219,736 | 55,770 | -- | 275,506 |
| Total capital assets being depreciated | 39,865,393 | 5,635,954 | -- | 45,501,347 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | (368,942) | (72,388) | -- | (441,330) |
| Buildings and improvements | (11,249,073) | (487,680) | -- | (11,736,753) |
| Equipment | (13,130,214) | (1,037,609) | -- | (14,167,823) |
| Right to Use Asset | (119,580) | (69,824) | -- | (189,404) |
| Total accumulated depreciation | (24,867,809) | (1,667,501) | -- | (26,535,310) |
| Total capital assets being depreciated, net | 14,997,584 | 3,968,453 | -- | 18,966,037 |
| Governmental activities capital assets, net | \$ 28,615,535 | \$ 4,464,597 | \$ -- | \$ 33,080,132 |

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

Depreciation was charged to functions as follows:

| | |
|----------------------|---------------------|
| Veterans Service | \$ 7,152 |
| Emergency Management | 3,829 |
| Non-Departmental | 581,418 |
| Public Safety | 233,473 |
| District Attorney | 43,032 |
| Maintenance | 22,814 |
| Fire Protection | 39,367 |
| Constable | 29,189 |
| Sheriff | 301,640 |
| Courthouse Security | 8,057 |
| Airport Precinct 2 | 8,223 |
| Weigh Station | 2,457 |
| Health & Welfare | 235,985 |
| Parks Department | 96,427 |
| Library | 5,493 |
| Seawind | 25,225 |
| Golf Course | 15,673 |
| County Agent | 8,047 |
| | <u>\$ 1,667,501</u> |

E. Interfund Balances and Activity

1. Interfund Receivables and Payables

There were no Interfund Receivables or Payables at September 30, 2024.

2. Transfers To and From Other Funds

Transfers to and from other funds at September 30, 2024, consisted of the following:

| <u>Transfers From</u> | <u>Transfers To</u> | <u>Amount</u> |
|-----------------------|-----------------------|---------------------|
| General fund | Special Revenue Funds | \$ 1,454,183 |
| Special Revenue Funds | General Fund | 52,268 |
| | Total | <u>\$ 1,506,451</u> |

Transfers are used to 1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to established mandatory reserve accounts, 3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

F. Short-Term Debt Activity

None

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

G. Long-Term Obligations

1. Long-Term Obligation Activity

2018 General Obligation Bonds in the amount of \$3,115,000 due in annual installments of \$110,000 to \$220,000 through February 15, 2039. Interest rates at 3-4% due semi-annually on February 15th, and August 15th of each year. The proceeds of the above debt were received in the 2017-2018 fiscal year and were used for the construction of a CPS Exxon Building. The debt is serviced by the CPS Exxon Building fund.

2021 Certificates of Obligation Bonds in the amount of \$3,035,000 due in annual installments of \$200,000 to \$213,000 through September 30, 2041. Interest rates at 3.00% to 4.00% due semi-annually on February 15th and August 15th of each year. The proceeds of the above debt will be used to construct various capital projects.

Advance Refunding of Debt. On December 14, 2017, the County issued Limited Tax Refunding Bonds Series 2017 totaling \$3,945,000 with interest rates stated at 2.62% to advance refund \$3,945,000 of General Obligation Bonds Series 2009 with an interest rate of 3-4.5%. The net proceeds were used to purchase U.S. Government securities, which were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, \$3,725,000 of the Series 2009 bonds are considered to be defeased and the liability for those bonds was removed from the long-term debt. The deferred loss on defeasance of bonds, which is the difference between the reacquisition price and the net carrying amount of the refunded bonds, is being amortized over the life of the bonds. The refunding resulted in a gross debt service savings of \$222,665.66 and a net present value debt service savings of \$217,791.13 (or 5.977602% of the principal amount of the refunded bonds) which were used to refund the Series 2009 bonds and pay costs of issuance.

Deferred Charge on Refunding. At the government-wide financial statements (Exhibit A-1), the County reports cumulative charges of refunding as net deferred outflows in the amount of \$81,563.

The following is the general obligation outstanding at September 30, 2024:

| <u>Description</u> | <u>Interest Rates (%)</u> | <u>Date of Issuance</u> | <u>Date of Maturity</u> | <u>Bonds Outstanding</u> |
|--|---------------------------|-------------------------|-------------------------|--------------------------|
| General Obligation Bonds, Series 2018 | 3.00%-4.00% | February 12, 2018 | February 15, 2034 | \$2,525,000 |
| Limited Tax Refunding Bonds, Series 2017 | 2.62% | December 14, 2017 | February 15, 2029 | \$2,060,000 |
| Bonds, Series 2021 | 3-4% | February 23, 2021 | February 15, 2021 | \$2,795,000 |

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended September 30, 2024:

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> | <u>Amounts Due Within One Year</u> |
|--------------------------------------|--------------------------|-------------------|---------------------|-----------------------|------------------------------------|
| Governmental activities: | | | | | |
| General obligation bonds | \$ 5,565,000 | \$ -- | \$ 245,000 | \$ 5,320,000 | \$ 255,000 |
| Limited Tax Refunding bonds | 2,440,000 | -- | 380,000 | 2,060,000 | 390,000 |
| Premium on Bonds | 292,170 | -- | 16,232 | 275,938 | 16,232 |
| Compensated absences * | 377,772 | 369,852 | 573,460 | 174,164 | 100,000 |
| Right to Use Lease Liability | 99,275 | 54,770 | 77,271 | 76,774 | 47,225 |
| Total governmental activities | \$ 8,774,217 | \$ 424,622 | \$ 1,291,963 | \$ 7,906,876 | \$ 808,457 |

* Other long-term liabilities

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

The funds typically used to liquidate other long-term liabilities in the past are as follows:

| Liability | Activity Type | Fund |
|----------------------|---------------|---------|
| Compensated absences | Governmental | General |
| Claims and judgments | Governmental | General |

2. Debt Service Requirements

Debt service requirements on long-term debt at September 30, 2024 are as follows:

| Year Ending September 30, | Governmental Activities | | |
|---------------------------|-------------------------|--------------|--------------|
| | Principal | Interest | Total |
| 2025 | \$ 645,000 | \$ 226,513 | \$ 871,513 |
| 2026 | 665,000 | 207,739 | 872,739 |
| 2027 | 680,000 | 189,103 | 869,103 |
| 2028 | 700,000 | 169,280 | 869,280 |
| 2029 | 730,000 | 148,039 | 878,039 |
| Thereafter | 3,960,000 | 795,150 | 4,755,150 |
| Totals | \$ 7,380,000 | \$ 1,735,824 | \$ 9,115,824 |

H. Leases

Right to Use Lease Liability

The County leases various pieces of equipment having an average of a 60-month term. Ave The County has total payments of \$4,119 made monthly which consist of interest 2.00% to 4.00%. No assets were pledged as collateral for these leases.

| | |
|---|-----------|
| Year Ending September 30, | |
| 2025 | \$ 47,225 |
| 2026 | 15,859 |
| 2027 | 9,582 |
| 2028 | 7,521 |
| 2029 | 2,483 |
| Total Right to Use Lease Liability payments | 82,670 |
| Amount Representing Interest | (5,896) |
| Total Principal Payments | \$ 76,774 |

I. Risk Management

The County is exposed to various risks of loss related to torts, theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County obtained general; law workers' compensation, major medical and unemployment insurance at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State to form the Texas Association of Counties plan (TAC), a Self-Funded Pool currently operating as a common risk management and insurance program. The County pays an annual premium to TAC for its above insurance coverage. The agreement for the formation of TAC provides that TAC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of re-insurance. The County continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. TAC's annual Financial Statements can be obtained at P.O. Box 2131, Austin, Texas 78768.

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

J. Pension Plan

1. Plan Description

The County's pension plan ("Plan") is a non-traditional, joint contributory, defined benefit plan which provides retirement, disability and death benefits to Plan members and beneficiaries of Brooks County provides retirement, disability, and death for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is qualified pension under Section 401(a) of Internal Revenue Code. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of 535 non traditional defined benefit plans. TCDRS in the aggregate issues a comprehensive annual financial report (CAFR) is available upon request from the TCDRS Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas statutes governing TCDRS (TCDRS ACT). Members can retire at ages 60 and above with 10 or more years of service with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more.

Members are vested after 8 years of employment with any organization with an accredited plan (not just the County), but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer. Benefit amounts are determined by the sum of the employee's deposits to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. At retirement, death, disability, the benefit is calculated by converting the sum of the employee's accumulated deposits and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

2. Contributions

The employer has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. It was 8% for the calendar year 2023. The deposit rate payable by the employee members is the rate of 4%, 5%, 6%, or 7.00% of compensation as adopted by the governing body of the employer within the options available in the TCDRS.

Employees of Kleberg County were required to contribute 7.0% of their annual gross earnings during the fiscal year. The contribution rates for the County were 10.79% and 16.42% in calendar years 2023 and 2024, respectively. Kleberg County's contributions to TCDRS for the fiscal year ended September 30, 2024 were \$861,390 and were equal to the required contributions.

3. Discount Rate

The discount rate used to measure the total pension liability was 7.6%. There was no change in the discount rate since the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 8.1%. The long-term expected rate of return 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 below are based on January 2021 information for a 10 year time horizon.

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

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years, and is set based on a 30-year time horizon. The 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 (Expected minus Inflation) (2) |
|--|---|-----------------------|--|
| US Equities | Dow Jones U.S. Total Stock Market Index | 11.50% | 3.80% |
| Global Equities | MSCI World (net) Index | 2.50% | 4.10% |
| International Equities - Developed Markets | MSCI World Ex USA (Net) Index | 5.00% | 3.80% |
| International Equities - Emerging Markets | MSCI Emerging Markets (net) Index | 6.00% | 4.30% |
| Investment-Grade Bonds | Bloomberg Barclay's U.S. Aggregate Bond Index | 3.00% | -0.85% |
| Strategic Credit | FTSE High-Yield Cash-Pay Capped Index | 9.00% | 1.77% |
| Direct Lending | S&P/LSTA Leveraged Loan Index | 16.00% | 6.25% |
| Distressed Debt | Cambridge Associates Distressed Securities Index (3) | 4.00% | 4.50% |
| REIT Equities | 67% FTSE NAREIT All Equity REITs Index + 33% S& Global REIT (net) Index | 2.00% | 3.10% |
| Master Limited Partnerships | Alerian MLP Index | 2.00% | 3.85% |
| Private Real Estate Partnerships | Cambridge Associates Real Estate Index (4) | 6.00% | 5.10% |
| Private Equity | Cambridge Associates Global Private Equity & Venture Capital Index (5) | 25.00% | 6.80% |
| Hedge Funds | Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index | 6.00% | 1.55% |
| Cash Equivalents | 90 Day U.S. Treasury | 2.00% | -1.05% |
| Total | | 100.00% | |

(1) Target asset allocation adopted at the March 2021 TCDRS board meeting.

(2) Geometric real rates of return equal the expected return for the asset class minus the assumed inflation rate of 2.0%, per Cliffwater's 2021 capital market assumptions.

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

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

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

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

4. Changes in Net Pension Liability/Asset

At December 31, 2023, Kleberg County reported a net pension liability of (\$6,621,842). The changes in net pension liability were as follows:

| | Increase (Decrease) | | |
|--|-----------------------------------|----------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balance at 12/31/2022 | \$ 54,772,385 | \$ 50,307,703 | \$ 4,464,682 |
| Changes for the year | | | |
| Service cost | 1,230,548 | - | 1,230,548 |
| Interest on total pension liability | 4,117,978 | - | 4,117,978 |
| Change in benefit terms | 2,595,159 | - | 2,595,159 |
| Diff between expected/actual experience | 1,621,664 | - | 1,621,664 |
| Changes of assumptions | - | - | - |
| Contributions - employer | - | 1,207,104 | (1,207,104) |
| Contributions - employee | - | 783,104 | (783,104) |
| Net investment income | - | 5,511,893 | (5,511,893) |
| Benefit payments, including refunds of employee contributions | (3,705,880) | (3,705,880) | - |
| Administrative expenses | - | (28,202) | 28,202 |
| Other Charges | - | (65,710) | 65,710 |
| Net Changes | 5,859,469 | 3,702,309 | 2,157,160 |
| Balance at 12/31/2023 | \$ 60,631,854 | \$ 54,010,012 | \$ 6,621,842 |

The net pension asset was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date and for the year then ended.

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

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

The following presents the net pension liability of the County, calculated using the discount rate of 7.6%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage-point higher (8.60) than the current rate.

| | Discount Rate (6.6%) | Discount Rate (7.6%) | Discount Rate (8.6%) |
|---------------------------------|-------------------------|-------------------------|-------------------------|
| County's net pension liability | \$ 68,265,264 | \$ 60,631,854 | \$ 54,238,506 |
| Fiduciary net position | 54,010,012 | 54,010,012 | 54,010,012 |
| Net pension liability / (asset) | \$ 14,255,252 | \$ 6,621,842 | \$ 228,494 |

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

For the year ended September 30, 2024, the District recognized pension expense of \$2,899,708.

At September 30, 2024 the County reported deferred outflows and resources and deferred inflows of resources

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual economic experience (net of current year amortization) | \$ 1,081,109 | \$ 34,461 |
| Changes in actual assumptions | -- | -- |
| Differences between projected and actual investment earnings (net of current year amortization) | -- | -- |
| Contributions subsequent to the measurement date | 631,139 | -- |
| Total | <u>\$ 1,712,248</u> | <u>\$ 34,461</u> |

\$631,139 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year ending September 30: | |
|----------------------------------|--------------|
| 2025 | \$ 65,120 |
| 2026 | \$ 307,038 |
| 2027 | \$ 1,095,966 |
| 2028 | \$ (351,201) |
| Thereafter | - |

K. Other Post-Employment Benefits

1. Plan Description

The County provides retiree coverage that has a subsidy by the employer sponsor, so there are costs determined under GASB 75. The County provides medical, dental, and vision benefits to eligible retirees and their dependents. The County pays the full individual contribution rate for the medical. The retiree pays for any dependent medical coverage elected and the full premium for dental and vision coverage. All active employees who retire directly from the County and meet the eligibility criteria may participate.

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 was enacted on December 8, 2003. As a result of this legislation, employers providing drug coverage to Medicare eligible retirees, that is, at least actuarially equivalent to the standard benefit provided by Medicare, may be eligible to receive a federal subsidy. GASB has taken the position that any federal subsidy received should be reported as revenue to the plan sponsor and not used as an offset to the GASB liabilities.

2. Benefits Provided

The County provides medical, dental, and vision benefits to eligible retirees and their spouses. The County pays 100% of the individual coverage contribution rate for the medical plan for the eligible retirees under 65. The retiree pays additional premium above the individual rate for dependent coverage. The dental and vision benefits are paid for entirely by the retiree with no contribution from the County.

3. Contributions

Employees for the County were required to contribute 0% of their annual gross earnings during the fiscal year. The contribution rates for the County were 0% and 0% in calendar year 2022 and 2023, respectively. The County's contributions to TCDRS for the year ended September 30, 2024 were \$0 because the County does not participate in the group term life insurance portion of TCDRS.

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

Discount Rate:

The GASB statement requires that the discount rate used to determine the plan liabilities for retiree healthcare benefits is based on the earnings rate of the plan assets if the projected assets are sufficient to cover the projected benefit payments. Since there are no plan assets held in trust the Bond Buyer GO Bond 20 Index is used for determining the discount rate of 3.26%.

Changes in the Total OPEB Liability:

At September 30, 2023, the County reported a total OPEB liability of \$289,528. The changes in the total OPEB liability were as follows:

| | Increase (Decrease) |
|---|---------------------------------|
| | <u>Total OPEB Liability</u> |
| Balance at 12/31/22 | \$ 289,526 |
| Changes for the year: | |
| Service cost | 18,601 |
| Interest | 14,408 |
| Change in benefit terms | (23,615) |
| Difference between expected and actual experience | -- |
| Changes in assumptions | 17,851 |
| Benefit payments, including refunds of employee contributions | (12,164) |
| Other charges | - |
| Net changes | <u>15,081</u> |
| Balance at 12/31/23 | <u>\$ 304,607</u> |

The total OPEB liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date and for the year then ended.

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

4. Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the County, calculating using the discount rate of 3.26%, as well as what the County's total OPEB liability would have been 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.

| | Discount Rate (2.26%) | Discount Rate (3.26%) | Discount rate (4.26%) |
|----------------------|--------------------------|--------------------------|--------------------------|
| Total OPEB Liability | \$ 268,810 | \$ 304,607 | \$ 347,409 |

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2024, the County recognized OPEB expense in the amount of \$(7,923).

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

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual economic experience (net of current year amortization) | \$ -- | \$ -- |
| Changes in actuarial assumptions | 15,049 | 10,194 |
| Differences between projected and actual investment earnings (net of current year amortization) | -- | 49,101 |
| Contributions subsequent to the measurement date | -- | -- |
| Total | \$ 15,049 | \$ 59,295 |

\$- reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

| For the year ending September 30, | | |
|-----------------------------------|----|----------|
| 2025 | \$ | (40,292) |
| 2026 | \$ | (905) |
| 2027 | \$ | (905) |
| 2028 | \$ | (905) |
| Thereafter | \$ | (334) |

L. Health Care Coverage

The County began to self-insure for health insurance due to the high cost of commercial health insurance effective October 1, 2003. A stop loss policy, which covers health claims in excess of \$75,000 per individual and a one-time aggregate specific of \$150,000. The maximum lifetime coverage is unlimited. In addition, the County's aggregate stop loss coverage is \$1 million and the County maintains aggregate coverage of its group health expenses at 100% of projected claims. The self insurance plan was reinstated in November 2013.

Liabilities for claims in the Internal Service Fund are based on the requirement of GASB Statement No. 10, which requires that a liability for claims be reported in information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements and the amount of loss can be reasonably estimated. The outstanding claims plus the incurred but not reported ("IBNR") claim liability estimate of \$2,863 as of September 30, 2024 is an actuarial estimate of health care claims outstanding at year end which have not been reported to the plan administrator.

M. Health Care Coverage

1. Contingencies

The County participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

The County is contingently liable in respect of lawsuits and other claims in the ordinary course of its operations. Should such contingencies become a Kleberg liability, funds would have to be appropriated in future budgets for settlement. The County had a few lawsuits and claims pending at September 30, 2024. The County's attorneys do not feel that any liability, if any, will be material enough to affect the County's financial condition.

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

N. Commitments and Contingencies

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until the funds in the plan are held by PEBSCO (Public Employees Benefit Service Corporation, Columbus Ohio) as the plan administrator for the County. This plan qualifies under the requirements of the Internal Revenue Service Code Section 457, Subsection G. The funds are held in trust by PEBSCO for the exclusive benefit of the employees and their beneficiaries who will receive these funds directly from PEBSCO. Since these funds are directly remitted to PEBSCO by the County, the County no longer owns the amounts deferred by employees or related income on these amounts. Therefore, since this plan does not qualify to be included with the County's fiduciary funds, there are no plan assets included in the County's financial statements. It is noted, however, that as of September 30, 2024, PEBSCO had \$174,164 (fair market value) in the plan for County employees.

O. Subsequent Events

The County has evaluated subsequent events through April 13, 2026, the date which the financial statements were available to be issued.

This page is left blank intentionally.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

KLEBERG COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT B-1
Page 1 of 4

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|------------------------------------|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Taxes: | | | | |
| <i>General Property Taxes</i> | \$ 14,610,294 | \$ 14,610,294 | \$ 12,423,106 | \$ (2,187,188) |
| <i>General Sales and Use Taxes</i> | 3,462,589 | 3,489,186 | 3,489,186 | -- |
| <i>Other Taxes - Miscellaneous</i> | 350,000 | 350,000 | 192,276 | (157,724) |
| License and Permits | 360,485 | 360,987 | 355,012 | (5,975) |
| Intergovernmental | 30,817 | 30,817 | 22,317 | (8,500) |
| Charges for Services | 4,387 | 4,387 | 2,434 | (1,953) |
| Fines and Forfeitures | 100,773 | 100,773 | 172,865 | 72,092 |
| Fees of Office | 1,757,669 | 1,771,069 | 1,635,376 | (135,693) |
| Investment Earnings | 596,297 | 596,297 | 646,658 | 50,361 |
| Refunds & Reimbursements | 249,013 | 1,176,812 | 1,226,350 | 49,538 |
| Miscellaneous Revenues | 88,671 | 88,671 | 38,441 | (50,230) |
| Contributions & Donations | 9,632 | 9,632 | 26,988 | 17,356 |
| Miscellaneous-Park & Recreational | 517,855 | 517,855 | 522,782 | 4,927 |
| Total Revenues | <u>22,138,482</u> | <u>23,106,780</u> | <u>20,753,791</u> | <u>(2,352,989)</u> |
| EXPENDITURES: | | | | |
| General Government | | | | |
| <i>Personal Services</i> | 548,430 | 548,430 | 538,701 | 9,729 |
| <i>Supplies</i> | 287,896 | 287,896 | 286,226 | 1,670 |
| <i>Other Services and Charges</i> | 31,420 | 31,420 | 27,588 | 3,832 |
| Administrator | | | | |
| <i>Personal Services</i> | 80,834 | 80,834 | 80,629 | 205 |
| <i>Supplies</i> | 1,046 | 1,046 | 1,011 | 35 |
| <i>Other Services and Charges</i> | 1,067 | 1,067 | 487 | 580 |
| Total Administrator | <u>82,947</u> | <u>82,947</u> | <u>82,127</u> | <u>820</u> |
| County Judge | | | | |
| <i>Personal Services</i> | 199,063 | 199,063 | 195,222 | 3,841 |
| <i>Supplies</i> | 2,382 | 2,382 | 2,349 | 33 |
| <i>Other Services and Charges</i> | 45,183 | 45,183 | 44,589 | 594 |
| Total County Judge | <u>246,628</u> | <u>246,628</u> | <u>242,160</u> | <u>4,468</u> |
| County Clerk | | | | |
| <i>Personal Services</i> | 488,367 | 488,367 | 482,889 | 5,478 |
| <i>Supplies</i> | 41,929 | 41,929 | 39,245 | 2,684 |
| <i>Other Services and Charges</i> | 25,672 | 25,672 | 23,540 | 2,132 |
| Total County Clerk | <u>555,968</u> | <u>555,968</u> | <u>545,674</u> | <u>10,294</u> |
| Veterans Service | | | | |
| <i>Personal Services</i> | 78,391 | 78,391 | 75,299 | 3,092 |
| <i>Supplies</i> | 2,747 | 2,747 | 1,662 | 1,085 |
| <i>Other Services and Charges</i> | 11,601 | 11,601 | 8,892 | 2,709 |
| Total Veterans Service | <u>92,739</u> | <u>92,739</u> | <u>85,853</u> | <u>6,886</u> |
| County Auditor | | | | |
| <i>Personal Services</i> | 559,771 | 559,771 | 538,316 | 21,455 |
| <i>Supplies</i> | 13,123 | 13,123 | 9,690 | 3,433 |
| <i>Other Services and Charges</i> | 36,088 | 36,088 | 15,037 | 21,051 |
| Total County Auditor | <u>608,982</u> | <u>608,982</u> | <u>563,043</u> | <u>45,939</u> |
| County Treasurer | | | | |
| <i>Personal Services</i> | 194,496 | 194,496 | 194,265 | 231 |
| <i>Supplies</i> | 2,047 | 2,047 | 2,033 | 14 |
| <i>Other Services and Charges</i> | 16,573 | 16,573 | 16,232 | 341 |
| Total County Treasurer | <u>213,116</u> | <u>213,116</u> | <u>212,530</u> | <u>586</u> |

KLEBERG COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT B-1
Page 2 of 4

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Tax Assessor/Collector | | | | |
| <i>Personal Services</i> | 563,882 | 563,882 | 536,274 | 27,608 |
| <i>Supplies</i> | 40,516 | 40,516 | 36,946 | 3,570 |
| <i>Other Services and Charges</i> | 39,890 | 39,890 | 34,837 | 5,053 |
| <i>Total Tax Assessor-Collector</i> | <u>644,288</u> | <u>644,288</u> | <u>608,057</u> | <u>36,231</u> |
| Emergency Management | | | | |
| <i>Personal Services</i> | 10,470 | 10,470 | 10,347 | 123 |
| <i>Supplies</i> | 1,064 | 1,064 | 868 | 196 |
| <i>Other Services and Charges</i> | 13,093 | 13,093 | 10,354 | 2,739 |
| <i>Total Emergency Management</i> | <u>24,627</u> | <u>24,627</u> | <u>21,569</u> | <u>3,058</u> |
| Data Processing | | | | |
| <i>Personal Services</i> | 12,521 | 12,521 | 11,652 | 869 |
| <i>Supplies</i> | 6,159 | 6,159 | 5,812 | 347 |
| <i>Other Services and Charges</i> | 247,098 | 247,098 | 242,834 | 4,264 |
| <i>Total Data Processing</i> | <u>265,778</u> | <u>265,778</u> | <u>260,298</u> | <u>5,480</u> |
| Non-Departmental | | | | |
| <i>Personal Services</i> | 349,535 | 349,535 | 346,185 | 3,350 |
| <i>Supplies</i> | 450,094 | 450,094 | 75,251 | 374,843 |
| <i>Other Services and Charges</i> | 2,718,292 | 2,718,292 | 2,586,198 | 132,094 |
| <i>Total Non-Departmental</i> | <u>3,517,921</u> | <u>3,517,921</u> | <u>3,007,634</u> | <u>510,287</u> |
| Total General Government | <u>7,201,365</u> | <u>7,201,365</u> | <u>6,562,000</u> | <u>639,365</u> |
| Judicial | | | | |
| County court | | | | |
| <i>Personal Services</i> | 247,049 | 247,049 | 245,191 | 1,858 |
| <i>Supplies</i> | 4,460 | 4,460 | 3,476 | 984 |
| <i>Other Services and Charges</i> | 289,005 | 289,005 | 287,753 | 1,252 |
| <i>Total County Court</i> | <u>540,514</u> | <u>540,514</u> | <u>536,420</u> | <u>4,094</u> |
| District Court | | | | |
| <i>Personal Services</i> | 152,074 | 152,074 | 144,151 | 7,923 |
| <i>Supplies</i> | 2,599 | 2,599 | 350 | 2,249 |
| <i>Other Services and Charges</i> | 600,493 | 600,493 | 554,163 | 46,330 |
| <i>Total District Court</i> | <u>755,166</u> | <u>755,166</u> | <u>698,664</u> | <u>56,502</u> |
| District Clerk | | | | |
| <i>Personal Services</i> | 408,953 | 408,953 | 405,264 | 3,689 |
| <i>Supplies</i> | 20,640 | 20,640 | 19,534 | 1,106 |
| <i>Other Services and Charges</i> | 17,405 | 17,405 | 12,589 | 4,816 |
| <i>Total District Clerk</i> | <u>446,998</u> | <u>446,998</u> | <u>437,387</u> | <u>9,611</u> |
| Justice of the Peace | | | | |
| <i>Personal Services</i> | 612,508 | 612,508 | 598,568 | 13,940 |
| <i>Supplies</i> | 15,854 | 15,854 | 12,135 | 3,719 |
| <i>Other Services and Charges</i> | 61,732 | 61,732 | 40,989 | 20,743 |
| <i>Total Justice of the Peace</i> | <u>690,094</u> | <u>690,094</u> | <u>651,692</u> | <u>38,402</u> |
| County Attorney | | | | |
| <i>Personal Services</i> | 375,467 | 375,467 | 375,113 | 354 |
| <i>Supplies</i> | 3,309 | 3,309 | 3,117 | 192 |
| <i>Other Services and Charges</i> | 7,217 | 7,217 | 6,971 | 246 |
| <i>Total County Attorney</i> | <u>385,993</u> | <u>385,993</u> | <u>385,201</u> | <u>792</u> |
| District Attorney | | | | |
| <i>Personal Services</i> | 326,172 | 326,172 | 303,367 | 22,805 |
| <i>Supplies</i> | 39,464 | 39,464 | 35,546 | 3,918 |
| <i>Other Services and Charges</i> | 44,230 | 44,230 | 34,144 | 10,086 |
| <i>Total District Attorney</i> | <u>409,866</u> | <u>409,866</u> | <u>373,057</u> | <u>36,809</u> |
| Total Judicial | <u>3,228,631</u> | <u>3,228,631</u> | <u>3,082,421</u> | <u>146,210</u> |

KLEBERG COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT B-1
Page 3 of 4

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Public Safety | | | | |
| Public Safety | | | | |
| <i>Personal Services</i> | 61,183 | 61,183 | 59,917 | 1,266 |
| <i>Supplies</i> | 754 | 754 | 627 | 127 |
| <i>Other Services and Charges</i> | 6,021 | 6,021 | 2,955 | 3,066 |
| <i>Total Public Safety</i> | <u>67,958</u> | <u>67,958</u> | <u>63,499</u> | <u>4,459</u> |
| Maintenance | | | | |
| <i>Personal Services</i> | 52,195 | 52,195 | 51,727 | 468 |
| <i>Supplies</i> | 11,418 | 11,418 | 11,203 | 215 |
| <i>Other Services and Charges</i> | 202,779 | 202,779 | 199,990 | 2,789 |
| <i>Total Maintenance</i> | <u>266,392</u> | <u>266,392</u> | <u>262,920</u> | <u>3,472</u> |
| Fire Protection | | | | |
| <i>Supplies</i> | 33,981 | 33,981 | 32,476 | 1,505 |
| <i>Other Services and Charges</i> | 132,722 | 132,722 | 130,850 | 1,872 |
| <i>Total Fire Protection</i> | <u>166,703</u> | <u>166,703</u> | <u>163,326</u> | <u>3,377</u> |
| Constables | | | | |
| <i>Personal Services</i> | 244,896 | 244,896 | 233,270 | 11,626 |
| <i>Supplies</i> | 37,537 | 37,537 | 22,533 | 15,004 |
| <i>Other Services and Charges</i> | 39,937 | 39,937 | 21,336 | 18,601 |
| <i>Total Constable</i> | <u>322,370</u> | <u>322,370</u> | <u>277,139</u> | <u>45,231</u> |
| Sheriff | | | | |
| <i>Personal Services</i> | 2,571,674 | 2,571,674 | 2,207,152 | 364,522 |
| <i>Supplies</i> | 260,040 | 260,040 | 237,209 | 22,831 |
| <i>Other Services and Charges</i> | 359,042 | 359,042 | 383,085 | (24,043) |
| <i>Capital Outlay</i> | 37,458 | 37,458 | 37,458 | -- |
| <i>Total Sheriff</i> | <u>3,228,214</u> | <u>3,228,214</u> | <u>2,864,904</u> | <u>363,310</u> |
| County Jail | | | | |
| <i>Personal Services</i> | 2,808,348 | 2,808,348 | 2,751,592 | 56,756 |
| <i>Supplies</i> | 510,922 | 510,922 | 507,749 | 3,173 |
| <i>Other Services and Charges</i> | 1,061,963 | 1,061,963 | 989,207 | 72,756 |
| <i>Total County Jail</i> | <u>4,381,233</u> | <u>4,381,233</u> | <u>4,248,548</u> | <u>132,685</u> |
| <i>Total Public Safety</i> | <u>8,471,747</u> | <u>8,471,747</u> | <u>7,919,178</u> | <u>552,569</u> |
| Public Transportation | | | | |
| Airport Pct 2 | | | | |
| <i>Other Services and Charges</i> | 25,390 | 25,390 | 12,790 | 12,600 |
| <i>Total Airport Pct 2</i> | <u>25,390</u> | <u>25,390</u> | <u>12,790</u> | <u>12,600</u> |
| Weigh Station | | | | |
| <i>Personal Services</i> | 62,838 | 62,838 | 59,785 | 3,053 |
| <i>Supplies</i> | 367 | 367 | 365 | 2 |
| <i>Other Services and Charges</i> | 76,906 | 76,906 | 51,844 | 25,062 |
| <i>Total Weigh Station</i> | <u>140,111</u> | <u>140,111</u> | <u>111,994</u> | <u>28,117</u> |
| <i>Total Public Transportation</i> | <u>165,502</u> | <u>165,502</u> | <u>124,784</u> | <u>40,718</u> |
| Health and Welfare | | | | |
| Welfare | | | | |
| <i>Personal Services</i> | 127,599 | 127,599 | 126,444 | 1,155 |
| <i>Supplies</i> | 5,098 | 5,098 | 4,274 | 824 |
| <i>Other Services and Charges</i> | 40,954 | 40,954 | 37,814 | 3,140 |
| <i>Total Welfare</i> | <u>173,651</u> | <u>173,651</u> | <u>168,532</u> | <u>5,119</u> |
| Indigent | | | | |
| <i>Personal Services</i> | 104,372 | 104,372 | 104,192 | 180 |
| <i>Supplies</i> | 13,460 | 13,460 | 13,460 | -- |
| <i>Other Services and Charges</i> | 3,631 | 3,631 | 3,631 | -- |
| <i>Total Indigent</i> | <u>121,463</u> | <u>121,463</u> | <u>121,283</u> | <u>180</u> |
| <i>Total Health and Welfare</i> | <u>295,114</u> | <u>295,114</u> | <u>289,815</u> | <u>5,299</u> |

KLEBERG COUNTY, TEXAS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT B-1
Page 4 of 4

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Culture and Recreation | | | | |
| Parks Department | | | | |
| <i>Personal Services</i> | 96,765 | 96,765 | 92,404 | 4,361 |
| <i>Supplies</i> | 14,395 | 14,395 | 9,694 | 4,701 |
| <i>Other Services and Charges</i> | 71,116 | 71,116 | 45,342 | 25,774 |
| <i>Total Parks Department</i> | <u>182,276</u> | <u>182,276</u> | <u>147,440</u> | <u>34,836</u> |
| Library | | | | |
| <i>Personal Services</i> | 539,131 | 539,131 | 477,073 | 62,058 |
| <i>Supplies</i> | 30,569 | 30,569 | 29,687 | 882 |
| <i>Other Services and Charges</i> | 124,658 | 124,658 | 122,267 | 2,391 |
| <i>Total Library</i> | <u>694,358</u> | <u>694,358</u> | <u>629,027</u> | <u>65,331</u> |
| Seawind | | | | |
| <i>Personal Services</i> | 143,907 | 143,907 | 140,167 | 3,740 |
| <i>Supplies</i> | 21,053 | 21,053 | 19,311 | 1,742 |
| <i>Other Services and Charges</i> | 237,784 | 237,784 | 234,991 | 2,793 |
| <i>Total Seawind</i> | <u>402,744</u> | <u>402,744</u> | <u>394,469</u> | <u>8,275</u> |
| Padre Island | | | | |
| <i>Other Services and Charges</i> | 12,478 | 12,478 | 10,779 | 1,699 |
| <i>Total Padre Island</i> | <u>12,478</u> | <u>12,478</u> | <u>10,779</u> | <u>1,699</u> |
| Total Culture and Recreation | <u>1,291,854</u> | <u>1,291,854</u> | <u>1,181,715</u> | <u>110,139</u> |
| Conservation | | | | |
| County Agent | | | | |
| <i>Personal Services</i> | 136,368 | 136,368 | 131,483 | 4,885 |
| <i>Supplies</i> | 10,675 | 10,675 | 9,063 | 1,612 |
| <i>Other Services and Charges</i> | 9,965 | 9,965 | 9,346 | 619 |
| <i>Total County Agent</i> | <u>157,008</u> | <u>157,008</u> | <u>149,892</u> | <u>7,116</u> |
| Total Conservation | <u>157,008</u> | <u>157,008</u> | <u>149,892</u> | <u>7,116</u> |
| Debt Service: | | | | |
| <i>Principal</i> | -- | -- | 66,107 | (66,107) |
| <i>Interest and Fiscal Charges</i> | -- | -- | 5,637 | (5,637) |
| Total Expenditures | <u>20,811,222</u> | <u>20,811,222</u> | <u>19,381,549</u> | <u>1,429,673</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>1,327,260</u> | <u>2,295,558</u> | <u>1,372,242</u> | <u>(923,316)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| <i>Transfers In</i> | -- | -- | 327,103 | 327,103 |
| <i>Transfers Out</i> | -- | (1,641,980) | (1,454,183) | (187,797) |
| <i>Right to Use Lease Proceeds</i> | -- | -- | 54,770 | 54,770 |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>(1,641,980)</u> | <u>(1,072,310)</u> | <u>(569,670)</u> |
| Net Change in Fund Balances | 1,327,260 | 653,578 | 299,932 | (353,646) |
| Fund Balances - Beginning | 15,008,129 | 15,008,129 | 15,008,129 | -- |
| Fund Balances - Ending | <u>\$ 16,335,389</u> | <u>\$ 15,661,707</u> | <u>\$ 15,308,061</u> | <u>\$ (353,646)</u> |

KLEBERG COUNTY, TEXAS
ROAD & BRIDGE
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT B-2

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| License and Permits | \$ 504,771 | \$ 504,771 | \$ 503,911 | \$ (860) |
| Fines and Forfeitures | 1,677,155 | 1,677,155 | 1,021,116 | (656,039) |
| Investment Earnings | 25,578 | 25,578 | 25,578 | -- |
| Total Revenues | <u>2,207,504</u> | <u>2,207,504</u> | <u>1,550,605</u> | <u>(656,899)</u> |
| EXPENDITURES: | | | | |
| Public Transportation | | | | |
| Public Transportation | | | | |
| <i>Personal Services</i> | 1,257,359 | 1,257,359 | 1,186,322 | 71,037 |
| <i>Supplies</i> | 199,018 | 199,018 | 155,532 | 43,486 |
| <i>Other Services and Charges</i> | 610,612 | 610,612 | 565,496 | 45,116 |
| <i>Total Public Transportation</i> | <u>2,066,989</u> | <u>2,066,989</u> | <u>1,907,350</u> | <u>159,639</u> |
| Total Public Transportation | <u>2,066,989</u> | <u>2,066,989</u> | <u>1,907,350</u> | <u>159,639</u> |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | -- | -- | 1,679 | (1,679) |
| <i>Interest and Fiscal Charges</i> | -- | -- | 337 | (337) |
| Total Expenditures | <u>2,066,989</u> | <u>2,066,989</u> | <u>1,909,366</u> | <u>157,623</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>140,515</u> | <u>140,515</u> | <u>(358,761)</u> | <u>(499,276)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| <i>Transfers In</i> | 291,790 | 291,790 | 200,000 | (91,790) |
| Total Other Financing Sources (Uses) | <u>291,790</u> | <u>291,790</u> | <u>200,000</u> | <u>91,790</u> |
| | | | | |
| Net Change in Fund Balances | 432,305 | 432,305 | (158,761) | (591,066) |
| | | | | |
| Fund Balances - Beginning | 913,520 | 913,420 | 913,420 | -- |
| Fund Balances - Ending | <u>\$ 1,345,825</u> | <u>\$ 1,345,725</u> | <u>\$ 754,659</u> | <u>\$ (591,066)</u> |

KLEBERG COUNTY, TEXAS
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Plan Year Ended December 31, | | | | | | | | | |
|---|------------------------------|----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Total Pension Liability | | | | | | | | | | |
| Service cost | \$ 1,230,548 | \$ 1,010,797 | \$ 1,055,563 | \$ 948,787 | \$ 926,024 | \$ 900,424 | \$ 898,540 | \$ 948,035 | \$ 934,978 | \$ 931,455 |
| Interest (on the total pension liability) | 4,117,978 | 3,028,176 | 3,843,665 | 3,756,861 | 3,631,510 | 3,500,314 | 3,361,174 | 3,200,774 | 3,101,882 | 1,348,689 |
| Changes of benefit terms | 2,595,159 | 1,016,088 | - | - | - | - | - | - | (79,814) | - |
| Difference between expected and actual experience | 1,621,664 | (701,181) | (82,313) | (168,806) | (206,279) | (1,439) | (81,376) | 65,135 | (251,717) | (48,778) |
| Change of assumptions | - | - | (208,462) | 2,613,217 | - | - | 272,887 | - | 430,182 | - |
| Benefit payments, including refunds of employee contributions | (1,705,880) | (3,448,704) | (1,277,915) | (2,848,013) | (2,804,709) | (2,805,696) | (2,718,606) | (2,802,644) | (2,488,919) | (1,269,913) |
| Net Change in Total Pension Liability | 5,859,489 | 2,403,876 | 1,740,518 | 4,301,841 | 1,540,556 | 1,593,603 | 1,737,478 | 1,420,300 | 1,055,592 | 471,453 |
| Total Pension Liability - Beginning | \$4,772,385 | \$2,368,509 | \$1,127,971 | \$8,826,030 | \$5,282,474 | \$4,688,870 | \$4,956,391 | \$4,546,090 | \$3,880,498 | \$7,857,941 |
| Total Pension Liability - Ending (a) | \$ 60,631,854 | \$ 54,772,385 | \$ 52,368,489 | \$ 51,127,871 | \$ 46,829,030 | \$ 45,282,473 | \$ 43,688,870 | \$ 41,966,390 | \$ 40,536,090 | \$ 38,274,444 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - employer | \$ 1,207,104 | \$ 859,336 | \$ 804,758 | \$ 823,381 | \$ 732,910 | \$ 700,018 | \$ 623,373 | \$ 601,500 | \$ 573,164 | \$ 715,097 |
| Contributions - employee | 783,104 | 711,040 | 671,681 | 674,907 | 648,363 | 621,734 | 599,459 | 562,987 | 537,823 | 199,961 |
| Net investment income | 5,511,893 | (3,094,987) | 10,167,228 | 4,552,784 | 6,432,842 | (789,877) | 5,462,727 | 2,704,745 | (180,473) | 1,252,665 |
| Benefit payments, including refunds of employee contributions | (1,705,880) | (3,448,704) | (1,277,915) | (2,848,013) | (2,804,709) | (2,805,696) | (2,718,606) | (2,802,644) | (2,488,919) | (1,269,913) |
| Administrative expense | (28,702) | (29,481) | (60,041) | (34,560) | (33,604) | (31,456) | (27,605) | (29,405) | (26,916) | (14,707) |
| Other | (65,710) | (218,048) | (38,077) | (35,025) | (41,828) | (40,041) | (20,308) | (108,515) | 47,151 | (53,067) |
| Net Change in Plan Fiduciary Net Position | 3,702,309 | (5,220,844) | 8,297,683 | 1,111,474 | 4,933,974 | (2,145,313) | 3,918,900 | 928,758 | (1,647,170) | 750,016 |
| Plan Fiduciary Net Position - Beginning | \$0,307,703 | \$5,578,547 | \$7,230,764 | \$4,097,289 | \$2,163,315 | \$1,508,676 | \$7,589,726 | \$6,660,968 | \$8,308,137 | \$7,075,248 |
| Plan Fiduciary Net Position - Ending (b) | \$ 4,010,012 | \$ 3,357,703 | \$ 15,528,447 | \$ 5,208,763 | \$ 7,097,289 | \$ 4,363,363 | \$ 11,508,626 | \$ 7,589,726 | \$ 6,660,968 | \$ 7,825,264 |
| Net Pension Liability - Ending (a) - (b) | \$ 6,621,842 | \$ 4,464,682 | \$ (3,100,018) | \$ 3,897,108 | \$ 2,731,741 | \$ 6,119,160 | \$ 2,180,244 | \$ 4,365,664 | \$ 3,875,127 | \$ 849,160 |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 80.08% | 91.85% | 106.03% | 92.38% | 94.17% | 86.49% | 95.01% | 89.59% | 90.44% | 104.40% |
| Covered Payroll | \$ 11,187,700 | \$ 10,157,716 | \$ 9,595,400 | \$ 9,641,451 | \$ 9,262,334 | \$ 8,881,908 | \$ 8,550,391 | \$ 8,042,672 | \$ 7,683,180 | \$ 8,067,177 |
| Net Pension Liability as a Percentage of Covered Payroll | 59.19% | 41.95% | 32.93% | 40.42% | 29.49% | 68.89% | 25.50% | 54.29% | 50.44% | 10.53% |

KLEBERG COUNTY, TEXAS
 SCHEDULE OF PENSION CONTRIBUTIONS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Fiscal Year Ended September 30, | | | | | | | | | |
|--|---------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Actuarially determined contribution | \$ 861,390 | \$ 1,111,997 | \$ 834,310 | \$ 802,550 | \$ 773,297 | \$ 730,542 | \$ 700,018 | \$ 674,323 | \$ 616,353 | \$ 570,054 |
| Contributions in relation to actuarially determined contribution | (861,390) | (1,111,997) | (834,310) | (802,550) | (773,297) | (730,542) | (700,018) | (674,323) | (616,353) | (570,054) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 12,305,577 | \$ 10,968,896 | \$ 9,861,815 | \$ 9,516,129 | \$ 9,240,476 | \$ 9,740,476 | \$ 8,681,908 | \$ 8,550,391 | \$ 8,145,718 | \$ 7,613,398 |
| Contributions as a percentage of covered payroll | 7.00% | 10.14% | 8.46% | 8.43% | 8.04% | 7.51% | 7.88% | 7.89% | 7.58% | 7.49% |

KLEBERG COUNTY, TEXAS
NOTES TO SCHEDULE OF PENSION CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Valuation Date: 31, two years prior to the end of the fiscal year in which 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 | 17.3 years (based on contribution rate calculated in 12/31/2023 valuation) |
| Asset Valuation Method | 5-yr smoothed market |
| Inflation | 2.50% |
| Salary Increases | Varies by age and service. 4.7% average over career including inflation. |
| Investment Rate of Return | 7.5%, net of investment expenses, including inflation. |
| Retirement Age | Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61. |
| Mortality | 135% of the PUB-2010 General Retirees Table for males and 120% of the PUB-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010. |

Other Information: There were no benefit changes during the year.

KLEBERG COUNTY, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Plan Year Ended December 31, | | | | | | |
|--|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| Total OPEB Liability | | | | | | | |
| Service cost | \$ 18,601 | \$ 18,601 | \$ 36,626 | \$ 36,626 | \$ 26,041 | \$ 26,041 | \$ 25,029 |
| Interest (on the total OPEB liability) | 14,408 | 13,470 | 11,301 | 10,553 | 17,497 | 15,224 | 15,069 |
| Changes of benefit terms | (23,615) | - | (175,151) | - | - | - | - |
| Difference between expected and actual experience | - | - | - | - | - | - | - |
| Change of assumptions | 17,851 | - | (61,173) | - | 10,683 | - | - |
| Benefit payments, including refunds of employee contributions | (12,164) | (12,671) | (14,191) | (13,684) | (24,549) | (12,164) | (10,305) |
| Net Change in Total OPEB Liability | <u>15,081</u> | <u>19,400</u> | <u>(202,588)</u> | <u>33,495</u> | <u>29,662</u> | <u>79,101</u> | <u>29,789</u> |
| Total OPEB Liability - Beginning | <u>289,526</u> | <u>270,126</u> | <u>472,716</u> | <u>439,221</u> | <u>410,166</u> | <u>381,065</u> | <u>351,276</u> |
| Total OPEB Liability - Ending | <u>\$ 304,607</u> | <u>\$ 289,526</u> | <u>\$ 270,126</u> | <u>\$ 472,716</u> | <u>\$ 439,828</u> | <u>\$ 410,166</u> | <u>\$ 381,065</u> |
| | | | | | | | |
| Covered Payroll | \$ 8,576,304 | \$ 6,570,046 | \$ 6,570,046 | \$ 6,182,921 | \$ 6,182,921 | \$ 5,908,875 | \$ 5,908,875 |
| | | | | | | | |
| Total OPEB Liability as a Percentage of Covered Payroll | 3.55% | 4.41% | 4.11% | 7.65% | 7.10% | 6.94% | 6.45% |

KLEBERG COUNTY, TEXAS
NOTES TO SCHEDULE OF OPEB CONTRIBUTIONS
FOR THE YEAR ENDED 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 contributions are

Methods and Assumptions Used to Determine Contribution Rates:

| | |
|-------------------------------|---|
| Actuarial Cost Method | Entry age level percent of salary. |
| Amortization Method | Straight-line amortization of expected working life. |
| Remaining Amortization Period | NA |
| Asset Valuation Method | NA |
| Inflation | NA |
| Salary Increases | NA |
| Investment Rate of Return | 3.26%, based on 20-year Bond GO Index published by bondbuyer.com as of December 28, 2023. |
| Retirement Age | NA |
| Mortality | See Tables 1 thru 4 in the Milliman Valuation Report |

Other Information: There were no benefit changes during the year.

This page is left blank intentionally.

*Combining Statements and Budget Comparisons
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

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

| | Special Revenue Funds | Capital Projects Funds | Total Nonmajor Governmental Funds (See Exhibit A-3) |
|--|-----------------------------|------------------------------|---|
| ASSETS | | | |
| Assets: | | | |
| <i>Cash and Cash Equivalents</i> | \$ 3,793,779 | \$ 442 | \$ 3,794,221 |
| <i>Equity in Pooled Cash</i> | (518,761) | 210 | (518,551) |
| <i>Accounts Receivable</i> | 260,808 | -- | 260,808 |
| <i>Intergovernmental Receivable</i> | 239,717 | -- | 239,717 |
| Total Assets | <u>\$ 3,775,543</u> | <u>\$ 652</u> | <u>\$ 3,776,195</u> |
| LIABILITIES AND FUND BALANCES: | | | |
| Liabilities: | | | |
| <i>Accounts Payable</i> | \$ 290,348 | \$ -- | \$ 290,348 |
| <i>Accrued Wages Payable</i> | 40,949 | -- | 40,949 |
| <i>Due to Others</i> | 67,415 | -- | 67,415 |
| <i>Due to Other Governments and Agencies</i> | 84,532 | -- | 84,532 |
| <i>Deferred Revenue</i> | 10,207 | -- | 10,207 |
| Total Liabilities | <u>493,451</u> | <u>--</u> | <u>493,451</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Fund Balances: | | | |
| <i>Restricted</i> | 6,990,384 | 652 | 6,991,036 |
| <i>Committed</i> | 528,232 | -- | 528,232 |
| <i>Unassigned</i> | (4,236,524) | -- | (4,236,524) |
| Total Fund Balance | <u>3,282,092</u> | <u>652</u> | <u>3,282,744</u> |
| Total Liabilities and Fund Balance | <u>\$ 3,775,543</u> | <u>\$ 652</u> | <u>\$ 3,776,195</u> |

KLEBERG COUNTY, TEXAS

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

| | Special Revenue Funds | Capital Projects Funds | Total Nonmajor Governmental Funds (See Exhibit A-5) |
|--|-----------------------------|------------------------------|---|
| Revenue: | | | |
| <i>Taxes:</i> | | | |
| <i>Gross Receipts Business Taxes</i> | \$ 69,521 | \$ -- | \$ 69,521 |
| <i>Intergovernmental</i> | 11,042,271 | -- | 11,042,271 |
| <i>Charges for Services</i> | 153,588 | -- | 153,588 |
| <i>Fines and Forfeitures</i> | 403,702 | -- | 403,702 |
| <i>Fees of Office</i> | 903,151 | -- | 903,151 |
| <i>Investment Earnings</i> | 271,046 | 51 | 271,097 |
| <i>Miscellaneous Revenues</i> | 9,566 | -- | 9,566 |
| <i>Contributions & Donations</i> | 70,479 | -- | 70,479 |
| Total Revenues | <u>12,923,324</u> | <u>51</u> | <u>12,923,375</u> |
| Expenditures: | | | |
| <i>Current:</i> | | | |
| <i>General Government</i> | 4,017,881 | -- | 4,017,881 |
| <i>Judicial</i> | 783,932 | -- | 783,932 |
| <i>Public Safety</i> | 3,517,529 | -- | 3,517,529 |
| <i>Public Transportation</i> | 142,885 | -- | 142,885 |
| <i>Health and Welfare</i> | 3,660,108 | -- | 3,660,108 |
| <i>Culture and Recreation</i> | 1,082,062 | 136,666 | 1,218,728 |
| <i>Economic Development and Assistance</i> | 2,855,209 | -- | 2,855,209 |
| <i>Debt Service:</i> | | | |
| <i>Principal</i> | 134,484 | 120,000 | 254,484 |
| <i>Interest and Fiscal Charges</i> | 50,549 | 44,950 | 95,499 |
| Total Expenditures | <u>16,244,639</u> | <u>301,616</u> | <u>16,546,255</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,321,315)</u> | <u>(301,565)</u> | <u>(3,622,880)</u> |
| <i>Other Financing Sources (Uses):</i> | | | |
| <i>Transfers In</i> | 658,757 | 319,791 | 978,548 |
| <i>Transfers Out</i> | (30,271) | (21,997) | (52,268) |
| Total Other Financing Sources (Uses) | <u>628,486</u> | <u>297,794</u> | <u>926,280</u> |
| Net Change in Fund Balances | <u>(2,692,829)</u> | <u>(3,771)</u> | <u>(2,696,600)</u> |
| Fund Balances - Beginning | <u>5,974,921</u> | <u>4,423</u> | <u>5,979,344</u> |
| Fund Balances - Ending | <u>\$ 3,282,092</u> | <u>\$ 652</u> | <u>\$ 3,282,744</u> |

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

| | <u>Task Force Program Income</u> | <u>Courthouse Restoration Fund</u> | <u>Federal Drug Fund</u> | <u>CDBG Construction CFC21-0479</u> |
|--|--|--|----------------------------------|---|
| ASSETS | | | | |
| Assets: | | | | |
| <i>Cash and Cash Equivalents</i> | \$ 1,285,760 | \$ 86,987 | \$ 1,076 | \$ (164,179) |
| <i>Equity in Pooled Cash</i> | -- | -- | -- | -- |
| <i>Accounts Receivable</i> | -- | -- | -- | -- |
| <i>Intergovernmental Receivable</i> | 28,165 | -- | -- | -- |
| Total Assets | <u>\$ 1,313,925</u> | <u>\$ 86,987</u> | <u>\$ 1,076</u> | <u>\$ (164,179)</u> |
| LIABILITIES AND FUND BALANCES: | | | | |
| Liabilities: | | | | |
| <i>Accounts Payable</i> | \$ 11,814 | \$ -- | \$ -- | \$ -- |
| <i>Accrued Wages Payable</i> | 17,747 | -- | -- | -- |
| <i>Due to Others</i> | -- | -- | -- | -- |
| <i>Due to Other Governments and Agencies</i> | -- | -- | -- | -- |
| <i>Deferred Revenue</i> | -- | -- | -- | -- |
| Total Liabilities | <u>29,561</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Fund Balances: | | | | |
| <i>Restricted</i> | 1,284,364 | 86,987 | 1,076 | -- |
| <i>Committed</i> | -- | -- | -- | -- |
| <i>Unassigned</i> | -- | -- | -- | (164,179) |
| Total Fund Balance | <u>1,284,364</u> | <u>86,987</u> | <u>1,076</u> | <u>(164,179)</u> |
| Total Liabilities and Fund Balance | <u>\$ 1,313,925</u> | <u>\$ 86,987</u> | <u>\$ 1,076</u> | <u>\$ (164,179)</u> |

| <u>Sheriff Chapter 59 Forfeiture</u> | <u>CPS Exxon Building</u> | <u>CDBG Mitigation Fund</u> | <u>Kleberg Juvenile Probation</u> | <u>Hotel/Motel Occupancy Tax Fund</u> |
|--|-----------------------------------|-------------------------------------|---|---|
| \$ 159,711 | \$ 409,955 | \$ (4,950) | \$ -- | \$ 366,429 |
| -- | (41,164) | -- | 20,910 | (24,458) |
| -- | -- | -- | -- | 15,604 |
| -- | -- | -- | -- | -- |
| <u>\$ 159,711</u> | <u>\$ 368,791</u> | <u>\$ (4,950)</u> | <u>\$ 20,910</u> | <u>\$ 357,575</u> |
| \$ 213 | \$ 39 | \$ -- | \$ 1,165 | \$ 390 |
| 367 | -- | -- | -- | 670 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>580</u> | <u>39</u> | <u>--</u> | <u>1,165</u> | <u>1,060</u> |
| 159,131 | -- | -- | -- | 356,515 |
| -- | 368,752 | -- | 19,745 | -- |
| -- | -- | (4,950) | -- | -- |
| <u>159,131</u> | <u>368,752</u> | <u>(4,950)</u> | <u>19,745</u> | <u>356,515</u> |
| <u>\$ 159,711</u> | <u>\$ 368,791</u> | <u>\$ (4,950)</u> | <u>\$ 20,910</u> | <u>\$ 357,575</u> |

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

| | MISD Pre-Trial Diversion | Kleberg 2014 CTIF Grant | CCRTA Grant | Targeted Specific Grant |
|--|--------------------------------|-------------------------------|--------------------|-------------------------------|
| ASSETS | | | | |
| Assets: | | | | |
| <i>Cash and Cash Equivalents</i> | \$ 5,501 | \$ (17,929) | \$ (24,311) | \$ (2,456) |
| <i>Equity in Pooled Cash</i> | -- | -- | -- | -- |
| <i>Accounts Receivable</i> | -- | -- | -- | -- |
| <i>Intergovernmental Receivable</i> | -- | -- | -- | -- |
| Total Assets | <u>\$ 5,501</u> | <u>\$ (17,929)</u> | <u>\$ (24,311)</u> | <u>\$ (2,456)</u> |
| LIABILITIES AND FUND BALANCES: | | | | |
| Liabilities: | | | | |
| <i>Accounts Payable</i> | \$ 22 | \$ -- | \$ -- | \$ 67 |
| <i>Accrued Wages Payable</i> | -- | -- | -- | -- |
| <i>Due to Others</i> | -- | -- | -- | -- |
| <i>Due to Other Governments and Agencies</i> | -- | -- | -- | -- |
| <i>Deferred Revenue</i> | -- | -- | -- | -- |
| Total Liabilities | <u>22</u> | <u>--</u> | <u>--</u> | <u>67</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Fund Balances: | | | | |
| <i>Restricted</i> | 5,479 | -- | -- | -- |
| <i>Committed</i> | -- | -- | -- | -- |
| <i>Unassigned</i> | -- | (17,929) | (24,311) | (2,523) |
| Total Fund Balance | <u>5,479</u> | <u>(17,929)</u> | <u>(24,311)</u> | <u>(2,523)</u> |
| Total Liabilities and Fund Balance | <u>\$ 5,501</u> | <u>\$ (17,929)</u> | <u>\$ (24,311)</u> | <u>\$ (2,456)</u> |

| <u>Co. Atty Pretrial Diversion</u> | <u>Indigent Care Fund</u> | <u>Golf Course Fund</u> | <u>Juvenile Probation Fund</u> | <u>Economic Development Grant</u> |
|--|-------------------------------|---------------------------------|--|---|
| \$ -- | \$ (7,163) | \$ 116,095 | \$ 16,973 | \$ (2,023,718) |
| 67,806 | -- | -- | -- | -- |
| -- | 36,015 | -- | -- | -- |
| 19,141 | -- | -- | -- | -- |
| <u>\$ 86,947</u> | <u>\$ 28,852</u> | <u>\$ 116,095</u> | <u>\$ 16,973</u> | <u>\$ (2,023,718)</u> |
| \$ 546 | \$ 5,212 | \$ -- | \$ 12,891 | \$ 46,625 |
| 905 | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>1,451</u> | <u>5,212</u> | <u>--</u> | <u>12,891</u> | <u>46,625</u> |
| 85,496 | -- | -- | 4,082 | -- |
| -- | 23,640 | 116,095 | -- | -- |
| -- | -- | -- | -- | (2,070,343) |
| <u>85,496</u> | <u>23,640</u> | <u>116,095</u> | <u>4,082</u> | <u>(2,070,343)</u> |
| <u>\$ 86,947</u> | <u>\$ 28,852</u> | <u>\$ 116,095</u> | <u>\$ 16,973</u> | <u>\$ (2,023,718)</u> |

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

| | <u>Community Supervision</u> | <u>EDA Disaster Fund</u> | <u>CSCD Personal Bond Unit</u> | <u>South Texas Task Force Federal</u> |
|--|----------------------------------|----------------------------------|--|---|
| ASSETS | | | | |
| Assets: | | | | |
| <i>Cash and Cash Equivalents</i> | \$ 1,386 | \$ (599,367) | \$ 643,424 | \$ 1,364,542 |
| <i>Equity in Pooled Cash</i> | 251,466 | -- | -- | -- |
| <i>Accounts Receivable</i> | 630 | -- | -- | 603 |
| <i>Intergovernmental Receivable</i> | -- | -- | -- | -- |
| Total Assets | <u>\$ 253,482</u> | <u>\$ (599,367)</u> | <u>\$ 643,424</u> | <u>\$ 1,365,145</u> |
| LIABILITIES AND FUND BALANCES: | | | | |
| Liabilities: | | | | |
| <i>Accounts Payable</i> | \$ 14,020 | \$ 3,611 | \$ 1,495 | \$ 13,582 |
| <i>Accrued Wages Payable</i> | -- | -- | -- | -- |
| <i>Due to Others</i> | -- | -- | -- | -- |
| <i>Due to Other Governments and Agencies</i> | 34,984 | -- | -- | -- |
| <i>Deferred Revenue</i> | -- | -- | -- | -- |
| Total Liabilities | <u>49,004</u> | <u>3,611</u> | <u>1,495</u> | <u>13,582</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Fund Balances: | | | | |
| <i>Restricted</i> | 204,478 | -- | 641,929 | 1,351,563 |
| <i>Committed</i> | -- | -- | -- | -- |
| <i>Unassigned</i> | -- | (602,978) | -- | -- |
| Total Fund Balance | <u>204,478</u> | <u>(602,978)</u> | <u>641,929</u> | <u>1,351,563</u> |
| Total Liabilities and Fund Balance | <u>\$ 253,482</u> | <u>\$ (599,367)</u> | <u>\$ 643,424</u> | <u>\$ 1,365,145</u> |

| <u>Energy Project Fund</u> | <u>Senate Bill 22 Grant Fund</u> | <u>Special Caseload Sex Fund</u> | <u>Texas A&M University Fund</u> | <u>H/S Agriculture Grant</u> |
|------------------------------------|--|--|--|----------------------------------|
| \$ 9 | \$ 154,136 | \$ 11,919 | \$ 220,160 | \$ -- |
| -- | -- | -- | -- | 10,476 |
| -- | -- | -- | 90 | -- |
| <u>\$ 9</u> | <u>\$ 154,136</u> | <u>\$ 11,919</u> | <u>\$ 220,250</u> | <u>\$ 10,476</u> |
| \$ -- | \$ 7,912 | \$ 76 | \$ 1,633 | \$ -- |
| -- | 12,575 | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>--</u> | <u>20,487</u> | <u>76</u> | <u>1,633</u> | <u>--</u> |
| 9 | 133,649 | 11,843 | 218,617 | 10,476 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>9</u> | <u>133,649</u> | <u>11,843</u> | <u>218,617</u> | <u>10,476</u> |
| <u>\$ 9</u> | <u>\$ 154,136</u> | <u>\$ 11,919</u> | <u>\$ 220,250</u> | <u>\$ 10,476</u> |

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

| | District Clerk Records Mgmt & Preservation | Courthouse Security | J.P.'s Tech Fund | County Clerks |
|--|--|------------------------|------------------------|------------------|
| ASSETS | | | | |
| Assets: | | | | |
| <i>Cash and Cash Equivalents</i> | \$ 25,831 | \$ -- | \$ 28,999 | \$ -- |
| <i>Equity in Pooled Cash</i> | 8,342 | (27,023) | 804 | 8,154 |
| <i>Accounts Receivable</i> | 2,383 | 2,350 | 72 | -- |
| <i>Intergovernmental Receivable</i> | -- | -- | -- | -- |
| Total Assets | <u>\$ 36,556</u> | <u>\$ (24,673)</u> | <u>\$ 29,875</u> | <u>\$ 8,154</u> |
| LIABILITIES AND FUND BALANCES: | | | | |
| Liabilities: | | | | |
| <i>Accounts Payable</i> | \$ -- | \$ 2,721 | \$ -- | \$ 8,148 |
| <i>Accrued Wages Payable</i> | -- | -- | -- | -- |
| <i>Due to Others</i> | -- | -- | -- | -- |
| <i>Due to Other Governments and Agencies</i> | -- | -- | -- | -- |
| <i>Deferred Revenue</i> | -- | -- | -- | -- |
| Total Liabilities | <u>--</u> | <u>2,721</u> | <u>--</u> | <u>8,148</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Fund Balances: | | | | |
| <i>Restricted</i> | 36,556 | -- | 29,875 | 6 |
| <i>Committed</i> | -- | -- | -- | -- |
| <i>Unassigned</i> | -- | (27,394) | -- | -- |
| Total Fund Balance | <u>36,556</u> | <u>(27,394)</u> | <u>29,875</u> | <u>6</u> |
| Total Liabilities and Fund Balance | <u>\$ 36,556</u> | <u>\$ (24,673)</u> | <u>\$ 29,875</u> | <u>\$ 8,154</u> |

| <u>Records Management</u> | <u>Houston HIDTA Grant</u> | <u>D.A.'s Hot Check</u> | <u>D.A.'s Forfeiture</u> | <u>Constable Pct 4 Forfeiture</u> |
|---------------------------|----------------------------|-------------------------|--------------------------|-----------------------------------|
| \$ 263,320 | \$ -- | \$ 18,250 | \$ 912,972 | \$ 182,309 |
| (5,250) | 35,508 | 1 | 511,912 | 1 |
| 37,234 | 2,324 | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>\$ 295,304</u> | <u>\$ 37,832</u> | <u>\$ 18,251</u> | <u>\$ 1,424,884</u> | <u>\$ 182,310</u> |
| | | | | |
| \$ 517 | \$ 246 | \$ -- | \$ 57,366 | \$ -- |
| 942 | 152 | -- | 302 | -- |
| -- | -- | -- | -- | -- |
| -- | 25,732 | -- | 23,816 | -- |
| -- | -- | -- | 10,207 | -- |
| <u>1,459</u> | <u>26,130</u> | <u>--</u> | <u>91,691</u> | <u>--</u> |
| | | | | |
| 293,845 | -- | 18,251 | 1,333,193 | 182,310 |
| -- | -- | -- | -- | -- |
| -- | 11,702 | -- | -- | -- |
| <u>293,845</u> | <u>11,702</u> | <u>18,251</u> | <u>1,333,193</u> | <u>182,310</u> |
| | | | | |
| <u>\$ 295,304</u> | <u>\$ 37,832</u> | <u>\$ 18,251</u> | <u>\$ 1,424,884</u> | <u>\$ 182,310</u> |

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

| | County Attorney's Asset Forfeiture Fund | County Attorney Hot Checks Fund | Operation Stonegarden Grants | Human Services 1/1-12/31 |
|--|---|---------------------------------------|------------------------------------|--------------------------------|
| ASSETS | | | | |
| Assets: | | | | |
| <i>Cash and Cash Equivalents</i> | \$ 3,469 | \$ 3,095 | \$ (118,096) | \$ -- |
| <i>Equity in Pooled Cash</i> | -- | (232) | -- | (71,820) |
| <i>Accounts Receivable</i> | -- | 24 | -- | -- |
| <i>Intergovernmental Receivable</i> | -- | -- | -- | 166,047 |
| Total Assets | <u>\$ 3,469</u> | <u>\$ 2,887</u> | <u>\$ (118,096)</u> | <u>\$ 94,227</u> |
| LIABILITIES AND FUND BALANCES: | | | | |
| Liabilities: | | | | |
| <i>Accounts Payable</i> | \$ 1,115 | \$ 180 | \$ -- | \$ 97 |
| <i>Accrued Wages Payable</i> | -- | -- | -- | 33 |
| <i>Due to Others</i> | -- | -- | 67,415 | -- |
| <i>Due to Other Governments and Agencies</i> | -- | -- | -- | -- |
| <i>Deferred Revenue</i> | -- | -- | -- | -- |
| Total Liabilities | <u>1,115</u> | <u>180</u> | <u>67,415</u> | <u>130</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Fund Balances: | | | | |
| <i>Restricted</i> | 2,354 | 2,707 | -- | 94,097 |
| <i>Committed</i> | -- | -- | -- | -- |
| <i>Unassigned</i> | -- | -- | (185,511) | -- |
| Total Fund Balance | <u>2,354</u> | <u>2,707</u> | <u>(185,511)</u> | <u>94,097</u> |
| Total Liabilities and Fund Balance | <u>\$ 3,469</u> | <u>\$ 2,887</u> | <u>\$ (118,096)</u> | <u>\$ 94,227</u> |

| Human Services Neighbor to Neighbor | Human Services | Human Services 10/1-9/30 | Airport Ramp Grant | Other Special Revenue Funds |
|---|---------------------|--------------------------------|--------------------------|-----------------------------------|
| \$ -- | \$ -- | \$ -- | \$ 6,700 | \$ -- |
| 12,503 | (876,451) | (220,158) | (104,312) | (76,348) |
| -- | 125,617 | 37,952 | -- | -- |
| -- | -- | -- | -- | 26,274 |
| <u>\$ 12,503</u> | <u>\$ (750,834)</u> | <u>\$ (182,206)</u> | <u>\$ (97,612)</u> | <u>\$ (50,074)</u> |
| \$ 434 | \$ 16,664 | \$ 10,930 | \$ -- | \$ 70,312 |
| -- | -- | 7,256 | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>434</u> | <u>16,664</u> | <u>18,186</u> | <u>--</u> | <u>70,312</u> |
| 12,069 | -- | -- | (97,612) | -- |
| -- | -- | -- | -- | -- |
| -- | (767,498) | (200,392) | -- | (120,386) |
| <u>12,069</u> | <u>(767,498)</u> | <u>(200,392)</u> | <u>(97,612)</u> | <u>(120,386)</u> |
| <u>\$ 12,503</u> | <u>\$ (750,834)</u> | <u>\$ (182,206)</u> | <u>\$ (97,612)</u> | <u>\$ (50,074)</u> |

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

| | <u>GOMESA Grant Fund</u> | <u>COVID ARPA Fund</u> |
|--|----------------------------------|--------------------------------|
| ASSETS | | |
| Assets: | | |
| <i>Cash and Cash Equivalents</i> | \$ -- | \$ 526,708 |
| <i>Equity in Pooled Cash</i> | 572 | -- |
| <i>Accounts Receivable</i> | -- | -- |
| <i>Intergovernmental Receivable</i> | -- | -- |
| Total Assets | <u>\$ 572</u> | <u>\$ 526,708</u> |
| LIABILITIES AND FUND BALANCES: | | |
| Liabilities: | | |
| <i>Accounts Payable</i> | \$ -- | \$ 241 |
| <i>Accrued Wages Payable</i> | -- | -- |
| <i>Due to Others</i> | -- | -- |
| <i>Due to Other Governments and Agencies</i> | -- | -- |
| <i>Deferred Revenue</i> | -- | -- |
| Total Liabilities | <u>--</u> | <u>241</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Fund Balances: | | |
| <i>Restricted</i> | 572 | 526,467 |
| <i>Committed</i> | -- | -- |
| <i>Unassigned</i> | -- | -- |
| Total Fund Balance | <u>572</u> | <u>526,467</u> |
| Total Liabilities and Fund Balance | <u>\$ 572</u> | <u>\$ 526,708</u> |

| CEAP ARPA Fund | Rural Business Development Grant | Total Nonmajor Special Revenue Funds (See Exhibit C-1) |
|----------------------|--|---|
| \$ (4,633) | \$ (55,135) | \$ 3,793,779 |
| -- | -- | (518,761) |
| -- | -- | 260,808 |
| <u>\$ (4,633)</u> | <u>\$ (55,135)</u> | <u>\$ 3,775,543</u> |
| \$ 64 | \$ -- | \$ 290,348 |
| -- | -- | 40,949 |
| -- | -- | 67,415 |
| -- | -- | 84,532 |
| -- | -- | 10,207 |
| <u>64</u> | <u>--</u> | <u>493,451</u> |
| -- | -- | 6,990,384 |
| -- | -- | 528,232 |
| (4,697) | (55,135) | (4,236,524) |
| <u>(4,697)</u> | <u>(55,135)</u> | <u>3,282,092</u> |
| <u>\$ (4,633)</u> | <u>\$ (55,135)</u> | <u>\$ 3,775,543</u> |

KLEBERG COUNTY, TEXAS

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

| | Task Force Program Income | Courthouse Restoration Fund | Federal Drug Fund | CDBG Construction CFC21-0479 |
|--|---------------------------------|-----------------------------------|-------------------------|------------------------------------|
| Revenue: | | | | |
| Taxes: | | | | |
| <i>Gross Receipts Business Taxes</i> | \$ -- | \$ -- | \$ -- | \$ -- |
| <i>Intergovernmental</i> | 670,696 | -- | 3,300 | 1,362,066 |
| <i>Charges for Services</i> | -- | -- | -- | -- |
| <i>Fines and Forfeitures</i> | -- | -- | -- | -- |
| <i>Fees of Office</i> | -- | -- | -- | -- |
| <i>Investment Earnings</i> | 35,270 | 2,424 | 6 | -- |
| <i>Miscellaneous Revenues</i> | -- | -- | -- | -- |
| <i>Contributions & Donations</i> | -- | 39,550 | -- | -- |
| Total Revenues | <u>705,966</u> | <u>41,974</u> | <u>3,306</u> | <u>1,362,066</u> |
| Expenditures: | | | | |
| Current: | | | | |
| <i>General Government</i> | -- | -- | -- | 1,476,195 |
| <i>Judicial</i> | -- | -- | -- | -- |
| <i>Public Safety</i> | 626,413 | -- | 3,411 | -- |
| <i>Public Transportation</i> | -- | -- | -- | -- |
| <i>Health and Welfare</i> | -- | -- | -- | -- |
| <i>Culture and Recreation</i> | -- | -- | -- | -- |
| <i>Economic Development and Assistance</i> | -- | -- | -- | -- |
| Debt Service: | | | | |
| <i>Principal</i> | 2,545 | -- | -- | -- |
| <i>Interest and Fiscal Charges</i> | 23 | -- | -- | -- |
| Total Expenditures | <u>628,981</u> | <u>--</u> | <u>3,411</u> | <u>1,476,195</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>76,985</u> | <u>41,974</u> | <u>(105)</u> | <u>(114,129)</u> |
| Other Financing Sources (Uses): | | | | |
| <i>Transfers In</i> | -- | -- | -- | -- |
| <i>Transfers Out</i> | -- | -- | -- | -- |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | 76,985 | 41,974 | (105) | (114,129) |
| Fund Balances - Beginning | 1,207,379 | 45,013 | 1,181 | (50,050) |
| Fund Balances - Ending | <u>\$ 1,284,364</u> | <u>\$ 86,987</u> | <u>\$ 1,076</u> | <u>\$ (164,179)</u> |

| Sheriff Chapter 59 Forfeiture | CPS Exxon Building | CDBG Mitigation Fund | Kleberg Juvenile Probation | Hotel/Motel Occupancy Tax Fund |
|-------------------------------------|--------------------------|----------------------------|----------------------------------|--------------------------------------|
| \$ -- | \$ -- | \$ -- | \$ -- | \$ 69,521 |
| -- | 99,311 | 312,180 | 2,695 | -- |
| -- | 135,832 | -- | -- | -- |
| 164,601 | -- | -- | -- | -- |
| -- | 15,338 | -- | -- | 15,758 |
| 54 | -- | -- | 5,000 | -- |
| -- | -- | -- | -- | -- |
| <u>164,655</u> | <u>250,481</u> | <u>312,180</u> | <u>7,695</u> | <u>85,279</u> |
| -- | -- | 317,130 | -- | -- |
| -- | -- | -- | -- | -- |
| 238,655 | 23,786 | -- | 167,404 | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | 24,756 |
| -- | -- | -- | -- | -- |
| -- | 125,000 | -- | -- | -- |
| -- | 50,375 | -- | -- | -- |
| <u>238,655</u> | <u>199,161</u> | <u>317,130</u> | <u>167,404</u> | <u>24,756</u> |
| <u>(74,000)</u> | <u>51,320</u> | <u>(4,950)</u> | <u>(159,709)</u> | <u>60,523</u> |
| -- | -- | -- | 164,856 | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | 164,856 | -- |
| <u>(74,000)</u> | <u>51,320</u> | <u>(4,950)</u> | <u>5,147</u> | <u>60,523</u> |
| <u>233,131</u> | <u>317,432</u> | <u>--</u> | <u>14,598</u> | <u>295,992</u> |
| \$ <u>159,131</u> | \$ <u>368,752</u> | \$ <u>(4,950)</u> | \$ <u>19,745</u> | \$ <u>356,515</u> |

KLEBERG COUNTY, TEXAS

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

| | MISD Pre-Trial Diversion | Kleberg 2014 CTIF Grant | CCRTA Grant | Targeted Specific Grant |
|--|--------------------------------|-------------------------------|--------------------|-------------------------------|
| Revenue: | | | | |
| Taxes: | | | | |
| <i>Gross Receipts Business Taxes</i> | \$ -- | \$ -- | \$ -- | \$ -- |
| <i>Intergovernmental</i> | 28,906 | 55,354 | 9,002 | 57,558 |
| <i>Charges for Services</i> | -- | -- | -- | -- |
| <i>Fines and Forfeitures</i> | -- | -- | -- | -- |
| <i>Fees of Office</i> | -- | -- | -- | -- |
| <i>Investment Earnings</i> | -- | -- | -- | -- |
| <i>Miscellaneous Revenues</i> | -- | -- | -- | -- |
| <i>Contributions & Donations</i> | -- | -- | -- | -- |
| Total Revenues | <u>28,906</u> | <u>55,354</u> | <u>9,002</u> | <u>57,558</u> |
| Expenditures: | | | | |
| Current: | | | | |
| <i>General Government</i> | 36,471 | 20,360 | 19,768 | 61,197 |
| <i>Judicial</i> | -- | -- | -- | -- |
| <i>Public Safety</i> | -- | -- | -- | -- |
| <i>Public Transportation</i> | -- | -- | -- | -- |
| <i>Health and Welfare</i> | -- | -- | -- | -- |
| <i>Culture and Recreation</i> | -- | -- | -- | -- |
| <i>Economic Development and Assistance</i> | -- | -- | -- | -- |
| Debt Service: | | | | |
| <i>Principal</i> | -- | -- | -- | -- |
| <i>Interest and Fiscal Charges</i> | -- | -- | -- | -- |
| Total Expenditures | <u>36,471</u> | <u>20,360</u> | <u>19,768</u> | <u>61,197</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(7,565)</u> | <u>34,994</u> | <u>(10,766)</u> | <u>(3,639)</u> |
| Other Financing Sources (Uses): | | | | |
| <i>Transfers In</i> | 7,528 | -- | -- | -- |
| <i>Transfers Out</i> | -- | -- | -- | -- |
| Total Other Financing Sources (Uses) | <u>7,528</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | (37) | 34,994 | (10,766) | (3,639) |
| Fund Balances - Beginning | 5,516 | (52,923) | (13,545) | 1,116 |
| Fund Balances - Ending | <u>\$ 5,479</u> | <u>\$ (17,929)</u> | <u>\$ (24,311)</u> | <u>\$ (2,523)</u> |

| Co. Atty Pretrial Diversion | Indigent Care Fund | Golf Course Fund | Juvenile Probation Fund | Economic Development Grant |
|-----------------------------------|-----------------------|------------------------|-------------------------------|----------------------------------|
| \$ -- | \$ -- | \$ -- | \$ -- | \$ -- |
| -- | -- | -- | 382,687 | 1,694,827 |
| -- | -- | -- | -- | -- |
| 41,747 | -- | -- | -- | -- |
| -- | 6 | -- | -- | 29,677 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>41,747</u> | <u>6</u> | <u>--</u> | <u>382,687</u> | <u>1,724,504</u> |
| -- | -- | -- | -- | -- |
| 41,424 | -- | -- | -- | -- |
| -- | -- | -- | 359,290 | -- |
| -- | -- | -- | -- | -- |
| -- | 178,234 | -- | -- | -- |
| -- | -- | 468 | -- | -- |
| -- | -- | -- | -- | 2,640,431 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>41,424</u> | <u>178,234</u> | <u>468</u> | <u>359,290</u> | <u>2,640,431</u> |
| <u>323</u> | <u>(178,228)</u> | <u>(468)</u> | <u>23,397</u> | <u>(915,927)</u> |
| -- | 47,854 | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>--</u> | <u>47,854</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| <u>323</u> | <u>(130,374)</u> | <u>(468)</u> | <u>23,397</u> | <u>(915,927)</u> |
| 85,173 | 154,014 | 116,563 | (19,315) | (1,154,416) |
| <u>\$ 85,496</u> | <u>\$ 23,640</u> | <u>\$ 116,095</u> | <u>\$ 4,082</u> | <u>\$ (2,070,343)</u> |

KLEBERG COUNTY, TEXAS

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

| | Community Supervision | EDA Disaster Fund | CSCD Personal Bond Unit | South Texas Task Force Federal |
|--|--------------------------|-------------------------|-------------------------------|--------------------------------------|
| Revenue: | | | | |
| Taxes: | | | | |
| <i>Gross Receipts Business Taxes</i> | \$ -- | \$ -- | \$ -- | \$ -- |
| <i>Intergovernmental</i> | 399,479 | -- | -- | -- |
| <i>Charges for Services</i> | -- | -- | -- | -- |
| <i>Fines and Forfeitures</i> | -- | -- | -- | 42,018 |
| <i>Fees of Office</i> | 502,956 | -- | 289,799 | -- |
| <i>Investment Earnings</i> | 212 | -- | 8,328 | 97,598 |
| <i>Miscellaneous Revenues</i> | -- | -- | -- | -- |
| <i>Contributions & Donations</i> | -- | -- | -- | -- |
| Total Revenues | <u>902,647</u> | <u>--</u> | <u>298,127</u> | <u>139,616</u> |
| Expenditures: | | | | |
| Current: | | | | |
| <i>General Government</i> | -- | 602,978 | -- | -- |
| <i>Judicial</i> | -- | -- | -- | -- |
| <i>Public Safety</i> | 822,328 | -- | 159,654 | 395,496 |
| <i>Public Transportation</i> | -- | -- | -- | -- |
| <i>Health and Welfare</i> | -- | -- | -- | -- |
| <i>Culture and Recreation</i> | -- | -- | -- | -- |
| <i>Economic Development and Assistance</i> | -- | -- | -- | -- |
| Debt Service: | | | | |
| <i>Principal</i> | -- | -- | -- | -- |
| <i>Interest and Fiscal Charges</i> | -- | -- | -- | -- |
| Total Expenditures | <u>822,328</u> | <u>602,978</u> | <u>159,654</u> | <u>395,496</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>80,319</u> | <u>(602,978)</u> | <u>138,473</u> | <u>(255,880)</u> |
| Other Financing Sources (Uses): | | | | |
| <i>Transfers In</i> | 13,291 | -- | -- | -- |
| <i>Transfers Out</i> | (30,271) | -- | -- | -- |
| Total Other Financing Sources (Uses) | <u>(16,980)</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | 63,339 | (602,978) | 138,473 | (255,880) |
| Fund Balances - Beginning | 141,139 | -- | 503,456 | 1,607,443 |
| Fund Balances - Ending | <u>\$ 204,478</u> | <u>\$ (602,978)</u> | <u>\$ 641,929</u> | <u>\$ 1,351,563</u> |

| Energy Project Fund | Senate Bill 22 Grant Fund | Special Caseload Sex Fund | Texas A&M University Fund | Operation Lone Star |
|---------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------|
| \$ -- | \$ -- | \$ -- | \$ -- | \$ -- |
| -- | 525,000 | 67,160 | 189,100 | 127,215 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | 13 | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>--</u> | <u>525,013</u> | <u>67,160</u> | <u>189,100</u> | <u>127,215</u> |
| 107,052 | 391,364 | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | 66,426 | -- | 7,394 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | 184,367 | -- |
| -- | -- | -- | -- | -- |
| <u>107,052</u> | <u>391,364</u> | <u>66,426</u> | <u>184,367</u> | <u>7,394</u> |
| <u>(107,052)</u> | <u>133,649</u> | <u>734</u> | <u>4,733</u> | <u>119,821</u> |
| 214,103 | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>214,103</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| 107,051 | 133,649 | 734 | 4,733 | 119,821 |
| (107,042) | -- | 11,109 | 213,884 | (119,821) |
| <u>\$ 9</u> | <u>\$ 133,649</u> | <u>\$ 11,843</u> | <u>\$ 218,617</u> | <u>\$ --</u> |

KLEBERG COUNTY, TEXAS

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

| | H/S Agriculture Grant | District Clerk Records Mgmt & Preservation | Courthouse Security | J.P.'s Tech Fund |
|--|--------------------------|--|------------------------|------------------------|
| Revenue: | | | | |
| <i>Taxes:</i> | | | | |
| <i>Gross Receipts Business Taxes</i> | \$ -- | \$ -- | \$ -- | \$ -- |
| <i>Intergovernmental</i> | 21,842 | -- | -- | -- |
| <i>Charges for Services</i> | -- | -- | -- | -- |
| <i>Fines and Forfeitures</i> | -- | -- | -- | 2,239 |
| <i>Fees of Office</i> | -- | 19,682 | 16,324 | -- |
| <i>Investment Earnings</i> | -- | 1,458 | -- | 2,145 |
| <i>Miscellaneous Revenues</i> | -- | -- | -- | -- |
| <i>Contributions & Donations</i> | -- | -- | -- | -- |
| Total Revenues | <u>21,842</u> | <u>21,140</u> | <u>16,324</u> | <u>4,384</u> |
| Expenditures: | | | | |
| <i>Current:</i> | | | | |
| <i>General Government</i> | -- | -- | -- | -- |
| <i>Judicial</i> | -- | 18,637 | -- | 12,571 |
| <i>Public Safety</i> | -- | -- | 54,148 | -- |
| <i>Public Transportation</i> | -- | -- | -- | -- |
| <i>Health and Welfare</i> | 25,349 | -- | -- | -- |
| <i>Culture and Recreation</i> | -- | -- | -- | -- |
| <i>Economic Development and Assistance</i> | -- | -- | -- | -- |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | -- | -- | -- | -- |
| <i>Interest and Fiscal Charges</i> | -- | -- | -- | -- |
| Total Expenditures | <u>25,349</u> | <u>18,637</u> | <u>54,148</u> | <u>12,571</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(3,507)</u> | <u>2,503</u> | <u>(37,824)</u> | <u>(8,187)</u> |
| Other Financing Sources (Uses): | | | | |
| <i>Transfers In</i> | -- | -- | -- | -- |
| <i>Transfers Out</i> | -- | -- | -- | -- |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | <u>(3,507)</u> | <u>2,503</u> | <u>(37,824)</u> | <u>(8,187)</u> |
| Fund Balances - Beginning | <u>13,983</u> | <u>34,053</u> | <u>10,430</u> | <u>38,062</u> |
| Fund Balances - Ending | <u>\$ 10,476</u> | <u>\$ 36,556</u> | <u>\$ (27,394)</u> | <u>\$ 29,875</u> |

| County Clerks | Records Management | Houston HIDTA Grant | D.A.'s Hot Check | D.A.'s Forfeiture |
|---------------|--------------------|---------------------|------------------|---------------------|
| \$ -- | \$ -- | \$ -- | \$ -- | \$ -- |
| -- | -- | 23,059 | -- | 644,251 |
| 4,461 | -- | -- | -- | 153,097 |
| -- | 74,036 | -- | -- | -- |
| -- | 11,422 | -- | 972 | 24,158 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>4,461</u> | <u>85,458</u> | <u>23,059</u> | <u>972</u> | <u>821,506</u> |
| -- | 16,077 | -- | -- | -- |
| -- | -- | 15,402 | -- | 707,803 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>--</u> | <u>16,077</u> | <u>15,402</u> | <u>--</u> | <u>707,803</u> |
| <u>4,461</u> | <u>69,381</u> | <u>7,657</u> | <u>972</u> | <u>113,703</u> |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| 4,461 | 69,381 | 7,657 | 972 | 113,703 |
| (4,455) | 224,464 | 4,045 | 17,279 | 1,219,490 |
| <u>\$ 6</u> | <u>\$ 293,845</u> | <u>\$ 11,702</u> | <u>\$ 18,251</u> | <u>\$ 1,333,193</u> |

KLEBERG COUNTY, TEXAS

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

| | Constable Pct 4 Forfeiture | County Attorney's Asset Forfeiture Fund | County Attorney Hot Checks Fund | Operation Stonegarden Grants |
|--|----------------------------------|---|---------------------------------------|------------------------------------|
| Revenue: | | | | |
| Taxes: | | | | |
| <i>Gross Receipts Business Taxes</i> | \$ -- | \$ -- | \$ -- | \$ -- |
| <i>Intergovernmental</i> | -- | -- | -- | 600,213 |
| <i>Charges for Services</i> | -- | -- | -- | -- |
| <i>Fines and Forfeitures</i> | -- | -- | -- | -- |
| <i>Fees of Office</i> | -- | -- | 354 | -- |
| <i>Investment Earnings</i> | 9,446 | 242 | 169 | -- |
| <i>Miscellaneous Revenues</i> | -- | -- | -- | -- |
| <i>Contributions & Donations</i> | -- | -- | -- | -- |
| Total Revenues | <u>9,446</u> | <u>242</u> | <u>523</u> | <u>600,213</u> |
| Expenditures: | | | | |
| Current: | | | | |
| <i>General Government</i> | -- | -- | -- | -- |
| <i>Judicial</i> | -- | 2,009 | 1,488 | -- |
| <i>Public Safety</i> | -- | -- | -- | 577,722 |
| <i>Public Transportation</i> | -- | -- | -- | -- |
| <i>Health and Welfare</i> | -- | -- | -- | -- |
| <i>Culture and Recreation</i> | -- | -- | -- | -- |
| <i>Economic Development and Assistance</i> | -- | -- | -- | -- |
| Debt Service: | | | | |
| <i>Principal</i> | -- | -- | -- | -- |
| <i>Interest and Fiscal Charges</i> | -- | -- | -- | -- |
| Total Expenditures | <u>--</u> | <u>2,009</u> | <u>1,488</u> | <u>577,722</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>9,446</u> | <u>(1,767)</u> | <u>(965)</u> | <u>22,491</u> |
| Other Financing Sources (Uses): | | | | |
| <i>Transfers In</i> | -- | -- | -- | -- |
| <i>Transfers Out</i> | -- | -- | -- | -- |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | 9,446 | (1,767) | (965) | 22,491 |
| Fund Balances - Beginning | 172,864 | 4,121 | 3,672 | (208,002) |
| Fund Balances - Ending | <u>\$ 182,310</u> | <u>\$ 2,354</u> | <u>\$ 2,707</u> | <u>\$ (185,511)</u> |

| Human Services 1/1-12/31 | Human Services Neighbor to Neighbor | Human Services | Human Services 10/1-9/30 | Airport Ramp Grant |
|-----------------------------|---|---------------------|--------------------------------|--------------------------|
| \$ -- | \$ -- | \$ -- | \$ -- | \$ -- |
| 1,160,951 | 55,032 | 1,219,011 | 484,257 | -- |
| -- | -- | 13,295 | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | 346 |
| 1,966 | -- | -- | 2,600 | -- |
| -- | -- | -- | 30,929 | -- |
| <u>1,162,917</u> | <u>55,032</u> | <u>1,232,306</u> | <u>517,786</u> | <u>346</u> |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | 142,885 |
| 1,067,065 | 71,073 | 1,635,687 | 682,700 | -- |
| -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- |
| 4,046 | -- | 2,893 | -- | -- |
| 87 | -- | 64 | -- | -- |
| <u>1,071,198</u> | <u>71,073</u> | <u>1,638,644</u> | <u>682,700</u> | <u>142,885</u> |
| 91,719 | (16,041) | (406,338) | (164,914) | (142,539) |
| -- | -- | -- | 111,289 | 25,526 |
| -- | -- | -- | -- | -- |
| -- | -- | -- | <u>111,289</u> | <u>25,526</u> |
| 91,719 | (16,041) | (406,338) | (53,625) | (117,013) |
| 2,378 | 28,110 | (361,160) | (146,767) | 19,401 |
| <u>\$ 94,097</u> | <u>\$ 12,069</u> | <u>\$ (767,498)</u> | <u>\$ (200,392)</u> | <u>\$ (97,612)</u> |

KLEBERG COUNTY, TEXAS

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

| | Other Special Revenue Funds | GOMESA Grant Fund | COVID ARPA Fund |
|--|-----------------------------------|-------------------------|-----------------------|
| Revenue: | | | |
| Taxes: | | | |
| <i>Gross Receipts Business Taxes</i> | \$ -- | \$ -- | \$ -- |
| <i>Intergovernmental</i> | 75,196 | 768,251 | -- |
| <i>Charges for Services</i> | -- | -- | -- |
| <i>Fines and Forfeitures</i> | -- | -- | -- |
| <i>Fees of Office</i> | -- | -- | -- |
| <i>Investment Earnings</i> | 3,879 | -- | 12,125 |
| <i>Miscellaneous Revenues</i> | -- | -- | -- |
| <i>Contributions & Donations</i> | -- | -- | -- |
| Total Revenues | <u>79,075</u> | <u>768,251</u> | <u>12,125</u> |
| Expenditures: | | | |
| Current: | | | |
| <i>General Government</i> | 309,008 | -- | 660,281 |
| <i>Judicial</i> | -- | -- | -- |
| <i>Public Safety</i> | -- | -- | -- |
| <i>Public Transportation</i> | -- | -- | -- |
| <i>Health and Welfare</i> | -- | -- | -- |
| <i>Culture and Recreation</i> | -- | 1,056,838 | -- |
| <i>Economic Development and Assistance</i> | -- | -- | -- |
| Debt Service: | | | |
| <i>Principal</i> | -- | -- | -- |
| <i>Interest and Fiscal Charges</i> | -- | -- | -- |
| Total Expenditures | <u>309,008</u> | <u>1,056,838</u> | <u>660,281</u> |
| Excess (Deficiency) of Revenues | | | |
| Over (Under) Expenditures | <u>(229,933)</u> | <u>(288,587)</u> | <u>(648,156)</u> |
| Other Financing Sources (Uses): | | | |
| <i>Transfers In</i> | -- | -- | -- |
| <i>Transfers Out</i> | -- | -- | -- |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | <u>(229,933)</u> | <u>(288,587)</u> | <u>(648,156)</u> |
| Fund Balances - Beginning | 109,547 | 289,159 | 1,174,623 |
| Fund Balances - Ending | <u>\$ (120,386)</u> | <u>\$ 572</u> | <u>\$ 526,467</u> |

| CEAP ARPA Fund | LIHWAP Grant Fund | Rural Business Development Grant | Total Nonmajor Special Revenue Funds (See Exhibit C-2) |
|----------------------|----------------------|--|---|
| \$ -- | \$ -- | \$ -- | \$ 69,521 |
| -- | 3,672 | -- | 11,042,271 |
| -- | -- | -- | 153,588 |
| -- | -- | -- | 403,702 |
| -- | -- | -- | 903,151 |
| -- | -- | -- | 271,046 |
| -- | -- | -- | 9,566 |
| -- | -- | -- | 70,479 |
| <u>--</u> | <u>3,672</u> | <u>--</u> | <u>12,923,324</u> |
| -- | -- | -- | 4,017,881 |
| -- | -- | -- | 783,932 |
| -- | -- | -- | 3,517,529 |
| -- | -- | -- | 142,885 |
| -- | -- | -- | 3,660,108 |
| -- | -- | -- | 1,082,062 |
| -- | -- | 30,411 | 2,855,209 |
| -- | -- | -- | 134,484 |
| -- | -- | -- | 50,549 |
| <u>--</u> | <u>--</u> | <u>30,411</u> | <u>16,244,639</u> |
| <u>--</u> | <u>3,672</u> | <u>(30,411)</u> | <u>(3,321,315)</u> |
| -- | -- | 74,310 | 658,757 |
| -- | -- | -- | (30,271) |
| <u>--</u> | <u>--</u> | <u>74,310</u> | <u>628,486</u> |
| -- | 3,672 | 43,899 | (2,692,829) |
| <u>(4,697)</u> | <u>(3,672)</u> | <u>(99,034)</u> | <u>5,974,921</u> |
| <u>\$ (4,697)</u> | <u>\$ --</u> | <u>\$ (55,135)</u> | <u>\$ 3,282,092</u> |

KLEBERG COUNTY, TEXAS
 TASK FORCE PROGRAM INCOME
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-5

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 919,546 | \$ 919,546 | \$ 670,696 | \$ (248,850) |
| Investment Earnings | 35,270 | 35,270 | 35,270 | -- |
| Total Revenues | <u>954,816</u> | <u>954,816</u> | <u>705,966</u> | <u>(248,850)</u> |
| EXPENDITURES: | | | | |
| Public Safety | | | | |
| Public Safety | | | | |
| <i>Personal Services</i> | 708,346 | 708,346 | 613,089 | 95,257 |
| <i>Supplies</i> | 58,450 | 58,450 | 1,152 | 57,298 |
| <i>Other Services and Charges</i> | 241,378 | 241,378 | 12,172 | 229,206 |
| <i>Total Public Safety</i> | <u>1,008,174</u> | <u>1,008,174</u> | <u>626,413</u> | <u>381,761</u> |
| Total Public Safety | <u>1,008,174</u> | <u>1,008,174</u> | <u>626,413</u> | <u>381,761</u> |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | -- | -- | 2,545 | (2,545) |
| <i>Interest and Fiscal Charges</i> | -- | -- | 23 | (23) |
| Total Expenditures | <u>1,008,174</u> | <u>1,008,174</u> | <u>628,981</u> | <u>379,193</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(53,358)</u> | <u>(53,358)</u> | <u>76,985</u> | <u>130,343</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | (53,358) | (53,358) | 76,985 | 130,343 |
| | | | | |
| Fund Balances - Beginning | 1,207,379 | 1,207,379 | 1,207,379 | -- |
| Fund Balances - Ending | <u>\$ 1,154,021</u> | <u>\$ 1,154,021</u> | <u>\$ 1,284,364</u> | <u>\$ 130,343</u> |

KLEBERG COUNTY, TEXAS
SHERIFF CHAPTER 59 FORFEITURE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-6

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Fines and Forfeitures | \$ 230,000 | \$ 230,147 | \$ 164,601 | \$ (65,546) |
| Investment Earnings | 54 | 54 | 54 | -- |
| Total Revenues | <u>230,054</u> | <u>230,201</u> | <u>164,655</u> | <u>(65,546)</u> |
| EXPENDITURES: | | | | |
| Public Safety | | | | |
| Public Safety | | | | |
| <i>Personal Services</i> | 13,921 | 13,921 | 12,850 | 1,071 |
| <i>Other Services and Charges</i> | 225,805 | 225,805 | 225,805 | -- |
| <i>Total Public Safety</i> | <u>239,726</u> | <u>239,726</u> | <u>238,655</u> | <u>1,071</u> |
| Total Public Safety | <u>239,726</u> | <u>239,726</u> | <u>238,655</u> | <u>1,071</u> |
| Total Expenditures | <u>239,726</u> | <u>239,726</u> | <u>238,655</u> | <u>1,071</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(9,672)</u> | <u>(9,525)</u> | <u>(74,000)</u> | <u>(64,475)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | (9,672) | (9,525) | (74,000) | (64,475) |
| Fund Balances - Beginning | 233,132 | 233,131 | 233,131 | -- |
| Fund Balances - Ending | <u>\$ 223,460</u> | <u>\$ 223,606</u> | <u>\$ 159,131</u> | <u>\$ (64,475)</u> |

KLEBERG COUNTY, TEXAS
 CPS EXXON BUILDING
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-7

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 99,311 | \$ 99,311 | \$ 99,311 | \$ -- |
| Charges for Services | 146,249 | 146,249 | 135,832 | (10,417) |
| Investment Earnings | 15,338 | 15,338 | 15,338 | -- |
| Total Revenues | <u>260,898</u> | <u>260,898</u> | <u>250,481</u> | <u>(10,417)</u> |
| EXPENDITURES: | | | | |
| Public Safety | | | | |
| Public Safety | | | | |
| Maintenance | | | | |
| <i>Other Services and Charges</i> | 24,700 | 24,700 | 23,786 | 914 |
| <i>Total Maintenance</i> | <u>24,700</u> | <u>24,700</u> | <u>23,786</u> | <u>914</u> |
| Total Public Safety | <u>24,700</u> | <u>24,700</u> | <u>23,786</u> | <u>914</u> |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | 125,000 | 125,000 | 125,000 | -- |
| <i>Interest and Fiscal Charges</i> | 102,550 | 102,550 | 50,375 | 52,175 |
| Total Expenditures | <u>252,250</u> | <u>252,250</u> | <u>199,161</u> | <u>53,089</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>8,648</u> | <u>8,648</u> | <u>51,320</u> | <u>42,672</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | 8,648 | 8,648 | 51,320 | 42,672 |
| | | | | |
| Fund Balances - Beginning | 317,432 | 317,432 | 317,432 | -- |
| Fund Balances - Ending | <u>\$ 326,080</u> | <u>\$ 326,080</u> | <u>\$ 368,752</u> | <u>\$ 42,672</u> |

KLEBERG COUNTY, TEXAS
COMMUNITY SUPERVISION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-8

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 399,208 | \$ 399,479 | \$ 399,479 | \$ -- |
| Fees of Office | 500,000 | 502,955 | 502,956 | 1 |
| Investment Earnings | 200 | 212 | 212 | -- |
| Total Revenues | <u>899,408</u> | <u>902,646</u> | <u>902,647</u> | <u>1</u> |
| EXPENDITURES: | | | | |
| Public Safety | | | | |
| Public Safety | | | | |
| <i>Personal Services</i> | 719,694 | 709,627 | 698,072 | 11,555 |
| <i>Supplies</i> | 27,823 | 22,028 | 22,028 | -- |
| <i>Other Services and Charges</i> | 128,963 | 127,981 | 102,228 | 25,753 |
| <i>Total Public Safety</i> | <u>876,480</u> | <u>859,636</u> | <u>822,328</u> | <u>37,308</u> |
| Total Public Safety | <u>876,480</u> | <u>859,635</u> | <u>822,328</u> | <u>37,307</u> |
| Total Expenditures | <u>876,480</u> | <u>859,635</u> | <u>822,328</u> | <u>37,307</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>22,928</u> | <u>43,011</u> | <u>80,319</u> | <u>37,308</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| <i>Transfers In</i> | 13,291 | 13,291 | 13,291 | -- |
| <i>Transfers Out</i> | (30,000) | (30,271) | (30,271) | -- |
| Total Other Financing Sources (Uses) | <u>(16,709)</u> | <u>(16,980)</u> | <u>(16,980)</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | 6,219 | 26,031 | 63,339 | 37,308 |
| | | | | |
| Fund Balances - Beginning | 141,139 | 141,139 | 141,139 | -- |
| Fund Balances - Ending | <u>\$ 147,358</u> | <u>\$ 167,170</u> | <u>\$ 204,478</u> | <u>\$ 37,308</u> |

KLEBERG COUNTY, TEXAS
CSCD PERSONAL BOND FUND
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-9

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Fees of Office | \$ 289,799 | \$ 289,799 | \$ 289,799 | \$ -- |
| Investment Earnings | 7,103 | 7,103 | 8,328 | 1,226 |
| Total Revenues | <u>296,901</u> | <u>296,901</u> | <u>298,127</u> | <u>1,226</u> |
| EXPENDITURES: | | | | |
| Public Safety | | | | |
| Public Safety | | | | |
| <i>Personal Services</i> | 162,224 | 162,224 | 159,434 | 2,790 |
| <i>Other Services and Charges</i> | 220 | 220 | 220 | -- |
| <i>Total Public Safety</i> | <u>162,444</u> | <u>162,444</u> | <u>159,654</u> | <u>2,790</u> |
| Total Public Safety | <u>162,443</u> | <u>162,443</u> | <u>159,654</u> | <u>2,789</u> |
| Total Expenditures | <u>162,443</u> | <u>162,443</u> | <u>159,654</u> | <u>2,789</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>134,458</u> | <u>134,458</u> | <u>138,473</u> | <u>4,015</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | 134,458 | 134,458 | 138,473 | 4,015 |
| Fund Balances - Beginning | 503,456 | 503,456 | 503,456 | -- |
| Fund Balances - Ending | <u>\$ 637,914</u> | <u>\$ 637,914</u> | <u>\$ 641,929</u> | <u>\$ 4,015</u> |

KLEBERG COUNTY, TEXAS
 TEXAS A&M UNIVERSITY FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-10

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 189,756 | \$ 189,756 | \$ 189,100 | \$ (656) |
| Total Revenues | <u>189,756</u> | <u>189,756</u> | <u>189,100</u> | <u>(656)</u> |
| EXPENDITURES: | | | | |
| Economic Development and Assistance | | | | |
| <i>Personal Services</i> | 173,800 | 173,800 | 121,734 | 52,066 |
| <i>Supplies</i> | 28,744 | 28,744 | 27,393 | 1,351 |
| <i>Other Services and Charges</i> | 35,839 | 35,839 | 35,240 | 599 |
| <i>Total Economic Development and Assistance</i> | <u>238,383</u> | <u>238,383</u> | <u>184,367</u> | <u>54,016</u> |
| Total Expenditures | <u>238,383</u> | <u>238,383</u> | <u>184,367</u> | <u>54,016</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(48,627)</u> | <u>(48,627)</u> | <u>4,733</u> | <u>53,360</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | (48,627) | (48,627) | 4,733 | 53,360 |
| | | | | |
| Fund Balances - Beginning | 213,884 | 213,884 | 213,884 | -- |
| Fund Balances - Ending | <u>\$ 165,257</u> | <u>\$ 165,257</u> | <u>\$ 218,617</u> | <u>\$ 53,360</u> |

KLEBERG COUNTY, TEXAS
 RECORDS MANAGEMENT
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-11

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Fees of Office | \$ 102,565 | \$ 102,565 | \$ 74,036 | \$ (28,529) |
| Investment Earnings | 11,422 | 11,422 | 11,422 | -- |
| Total Revenues | <u>113,987</u> | <u>113,987</u> | <u>85,458</u> | <u>(28,529)</u> |
| EXPENDITURES: | | | | |
| General Government | | | | |
| <i>Personal Services</i> | 58,970 | 58,970 | 8,421 | 50,549 |
| <i>Supplies</i> | 9,117 | 9,117 | 4,551 | 4,566 |
| <i>Other Services and Charges</i> | 42,678 | 42,678 | 3,105 | 39,573 |
| Total General Government | <u>110,766</u> | <u>110,766</u> | <u>16,077</u> | <u>94,689</u> |
| Total Expenditures | <u>110,766</u> | <u>110,766</u> | <u>16,077</u> | <u>94,689</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>3,221</u> | <u>3,221</u> | <u>69,381</u> | <u>66,160</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balances | 3,221 | 3,221 | 69,381 | 66,160 |
| Fund Balances - Beginning | 224,464 | 224,464 | 224,464 | -- |
| Fund Balances - Ending | <u>\$ 227,685</u> | <u>\$ 227,685</u> | <u>\$ 293,845</u> | <u>\$ 66,160</u> |

KLEBERG COUNTY, TEXAS
D.A.'S FORFEITURE
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-12

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 649,941 | \$ 649,941 | \$ 644,251 | \$ (5,690) |
| Fines and Forfeitures | 801,396 | 801,396 | 153,097 | (648,299) |
| Investment Earnings | 45,474 | 45,474 | 24,158 | (21,316) |
| Total Revenues | <u>1,496,811</u> | <u>1,496,811</u> | <u>821,506</u> | <u>(675,305)</u> |
| EXPENDITURES: | | | | |
| Judicial | | | | |
| District Attorney | | | | |
| <i>Personal Services</i> | 1,024,873 | 1,024,873 | 599,654 | 425,219 |
| <i>Supplies</i> | 77,700 | 77,700 | 14,764 | 62,936 |
| <i>Other Services and Charges</i> | 230,051 | 230,051 | 93,385 | 136,666 |
| <i>Total District Attorney</i> | <u>1,332,624</u> | <u>1,332,624</u> | <u>707,803</u> | <u>624,821</u> |
| Total Judicial | <u>1,332,624</u> | <u>1,332,624</u> | <u>707,803</u> | <u>624,821</u> |
| Total Expenditures | <u>1,332,624</u> | <u>1,332,624</u> | <u>707,803</u> | <u>624,821</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>164,187</u> | <u>164,187</u> | <u>113,703</u> | <u>(50,484)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | 164,187 | 164,187 | 113,703 | (50,484) |
| Fund Balances - Beginning | 1,219,490 | 1,219,490 | 1,219,490 | -- |
| Fund Balances - Ending | <u>\$ 1,383,677</u> | <u>\$ 1,383,677</u> | <u>\$ 1,333,193</u> | <u>\$ (50,484)</u> |

KLEBERG COUNTY, TEXAS
HUMAN SERVICES 1/1-12/31
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-13

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 1,117,297 | \$ 1,117,297 | \$ 1,160,951 | \$ 43,654 |
| Miscellaneous Revenues | 1,966 | 1,966 | 1,966 | -- |
| Total Revenues | <u>1,119,263</u> | <u>1,119,263</u> | <u>1,162,917</u> | <u>43,654</u> |
| EXPENDITURES: | | | | |
| Health and Welfare | | | | |
| Health & Welfare | | | | |
| <i>Personal Services</i> | 231,856 | 203,856 | 194,102 | 9,754 |
| <i>Supplies</i> | 7,469 | 7,469 | 7,284 | 185 |
| <i>Other Services and Charges</i> | 833,714 | 873,724 | 865,679 | 8,045 |
| <i>Total Health & Welfare</i> | <u>1,073,039</u> | <u>1,085,049</u> | <u>1,067,065</u> | <u>17,984</u> |
| Total Health and Welfare | <u>1,073,039</u> | <u>1,085,049</u> | <u>1,067,065</u> | <u>17,984</u> |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | -- | -- | 4,046 | (4,046) |
| <i>Interest and Fiscal Charges</i> | -- | -- | 87 | (87) |
| Total Expenditures | <u>1,073,039</u> | <u>1,085,049</u> | <u>1,071,198</u> | <u>13,851</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>46,224</u> | <u>34,214</u> | <u>91,719</u> | <u>57,505</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | 46,224 | 34,214 | 91,719 | 57,505 |
| | | | | |
| Fund Balances - Beginning | 2,378 | 2,378 | 2,378 | -- |
| Fund Balances - Ending | <u>\$ 48,602</u> | <u>\$ 36,592</u> | <u>\$ 94,097</u> | <u>\$ 57,505</u> |

KLEBERG COUNTY, TEXAS
HUMAN SERVICES
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-14

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 3,357,286 | \$ 3,357,286 | \$ 1,219,011 | \$ (2,138,275) |
| Charges for Services | 11,650 | 11,650 | 13,295 | 1,645 |
| Total Revenues | <u>3,368,936</u> | <u>3,368,936</u> | <u>1,232,306</u> | <u>(2,136,630)</u> |
| EXPENDITURES: | | | | |
| Health and Welfare | | | | |
| Health & Welfare | | | | |
| <i>Personal Services</i> | 1,404,380 | 1,404,380 | 735,046 | 669,334 |
| <i>Supplies</i> | 82,587 | 82,587 | 81,748 | 839 |
| <i>Other Services and Charges</i> | 259,632 | 259,632 | 196,560 | 63,072 |
| <i>Capital Outlay</i> | 1,621,117 | 1,621,117 | 622,333 | 998,784 |
| <i>Total Health & Welfare</i> | <u>3,367,716</u> | <u>3,367,716</u> | <u>1,635,687</u> | <u>1,732,029</u> |
| Total Health and Welfare | <u>3,367,716</u> | <u>3,367,716</u> | <u>1,635,687</u> | <u>1,732,029</u> |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | -- | -- | 2,893 | (2,893) |
| <i>Interest and Fiscal Charges</i> | -- | -- | 64 | (64) |
| Total Expenditures | <u>3,367,716</u> | <u>3,367,716</u> | <u>1,638,644</u> | <u>1,729,072</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>1,220</u> | <u>1,220</u> | <u>(406,338)</u> | <u>(407,558)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | 1,220 | 1,220 | (406,338) | (407,558) |
| Fund Balances - Beginning | (361,160) | (361,160) | (361,160) | -- |
| Fund Balances - Ending | <u>\$ (359,940)</u> | <u>\$ (359,940)</u> | <u>\$ (767,498)</u> | <u>\$ (407,558)</u> |

KLEBERG COUNTY, TEXAS
HUMAN SERVICES 10/1-9/30
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-15

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|---------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 548,698 | \$ 548,698 | \$ 484,257 | \$ (64,441) |
| Miscellaneous Revenues | 2,600 | 2,600 | 2,600 | -- |
| Contributions & Donations | 39,994 | 39,994 | 30,929 | (9,065) |
| Total Revenues | <u>591,291</u> | <u>591,291</u> | <u>517,786</u> | <u>(73,505)</u> |
| EXPENDITURES: | | | | |
| Health and Welfare | | | | |
| Health & Welfare | | | | |
| <i>Personal Services</i> | 317,083 | 317,083 | 317,082 | 1 |
| <i>Supplies</i> | 276,461 | 276,461 | 276,461 | -- |
| <i>Other Services and Charges</i> | 96,478 | 96,479 | 89,157 | 7,322 |
| <i>Total Health & Welfare</i> | <u>690,022</u> | <u>690,023</u> | <u>682,700</u> | <u>7,323</u> |
| Total Health and Welfare | <u>690,022</u> | <u>690,022</u> | <u>682,700</u> | <u>7,322</u> |
| Total Expenditures | <u>690,022</u> | <u>690,022</u> | <u>682,700</u> | <u>7,322</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(98,731)</u> | <u>(98,731)</u> | <u>(164,914)</u> | <u>(66,183)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| <i>Transfers In</i> | 146,289 | 146,289 | 111,289 | (35,000) |
| Total Other Financing Sources (Uses) | <u>146,289</u> | <u>146,289</u> | <u>111,289</u> | <u>35,000</u> |
| Net Change in Fund Balances | 47,558 | 47,558 | (53,625) | (101,183) |
| Fund Balances - Beginning | (146,767) | (146,767) | (146,767) | -- |
| Fund Balances - Ending | <u>\$ (99,209)</u> | <u>\$ (99,209)</u> | <u>\$ (200,392)</u> | <u>\$ (101,183)</u> |

KLEBERG COUNTY, TEXAS
 COVID-ARPA
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-16

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|-------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Intergovernmental | \$ 319,082 | \$ 319,082 | \$ -- | \$ (319,082) |
| Investment Earnings | 12,125 | 12,125 | 12,125 | -- |
| Total Revenues | <u>331,207</u> | <u>331,207</u> | <u>12,125</u> | <u>(319,082)</u> |
| EXPENDITURES: | | | | |
| General Government | | | | |
| <i>Personal Services</i> | 288,900 | 288,900 | 47,590 | 241,310 |
| <i>Supplies</i> | 27,525 | 27,525 | 899 | 26,626 |
| <i>Other Services and Charges</i> | 707,245 | 707,245 | 328,913 | 378,332 |
| <i>Capital Outlay</i> | 553,534 | 553,534 | 282,879 | 270,655 |
| Total General Government | <u>1,577,204</u> | <u>1,577,204</u> | <u>660,281</u> | <u>916,923</u> |
| Total Expenditures | <u>1,577,204</u> | <u>1,577,204</u> | <u>660,281</u> | <u>916,923</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(1,245,997)</u> | <u>(1,245,997)</u> | <u>(648,156)</u> | <u>597,841</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| | | | | |
| Net Change in Fund Balances | (1,245,997) | (1,245,997) | (648,156) | 597,841 |
| Fund Balances - Beginning | 1,174,623 | 1,174,623 | 1,174,623 | -- |
| Fund Balances - Ending | <u>\$ (71,374)</u> | <u>\$ (71,374)</u> | <u>\$ 526,467</u> | <u>\$ 597,841</u> |

KLEBERG COUNTY, TEXAS
 DEBT SERVICE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-17

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Taxes: | | | | |
| <i>General Property Taxes</i> | \$ 2,641,630 | \$ 2,641,630 | \$ 2,641,630 | \$ -- |
| <i>Other Taxes - Miscellaneous</i> | 26,387 | 26,387 | 26,387 | -- |
| Investment Earnings | 142,368 | 142,368 | 142,368 | -- |
| Total Revenues | <u>2,810,384</u> | <u>2,810,384</u> | <u>2,810,385</u> | <u>--</u> |
| EXPENDITURES: | | | | |
| <i>Debt Service:</i> | | | | |
| <i>Principal</i> | 392,000 | 392,000 | 380,000 | 12,000 |
| <i>Interest and Fiscal Charges</i> | 161,875 | 161,875 | 59,529 | 102,346 |
| Total Expenditures | <u>553,875</u> | <u>553,875</u> | <u>439,529</u> | <u>114,346</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>2,256,509</u> | <u>2,256,509</u> | <u>2,370,856</u> | <u>114,347</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| <i>Transfers In</i> | 800 | 800 | 800 | -- |
| Total Other Financing Sources (Uses) | <u>800</u> | <u>800</u> | <u>800</u> | <u>--</u> |
| Net Change in Fund Balances | 2,257,309 | 2,257,309 | 2,371,656 | 114,347 |
| Fund Balances - Beginning | 1,238,368 | 1,238,368 | 1,238,368 | -- |
| Fund Balances - Ending | <u>\$ 3,495,677</u> | <u>\$ 3,495,677</u> | <u>\$ 3,610,024</u> | <u>\$ 114,347</u> |

KLEBERG COUNTY, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 SEPTEMBER 30, 2024

| | <u>Capital Projects Fund</u> | <u>Rodeo Outside Arena Fund</u> | <u>Total Nonmajor Capital Projects Funds (See Exhibit C-1)</u> |
|---|--------------------------------------|---|--|
| ASSETS | | | |
| <i>Assets:</i> | | | |
| <i>Cash and Cash Equivalents</i> | \$ 294 | \$ 148 | \$ 442 |
| <i>Equity in Pooled Cash</i> | 210 | -- | 210 |
| Total Assets | <u>\$ 504</u> | <u>\$ 148</u> | <u>\$ 652</u> |
| LIABILITIES AND FUND BALANCES: | | | |
| <i>Liabilities:</i> | | | |
| DEFERRED INFLOWS OF RESOURCES | | | |
| <i>Fund Balances:</i> | | | |
| <i>Restricted</i> | \$ 504 | \$ 148 | \$ 652 |
| Total Fund Balance | <u>504</u> | <u>148</u> | <u>652</u> |
| Total Liabilities and Fund Balance | <u>\$ 504</u> | <u>\$ 148</u> | <u>\$ 652</u> |

KLEBERG COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

| | Capital Projects Fund | Rodeo Outside Arena Fund | Total Nonmajor Capital Projects Funds (See Exhibit C-2) |
|--|-----------------------------|--------------------------------|--|
| Revenue: | | | |
| <i>Investment Earnings</i> | \$ 43 | \$ 8 | \$ 51 |
| Total Revenues | <u>43</u> | <u>8</u> | <u>51</u> |
| Expenditures: | | | |
| Current: | | | |
| <i>Culture and Recreation</i> | -- | 136,666 | 136,666 |
| Debt Service: | | | |
| <i>Principal</i> | -- | 120,000 | 120,000 |
| <i>Interest and Fiscal Charges</i> | -- | 44,950 | 44,950 |
| Total Expenditures | <u>--</u> | <u>301,616</u> | <u>301,616</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>43</u> | <u>(301,608)</u> | <u>(301,565)</u> |
| Other Financing Sources (Uses): | | | |
| <i>Transfers In</i> | -- | 319,791 | 319,791 |
| <i>Transfers Out</i> | (21,997) | -- | (21,997) |
| Total Other Financing Sources (Uses) | <u>(21,997)</u> | <u>319,791</u> | <u>297,794</u> |
| Net Change in Fund Balances | (21,954) | 18,183 | (3,771) |
| Fund Balances - Beginning | 22,458 | (18,035) | 4,423 |
| Fund Balances - Ending | <u>\$ 504</u> | <u>\$ 148</u> | <u>\$ 652</u> |

KLEBERG COUNTY, TEXAS
 RODEO/OUTSIDE ARENA
 CAPITAL PROJECTS FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

EXHIBIT C-20

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|------------------|---|
| | Original | Final | | |
| REVENUE: | | | | |
| Investment Earnings | \$ 8 | \$ 8 | \$ 8 | \$ -- |
| Total Revenues | <u>8</u> | <u>8</u> | <u>8</u> | <u>--</u> |
| EXPENDITURES: | | | | |
| Culture and Recreation | | | | |
| Parks Department | | | | |
| Other Services and Charges | 145,838 | 192,638 | 136,666 | 55,972 |
| Total Parks Department | <u>145,838</u> | <u>192,638</u> | <u>136,666</u> | <u>55,972</u> |
| Total Culture and Recreation | <u>145,838</u> | <u>192,638</u> | <u>136,666</u> | <u>55,972</u> |
| Debt Service: | | | | |
| Principal | 120,000 | 120,000 | 120,000 | -- |
| Interest and Fiscal Charges | 47,350 | 47,350 | 44,950 | 2,400 |
| Total Expenditures | <u>313,188</u> | <u>359,988</u> | <u>301,616</u> | <u>58,372</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(313,180)</u> | <u>(359,980)</u> | <u>(301,608)</u> | <u>58,372</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers In | -- | -- | 319,791 | 319,791 |
| Total Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>319,791</u> | <u>(319,791)</u> |
| | | | | |
| Net Change in Fund Balances | (313,180) | (359,980) | 18,183 | 378,163 |
| | | | | |
| Fund Balances - Beginning | (18,035) | (18,035) | (18,035) | -- |
| Fund Balances - Ending | <u>\$ (331,215)</u> | <u>\$ (378,015)</u> | <u>\$ 148</u> | <u>\$ 378,163</u> |

KLEBERG COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

| | Investment Trust Funds | | | Total Investment Trust Funds |
|---|-------------------------|-------------------------------|-------------------------------|------------------------------------|
| | County Clerk Trustee | County Attorney Trustee | District Clerk Registry | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 218,887 | \$ - | \$ 3,232,116 | \$ 3,451,003 |
| Accounts Receivable | - | - | - | - |
| Total assets | <u>218,887</u> | <u>-</u> | <u>3,232,116</u> | <u>3,451,003</u> |
| LIABILITIES | | | | |
| Due to Other Governments and Agencies | - | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION | | | | |
| Restricted for: | | | | |
| Individuals, organizations, and other governments | 218,887 | - | 3,232,116 | 3,451,003 |
| Total Net Position | <u>\$ 218,887</u> | <u>\$ -</u> | <u>\$ 3,232,116</u> | <u>\$ 3,451,003</u> |

Custodial Funds

| Payroll Fund | County Sheriff Seizures | J.P. Pct #1 | J.P. Pct #2 | J.P. Pct #3 | J.P. Pct #4 | Sheriff Commissary | Sheriff Account |
|--------------|-------------------------|--------------|--------------|---------------|--------------|--------------------|-----------------|
| \$ - | \$ 403,627 | \$ 8,013 | \$ 2,902 | \$ 58,933 | \$ 3,312 | \$ 197,246 | \$ 6,862 |
| - | - | - | - | - | - | - | - |
| <u>-</u> | <u>403,627</u> | <u>8,013</u> | <u>2,902</u> | <u>58,933</u> | <u>3,312</u> | <u>197,246</u> | <u>6,862</u> |
| - | 403,627 | 8,013 | 2,902 | 58,933 | 3,312 | 197,246 | 6,862 |
| - | 403,627 | 8,013 | 2,902 | 58,933 | 3,312 | 197,246 | 6,862 |
| - | - | - | - | - | - | - | - |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

KLEBERG COUNTY, TEXAS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2024

| | Sheriff Inmate Trust | Tax Assessor/ Collector Highway Acct | Tax Assessor/ Collector VIT Acct | Tax Assessor/ Collector Tax Acct | Library |
|---|----------------------------|--|--|--|---------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 193,773 | \$ 225,719 | \$ 243,438 | \$ 88,322 | \$ 837 |
| Accounts Receivable | - | - | - | - | - |
| Total assets | <u>193,773</u> | <u>225,719</u> | <u>243,438</u> | <u>88,322</u> | <u>837</u> |
| LIABILITIES | | | | | |
| Due to Other Governments and Agencies | - | - | - | 88,322 | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>88,322</u> | <u>-</u> |
| NET POSITION | | | | | |
| Restricted for | | | | | |
| Individuals, organizations, and other governments | # 193,773 | # 225,719 | 243,438 | - | 837 |
| Total Net Position | <u>\$ 193,773</u> | <u>\$ 225,719</u> | <u>\$ 243,438</u> | <u>\$ -</u> | <u>\$ 837</u> |

| Custodial Funds | | | | | | | | |
|-------------------------|------------------|--------------------------|-------------------------|--------------------|----------------|---------------------|-----------------|-----------------------|
| County Clerk Cash Bonds | District Clerk | District Clerk Cash Bond | District Clerk Fee Acct | Tax Office Special | DPS Seizures | Task Force Seizures | Activities Fund | Total Custodial Funds |
| \$ 348,115 | \$ 47,975 | \$ 154,742 | \$ 3,180 | \$ 11,003 | \$ 108,541 | \$ 1,132,755 | \$ 18,395 | 6,708,693 |
| <u>348,115</u> | <u>47,975</u> | <u>154,742</u> | <u>3,180</u> | <u>11,003</u> | <u>108,541</u> | <u>1,132,755</u> | <u>18,395</u> | <u>6,708,693</u> |
| - | - | - | - | - | 108,541 | 1,132,755 | - | 2,010,513 |
| - | - | - | - | - | 108,541 | 1,132,755 | - | 2,010,513 |
| <u>348,115</u> | <u>47,975</u> | <u>154,742</u> | <u>3,180</u> | <u>11,003</u> | - | - | 18,395 | 4,698,180 |
| \$ <u>348,115</u> | \$ <u>47,975</u> | \$ <u>154,742</u> | \$ <u>3,180</u> | \$ <u>11,003</u> | \$ - | \$ - | \$ 18,395 | <u>4,698,180</u> |

KLEBERG COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

| | Investment Trust Funds | | | Total Investment Trust Funds |
|---|-------------------------|-------------------------------|-------------------------------|------------------------------------|
| | County Clerk Trustee | County Attorney Trustee | District Clerk Registry | |
| ADDITIONS | | | | |
| Contributions | | | | |
| Governmental fees collected | \$ - | \$ - | \$ - | \$ - |
| Taxes collected for other governments | - | - | - | - |
| Payroll funds collected | - | - | - | - |
| Other funds collected | 464,198 | 3,535 | 87,787 | 555,520 |
| Total Contributions | <u>464,198</u> | <u>3,535</u> | <u>87,787</u> | <u>555,520</u> |
| DEDUCTIONS | | | | |
| Governmental fees remitted | - | - | - | - |
| Taxes remitted to other governments | - | - | - | - |
| Payroll funds remitted | - | - | - | - |
| Other funds remitted | 390,276 | 3,585 | 86,044 | 479,905 |
| Total deductions | <u>390,276</u> | <u>3,585</u> | <u>86,044</u> | <u>479,905</u> |
| Net increase (decrease) in fiduciary net position | 73,922 | (50) | 1,743 | 75,615 |
| Net position-beginning | <u>144,965</u> | <u>50</u> | <u>3,230,373</u> | <u>3,375,388</u> |
| Net position-ending | <u>\$ 218,887</u> | <u>\$ -</u> | <u>\$ 3,232,116</u> | <u>\$ 3,451,003</u> |

| Custodial Funds | | | | | | | | |
|------------------|-------------------------|----------------|---------------|------------------|--------------|--------------------|-----------------|----------------------|
| Payroll Fund | County Sheriff Seizures | J.P. Pct #1 | J.P. Pct #2 | J.P. Pct #3 | J.P. Pct #4 | Sheriff Commissary | Sheriff Account | Sheriff Inmate Trust |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |
| 9,137,517 | - | - | - | - | - | - | - | - |
| - | 160,301 | 269,253 | 74,380 | 1,288,598 | 7,302 | 186,992 | 26,344 | 374,732 |
| <u>9,137,517</u> | <u>160,301</u> | <u>269,253</u> | <u>74,380</u> | <u>1,288,598</u> | <u>7,302</u> | <u>186,992</u> | <u>26,344</u> | <u>374,732</u> |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 9,137,517 | - | - | - | - | - | - | - | - |
| - | 160,301 | 269,253 | 74,380 | 1,288,598 | 7,302 | 186,992 | 26,344 | 377,381 |
| <u>9,137,517</u> | <u>160,301</u> | <u>269,253</u> | <u>74,380</u> | <u>1,288,598</u> | <u>7,302</u> | <u>186,992</u> | <u>26,344</u> | <u>377,381</u> |
| - | - | - | - | - | - | - | - | (2,649) |
| - | - | - | - | - | - | - | - | 196,422 |
| <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 193,773</u> |

KLEBERG COUNTY, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

| | Tax Assessor/ Collector Highway Acct | Tax Assessor/ Collector VIT Acct | Tax Assessor/ Collector Tax Acct | Library |
|---|--|--|--|---------------|
| ADDITIONS | | | | |
| Contributions | | | | |
| Governmental fees collected | \$ - | \$ - | \$ - | \$ - |
| Taxes collected for other governments | 8,380,341 | 343,818 | 45,293,236 | - |
| Payroll funds collected | - | - | - | - |
| Other funds collected | - | - | - | 8,098 |
| Total Contributions | <u>8,380,341</u> | <u>343,818</u> | <u>45,293,236</u> | <u>8,098</u> |
| DEDUCTIONS | | | | |
| Governmental fees remitted | - | - | - | - |
| Taxes remitted to other governments | 8,308,277 | 371,352 | 45,293,236 | - |
| Payroll funds remitted | - | - | - | - |
| Other funds remitted | - | - | - | 8,195 |
| Total deductions | <u>8,308,277</u> | <u>371,352</u> | <u>45,293,236</u> | <u>8,195</u> |
| Net increase (decrease) in fiduciary net position | 72,064 | (27,534) | - | (97) |
| Net position-beginning | <u>153,655</u> | <u>270,972</u> | <u>-</u> | <u>934</u> |
| Net position-ending | <u>\$ 225,719</u> | <u>\$ 243,438</u> | <u>\$ -</u> | <u>\$ 837</u> |

| Custodial Funds | | | | | | | | |
|-------------------------|------------------|--------------------------|-------------------------|--------------------|--------------|---------------------|-----------------|-----------------------|
| County Clerk Cash Bonds | District Clerk | District Clerk Cash Bond | District Clerk Fee Acct | Tax Office Special | DPS Seizures | Task Force Seizures | Activities Fund | Total Custodial Funds |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | 54,017,395 |
| - | - | - | - | - | - | - | - | 9,137,517 |
| 120,292 | 223,988 | 35,100 | 12,606 | 6,560 | 5,623 | 942,299 | 29,344 | 4,327,332 |
| <u>120,292</u> | <u>223,988</u> | <u>35,100</u> | <u>12,606</u> | <u>6,560</u> | <u>5,623</u> | <u>942,299</u> | <u>29,344</u> | <u>67,482,244</u> |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | 53,972,865 |
| - | - | - | - | - | - | - | - | 9,137,517 |
| 63,691 | 224,431 | 10,750 | 13,449 | 13,535 | 5,623 | 942,299 | 36,724 | 4,189,153 |
| <u>63,691</u> | <u>224,431</u> | <u>10,750</u> | <u>13,449</u> | <u>13,535</u> | <u>5,623</u> | <u>942,299</u> | <u>36,724</u> | <u>67,299,535</u> |
| 56,601 | (443) | 24,350 | (843) | (6,975) | - | - | (7,360) | 182,709 |
| 291,514 | 48,418 | 130,392 | 4,023 | 17,978 | - | - | 25,775 | 4,515,471 |
| <u>\$ 348,115</u> | <u>\$ 47,975</u> | <u>\$ 154,742</u> | <u>\$ 3,180</u> | <u>\$ 11,003</u> | <u>\$ -</u> | <u>\$ -</u> | <u>18,395</u> | <u>\$ 4,698,180</u> |

This page is left blank intentionally.

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

This page is left blank intentionally.

Raul Hernandez & Company, P.C.
Certified Public Accountants
5402 Holly Rd., Suite 102
Corpus Christi, Texas 78411

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*

County Commissioners
Kleberg County, Texas
P.O. Box 72
Kingsville, Texas 78364

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 Kleberg County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Kleberg County, Texas's basic financial statements, and have issued our report thereon dated April 13, 2026.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item findings and questioned costs as item(s) 2024-001 and 2024-002 that we consider to be a material weakness.

Compliance and Other Matters

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

Kleberg County, Texas's Response to Findings

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Raul Hernandez & Company, P.C." The signature is written in a cursive, flowing style.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
April 13, 2026

Raul Hernandez & Company, P.C.
Certified Public Accountants
5402 Holly Rd., Suite 102
Corpus Christi, Texas 78411

Independent Auditor's Report on Compliance for Each Major Federal and State Program and
Report on Internal Control Over Compliance in Accordance with the Uniform Guidance
and the Texas Grant Management Standards

County Commissioners
Kleberg County, Texas
P.O. Box 72
Kingsville, Texas 78364

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

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

We are required to be independent of Kleberg County, Texas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Kleberg County, Texas's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Kleberg County, Texas's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Kleberg County, Texas's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Kleberg County, Texas's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

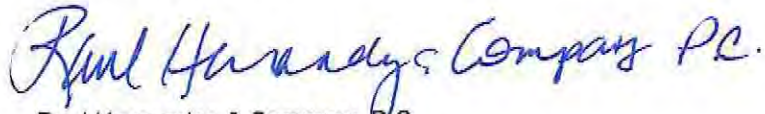
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Raul Hernandez & Company P.C." in a cursive script.

Raul Hernandez & Company, P.C.

Corpus Christi, Texas
April 13, 2026

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

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? X Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Version of compliance supplement used in audit: August 2019

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, para. 200.516(a)? Yes X No

Identification of major programs:

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------------------------|---|
| 11.307 | Economic Adjustment Assistance |
| 14.228 | Community Block Development Grants |
| 93.568 | Low Income Home Energy Assistance |
| State N/A | Operation Lone Star Grant |
| State N/A | Senate Bill 22 |

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

Auditee qualified as low-risk auditee? Yes X No

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

B - Financial Statement Findings

Finding 2024-001

Internal Controls Over Collections and Case File Documentation - JP #1 Office

Condition

During our audit procedures, including procedures performed through March 31, 2026, and based in part on work performed by the County Auditor's Internal Audit Department (which we reviewed and tested), we identified deficiencies in internal controls over collections and documentation for tickets and fines. Specifically:

- Payments and dismissal fees were accepted without the required supporting documentation.
- Dismissal fees were collected without supporting documentation in the case file.
- Discrepancies were identified between signatures on citations and money orders.
- Money orders were reportedly received without issuance of a receipt, and no receipt was located.
- Documentation submitted by the defendants was not consistently retained, with only partial evidence available.

Criteria

Internal control standards and applicable state requirements require that:

- All collections should be receipted at the time of payment.
- Funds are recorded and deposited intact, and
- Case files contain complete supporting documentation for all transactions and dismissals.

Cause

- Failure to enforce receipt issuance procedures
- Weak controls over documentation retention
- Lack of segregation of duties and supervisory review
- Inadequate monitoring and follow-up on identified deficiencies

Effect

- Reasonable possibility of material misstatement or misappropriation of funds
- Inability to verify completeness and accuracy of collections
- Increased risk of noncompliance with statutory requirements

Recommendation

1. Perform daily reconciliations of receipts to deposits, with independent review.
2. Maintain complete documentation in all case files.
3. Strengthen segregation of duties.

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

Management's Response

Management of the JP #1 Office agrees with the finding and acknowledges that deficiencies existed in internal controls over collections and case file documentation.

To address the identified issues, management will implement the following corrective actions:

- 1. Receipt Controls**
 - o Require supervisory review of receipt sequences to ensure completeness.
 - o Require supervisory signature on all dismissals and credits with proper backup documentation
- 2. Daily Reconciliation Procedures**
 - o Establish procedures to perform daily reconciliations of collections to deposits.
- 3. Case File Documentation**
 - o Require that all supporting documentation (e.g., proof of insurance, driver's license, dismissal eligibility) be obtained and maintained in the case file prior to processing dismissals.
 - o Implement a standardized checklist to ensure file completeness.
- 4. Segregation of Duties**
 - o Separate responsibilities for collection, recording, and deposit preparation to the extent feasible.
 - o Where staffing is limited, implement compensating controls such as increased supervisory oversight.
- 5. Monitoring and Oversight**
 - o Coordinate with the County Auditor's Internal Audit Department for follow-up reviews.
- 6. Training and Accountability**
 - o Provide training to staff on proper cash handling procedures and documentation requirements.
 - o Reinforce accountability through updated policies and disciplinary procedures, if necessary.

**Finding 2024-002- Material Weakness in Internal Control over Financial Reporting-
Untimely Posting of Treasurer Transactions**

Condition:

During our audit procedures over cash and receipts, we identified that the County Treasurer did not record transactions in a timely manner throughout the fiscal year ended September 30, 2024. Based on audit workpapers and memorandums provided by the County Auditor, numerous receipts, including bank interest and other revenues, were recorded significantly after the fiscal year in which the underlying activity occurred. Specifically, transactions related to activity occurring between October 1, 2023, and July 31, 2024, were not recorded until September 2024 or later. In several instances, multiple months of receipts were posted in a single batch rather than as received. As of audit fieldwork through March 31, 2026, we noted that delays in posting transactions persisted and continued to impact the County's ability to perform timely cash reconciliations.

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

Criteria:

Internal control standards require that transactions be recorded in a timely manner and within the proper fiscal year to ensure accurate and reliable financial reporting. Timely recording of receipts is essential to maintaining accurate cash balances and to enabling the timely preparation and review of financial information.

Cause:

The condition appears to be due to deficiencies in internal controls within the Treasurer's office, including:

- Lack of formal policies or timelines for recording receipts,
- Inadequate reconciliation procedures, and
- Insufficient supervisory review to ensure transactions are recorded in a timely manner within the fiscal year.

Effect:

The failure to record transactions in a timely manner during the fiscal year ended September 30, 2024, represents a material weakness in internal control over financial reporting, as there is a reasonable possibility that a material misstatement of the financial statements could occur and go undetected in a timely manner.

Additionally, delays in posting transactions resulted in:

- Inaccurate and untimely financial information available to management,
- Delays in completing cash reconciliations, and
- Extended audit procedures and fieldwork through March 31, 2026, to verify cash activity and ensure proper fiscal year recognition.

Recommendation:

We recommend that the County Treasurer strengthen internal controls to ensure transactions are recorded in a timely manner within the appropriate fiscal year. Specifically, the County should:

- Establish and enforce policies requiring daily or weekly posting of receipts,
- Perform timely monthly cash reconciliations between Treasurer and Auditor records,
- Implementation of controls over the recording process, and coordination with the County Auditor to ensure all transactions are properly recorded prior to the fiscal year-end close.

Management's Response:

Management agrees that delays in receipting increase the risk of errors and misstatements and reduce transparency in financial reporting, which impacts the County's ability to effectively monitor cash flow and ensure accurate accounting records. As a result, the County will implement a collaborative effort to improve the recording process to ensure transactions are recorded in a timely manner.

C. Federal Award Findings and Questioned Costs

NONE

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

| <u>Finding/Recommendation</u> | <u>Current Status</u> | <u>Management's Explanation If Not Implemented</u> |
|-------------------------------|-----------------------|--|
| Finding No. 2023-001 | Implemented | N/A |

Criteria: The County's accounting system must make it possible to both: (a) present fairly and fully disclose the funds and activities of the County in conformity with generally accepted accounting principles, and (b) determine and demonstrate compliance with finance-related, legal, and contractual provisions.

Condition: The County did not prepare year-end reconciliations and other year end supporting schedules in a timely manner or they were not complete. This resulted in additional time and effort on our part during the course of the audit.

Cause: The County had a large cash reconciliation discrepancy that needed adjustments to be made to correct the ending balance of cash. During the year, transactions were not posted correctly by the County Treasurer's office which created a significant difference in the September, 2023 reconciliation of (\$2,057,753.72). This difference was not discovered in a timely manner and has caused additional time and effort to correct during the audit process.

Effect: The County did not reconcile the bank accounts correctly at year end and there are many individual funds carrying negative fund balances.

Recommendation: The County must develop a year end closing plan to ensure that proper internal controls over financial reporting and compliance are in place. The County cannot continue to have negative fund balances. The County needs to take action to improve its operations and correct the negative fund balances.

Management Response: The County is going to create a process for year-end closing which will be developed and implemented for full compliance of financial reporting at year end and enhanced cross training will be conducted.

KLEBERG COUNTY, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Finding 2024-001

Management of the JP #1 Office agrees with the finding and acknowledges that deficiencies existed in internal controls over collections and case file documentation.

To address the identified issues, management will implement the following corrective actions:

1. Receipt Controls

- Require supervisory review of receipt sequences to ensure completeness.
- Require supervisory signature on all dismissals and credits with proper backup documentation

2. Daily Reconciliation Procedures

- Establish procedures to perform daily reconciliations of collections to deposits.

3. Case File Documentation

- Require that all supporting documentation (e.g., proof of insurance, driver's license, dismissal eligibility) be obtained and maintained in the case file prior to processing dismissals.
- Implement a standardized checklist to ensure file completeness.

4. Segregation of Duties

- Separate responsibilities for collection, recording, and deposit preparation to the extent feasible.
- Where staffing is limited, implement compensating controls such as increased supervisory oversight.

5. Monitoring and Oversight

- Coordinate with the County Auditor's Internal Audit Department for follow-up reviews.

6. Training and Accountability

- Provide training to staff on proper cash handling procedures and documentation requirements.
- Reinforce accountability through updated policies and disciplinary procedures, if necessary.

Finding 2024-002

Management agrees that delays in receipting increase the risk of errors and misstatements and reduce transparency in financial reporting, which impacts the County's ability to effectively monitor cash flow and ensure accurate accounting records. As a result, the County will implement a collaborative effort to improve the recording process to ensure transactions are recorded in a timely manner.

Contact person: Melissa Green, County Auditor (361)595-8526

KLEBERG COUNTY, TEXAS

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

EXHIBIT D-1

Page 1 of 3

| Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title | Federal ALN Number | Pass- Through Entity Identifying Number | Passed Through to Subrecipients | Federal Expenditures |
|---|--------------------------|---|---------------------------------------|-------------------------|
| AGING CLUSTER: | | | | |
| <u>U. S. Department of Health and Human Services</u> | | | | |
| Passed Through Texas Health and Humans Services Commission: | | | | |
| Special Programs for Aging Title III | 93.045 | Title III | \$ | \$ 209,032 |
| Passed Through United States Department of Health and Human Services: | | | | |
| Special Programs for Aging Title XX | 93.045 | 000158400 | | 473,618 |
| Total U. S. Department of Health and Human Services | | | -- | 682,650 |
| Total Aging Cluster | | | -- | 682,650 |
| ECONOMIC DEVELOPMENT CLUSTER: | | | | |
| <u>U. S. Department of Commerce</u> | | | | |
| Passed Through Economic Adjustment Assistance - Disaster Supplemental Assistance: | | | | |
| Economic Development Administration (EDA) | 11.307 | 08-79-05329 | | 3,243,409 |
| Total U. S. Department of Commerce | | | -- | 3,243,409 |
| Total Economic Development Cluster | | | -- | 3,243,409 |
| TRANSIT SERVICES PROGRAMS CLUSTER: | | | | |
| <u>U.S. Department of Transportation</u> | | | | |
| Passed Through Texas Department of Transportation: | | | | |
| Federal Transit Administration | 20.513 | TX-2016-083 | -- | 23,138 |
| Total U.S. Department of Transportation | | | -- | 23,138 |
| <u>U. S. Department of Transportation</u> | | | | |
| Passed Through Texas Department of Transportation: | | | | |
| Section 5310 Public Transportation | 20.513 | ED 2202(31)108 | -- | 15,316 |
| Total U. S. Department of Transportation | | | -- | 15,316 |
| Total Transit Services Programs Cluster | | | -- | 38,454 |
| OTHER PROGRAMS: | | | | |
| <u>U. S. Department of Transportation</u> | | | | |
| Passed Through Highway Planning & Construction: | | | | |
| Contributions of Right of Ways | 20.205 | 0916-02-023 & 024 | | 27,278 |
| Passed Through Texas Department of Transportation: | | | | |
| Airport Improvement Program | 20.106 | 20CRKINGS | \$ | \$ 143,085 |
| Section 5311 Public Transportation Program | 20.509 | 5101801292 | \$ | \$ 1,281,731 |
| Section 5311-CARES ACT | 20.509 | 51018052921 | -- | 15,892 |
| Section 5311 Public Transportation Program | 20.509 | RPT 2201(29)063-21 | | 307,270 |
| Total Passed Through Texas Department of Transportation | | | -- | 1,604,893 |
| Total U. S. Department of Transportation | | | -- | 1,775,256 |
| <u>U. S. Department of the Treasury</u> | | | | |
| Passed Through American Rescue Plan: | | | | |
| Coronavirus State and Local Fiscal Recovery Fund | 21.027 | ARPA | | 660,281 |
| Total U. S. Department of the Treasury | | | -- | 660,281 |

KLEBERG COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

EXHIBIT D-1

Page 2 of 3

| Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title | Federal ALN Number | Pass- Through Entity Identifying Number | Passed Through to Subrecipients | Federal Expenditures |
|--|--------------------------|---|---------------------------------------|-------------------------|
| <u>U. S. Department of the Interior</u> | | | | |
| Passed Through United States Department of the Interior: | | | | |
| GOMESA | 15.435 | 2024 | | 1,056,838 |
| Passed Through United States Department of the Interior National Parks: | | | | |
| National Padre Island Seashore Dispatch Agreement | 15.944 | N/A | | 67,631 |
| Total U. S. Department of the Interior | | | -- | <u>1,124,469</u> |
| <u>U. S. Department of Justice</u> | | | | |
| Direct Program: | | | | |
| Organized Crime and Drug Enforcement | 16.111 | SW-TXS-1195 | | 958 |
| Passed Through Organized Crime Drug Enforcement Task Forces: | | | | |
| HIDTA | 16.222 | G13HN0014A | | 33,499 |
| Passed Through Victims of Crime Grant: | | | | |
| Victims of Crime Grant | 16.575 | 2899707 | | 40,588 |
| Total U. S. Department of Justice | | | -- | <u>75,045</u> |
| <u>U. S. Department of Housing & Urban Development</u> | | | | |
| Passed Through Texas Department of Agriculture: | | | | |
| Community Development Block Grant | 14.228 | 22-085-031-D272 | | 477,940 |
| Community Development Block Grant | 14.228 | 24-085-036-E528 | | 293,953 |
| Total U. S. Department of Housing & Urban Development | | | -- | <u>771,893</u> |
| <u>U. S. Department of Housing and Urban Development</u> | | | | |
| Passed Through Texas Department of Agriculture: | | | | |
| | 14.228 | CFC21-0479 | -- | 964,798 |
| Total U. S. Department of Housing and Urban Development | | | -- | <u>1,736,691</u> |
| <u>U. S. Department of Health and Human Services</u> | | | | |
| Passed Through Texas Department of Housing & Community Affairs: | | | | |
| Comprehensive Energy Assistance Program | 93.568 | 58210003395 | -- | 929,881 |
| Comprehensive Energy Assistance Program | 93.568 | 58930003991 | -- | 28,742 |
| Comprehensive Energy Assistance Program | 93.568 | 58200003164 | | 22,547 |
| Total Passed Through Texas Department of Housing & Community Affairs | | | -- | <u>981,170</u> |
| Total U. S. Department of Health and Human Services | | | -- | <u>981,170</u> |
| <u>U. S. Department of Agriculture</u> | | | | |
| Passed Through Texas Department of Agriculture: | | | | |
| Rural Business Development | 10.351 | Kleberg | -- | 30,411 |
| Total U. S. Department of Agriculture | | | \$ -- | <u>\$ 30,411</u> |
| <u>Office of the President Office of the National Drug Control Policy</u> | | | | |
| Passed Through Office of the President Office of the National Drug Control Policy: | | | | |
| HIDTA Houston Money Laundering Initiative | 95.001 | G21HN0014A | | 15,402 |
| Total Office of the President Office of the National Drug Control Policy | | | -- | <u>15,402</u> |
| <u>Department of the Treasury</u> | | | | |
| Passed Through Under Secretary for Terrorism and Financial Intelligence: | | | | |
| | 21.016 | 2023 | -- | 407,007 |
| Total Department of the Treasury | | | -- | <u>407,007</u> |

KLEBERG COUNTY, TEXAS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

EXHIBIT D-1

Page 3 of 3

| Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title | Federal ALN Number | Pass- Through Entity Identifying Number | Passed Through to Subrecipients | Federal Expenditures |
|--|--------------------------|---|---------------------------------------|-------------------------------|
| <u>Department of Homeland Security-FEMA</u> | | | | |
| Passed Through Texas Department of Public Safety-Div of Emergency Managment: | | | | |
| Operation Stone Garden 3/1/23-2/28/24 | 97.067 | 2022-3222108 | | 11,368 |
| Passed Through Texas Department of Public Safety-Div of Emergency Mngmnt: | | | | |
| Operation Stone Garden 3/1/22-2/28/23 | 97.067 | 2021-3193007 | -- | 223,820 |
| Operation Stone Garden-SO 3/1/24-2/28/25 | 97.067 | 2023-3193009 | | 289,510 |
| Operation Stone Garden-TF 3/1/24-2/28/25 | 97.067 | 2023-3222109 | | 183,546 |
| Operation Stone Garden 3/1/23-2/28/24 | 97.067 | 2022-3193008 | | 3,324 |
| U.S. Immigration and Customs Enforcement | 97.067 | 2024 | | 7,453 |
| Total Passed Through Texas Department of Public Safety-Div of Emergency Mngmnt | | | -- | 707,653 |
| Total Department of Homeland Security-FEMA | | | -- | 719,021 |
| TOTAL EXPENDITURES OF FEDERAL AWARDS | | | \$ -- | \$ 11,489,266 |
| | | | | |
| <u>State Grantor Program Title</u> | | <u>Identifying Number</u> | | <u>State Expenditures</u> |
| Office of the Governor | | | | |
| Strategy A.1.1. Distater Funds Border Prosecution Unit | | 2356511 | | \$327,943 |
| Operation Lone Star Grant Program | | 4382001 | | 7,394 |
| Operation Lone Star Grant Program | | 4382002 | | 395,981 |
| Operation Lone Star Grant Program | | 4382003 | | 10,527 |
| Total Office of the Governor | | | | 741,845 |
| Office of the Attorney General | | | | |
| Texas Statewide Automated Victim Notification Service (SAVNS) | | Kleberg | | 18,030 |
| | | | | 18,030 |
| Texas Department of Transportation | | | | |
| Aviation-Airport Ramp Grant | | 2416KNGL-00257 | | 143,085 |
| | | | | 143,085 |
| Rural Law Enforcement Grants Program | | | | |
| SB-22 County Attorney | | Kleberg Co. Attorney | | 76,990 |
| SB-22 County Sheriff | | Kleberg Co. Sheriff | | 314,167 |
| SB-22 District Attorney | | Kleberg Co. Attorney | | 159,173 |
| Total Rural Law Enforcement Grants Program | | | | 550,330 |
| TOTAL EXPENDITURES OF STATE AWARDS | | | | \$1,453,290 |
| TOTAL FEDERAL AND STATE AWARDS | | | | \$12,942,556 |

The accompanying notes are an integral part of this schedule.

KLEBERG COUNTY, TEXAS

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

Basis of Presentation

The accompanying schedule of expenditures of federal awards ("the Schedule") includes the federal grant activity of Kleberg County, Texas. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Kleberg County, Texas has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

This page is left blank intentionally.