

COUNTY OF VICTORIA, TEXAS



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2024

COUNTY OF VICTORIA, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the year ended December 31, 2024

Prepared by: County Auditor's Office
Michelle Samford
Victoria County Auditor

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
County Auditor’s Letter of Transmittal	i
Organizational Chart	v
Directory of Principal Officials	vi
FINANCIAL SECTION	
Independent Auditors’ Report	1
Management’s Discussion and Analysis	5
<u>Basic Financial Statements</u>	
Government-wide Financial Statements	
Statement of Net Position - Statutory Basis	16
Statement of Activities - Statutory Basis	18
Fund Financial Statements	
Balance Sheet - Statutory Basis - Governmental Funds	20
Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities - Statutory Basis	21
Statement of Revenues, Expenditures, and Changes in Fund Balances - Statutory Basis - Governmental Funds	22
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to Statement of Activities - Statutory Basis	23
Statement of Net Position - Statutory Basis - Proprietary Funds	24
Statement of Revenues, Expenses, and Changes in Fund Net Position - Statutory Basis - Proprietary Funds	25
Statement of Cash Flows - Statutory Basis - Proprietary Funds	26
Statement of Net Position - Fiduciary Funds	28
Statement of Changes in Net Position - Fiduciary Funds	29
Statement of Net Position - Component Units	30
Statement of Activities - Component Units	32
Notes to Financial Statements	34
<u>Required Supplementary Information</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund - Statutory Basis	110
Schedule of Changes in Net Pension Liability and Related Ratios Texas County & District Retirement System - Pension	111
Schedule of Employer Contributions Texas County & District Retirement System - Pension	113
Schedule of Changes in Total OPEB Liability and Related Ratios Texas County & District Retirement System - Life	115
Schedule of Employer Contributions Texas County & District Retirement System - Life	117
Notes to Required Supplementary Information	119

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
FINANCIAL SECTION - (Continued)	
<u>Combining and Individual Fund Statements and Schedules</u>	
<i>Governmental Funds</i>	
Combining Statements	
Combining Balance Sheet - Statutory Basis - All Nonmajor Governmental Funds.....	121
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Statutory Basis - All Nonmajor Governmental Funds.....	122
Nonmajor Special Revenue Funds.....	123
Combining Balance Sheet - Statutory Basis - All Nonmajor Special Revenue Funds.....	131
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Statutory Basis - All Nonmajor Special Revenue Funds.....	132
Combining Balance Sheet - Statutory Basis - Nonmajor Road and Bridge Special Revenue Funds.....	133
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Statutory Basis - Nonmajor Road and Bridge Special Revenue Funds.....	134
Combining Balance Sheet - Statutory Basis - Nonmajor Other Special Revenue Funds.....	135
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Statutory Basis - Nonmajor Other Special Revenue Funds.....	147
Individual Statements and Schedules	
General Fund.....	161
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual.....	162
Nonmajor Special Revenue Funds.....	170
Road and Bridge Precinct No. 1	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Statutory Basis.....	171
Road and Bridge Precinct No. 2	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Statutory Basis.....	172
Road and Bridge Precinct No. 3	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Statutory Basis.....	173
Road and Bridge Precinct No. 4	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Statutory Basis.....	174
Nonmajor Debt Service Fund.....	175
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual.....	176
<i>Fiduciary Funds</i>	
Custodial Funds.....	177
Combining Statement of Net Position.....	178
Combining Statement of Changes in Net Position.....	180

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
STATISTICAL SECTION	182
<u>Financial Trends</u>	
Net Position by Component.....	183
Changes in Net Position.....	185
Fund Balances, Governmental Funds.....	189
Changes in Fund Balances, Governmental Funds	191
Tax Revenues by Source, Governmental Funds	193
<u>Revenue Capacity</u>	
Assessed and Estimated Actual Value of Taxable Property - General and I&S.....	194
Assessed and Estimated Actual Value of Taxable Property - Road and Bridge.....	196
Direct and Overlapping Property Tax Rates	198
Principal Property Taxpayers (Unaudited)	200
Property Tax Levies and Collections - General and I&S.....	201
Property Tax Levies and Collections - Road and Bridge	203
Sales Tax Revenue	205
Direct and Overlapping Sales Tax Rates	206
<u>Debt Capacity</u>	
Ratios of Outstanding Debt by Type	207
Ratios of Net General Bonded Debt Outstanding	209
Direct and Overlapping Governmental Activities Debt (Unaudited)	211
Legal Debt Margin Information	212
<u>Demographic and Economic Information</u>	
Demographic and Economic Statistics (Unaudited).....	214
Principal Employers (Unaudited).....	215

TABLE OF CONTENTS
(Continued)

	<u>Page</u>
STATISTICAL SECTION - (Continued)	
<u>Operating Information</u>	
Full-Time-Equivalent County Governmental Employees by Function/Program.....	216
Operating Indicators by Function/Program.....	218
Capital Asset Statistics by Function/Program	220
SINGLE AUDIT SECTION	
Independent Auditors' 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>	222
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and Texas Grant Management Standards	224
Schedule of Expenditures of Federal and State Awards	227
Notes to Schedule of Expenditures of Federal and State Awards.....	237
Schedule of Findings and Questioned Costs.....	238
Corrective Action Plan.....	240
Schedule of Prior Audit Findings.....	241

INTRODUCTORY SECTION



MICHELLE SAMFORD
COUNTY AUDITOR
VICTORIA COUNTY, TEXAS

115 N. Bridge, Room 122
Victoria, Texas 77901
Email: msamford@vctx.org

Tel: (361)575-8451
Fax: (361)573-0636

July 30, 2025

Honorable District Judges
Honorable County Judge
Honorable County Commissioners
County of Victoria
Victoria, Texas

The County Auditor's Office is pleased to present the Annual Comprehensive Financial Report of the County of Victoria, Texas (the "County"), for the year ended December 31, 2024. This report is submitted in compliance with Texas Local Government Code 114.025.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

The County Auditor serves as the Chief Financial Officer for Victoria County. By statute, the Auditor reports to the State District Judges. This provides for an independent review of County financial operations separate from the Commissioner's Court, the legislative and executive branch of county government. The County Auditor is responsible for accounting systems design, audit functions required by law, general control of finances and ensuring that the County meets its fiduciary responsibilities to taxpayers with regard to County finances by strictly enforcing the statutes governing County finances as provided by the local government code. As an appointed County Official, the County Auditor takes an oath to uphold the Constitution and the laws of the State of Texas.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

In compliance with Texas Local Government Code 115.045, the financial statements and notes contained in this report have been audited by the independent auditors of Harrison, Waldrop and Uherek, L.L.P., a firm of licensed certified public accountants. The independent auditors' report is included in the Financial Section of this report.

When other accounting bases conflict with state law, Texas and its political subdivisions may follow the statutory provisions of Chapter 2264, Texas Government Code. Accordingly, in 2008 the County followed the statutory basis of accounting, which is another comprehensive basis of accounting provided, but not mandated, by this statute. For the County, the only difference between generally accepted accounting principles ("GAAP") and the statutory basis of accounting is in the reporting of other postemployment benefits ("OPEB").

The statutory basis differs from GAAP in that the County's presentation of OPEB on the financial statements uses the statutory modified accrual basis. This basis accurately and fairly sets forth the financial position of the County by (i) measuring the cost of benefits according to their adoption by the governing body of the County; and by (ii) providing an accurate assessment of OPEB liabilities and extent of their funding for the time for which the benefits were adopted. Under GAAP, GASB Statement No. 75 ("GASB 75"), "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" defines an OPEB liability to include amounts the governing body has not authorized nor promised to employees, and for which there is no legally enforceable liability. The County has concluded that recognizing an OPEB liability as defined by GASB 75 would result in publishing financial statements that are materially misleading. It would also be inconsistent with State financial laws and misrepresent the nature, scope, and duration of the financial activities of the County.

Management has provided a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis ("MD&A"). The letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section of this report.

PROFILE OF VICTORIA COUNTY

The County is located in southeastern Texas on the Coastal plain about midway between the southern and eastern extremities of the Texas Gulf Coast. The County was created in 1836 from a Mexican municipality named for Mexican President Guadalupe Victoria. The County encompasses an area of 892 square miles and serves a population of 91,319.

The County is a public corporation and political subdivision of the State of Texas. The general governing body of the County is the elected five-member Commissioners' Court in accordance with Article 5, Paragraph 18 of the Texas Constitution. Commissioners serve four-year staggered terms, two members elected every two years. The County Judge is elected at large to serve a four-year term.

The Commissioners' Court sets the tax rates, establishes policies for County operations, approves contracts for the County, and develops and adopts the County budget. The Commissioners' Court is also responsible for development of policies and orders, approving financial commitments, and appointment of various department heads. The management and leadership provided by members of the Commissioners' Court and the elected and appointed officials of other key County offices is crucial to the success of the County in financial management and growth.

The County provides a full range of services. The County provides many services not ordinarily provided by any other entity of government and provides additional services in cooperation with other local governmental units. A primary service is the administration of justice, which includes the civil and criminal county and district courts, justices of the peace, constables, district attorney, investigators, clerks of the courts, sheriff, jail, security, emergency management and grand jury bailiffs. Other functions performed by the County include the construction and maintenance of roads and bridges, either independently or in cooperation with other entities; administration of public health services; assistance to indigents; and the provision of juvenile, health, education, and welfare services involving the care and correction of dependent or delinquent children as well as property tax collections for multiple agencies.

The annual budget serves as the foundation for the County's financial planning and control. Budget hearings are posted annually in July and August by the County Judge, with the final budget approved by the Commissioners' Court following the hearings. The final budget includes contingency line items. Most appropriated budgets are prepared by fund, department, and category. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the line-item level within an individual fund. The original budget may be amended by Commissioners' Court under conditions prescribed by Texas Local Government Code, Section 111.010. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated budget has been adopted.

Various potential component units were evaluated to determine whether they should be included in the County's reporting entity because of the significance of their operational and financial relationship with the County. Based upon standards established by the Governmental Accounting Standards Board (see Note 1 to the financial statements), two component units are included in the report: the Victoria County Navigation District and Citizens Medical Center. These entities are discretely presented and are not considered part of the primary government of the County. This reporting method was used because, while the entities are financially accountable to the County, they do not have substantively the same governing body as the County nor do they provide services exclusively to the County.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County of Victoria operates.

Local Economy - The County is one of the leading regional economies in the seven-county Golden Crescent region. The County has developed into a primary business center with growth in services and retail employment. The County's principal economic activities include petrochemical and industrial chemical plants, plastics manufacturers, heavy steel fabrication, pre-stressed concrete, oil and gas exploration, medical services, professional and financial services, retail trade, and higher education. Although the oil and gas petrochemical industries remain a vital component of the area employment base, diversification within these industries into production of ancillary goods and plastics has reduced economic vulnerability to energy price fluctuations.

The County records reflect modest debt levels, rapid principal amortization, and acceptable reserve levels that have benefited from sound fiscal management practices. The County practices conservative budgeting and sets General Fund reserve targets at 25% of annual expenditures. In the past year, the County incurred an increase in the General Fund unassigned fund balance mainly as a result of an increase in property tax and miscellaneous revenue. The County's General Fund reserve target is based on the County's policy of deferring ad valorem property taxes. The resulting unassigned fund balance does not include \$6.4 million in ad valorem taxes collected in October, November, and December of 2024, and are instead reported as unavailable revenues.

Long-Term Financial Planning - The County of Victoria has identified several long-term issues that need to be prioritized and funded by the Commissioners' Court. These priorities include improvements to the HVAC systems to identified buildings and making the County Airport more cost efficient.

Honorable District Judges
Honorable County Judge
Honorable County Commissioners
County of Victoria

July 30, 2025

Cash Management - The Commissioners' Court has adopted a formal investment policy for the County consistent with State statutes governing the investment of County funds and has designated the County Treasurer as the County's investment officer. The policy is updated annually. The general objectives set forth in the policy provide for financial security and optimum liquidity of County funds while achieving the maximum yield on funds invested and maximum levels of invested funds. Authorized investments are consistent with those investments authorized by State law for Texas counties. Currently, the County has limited its investments to certificates of deposits and money market funds.

Risk Management - The County has risk exposure in various areas including general liability, worker's compensation, automobile liability, and property damage. To reduce its risk exposure in these areas, the County purchases commercial insurance policies from a private carrier. The related policies carry various deductibles and aggregate maximum loss totals.

The County is also exposed to risk of loss in the area of employee health coverage. In this area, the County bears all risk of loss up to \$175,000 per participant per year. Co-insurance through a private insurance carrier assumes all risk for individual participants past that level. Please refer to the notes to the financial statements for a complete discussion of the County's employee health insurance operations.

Pension Benefits - The County provides retirement, disability and death benefits for all of its full-time employees through a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). Specific plan provisions are adopted by the County within the options available in the state statutes governing the TCDRS. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest and employer-financed monetary credits. The level of these monetary credits is adopted within the constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed.

ACKNOWLEDGEMENTS

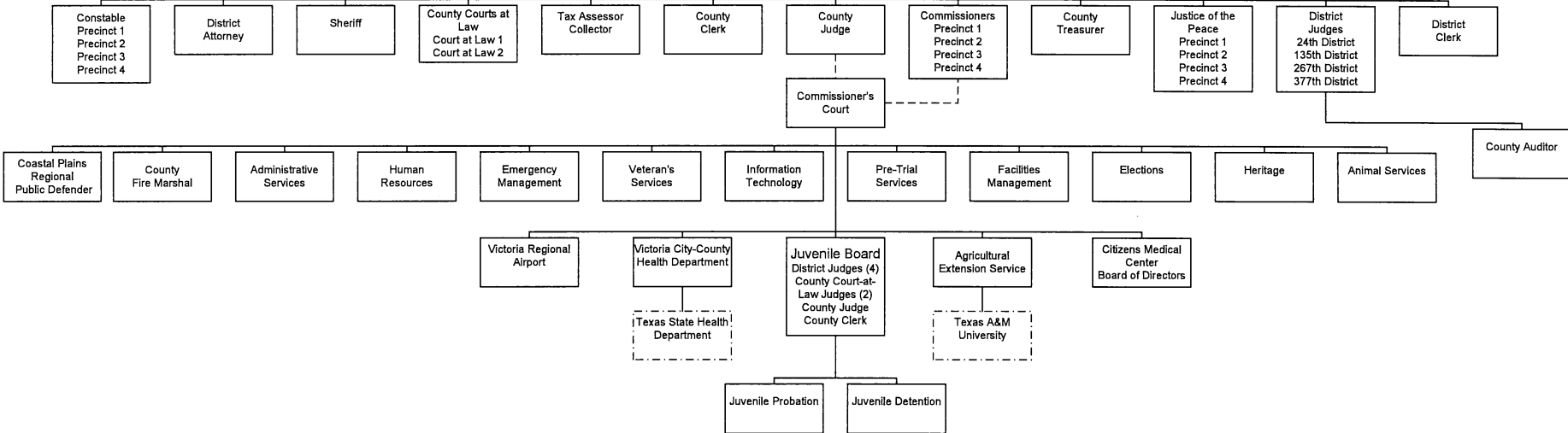
The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated efforts of the staff of the County Auditor's Office. We express our appreciation to all the members of the office who assisted in and contributed to its preparation. We would also like to thank the accounting firm of Harrison, Waldrop & Uherek, L.L.P. for sharing their knowledge, and extending their cooperation and support to the County Auditor's Office. Appreciation must also be expressed to the County Judge, members of the Commissioners' Court, the County Treasurer, and all other officials of the County for their assistance in planning and conducting the financial operations of the County in a progressive and responsible manner.

Respectfully submitted,
Michelle Samford
Victoria County Auditor

2024 Victoria County Organizational Chart

Comprehensive Annual Financial Report

County Voters



COUNTY OF VICTORIA, TEXAS
 DIRECTORY OF PRINCIPAL OFFICIALS
 December 31, 2024

ELECTED OFFICIALS

NAME	POSITION
Benjamin Zeller	County Judge
Danny Garcia	Commissioner, Precinct #1
Jason Ohrt	Commissioner, Precinct #2
Gary Burns	Commissioner, Precinct #3
Kenneth Sexton	Commissioner, Precinct #4
Constance Filley Johnson	Criminal District Attorney
Heidi Easley	County Clerk
Kim Plummer	District Clerk
Paige Foster	County Treasurer
Ashley Hernandez	County Tax Assessor-Collector
Justin Marr	County Sheriff
Travis H. Ernst	Judge, County Court-at-Law #1
Daniel Gilliam	Judge, County Court-at-Law #2
Jack Marr	Judge, 24th Judicial District
K. Stephen Williams, III	Judge, 135th Judicial District
Julie Bauknight	Judge, 267th Judicial District
Eli Garza	Judge, 377th Judicial District
Mary Ann Rivera	Justice of the Peace #1
Rodney Durham	Justice of the Peace #2
Robert Whitaker	Justice of the Peace #3
John Miller	Justice of the Peace #4
Jeff Meyer	Constable, Precinct #1
James E. Calaway	Constable, Precinct #2
Kenneth Easley, Jr.	Constable, Precinct #3
Aaron Burleson	Constable, Precinct #4

APPOINTED OFFICIALS

NAME	POSITION
Michelle Samford	County Auditor
Richard Castillo	County Fire Marshal

FINANCIAL SECTION



CERTIFIED PUBLIC ACCOUNTANTS
101 S. MAIN, SUITE 400
VICTORIA, TEXAS 77901-8142

STEPHEN W. VAN MANEN, CPA
DENNIS C. CIHAL, CPA
ERIC L. KUCERA, CPA
CLAYTON P. VAN PELT, CPA
ROBERT W. SCHAAR, CPA
MELISSA M. TERRY, CPA

VOICE: (361) 573-3255
FAX: (361) 573-9531

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Adverse Opinion on U.S. Generally Accepted Accounting Principles

We have audited the accompanying statutory basis financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Victoria, Texas (the "County") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, because of the significance of the matter discussed in the Basis for Opinions section of our report, the financial statements referred to above do not present fairly the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2024, or the respective changes in financial position or, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective statutory basis financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of December 31, 2024, and the respective statutory basis changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with the financial accounting practices prescribed or permitted by Government Code Section 2264-051, as adopted by State of Texas House Bill 2365 described in Note 1.

Basis for Opinions

As described in Note 1, the financial statements are prepared by the County using financial accounting practices prescribed or permitted by Government Code Section 2264-051, as adopted by State of Texas House Bill 2365, which practices differ from generally accepted accounting principles (GAAP) in the United States of America.

The effects on the financial statements of the variances between the statutory basis of accounting described in Note 1 and GAAP, although not reasonably determinable, are presumed to be material.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting practices prescribed or permitted by Government Code Section 2266.051, as adopted by the State of Texas House Bill 2365 as described in Note 1 to the financial statements. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We did not audit the financial statements of the Citizens Medical Center, which represent 70 percent, 73 percent, and 94 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions insofar as it relates to the amounts included for the Citizens Medical Center, is based solely on the reports of the other auditors.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of changes in total OPEB liability and related ratios, and schedules of employer contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on 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 statutory basis financial statements that collectively comprise the County's basic financial statements. The accompanying statutory basis combining and individual major and nonmajor fund financial statements and schedules and the schedule of expenditures of federal and state awards, as required by the 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), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections 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 basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



HARRISON, WALDROP & UHEREK, L.L.P.
Certified Public Accountants

July 30, 2025

The discussion and analysis of the County of Victoria's (the "County") financial performance provides an overview of the County's financial activities for the year ended December 31, 2024. The discussion and analysis should be read in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to the financial statements. The discussion and analysis includes comparative data for the prior year.

FINANCIAL HIGHLIGHTS

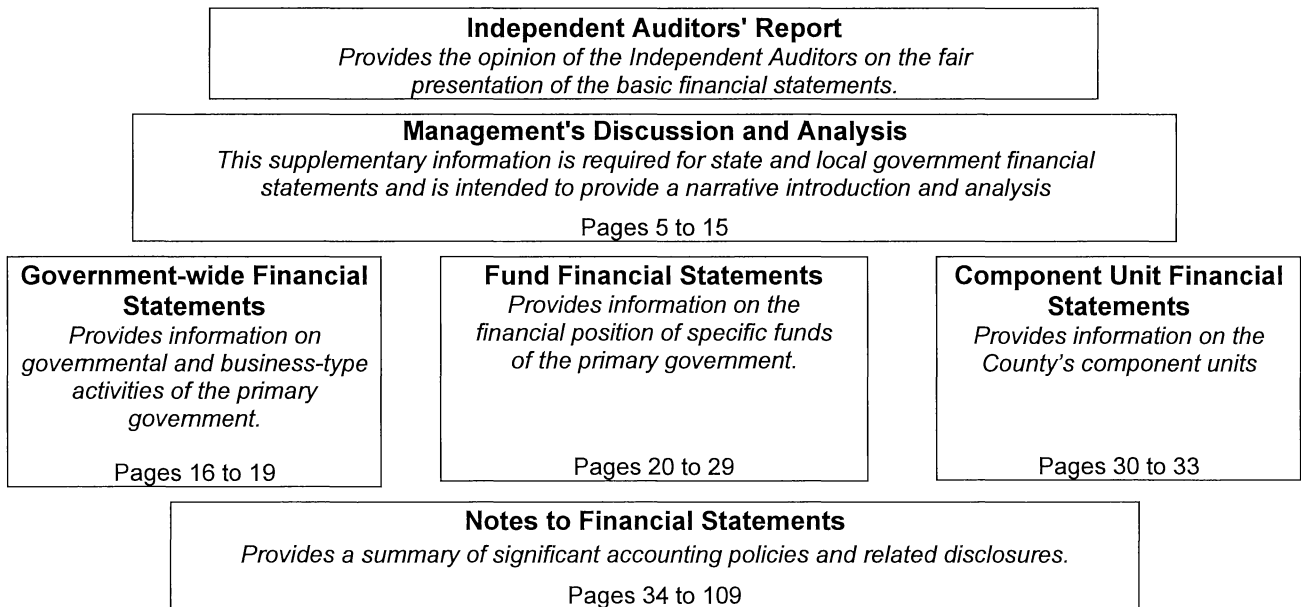
- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the year ended December 31, 2024, by \$75,652,676. Of this amount \$23,871,143 is available to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position of the governmental and business-type activities netted an increase of \$16,340,373. \$10,280,572 of this increase related to the governmental activities.
- At December 31, 2024, the County's governmental funds reported combined ending fund balances of \$39,941,996. The amount available for governmental discretion (unassigned fund balance) is \$22,346,872.
- At December 31, 2024, the fund balance for the General Fund was \$22,712,400, a \$1,913,420 increase over last year. The unassigned portion of fund balance was \$22,712,400 or 100% of total General Fund balance or 47% of total General Fund expenditures for 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

The new financial reporting model instituted by Governmental Accounting Standards Board Statement 34 (GASB 34) seeks to improve operational accountability by highlighting an overall picture that was lost in the detail of fund accounting. Instead of focusing on aggregations of similar individual funds, GASB 34 introduced government-wide financial statements, which present the government as a single unified entity.

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of four components: 1) government-wide financial statements, 2) fund financial statements, 3) component unit financial statements, and 4) notes to financial statements. This report also contains other required supplementary information in addition to the basic financial statements.

Organization and Flow of Financial Section Information



OVERVIEW OF THE FINANCIAL STATEMENTS - (Continued)

Government-wide Financial Statements. The *government-wide financial statements*, which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

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

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, highways and streets, culture and recreation, and public health. The business-type activities of the County include the airport and other (commissary).

The government-wide financial statements include not only the County itself (known as the *primary government*) but also the component units of Victoria County Navigation District and Citizens Medical Center. These component units are not included as part of the primary government.

The government-wide financial statements can be found on pages 16-19 of this report.

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

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

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

The County maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the American Rescue Plan Act Fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining and individual statements and schedules following the required supplementary information.

OVERVIEW OF THE FINANCIAL STATEMENTS - (Continued)

The County adopts an annual appropriated budget for its General Fund, road and bridge special revenue funds, and Debt Service Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget and is located on pages 161-169 of this report. Budget comparisons are presented for the road and bridge special revenue funds and the Debt Service Fund on pages 171-176 of this report.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its airport and other enterprise activities (commissary). *Internal service funds* are an accounting device used to accumulate and allocate cost internally among the County's various functions. The County uses an internal service fund to account for its employee health insurance services. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the airport, which is considered to be a major fund of the County, and other (commissary).

The basic proprietary fund financial statements can be found on pages 24-27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds 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. The accounting used for fiduciary funds is similar to proprietary funds.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 34-109 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's General Fund's budgetary comparison schedule and historical pension and OPEB benefits information. Required supplementary information can be found on pages 110-120 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 121-181 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by \$75,652,676 at the close of the year ended December 31, 2024.

County of Victoria, Texas

NET POSITION (Statutory Basis)

	Governmental Activities		Business-type Activities		Total	
	2024	2023*	2024	2023*	2024	2023*
Current and other assets	\$ 95,888,296	\$ 92,623,306	\$ 4,713,260	\$ 2,425,359	\$ 100,601,556	\$ 95,048,665
Capital assets (net)	48,005,910	43,864,464	10,672,203	4,971,815	58,678,113	48,836,279
Other noncurrent assets	17,689,103	18,271,597	1,271,534	1,068,551	18,960,637	19,340,148
Total assets	<u>161,583,309</u>	<u>154,759,367</u>	<u>16,656,997</u>	<u>8,465,725</u>	<u>178,240,306</u>	<u>163,225,092</u>
Deferred outflow of resources	<u>6,858,292</u>	<u>12,200,233</u>	-	-	<u>6,858,292</u>	<u>12,200,233</u>
Long-term liabilities	57,128,897	65,940,665	100,204	83,731	57,229,101	66,024,396
Other liabilities	10,766,380	12,364,950	2,251,342	426,192	13,017,722	12,791,142
Total liabilities	<u>67,895,277</u>	<u>78,305,615</u>	<u>2,351,546</u>	<u>509,923</u>	<u>70,246,823</u>	<u>78,815,538</u>
Deferred inflow of resources	<u>37,780,690</u>	<u>36,168,923</u>	<u>1,418,409</u>	<u>1,128,561</u>	<u>39,199,099</u>	<u>37,297,484</u>
Net position						
Net investment in capital assets	34,633,177	32,270,692	8,678,450	4,782,828	43,311,627	37,053,520
Restricted	8,469,906	8,166,893	-	-	8,469,906	8,166,893
Unrestricted	<u>19,662,551</u>	<u>12,047,477</u>	<u>4,208,592</u>	<u>2,044,413</u>	<u>23,871,143</u>	<u>14,091,890</u>
Total net position	<u>\$ 62,765,634</u>	<u>\$ 52,485,062</u>	<u>\$ 12,887,042</u>	<u>\$ 6,827,241</u>	<u>\$ 75,652,676</u>	<u>\$ 59,312,303</u>

*2023 balances have been restated. See Note 20 for details.

The largest portion of the County's net position (57%) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. 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 next largest portion of the County's net position (32%) reflects unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

The remaining balance of restricted net position (\$8,469,906) represents resources that are subject to external restrictions on how they may be used.

At the end of the current year, the County is able to report positive balances in all three categories of net position, for the government as a whole, as well as for the governmental activities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

County of Victoria, Texas

**CHANGES IN NET POSITION
(Statutory Basis)**

	Governmental Activities		Business-type Activities		Total	
	2024	2023*	2024	2023*	2024	2023*
REVENUES						
Program revenues:						
Charges for services	\$ 12,305,582	\$ 11,668,948	\$ 3,329,434	\$ 3,569,293	\$ 15,635,016	\$ 15,238,241
Operating grants & contributions	9,703,892	8,724,416	105,214	340,898	9,809,106	9,065,314
Capital grants & contributions	223,695	2,340,656	6,661,555	-	6,885,250	2,340,656
General revenues:						
Property taxes	38,191,125	34,508,968	-	-	38,191,125	34,508,968
Other taxes	12,673,325	12,820,885	-	-	12,673,325	12,820,885
Other	6,824,156	5,889,429	74,142	31,179	6,898,298	5,920,608
Total revenues	79,921,775	75,953,302	10,170,345	3,941,370	90,092,120	79,894,672
EXPENSES						
General government	30,065,660	28,114,701	-	-	30,065,660	28,114,701
Public safety	25,800,416	27,836,645	-	-	25,800,416	27,836,645
Highways and streets	7,045,429	7,079,047	-	-	7,045,429	7,079,047
Culture and recreation	271,899	318,800	-	-	271,899	318,800
Public health	5,687,334	4,974,749	-	-	5,687,334	4,974,749
Interest on long-term debt	1,221,970	1,177,306	-	-	1,221,970	1,177,306
Airport	-	-	3,336,843	4,123,482	3,336,843	4,123,482
Commissary	-	-	322,196	269,928	322,196	269,928
Total expenses	70,092,708	69,501,248	3,659,039	4,393,410	73,751,747	73,894,658
Change in net position before transfers	9,829,067	6,452,054	6,511,306	(452,040)	16,340,373	6,000,014
Transfers	451,505	(961,044)	(451,505)	961,044	-	-
Change in net position	10,280,572	5,491,010	6,059,801	509,004	16,340,373	6,000,014
Net position - January 1, as restated	52,485,062	46,994,052	6,827,241	6,318,237	59,312,303	53,312,289
Net position - December 31	\$ 62,765,634	\$ 52,485,062	\$ 12,887,042	\$ 6,827,241	\$ 75,652,676	\$ 59,312,303

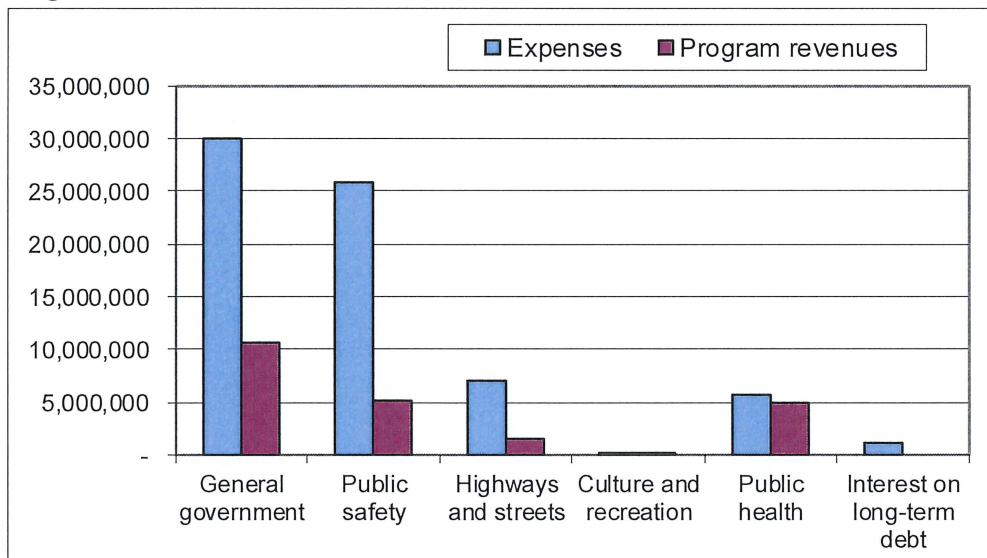
*2023 balances have been restated. See Note 20 for details.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

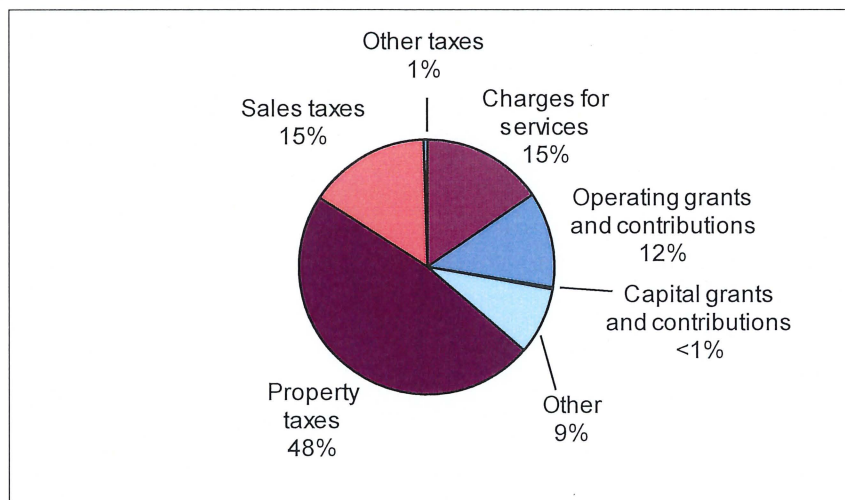
Governmental activities. Governmental activities increased the County’s net position by \$10,280,572, accounting for a majority of the total increase in the net position of the County. Key elements of this increase are as follows:

- Property taxes increased \$3,682,157 due to the increase in taxable valuation from prior year despite a decrease in tax rates.
- Operating grants and contributions increased \$979,476 primarily due to an increase in grant activity for indigent defense services.
- Capital grants and contributions decreased \$2,116,961 primarily due to a decrease in CDBG Hurricane Harvey disaster recovery grant activity, as well as a decrease in equipment and property donations.
- Other revenues increased \$934,727 primarily due to an increase in unrestricted investment earnings.
- Total expenses increased \$591,460 or 1% from the prior year. General government expenses increased \$1,950,959 primarily due to increases in various departments such as juvenile detention, juvenile probation, indigent defense services, and information technology. Public safety expenses decreased \$2,036,229 primarily due to less pension expense recognized in the current year. Public health expenses increased \$712,585 due to increases in health department expenses.

Expenses and Program Revenues - Governmental Activities



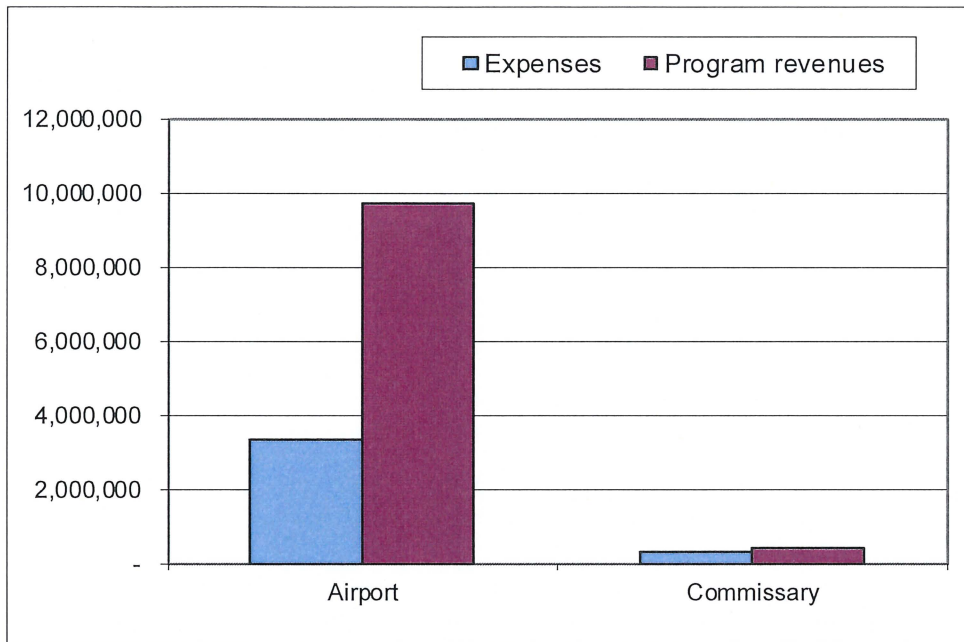
Revenues by Source - Governmental Activities



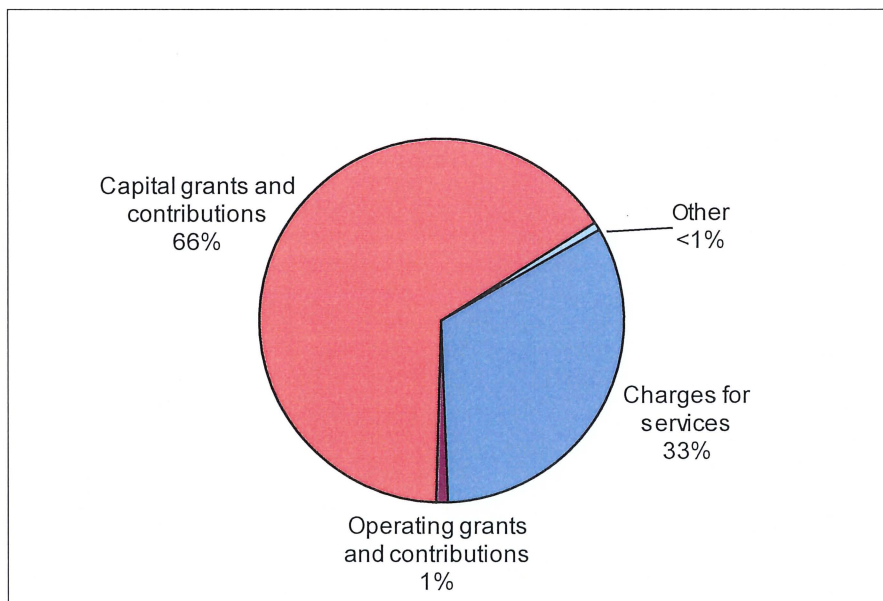
GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

Business-type activities. Business-type activities increased the County's net position by \$6,059,801. Total revenues increased \$6,228,975 primarily due to an increase in capital grants and contributions relating to airport improvement projects, which includes the value of TxDOT's work performed on the airport paving rehabilitation project. Total expenses decreased \$734,371 primarily due to a decrease in fuel costs after changing suppliers that does not require fuel to be purchased up front.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. Non-financial assets such as governmental buildings, roads, park land and long-term liabilities that will not be paid with current assets are excluded.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$39,941,996, an increase of \$1,283,034 in comparison with the prior year. Of the total fund balance, \$22,346,872 constitutes *unassigned fund balance* and is available for spending at the County's discretion. Of the remaining fund balance, \$17,595,124 is *restricted* to specific types of expenditures.

General Fund. The General Fund is the chief operating fund of the County. At the end of the current year, unassigned fund balance of the General Fund was \$22,712,400, which constituted the total fund balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 47% of total General Fund expenditures, while total fund balance represents 47% of that same amount.

The fund balance of the County's General Fund increased by \$1,913,420 during the current year. Total revenues increased \$4,203,868 primarily due to more tax revenues collected compared to prior year. Total expenditures increased \$3,392,292 due to additional expenditures in various departments in the general government and public safety functions.

American Rescue Plan Act Fund. The American Rescue Plan Act Fund is a major special revenue fund. The fund balance remained unchanged from prior year.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of proprietary funds at the end of the year amounted to:

Fund	2024	2023
	Unrestricted Net Position	Unrestricted Net Position
Airport	\$ 3,302,592	\$ 1,229,726
Commissary	906,000	822,736
Total	\$ 4,208,592	\$ 2,052,462

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in an increase of \$6,592,771 in total expenditures and transfers out and can be briefly summarized as follows:

- \$3,847,961 in miscellaneous increases in general government expenditures, mainly due to the capital outlay purchase of property, capital improvements, and an increase in indigent defense representation activities.
- \$2,348,261 in miscellaneous increases in transfers out, mainly due to transfers to the Internal Service Fund to decrease the fund deficit caused by excess insurance claims.
- \$395,224 in miscellaneous increases in public safety expenditures, due to capital outlay for purchases for animal services and the sheriff's office.

These increases were to be funded out of miscellaneous increases in intergovernmental revenues, fines and forfeitures revenues, and other miscellaneous revenues.

For 2024, the General Fund's actual expenditures and transfers out were \$4,963,597 lower than the final budget. This positive variance is mainly due to:

- Payroll and other various expenditure accounts that were under budget for 2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of December 31, 2024, amounts to \$58,678,113 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements, machinery and equipment, right-to-use lease assets, and subscription assets. The net increase in the County's investment in capital assets for the current year was 20% (a 9% increase for governmental activities and a 115% increase for business-type activities).

County of Victoria, Texas
CAPITAL ASSETS
(Net of Depreciation and Amortization)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 3,458,645	\$ 3,359,073	\$ -	\$ -	\$ 3,458,645	\$ 3,359,073
Construction in progress	4,429,601	4,044,285	2,103,333	1,362,016	6,532,934	5,406,301
Buildings	10,531,047	9,617,826	-	-	10,531,047	9,617,826
Improvements	11,002,008	8,217,885	6,744,959	3,157,491	17,746,967	11,375,376
Machinery and equipment	9,651,813	9,420,127	1,823,911	452,308	11,475,724	9,872,435
Infrastructure	7,942,480	8,191,256	-	-	7,942,480	8,191,256
Right-to-Use lease assets	300,911	369,684	-	-	300,911	369,684
Subscription assets	689,405	466,386	-	-	689,405	466,386
Total	\$ 48,005,910	\$ 43,686,522	\$ 10,672,203	\$ 4,971,815	\$ 58,678,113	\$ 48,658,337

CAPITAL ASSETS AND DEBT ADMINISTRATION - (Continued)

Capital assets - (Continued)

Major capital asset events in the governmental activities during the year ended December 31, 2024 consisted of the following:

- Construction in progress had a net increase of \$385,316 due to additional costs related to the Courthouse improvement and various other projects, offset by the completion of various CDBG infrastructure and other projects.
- Buildings had a net increase of \$913,221 primarily due to the purchase of property on Liberty Street.
- Machinery and equipment had a net increase of \$231,686 due to the addition of various items including police vehicles and equipment, as well as street vehicles and equipment.

Major capital asset events in the business-type activities during the year ended December 31, 2024 consisted of the following:

- Construction in progress had a net increase of \$741,317 due to additional costs related to the taxiway improvement project, as well as the completion of the airport paving rehabilitation project which included TxDOT contributions recognized in the current year.
- Various machinery and equipment items were purchased and sold, including the purchase of an aircraft rescue and firefighting truck.

Additional information on the County's capital assets can be found in Note 7 of this report.

Long-term debt. At the end of the current year, the County had total bonded debt outstanding of \$33,825,000. This debt is backed by the full faith and credit of the government. The County maintains an "AA" rating from Standard & Poor's, and Fitch Ratings for general obligation debt. In addition, the County had outstanding \$499,051 in financed purchases, \$314,105 in right-to-use leases, \$650,575 in subscription liabilities, \$4,141,984 in compensated absences, \$14,519,770 in net pension liability, \$1,798,821 in OPEB liability, and \$1,479,795 in issuance premiums as of December 31, 2024.

County of Victoria, Texas

Long-term Debt

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Certificates of obligation	\$ 30,715,000	\$ 32,160,000	\$ -	\$ -	\$ 30,715,000	\$ 32,160,000
General obligation bonds	3,110,000	3,560,000	-	-	3,110,000	3,560,000
Financed purchases	499,051	93,312	-	-	499,051	93,312
Right-to-Use leases	314,105	379,231	-	-	314,105	379,231
Subscription liabilities	650,575	433,389	-	-	650,575	433,389
Compensated absences	4,041,780	2,296,234	100,204	53,834	4,141,984	2,350,068
Net pension liability	14,519,770	22,234,285	-	-	14,519,770	22,234,285
OPEB liability	1,798,821	1,595,813	-	-	1,798,821	1,595,813
Issuance premiums	1,479,795	1,596,746	-	-	1,479,795	1,596,746
Total	\$ 57,128,897	\$ 64,349,010	\$ 100,204	\$ 53,834	\$ 57,229,101	\$ 64,402,844

CAPITAL ASSETS AND DEBT ADMINISTRATION - (Continued)

Long-term debt - (Continued)

The County's debt had a net decrease of \$7,173,743 or 11%. The key factors to this net decrease are the following:

- Debt payments of \$1,895,000 on governmental activities certificates of obligation and general obligation bonds were made during 2024
- The County entered into two finance purchase agreements during 2024 for street equipment in the amount of \$758,966.
- Net pension liability decreased \$7,714,515.

Additional information on the County's long-term debt can be found in Note 14.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The annual budget is developed to provide efficient, effective, and controlled use of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Commissioners' Court sets the direction of the County, allocates its resources, and establishes its priorities.

The final 2025 budget was adopted by Commissioners' Court on September 9, 2024. The budget included a 3% cost of living increase to all employees. The property tax rate was set at \$0.3880 (38.80 cents) per \$100 assessed taxable valuation, which reflects no change from the prior year. The taxable valuation increased for the 2025 year by \$388 million, which will result in an increase of tax revenue of \$1.9 million.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provide in this report or requests for additional financial information should be addressed to the County Auditor's Office, 115 N. Bridge, Room 122, Victoria, Texas 77901.

Basic Financial Statements

COUNTY OF VICTORIA, TEXAS

STATEMENT OF NET POSITION - STATUTORY BASIS

December 31, 2024

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 36,110,424	\$ 2,784,757	\$ 38,895,181	\$ 15,065,831
Investments	14,092,000	-	14,092,000	26,397,609
Receivables (net)	40,372,743	92,650	40,465,393	28,547,507
Internal balances	1,008,158	(1,008,158)	-	-
Due from primary government	-	-	-	66,203
Due from other governments	2,574,858	2,579,731	5,154,589	13,819,352
Due from component unit	776,106	-	776,106	-
Due from external parties	126,526	-	126,526	-
Interlocal receivable - current portion	615,000	-	615,000	-
Lease receivable - current portion	212,481	222,876	435,357	2,092,113
Inventory	-	41,404	41,404	2,193,398
Prepaid items	-	-	-	7,111,826
Restricted - cash and cash equivalents	-	-	-	1,015,000
Total current assets	95,888,296	4,713,260	100,601,556	96,308,839
Noncurrent assets				
Capital assets				
Land and other assets not being depreciated	7,888,246	2,103,333	9,991,579	51,611,336
Buildings, improvements, and equipment (net)	39,127,348	8,568,870	47,696,218	98,031,220
Right-to-use lease assets (net)	300,911	-	300,911	2,366,442
Subscription assets (net)	689,405	-	689,405	5,934,827
Net capital assets	48,005,910	10,672,203	58,678,113	157,943,825
Cash - internally designated	-	-	-	10,067,508
Interlocal receivable - noncurrent portion	17,455,100	-	17,455,100	-
Lease receivable - noncurrent portion	234,003	1,271,534	1,505,537	23,054,411
Other assets	-	-	-	15,089
Net pension asset	-	-	-	25,684,653
Total noncurrent assets	65,695,013	11,943,737	77,638,750	216,765,486
Total assets	161,583,309	16,656,997	178,240,306	313,074,325
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amount on refunding	60,194	-	60,194	-
Deferred outflow related to pension	6,502,619	-	6,502,619	1,944,562
Deferred outflow related to OPEB	295,479	-	295,479	-
Total deferred outflows of resources	6,858,292	-	6,858,292	1,944,562

The accompanying notes are an integral part of this statement.

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES				
Current liabilities				
Accounts payable	\$ 2,052,399	\$ 2,052,088	\$ 4,104,487	\$ 8,045,116
Accrued expenses	2,091,775	64,633	2,156,408	14,029,931
Accrued interest payable	490,255	-	490,255	23,067
Due to other governments	771,552	-	771,552	-
Due to primary government	-	-	-	776,106
Line of credit	-	-	-	5,000,000
Claims payable	504,811	-	504,811	-
Deposits	60,050	60,705	120,755	-
Unearned revenue	4,795,538	73,916	4,869,454	2,941,394
Accrued compensated absences	171,999	26,710	198,709	1,790
Estimated self-insurance costs	-	-	-	439,145
Estimated amounts due to third-party payers	-	-	-	2,215,442
Current portion of long-term obligations	2,648,933	-	2,648,933	6,345,903
Total current liabilities	13,587,312	2,278,052	15,865,364	39,817,894
Noncurrent liabilities				
Noncurrent portion of long-term obligations	37,989,374	73,494	38,062,868	33,833,534
Net pension liability	14,519,770	-	14,519,770	-
OPEB liability	1,798,821	-	1,798,821	-
Total noncurrent liabilities	54,307,965	73,494	54,381,459	33,833,534
Total liabilities	67,895,277	2,351,546	70,246,823	73,651,428
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to property taxes	36,718,562	-	36,718,562	2,845,187
Deferred inflow related to right-to-use lease receivable	457,809	1,418,409	1,876,218	23,418,606
Deferred inflow related to pension	235,560	-	235,560	6,954,272
Deferred inflow related to OPEB	368,759	-	368,759	-
Total deferred inflows of resources	37,780,690	1,418,409	39,199,099	33,218,065
NET POSITION				
Net investment in capital assets	34,633,177	8,678,450	43,311,627	122,698,919
Restricted for:				
Debt service	1,293,271	-	1,293,271	-
Other purposes	7,176,635	-	7,176,635	31,301,806
Unrestricted	19,662,551	4,208,592	23,871,143	54,148,669
Total net position	\$ 62,765,634	\$ 12,887,042	\$ 75,652,676	\$ 208,149,394

COUNTY OF VICTORIA, TEXAS
STATEMENT OF ACTIVITIES - STATUTORY BASIS
For the year ended December 31, 2024

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	\$ 30,065,660	\$ 6,825,645	\$ 3,844,001	\$ -
Public safety	25,800,416	2,734,336	2,284,540	37,454
Highways and streets	7,045,429	1,344,463	44,263	126,094
Culture and recreation	271,899	1,950	-	-
Public health	5,687,334	1,399,188	3,531,088	60,147
Interest on long-term debt	1,221,970	-	-	-
Total governmental activities	<u>70,092,708</u>	<u>12,305,582</u>	<u>9,703,892</u>	<u>223,695</u>
Business-type activities				
Airport	3,336,843	2,942,339	105,214	6,661,555
Commissary	322,196	387,095	-	-
Total business-type activities	<u>3,659,039</u>	<u>3,329,434</u>	<u>105,214</u>	<u>6,661,555</u>
Total primary government	<u>\$ 73,751,747</u>	<u>\$ 15,635,016</u>	<u>\$ 9,809,106</u>	<u>\$ 6,885,250</u>
Component Units	<u>\$ 246,934,354</u>	<u>\$ 241,371,994</u>	<u>\$ 1,000,000</u>	<u>\$ 11,791,084</u>
		General revenues		
		Taxes:		
		Property taxes, levied for general purposes		
		Property taxes, levied for debt service		
		Sales taxes		
		Other taxes		
		Grants and contributions not restricted to specific programs		
		Unrestricted investment earnings		
		Miscellaneous		
		Extraordinary loss		
		Transfers		
		Total general revenues and transfers		
		Change in net position		
		Net position - beginning, as previously reported		
		Restatement of beginning net position		
		Net position - beginning, as restated		
		Net position - ending		

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business- type Activities	Total	Component Units
\$ (19,396,014)	\$ -	\$ (19,396,014)	\$ -
(20,744,086)	-	(20,744,086)	-
(5,530,609)	-	(5,530,609)	-
(269,949)	-	(269,949)	-
(696,911)	-	(696,911)	-
(1,221,970)	-	(1,221,970)	-
<u>(47,859,539)</u>	<u>-</u>	<u>(47,859,539)</u>	<u>-</u>
-	6,372,265	6,372,265	-
-	64,899	64,899	-
-	<u>6,437,164</u>	<u>6,437,164</u>	-
<u>(47,859,539)</u>	<u>6,437,164</u>	<u>(41,422,375)</u>	-
-	-	-	<u>7,228,724</u>
34,650,995	-	34,650,995	2,856,015
3,540,130	-	3,540,130	-
12,268,123	-	12,268,123	-
405,202	-	405,202	-
3,227,691	-	3,227,691	-
2,147,792	41,994	2,189,786	2,525,880
1,448,673	32,148	1,480,821	73,653
-	-	-	(776,106)
<u>451,505</u>	<u>(451,505)</u>	<u>-</u>	<u>-</u>
<u>58,140,111</u>	<u>(377,363)</u>	<u>57,762,748</u>	<u>4,679,442</u>
10,280,572	6,059,801	16,340,373	11,908,166
53,917,196	6,835,290	60,752,486	196,260,635
<u>(1,432,134)</u>	<u>(8,049)</u>	<u>-</u>	<u>(19,407)</u>
<u>52,485,062</u>	<u>6,827,241</u>	<u>59,312,303</u>	<u>196,241,228</u>
<u>\$ 62,765,634</u>	<u>\$ 12,887,042</u>	<u>\$ 75,652,676</u>	<u>\$ 208,149,394</u>

COUNTY OF VICTORIA, TEXAS
BALANCE SHEET - STATUTORY BASIS
GOVERNMENTAL FUNDS
December 31, 2024

	General	American Rescue Plan Act	Other Governmental Funds	Total Governmental Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 10,464,517	\$ 3,815,181	\$ 21,826,830	\$ 36,106,528
Investments	14,092,000	-	-	14,092,000
Receivables (net)	30,754,877	-	8,261,372	39,016,249
Due from other governments	576,929	-	1,997,929	2,574,858
Due from other funds	5,987,733	-	407,571	6,395,304
Due from component unit	-	776,106	-	776,106
Lease receivable - current portion	212,481	-	-	212,481
Total current assets	<u>62,088,537</u>	<u>4,591,287</u>	<u>32,493,702</u>	<u>99,173,526</u>
Noncurrent assets				
Lease receivable - noncurrent portion	234,003	-	-	234,003
Total noncurrent assets	<u>234,003</u>	<u>-</u>	<u>-</u>	<u>234,003</u>
Total assets	<u>\$ 62,322,540</u>	<u>\$ 4,591,287</u>	<u>\$ 32,493,702</u>	<u>\$ 99,407,529</u>
LIABILITIES				
Accounts payable	\$ 1,081,294	\$ 11,863	\$ 940,735	\$ 2,033,892
Accrued expenditures	1,482,008	-	593,119	2,075,127
Due to other governments	404,564	-	366,988	771,552
Due to other funds	574,950	-	2,481,897	3,056,847
Deposits	-	-	60,050	60,050
Unearned revenue	15,480	4,529,605	249,396	4,794,481
Total liabilities	<u>3,558,296</u>	<u>4,541,468</u>	<u>4,692,185</u>	<u>12,791,949</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	35,594,248	-	10,621,740	46,215,988
Deferred inflows related to right-to-use lease receivable	457,596	-	-	457,596
Total deferred inflows of resources	<u>36,051,844</u>	<u>-</u>	<u>10,621,740</u>	<u>46,673,584</u>
FUND BALANCES				
Restricted	-	49,819	17,545,305	17,595,124
Unassigned	22,712,400	-	(365,528)	22,346,872
Total fund balances	<u>22,712,400</u>	<u>49,819</u>	<u>17,179,777</u>	<u>39,941,996</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 62,322,540</u>	<u>\$ 4,591,287</u>	<u>\$ 32,493,702</u>	<u>\$ 99,407,529</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS

*RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION
OF GOVERNMENTAL ACTIVITIES - STATUTORY BASIS*

December 31, 2024

Total governmental fund balances		\$ 39,941,996
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
The Internal Service Fund is used by the County to charge the cost of health insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.		(1,384,406)
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as "unavailable" in the funds.		5,672,404
Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current-period expenditures. Those assets (for example, receivables) are offset by unavailable revenues in the governmental funds and thus are not included in fund balance.		3,825,022
Interlocal receivable on repayment of debt is not a current financial resource and, therefore, is not reported on the fund financial statements.		18,070,100
Capital assets, right-to-use lease assets, and subscription assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental assets at year-end consist of:		
Governmental capital, right-to-use lease, and subscription assets costs	\$219,897,044	
Accumulated depreciation and amortization of governmental assets	<u>(171,891,134)</u>	48,005,910
Deferred outflows of resources are not reported in the governmental funds:		
Deferred amount on refunding	60,194	
Deferred amount on pension	6,502,619	
Deferred amount on OPEB	<u>295,479</u>	6,858,292
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds and certificates payable	(33,825,000)	
Issuance premiums	(1,479,795)	
Financed purchases	(499,051)	
Right-to-use leases	(314,105)	
Subscription liabilities	(650,575)	
Accrued interest payable	(490,255)	
Compensated absences	(4,041,780)	
Net pension liability	(14,519,770)	
OPEB liability	<u>(1,798,821)</u>	(57,619,152)
Deferred inflows of resources are not reported in the governmental funds:		
Deferred amount on pension	(235,560)	
Deferred amount on OPEB	<u>(368,759)</u>	(604,319)
Deferred inflows related to right-to-use lease receivable are amortized based on reduction of right-to-use lease receivable in the fund financial statements, but are amortized over the lease term in the statement of net position.		<u>(213)</u>
Net position of governmental activities		<u>\$ 62,765,634</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - STATUTORY BASIS
GOVERNMENTAL FUNDS**

For the year ended December 31, 2024

	General	American Rescue Plan Act	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 41,073,774	\$ -	\$ 9,308,154	\$ 50,381,928
Fees of office and user fees	1,707,155	-	3,044,375	4,751,530
Intergovernmental	4,788,102	3,128,937	10,334,459	18,251,498
Fines and forfeitures	642,371	-	727,492	1,369,863
Investment income	1,544,727	-	599,169	2,143,896
Licenses and permits	41,923	-	-	41,923
Contributions	-	-	440,090	440,090
Miscellaneous	2,129,220	-	531,233	2,660,453
Total revenues	<u>51,927,272</u>	<u>3,128,937</u>	<u>24,984,972</u>	<u>80,041,181</u>
EXPENDITURES				
Current				
General government	26,250,164	1,295,887	4,260,232	31,806,283
Public safety	22,320,371	-	3,221,878	25,542,249
Highways and streets	-	-	7,528,601	7,528,601
Culture and recreation	266,961	-	-	266,961
Public health	-	-	5,696,967	5,696,967
Capital outlay	-	-	3,191,240	3,191,240
Debt service				
Principal retirement	-	-	1,895,000	1,895,000
Interest and fiscal charges	-	-	1,318,334	1,318,334
Total expenditures	<u>48,837,496</u>	<u>1,295,887</u>	<u>27,112,252</u>	<u>77,245,635</u>
Excess (deficiency) of revenues over expenditures	<u>3,089,776</u>	<u>1,833,050</u>	<u>(2,127,280)</u>	<u>2,795,546</u>
OTHER FINANCING SOURCES (USES)				
Sale of assets	1,250	-	-	1,250
Finance purchase issued	-	-	758,966	758,966
Subscription liability issued	204,199	-	42,682	246,881
Transfers in	3,898,395	-	1,853,940	5,752,335
Transfers out	(5,280,200)	(1,833,050)	(1,158,694)	(8,271,944)
Total other financing sources (uses)	<u>(1,176,356)</u>	<u>(1,833,050)</u>	<u>1,496,894</u>	<u>(1,512,512)</u>
Change in fund balances	1,913,420	-	(630,386)	1,283,034
Fund balances at beginning of year, as previously reported	20,798,980	49,819	17,828,584	38,677,383
Restatement of beginning fund balances	-	-	(18,421)	(18,421)
Fund balances at beginning of year, as restated	<u>20,798,980</u>	<u>49,819</u>	<u>17,810,163</u>	<u>38,658,962</u>
Fund balances at end of year	<u>\$ 22,712,400</u>	<u>\$ 49,819</u>	<u>\$ 17,179,777</u>	<u>\$ 39,941,996</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS

*RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES - STATUTORY BASIS
For the year ended December 31, 2024*

Total net change in fund balances - governmental funds		\$ 1,283,034
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
The Internal Service Fund is used by the County to charge the costs of health insurance to individual funds. The net activity of the Internal Service Fund is reported with governmental activities.		1,445,820
The net effect of various transactions involving capital assets (i.e., transfers, contributions, adjustments and dispositions) is to increase (decrease) net position.		13,218
Capital outlays, right-to-use lease assets, and subscription assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or the term of the lease agreement as amortization expense.		
Increase in capital, right-to-use lease, and subscription assets	\$ 7,942,496	
Depreciation and amortization expense	<u>(3,814,268)</u>	4,128,228
Issuance of debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		
Financed purchases	(758,966)	
Subscription liabilities	<u>(246,883)</u>	(1,005,849)
The payment on an interlocal receivable is reported as miscellaneous income in the governmental funds. However, in the government-wide statements, this payment is reported as a reduction of a current asset.		(590,000)
Current year payments on long-term debt are expenditures in the fund financial statements, but they serve to reduce long-term liabilities in the government-wide financial statements. In the current year, these amounts consist of:		
Bond principal retirement	1,895,000	
Financed purchases principal retirement	353,227	
Right-to-use lease principal retirement	65,126	
Subscription liabilities principal retirement	<u>212,475</u>	2,525,828
Because some property taxes will not be collected for several months after the County's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Similarly, other revenues are not currently available at year end and are not reported as revenue in the governmental funds.		
Property taxes	595,289	
Other revenues	<u>(142,847)</u>	452,442
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:		
Increase in compensated absences	(336,669)	
Net pension costs	2,341,730	
OPEB costs	(73,361)	
Increase in accrued interest	(10,413)	
Decrease in loss on bond refunding	(10,174)	
Decrease in bond premium	<u>116,951</u>	2,028,064
Some items reported in the statement of activities do not result from current financial resources and therefore are not reported as revenues in governmental funds. These activities consist of:		
Decrease in deferred inflows related to right-to-use lease receivable		<u>(213)</u>
Change in net position of governmental activities		<u>\$10,280,572</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS

STATEMENT OF NET POSITION - STATUTORY BASIS

PROPRIETARY FUNDS

December 31, 2024

	<u>Business-type Activities</u>			Governmental Activities- Internal Service Fund
	<u>Airport</u>	<u>Commissary</u>	<u>Total</u>	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 1,930,729	\$ 854,028	\$ 2,784,757	\$ 3,896
Receivables (net)	21,560	71,090	92,650	1,356,494
Due from other funds	180,379	-	180,379	-
Due from other governments	2,579,731	-	2,579,731	-
Lease receivable - current portion	222,876	-	222,876	-
Inventory	41,404	-	41,404	-
Total current assets	<u>4,976,679</u>	<u>925,118</u>	<u>5,901,797</u>	<u>1,360,390</u>
Noncurrent assets				
Capital assets				
Land and other assets not being depreciated	2,103,333	-	2,103,333	-
Buildings, improvements, and equipment (net)	8,469,774	99,096	8,568,870	-
Net capital assets	<u>10,573,107</u>	<u>99,096</u>	<u>10,672,203</u>	-
Lease receivable - noncurrent portion	1,271,534	-	1,271,534	-
Total noncurrent assets	<u>11,844,641</u>	<u>99,096</u>	<u>11,943,737</u>	-
Total assets	<u>16,821,320</u>	<u>1,024,214</u>	<u>17,845,534</u>	<u>1,360,390</u>
LIABILITIES				
Current liabilities				
Accounts payable	2,052,021	67	2,052,088	18,507
Accrued expenses	56,797	7,836	64,633	16,648
Due to other funds	1,188,363	174	1,188,537	2,203,773
Deposits	60,705	-	60,705	-
Unearned revenue	73,916	-	73,916	1,057
Claims payable	-	-	-	504,811
Accrued compensated absences	23,772	2,938	26,710	-
Total current liabilities	<u>3,455,574</u>	<u>11,015</u>	<u>3,466,589</u>	<u>2,744,796</u>
Noncurrent liabilities				
Accrued compensated absences	65,391	8,103	73,494	-
Total noncurrent liabilities	<u>65,391</u>	<u>8,103</u>	<u>73,494</u>	-
Total liabilities	<u>3,520,965</u>	<u>19,118</u>	<u>3,540,083</u>	<u>2,744,796</u>
DEFERRED INFLOW OF RESOURCES				
Deferred inflows related to right-to-use lease receivable	1,418,409	-	1,418,409	-
Total deferred inflow of resources	<u>1,418,409</u>	<u>-</u>	<u>1,418,409</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	8,579,354	99,096	8,678,450	-
Unrestricted	3,302,592	906,000	4,208,592	(1,384,406)
Total net position	<u>\$ 11,881,946</u>	<u>\$ 1,005,096</u>	<u>\$ 12,887,042</u>	<u>\$ (1,384,406)</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS

*STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - STATUTORY BASIS
PROPRIETARY FUNDS*

For the year ended December 31, 2024

	<u>Business-type Activities</u>			<u>Governmental Activities- Internal Service Fund</u>
	<u>Airport</u>	<u>Commissary</u>	<u>Total</u>	
OPERATING REVENUES				
Charges for services	\$ 1,880,332	\$ 387,095	\$ 2,267,427	\$ 4,275,148
Rents	962,264	-	962,264	-
Miscellaneous	99,743	-	99,743	-
Total operating revenues	<u>2,942,339</u>	<u>387,095</u>	<u>3,329,434</u>	<u>4,275,148</u>
OPERATING EXPENSES				
Airport operations	2,769,541	-	2,769,541	-
Commissary operations	-	291,230	291,230	-
Health services	-	-	-	5,804,338
Depreciation	567,302	30,966	598,268	-
Total operating expenses	<u>3,336,843</u>	<u>322,196</u>	<u>3,659,039</u>	<u>5,804,338</u>
Operating income (loss) before nonoperating revenues (expenses) and transfers	(394,504)	64,899	(329,605)	(1,529,190)
NONOPERATING REVENUES (EXPENSES)				
Investment income - interest	24,502	17,492	41,994	3,896
Gain (loss) on disposition of assets	32,148	-	32,148	-
Noncapital grants and contributions	105,214	-	105,214	-
Total nonoperating revenues (expenses)	<u>161,864</u>	<u>17,492</u>	<u>179,356</u>	<u>3,896</u>
Income (loss) before transfers	(232,640)	82,391	(150,249)	(1,525,294)
Contributions and transfers				
Capital contributions	6,661,555	-	6,661,555	-
Transfers in	736,126	-	736,126	2,971,114
Transfers out	(1,187,631)	-	(1,187,631)	-
Total contributions and transfers	<u>6,210,050</u>	<u>-</u>	<u>6,210,050</u>	<u>2,971,114</u>
Change in net position	5,977,410	82,391	6,059,801	1,445,820
Total net position at beginning of year, as previously reported	5,912,585	922,705	6,835,290	(2,830,226)
Restatement of beginning net position	(8,049)	-	(8,049)	-
Total net position at beginning of year, as restated	<u>5,904,536</u>	<u>922,705</u>	<u>6,827,241</u>	<u>(2,830,226)</u>
Total net position at end of year	<u>\$ 11,881,946</u>	<u>\$ 1,005,096</u>	<u>\$ 12,887,042</u>	<u>\$ (1,384,406)</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS
STATEMENT OF CASH FLOWS - STATUTORY BASIS
PROPRIETARY FUNDS
For the year ended December 31, 2024

	<u>Business-type Activities</u>			Governmental Activities- Internal Service Fund
	<u>Airport</u>	<u>Commissary</u>	<u>Total</u>	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 2,983,591	\$ 358,237	\$ 3,341,828	\$ 4,275,148
Cash paid to suppliers for goods and services	(1,664,570)	(128,217)	(1,792,787)	(6,627,591)
Cash paid to employees for services	(1,056,184)	(161,031)	(1,217,215)	(341,360)
Net cash provided (used) by operating activities	<u>262,837</u>	<u>68,989</u>	<u>331,826</u>	<u>(2,693,803)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Noncapital grants and contributions	110,143	-	110,143	-
Borrowing (repayments) to other funds	1,002,467	(26)	1,002,441	(279,291)
Transfers in (out) from other funds	(451,505)	-	(451,505)	2,971,114
Net cash provided (used) by noncapital financing activities	<u>661,105</u>	<u>(26)</u>	<u>661,079</u>	<u>2,691,823</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital grants and contributions	473,163	-	473,163	-
Acquisition and construction of capital assets	(873,487)	(30,093)	(903,580)	-
Proceeds from sale of capital assets	50,500	-	50,500	-
Net cash provided (used) by capital and related financing activities	<u>(349,824)</u>	<u>(30,093)</u>	<u>(379,917)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	24,502	17,492	41,994	3,896
Net cash provided (used) by investing activities	<u>24,502</u>	<u>17,492</u>	<u>41,994</u>	<u>3,896</u>
Net increase (decrease) in cash and cash equivalents	598,620	56,362	654,982	1,916
Cash and cash equivalents at beginning of year	<u>1,332,109</u>	<u>797,666</u>	<u>2,129,775</u>	<u>1,980</u>
Cash and cash equivalents at end of year	<u>\$ 1,930,729</u>	<u>\$ 854,028</u>	<u>\$ 2,784,757</u>	<u>\$ 3,896</u>

The accompanying notes are an integral part of this statement.

	<u>Business-type Activities</u>			Governmental Activities- Internal Service Fund
	<u>Airport</u>	<u>Commissary</u>	<u>Total</u>	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (394,504)	\$ 64,899	\$ (329,605)	\$ (1,529,190)
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	567,302	30,966	598,268	-
Changes in assets and liabilities				
(Increase) decrease in accounts receivable	35,354	(28,858)	6,496	(1,216,967)
(Increase) decrease in lease receivable	(315,044)	-	(315,044)	-
(Increase) decrease in inventory	45,007	-	45,007	-
Increase (decrease) in accounts payable	(25,697)	(2,786)	(28,483)	(17,128)
Increase (decrease) in accrued expenses	16,530	1,242	17,772	3,955
Increase (decrease) in deposits	23,414	-	23,414	-
Increase (decrease) in unearned revenue	7,681	-	7,681	828
Increase (decrease) in compensated absences	12,947	3,526	16,473	-
Increase (decrease) in claims payable	-	-	-	64,699
Increase (decrease) in deferred inflow related to right-to-use lease receivable	289,847	-	289,847	-
Total adjustments	<u>657,341</u>	<u>4,090</u>	<u>661,431</u>	<u>(1,164,613)</u>
Net cash provided (used) by operating activities	<u>\$ 262,837</u>	<u>\$ 68,989</u>	<u>\$ 331,826</u>	<u>\$ (2,693,803)</u>
Noncash capital and related financing activities				
Assets acquired from contributions	<u>\$ 3,608,662</u>	<u>\$ -</u>	<u>\$ 3,608,662</u>	<u>\$ -</u>

COUNTY OF VICTORIA, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
December 31, 2024

	Private Purpose Trust	Custodial
ASSETS		
Cash and cash equivalents	\$ 209,411	\$ 8,675,077
Receivables (net)		
Other	-	89,263
Seized assets	-	304,660
Total assets	<u>209,411</u>	<u>9,069,000</u>
LIABILITIES		
Liabilities		
Accounts payable	74,808	341,852
Due to other governments	-	5,653,836
Due to other funds	126,526	-
Due to component unit	-	66,203
Total liabilities	<u>201,334</u>	<u>6,061,891</u>
NET POSITION		
Unrestricted	<u>\$ 8,077</u>	<u>\$ 3,007,109</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the year ended December 31, 2024

	Private Purpose Trust	Custodial
ADDITIONS		
Miscellaneous		
Participants' contributions	\$ 289,995	\$ -
Minor trust account deposits	-	2,421,033
Confiscation and restitution receipts	-	730,106
Inmate deposits	-	839,762
Tax collections	-	205,860,404
Investment income	2,889	46,109
Total additions	<u>292,884</u>	<u>209,897,414</u>
DEDUCTIONS		
General government		
Participants' withdrawals	289,995	-
Minor trust account disbursements	-	2,273,880
Confiscation and restitution disbursements	-	1,363,816
Inmate withdrawals	-	835,524
Tax distributions	-	205,874,069
Total deductions	<u>289,995</u>	<u>210,347,289</u>
Changes in net position	2,889	(449,875)
Net position - beginning	<u>5,188</u>	<u>3,456,984</u>
Net position - ending	<u>\$ 8,077</u>	<u>\$ 3,007,109</u>

The accompanying notes are an integral part of this statement.

COUNTY OF VICTORIA, TEXAS*STATEMENT OF NET POSITION**COMPONENT UNITS**December 31, 2024*

	Victoria County Navigation District	Citizens Medical Center	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 6,604,593	\$ 8,461,238	\$ 15,065,831
Investments	-	26,397,609	26,397,609
Receivables (net)	2,700,298	25,847,209	28,547,507
Due from primary government	66,203	-	66,203
Due from other governments	7,389,633	6,429,719	13,819,352
Lease receivable - current portion	579,088	1,513,025	2,092,113
Supplies inventory	-	2,193,398	2,193,398
Prepaid items and other	-	7,111,826	7,111,826
Restricted - cash and cash equivalents	-	1,015,000	1,015,000
Total current assets	<u>17,339,815</u>	<u>78,969,024</u>	<u>96,308,839</u>
Noncurrent assets			
Capital assets			
Land and other assets not being depreciated	30,703,007	20,908,329	51,611,336
Buildings, improvements, and equipment (net)	29,408,008	68,623,212	98,031,220
Right-to-use lease assets (net)	-	2,366,442	2,366,442
Subscriptions (net)	25,610	5,909,217	5,934,827
Net capital assets	<u>60,136,625</u>	<u>97,807,200</u>	<u>157,943,825</u>
Cash - internally designated	-	10,067,508	10,067,508
Lease receivable - noncurrent portion	16,687,302	6,367,109	23,054,411
Other assets	-	15,089	15,089
Net pension asset	-	25,684,653	25,684,653
Total noncurrent assets	<u>76,823,927</u>	<u>139,941,559</u>	<u>216,765,486</u>
Total assets	<u>94,163,742</u>	<u>218,910,583</u>	<u>313,074,325</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow related to pension	-	1,944,562	1,944,562
Total deferred outflows of resources	<u>-</u>	<u>1,944,562</u>	<u>1,944,562</u>

The accompanying notes are an integral part of this statement.

	Victoria County Navigation District	Citizens Medical Center	Total
LIABILITIES			
Current liabilities			
Accounts payable	\$ 260,524	\$ 7,784,592	\$ 8,045,116
Accrued expenditures/expenses	-	14,029,931	14,029,931
Accrued interest payable	23,067	-	23,067
Due to primary government	776,106	-	776,106
Line of credit	5,000,000	-	5,000,000
Unearned revenue	-	2,941,394	2,941,394
Accrued compensated absences	1,790	-	1,790
Estimated self-insurance costs	-	439,145	439,145
Estimated amounts due to third-party payers	-	2,215,442	2,215,442
Current portion of long-term obligations	1,628,313	4,717,590	6,345,903
Total current liabilities	<u>7,689,800</u>	<u>32,128,094</u>	<u>39,817,894</u>
Noncurrent liabilities			
Noncurrent portion of long-term obligations	12,322,841	21,510,693	33,833,534
Total noncurrent liabilities	<u>12,322,841</u>	<u>21,510,693</u>	<u>33,833,534</u>
Total liabilities	<u>20,012,641</u>	<u>53,638,787</u>	<u>73,651,428</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow related to property taxes	2,845,187	-	2,845,187
Deferred inflow related to right-to-use lease receivable	15,853,478	7,565,128	23,418,606
Deferred inflow related to pensions	-	6,954,272	6,954,272
Total deferred inflows of resources	<u>18,698,665</u>	<u>14,519,400</u>	<u>33,218,065</u>
NET POSITION			
Net investment in capital assets	41,052,494	81,646,425	122,698,919
Restricted for:			
Capital expenditures	2,602,153	-	2,602,153
Pension	-	25,684,653	25,684,653
Other	-	3,015,000	3,015,000
Unrestricted	11,797,789	42,350,880	54,148,669
Total net position	<u>\$ 55,452,436</u>	<u>\$ 152,696,958</u>	<u>\$ 208,149,394</u>

COUNTY OF VICTORIA, TEXAS
STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the year ended December 31, 2024

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Component Units				
Victoria County Navigation District	\$ 5,557,664	\$ 4,347,732	\$ -	\$ 7,740,709
Citizens Medical Center	<u>241,376,690</u>	<u>237,024,262</u>	<u>1,000,000</u>	<u>4,050,375</u>
Total component units	<u>\$ 246,934,354</u>	<u>\$ 241,371,994</u>	<u>\$ 1,000,000</u>	<u>\$ 11,791,084</u>

General revenues:

Taxes:

Property taxes, levied for general purposes

Unrestricted investment earnings

Miscellaneous

Extraordinary loss

Total general revenues

Change in net position

Net position - beginning, as previously reported

Restatement of beginning net position

Net position - beginning, as restated

Net position - ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Component Units		
Victoria County Navigation District	Citizens Medical Center	Total
\$ 6,530,777	\$ -	\$ 6,530,777
-	697,947	697,947
<u>6,530,777</u>	<u>697,947</u>	<u>7,228,724</u>
2,856,015	-	2,856,015
389,498	2,136,382	2,525,880
73,653	-	73,653
(776,106)	-	(776,106)
<u>2,543,060</u>	<u>2,136,382</u>	<u>4,679,442</u>
9,073,837	2,834,329	11,908,166
46,398,006	149,862,629	196,260,635
(19,407)	-	(19,407)
<u>46,378,599</u>	<u>149,862,629</u>	<u>196,241,228</u>
<u>\$ 55,452,436</u>	<u>\$ 152,696,958</u>	<u>\$ 208,149,394</u>

INDEX

<u>Note</u>		<u>Page</u>
1	Summary of Significant Accounting Policies	35
2	Stewardship, Compliance, and Accountability	46
3	Deposits and Investments	46
4	Receivables	49
5	Due From Other Governments	50
6	Lease Receivables	50
7	Capital Assets	51
8	Defined Benefit Pension Plan	53
9	Other Postemployment Benefit Plan - Life (OPEB)	59
10	Retiree Health Benefit Plan (OPEB)	63
11	Employees' Health Insurance Fund	63
12	Deferred Compensation Plan	64
13	Risk Management	64
14	Long-term Debt	65
15	Interfund Receivables, Payables, and Transfers	70
16	Related Party Transactions	71
17	Commitments and Contingencies	71
18	Fund Balances	71
19	Tax Abatements	72
20	Accounting Changes and Error Corrections	73
21	Subsequent Event	74
22	Significant Forthcoming Standards	74
23	Victoria County Navigation District	75
24	Citizens Medical Center	85

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Victoria, Texas (the "County") is a political subdivision of the State of Texas (the "State"). The County is governed by the Commissioners' Court, composed of four (4) County Commissioners and the County Judge, all of whom are elected officials.

The Governmental Accounting Standards Board (GASB) is the accepted primary standard-setting body for establishing governmental accounting and financial reporting principles, to the extent that its rules do not conflict with State financial laws and the State Constitution. The codification of GASB Statements and Interpretations and any amendments thereto define the Governmental Accounting and Financial Reporting Standards that constitute generally accepted accounting principles (GAAP) for governmental units. GASB recognizes that the establishment of accounting standards for states and local governments, which were created by states, is a power retained by the states.

Prior to 2008, the County prepared financial statements in accordance with GAAP because it did not conflict with State financial laws and the State Constitution. However, the County has concluded that complying with GASB Statement No. 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), would result in publishing financial statements that are materially misleading. This statement was superseded by GASB 75 for fiscal year 2018. It would also be inconsistent with State financial laws and misrepresent the nature, scope, and duration of the financial activities of the County.

Beginning in 2008, the County prepared its financial statements using the statutory basis of accounting provided by the State in Chapter 2264, Texas Government Code (Chapter 2264), Financial Accounting and Reporting (the "Statutory Basis"). This Statutory Basis is a comprehensive basis of accounting other than GAAP that is consistent with State financial laws and the State Constitution. The statutory accounting practices as prescribed in Chapter 2264 amend or supersede portions of GASB pronouncements.

The only departure from GAAP as a result of applying the Statutory Basis of accounting is in the accounting for and reporting of OPEB. GASB 75 requires state and local governments to establish standards for the measurement, recognition, and display of other postemployment benefits expense/expenditures, related liabilities, and note disclosures in the financial statements. The Statutory Basis differs from GAAP in that GAAP requires a government to report an OPEB liability even when the government has not promised or contracted to fund future benefits and when there is no legally enforceable liability. In other words, GASB 75 does not distinguish between a government that has a legally enforceable liability and a government that does not; nor does it distinguish between a government that has promised benefits and a government that has not. In addition, GASB stated in paragraph 77 of GASB 45, "...the Board affirmed its general presumptions, and that of other standards setters, that an employer that has established a *pattern of providing* postemployment benefits has accepted *responsibility to provide* those benefits". Such presumptions may result in materially misleading financial statements and may be contrary to State law and the actions of the government's governing body.

The Statutory Basis of accounting provides an accounting basis for the County to report any legally enforceable OPEB liability it may have incurred based on the County's "Substantive Plan". A Substantive Plan is defined in Chapter 2264 as a plan providing OPEB approved by the governing body of the plan provider according to the laws and Constitution of the State. The Statutory Basis is consistent with the definition and characteristics of a liability defined in GASB Concepts Statement No. 4, *Elements of Financial Statements* as a "present obligation to sacrifice resources that the government has little or no discretion to avoid". No promises of continuing retirement healthcare benefits beyond 2024 have been made to employees by the Commissioners' Court. The County has included communications both in information provided to employees and in the annual financial statements that specifically state that the decision to provide these benefits is made on an annual basis.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

In summary, the County's presentation of OPEB in its financial statements using the Statutory Basis in Chapter 2264: (1) measures the cost of benefits according to their adoption by the government body of the County; (2) provides an accurate assessment of OPEB liabilities and the extent of their funding for the time period for which the benefits were adopted; and (3) provides information useful in assessing potential demands on the County's future cash flows.

Other significant accounting policies followed by the County are described below.

A. Reporting Entity

As required by GAAP, the County's financial statements present the County and its component units, entities for which the County is considered financially accountable. A component unit is included in the County's reporting entity if either of the following are applicable: (1) the County appoints a voting majority of the component unit's governing body and the County is able to impose its will on the component unit or there is potential for the component unit to provide specific financial benefits to or impose specific financial burdens on the County; (2) the component unit is fiscally dependent on the County and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. The County is required to consider other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete.

The component units discussed in this note are included in the County's financial statements because the Commissioners' Court appoints a voting majority of the organization's governing body and the County's ability to impose its will on the organizations.

Component Units

The component units' column in the financial statements includes the financial data of the County's two component units. They are reported as discretely presented component units in a separate column to emphasize that they are legally separate from the County.

Victoria County Navigation District - Established to oversee and regulate the maintenance and operations of the Victoria Barge Canal. The District is governed by a Board of Commissioners, each member of which is appointed by the Commissioners' Court of the County. The Commissioners' Court of Victoria also reviews and approves its annual budget. This entity is considered a Governmental Fund Type for the County's reporting purposes and uses the same fiscal year as the County.

Citizens Medical Center - A 317-bed acute care hospital owned by the County and established to provide medical services to the residents of the County and surrounding areas. The Medical Center is governed by a board of directors, each member of which is appointed by the Commissioners' Court of the County. This Court also reviews and approves the annual operating budget of the Medical Center. Citizens Medical Center operates on a fiscal year ending June 30 of each year. The amounts reported for the Medical Center in the financial statements are as of June 30, 2024. The Medical Center is reported as a Proprietary Fund Type in the accompanying financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

A. Reporting Entity - (Continued)

Complete financial statements for each of the above noted component units may be obtained by contacting their respective administrative offices at the following addresses:

Victoria County Navigation District
1934 FM 1432
Victoria, Texas 77905

Citizens Medical Center
2701 Hospital Drive
Victoria, Texas 77901

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the County and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from its legally separate component units.

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

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - (Continued)

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. The County considers property taxes as available if they are collected within 60 days after year-end. A 120 day availability period is used for recognition of all other Governmental Fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, except for interest payable accrued at the debt issuance date for which cash is received with the debt proceeds, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, fines, licenses, charges for services, interest income and intergovernmental revenues. Sales taxes collected and held by the state and other third parties at year-end on behalf of the County are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the County.

The 2024 tax levy is dedicated to pay for expenditures of the 2025 budget. The entire 2024 tax levy has either been recorded as unearned revenue or unavailable revenue as of December 31, 2024.

The County reports the following major governmental funds:

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

The Special Revenue Funds account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The American Rescue Plan Fund is reported as a major special revenue fund as of December 31, 2024. This fund established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program to support response to and recovery from COVID-19 public health emergency.

The County reports the following major proprietary funds:

Enterprise Funds are used to account for operations: 1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or 2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The Airport Fund, an enterprise fund, accounts for the operations of and improvements to the County Airport.

The Commissary Fund, an enterprise fund, accounts for the operations of commissary stores within correctional facilities.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - (Continued)

Additionally, the County reports the following funds:

The Debt Service Fund accounts for and report financial resources that are restricted, committed or assigned to expenditure for general government debt principal and interest.

The Capital Project Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

The Internal Service Fund accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governments, on a cost-reimbursement basis. The County maintains one Internal Service Fund: Employee Health Insurance Fund.

The Private Purpose Trust Fund, or the Flexible Benefits Plan, is used to account for amounts withheld from employee paychecks before FICA and withholding taxes are computed. All resources of the fund, including any earnings on invested resources, may be used to benefit parties outside the County. All the above is according to the plan document. The fund is excluded from the government-wide financial statements.

The Custodial Funds account for resources held by the County as an agent for various governments and individuals. These resources include ad valorem taxes collected and to be distributed to other local governments, pass-through grants, various fines and fees to be distributed to other governments, etc. The funds are excluded from the government-wide financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between various functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds and internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

D. Budgets and Budgetary Accounting

The County Judge is, by statute, the budget officer of the County. After being furnished budget guidelines by the County Judge and Commissioners' Court, the County Auditor prepares an estimate of revenues and a compilation of requested departmental expenditures. Department officials appear before the County Judge and the County Auditor for departmental budget review. A proposed budget is prepared by the County Auditor, then submitted to the Commissioners' Court. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of revenues and estimated cash balance at January 1 of the budgeted year.

Budgets are adopted for the General Fund, Road and Bridge Special Revenue Funds and the Debt Service Fund by the first regular session of the Commissioners' Court in September. All budgets adopted by the County are on the cash basis of accounting rather than in conformity with GAAP. Under the budgetary basis, revenues are recognized as collected and expenditures when paid.

When the budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring expenditures to keep them from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control (the level on which expenditures may not exceed appropriations) for each legally adopted annual operating budget is on a line-item basis. Any amendments above the line-item level must have the approval of the Commissioners' Court before implementation. The line-item level of control is defined by the basic categories of salaries, fringe benefits, operating expenditures, other services and charges, capital outlay, and debt service.

Budget revenue amendments made during the year in the County's governmental funds netted an increase of \$10,313,469. Budget expenditure amendments in these funds netted an increase of \$18,814,348.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the County as an extension of formal budgetary integration. Encumbrances outstanding at year-end are not reported as reservations of fund balances. All encumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are reappropriated in the ensuing year's budget.

E. Leases

County as Lessee

With the exception of short-term leases, when the County is a lessee in noncancellable lease arrangements the County recognizes a right-to-use lease liability (lease liability) and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value that would be material to the government-wide financial statements. For leases not meeting these criteria, lease payments are recognized as outflows of resources based on the payment provisions of the contract. See Note 14 for details of the County's leasing arrangements as lessee.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Leases - (Continued)

County as Lessee - (Continued)

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

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

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

County as Lessor

With the exception of short-term leases and certain regulated leases, when the County is a lessor in noncancellable lease arrangements the County recognizes a right-to-use lease receivable (lease receivable) and a deferred inflow of resources in the government-wide and governmental fund financial statements. The County recognizes lease receivables with an initial, individual value that would be material to the governmental financial statements. For leases not meeting these criteria, lease revenues are recognized as inflows of resources based on the payment provisions of the contract. See Note 6 for details of the County's leasing arrangements as lessor.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. 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 three months or less from the date of acquisition. Investments for the County are reported at fair value.

The County may invest its excess funds in any instruments authorized by the Public Funds Investment Act of Texas. Investments authorized under this Act include, but are not limited to, the following: Obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities; certificates of deposit issued by a state or financial institution domiciled in the State of Texas which is guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or otherwise secured; and certain repurchase agreements.

The Commissioners' Court has adopted a written investment policy regarding the investment of its funds as defined by the Public Funds Investment Act of 1995. The investments of the County are in compliance with the Commissioners' Court's investment policies.

G. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". 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.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

H. Inventory and Prepaid Items

Inventories of supplies held by the Airport Fund, an enterprise fund, are valued at the lower of cost (first-in, first-out) or market. Estimated cost is used when actual cost figures are not available.

Certain payments to vendors reflect costs applicable to future accounting periods. These payments are reported as deferred expenditures (governmental funds) or prepaid expenses (proprietary funds) in the fund financial statements and as deferred expenditures/expenses in the government-wide statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position. The County defines capital assets, other than infrastructure assets, as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The County reports infrastructure assets on a system basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported regardless of their amount. In the case of the initial capitalization of general infrastructure assets, the County chose to include all such items acquired on or after January 1, 2003. The County reported infrastructure assets acquired prior to January 1, 2003, beginning in year ending December 31, 2007.

As the County constructs or acquires capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is capitalized when acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred during the period of construction until completion of the project with interest earned on invested proceeds over the same period.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	10-50
Improvements other than buildings	10-50
Infrastructure	20-40
Machinery and equipment	5-15
Office equipment and fixtures	5-10

J. Compensated Absences

Paid time off or PTO benefits are accrued by County employees according to guidelines set in the County's personnel policy. This policy states that PTO begins to accrue on the first day of employment. However, a new hire (regular 40 hour employee) may not begin to use their accrued PTO until they have completed six months of continuous service (with the exception of Public Safety employees, PTO is available after the first bi-weekly accrual). Each employee will thereafter accrue PTO according to the number of years of continuous service. Upon termination of employment, if the employee has completed one year of service, he or she will be paid for accrued but unused PTO. The payment of unused PTO may not exceed 80 hours. All PTO is accrued when incurred in the government-wide and proprietary financial 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**K. Long-term Obligations**

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

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

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category.

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension/OPEB contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Differences between actuarial assumptions used and actual experience for determination of pension or OPEB liability – These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. This year, the County has the following items that qualify for reporting in this category.

- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized over a closed five-year period.
- Difference in expected and actual pension or OPEB experience is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Changes in actuarial assumptions used to determine pension or OPEB liability – This difference is deferred and amortized over the estimated average remaining lives of all members determined as of the measurement date.
- Deferred amounts relating to leases represent future inflows of resources which will be recognized as revenue over the life of the lease term.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

M. Pensions and OPEB

For purposes of measuring the net pension liability, OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEBS, and pension and OPEB expense, information about the fiduciary net position of the Texas County & District Retirement System (TCDRS) and additions to/deductions from TCDRS's fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the County's pension liability is obtained from TCDRS through a report prepared for the County by TCDRS consulting actuary, Milliman, Inc., in compliance with GASB No. 68.

N. Fund Balance

Fund balances of Governmental Funds classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors or laws or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the Commissioners Court through a resolution or by other formal action. Assigned fund balances are constrained by intent to be used for specific purposes but are neither restricted nor committed. Assignments can be made by the Commissioners Court or by a Court designee (e.g., a department head).

O. Net Position/Fund Balance Flow Assumption

For the classification of government-wide and proprietary fund financial statements, it is the County's policy to consider restricted net position before unrestricted net position. For governmental fund balances, the County considers an expenditure to be made from the most restrictive first when more than one classification is available. However, the County has reserved the right to deviate from this general strategy.

P. Minimum Fund Balance Policy

It is the desire of the County to maintain adequate General Fund fund balance to provide sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The Commissioners' Court has adopted a financial standard to maintain an unassigned General Fund fund balance of 25% of the total budgeted expenditures.

The Commissioners' Court has also adopted a financial standard to maintain a restricted Debt Service Fund fund balance of 10% - 25% of the following year's debt service requirements, to be used for debt service expenditures.

Q. Use of Estimates

The preparation of the government-wide and fund financial statements in conformity with generally accepted accounting principles requires the County to make estimates and assessments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITYDeficit Fund Balance/Net Position

As of December 31, 2024, the following funds had deficit fund balance/net position balances:

<u>Fund</u>	<u>Fund Balance/ Net Position</u>
Nonmajor Governmental Fund	
Emergency Management	\$ 68,407
FEMA Public Assistance Hurricane Beryl	38,786
HMGP Juvenile Justice Generator	4,286
HMGP Emergency Community Safe Room	280
Hazard Mitigation Grant Program	218,558
CDA Victims Assistance Grant	1,340
Sheriff Victims Assistance Grant	1,180
Operation Stonegarden Grant	8,712
Byrne JAG Program	14,251
High Intensity Drug Trafficking Area Grant	4,057
Feral Hog Grant	2,843
Indigent Defense Coordinator Program	2,828
Internal Service Fund	
Employee Health Insurance	1,384,406

Steps will be taken to eliminate these deficits in the upcoming fiscal year.

NOTE 3: DEPOSITS AND INVESTMENTS

The following is a reconciliation of deposit and investment balances as of December 31, 2024:

<u>Deposits and Investments</u>	
Bank Deposits	\$ 32,569,306
Negotiable Certificates of Deposits	13,542,000
Municipal Bonds	550,000
LOGIC Investment Pool	2,299,877
Texas Class	9,519,970
Cash on Hand	<u>3,390,516</u>
 Total	 <u>\$ 61,871,669</u>

Deposits

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of not less than the principal amount of the deposits. All deposits of the County that exceeded the federal depository insurance coverage level of \$250,000 per account were covered by collateral held by the Federal Reserve Bank in the County's name under a collateral agreement with Prosperity Bank. The market value of the collateral held at the Federal Reserve Bank in the County's name at year-end was \$59,200,722. At December 31, 2024, the respective bank balances totaled \$56,045,013.

NOTE 3: DEPOSITS AND INVESTMENTS - (Continued)

Investments

Following the criteria for GASB Statement No. 79, Certain External Investment Pools and Pool Participants, LOGIC uses amortized cost and Texas CLASS uses the fair value method to value portfolio assets. The pools operate in a manner consistent with the Securities and Exchange Commission's (SEC) Rule 2(a)(7) of the Investment Company Act of 1940 but is not registered with the SEC as an investment company. Instead, the regulatory oversight for the pools is the State of Texas. The investment pools transact at a net asset value of \$1.00 per share and are classified as cash and cash equivalents for reporting purposes.

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

As of December 31, 2024, the County had the following investments:

Investment Type	Fair Value	Fair Value Measurements Using			
		Level 1	Level 2	Level 3	N/A
Negotiable Certificates of Deposits	\$ 13,542,000	\$ -	\$ 13,542,000	\$ -	\$ -
Municipal Bonds	550,000	-	550,000	-	-
LOGIC Investment Pool	2,299,877	-	-	-	2,299,877
Texas Class	9,519,970	-	-	-	9,519,970
Total	\$ 25,911,847	\$ -	\$ 14,092,000	\$ -	\$ 11,819,847

Interest Rate Risk

In accordance with the County's investment policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio for investments to less than five years from the time of purchase. Specifically, investments of operating funds must have stated final maturities of three years or less and investments in capital project funds must have stated final maturities that do not exceed the expected completion date of the project for which the bonds were sold.

As of December 31, 2024, the County's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Negotiable Certificates of Deposits	\$ 13,542,000	\$ 6,440,000	\$ 7,102,000	\$ -	\$ -
Municipal Bonds	550,000	-	550,000	-	-
LOGIC Investment Pool	2,299,877	2,299,877	-	-	-
Texas Class	9,519,970	9,519,970	-	-	-
Total	\$ 25,911,847	\$ 18,259,847	\$ 7,652,000	\$ -	\$ -

NOTE 3: DEPOSITS AND INVESTMENTS - (Continued)Investments - (Continued)*Credit Risk*

Credit risk is the risk that an issuer or 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 limit its investments to those with ratings of not less than A or its equivalent.

At December 31, 2024, the County's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
Negotiable Certificates of Deposits	\$ 13,542,000	\$ -	\$ -	\$ -	\$ 13,542,000
Municipal Bonds	550,000	-	550,000	-	-
LOGIC Investment Pool	2,299,877	2,299,877	-	-	-
Texas Class	<u>9,519,970</u>	<u>9,519,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 25,911,847</u>	<u>\$ 11,819,847</u>	<u>\$ 550,000</u>	<u>\$ -</u>	<u>\$ 13,542,000</u>

Concentration of Credit Risk

The County's investment policy requires that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity or specific user. At year-end, the County was not exposed to concentration of credit risk.

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy requires that securities be held in the name of the County or held on behalf of the County and that all securities are purchased using the delivery versus payment method. As of December 31, 2024, and for the year then ended, the County was not exposed to any custodial credit risk.

Please see Notes 23 and 24 for discussions relative to the cash deposits of the County's two component units.

NOTE 4: RECEIVABLES

Receivables at December 31, 2024, for the County’s individual major funds and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Airport	Commissary	Nonmajor and Other Funds	Total
Gross receivables					
Ad valorem taxes	\$ 26,787,847	\$ -	\$ -	\$ 8,586,626	\$ 35,374,473
Sales taxes	2,168,609	-	-	-	2,168,609
Fines	14,470,810	-	-	-	14,470,810
Other	<u>190,776</u>	<u>21,560</u>	<u>71,090</u>	<u>1,648,080</u>	<u>1,931,506</u>
Total gross receivables	43,618,042	21,560	71,090	10,234,706	53,945,398
Less: Allowances	<u>12,863,165</u>	<u>-</u>	<u>-</u>	<u>616,840</u>	<u>13,480,005</u>
Total net receivables	<u>\$ 30,754,877</u>	<u>\$ 21,560</u>	<u>\$ 71,090</u>	<u>\$ 9,617,866</u>	<u>\$ 40,465,393</u>

The County’s governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds and internal service fund were as follows:

	Unavailable	Unearned	Total
General Fund			
Ad valorem taxes receivable	\$ 32,057,712	\$ -	\$ 32,057,712
Fines receivable	3,536,536	-	3,536,536
Other	-	15,480	15,480
American Rescue Plan Act			
Federal and state grants	-	4,529,605	4,529,605
Nonmajor and Other Funds			
Ad valorem taxes receivable	10,333,254	-	10,333,254
Federal and state grants	288,486	249,396	537,882
Other	<u>-</u>	<u>1,057</u>	<u>1,057</u>
	<u>\$ 46,215,988</u>	<u>\$ 4,795,538</u>	<u>\$ 51,011,526</u>

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and payable by the following January 31, which comprises the collection dates for the current tax roll. The County of Victoria Tax Assessor-Collector bills and collects its own property taxes.

The County is permitted by State Statute to levy taxes up to \$0.80 per \$100 of assessed valuation. The combined tax rate for the budgetary year ended December 31, 2024, was \$0.3880 per \$100, which means the County has a tax margin of \$0.4120 per \$100.

NOTE 5: DUE FROM OTHER GOVERNMENTS

Various funds of the County reported amounts due from other governments as of the end of the current year. These amounts are comprised of the following at December 31, 2024:

	General	Airport	Nonmajor and Other Funds	Total
Contract reimbursements	\$ 525,755	\$ -	\$ 403,492	\$ 929,247
Federal and state grants	-	2,579,731	1,594,437	4,174,168
Alcohol and bingo taxes	51,174	-	-	51,174
	<u>\$ 576,929</u>	<u>\$ 2,579,731</u>	<u>\$ 1,997,929</u>	<u>\$ 5,154,589</u>

NOTE 6: LEASE RECEIVABLES

The County owns various properties which are available for lease, including land, buildings, and infrastructure. The terms of the noncancellable lease agreements vary from 18 months to 236 months, with multiple option periods considered as part of the overall lease terms, as the County determined that it is reasonably certain the lessees will exercise the options. For the majority of the leases, rent for the option periods is based on a specified rate table. For leases where the option periods are based on the Consumer Price Index ("CPI"), those payments will be considered variable payments in the future.

The present value of future minimum lease payments as of December 31, 2024 for governmental leases of \$446,484 is recorded as a right-to-use lease receivable in the government-wide and fund financial statements. The related deferred inflow of resources as of December 31, 2024 of \$457,596 is recorded in the fund financial statements. As of December 31, 2024, both the right-to-use lease receivable of \$1,494,410 and the related deferred inflow of resources of \$1,418,409 for the proprietary fund are recorded in the government-wide and fund financial statements.

Governmental fund inflows of resources during the current fiscal year include \$233,680 in base lease revenues and \$8,222 in lease interest revenues. Proprietary fund inflows of resources during the current fiscal year include \$22,263 in base lease revenues and \$194,873 in lease interest revenues. Variable payments of \$9,111 were recognized in the current year.

The future payments that are included in the measurement of the lease receivables are as follows:

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 212,481	\$ 6,542	\$ 222,876	\$ 22,250	\$ 464,149
2026	45,537	5,218	238,094	18,380	307,229
2027	28,504	4,494	239,810	14,207	287,015
2028	29,236	3,762	241,629	10,243	284,870
2029	29,986	3,012	155,984	6,944	195,926
2030-2034	100,740	4,755	206,055	19,475	331,025
2035-2039	-	-	121,138	10,904	132,042
2040-2044	-	-	60,822	2,009	62,831
2045-2047	-	-	8,002	275	8,277
	<u>\$ 446,484</u>	<u>\$ 27,783</u>	<u>\$ 1,494,410</u>	<u>\$ 104,687</u>	<u>\$ 2,073,364</u>

NOTE 7: CAPITAL ASSETS

The County's capital asset activity for the year ended December 31, 2024, was as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 3,359,073	\$ 99,572	\$ -	\$ 3,458,645
Construction in progress	4,044,285	3,739,336	3,354,020	4,429,601
Total capital assets not being depreciated	<u>7,403,358</u>	<u>3,838,908</u>	<u>3,354,020</u>	<u>7,888,246</u>
Capital assets, being depreciated				
Machinery and equipment	27,885,873	2,604,354	606,071	29,884,156
Buildings	23,874,195	1,316,031	-	25,190,226
Improvements	28,173,932	3,387,944	-	31,561,876
Infrastructure	123,835,960	-	-	123,835,960
Total capital assets being depreciated	<u>203,769,960</u>	<u>7,308,329</u>	<u>606,071</u>	<u>210,472,218</u>
Right-to-use lease assets, being amortized				
Machinery and equipment	100,728	-	-	100,728
Buildings	398,122	-	-	398,122
Total right-to-use lease assets being amortized	<u>498,850</u>	<u>-</u>	<u>-</u>	<u>498,850</u>
Subscription assets, being amortized	<u>790,849</u>	<u>246,881</u>	<u>-</u>	<u>1,037,730</u>
Less accumulated depreciation and amortization for				
Capital assets, being depreciated				
Machinery and equipment	18,465,746	2,288,284	521,687	20,232,343
Buildings	14,256,369	402,810	-	14,659,179
Improvements	19,956,047	603,821	-	20,559,868
Infrastructure	115,644,704	248,776	-	115,893,480
Right-to-use lease assets, being amortized				
Machinery and equipment	40,695	24,537	-	65,232
Buildings	88,471	44,236	-	132,707
Subscription assets, being amortized	146,521	201,804	-	348,325
Total accumulated depreciation and amortization	<u>168,598,553</u>	<u>3,814,268</u>	<u>521,687</u>	<u>171,891,134</u>
Total capital assets being depreciated and assets being amortized, net	<u>36,461,106</u>	<u>3,740,942</u>	<u>84,384</u>	<u>40,117,664</u>
Governmental activities capital assets, net	<u>\$ 43,864,464</u>	<u>\$ 7,579,850</u>	<u>\$ 3,438,404</u>	<u>\$ 48,005,910</u>

*Beginning balances have been restated. See Note 20 for details.

NOTE 7: CAPITAL ASSETS - (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets, not being depreciated				
Construction in progress	\$ 1,362,016	\$ 4,762,469	\$ 4,021,152	\$ 2,103,333
Total capital assets not being depreciated	<u>1,362,016</u>	<u>4,762,469</u>	<u>4,021,152</u>	<u>2,103,333</u>
Capital assets, being depreciated				
Machinery and equipment	1,382,494	1,495,829	209,819	2,668,504
Buildings	1,111,046	-	-	1,111,046
Improvements	17,512,056	4,080,823	439,213	21,153,666
Total capital assets being depreciated	<u>20,005,596</u>	<u>5,576,652</u>	<u>649,032</u>	<u>24,933,216</u>
Less accumulated depreciation for				
Machinery and equipment	930,186	104,913	190,506	844,593
Buildings	1,111,046	-	-	1,111,046
Improvements	14,354,565	493,355	439,213	14,408,707
Total accumulated depreciation	<u>16,395,797</u>	<u>598,268</u>	<u>629,719</u>	<u>16,364,346</u>
Total capital assets being depreciated, net	<u>3,609,799</u>	<u>4,978,384</u>	<u>19,313</u>	<u>8,568,870</u>
Business-type activities capital assets, net	<u>\$ 4,971,815</u>	<u>\$ 9,740,853</u>	<u>\$ 4,040,465</u>	<u>\$ 10,672,203</u>

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

Governmental activities	
General government	\$ 1,475,819
Public safety	1,426,091
Highways and streets	801,518
Culture and recreation	8,687
Public health	<u>102,153</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 3,814,268</u>
Business-type activities	
Airport	\$ 567,302
Commissary	<u>30,966</u>
Total depreciation expense - business-type activities	<u>\$ 598,268</u>

NOTE 8: DEFINED BENEFIT PENSION PLAN

Plan Description

The County provides retirement and disability benefits for all of its full-time employees through a nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The Board of Trustees of TCDRS is responsible for the administration of the statewide, agent multiple-employer, public employee retirement system consisting of nearly 870 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available at TCDRS.org/employers.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas state statutes governing TCDRS (TCDRS Act). Members can retire at ages 60 and above with 10 or more years of service, with 20 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after 8 years of service but must leave their accumulated deposits in the plan to receive any employer-financed benefit. Members who withdraw their personal deposits 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, or 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.

Membership

At the December 31, 2023 valuation and measurement date, the following is the number of members in the plan:

Inactive employees (or their beneficiaries) currently receiving benefits	452
Inactive employees entitled to but not yet receiving benefits	606
Active employees	<u>604</u>
Total	<u>1,662</u>

Funding Policy

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. The employer contributed using the actuarially determined rate of 15.06% for the accounting year in 2024. The deposit rate payable by the employee members is the rate of 7.00% as adopted by the governing body of the employer. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

The deposit rate payable by the employer for calendar year 2024 is the rate of 15.06% as adopted by the governing body of the employer. The employee members deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

NOTE 8: DEFINED BENEFIT PENSION PLAN - (Continued)

Net Pension Liability

The County's net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported.
Actuarial cost method	Entry age (level of percent of pay)
Amortization method	
Recognition of economic/ demographic gains or losses	Straight-line amortization over expected working life
Recognition of assumptions changes or inputs	Straight-line amortization over expected working life
Asset valuation method	
Smoothing period	5 years
Recognition method	Non-asymptotic
Corridor	None
Inflation	2.50%
Salary increases	Varies by age and service.
Investment rate of return	7.60% (Gross of administrative expenses)
Cost of living adjustments	Cost of living adjustments for Victoria County are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost of living adjustments is included in the GASB calculations. No assumption for future cost of living adjustments is included in the funding valuation.
Retirement age	Based on annual rates of service retirement where deferred members are assumed to retire at the later of: a) age 60 or b) earliest retirement eligibility.
Turnover	The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement is 0% for the two years immediately prior to retirement eligibility. Rates are reduced at ages near retirement as it is anticipated that a member would be less likely to take a withdrawal if the partial lump-sum payment option was available. New employees are assumed to replace any terminated members and have similar entry ages.

NOTE 8: DEFINED BENEFIT PENSION PLAN - (Continued)

Net Pension Liability - (Continued)

Actuarial Assumptions - (Continued)

Mortality

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

NOTE 8: DEFINED BENEFIT PENSION PLAN - (Continued)

Net Pension Liability - (Continued)

Actuarial Assumptions - (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

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

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

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

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

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

NOTE 8: DEFINED BENEFIT PENSION PLAN - (Continued)**Net Pension Liability** - (Continued)*Actuarial Assumptions - (Continued)**Discount Rate*

The discount rate used to measure the total pension liability was 7.60%, no change from prior measurement. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
	(a)	(b)	(a) - (b)
Balance at 12/31/2022	\$ 205,060,798	\$ 182,826,513	\$ 22,234,285
Changes for the year:			
Service cost	4,412,076	-	4,412,076
Interest on total pension liability ⁽¹⁾	15,526,433	-	15,526,433
Effect on plan changes ⁽²⁾	-	-	-
Effect of economic/demographic gains or losses	(314,080)	-	(314,080)
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(500,793)	(500,793)	-
Benefit payments	(10,047,764)	(10,047,764)	-
Administrative expenses	-	(104,233)	104,233
Member contributions	-	2,384,052	(2,384,052)
Net investment income	-	20,062,286	(20,062,286)
Employer contributions	-	5,078,020	(5,078,020)
Other ⁽³⁾	-	(81,181)	81,181
Net changes	<u>9,075,872</u>	<u>16,790,387</u>	<u>(7,714,515)</u>
Balance at 12/31/2023	<u>\$ 214,136,670</u>	<u>\$ 199,616,900</u>	<u>\$ 14,519,770</u>

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

⁽²⁾ No plan changes valued.

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

NOTE 8: DEFINED BENEFIT PENSION PLAN - (Continued)

Net Pension Liability - (Continued)

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 7.60%, as well as what the Victoria County net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate:

	1.0% Decrease in Discount Rate (6.60%)	Current Discount Rate (7.60%)	1.0% Increase in Discount Rate (8.60%)
Total pension liability	\$ 242,603,711	\$ 214,136,669	\$ 190,382,206
Fiduciary net position	199,616,899	199,616,899	199,616,899
Net pension liability / (asset)	\$ 42,986,812	\$ 14,519,770	\$ (9,234,693)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued TCDRS report.

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

For the year ended December 31, 2024, the County recognized pension expense of \$3,099,485. At December 31, 2024, the County reported the following deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 418,945	\$ 235,560
Changes of assumptions	-	-
Net difference between projected and actual earnings	642,461	-
Contributions subsequent to the measurement date	5,441,213	-
Total	\$ 6,502,619	\$ 235,560

\$5,441,213 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 December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Pension Expense Amount
2024	\$ (1,256,455)
2025	(564,064)
2026	3,904,272
2027	(1,257,907)
2028	-
Thereafter	-
Total	\$ 825,846

NOTE 9: OTHER POSTEMPLOYMENT BENEFIT PLAN - LIFE (OPEB)

Plan Description and Benefits Provided

The County participates in the retiree Group Term Life program for the TCDRS. All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year and are eligible for the TCDRS pension plan. Only employers that have elected participation in the retiree GTL program are included in the OPEB plan. The plan provides a \$5,000 post-retirement death benefit to beneficiaries of service retirees and disability retirees of employers that have elected participation in the retiree GTL program. The OPEB benefit is a fixed \$5,000 lump-sum benefit and no future increases are assumed in the \$5,000 benefit amount. The benefit terms are established under the TCDRS Act. Participation in the retiree GTL program is optional and the employer may elect to opt out of (or opt into) coverage as of January 1 each year.

Membership

At the December 31, 2023 valuation and measurement date, the following is the number of members in the plan:

Inactive employees currently receiving benefits	392
Inactive employees entitled to but not yet receiving benefits	168
Active employees	<u>604</u>
Total	<u>1,164</u>

Contributions

The County's contribution rate for the retiree GTL program is calculated annually on an actuarial basis, and is equal to the cost of providing a one-year death benefit equal to \$5,000. For GASB 75 purposes, the OPEB plan is not a cost sharing plan as the employer's benefit payments for the year are treated as being equal to its annual retiree GTL contributions. The contributions are held in the GTL fund and the fund does not meet the requirements of a trust under Paragraph 4b of GASB 75 as the assets of the GTL fund can be used to pay active GTL benefits which are not part of the OPEB plan.

The County's contribution rates for the program are as follows:

Plan/Calendar Year	Total GTL Contribution (Rate)	Retiree Portion of GTL Contribution (Rate)
2020	0.15%	0.12%
2021	0.15%	0.12%
2022	0.16%	0.12%
2023	0.12%	0.10%
2024	0.12%	0.10%

NOTE 9: OTHER POSTEMPLOYMENT BENEFIT PLAN - LIFE (OPEB) - Continued

Total OPEB Liability

The County's total OPEB liability and the OPEB expense is recognized on the County's financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability.

Actuarial Assumptions

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2017 – December 31, 2020, except where required to be different by GASB 75.

Valuation timing	Actuarially determined contribution rates are calculated on a calendar year basis as of December 31, two years prior to the end of the fiscal year in which contributions are reported.
Actuarial cost method	Entry age level percent of salary
Amortization method	
Recognition of economic/ demographic gains or losses	Straight-line amortization over expected working life
Recognition of assumptions changes or inputs	Straight-line amortization over expected working life
Asset valuation method	Does not apply
Inflation	Does not apply
Salary increases	Varies by age and service. Salary increases do not affect benefits but are used in the allocation of costs under the actuarial cost method.
Investment rate of return (Discount rate)	3.26%; 20 year bond GO Index published by bondbuyer.com as of December 28, 2023
Cost of living adjustment	Does not apply
Disability	Based on TCDRS experience
Mortality	For service retirees and beneficiaries, 135% and 120% of the Pub-2010 General Healthy Retirees Amount-Weighted Mortality Table for males and females, respectively, both projected with 100% of the MP-2021 Ultimate scale after 2010. For depositing members, 135% and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and females, respectively, both projected with 100% of the MP-2021 Ultimate scale after 2010. For disabled retirees, 160% and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and females, respectively, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Retirement	Based on annual rates of service retirement where deferred members are assumed to retire at the later of: a) age 60 or b) earliest retirement eligibility.

NOTE 9: OTHER POSTEMPLOYMENT BENEFIT PLAN - LIFE (OPEB) - Continued

Total OPEB Liability - (Continued)

Actuarial Assumptions - (Continued)

Other Termination of
Employment

The rate of assumed future termination from active participation in the plan for reasons other than death, disability or retirement vary by length of service, entry-age group and gender. No termination after eligibility for retirement is assumed.

Discount Rate

The discount rate used to measure the total OPEB liability at December 31, 2023 was 3.26%, a decrease from the rate of 3.72% at December 31, 2022. The OPEB plan has been determined to be an unfunded OPEB plan; therefore, only the municipal bond rate applies.

Changes in Total OPEB Liability

	<u>Changes in Total OPEB Liability</u>
Balance at 12/31/2022	\$ 1,595,813
Changes for the year:	
Service cost	41,954
Interest on total OPEB liability ⁽¹⁾	60,297
Changes of benefit terms ⁽²⁾	-
Effect of economic/demographic experience	(9,544)
Effect of assumptions changes or inputs ⁽³⁾	144,359
Benefit payments	(34,058)
Other	<u>-</u>
Balance at 12/31/2023	<u>\$ 1,798,821</u>

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

⁽²⁾ No plan values changed.

⁽³⁾ Reflects change in discount rate.

NOTE 9: OTHER POSTEMPLOYMENT BENEFIT PLAN - LIFE (OPEB) - Continued

Total OPEB Liability - (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the Total OPEB Liability of the County, calculated using the discount rate of 3.26%, as well as what the County's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.26%) or 1 percentage point higher (4.26%) than the current rate:

	1.0% Decrease in Discount Rate (2.26%)	Current Discount Rate (3.26%)	1.0% Increase in Discount Rate (4.26%)
County's Total OPEB Liability:	\$2,180,603	\$1,798,821	\$1,505,388

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

For the year ended December 31, 2024, the County recognized OPEB expense of \$108,628.

As of December 31, 2024, the deferred outflows of resources and deferred inflows of resources related to OPEB are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,321	\$ 7,635
Changes of assumptions	241,965	361,124
Contributions made subsequent to the measurement date	36,193	-
Total	\$ 295,479	\$ 368,759

Deferred outflows and inflows of resources to be recognized in future OPEB expense (excluding County contributions subsequent to the measurement date) are as follows:

Year ended December 31:	OPEB Expense Amount
2024	\$ 33,026
2025	(80,143)
2026	(89,324)
2027	26,968
2028	-
Thereafter	-
Total	\$ (109,473)

NOTE 10: RETIREE HEALTH BENEFIT PLAN (OPEB)

In addition to providing pension benefits, the County provides its retirees with post-employment health care benefits. In order for a County employee to be eligible for this benefit, their age combined with their years of service must equal seventy-five (75), or they must have attained the age of sixty (60) and with eight (8) years of service, or they must have twenty (20) or more years of service with Victoria County and can retire at any age with full benefits.

The County pays 41.53% of the premium cost for each retiree under the age of 65 provided they worked for Victoria County for eight (8) or more years. If the retiree worked less than eight (8) years for Victoria County the County will not pay any of the premium cost. The County does not contribute to the premium cost for dependents who may be covered under the retiree's (under 65) health insurance plan.

The County pays 50% of the premium cost for medical coverage only for each retiree over the age of 65. The County does not contribute to the premium cost for dependents for retirees over the age of 65.

Other post-employment benefits are expensed and funded on a pay-as-you-go basis. The County recognizes the cost of providing these benefits as a payroll expense/expenditure in an operating fund with corresponding revenue in the Employee Health Insurance Fund. Payments for health insurance are shown as an expense in the Employee Health Insurance Fund. The cost of providing these benefits for 75 and 117 retirees and active employees for the years 2024 and 2023, respectively, is not separated. Total payments to the Employee Health Insurance Fund by retirees were \$227,305 in 2024 and \$214,348 in 2023.

NOTE 11: EMPLOYEES' HEALTH INSURANCE FUND

The County maintains a self-insurance internal service fund designed to pay comprehensive health benefits incurred by its participants. The fund assumes all risk up to \$175,000 of claims per participant annually; after this a reinsurance policy pays any remaining claims for the remainder of the year. Premiums are charged to the individual funds based on a predetermined cost per employee and dependent. These amounts are recorded as operating revenue in the internal service fund and as operating expenditures/expenses in the respective funds. Any claims that have been incurred, but not reported, as of the balance sheet date are shown as current liabilities in the internal service fund and have been charged as an operating expense for that period. This amount was determined by the County's health plan administrator.

As of December 31, 2024, the fund had estimated liabilities for outstanding claims of \$504,811. There was an unrestricted net position of (\$1,384,406) as of December 31, 2024, which was a change in net position of \$1,445,820 from 2023.

NOTE 11: EMPLOYEES' HEALTH INSURANCE FUND - (Continued)

Below is a reconciliation of claims liabilities reported in the Employee's Health Insurance Fund for the years noted:

<u>Year</u>	<u>Payable Jan 1</u>	<u>Incurred</u>	<u>Paid</u>	<u>Payable Dec 31</u>
2015	\$ 150,628	\$ 2,180,671	\$ 2,123,249	\$ 208,050
2016	208,050	2,734,593	2,694,141	248,502
2017	248,502	3,309,724	3,372,446	185,780
2018	185,780	3,681,389	3,302,952	564,217
2019	564,217	2,993,182	3,151,561	405,838
2020	405,838	3,428,325	3,514,057	320,106
2021	320,106	3,529,529	3,480,178	369,457
2022	369,457	5,097,549	4,925,147	541,859
2023	541,859	3,959,190	4,060,937	440,112
2024	440,112	4,107,069	4,042,370	504,811

The above schedule reflects only those claims for which the County was liable. Information on claims paid by the insurance carrier under the reinsurance policy was not available. Settled claims resulting from insured risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 12: DEFERRED COMPENSATION PLAN

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. Except in specified circumstances, the deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

During 1998, the County transferred plan assets to an independent trust for the exclusive benefit of the participants and their beneficiaries.

NOTE 13: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchased commercial insurance to cover risks associated with potential claims in 2024. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

NOTE 14: LONG-TERM DEBT

A. Changes In Long-term Liabilities

Long-term liability activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Bonds and certificates payable					
Certificates of obligation	\$ 32,160,000	\$ -	\$ 1,445,000	\$ 30,715,000	\$ 1,810,000
General obligation bonds	3,560,000	-	450,000	3,110,000	465,000
Less: Deferred amounts					
Issuance premiums	<u>1,596,746</u>	<u>-</u>	<u>116,951</u>	<u>1,479,795</u>	<u>-</u>
Net bonds and certificates payable	<u>37,316,746</u>	<u>-</u>	<u>2,011,951</u>	<u>35,304,795</u>	<u>2,275,000</u>
Direct borrowings					
Financed purchases	93,312	758,966	353,227	499,051	121,315
Right-to-Use leases	379,231	-	65,126	314,105	66,613
Subscription liabilities	616,167	246,883	212,475	650,575	186,005
Compensated absences	3,705,111	4,221,424	3,884,755	4,041,780	171,999
Net pension liability	22,234,285	-	7,714,515	14,519,770	-
OPEB liability	<u>1,595,813</u>	<u>203,008</u>	<u>-</u>	<u>1,798,821</u>	<u>-</u>
Total governmental activity long-term liabilities	<u>\$ 65,940,665</u>	<u>\$ 5,430,281</u>	<u>\$ 14,242,049</u>	<u>\$ 57,128,897</u>	<u>\$ 2,820,932</u>
Business-type activities					
Compensated absences	<u>\$ 83,730</u>	<u>\$ 136,621</u>	<u>\$ 120,147</u>	<u>\$ 100,204</u>	<u>\$ 26,710</u>
Total business-type activity long-term liabilities	<u>\$ 83,730</u>	<u>\$ 136,621</u>	<u>\$ 120,147</u>	<u>\$ 100,204</u>	<u>\$ 26,710</u>

*Beginning balances have been restated. See Note 20 for details.

For the governmental activities, compensated absences, OPEB liability, and net pension liability are generally liquidated by the General Fund.

The estimated amount of OPEB benefit payments that are due within one year is reported as \$0 as the amounts were determined to be insignificant to the County's December 31, 2024 financial statements. Therefore, the entire OPEB liability is reported as a noncurrent liability on the Statement of Net Position.

NOTE 14: LONG-TERM DEBT - (Continued)

B. General Obligation Certificates and Bonds

Bonds and certificates payable at December 31, 2024, are comprised of the following individual issues:

\$6,340,000 2014 Certificates of Obligation due in annual installments ranging from \$280,000 to \$465,000 through 2034; interest varying between 2.00% and 4.00%.	\$ 3,965,000
\$4,920,000 2017 Limited Tax Refunding Bonds due in annual installments ranging from \$85,000 to \$570,000 through 2030; interest varying between 2.00% and 4.00%.	3,110,000
\$9,895,000 2019 Certificates of Obligation (Citizens Medical Center) due in annual installments ranging from \$280,000 to \$690,000 through 2039; interest varying between 2.00% and 4.00%.	8,715,000
\$9,460,000 2022 Certificates of Obligation (Citizens Medical Center) due in annual installments ranging from \$280,000 to \$670,000 through 2043; interest varying between 4.00% and 5.00%.	8,875,000
\$9,460,000 2023 Certificates of Obligation due in annual installments ranging from \$200,000 to \$690,000 through 2043; interest varying between 4.00% and 5.00%.	<u>9,160,000</u>
Total General Obligation Certificates and Bonds	<u>\$ 33,825,000</u>

Annual debt service requirements to maturity for certificates of obligation and general obligation bonds are as follows:

Year Ending December 31	Governmental Activities						Combined Total
	Certificates of Obligation			General Obligation Bonds			
	Principal	Interest	Total	Principal	Interest	Total	
2025	\$ 1,810,000	\$ 1,144,246	\$ 2,954,246	\$ 465,000	\$ 115,100	\$ 580,100	\$ 3,534,346
2026	1,435,000	1,078,171	2,513,171	485,000	96,100	581,100	3,094,271
2027	1,405,000	1,022,696	2,427,696	510,000	76,200	586,200	3,013,896
2028	1,525,000	963,721	2,488,721	530,000	55,400	585,400	3,074,121
2029	1,590,000	900,571	2,490,571	550,000	33,800	583,800	3,074,371
2030-2034	9,255,000	3,512,094	12,767,094	570,000	11,400	581,400	13,348,494
2035-2039	8,585,000	1,879,993	10,464,993	-	-	-	10,464,993
2040-2043	5,110,000	447,569	5,557,569	-	-	-	5,557,569
	<u>\$ 30,715,000</u>	<u>\$ 10,949,061</u>	<u>\$ 41,664,061</u>	<u>\$ 3,110,000</u>	<u>\$ 388,000</u>	<u>\$ 3,498,000</u>	<u>\$ 45,162,061</u>

NOTE 14: LONG-TERM DEBT - (Continued)**C. Financed Purchases**

Financed purchases payable (direct borrowings) at December 31, 2024, are comprised of the following leases:

Financed purchase agreement on a 2019 Gradall used by Precinct #1. The original amount of the lease, entered into in 2024, was \$311,005. The lease is payable in six annual installments of \$59,916 and bears interest at a rate of 6.19%. \$ 251,089

Financed purchase agreement on a 2023 Gradall used by Precinct #4. The original amount of the lease, entered into in 2024, was \$447,961. The lease is payable in three annual installments of \$94,918 after the first payment of \$200,000 in 2024, and bears interest at a rate of 7.25%. 247,962

Total financed purchases \$ 499,051

Annual requirements to maturity for the financed purchases are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 121,315	\$ 33,519	\$ 154,834
2026	129,639	25,195	154,834
2027	138,539	16,295	154,834
2028	53,134	6,782	59,916
2029	<u>56,424</u>	<u>3,492</u>	<u>59,916</u>
	<u>\$ 499,051</u>	<u>\$ 85,283</u>	<u>\$ 584,334</u>

NOTE 14: LONG-TERM DEBT - (Continued)**D. Right-to-Use Leases**

The County's noncancelable lease agreements are reported as right-to-use lease liabilities in the government-wide financial statements as of December 31, 2024 based on the present value of future minimum payments. Health department vehicle leases are payable in fixed monthly installments over 48-month terms and the Victoria County Extension Building lease is payable in fixed annual installments over 9 years.

No outflows of resources relating to variable or other payments were recognized during the fiscal year that were not previously included in the measurement of the lease liabilities.

Annual requirements to maturity for the right-to-use lease liabilities are as follows:

Year Ending December 31	Governmental Activities		
	Principal	Interest	Total
2025	\$ 66,613	\$ 3,651	\$ 70,264
2026	53,821	2,804	56,625
2027	45,416	2,248	47,664
2028	47,373	1,721	49,094
2029	49,395	1,171	50,566
2030	51,487	598	52,085
	<u>\$ 314,105</u>	<u>\$ 12,193</u>	<u>\$ 326,298</u>

E. Subscription Liabilities

The County recognizes subscription liabilities for its payment obligations under subscription-based information technology arrangements (SBITAs), which convey to the County the right to use another party's information technology software. The County's SBITAs include cloud-based services and other software packages, requiring fixed monthly or annual payments over various terms. The present value of future minimum subscription payments as of December 31, 2024, is recorded as a subscription liability in the government-wide financial statements.

Outflows of resources relating to variable or other payments of \$1,135 were recognized during the year that were not previously included in the measurement of the subscription liabilities.

Annual requirements to maturity for the subscription liabilities are as follows:

	Governmental Activities		
	Principal	Interest	Total
2025	\$ 186,005	\$ 16,086	\$ 202,091
2026	161,827	10,944	172,771
2027	141,068	7,034	148,102
2028	120,616	3,609	124,225
2029	41,059	872	41,931
	<u>\$ 650,575</u>	<u>\$ 38,545</u>	<u>\$ 689,120</u>

NOTE 14: LONG-TERM DEBT - (Continued)

F. Interlocal Receivable

In 2019, the County entered into a Memorandum of Understanding (MOU) with the Citizens Medical Center (the "Medical Center"), a discretely presented component unit. In order to fulfill their obligation arising from the MOU, the County issued the 2019 Certificates of Obligation for the direct benefit of the Medical Center. The County transferred \$10,000,000 to the Medical Center to be used for the purposes of constructing, improving, and equipping the Medical Center, including the hospital's emergency department, and paying fiscal and engineering fees in connection with such projects. As part of the MOU, the Medical Center will transfer funds to the County for payment of the upcoming principal and/or interest requirements on the Certificates or any refunding bonds issued. The payments by the Medical Center to the County will be paid over twenty years, beginning in 2020 and continuing through 2039, and shall occur at least thirty days prior to the next upcoming payment dates. The MOU between the two parties will terminate upon the complete satisfaction in payment of the annual payments by the Medical Center to the County.

In 2022, the County entered into an additional MOU with the Medical Center. In order to fulfill their obligation arising from the MOU, the County issued the 2022 Certificates of Obligation for the direct benefit of the Medical Center. The County transferred \$9,835,100 to the Medical Center to be used for the purposes of constructing, renovating, expanding, improving, and equipping the Medical Center, including the hospital's intensive care unit, and paying fiscal and engineering fees in connection with such projects. As part of the MOU, the Medical Center will transfer funds to the County for payment of the upcoming principal and/or interest requirements on the Certificates or any refunding bonds issued. The payments by the Medical Center to the County will be paid over twenty years, beginning in 2023 and continuing through 2043, and shall occur at least thirty days prior to the next upcoming payment dates. The MOU between the two parties will terminate upon the complete satisfaction in payment of the annual payments by the Medical Center to the County.

In 2024, the Medical Center paid a total of \$1,208,695 to the County relating to the interlocal commitment which includes \$590,000 of principal and \$618,695 in interest. The remaining amount of \$18,070,100 is reported as an interlocal receivable on the government-wide financial statements at December 31, 2024.

Annual payments on this interlocal receivable are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2025	\$ 615,000
2026	815,000
2027	850,000
2028	880,000
2029	915,000
2030-2034	5,070,000
2035-2039	5,930,000
2040-2043	<u>2,995,100</u>
	<u>\$ 18,070,100</u>

NOTE 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

A. Interfund Receivables and Payables

At times during the fiscal year the various funds of the County were involved in transactions that created interfund receivable and payable balances. These transactions related to such things as the purchase of goods by one fund on behalf of another and the receipt of revenue in one fund that belongs to or is designated for another fund.

Interfund receivable and payable balances as of December 31, 2024, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 2,468,897
	Airport	1,188,363
	Commissary	174
	Internal Service	2,203,773
	Private Purpose Trust	126,526
Airport	General	180,379
Nonmajor Governmental	General	394,571
	Nonmajor Governmental	13,000
Total		<u>\$ 6,575,683</u>

B. Interfund Transfers

Each year various funds of the County transfer funds to other funds. The most significant of these are the planned transfers from the County's General Fund to the Health Department Fund, a Special Revenue Fund, and the transfer from the County's General Fund to the Employee Health Insurance Fund, the Internal Service Fund. These transfers are intended to provide the necessary resources to meet the operating obligations of the receiving fund. In the current year, there was an additional transfer from the American Rescue Plan Act Fund, a major Special Revenue Fund, to the County's General Fund for the use of grant monies. During the current fiscal year, transfers between funds consisted of the following:

<u>Transfers Out</u>	<u>Transfers In</u>				<u>Total</u>
	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Airport</u>	<u>Internal Service</u>	
General	\$ -	\$ 1,572,960	\$ 736,126	\$ 2,971,114	\$ 5,280,200
American Rescue Plan Act	1,833,050	-	-	-	1,833,050
Nonmajor Governmental	877,714	280,980	-	-	1,158,694
Airport	1,187,631	-	-	-	1,187,631
	<u>\$ 3,898,395</u>	<u>\$ 1,853,940</u>	<u>\$ 736,126</u>	<u>\$ 2,971,114</u>	<u>\$ 9,459,575</u>

NOTE 16: RELATED PARTY TRANSACTIONS

At December 31, 2024, the County recorded \$66,203 as due to component unit in the Custodial Funds. This amount represents the amount of ad valorem taxes not yet remitted to the Victoria County Navigation District (the "District") at the end of the year.

In addition, the County recorded \$776,106 as due from component unit in the government-wide and fund financial statements. This amount represents ARPA grant funds disbursed to the District in 2024, which are to be reimbursed by the District as the related expenditures were not allowable. The grant funds will be disbursed again in 2025 once allowable expenditures are incurred by the District.

NOTE 17: COMMITMENTS AND CONTINGENCIES

The County is exposed to the risk of contingent liabilities in the ordinary course of its operations. Specifically, such risks arise as a result of the County's participation in various state and federal grant programs and as a result of threatened and pending litigation. Disallowed costs could result if County expenditures made under its grants programs are found to be improper in that they violate state or federal regulations. Such disallowed costs would have to be paid back to the granting agency from the County's General Fund. The County is not aware of any costs that have been disallowed in the current year and does not anticipate that any will be.

As of December 31, 2024, the County was involved in various matters of litigation. It is the opinion of the County's legal counsel that any exposure faced by the County as a result of these matters was minimal. Furthermore, any losses incurred would in all probability be covered by liability insurance carried by the County.

Based on the above information, the accompanying financial statements do not reflect any accrual for contingent liabilities as of the end of the current fiscal year.

NOTE 18: FUND BALANCES

The following is a detail of the governmental fund balances as of December 31, 2024:

	<u>Restricted</u>	<u>Unassigned</u>	<u>Total</u>
General			
Unassigned	\$ -	\$ 22,712,400	\$ 22,712,400
American Rescue Plan Act			
Various government costs	49,819	-	49,819
Nonmajor Governmental			
Road and bridge	3,349,511	-	3,349,511
County/District Clerks	634,217	-	634,217
Public safety	2,739,840	-	2,739,840
Highways and streets	83,130	-	83,130
Public health	210,516	-	210,516
Courthouse security	208,165	-	208,165
Various court	189,722	-	189,722
Criminal District Attorney	1,409,160	-	1,409,160
Retirement of long-term debt	1,283,763	-	1,283,763
Various government costs	1,652,066	-	1,652,066
Capital projects	5,785,215	-	5,785,215
Unassigned	-	(365,528)	(365,528)
	<u>\$ 17,595,124</u>	<u>\$ 22,346,872</u>	<u>\$ 39,941,996</u>

NOTE 19: TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses under the State of Texas Property Redevelopment and Tax Abatement Act. Under the Act, localities may grant property tax abatements of up to 100% of a business' tax bill for the purpose of attracting or retaining businesses within their jurisdictions. The abatements may be granted to any business located within or promising to relocate to the County. The Act provides guidelines and criteria that are then adopted for two-year periods. In order to be eligible to receive tax phase-in, over a period of four to ten years, the planned new facility or planned expansion to modernization of an existing facility must meet the following qualifications:

- a. be reasonably expected to increase the appraised value of the property in the amount of not less than five hundred thousand (\$500,000) dollars after construction is completed.
- b. for new construction projects expected to create less than ten new jobs, pay employees in new jobs an aggregate base weekly wage equal to ten times the average weekly wage across all sectors for Victoria County for the most recent calendar quarter reported by the Texas Workforce Commission as of the date of the application.
- c. companies seeking to qualify for tax phase-in on the basis of job retention shall document that without the creation of a reinvestment zone and/or tax phase-in; the company will either reduce or cease operations. The taxes are abated through a reduction of assessed value. The amount of the tax abatement is determined by applying a specific percentage of taxes owed to each year in the abatement period. Provisions for recapturing abated taxes include discontinuation of products or services for a period of one year during the phase-in period, at which time the agreement shall terminate and the taxes shall be paid within 60 days of termination. The agreement can also be terminated if the company violates any of the terms and conditions of its phase-in agreement, or has delinquent unabated ad valorem taxes owed.

For the fiscal year ended December 31, 2024, the County abated property taxes totaling \$473,037 under this program, including the following tax abatement agreements that each exceed 10% of the total amount abated:

50% tax abatement to a company to expand their chemical manufacturing facility. The abatement amounted to \$213,362.

The County has not made any commitments as part of the agreements other than to reduce taxes. The County is not subject to any abatement agreements entered into by other governmental entities. The County has chosen to disclose information about some of its tax abatement agreements individually. It established a quantitative threshold of 10% of the total dollar amount of taxes abated during the year.

NOTE 20: ACCOUNTING CHANGES AND ERROR CORRECTIONS

Change in Accounting Principles

GASB Statement No. 100 (GASB 100), Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62 was adopted for the year ended December 31, 2024. The primary objective of GASB 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

In addition, the County adopted GASB Statement No. 101 (GASB 101), Compensated Absences for the year ended December 31, 2024. The objective of this Statement was to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The effect of implementing this Statement is reflected in the following table, which lists the restatements of beginning balances.

Correction of Errors in Previously Issued Financial Statements

Several error corrections to the previously issued financial statements were as follows: Net receivables in the Nonmajor Other Special Revenue Fund, Health Department Fund, were overstated by \$18,421; All lease agreements were not properly reported in the Airport Fund (lease receivables were understated by \$101,190 and related deferred inflows understated by \$79,342); and All subscription agreements were not properly reported in governmental activities (subscription assets were understated by \$220,264, related accumulated amortization was understated by \$42,322, and subscription liabilities were understated by \$182,778). The effects of these error corrections are reflected in the following table, which lists the restatements of beginning balances.

Restatement of Beginning Balances

During 2024, changes in accounting principles and error corrections resulted in restatements of beginning net position and fund net position, as follows:

	Reporting Units Affected by Restatements of Beginning Balances			
	Government-wide		Fund Level	
	Governmental Activities	Business-type Activities	Airport Fund	Nonmajor Other Special Revenue Funds
December 31, 2023, as previously reported	\$ 53,917,196	\$ 6,835,290	\$ 5,912,585	\$ 6,287,218
Change in accounting principle GASB 101	(1,408,877)	(29,897)	(29,897)	-
Error corrections	(23,257)	21,848	21,848	(18,421)
December 31, 2023, as restated	<u>\$ 52,485,062</u>	<u>\$ 6,827,241</u>	<u>\$ 5,904,536</u>	<u>\$ 6,268,797</u>

NOTE 21: SUBSEQUENT EVENT

The County is unaware of any subsequent events to be disclosed as of December 31, 2024.

NOTE 22: SIGNIFICANT FORTHCOMING STANDARDS

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

GASB Statement No. 102, Certain Risk Disclosures - The objective of the Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and the impact has not yet been determined.

GASB Statement No. 103, Financial Reporting Model Improvements - The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets - The objective of the Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and the impact has not yet been determined.

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT

As described in Note 1, the Victoria County Navigation District (the "District") is a component unit of the County. It is reported in a separate column to emphasize that it is legally separate for accounting purposes from the County. Following are note disclosures relating to this component unit.

A. Organization

The Victoria County Navigation District (the "District") was created by a vote of the electorate of Victoria County, Texas, at an election held on February 4, 1947, under provisions of Article 8263(h) V.A.T.S. (now codified into Chapter 62, Texas Water Code). The Board of Navigation and the Canal Commissioners (the "Commissioners") is the level of government which has oversight responsibility and control over all activities related to the District's activities in the County of Victoria.

The Commissioners are appointed by the Commissioners' Court of the County and have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters including taxing authority.

B. Summary of Significant Accounting Policies

The accounting and reporting policies of the District conform to generally accepted accounting principles (GAAP), as applicable to governments. For inclusion in this report, the District's operations are reported in a single Governmental Fund Type.

C. Stewardship, Compliance, and Accountability

Budgetary Compliance

For the year ended December 31, 2024, the District did not comply with budgetary restrictions. The following table details these variances:

<u>Fund/Function</u>	<u>Expenditure Variance</u>
General Fund	
General government	\$ 390,301
Transfers out	1,500,500

These over expenditures were funded by available fund balance in the General Fund.

D. Deposits and Investments

The District's funds are deposited and invested under the terms of the Victoria County's depository contract. The depository bank, Prosperity Bank, deposits for safekeeping and trust with Victoria County's agent bank, approved pledged securities in an amount sufficient to protect the District's funds on a day-to-day basis during the period of the contract. The pledge-approved securities are waived only to the extent of the depository bank's dollar amount of FDIC insurance.

As of December 31, 2024, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Rating</u>	<u>Portfolio %age</u>
Public Funds Investment Pool				
Texas CLASS	\$ 3,458,740	46	AAAm	100%
	<u>\$ 3,458,740</u>			

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

D. Deposits and Investments - (Continued)

Following the criteria for GASB Statement No. 79, Certain External Investment Pools and Pool Participants, Texas CLASS uses the fair value method to value portfolio assets. The pool operates in a manner consistent with the Securities and Exchange Commission's (SEC) Rule 2(a)(7) of the Investment Company Act of 1940 but is not registered with the SEC as an investment company. Instead, the regulatory oversight for the pool is the State of Texas. The investment pool transacts at a net asset value of \$1.00 per share and is classified as cash and cash equivalents for reporting purposes.

Interest Rate Risk

In accordance with the District's investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase.

Concentration of Credit Risk

The District's investment policy requires that the investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific user. At year-end, the District was not exposed to concentration of credit risk.

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. During the year and at year-end, all deposits held in the depository bank were fully collateralized and therefore the District was not exposed to custodial credit risk.

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2024, and for the year then ended, the District was not exposed to any custodial credit risk.

E. Receivables

Receivables at December 31, 2024 in the aggregate, including the applicable allowances for uncollectible accounts, consist of the following:

	<u>General Fund</u>
Gross receivables:	
Accounts	\$ 367,479
Ad valorem taxes	<u>2,455,599</u>
Total gross receivables	2,823,078
Less: Allowances	<u>122,780</u>
Total net receivables	<u>\$ 2,700,298</u>

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

E. Receivables - (Continued)

The District's ad valorem property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District. Taxes are delinquent by February 1 following the October 1 levy date. A statutory lien becomes effective on all property with unpaid taxes as of January 1 of the year following the assessment.

The District's governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. The governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current year, the various components of unavailable and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
General Fund			
Ad valorem taxes	\$ 3,051,665	\$ -	\$ 3,051,665
	<u>\$ 3,051,665</u>	<u>\$ -</u>	<u>\$ 3,051,665</u>

F. Related Party Transactions

At December 31, 2024, the District recorded a due from the County in the amount of \$66,203 for the amount of ad valorem taxes not yet remitted to the District at the end of the year.

G. Lease Receivables

The District owns various properties which are available for lease, primarily land, docks, and wharves. The terms of the noncancellable lease agreements vary, with multiple option periods considered as part of the overall lease term, as the District determined that it is reasonably certain the lessees will exercise the options. For the majority of the leases, base rent is adjusted upon the exercise of options by either the percentage increase in the Consumer Price Index ("CPI") or 20%, whichever is greater. For purposes of measurement of the lease receivables, the District incorporated a 20% increase for the option periods. Any increases above the 20% due to CPI will be considered variable payments in the future.

Some of the leases also include minimum wharfage requirements, quantified in the agreements in either dollars or net tons. These fees are normally charged in exchange for use of the District's wharves and associated equipment for loading or unloading goods. The minimum wharfage payments were included in the measurement of the lease receivables. Any wharfage payments above the minimum will be considered variable payments. During 2024, \$458,196 of variable payments relating to amounts received over minimum wharfage requirements were recognized but not included in the measurement of the lease receivable. The District also charges wharfage fees based solely on usage with no minimum wharfage requirements. These fees are not included in the measurement of the lease receivables, as they are considered to be variable payments in their entirety.

The present value of future minimum lease payments as of December 31, 2024 for governmental leases of \$17,266,390 is recorded as a right-to-use lease receivable in the government-wide and fund financial statements. The related deferred inflow of resources as of December 31, 2024 of \$17,266,390 is recorded in the fund financial statements.

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)**G. Lease Receivables - (Continued)**

Governmental fund inflows of resources relating to lease receivables during the current year include \$531,053 in base lease revenues and \$747,402 in lease interest revenues. An additional \$448,635 in base lease revenues were recognized in the government-wide financial statements in order to amortize the deferred inflow of resources over the lease term.

The future payments that are included in the measurement of the lease receivables are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 579,088	\$ 722,985	\$ 1,302,073
2026	484,981	700,722	1,185,703
2027	502,059	679,033	1,181,092
2028	476,973	658,532	1,135,505
2029	504,989	637,741	1,142,730
2030 - 2034	2,078,366	2,895,231	4,973,597
2035 - 2039	1,810,399	2,504,371	4,314,770
2040 - 2044	2,717,902	2,027,185	4,745,087
2045 - 2049	3,185,687	1,375,473	4,561,160
2050 - 2054	1,935,878	785,401	2,721,279
2055 - 2059	584,629	577,171	1,161,800
2060 - 2064	846,089	432,318	1,278,407
2065 - 2068	1,153,296	215,864	1,369,160
2069 - 2071	406,054	14,407	420,461
	<u>\$ 17,266,390</u>	<u>\$ 14,226,434</u>	<u>\$ 31,492,824</u>

H. Interlocal Receivable

On March 30, 2022, the District entered into a Mutual Contribution in Aid of Construction Agreement with the Victoria Sales Tax Development Corporation (VSTDC). Under this agreement, the District received funding from the VSTDC to be used for the development of the Texas Logistics Center which will expand rail access to the inland port. VSTDC contributed a total of \$3,000,000, payable in \$1,000,000 annual installments beginning on April 30, 2022. The District received \$1,000,000 during the current year relating to this agreement, reported as intergovernmental revenues in the TXLC Construction Fund (a major special revenue fund) fund statements. As of December 31, 2024, there is no amount remaining to be reported as an interlocal receivable on the government-wide financial statements.

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

I. Capital Assets

The District's capital asset activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 18,558,444	\$ -	\$ -	\$ 18,558,444
Construction in progress	<u>2,066,083</u>	<u>10,600,492</u>	<u>522,012</u>	<u>12,144,563</u>
Total capital assets not being depreciated	<u>20,624,527</u>	<u>10,600,492</u>	<u>522,012</u>	<u>30,703,007</u>
Capital assets, being depreciated				
Improvements	53,059,004	722,256	-	53,781,260
M.P.R.R. Main Line Bridge	4,029,273	-	-	4,029,273
Equipment	<u>451,016</u>	<u>-</u>	<u>9,538</u>	<u>441,478</u>
Total capital assets being depreciated	<u>57,539,293</u>	<u>722,256</u>	<u>9,538</u>	<u>58,252,011</u>
Subscription assets, being amortized	<u>86,242</u>	<u>-</u>	<u>-</u>	<u>86,242</u>
Less accumulated depreciation and amortization for				
Capital assets, being depreciated				
Improvements	23,989,363	2,355,353	-	26,344,716
M.P.R.R. Main Line Bridge	2,081,458	65,615	-	2,147,073
Equipment	306,548	55,204	9,538	352,214
Subscription assets, being amortized	<u>32,866</u>	<u>27,766</u>	<u>-</u>	<u>60,632</u>
Total accumulated depreciation and amortization	<u>26,410,235</u>	<u>2,503,938</u>	<u>9,538</u>	<u>28,904,635</u>
Total capital assets being depreciated and subscriptions assets being amortized, net	<u>31,215,300</u>	<u>(1,781,682)</u>	<u>-</u>	<u>29,433,618</u>
Governmental activities capital assets, net	<u>\$ 51,839,827</u>	<u>\$ 8,818,810</u>	<u>\$ 522,012</u>	<u>\$ 60,136,625</u>

Depreciation and amortization expense of \$2,503,938 was charged to the general government function/program in 2024.

J. Interfund Receivables, Payables, and Transfers

Interfund Receivables and Payables

At times during the year the various funds of the District were involved in transactions that created interfund receivable and payable balances. These transactions related to such things as the purchase of goods by one fund on behalf of another and the receipt of revenue in one fund that belongs to or is designated for another fund. Interfund receivable and payable balances as of December 31, 2024, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	TXLC Construction	\$ 112,750
ARPA	TXLC Construction	<u>238,246</u>
		<u>\$ 350,996</u>

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

J. Interfund Receivables, Payables, and Transfers - (Continued)

Interfund Transfers

Each year various funds of the District transfer funds to other funds. These transfers are intended to provide the necessary resources to meet the operating obligations of the receiving funds. During the current year, transfers between funds consisted of the following:

	Transfers In		
	TXLC Construction	ARPA	Total
Transfers out			
General	\$ 500,000	\$ 1,000,500	\$ 1,500,500
	<u>\$ 500,000</u>	<u>\$ 1,000,500</u>	<u>\$ 1,500,500</u>

K. Short-term Debt

Short-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Draws	Repayments	Ending Balance
Governmental activities				
Line of credit - direct borrowings	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000
Total governmental activity short-term liabilities	<u>\$ -</u>	<u>\$ 5,000,000</u>	<u>\$ -</u>	<u>\$ 5,000,000</u>

The District utilized a revolving line of credit (direct borrowing) to assist with the financing of the TXLC Rail project. As of December 31, 2024, the District had drawn the full amount of \$5,000,000 available credit, which has a maturity date of June 5, 2025. The interest rate on the line of credit is variable; as of December 31, 2024, the rate was 6%.

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

L. Long-term Debt

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance*	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Revenue bonds	\$ 13,350,000	\$ -	\$ 1,475,000	\$ 11,875,000	\$ 1,520,000
Notes payable - direct borrowings	2,145,961	-	95,530	2,050,431	98,703
Subscriptions	43,676	-	34,066	9,610	9,610
Compensated absences**	19,407	-	1,504	17,903	1,790
Total governmental activity long-term liabilities	<u>\$ 15,559,044</u>	<u>\$ -</u>	<u>\$ 1,606,100</u>	<u>\$ 13,952,944</u>	<u>\$ 1,630,103</u>

*Beginning balances have been restated. See Note 15 for details.

**The change in the compensated absences liability is presented as a net change.

Revenue Bonds

Revenue bonds payable at December 31, 2024, are comprised of the following issues:

2012 Revenue Refunding Bonds due in annual installments of various amounts beginning in 2013 through June 1, 2028; interest rate of 3.05%.	\$ 1,600,000
2012A Revenue Refunding Bonds due in annual installments of various amounts beginning in 2013 through June 1, 2032; interest rate of 2.99%.	5,730,000
2015 Port Improvement Revenue Bonds due in annual installments of various amounts beginning in 2016 through June 1, 2030; interest rate of 2.98%.	<u>4,545,000</u>
Total	<u>\$ 11,875,000</u>

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Maturities	Principal	Interest	Total
2025	\$ 1,520,000	\$ 332,765	\$ 1,852,765
2026	1,575,000	286,334	1,861,334
2027	1,620,000	238,401	1,858,401
2028	1,670,000	189,045	1,859,045
2029	1,720,000	138,316	1,858,316
2030 - 2032	<u>3,770,000</u>	<u>146,469</u>	<u>3,916,469</u>
Total	<u>\$ 11,875,000</u>	<u>\$ 1,331,330</u>	<u>\$ 13,206,330</u>

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

L. Long-term Debt - (Continued)

Notes Payable

Notes payable at December 31, 2024, are comprised of the following direct borrowing:

Smith property note due in monthly installments of various amounts beginning in 2016 through June 15, 2036; interest rate of 2.75%, revised to 2.65% as of June 15, 2021.	\$ 1,084,325
Traylor property note due in monthly installments of \$5,258 beginning in 2022 through November 4, 2052; interest rate of 4.75%.	<u>966,106</u>
Total	<u>\$ 2,050,431</u>

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

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 98,703	\$ 74,278	\$ 172,981
2026	101,761	71,220	172,981
2027	104,921	68,059	172,980
2028	108,000	64,981	172,981
2029	111,553	61,428	172,981
2030 - 2034	612,315	252,590	864,905
2035 - 2039	310,162	167,844	478,006
2040 - 2044	191,967	123,513	315,480
2045 - 2049	244,238	71,242	315,480
2050 - 2052	<u>166,811</u>	<u>11,960</u>	<u>178,771</u>
Total	<u>\$ 2,050,431</u>	<u>\$ 967,115</u>	<u>\$ 3,017,546</u>

Subscription Liabilities

The District recognizes subscription liabilities for its payment obligations under subscription-based information technology arrangements (SBITAs), which convey to the District the right to use another party's information technology software. The District's SBITAs include cloud-based services and other software packages. The present value of future minimum subscription payments as of December 31, 2024, is recorded as a subscription liability in the government-wide financial statements.

Outflows of resources from SBITAs which are included in the measurement of the subscription liability balance as of December 31, 2024 were comprised of \$34,066 of principal payments.

Principal and interest requirements to maturity as of December 31, 2024, are as follows:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 9,610	\$ -	\$ 9,610
	<u>\$ 9,610</u>	<u>\$ -</u>	<u>\$ 9,610</u>

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

M. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchased commercial insurance to cover risks associated with potential claims during 2024. There were no significant reductions in coverage in the past year, and there were no settlements exceeding insurance coverage for each of the past three years.

N. Retirement Plan

The District sponsors a defined contribution pension plan established under Section 457(b) of the Internal Revenue Code that covers all of its employees. The plan is administered by Prosperity Bank Trust Department. Employees are able to select their contribution as a percentage of their eligible earnings, which amounted to \$39,676 for the year ended December 31, 2024. The District matches employee contributions up to 7%. Total contributions made by the District for the year totaled \$36,929. Beginning in 2025, the District opted to provide retirement and disability benefits for all of its full-time employees through a nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS).

O. Due to County of Victoria, Texas and Extraordinary Loss

During 2024, the District discovered that Industrial Rail & Civil Services, LLC (“Contractor”) failed to obtain performance bonds as required by the contract for the TXLC Rail project. The District had previously paid the Contractor \$776,106 for the bonds; however, the Contractor failed to provide the bonds and the contract was terminated for default. The Port intends to pursue all legal recourses available. As of December 31, 2024, the District recorded a due to County of Victoria, Texas for the amount of the bonds, which had previously been reimbursed by County ARPA funds. As the timing and amount of any recourse from the Contractor is currently unknown, the District also recognized an extraordinary loss for the same amount for the year ended December 31, 2024.

NOTE 23: VICTORIA COUNTY NAVIGATION DISTRICT - (Continued)

P. Change in Accounting Principles

GASB Statement No. 100 (GASB 100), Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62 was adopted for the year ended December 31, 2024. The primary objective of GASB 100 is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

In addition, the District adopted GASB Statement No. 101 (GASB 101), Compensated Absences for the year ended December 31, 2024. The objective of this Statement was to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The effect of implementing this Statement is reflected in the following table, which lists the restatements of net position for affected reporting units:

	<u>Government-wide</u> <u>Governmental Activities</u>
Net position at December 31, 2023, as previously reported	\$ 46,398,006
Change in accounting principle GASB 101	<u>(19,407)</u>
Net position at December 31, 2023, as restated	<u>\$ 46,378,599</u>

NOTE 24: CITIZENS MEDICAL CENTER

As described in Note 1, Citizens Medical Center is a component unit of the County. It is reported in a separate column to emphasize that it is legally separate for accounting purposes from the County. Following are note disclosures relating to this component unit:

A. Nature of Operations and Reporting Entity

Citizens Medical Center (the “Medical Center”) is a 317-bed acute care hospital that is a component unit of Victoria County, Texas (the “County”). The Medical Center is operated by a Board of Managers (the “Board”) that is appointed by the County Commissioners' Court. Its primary mission is to provide healthcare services to the citizens of the County. The Medical Center primarily earns revenues by providing inpatient, outpatient, skilled nursing, home health, and emergency care services to patients in Victoria County and surrounding areas. The Medical Center ceased accepting new admissions to the skilled nursing unit located in the hospital in April 2024 and officially closed the unit on April 29, 2024. The operations of the skilled nursing unit were not material for the years ended June 30, 2024 and 2023.

The Medical Center controls the operations of five freestanding nursing homes located in the Medical Center's service area at June 30, 2024 and 2023, respectively.

B. Summary of Significant Accounting Policies

The financial statements of the Medical Center have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows of resources from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated or voluntary nonexchange transactions (principally federal and state grants and county appropriations) are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions and program-specific, government-mandated or voluntary nonexchange transactions. Government-mandated or voluntary nonexchange transactions that are not program specific (such as county appropriations), property taxes, investment income, and interest on capital asset-related debt are included in nonoperating revenues and expenses. The Medical Center first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

Use of Estimates

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

Patient Accounts Receivable

The Medical Center reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients, and others. The Medical Center provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information, and existing economic conditions.

Supplies

Supply inventories are stated at the lower of cost or market. Costs are determined using the first-in, first-out (FIFO) method.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

B. Summary of Significant Accounting Policies - (Continued)

Capital Assets

Capital assets are recorded at cost at the date of acquisition, or acquisition value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The estimated useful lives shown below are being used by the Medical Center.

The following estimated useful lives are being used by the Medical Center:

Land improvements	5 to 25 years
Buildings, building improvements, and fixed equipment	3 to 40 years
Major movable equipment	3 to 25 years

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Capital, Lease and Subscription Asset Impairment

The Medical Center evaluates capital assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital asset has occurred. If a capital asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected accumulated depreciation is increased by the amount of the impairment.

No asset impairment was recognized during the years ended June 30, 2024 and 2023.

Deferred Outflows of Resources

The Medical Center reports the consumption of net position that is applicable to a future reporting period as deferred outflows of resources in a separate section of its balance sheet.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

B. Summary of Significant Accounting Policies - (Continued)

Compensated Absences

Medical Center policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash.

Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash determined using the termination payment method. Sick leave benefits expected to be realized as paid time off are recognized as expense when the time off occurs, and no liability is accrued for such benefits employees have earned but not yet realized.

Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the balance sheet date, plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

Risk Management

The Medical Center is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than general and professional liability, employee health claims and workers' compensation. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

The Medical Center is self-insured for a portion of its exposure to risk of loss from general and professional liability, employee health claims, and workers' compensation. Annual estimated provisions are accrued for the self-insured portion of medical malpractice and employee health claims and include an estimate of the ultimate costs for both reported claims and claims incurred but not yet reported.

Agent Multiple Employer Defined Benefit Pension Plan

The Medical Center has an agent defined benefit pension plan through the Texas Hospital Association (the Plan). For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Inflows of Resources

The Medical Center reports an acquisition of net position that is applicable to a future reporting period as deferred inflows of resources in a separate section of its balance sheet.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

B. Summary of Significant Accounting Policies - (Continued)

Net Position

Net position of the Medical Center is classified in three components.

- Net investment in capital assets consists of capital, lease, and subscription assets net of accumulated depreciation and amortization and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets.
- Restricted expendable net position is made up of noncapital assets that must be used for a particular purpose, as specified by grantors or donors external to the Medical Center.
- Restricted for pension represents assets restricted for providing contributions to the agent multiple employer defined benefit pension plan which provides pensions in accordance with the benefit terms of the Plan.
- Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

At June 30, 2024 and 2023, \$277,500 and \$577,600, respectively, of unrestricted net position has been designated by the Medical Center's Board for self-insured health care. Designated assets remain under the control of the Board, which may, at its discretion, later use these assets for other purposes.

Net Patient Service Revenue

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered and includes estimated retroactive revenue adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis for the period the related services are rendered, and such estimated amounts are revised in future periods, as adjustments become known.

Charity Care

The Medical Center provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Because the Medical Center does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as net patient service revenue.

The cost of charity care provided under the Medical Center's charity policy was approximately \$6,259,000 and \$7,844,000 for 2024 and 2023, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges to gross uncompensated charges.

Income Taxes

As an essential government function of the County, the Medical Center is generally exempt from federal and state income taxes under Section 115 of the Internal Revenue Code and a similar provision of state law. However, the Medical Center is subject to federal income tax on any unrelated business taxable income.

Reclassifications

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

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

C. Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Medical Center's deposit policy for custodial credit risk requires compliance with the provisions of the *Texas Public Funds Investment Act*.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; bonds of any city, county, school district or special road district of the State of Texas; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

At June 30, 2024 and 2023, the Medical Center had bank balances of \$20,375,300 and \$65,738,597, respectively. At June 30, 2024 and 2023, \$27,492 and \$327,628 respectively, was uninsured and uncollateralized. The remaining cash was insured or collateralized by assets held in other than the Medical Center's name based on the Medical Center's cash management arrangement with the County Treasurer. The County maintains custody of the Medical Center's operating cash accounts and is responsible for obtaining appropriate collateralization of such accounts.

Investments

It is the policy of the County to invest cash of all funds under the control and custody of the County Treasurer in a manner maintaining the safety of principal and liquidity of invested funds while providing a reasonable rate of return. Through the County Treasurer, the Medical Center may legally invest idle funds in the following: 1) United States treasury bills, notes and bonds; 2) fully insured and/or collateralized certificates of deposit; 3) authorized Local Government Investment Pools (LGIP); 4) securities from the United States agencies that are backed by the full faith and credit of the United States of America; 5) securities from the United States that are backed by the full faith and credit of the instrumentality and have an "implied" backing of the United States of America, such as Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank; 6) commercial paper through an authorized investment pool; 7) state and local government bonds issued by the state of Texas or a local government entity within the state of Texas with a bond rating of AA or better.

During 2024, the Medical Center made investments in Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS). This LGIP is subject to the PFIA, which requires the pool to have the following investment objectives, in order of priority: (i) preservation and safety of principal, (ii) liquidity; and (iii) yield. The investment policy for the pool specifies that they will seek to maintain an "AAAm" credit rating by at least one nationally recognized rating service. As they offer daily liquidity similar to money market mutual funds, the pool is classified as cash and cash equivalents. Deposits in the LGIP investment pools are not insured or guaranteed by any government or government agency. Authorized investments include U.S. government and agency securities, repurchase agreements, certain mutual funds, commercial paper, and certificates of deposit.

Texas CLASS utilizes Financial Accounting Standards Board (FASB) Accounting Standards Topic (ASC) 820 *Fair Value Measurement and Disclosure* to define fair value, establish a framework for measuring fair value, and expand disclosure requirements regarding fair value measurements. ASC 820 does not require new fair value measurements but is applied to the extent that other accounting pronouncements require or permit fair value measurements. The standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

C. Deposits, Investments and Investment Income - (Continued)

Investments - (Continued)

At June 30, 2024, the Medical Center had the following investment:

<u>Type</u>	<u>June 30, 2024 Fair Value</u>
Texas CLASS - Investment pool (Corporate)	\$ 26,397,609
	<u>\$ 26,397,609</u>

Summary of Carrying Values

The carrying value of deposits and investments shown above are included in the balance sheets as follows:

	<u>2024</u>	<u>2023</u>
Carrying value		
Deposits	\$ 19,543,746	\$ 65,738,597
Investments	<u>26,397,609</u>	<u>-</u>
	<u>\$ 45,941,355</u>	<u>\$ 65,738,597</u>
Included in the following balance sheet captions		
Cash and cash equivalents	\$ 8,461,238	\$ 55,869,898
Short-term investments	26,397,609	-
Restricted cash	1015000	-
Internally designated for capital projects	<u>10,067,508</u>	<u>9,868,699</u>
	<u>\$ 45,941,355</u>	<u>\$ 65,738,597</u>

D. Patient Accounts Receivable

The Medical Center grants credit without collateral to its patients, many of whom are area residents and are insured under third-party payer agreements. Patient accounts receivable at June 30, 2024, consisted of the following:

Hospital	
Patients and their insurance carriers	\$ 27,091,384
Medicare	3,619,689
Medicaid	<u>807,586</u>
	<u>31,518,659</u>
Nursing Homes	
Patients and their insurance carriers	264,329
Medicare	652,766
Medicaid	<u>1,457,790</u>
	<u>2,374,885</u>
	33,893,544
Less allowance for uncollectible amounts	<u>8,046,335</u>
Total	<u>\$ 25,847,209</u>

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)**E. Leases Receivable**

The Medical Center leases a portion of its office space to various third parties, the terms of which expire 2025 through 2039. Certain leases include payments that increase annually based upon the Consumer Price Index (the Index). The leases were measured based upon the Index at lease commencement. Revenue recognized under lease contracts during the years ended June 30, 2024 and 2023, was approximately \$2,354,000 and \$2,328,000, respectively, which includes both lease revenue and interest.

F. Capital, Lease, and Subscription Assets

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

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions/</u> <u>Transfers</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2024</u>
Land and land improvements	\$ 11,456,733	\$ 63,635	\$ (68,848)	\$ 11,451,520
Buildings, improvements, and fixed equipment	158,956,482	2,289,856	(6,287,948)	154,958,390
Major moveable equipment	97,863,051	3,836,028	(20,148,778)	81,550,301
Construction in progress	798,745	8,658,064	-	9,456,809
	<u>269,075,011</u>	<u>14,847,583</u>	<u>(26,505,574)</u>	<u>257,417,020</u>
Less accumulated depreciation:				
Land improvements	4,156,080	96,916	(68,848)	4,184,148
Buildings, improvements, and fixed equipment	95,822,467	4,450,941	(6,287,948)	93,985,460
Major moveable equipment	85,353,194	4,483,517	(20,120,840)	69,715,871
	<u>185,331,741</u>	<u>9,031,374</u>	<u>(26,477,636)</u>	<u>167,885,479</u>
Capital assets, net	<u>\$ 83,743,270</u>	<u>\$ 5,816,209</u>	<u>\$ (27,938)</u>	<u>\$ 89,531,541</u>

Lease asset activity for the year ended June 30, 2024, was as follows:

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions/</u> <u>Transfers</u>	<u>Disposals</u>	<u>Balance</u> <u>June 30, 2024</u>
Major moveable equipment	\$ 9,863,003	\$ -	\$ -	\$ 9,863,003
	<u>9,863,003</u>	<u>-</u>	<u>-</u>	<u>9,863,003</u>
Less accumulated depreciation:				
Major moveable equipment	5,845,384	1,651,177	-	7,496,561
	<u>5,845,384</u>	<u>1,651,177</u>	<u>-</u>	<u>7,496,561</u>
Lease assets, net	<u>\$ 4,017,619</u>	<u>\$ (1,651,177)</u>	<u>\$ -</u>	<u>\$ 2,366,442</u>

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)**F. Capital, Lease, and Subscription Assets - (Continued)**

Subscription asset activity for the year ended June 30, 2024, was as follows:

	Balance June 30, 2023	Additions/ Transfers	Disposals	Balance June 30, 2024
Subscription IT asset	\$ 6,711,254	\$ 3,988,975	\$ (1,218,691)	\$ 9,481,538
Less accumulated amortization:				
Subscription IT asset	<u>2,583,203</u>	<u>2,207,809</u>	<u>(1,218,691)</u>	<u>3,572,321</u>
Subscription assets, net	<u>\$ 4,128,051</u>	<u>\$ 1,781,166</u>	<u>\$ -</u>	<u>\$ 5,909,217</u>

G. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses included in current liabilities at June 30, 2024, consisted of the following:

Payable to suppliers and contractors	\$ 9,792,104
Payable to employees (including payroll taxes and benefits)	7,314,516
Payable under management fee arrangement	3,285,527
Revenue received in advance	129,339
Payable under self-insured programs	<u>1,293,037</u>
Total	<u>\$ 21,814,523</u>

H. Long-term Obligations

The following is a summary of long-term obligation transactions for the Medical Center for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Long-term debt:					
Certificates of obligation due to County					
2019 Series	\$ 9,130,000	\$ -	\$ (310,000)	\$ 8,820,000	\$ 320,000
2022 Series	9,530,100	-	(280,000)	9,250,100	295,000
Lease liability	5,197,240	-	(2,172,870)	3,024,370	1,982,403
Subscription liability	<u>3,484,851</u>	<u>3,988,975</u>	<u>(2,340,013)</u>	<u>5,133,813</u>	<u>2,120,187</u>
Total long-term obligations	<u>\$ 27,342,191</u>	<u>\$ 3,988,975</u>	<u>\$ (5,102,883)</u>	<u>\$ 26,228,283</u>	<u>\$ 4,717,590</u>

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

H. Long-term Obligations - (Continued)

Certificates of Obligation Due to County - 2019 Series

In December 2019, the Medical Center entered into a Memorandum of Understanding (MOU) with the County, whereas the County issued Certificates of Obligation Bonds (the Bonds) for the purpose of paying all or a portion of certain construction projects (the Projects) of the Medical Center. As a result of issuing the Bonds, the County transferred \$10,000,000 to the Medical Center, which was deposited in a restricted cash account for the Projects.

The MOU requires the Medical Center to transfer to the County an amount equal to the upcoming principal and/or interest requirements on the Bonds. Such transfers shall occur at least 30 days prior to the next upcoming principal and/or interest payment dates.

The Bonds mature annually through February 15, 2039, and bear interest at rates ranging from 2.10% to 4.00% annually.

Certificates of Obligation Due to County - 2022 Series

In September 2022, the Medical Center entered into an MOU with the County, whereas the County issued Certificates of Obligation Bonds (the Bonds) for the purpose of paying all or a portion of certain construction projects (the Projects) of the Medical Center. As a result of issuing the Bonds, the County transferred \$9,835,100 to the Medical Center, which was deposited in a restricted cash account for the Projects.

The MOU requires the Medical Center to transfer to the County an amount equal to the upcoming principal and/or interest requirements on the Bonds. Such transfers shall occur at least 30 days prior to the next upcoming principal and/or interest payment dates.

The Bonds mature annually through February 15, 2043, and bear interest at rates ranging from 4.00% to 5.00% annually.

Debt Service Requirements

Debt service requirements on long-term debt other than lease liabilities as of June 30, 2024, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 615,000	\$ 598,035	\$ 1,213,035
2026	815,000	571,355	1,386,355
2027	850,000	540,205	1,390,205
2028	880,000	507,761	1,387,761
2029	915,000	474,025	1,389,025
2030 - 2043	<u>13,995,100</u>	<u>3,132,966</u>	<u>17,128,066</u>
	<u>\$ 18,070,100</u>	<u>\$ 5,824,347</u>	<u>\$ 23,894,447</u>

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)**H. Long-term Obligations - (Continued)****Lease Liabilities**

The Medical Center leases equipment and office space, the terms of which expire in various years through 2027. The following is a schedule by year of payments under the leases as of June 30, 2024:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,982,403	\$ 41,591	\$ 2,023,994
2026	909,862	7,200	917,062
2027	132,105	338	132,443
	<u>\$ 3,024,370</u>	<u>\$ 49,129</u>	<u>\$ 3,073,499</u>

Subscription Liabilities

The Medical Center has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2028. The following is a schedule by year of payments under the SBITAs as of June 30, 2024:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,120,187	\$ 130,743	\$ 2,250,930
2026	1,925,475	66,440	1,991,915
2027	969,184	23,479	992,663
2028	118,967	2,348	121,315
	<u>\$ 5,133,813</u>	<u>\$ 223,010</u>	<u>\$ 5,356,823</u>

I. Self-insured Claims

The Medical Center is partially self-insured for the cost for its general and professional liability, employee health care benefits costs, and workers' compensation claims. *The Texas Tort Claims Act* limits the Medical Center's general and professional liability to \$100,000 per person and \$300,000 per occurrence. The Medical Center purchases annual stop-loss insurance coverage for all employee health care benefits and workers' compensation claims. Stop-loss coverage began at \$450,000 and \$400,000 for workers compensation claims at June 30, 2024 and 2023, respectively. Stop-loss coverage for employee health claims began at \$350,000 at both June 30, 2024 and 2023.

Losses from asserted and unasserted claims identified under the Medical Center's incident reporting system are accrued based on estimates that incorporate the Medical Center's past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. It is reasonably possible that the Medical Center's estimate of losses will change by a material amount in the near term.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)**I. Self-insured Claims - (Continued)**

Activity in the Medical Center's self-insured claims liability accounts during 2024 and 2023 are summarized as follows:

	2024		
	<u>Employee Health Care Benefits</u>	<u>Worker's Compensation</u>	<u>General and Professional Liability</u>
Balance, beginning of year	\$ 1,593,174	\$ 106,415	\$ 300,000
Current year claims incurred and changes in estimates for claims incurred in prior years	(14,499,579)	(443,244)	-
Claim and expenses paid, net	<u>14,199,442</u>	<u>475,974</u>	<u>-</u>
Balance, end of year	<u>\$ 1,293,037</u>	<u>\$ 139,145</u>	<u>\$ 300,000</u>

	2023		
	<u>Employee Health Care Benefits</u>	<u>Worker's Compensation</u>	<u>General and Professional Liability</u>
Balance, beginning of year	\$ 1,350,000	\$ 103,048	\$ 300,000
Current year claims incurred and changes in estimates for claims incurred in prior years	(13,779,126)	(471,175)	-
Claim and expenses paid, net	<u>14,022,300</u>	<u>474,542</u>	<u>-</u>
Balance, end of year	<u>\$ 1,593,174</u>	<u>\$ 106,415</u>	<u>\$ 300,000</u>

J. Net Patient Service Revenue

The Medical Center has agreements with third-party payers that provide for payments to the Medical Center at amounts different from its established rates. These payment arrangements include the following:

Medicare

Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic, and other factors. Physician services are paid based upon established fee schedules. Outpatient services are paid using prospectively determined rates. The Medical Center is reimbursed for certain services at tentative rates with final settlements determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare administrative contractor. The Medical Center's cost reports have been audited by the Medicare administrative contractor through June 30, 2020.

Medicaid

Inpatient services are paid under a prospective payment system. Outpatient services rendered to Medicaid program beneficiaries are primarily paid based on a cost reimbursement methodology. The Medical Center is reimbursed for certain services at a tentative rate with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by Medicaid.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

J. Net Patient Service Revenue - (Continued)

Skilled Nursing

Revenue from Medicare skilled nursing patients are generally paid based on prospectively established per diem rates that are based on patient's acuity. Medicaid and private pay rates are also paid based on per diem rates.

Approximately 53% and 52% of net patient service revenues are from participation in the Medicare and state-sponsored Medicaid programs for the years ended June 30, 2024 and 2023, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

Supplemental Medicaid Funding Revenue

On December 12, 2011, the United States Department of Health and Human Services (HHS) approved a new Medicaid Section 1115(a) demonstration entitled "Texas Health Transformation Quality Improvement Program" (Waiver). The Waiver expanded existing Medicaid managed care programs and established two funding pools that assist providers with uncompensated care costs (UC Pool) and promotes health system transformation (DSRIP Pool). The revenue from the two funding pools is recognized as earned throughout the demonstration year.

During the years ended June 30, 2024 and 2023, the Medical Center recognized revenue of approximately \$3,211,000 and \$2,918,000, respectively, from the UC Pool, which is included as a component of net patient service revenue in the accompanying consolidated statements of revenues, expenses and changes in net position.

During the years ended June 30, 2024 and 2023, the Medical Center recognized revenue of approximately \$0 and \$177,000 respectively, from DSRIP Pool, as the barriers were met for the conditional contribution. DSRIP Pool revenue is included as a component of net patient service revenue in the accompanying consolidated statements of revenues, expenses and changes in net position.

The Waiver was originally effective from December 12, 2011 to September 30, 2016, and extended through December 2017 as the Texas Health and Human Services Commission (HHSC) and CMS negotiated a longer-term extension. On December 21, 2017, the Texas Health and Human Services Commission (HHSC) received an approved extension from Centers for Medicare and Medicaid Services (CMS) for the period of January 1, 2018 through September 30, 2022. Among other changes, the approved plan required a change in the methodology used to allocate UC funds and a phase out of the DSRIP program over the five-year period.

On April 22, 2022, the Medical Center approved an extension of the Waiver through September 30, 2030. This extension provides for the continuation of UC Pool. The DSRIP program ended on September 30, 2021, and was not extended under the Waiver extension. The Medical Center also approved an expansion of directed payment programs, which transitions participating hospitals away from the DSRIP program. One of the new directed payment programs is the Comprehensive Hospital Increased Reimbursement Program (CHIRP), which adds a quality component to the existing Uniform Hospital Rate Increase Program (UHRIP).

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

J. Net Patient Service Revenue - (Continued)

Supplemental Medicaid Funding Revenue - (Continued)

Under UHRIP, HHSC directed managed care organizations in a service delivery area to provide a uniform percentage rate increase to all hospitals within a particular class of hospitals. CHIRP also provides for rate increases similar to UHRIP but also provides for a rate enhancement above the UHRIP rate, based upon a percentage of estimated average commercial reimbursement. Participating hospitals may opt into this second component. The UHRIP program transitioned on August 31, 2021, and the CHIRP program began on September 1, 2021. CHIRP will require annual approval by the Medical Center and has been approved through August 31, 2025. Revenue from UHRIP and CHIRP is estimated based on patient claims and known program factors and are recognized as a component of net patient service revenue. Both programs also include additional payment and recoupment provisions based on certain quality measures. At June 30, 2024 and 2023, the Medical Center recorded a liability of approximately \$2,941,000 and \$8,159,000, respectively, related to interim quality payments received due to the uncertainty as to the ultimate amount the Medical Center will be able to retain upon final settlement of these quality payments. This liability is reflected as a component unit of accrued liabilities in the consolidated balance sheets and could change by a material amount in the near term. During 2024 and 2023, the Medical Center recognized approximately \$6,095,000 and \$0 respectively, as a component of net patient service revenue due to final settlements from the CHIRP program.

In 2022, the Medical Center also began participating in the Public Hospital Augmented Reimbursement Program (HARP). HARP is a statewide supplemental program that provides Medicaid payments to certain hospitals for inpatient and outpatient services that serve Texas Medicaid fee-for-service patients. The program serves as a financial transition for providers historically participating in the DSRIP program and provides additional funding to participating hospitals to assist in offsetting the cost hospitals incur while providing Medicaid services. The Medical Center recognized approximately \$433,000 and \$592,000 for the years ended June 30, 2024 and 2023, respectively, and is included as a component of patient care service revenue in the accompanying statements of revenues, expenses and changes in net position.

The Medical Center began participating in the Quality Improvement Payment Program (QIPP) on September 1, 2017. The program is designed to assist nursing facilities serving indigent patients by providing funding to support increases access to health care within the community. It is also designed to allow participating providers to receive additional reimbursement if they either reach a national benchmark level or they make quarterly improvements in up to four predetermined quality measures.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

J. Net Patient Service Revenue - (Continued)

Supplemental Medicaid Funding Revenue - (Continued)

Revenue recognized under the QIPP program (net of any intergovernmental transfer payments) was approximately \$9,004,000 and \$11,524,000 for the years ended June 30, 2024 and 2023, respectively, and is included in nursing home net patient service revenue in the statements of revenues, expenses and changes in net position. At June 30, 2024 and 2023, the Medical Center recorded estimated receivables under this program of approximately \$6,019,000 and \$5,199,000, respectively, which are included in Medicaid supplemental funding receivable in the balance sheets. At June 30, 2024 and 2023, the estimated receivable included \$3,525,000 and \$2,879,000 respectively, of prepaid intergovernmental transfers, which the Medical Center is required to contribute in advance of receiving any gross proceeds.

The programs described above are subject to review and scrutiny by both the Texas Legislature and the CMS and the programs could be modified or terminated based on new legislation or regulation in future periods. Additionally, the funding the Medical Center has received is subject to audit and is not representative of funding to be received in future years.

K. Nursing Home Operations

The Medical Center entered a series of lease and management agreements with certain nursing home operators that resulted in the Medical Center becoming the legal operator of nine nursing homes. Effective September 1, 2022, the management agreements for four of these freestanding nursing homes was terminated by the Medical Center. The lease agreements generally call for monthly payments ranging from approximately \$43,700 to \$99,000 per facility and are cancelable. Due to the cancelable terms of the lease agreements, the leases are not subject to the accounting under GASB 87. Under the terms of these agreements, the Medical Center incurred approximately \$3,926,000 and \$4,877,000 of rental expense in 2024 and 2023, respectively, which is included in nursing facility expenses on the statement of revenues, expenses and changes in net position. Future minimum lease payments under these cancelable agreements at June 30, 2024, were approximately \$3,926,000 for 2025.

Under the management agreement, the managers provide all services necessary to operate the homes, including employees, supplies and other operating costs. The managers also provide all billing and collection services. All patient revenue from the facilities is paid to the Medical Center. From these collections, the Medical Center pays the managers for all facility costs and the management fees pursuant to the agreements. However, Medical Center payments to the manager are generally limited to the amount of net patient revenue received from the facilities. At its option, the Medical Center may pay additional amounts to the manager above the amounts collected for patient revenue.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

L. Pension Plan

Plan Description

The Medical Center sponsors a public employee defined benefit pension plan for eligible employees within an agent multiple-employer retirement program sponsored for member hospitals by the Texas Hospital Association (THA). HealthSHARE, a wholly-owned subsidiary of THA, is the plan administrator of the Plan. The Plan's assets are invested as a portion of the THA's master pension trust fund. Benefit provisions are contained in the plan document and were established and can be amended only with the authority of the Medical Center's Board. The Plan does not issue a stand-alone financial report. However, an annual actuarial valuation report is available from the Medical Center or HealthSHARE. That report may be obtained by writing HealthSHARE at 1108 Lavaca, Suite 700, Austin, Texas 78701.

Benefits Provided

The Plan provides retirement, disability and survivor benefits to plan members and their beneficiaries. Additionally, the Plan provides fully vested benefits to terminated employees who have at least five years of vesting service. Employees may retire (with reduced benefits) at age 60 with five years of vesting service. The monthly benefit at normal retirement (age 65 plus five years of Plan participation) for participants who entered the plan prior to March 1, 2018, payable in a lifetime annuity during the final five years of employment, ranges from 1.75% to 3.25% times the years of service times average monthly compensation, subject to certain benefit limits. The monthly benefit at normal retirement (65 plus five years of Plan participation) for participants who entered or re-entered the plan on or after March 1, 2018, payable in a lifetime annuity during the final five years of employment, ranges from 1.50% to 3.00% times the years of service times average monthly compensation, subject to certain benefit limits.

The terms of the Plan provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date provided the employee joined the plan prior to March 1, 2019. The annual adjustments are equal to the change in the Consumer Price Index, limited to a maximum increase in retirement allowance of 2%. No cost-of-living adjustments are available for benefits earned by participants who entered or re-entered the plan on or after March 1, 2018.

Membership

The employees covered by the Plan at February 28, 2024 (measurement date) are:

	<u>2024</u>
Inactive employees or beneficiaries currently receiving benefits	210
Inactive employees entitled to but not yet receiving benefits	479
Active employees	<u>929</u>
	<u>1,618</u>

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

L. Pension Plan - (Continued)

Contributions

The Medical Center's governing body has the authority to establish and amend the contribution requirements of the Medical Center and active employees.

The governing body establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Plan participants are required to contribute 4.0% to 5.5% of their compensation, depending on the benefits class to which they are assigned.

The Medical Center is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the years ended June 30, 2024 and 2023, employees contributed approximately \$3,148,000 and \$2,779,000, respectively, and the Medical Center contributed \$1,873,000 and \$1,606,000, respectively. Employee contributions expressed as a percentage of annual pay was 4.5% and 4.5% for June 30, 2024 and 2023, respectively. Medical Center contributions expressed as a percentage of annual pay was 2.7% and 2.6% for June 30, 2024 and 2023, respectively.

Net Pension Liability (Asset)

The Medical Center's net pension liability (asset) was measured as of February 28, 2024 and 2023, for the years ended June 30, 2024 and 2023, respectively, and the total pension liability used to calculate the net pension liability (asset) was determined by the roll forward procedure of the total pension liability in the actuarial valuation as of March 1, 2023 and March 1, 2022, respectively, with the results rolled forward to February 28, 2024 and 2023, for the years ended June 30, 2024 and 2023, respectively.

Actuarial Assumptions

The total pension liability in the March 1, 2023 and 2022, actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	4.48%
Ad hoc cost of living adjustments	Not included
Investment rate of return	6.75%, net of pension plan investment expense, including inflation
Mortality rates	Pri-2012 Mortality Table with Projection Scale MP-2021

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)L. Pension Plan - (Continued)Net Pension Liability (Asset) - (Continued)*Long-term Expected Rate of Return*

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future real estate return by the target asset allocation percentage and by adding expected inflation (2.0%). In addition, the final 6.75% assumption reflected a reduction of 0.61% for adverse deviation and 0.20% for investment related expenses.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equities		
Large cap	45%	6.0%
Small cap	15%	6.5%
International Equities	15%	6.0%
Fixed income	<u>25%</u>	2.5%
Total	<u><u>100%</u></u>	

Discount Rate

The discount rate used to measure the total pension liability was 6.75% at February 28, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

L. Pension Plan - (Continued)

Net Pension Liability (Asset) - (Continued)

Changes in Net Pension Liability (Asset)

Changes in total pension liability, Plan fiduciary net position and the net pension (asset) for the year ended June 30, 2024 are as follows:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at June 30, 2023	\$ 128,846,783	\$ 139,788,069	\$ (10,941,286)
Changes for the year:			
Service cost	5,686,619	-	5,686,619
Interest	8,790,510	-	8,790,510
Differences between expected and actual experience	1,403,423	-	1,403,423
Member contributions	-	1,830,000	(1,830,000)
Employer contributions	-	3,091,904	(3,091,904)
Net investment income	-	23,186,804	(23,186,804)
Benefit payments, including refunds of employee contributions	(5,278,139)	(5,278,139)	-
Administrative expenses	(552,772)	(552,772)	-
Assumption changes	(2,515,211)	-	(2,515,211)
Net changes	<u>7,534,430</u>	<u>22,277,797</u>	<u>(14,743,367)</u>
Balance at June 30, 2024	<u>\$ 136,381,213</u>	<u>\$ 162,065,866</u>	<u>\$ (25,684,653)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The Medical Center's proportionate share of the net pension liability (asset) has been calculated using a discount rate of 6.75%. The following presents the Medical Center's proportionate share of the net pension liability (asset) using a discount rate calculated using a discount rate that is 1% lower (5.75%) and 1% higher (7.75%) than the current rate:

	1.0% Decrease in Discount Rate (5.75%)	Current Discount Rate (6.75%)	1.0% Increase in Discount Rate (7.75%)
Medical Center's net pension liability (asset)	\$ (8,139,549)	\$ (25,684,653)	\$ (40,123,723)

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

L. Pension Plan - (Continued)

Pension Expense (Credit) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

For the years ended June 30, 2024 and 2023, the Medical Center recognized pension expense (credit) of \$(1,140,679) and \$1,103,381, respectively. At June 30, 2024, the Medical Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,334,562	\$ -
Changes of assumptions	-	3,417,833
Net difference between projected and actual earnings on plan investments	-	3,536,439
Contributions subsequent to the measurement date	610,000	-
Total	\$ 1,944,562	\$ 6,954,272

At June 30, 2024 and 2023, the Medical Center reported \$610,000 and \$570,000, respectively, as deferred outflows of resources related to pensions resulting from Medical Center contributions made subsequent to the measurement date that will be/was recognized as an increase in the net pension asset in the years ended June 30, 2024 and 2023, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources at June 30, 2024, related to pensions, will be recognized in pension expense as follows:

Year ended June 30:	Pension Expense Amount
2025	\$ (4,021,627)
2026	117,776
2027	1,040,497
2028	(2,756,356)
Total	\$ (5,619,710)

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)L. Pension Plan - (Continued)Pension Plan Fiduciary Net Position

As of February 28, 2024 and 2023, the master pension trust fund was comprised of the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 4,994,735	\$ 2,367,764
Investments at fair value:		
Mutual funds	432,507,752	373,615,473
Common/collective trust funds	310,458,578	252,891,632
103-12 investment fund	<u>57,754,202</u>	<u>57,094,451</u>
Total investments at fair value	<u>800,720,532</u>	<u>683,601,556</u>
Total plan fiduciary net pension	<u>\$ 805,715,267</u>	<u>\$ 685,969,320</u>

The Plan's interest in the master pension trust fund of the measurement date of February 28, 2024 and 2023, was \$162,065,866 and \$139,788,069, respectively.

Investment Policy

Investment policy decisions are established and maintained by the Trustees of the THA Retirement Plan for Member Hospitals. The Trustees have several asset mix alternatives from which participating employers may choose in order to control risk. The Trustees employ and select investment managers with the advice of investment counsel which is completely independent of the investment managers.

The primary goal of a pension fund is to help pay the cost of the pension plan while providing adequate security to meet the benefits promised under the Plan. As a consequence, two important dimensions of a pension plan's investment program are expected return and expected risk.

The Plan trustees diversify plan investments among asset classes, recognizing that there is a relationship between the level of risk assumed in an investment program and the level of return that should be expected. Appropriate diversification better enables the Plan trustees to balance risk and return. The fund's diversification guidelines are set forth below.

<u>Asset Class/Style</u>	<u>Target Asset Mix</u>
Large cap U.S. equities	45%
Small cap U.S. equities	15%
International equities	<u>15%</u>
Total equities	<u>75%</u>
Intermediate fixed income	25%
Long duration fixed income	<u>0%</u>
Total fixed income	<u>25%</u>

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

L. Pension Plan - (Continued)

Pension Plan Fiduciary Net Position - (Continued)

Investment Policy - (Continued)

The Trustees maintain a portfolio structure that may combine active and passive management in order to balance the objectives of enhanced return and cost control.

Passive equity and fixed income portfolios invest in a substantially similar manner as that of the underlying benchmark.

Active equity managers have the following requirements:

- The equity portion of the portfolio should not be less than 90% of the portfolio, measured at market value.
- Equity holdings in any one economic sector should not exceed the greater of 30% of the portfolio or 10 percentage points above the sector weight in the benchmark.
- Equity holdings in any single company (including common stock and convertible securities) should not exceed 10% of the portfolio.

Active fixed income managers have the following requirements:

- The primary investments should be government, corporate and mortgage securities.
- Holdings in obligations of any single entity (with the exception of the U.S. government and/or its agencies) should not exceed 5% of the portfolio.

The common collective trust fund investment objective is to approximate as closely as practicable, before expenses, to the performance of the S&P 500 Index over the long term.

The 103-12 investment fund objective is to approximate as closely as practicable to the performance of the MSCI EAFE Index.

Investment Rate of Return

The annual money-weighted rate of return on pension plan investments, net of expenses, which expresses net investment performance adjusted for changing amounts actually invested each month was 7.70% for the 12 months ended March 1, 2024.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Plan's policy to limit its holdings in obligations of any single entity, excluding U.S. Government and its agencies, to 5% of the portfolio.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the Plan's investments are held in trust accounts.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)L. Pension Plan - (Continued)Pension Plan Fiduciary Net Position - (Continued)*Concentration of Credit Risk*

It is the Plan's policy to limit equity holdings in any one economic sector to the greater of 25% of the portfolio or 10% above the sector weight in the benchmark and limit equity holdings in any single company to 7% of the portfolio. Additionally, the Plan's policy limits holdings in fixed income obligations of any single entity, excluding U.S. Government and its agencies, to 5% of the portfolio.

The following table reflects the Plan's investments in single issuers that represent more than 5% of total investments:

	<u>2024</u>	<u>2023</u>
Dodge & Cox International Stock Fund	6.9%	7.5%
Morgan Stanley Pooled International Equity Trust	7.2%	8.3%
PIMCO Total Return Fund	10.8%	12.0%
S + P 500 Flagship Fund	38.5%	36.9%
State Street Russell 1000 Value Index Fund	7.5%	7.2%
State Street TR Pass Bond Market Index Fund	13.1%	12.0%
Vanguard Small Cap Index	14.8%	15.3%

Following is a description of the valuation methodologies and inputs used for pension plan assets measured at fair value on a recurring basis, as well as the general classification of pension plan assets pursuant to the valuation hierarchy.

The fair value of the master pension trust fund assets at February 28, 2024 and 2023, were as follows:

- (A). Certain investments that are measured at fair using NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts disclosed for total plan investments at fair value.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Plan did not hold any Level 2 or 3 securities at March 1, 2024 or 2023.

The valuation method of investments measured at the net asset value (NAV) per share (or its equivalent) are presented as above. There were no unfunded commitments or redemption restrictions for these funds.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

L. Pension Plan - (Continued)

Pension Plan Fiduciary Net Position - (Continued)

	Carrying Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
February 28, 2024:				
Investments by fair value level:				
Mutual funds	\$ 432,507,752	\$ 432,507,752	\$ -	\$ -
Total investments by fair value level	<u>432,507,752</u>	<u>\$ 432,507,752</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV) (A):				
Common/collective trust fund	310,458,578			
103-12 investment fund	<u>57,754,202</u>			
Total investments measured at NAV	<u>368,212,780</u>			
Total investments measured at fair value	<u>\$ 800,720,532</u>			

	Carrying Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
February 28, 2023:				
Investments by fair value level:				
Mutual funds	\$ 373,615,473	\$ 373,615,473	\$ -	\$ -
Total investments by fair value level	<u>373,615,473</u>	<u>\$ 373,615,473</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV) (A):				
Common/collective trust fund	252,891,632			
103-12 investment fund	<u>57,094,451</u>			
Total investments measured at NAV	<u>309,986,083</u>			
Total investments measured at fair value	<u>\$ 683,601,556</u>			

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

M. COVID-19 Pandemic and CARES Act Funding

On March 11, 2020, the World Health Organization designated the SARS-CoV-2 virus and the incidence of COVID-19 (COVID-19) as a global pandemic. Patient volumes and the related revenues were significantly affected by COVID-19 as various policies were implemented by federal, state, and local governments in response to the pandemic that led many people to remain at home and forced the closure of or limitations on certain businesses, as well as suspended elective procedures by health care facilities.

Provider Relief Fund

As of June 30, 2024, the Medical Center received approximately \$18,886,000 of distributions from the CARES Act Provider Relief Fund and other CARES Act Funds (CARES Act Funds). Of this amount, approximately \$8,606,000 and \$10,280,000 were from hospital and nursing home operations, respectively. The distributions from these CARES Act Funds are not subject to repayment, provided the Medical Center is able to attest to and comply with the terms and conditions of the funding, including demonstrating that the distributions received have been used for qualifying expenses or lost revenue attributable to COVID-19, as defined by the U.S. Department of Health and Human Services (HHS).

The Medical Center is accounting for such payments as voluntary nonexchange transactions. Payments are recognized as eligibility requirements have been met. Based on an analysis of the compliance and reporting requirements of the CARES Act Funds and the effect of the pandemic on the Medical Center's operating revenues and expenses through year-end, the Medical Center recognized approximately \$1,000,000 and \$2,432,000, related to hospital operations, respectively, during the year ended June 30, 2024 and 2023, respectively. These payments are recorded as nonoperating revenue Provider Relief and other CARES Act Funds – hospital in the statement of revenues, expenses and changes in net position.

The Medical Center has recognized revenue from the CARES Act Funds based on guidance issued by HHS as of June 30, 2024. The Medical Center will continue to monitor compliance with the terms and conditions of the CARES Act Funds and the effect of the pandemic on the Medical Center's revenues and expenses. The terms and conditions governing the CARES Act Funds are complex and subject to interpretation and change. If the Medical Center is unable to attest to or comply with current or future terms and conditions, its ability to retain some or all of the distributions received may be affected. Additionally, the amounts recorded in the financial statements compared to the Medical Center's Provider Relief Fund reporting could differ. CARES Act Funds payments are subject to government oversight, including potential audits.

NOTE 24: CITIZENS MEDICAL CENTER - (Continued)

M. COVID-19 Pandemic and CARES Funding Act - (Continued)

Medicare Accelerated and Advanced Payment Program

During the year ended June 30, 2020, the Medical Center requested received approximately \$20,319,000 of accelerated Medicare payments as provided for in the CARES Act, which allowed for eligible health care facilities to request up to six months of advance Medicare payments for acute care hospitals or up to three months of advance Medicare payments for other health care providers. These amounts are expected to be recaptured by CMS according to the payback provisions.

Effective September 30, 2020, the payback provisions were revised and extended the payback period to begin one year after the issuance of the advance payment through a phased payback period approach. The first 11 months of the payback period will be at 25% of the remittance advice payment followed by a six-month payback period at 50% of the remittance advice payment. After 29 months, CMS expects any amount not paid back through the withhold amounts to be paid back in a lump sum or interest will begin to accrue subsequent to the 29 months at a rate of 4%.

Recoupment on the advancements totaled approximately \$0 and \$3,409,000 in 2024 and 2023 respectively, and the advancements were fully paid back as of June 30, 2023.

N. Subsequent Events

Subsequent events have been evaluated through October 23, 2024, which is the date the consolidated financial statements were available to be issued.

Required Supplementary Information

COUNTY OF VICTORIA, TEXAS*MAJOR GOVERNMENTAL FUND - GENERAL FUND**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**BUDGET AND ACTUAL - STATUTORY BASIS**For the year ended December 31, 2024*

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Budget to Statutory Differences Over (Under)	Actual Amounts Statutory Basis
REVENUES					
Taxes	\$ 41,059,135	\$ 41,059,135	\$ 40,905,446	\$ (168,328)	\$ 41,073,774
Fees of office and user fees	1,763,700	1,698,700	1,730,373	23,218	1,707,155
Intergovernmental	4,489,140	4,549,140	4,794,552	6,450	4,788,102
Fines and forfeitures	780,000	845,000	628,375	(13,996)	642,371
Investment income					
Interest	1,200,100	1,200,100	1,482,212	(62,515)	1,544,727
Licenses and permits	36,000	36,000	43,863	1,940	41,923
Miscellaneous	1,831,737	1,935,571	2,056,016	(73,204)	2,129,220
Total revenues	<u>51,159,812</u>	<u>51,323,646</u>	<u>51,640,836</u>	<u>(286,436)</u>	<u>51,927,272</u>
EXPENDITURES					
Current					
General government	24,078,900	27,926,861	25,460,629	(789,535)	26,250,164
Public safety	23,843,917	24,239,141	22,130,376	(189,995)	22,320,371
Culture and recreation	271,451	272,776	265,270	(1,691)	266,961
Total expenditures	<u>48,194,268</u>	<u>52,438,778</u>	<u>47,856,275</u>	<u>(981,221)</u>	<u>48,837,496</u>
Excess (deficiency) of revenues over expenditures	<u>2,965,544</u>	<u>(1,115,132)</u>	<u>3,784,561</u>	<u>694,785</u>	<u>3,089,776</u>
OTHER FINANCING SOURCES (USES)					
Sale of assets	1,000	1,000	1,250	-	1,250
Subscription liability issued	-	-	-	(204,199)	204,199
Transfers in	128,536	2,664,910	2,664,936	(1,233,459)	3,898,395
Transfers out	(3,097,980)	(5,446,241)	(5,065,147)	215,053	(5,280,200)
Total other financing sources (uses)	<u>(2,968,444)</u>	<u>(2,780,331)</u>	<u>(2,398,961)</u>	<u>(1,222,605)</u>	<u>(1,176,356)</u>
Change in fund balance	(2,900)	(3,895,463)	1,385,600	(527,820)	1,913,420
Fund balance, January 1	<u>20,431,394</u>	<u>20,431,394</u>	<u>20,431,394</u>	<u>(367,586)</u>	<u>20,798,980</u>
Fund balance, December 31	<u>\$ 20,428,494</u>	<u>\$ 16,535,931</u>	<u>\$ 21,816,994</u>	<u>\$ (895,406)</u>	<u>\$ 22,712,400</u>

Explanation of differences:

The County budgets on the cash basis of accounting. Therefore, under the budgetary basis, revenues are recognized as collected and expenditures when paid.

The accompanying notes to required supplementary information are an integral part of this schedule.

COUNTY OF VICTORIA, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - PENSION

Last ten years

	Measurement Year		
	2014	2015	2016
Total Pension Liability			
Service cost	\$ 3,577,472	\$ 3,776,298	\$ 4,065,893
Interest (on the total pension liability)	9,485,056	10,149,077	10,684,513
Effect of plan changes	-	(701,094)	-
Effect of assumption changes or inputs	-	1,386,660	-
Effect of economic/demographic (gains) or losses	621,328	(1,535,186)	(330,461)
Benefit payments, including refunds of employee contributions	(5,762,494)	(6,083,068)	(6,466,997)
Net Change in Total Pension Liability	7,921,362	6,992,687	7,952,948
Total Pension Liability - Beginning	118,170,701	126,092,063	133,084,750
Total Pension Liability - Ending (a)	<u>\$ 126,092,063</u>	<u>\$ 133,084,750</u>	<u>\$ 141,037,698</u>
Plan Fiduciary Net Position			
Contributions - Employer	\$ 3,702,500	\$ 3,769,876	\$ 3,800,589
Contributions - Employee	1,893,248	1,936,039	1,988,347
Net investment income	7,248,240	(355,076)	8,359,703
Benefit payments, including refunds of employee contributions	(5,762,494)	(6,083,068)	(6,466,997)
Administrative expense	(84,874)	(81,559)	(90,807)
Other	230,957	(68,399)	180,203
Net Change in Plan Fiduciary Net Position	7,227,577	(882,187)	7,771,038
Plan Fiduciary Net Position - Beginning	106,554,565	113,782,142	112,899,955
Plan Fiduciary Net Position - Ending (b)	<u>\$ 113,782,142</u>	<u>\$ 112,899,955</u>	<u>\$ 120,670,993</u>
Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ 12,309,921</u>	<u>\$ 20,184,795</u>	<u>\$ 20,366,705</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	90.24%	84.83%	85.56%
Covered Payroll	\$ 27,046,396	\$ 27,657,704	\$ 28,404,964
Net Pension Liability (Asset) as a Percentage of Covered Payroll	45.51%	72.98%	71.70%

The accompanying notes to required supplementary information are an integral part of this schedule.

Measurement Year						
2017	2018	2019	2020	2021	2022	2023
\$ 4,039,378	\$ 3,806,114	\$ 3,627,860	\$ 3,875,395	\$ 4,442,715	\$ 4,217,689	\$ 4,412,076
11,470,437	12,163,758	12,653,682	13,301,521	13,957,191	14,602,398	15,526,433
-	-	-	-	-	2,478,413	-
1,054,081	-	-	10,290,048	312,120	-	-
(243,371)	(1,385,186)	357,417	474,642	(553,943)	837,889	(314,080)
<u>(7,071,153)</u>	<u>(8,002,461)</u>	<u>(8,727,628)</u>	<u>(9,055,743)</u>	<u>(9,090,356)</u>	<u>(9,809,806)</u>	<u>(10,548,557)</u>
9,249,372	6,582,225	7,911,331	18,885,863	9,067,727	12,326,583	9,075,872
<u>141,037,698</u>	<u>150,287,070</u>	<u>156,869,295</u>	<u>164,780,626</u>	<u>183,666,489</u>	<u>192,734,216</u>	<u>205,060,799</u>
<u>\$ 150,287,070</u>	<u>\$ 156,869,295</u>	<u>\$ 164,780,626</u>	<u>\$ 183,666,489</u>	<u>\$ 192,734,216</u>	<u>\$ 205,060,799</u>	<u>\$ 214,136,671</u>
\$ 3,914,502	\$ 3,847,415	\$ 4,071,804	\$ 4,610,581	\$ 4,489,976	\$ 4,778,640	\$ 5,078,020
2,051,460	1,951,589	2,030,101	2,143,036	2,126,510	2,238,991	2,384,052
17,595,977	(2,577,942)	21,698,296	15,594,804	35,765,042	(11,326,792)	20,062,286
(7,071,153)	(8,002,461)	(8,727,628)	(9,055,743)	(9,090,356)	(9,809,806)	(10,548,557)
(91,146)	(106,114)	(115,069)	(120,090)	(106,731)	(107,140)	(104,233)
<u>(15,671)</u>	<u>(54,202)</u>	<u>(68,862)</u>	<u>(53,158)</u>	<u>(24,890)</u>	<u>(228,249)</u>	<u>(81,181)</u>
16,383,969	(4,941,715)	18,888,642	13,119,430	33,159,551	(14,454,356)	16,790,387
<u>120,670,993</u>	<u>137,054,962</u>	<u>132,113,247</u>	<u>151,001,889</u>	<u>164,121,319</u>	<u>197,280,870</u>	<u>182,826,514</u>
<u>\$ 137,054,962</u>	<u>\$ 132,113,247</u>	<u>\$ 151,001,889</u>	<u>\$ 164,121,319</u>	<u>\$ 197,280,870</u>	<u>\$ 182,826,514</u>	<u>\$ 199,616,901</u>
<u>\$ 13,232,108</u>	<u>\$ 24,756,048</u>	<u>\$ 13,778,737</u>	<u>\$ 19,545,170</u>	<u>\$ (4,546,654)</u>	<u>\$ 22,234,285</u>	<u>\$ 14,519,770</u>
91.20%	84.22%	91.64%	89.36%	102.36%	89.16%	93.22%
\$ 29,306,268	\$ 27,879,837	\$ 29,001,437	\$ 30,614,801	\$ 30,378,713	\$ 31,985,583	\$ 34,057,880
45.15%	88.80%	47.51%	63.84%	-14.97%	69.51%	42.63%

COUNTY OF VICTORIA, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - PENSION
Last ten fiscal years

	Fiscal Year		
	2015	2016	2017
Actuarially Determined Contribution	\$ 3,702,500	\$ 3,769,876	\$ 3,800,589
Contribution in relation to the actuarially determined contribution	<u>(3,702,500)</u>	<u>(3,769,876)</u>	<u>(3,800,589)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 27,046,396	\$ 27,657,704	\$ 27,657,704
Contributions as a percentage of covered payroll	13.7%	13.6%	13.7%

The accompanying notes to required supplementary information are an integral part of this schedule.

Fiscal Year						
2018	2019	2020	2021	2022	2023	2024
\$ 3,914,502	\$ 3,847,415	\$ 4,071,804	\$ 4,610,581	\$ 4,489,976	\$ 4,778,640	\$ 5,078,020
<u>(3,914,502)</u>	<u>(3,847,415)</u>	<u>(4,071,804)</u>	<u>(4,610,581)</u>	<u>(4,489,976)</u>	<u>(4,778,640)</u>	<u>(5,078,020)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 29,306,568	\$ 27,879,837	\$ 29,001,437	\$ 30,614,801	\$ 30,378,713	\$ 31,985,583	\$ 34,057,880
13.4%	13.8%	14.0%	15.1%	14.8%	14.9%	14.9%

COUNTY OF VICTORIA, TEXAS*SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - LIFE**Last ten years*

	Measurement Year		
	2017	2018	2019
Total OPEB Liability			
Service cost	\$ 35,991	\$ 38,855	\$ 32,230
Interest (on the total OPEB liability)	46,335	46,441	50,853
Effect of plan changes	-	-	-
Effect of economic/demographic (gains) or losses	(9,035)	877	10,445
Effect of assumption changes or inputs	73,830	(160,803)	378,320
Benefit payments	<u>(26,376)</u>	<u>(25,092)</u>	<u>(31,902)</u>
Net Change in Total OPEB Liability	120,745	(99,722)	439,946
Total OPEB Liability - Beginning	<u>1,202,861</u>	<u>1,323,606</u>	<u>1,223,884</u>
Total OPEB Liability - Ending (a)	<u>\$ 1,323,606</u>	<u>\$ 1,223,884</u>	<u>\$ 1,663,830</u>
Covered Payroll	\$ 29,306,268	\$ 27,879,837	\$ 29,001,437
Net OPEB Liability as a Percentage of Covered Payroll	4.52%	4.39%	5.74%

NOTE: Information for the prior three years was not readily available. The County will compile the respective information over the next three years as provided by TCDRS on a "measurement date" basis.

The accompanying notes to required supplementary information are an integral part of this schedule.

Measurement Year			
2020	2021	2022	2023
\$ 60,068	\$ 70,532	\$ 72,536	\$ 41,954
46,735	42,997	44,336	60,297
-	-	-	-
7,814	4,389	20,436	(9,544)
234,068	41,526	(601,879)	144,359
<u>(36,738)</u>	<u>(36,454)</u>	<u>(38,383)</u>	<u>(34,058)</u>
311,947	122,990	(502,954)	203,008
<u>1,663,830</u>	<u>1,975,777</u>	<u>2,098,767</u>	<u>1,595,813</u>
<u>\$ 1,975,777</u>	<u>\$ 2,098,767</u>	<u>\$ 1,595,813</u>	<u>\$ 1,798,821</u>
\$ 30,614,801	\$ 30,378,713	\$ 31,985,583	\$ 34,057,880
6.45%	6.91%	4.99%	5.28%

COUNTY OF VICTORIA, TEXAS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - LIFE
Last ten fiscal years

	Fiscal Year		
	2018	2019	2020
Actuarially Determined Contribution	\$ 26,376	\$ 25,092	\$ 31,902
Contribution in relation to the actuarially determined contribution	<u>(26,376)</u>	<u>(25,092)</u>	<u>(31,902)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$29,306,568	\$27,879,837	\$29,001,437
Contributions as a percentage of covered payroll	0.1%	0.1%	0.1%

NOTE: Information for the prior three years was not readily available. The County will compile the respective information over the next three years.

The accompanying notes to required supplementary information are an integral part of this schedule.

Fiscal Year			
2021	2022	2023	2024
\$ 36,738	\$ 36,454	\$ 38,383	\$ 34,058
<u>(36,738)</u>	<u>(36,454)</u>	<u>(38,383)</u>	<u>(34,058)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$30,614,801	\$30,378,713	\$31,985,583	\$34,057,880
0.1%	0.1%	0.1%	0.1%

COUNTY OF VICTORIA, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2024

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The County annually adopts budgets that are prepared using the cash basis of accounting, which is not consistent with generally accepted accounting principles (GAAP). A reconciliation to the statutory basis is provided in the preceding statement. Refer to Note 1 of the notes to the financial statements for explanation of the statutory basis of accounting used to prepare the financial statements.

The Required Supplementary Information does not include a budgetary comparison schedule for the Major Special Revenue Fund, American Rescue Plan Act Fund. The activity of the fund is funded by the federal government, thereby no local control over appropriating funds is possible. Therefore, there is no requirement of presenting a budgetary comparison schedule.

NOTE 2: TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - PENSION

Valuation Date

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

Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method	Entry age (level percentage of pay)
Amortization method	Level percentage of payroll, closed
Remaining amortization period	16.8 years (based on contribution rate calculated in 12/31/23 valuation)
Asset valuation method	5-year smoothed market
Inflation	2.50%
Salary increases	Varies by age and service. 4.70% average over career including inflation.
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation
Retirement age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected 2017: New mortality assumptions were reflected 2019: New inflation, mortality, and other assumptions were reflected 2022: New investment return and inflation assumptions were reflected

COUNTY OF VICTORIA, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2024

NOTE 2: TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - PENSION - (Continued)

Methods and Assumptions Used to Determine Contribution Rates - (Continued)

Changes in Plan Provisions Reflected In the Schedule of Employer Contributions	2015: No changes in plan provisions were reflected in the Schedule 2016: No changes in plan provisions were reflected in the Schedule 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017 2018: No changes in plan provisions were reflected in the Schedule 2019: No changes in plan provisions were reflected in the Schedule 2020: No changes in plan provisions were reflected in the Schedule 2021: No changes in plan provisions were reflected in the Schedule 2022: No changes in plan provisions were reflected in the Schedule 2023: No changes in plan provisions were reflected in the Schedule
--	--

NOTE 3: TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM - LIFE

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

There were no changes in plan provisions or assumptions during the year.

Combining and Individual Fund Statements and Schedules

COUNTY OF VICTORIA, TEXAS

ALL NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Fund	Total Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 13,442,639	\$ 2,160,464	\$ 6,223,727	\$ 21,826,830
Receivables (net)	5,334,257	2,927,115	-	8,261,372
Due from other governments	1,997,929	-	-	1,997,929
Due from other funds	407,571	-	-	407,571
Total assets	\$ 21,182,396	\$ 5,087,579	\$ 6,223,727	\$ 32,493,702
LIABILITIES				
Accounts payable	\$ 502,223	\$ -	\$ 438,512	\$ 940,735
Accrued expenditures	593,119	-	-	593,119
Due to other governments	366,988	-	-	366,988
Due to other funds	2,481,897	-	-	2,481,897
Deposits	60,050	-	-	60,050
Unearned revenue	249,396	-	-	249,396
Total liabilities	4,253,673	-	438,512	4,692,185
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue				
Property taxes	6,529,438	3,803,816	-	10,333,254
Other	288,486	-	-	288,486
Total deferred inflows of resources	6,817,924	3,803,816	-	10,621,740
FUND BALANCES				
Restricted	10,476,327	1,283,763	5,785,215	17,545,305
Unassigned	(365,528)	-	-	(365,528)
Total fund balances	10,110,799	1,283,763	5,785,215	17,179,777
Total liabilities, deferred inflows and fund balances	\$ 21,182,396	\$ 5,087,579	\$ 6,223,727	\$ 32,493,702

COUNTY OF VICTORIA, TEXAS

ALL NONMAJOR GOVERNMENTAL FUNDS

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

STATUTORY BASIS

For the year ended December 31, 2024

	Total Nonmajor Special <u>Revenue Funds</u>	Total Nonmajor Debt <u>Service Fund</u>	Total Nonmajor Capital <u>Projects Fund</u>	Total Nonmajor Governmental <u>Funds</u>
REVENUES				
Taxes	\$ 5,880,036	\$ 3,428,118	\$ -	\$ 9,308,154
Fees of office and user fees	3,066,525	-	-	3,044,375
Intergovernmental	10,312,309	-	-	10,334,459
Fines and forfeitures	727,492	-	-	727,492
Investment income	226,319	35,981	336,869	599,169
Contributions	440,090	-	-	440,090
Miscellaneous	531,233	-	-	531,233
Total revenues	<u>21,184,004</u>	<u>3,464,099</u>	<u>336,869</u>	<u>24,984,972</u>
EXPENDITURES				
Current				
General government	4,260,232	-	-	4,260,232
Public safety	3,221,878	-	-	3,221,878
Highways and streets	7,528,601	-	-	7,528,601
Public health	5,696,967	-	-	5,696,967
Capital outlay	600,183	-	2,591,057	3,191,240
Debt service				
Principal retirement	-	1,895,000	-	1,895,000
Interest and fiscal charges	-	1,318,334	-	1,318,334
Total expenditures	<u>21,307,861</u>	<u>3,213,334</u>	<u>2,591,057</u>	<u>27,112,252</u>
Excess (deficiency) of revenues over expenditures	<u>(123,857)</u>	<u>250,765</u>	<u>(2,254,188)</u>	<u>(2,127,280)</u>
OTHER FINANCING SOURCES (USES)				
Finance purchase issued	758,966	-	-	758,966
Subscription liability issued	42,682	-	-	42,682
Transfers in	1,853,940	-	-	1,853,940
Transfers out	(1,158,694)	-	-	(1,158,694)
Total other financing sources (uses)	<u>1,496,894</u>	<u>-</u>	<u>-</u>	<u>1,496,894</u>
Change in fund balances	1,373,037	250,765	(2,254,188)	(630,386)
Fund balances at beginning of year, as previously reported	8,756,183	1,032,998	8,039,403	17,828,584
Restatement of beginning fund balances	(18,421)	-	-	(18,421)
Fund balances at beginning of year, as restated	<u>8,737,762</u>	<u>1,032,998</u>	<u>8,039,403</u>	<u>17,810,163</u>
Fund balances at end of year	<u>\$ 10,110,799</u>	<u>\$ 1,283,763</u>	<u>\$ 5,785,215</u>	<u>\$ 17,179,777</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, private purpose trusts, or major capital projects) that are legally restricted to expenditures for specific purposes. The County's Special Revenue Funds consists of Road and Bridge and other funds.

ROAD AND BRIDGE FUNDS

The Road and Bridge Funds are constitutional funds established to account for current funds used for the purpose of constructing and maintaining roads and bridges. The principal sources of revenues for these funds are ad valorem taxes and intergovernmental revenues.

The County is divided into four precincts, each of which is administered by one of the four County Commissioners. Each precinct has a separate budget for construction and maintenance of roads and bridges in the precinct. The Road and Bridge Funds consists of the following:

Road and Bridge Precinct Funds - Account for costs associated with the construction and maintenance of roads and bridges in the four Commissioners' precincts. Revenues are derived primarily from ad valorem taxes, vehicle registration fees, and interest earnings.

OTHER SPECIAL REVENUE FUNDS

The Other Special Revenue Funds consists of various funds that account for particular functions and activities as described below:

Emergency Management Fund - Accounts for the funds received from the City of Victoria and the State of Texas for Emergency Management operations.

LEPC Fund - Accounts for funds received from local businesses and organizations for financial support of the Local Emergency Planning Committees.

Justice of the Peace Special Fund - Records the disposition of cash bonds and miscellaneous overpayments. These funds are disbursed according to court orders.

Court-Initiated Guardianship Fund - The fund was established under Chapter 118, §118.0052 (2) (E) of the Local Government Code. Fees collected may be used only to supplement county funds to pay the compensation of a guardian appointed by the court, an attorney appointed by the court and fund local guardianship programs that provide guardians for indigent persons.

County Jury Fund - Accounts for funds allocated under Section 134.101, 134.102, or 134.103 to the county or municipal jury fund maintained by the county treasurer. As required by Section 134.151 the money that is deposited in the County Jury Fund may be used by a county only to fund juror reimbursement and finance jury services.

Records Management Fund - Accounts for monies received by the County under Local Government Code Section 118.011. Expenditures of the fund are made to manage and preserve documents filed in the office of the County Clerk. Revenues come from filing charges assessed by the County Clerk.

Courthouse Security Fund - Accounts for funds received from various sources designated to be used to enhance security in the County Courthouse.

Justice Court Building Security Fund - Accounts for funds received that are designated to be used to enhance security in buildings that house justice court other than the County Courthouse.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

District Clerk Records Management Fund - Accounts for monies received by the County from filing charges assessed by the District Clerk under Local Government Code Section 51.317. Expenditures of the fund are made to manage and preserve documents filed in the office of the District Clerk.

County Clerk of the Court Fund - Accounts for funds allocated under Section 134.101 or 134.102 to the county or municipal jury fund maintained by the county treasurer. As required by Section 134.151 the money that is deposited in the County Jury Fund may be used only to defray costs of services provided by a county or district clerk.

District Clerk of the Court Fund - Accounts for funds allocated under Section 134.101 or 134.102 to the clerk of the court account fund maintained by the county treasurer. As required by Section 134.151 the money that is deposited in the District Clerk of the Court may be used only to defray costs of services provided by a county or district clerk.

Court Reporter Service Fund - Accounts for funds allocated under Section 134.102 to the clerk of the court account fund. As required by Section 51.601 money deposited in the court reporter service fund may be used to assist in the payment of court reported related services.

Court Facility Fee Fund - The fund was established under Chapter 135, § 135.101 or 135.102 of the Local Government Code. Fees collected may be used by the county only to fund construction, renovation, or improvement of facilities that house the courts. It can also be used to pay the principal of, interest on, and costs of the issuance of bonds, including refunding bonds, issued for the construction, renovation, or improvement of the facilities.

Language Access Fund - The fund was established under Chapter 135, § 135.101 or 135.102 of the Local Government Code. Fees collected may be used by the county only to provide language access services for individuals appearing before the court or receiving court services.

Patriot Park Donations Fund - Accounts for funds received from various entities which have been donated for specific purposes for the Patriot Park.

Opioid Settlement Fund - Used to account for funds received from the State of Texas through statewide opioid settlement agreements and disbursements for opioid remediation strategies.

Sheriff Special Fund - Records out-of-county cash bonds and various fines and fees collected by the Sheriff's department. These funds are remitted to the State and other entities as appropriate.

FEMA Public Assistance Hurricane Beryl - A FEMA Public Assistance subgrant has been awarded by the Texas Division of Emergency Management (TDEM). Hurricane Beryl created an immediate threat to the health and safety of the general public requiring emergency response and protective measures. Force account labor, materials, and contracts for the Emergency Protective Measures were utilized during the Hurricane.

FEMA Public Assistance DR-4485 COVID 19 - The Texas of Division of Emergency Management (TDEM) has provided funding for COVID19 activities specifically emergency protective measures.

Hazard Mitigation Grant (HMPG) Juvenile Justice Center Generator Project - The Texas Department of Emergency Management has issued an award for the Juvenile Justice Center Generator Program. The project will allow for the purchase and installation of a 256W Generator to provide a backup of source of power to the Juvenile Justice Center in times of which the primary source is not available. There is a 10% local match.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

Hurricane Helene - The Texas Department of Emergency Management has awarded funds to Victoria County. This is for an Intrastate award. The Hurricane was in North Carolina. Victoria County provided assistance by sending the Deputy of Emergency Management to provide assistance in this disaster. This will cover the time worked by the employee.

Hazard Mitigation Grant (HMPG) Emergency Operations Community Safe Room - The Texas Department of Emergency Management has issued an award for the Emergency Operations Community Safe room. The project will provide for the planning and construction of a standalone, near absolute protection safe room located at the Victoria Regional Airport. The proposed 650-person capacity facility would provide a 15,000 sq. ft. safe haven for local, state and federal level first responders during hurricanes and other disasters.

Gulf of Mexico Energy Security Act Fund - Accounts for funds received from the U.S. Department of Interior for rentals, royalties, bonus and other sums derived from certain Outer Continental Shelf leases in the Gulf of Mexico. These revenues are reserved for projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

Hazard Mitigation Grant Program (HMGP) -The Texas of Division of Emergency Management (TDEM) has issued a sub-grant for the Hazard Mitigation Grant Program (HMGP) Emergency Operations Center (EOC) Operations Center Hardening Project. This project will harden the Victoria County EOC critical facility/infrastructure with the construction of an enclosure for the outside EOC stair entrance to address hazards including intrusion of water/wind driven rain into the facility. This project will provide for continuity of operations to the critical government facility during severe weather events through engineered construction of an enclosure over the exterior basement stairwell to prevent debris entering the water drain and prevent flood water into the basement as a result of wind driven rain.

TxDOT McCoy Road Reconstruction Fund - The Texas Department of Transportation (TxDOT) has provided funding for the reconstruction and widening of the road crossing over the McCoy Rd at-grade public crossing. In 2015, the Texas Legislature included \$20 million in the General Appropriations Act to fund projects on public roadways that would improve connectivity to Texas maritime ports. TxDOT distributes these funds through the Port Access Improvement Program, which provides grants to ports and other entities for projects that will improve connectivity, enhance safety, and relieve congestion in communities around the state's maritime ports.

CTIF Grant Fund - This grant will fund infrastructure projects located in areas that have been affected by increased oil and gas production. This is funded by Texas Department of Transportation (TxDOT).

Capital Credits Fund - Accounts for funds received from the Texas Comptroller of Public Accounts from an allocation of unclaimed capital credits received from electric cooperatives which can be used for community and economic development.

Juvenile Probation Fund - Records monies received by the County from the Texas Juvenile Probation Commission as well as transfers from the General Fund of the County. These monies are spent to provide various services related to the operation of the County Juvenile Probation Department.

Drug Courts Program Fund - Accounts for the revenues/expenditures related to operations of the state mandated programs for monitoring and rehabilitating violators of state drug laws.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

County Specialty Court Fund - Accounts for funds allocated under Section 134.101 or 134.102 to the county specialty court. This account fund is maintained by the county treasurer. As required by Section 134.151 the money deposited may be used only to fund specialty court programs established under Subtitle K, Title 2, Government Code.

Local Truancy Preventions Fund - Accounts for funds allocated under Section 134.103 to the local truancy prevention and diversion fund maintained by the County Treasurer, which may be used to finance the salary, benefits, training travel expenses, office supplies, and other necessary expenses relating to the position of a juvenile case manager employed by Article 45.056 Code of Criminal Procedure.

Justice Technology Fund - Accounts for funds received from a defendant convicted of a misdemeanor offense in a Justice Court, pursuant to Article 102.0173, Code of Criminal Procedures. These funds are administered by or under the direction of the Commissioners' Court and are used to finance the technological enhancements of the Justice Courts.

Family Protection Fee Fund - Accounts for funds received from individuals filing suit for dissolution of a marriage. These funds are administered by or under the direction of the Commissioners' Court and are to be distributed to non-profit organizations in Victoria County.

County/District Technology Fund - Accounts for funds received from a defendant convicted of a criminal offense in a County or District Court, pursuant to Article 102.0169, Code of Criminal Procedures. These funds are administered by or under the direction of the Commissioners' Court and are used to finance the technological enhancements of the County and District Courts.

Child Abuse Prevention Fund - Accounts for fines for certain child sexual assault and related convictions. This fine is put into the Child Abuse Prevention fund. The money allocated here may be used only to fund child abuse prevention programs in the county the court is located. This fund shall be administered by or under the direction of the commissioner's court.

Rural Salary Assistance Program - The Texas Comptroller of Public Accounts has issued an award for the Rural Salary Assistance Program. The grant is to fund minimum salaries and hire additional staff for the Sheriff's Office and Criminal District Attorney, and to purchase vehicles, firearms, and safety equipment for the Sheriff's Office.

CDA Processing Fee Fund - Accounts for fees earned by the office of the Criminal District Attorney from the collection of "hot" checks returned to County merchants. Expenditures of the fund include normal operating costs of the District Attorney's Office.

CDA Bond Forfeiture Commissions Fund - Accounts for funds received from the Criminal District Attorney retaining a commission on bond forfeiture collection pursuant to Government Code 41.005.

CDA State Judiciary Fund - Accounts for funds received from the State Comptroller's Office to provide financial assistance to district attorneys for office expenses, supplies, and personnel.

Pre-Trial Intervention Fund - Accounts for fees for first time offenders or non-violent crimes which are used for expenses related to the defendants participation in the pre-trial intervention program, refurbish courthouse facilities, train staff and purchase office supplies that are related to this program.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

CARE Court Fund - CARE Court is established as a felony specialty court pursuant to Texas Government Code Chapter 121. The specialty court provides specialized direct services, generally for drug treatment, to offenders as an alternative to incarceration.

CDA Victims Assistance Grant Fund - Accounts for the funds received from the U.S. Department of Justice and administered by the Office for Victims of Crime. The purpose of the grant is to stimulate State participation and support for victim service programs and promote victim cooperation with law enforcement, in addition to the direct benefit to crime victims with Federal assistance monies.

Sheriff Victims Assistance Grant Fund - Accounts for the funds received from the Office of the Attorney General to provide funding for a full-time Crime Victim Liaison to work in the Sheriff's Department and the Victoria Police Department.

Texas Vine Grant Fund - Accounts for funds received from the Office of the Attorney General. The purpose of the Vine (Victim Information and Notification Everyday) Grant is to provide basic information on jailed suspects/offenders and their scheduled court events to crime victims and other concerned citizens.

Operation Lone Star Fund - The Office of the Governor (OOG) has provided funding for the Operation Lone Star Grant Program. The purpose of the program is to enhance interagency border security operations supporting Operation Lone Star including the facilitation of directed actions to deter and interdict criminal activity and detain non-citizen inmates.

Operation Stonegarden Grant Fund - Accounts for funds received from the Department of Homeland Security to enhance cooperation and coordination between federal and local law enforcement agencies in a joint mission to secure the United States borders.

Golden Crescent Regional Planning Commission (GCRPC) 9-1-1 Allocation Fund - Accounts for funds received from the Golden Crescent Regional Planning Commission. This agreement will establish and maintain 9-1-1 emergency telephone service in State Planning Region 17, and the Commission on State Emergency Communications has approved the plan.

Byrne Justice Assistance Grant (JAG) Program Fund - Accounts for funds received from the City of Victoria for the purchase of equipment and training of personnel for the Victoria County Sheriff's Office.

High Intensity Drug Trafficking Area Grant Fund - Accounts for funds received from the Office of National Drug Control Policy to support initiatives designed to implement the strategy proposed by the Executive Board of the Houston HIDTA and approved by the Office of the National Drug Control Policy.

Firefighters Grant Fund - Accounts for funds received from the Texas Forestry Service for the reimbursement of firefighting training assistance.

Feral Hog Grant Fund - Accounts for funds received from the Texas A&M AgriLife Extension Service. This grant will provide funding for the purchase of eight hog box traps and hog bait. This will enhance the hog eradication in Victoria County.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

TXCDBG Hurricane Harvey Disaster Recovery Program Fund - The General Land Office (GLO) has provided funding for the Texas Community Development Block Grant. Hurricane Harvey overwhelmed the drainage system of Victoria County. This inundated the street and drainage systems and threatened public health. This grant will be used to make infrastructure improvements to facilitate proper storm water conveyance and reduce the impact of future flooding.

State Fees Fund - Accounts for statutory additions to various fines collected by the County. These fees are transferred to the State and the General Fund of the County on a periodic basis.

Provision of Mental Health Peace Officers (PESC) Funding Fund - Memorandum of Understanding (MOU) between Victoria County, Texas and Gulf Bend Center for the Provision of Mental Health Peace Officers under the Psychiatric Emergency Services Program (PESC) funding through Texas Health and Human Services Commission. It is for reimbursement (not to exceed \$11,000.00) for the transportation of individuals with mental illness to the appropriate location where the individuals can receive necessary services.

Mental Health Peace Officer Fund - Accounts for funds received from Gulf Bend Center to employ a mental health deputy assigned in the mental health task force.

BISD School Resource Officer Fund - Accounts for funds received from Bloomington Independent School District (BISD) to employ a juvenile probation officer that is housed and working on BISD campuses.

Sheriff's Special Purpose Fund - Accounts for the use of drug related monies awarded to the Sheriff's Department via court proceedings.

Sheriff's Donation Fund - Accounts for funds received from various entities which have been donated for specific purposes for the Victoria County Sheriff.

CDA Contraband Forfeiture Fund - Accounts for the use of drug related monies awarded to the Criminal District Attorney via court proceedings post October 17, 1989.

CDA DOJ Equitable Share Fund - Accounts for funds received from the U.S. Department of Justice. The purpose of this program is for law enforcement to deter crime by depriving criminals of the profits and proceeds of their illegal activities and to weaken criminal enterprises by removing the instrumentalities of crime.

Sheriff's Federal Forfeiture Fund - Accounts for funds received from the U.S. Departments of Treasury and Justice. The purpose of this program is for law enforcement to deter crime by depriving criminals of the profits and proceeds of their illegal activities and to weaken criminal enterprises by removing the instrumentalities of crime.

National School Lunch Program Fund - Accounts for funds received from the U.S. Department of Agriculture. This grant will provide funding for the purchase of food for children and increase food security.

VISD School Resource Officer Fund - Accounts for funds received from Victoria Independent School District (VISD) to employ school resource officers that are housed and working on VISD campuses.

Election Administrator's Special Fund - Records the various fees received designated to be used by the County Election Administrator in coordinating various County elections.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

Tax Assessor-Collector Special Fund - Accounts for interest earnings on the Special Inventory Escrow Account. These funds are the sole property of the collector and are used to defray the cost of administration of the prepayment procedure established by Texas Property Tax Code Section 23.122.

Historical Commission Fund - Accounts for monies received through various promotional activities. These funds are expended for the purpose of preserving the historical heritage of the County of Victoria.

Child Welfare Board Fund - Accounts for funds that are designated to provide various child protective services to residents of the County.

Indigent Defense Coordinator Program (TIDC) - The Texas Indigent Defense Commission has issued an award for indigent defense services. The pandemic related backlog, growing caseload, and increase in incarcerated defendants necessitates the addition of staffing for the Victoria County Pre-Trial Services. This grant will allow Victoria County to hire for additional support staff for the Pre-Trial Services. This award will fund personnel costs (salary and benefits), furniture and equipment, IT costs, Office Supplies and Training.

Coastal Plains Regional Public Defender - The Texas Indigent Defense Commission has issued an award for indigent defense services. This will provide indigent defense services to four counties, including Victoria, Jackson, Lavaca, and Refugio Counties. Participating counties will execute interlocal agreements with Victoria. This award will fund personnel costs (salary and benefits), furniture and equipment, IT costs, office supplies, contract services, and training.

Pet Smart Charities Grant Award - The PetSmart Charities Inc. has issued an award for Animal Control. The grant will fund a full time Adoption Coordinator and other allowable project costs for in-store PetSmart adoption events.

Best Friends Animal Society Grant Award - The Best Friends Animal Society is a 501 ©(3) Nonprofit corporation. This Award will help fund vaccines for dogs and cats, to be used at intake and medical/age-appropriate milestones. Also, to reduce unnecessary euthanasia, purchase and administration of essential medical care for approximately 120 animals. Recipient to purchase a 1-year subscription to Better Impact, a volunteer management software. Expand network of transfer partners and identify additional locations offsite for community engagement and adoption events. Invest in multicultural signage and communication methods, including Spanish translations for public facing documents.

Law Library Fund - Accounts for expenditures related to the establishment and maintenance of a professional library for members of the Texas Bar Association. Revenues are derived from fees assessed on civil cases filed in County and District Courts.

Health Department Fund - Accounts for revenues and expenditures associated with services provided to the public by the nursing division, special services division, and the environmental services division located at the Victoria City/County Health Department.

Medicaid Administrative Claims Fund - Accounts for funds received from the Texas Health and Human Services to reimburse agencies for proper and efficient administration of the Texas Medicaid State Plan. The program is to ensure more effective and timely access of individuals to health care, the most appropriate utilization of Medicaid covered services, and to promote activities and behaviors that reduce the risk of poor health outcomes for the state's most vulnerable populations.

NONMAJOR SPECIAL REVENUE FUNDS - (Continued)

OTHER SPECIAL REVENUE FUNDS - (Continued)

Texas Home Visiting Grant Fund - Accounts for funds received from the Texas Department of Family and Protective Services for providing a maternal, infant and early childhood home visiting program through the STARS Clinic.

Hogg Foundation Grant Fund - Accounts for funds received from Hogg Foundation for Mental Health. The grant award will provide funding for the Be Well Victoria program to support opportunities for resilience, mental health and overall well-being in our community.

COVID-19 Health Disparities Grant Fund - Accounts for funds received from the Department of State Health Services. The purpose of the COVID-19 Health Disparities Grant is to ensure community engagement in targeted communities disproportionately impacted by COVID-19 and the building of sustainable relationships in those targeted communities.

CPS/Public Health Workforce Grant Fund - The Department of State Health Services issued this grant to establish, expand, train and sustain public health workforce in support of Coronavirus 2019 (COVID-19) response and in alignment with the Public Health Crisis Response Cooperative Agreement for Emergency Response from the Centers for Disease Control. In addition, the purpose of the grant is to perform required activities intended to slow the transmission of the disease, minimize morbidity and mortality, preserve function of healthcare workforce and infrastructure, and minimize social and economic impacts.

CPS/Public Health Infrastructure Grant Award - The Department of State Health Services has issued a grant for The Public Health Infrastructure Grant. This grant is awarded to fund strategic investments to support hiring, retaining, and training the public health workforce and to strengthen public health infrastructure and systems related to the workforce.

WIC Program Fund - Accounts for funds received from the Texas Department of State Health Services for Victoria County's participation in the WIC Card Program. These funds are used to determine eligibility of applicants through assessment of their income, residence and nutritional status and provide nutrition education and counseling to eligible participants.

Law Enforcement Officer Education (LEOSE) Fund - Accounts for funds received from the State of Texas. These funds are used for continuing education of persons licensed under Government Code Chapter 415 or to provide necessary training to full-time law enforcement support personnel.

COUNTY OF VICTORIA, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS****COMBINING BALANCE SHEET - STATUTORY BASIS**

December 31, 2024

	Road and Bridge	Other Special Revenue	Total
ASSETS			
Cash and cash equivalents	\$ 5,332,279	\$ 8,110,360	\$ 13,442,639
Receivables (net)			
Ad valorem	5,042,671	-	5,042,671
Other	7,055	284,531	291,586
Due from other governments	-	1,997,929	1,997,929
Due from other funds	-	407,571	407,571
Total assets	<u>\$ 10,382,005</u>	<u>\$ 10,800,391</u>	<u>\$ 21,182,396</u>
LIABILITIES			
Accounts payable	\$ 287,399	\$ 214,824	\$ 502,223
Accrued expenditures	147,466	445,653	593,119
Due to other governments	-	366,988	366,988
Due to other funds	8,141	2,473,756	2,481,897
Deposits	60,050	-	60,050
Unearned revenue	-	249,396	249,396
Total liabilities	<u>503,056</u>	<u>3,750,617</u>	<u>4,253,673</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue			
Property taxes	6,529,438	-	6,529,438
Other	-	288,486	288,486
Total deferred inflows of resources	<u>6,529,438</u>	<u>288,486</u>	<u>6,817,924</u>
FUND BALANCES			
Restricted	3,349,511	7,126,816	10,476,327
Unassigned	-	(365,528)	(365,528)
Total fund balances	<u>3,349,511</u>	<u>6,761,288</u>	<u>10,110,799</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 10,382,005</u>	<u>\$ 10,800,391</u>	<u>\$ 21,182,396</u>

COUNTY OF VICTORIA, TEXAS*NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS**For the year ended December 31, 2024*

	Road and Bridge	Other Special Revenue	Total
REVENUES			
Taxes	\$ 5,880,036	\$ -	\$ 5,880,036
Fees of office and user fees	-	3,044,375	3,044,375
Intergovernmental	1,340,548	8,993,911	10,334,459
Fines and forfeitures	-	727,492	727,492
Investment income			
Interest	122,842	103,477	226,319
Contributions	-	440,090	440,090
Miscellaneous	137,715	393,518	531,233
Total revenues	<u>7,481,141</u>	<u>13,702,863</u>	<u>21,184,004</u>
EXPENDITURES			
Current			
General government	-	4,260,232	4,260,232
Public safety	-	3,221,878	3,221,878
Highways and streets	7,528,601	-	7,528,601
Public health	-	5,696,967	5,696,967
Capital outlay	-	600,183	600,183
Total expenditures	<u>7,528,601</u>	<u>13,779,260</u>	<u>21,307,861</u>
Excess (deficiency) of revenues over expenditures	<u>(47,460)</u>	<u>(76,397)</u>	<u>(123,857)</u>
OTHER FINANCING SOURCES (USES)			
Finance purchase issued	758,966	-	758,966
Subscription liability issued	-	42,682	42,682
Transfers in	274,455	1,579,485	1,853,940
Transfers out	(105,415)	(1,053,279)	(1,158,694)
Total other financing sources (uses)	<u>928,006</u>	<u>568,888</u>	<u>1,496,894</u>
Change in fund balances	880,546	492,491	1,373,037
Fund balances, January 1, as previously reported	2,468,965	6,287,218	8,756,183
Restatement of beginning fund balances	-	(18,421)	(18,421)
Fund balances, January 1, as restated	<u>2,468,965</u>	<u>6,268,797</u>	<u>8,737,762</u>
Fund balances, December 31	<u>\$ 3,349,511</u>	<u>\$ 6,761,288</u>	<u>\$ 10,110,799</u>

COUNTY OF VICTORIA, TEXAS*NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**ROAD AND BRIDGE FUNDS**COMBINING BALANCE SHEET - STATUTORY BASIS**December 31, 2024*

	Road and Bridge Funds				Total
	Pct. 1	Pct. 2	Pct. 3	Pct. 4	
ASSETS					
Cash and cash equivalents	\$ 970,027	\$ 1,925,454	\$ 1,089,329	\$ 1,347,469	\$ 5,332,279
Receivables (net)					
Ad valorem	1,286,844	1,209,569	1,184,818	1,361,440	5,042,671
Other	1,622	1,526	2,190	1,717	7,055
Total assets	<u>\$ 2,258,493</u>	<u>\$ 3,136,549</u>	<u>\$ 2,276,337</u>	<u>\$ 2,710,626</u>	<u>\$ 10,382,005</u>
LIABILITIES					
Accounts payable	\$ 137,299	\$ 30,995	\$ 30,546	\$ 88,559	\$ 287,399
Accrued expenditures	38,471	35,675	41,391	31,929	147,466
Due to other funds	2,236	1,838	2,406	1,661	8,141
Deposits	-	60,000	50	-	60,050
Total liabilities	<u>178,006</u>	<u>128,508</u>	<u>74,393</u>	<u>122,149</u>	<u>503,056</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Property taxes	1,665,970	1,566,393	1,534,208	1,762,867	6,529,438
Total deferred inflows of resources	<u>1,665,970</u>	<u>1,566,393</u>	<u>1,534,208</u>	<u>1,762,867</u>	<u>6,529,438</u>
FUND BALANCE					
Restricted	414,517	1,441,648	667,736	825,610	3,349,511
Total liabilities, deferred inflows and fund balance	<u>\$ 2,258,493</u>	<u>\$ 3,136,549</u>	<u>\$ 2,276,337</u>	<u>\$ 2,710,626</u>	<u>\$ 10,382,005</u>

COUNTY OF VICTORIA, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS****ROAD AND BRIDGE FUNDS****COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS**

For the year ended December 31, 2024

	Road and Bridge Funds				Total
	Pct. 1	Pct. 2	Pct. 3	Pct. 4	
REVENUES					
Taxes	\$ 1,499,408	\$ 1,411,437	\$ 1,381,581	\$ 1,587,610	\$ 5,880,036
Intergovernmental	339,328	326,755	322,564	351,901	1,340,548
Investment income					
Interest	22,580	42,335	26,222	31,705	122,842
Miscellaneous	33,903	4,893	37,070	61,849	137,715
Total revenues	<u>1,895,219</u>	<u>1,785,420</u>	<u>1,767,437</u>	<u>2,033,065</u>	<u>7,481,141</u>
EXPENDITURES					
Current					
Highways and streets	<u>2,038,904</u>	<u>1,483,818</u>	<u>1,665,522</u>	<u>2,340,357</u>	<u>7,528,601</u>
Excess (deficiency) of revenues over expenditures	<u>(143,685)</u>	<u>301,602</u>	<u>101,915</u>	<u>(307,292)</u>	<u>(47,460)</u>
OTHER FINANCING SOURCES (USES)					
Finance purchase issued	311,005	-	-	447,961	758,966
Transfers in	-	125,654	44,263	104,538	274,455
Transfers out	<u>(21,129)</u>	<u>(18,385)</u>	<u>(44,772)</u>	<u>(21,129)</u>	<u>(105,415)</u>
Total other financing sources (uses)	<u>289,876</u>	<u>107,269</u>	<u>(509)</u>	<u>531,370</u>	<u>928,006</u>
Change in fund balance	146,191	408,871	101,406	224,078	880,546
Fund balance, January 1	<u>268,326</u>	<u>1,032,777</u>	<u>566,330</u>	<u>601,532</u>	<u>2,468,965</u>
Fund balance, December 31	<u>\$ 414,517</u>	<u>\$ 1,441,648</u>	<u>\$ 667,736</u>	<u>\$ 825,610</u>	<u>\$ 3,349,511</u>

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	Emergency Mgmt.	LEPC Fund	Justice of the Peace Special	Court Initiated Guardianship	County Jury
ASSETS					
Cash and cash equivalents	\$ -	\$ 11,521	\$ 667	\$ 14,859	\$ 11,146
Receivables (net)					
Other	-	-	-	420	524
Due from other governments	298,512	-	-	-	-
Due from other funds	68,407	-	-	-	-
Total assets	<u>\$ 366,919</u>	<u>\$ 11,521</u>	<u>\$ 667</u>	<u>\$ 15,279</u>	<u>\$ 11,670</u>
LIABILITIES					
Accounts payable	\$ 717	\$ -	\$ 667	\$ -	\$ -
Accrued expenditures	18,863	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	347,339	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>366,919</u>	<u>-</u>	<u>667</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	68,407	-	-	-	-
Total deferred inflows of resources	<u>68,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	-	11,521	-	15,279	11,670
Unassigned	(68,407)	-	-	-	-
Total fund balances	<u>(68,407)</u>	<u>11,521</u>	<u>-</u>	<u>15,279</u>	<u>11,670</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 366,919</u>	<u>\$ 11,521</u>	<u>\$ 667</u>	<u>\$ 15,279</u>	<u>\$ 11,670</u>

<u>Records Mgmt.</u>	<u>Courthouse Security</u>	<u>Justice Court Building Security</u>	<u>District Clerk Records Mgmt.</u>	<u>County Clerk of the Court</u>	<u>District Clerk of the Court</u>	<u>Court Reporter Service</u>	<u>Court Facility Fee</u>
\$ 320,676	\$ 173,819	\$ 32,739	\$ 83,756	\$ 114,418	\$ 110,369	\$ 45,770	\$ 75,311
2,318	1,581	26	421	2,197	725	1,275	1,020
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 322,994</u>	<u>\$ 175,400</u>	<u>\$ 32,765</u>	<u>\$ 84,177</u>	<u>\$ 116,615</u>	<u>\$ 111,094</u>	<u>\$ 47,045</u>	<u>\$ 76,331</u>
\$ 10	\$ -	\$ -	\$ 6	\$ 6	\$ 2	\$ -	\$ -
2,478	-	-	495	1,072	1,454	-	-
-	-	-	-	-	-	-	-
4	-	-	1	1	3	-	-
-	-	-	-	-	-	-	-
<u>2,492</u>	<u>-</u>	<u>-</u>	<u>502</u>	<u>1,079</u>	<u>1,459</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
320,502	175,400	32,765	83,675	115,536	109,635	47,045	76,331
-	-	-	-	-	-	-	-
<u>320,502</u>	<u>175,400</u>	<u>32,765</u>	<u>83,675</u>	<u>115,536</u>	<u>109,635</u>	<u>47,045</u>	<u>76,331</u>
<u>\$ 322,994</u>	<u>\$ 175,400</u>	<u>\$ 32,765</u>	<u>\$ 84,177</u>	<u>\$ 116,615</u>	<u>\$ 111,094</u>	<u>\$ 47,045</u>	<u>\$ 76,331</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	Language Access	Patriot Park Donations	Opioid Settlement	Sheriff Special	FEMA Public Assistance Hurricane Beryl
ASSETS					
Cash and cash equivalents	\$ 27,200	\$ 4,652	\$ 195,328	\$ 43,285	\$ -
Receivables (net)					
Other	192	-	-	-	-
Due from other governments	-	-	-	-	38,786
Due from other funds	-	-	-	-	34,337
Total assets	<u>\$ 27,392</u>	<u>\$ 4,652</u>	<u>\$ 195,328</u>	<u>\$ 43,285</u>	<u>\$ 73,123</u>
LIABILITIES					
Accounts payable	\$ 4,998	\$ 3,000	\$ -	\$ 43,285	\$ -
Accrued expenditures	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	73,123
Unearned revenue	-	-	-	-	-
Total liabilities	<u>4,998</u>	<u>3,000</u>	<u>-</u>	<u>43,285</u>	<u>73,123</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	38,786
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,786</u>
FUND BALANCES					
Restricted	22,394	1,652	195,328	-	-
Unassigned	-	-	-	-	(38,786)
Total fund balances	<u>22,394</u>	<u>1,652</u>	<u>195,328</u>	<u>-</u>	<u>(38,786)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 27,392</u>	<u>\$ 4,652</u>	<u>\$ 195,328</u>	<u>\$ 43,285</u>	<u>\$ 73,123</u>

HMGP Juvenile Justice Generator	Hurricane Helene	HMGP Emergency Community Safe Room	Gulf of Mexico Energy Security Act	Hazard Mitigation Grant Program	TxDOT McCoy Rd Reconstr.	CTIF Grant	Capital Credits
\$ -	\$ -	\$ -	\$ 1,174,735	\$ -	\$ 326,013	\$ -	\$ 175,795
-	-	-	-	-	-	-	-
4,287	11,460	279	-	149,586	-	44,263	-
31	-	31	-	-	-	-	-
<u>\$ 4,318</u>	<u>\$ 11,460</u>	<u>\$ 310</u>	<u>\$ 1,174,735</u>	<u>\$ 149,586</u>	<u>\$ 326,013</u>	<u>\$ 44,263</u>	<u>\$ 175,795</u>
\$ 507	\$ 8	\$ -	\$ -	\$ -	\$ 1,489	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	241,394	-	-
3,810	11,452	311	-	218,558	-	44,263	-
-	-	-	-	-	-	-	-
<u>4,317</u>	<u>11,460</u>	<u>311</u>	<u>-</u>	<u>218,558</u>	<u>242,883</u>	<u>44,263</u>	<u>-</u>
4,287	-	279	-	149,586	-	-	-
4,287	-	279	-	149,586	-	-	-
-	-	-	1,174,735	-	83,130	-	175,795
(4,286)	-	(280)	-	(218,558)	-	-	-
(4,286)	-	(280)	1,174,735	(218,558)	83,130	-	175,795
<u>\$ 4,318</u>	<u>\$ 11,460</u>	<u>\$ 310</u>	<u>\$ 1,174,735</u>	<u>\$ 149,586</u>	<u>\$ 326,013</u>	<u>\$ 44,263</u>	<u>\$ 175,795</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	Juvenile Probation	Drug Courts Program	County Specialty Court	Local Truancy Preventions	Justice Technology
ASSETS					
Cash and cash equivalents	\$ 715,258	\$ 204	\$ 5,237	\$ 48,675	\$ 3,935
Receivables (net)					
Other	-	-	274	107	86
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 715,258</u>	<u>\$ 204</u>	<u>\$ 5,511</u>	<u>\$ 48,782</u>	<u>\$ 4,021</u>
LIABILITIES					
Accounts payable	\$ 23,446	\$ -	\$ -	\$ -	\$ -
Accrued expenditures	85,722	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	662	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>109,830</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	605,428	204	5,511	48,782	4,021
Unassigned	-	-	-	-	-
Total fund balances	<u>605,428</u>	<u>204</u>	<u>5,511</u>	<u>48,782</u>	<u>4,021</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 715,258</u>	<u>\$ 204</u>	<u>\$ 5,511</u>	<u>\$ 48,782</u>	<u>\$ 4,021</u>

<u>Family Protection Fee</u>	<u>County/District Technology</u>	<u>Child Abuse Prevention</u>	<u>Rural Salary Assistance Sheriff</u>	<u>Rural Salary Assistance CDA</u>	<u>CDA Processing Fee</u>	<u>CDA Bond Forfeiture Commissions</u>	<u>CDA State Judiciary</u>
\$ 325	\$ 4,808	\$ 556	\$ 57,267	\$ 116,175	\$ 12,927	\$ 39,413	\$ 2,272
56	61	2	-	-	-	-	688
-	-	-	-	-	-	-	-
-	-	-	779	-	-	-	-
<u>\$ 381</u>	<u>\$ 4,869</u>	<u>\$ 558</u>	<u>\$ 58,046</u>	<u>\$ 116,175</u>	<u>\$ 12,927</u>	<u>\$ 39,413</u>	<u>\$ 2,960</u>
\$ -	\$ -	\$ -	\$ 70	\$ 30	\$ 100	\$ -	\$ 1,465
-	-	-	25,572	9,198	-	-	-
-	-	-	-	-	-	-	-
-	-	-	444	63	-	-	-
-	-	-	-	-	-	-	-
-	-	-	26,086	9,291	100	-	1,465
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
381	4,869	558	31,960	106,884	12,827	39,413	1,495
-	-	-	-	-	-	-	-
<u>381</u>	<u>4,869</u>	<u>558</u>	<u>31,960</u>	<u>106,884</u>	<u>12,827</u>	<u>39,413</u>	<u>1,495</u>
<u>\$ 381</u>	<u>\$ 4,869</u>	<u>\$ 558</u>	<u>\$ 58,046</u>	<u>\$ 116,175</u>	<u>\$ 12,927</u>	<u>\$ 39,413</u>	<u>\$ 2,960</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	Pre-Trial Intervention	CARE Court	CDA Victims Assistance Grant	Sheriff Victims Assistance Grant	Texas Vine Grant
ASSETS					
Cash and cash equivalents	\$ 65,499	\$ 7,267	\$ -	\$ -	\$ -
Receivables (net)					
Other	-	-	-	-	-
Due from other governments	-	-	11,998	10,960	6,190
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 65,499</u>	<u>\$ 7,267</u>	<u>\$ 11,998</u>	<u>\$ 10,960</u>	<u>\$ 6,190</u>
LIABILITIES					
Accounts payable	\$ 4	\$ -	\$ 14	\$ 11	\$ 1,547
Accrued expenditures	1,145	-	3,656	2,813	-
Due to other governments	-	-	-	-	-
Due to other funds	2	-	9,668	9,316	4,643
Unearned revenue	-	-	-	-	-
Total liabilities	<u>1,151</u>	<u>-</u>	<u>13,338</u>	<u>12,140</u>	<u>6,190</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	64,348	7,267	-	-	-
Unassigned	-	-	(1,340)	(1,180)	-
Total fund balances	<u>64,348</u>	<u>7,267</u>	<u>(1,340)</u>	<u>(1,180)</u>	<u>-</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 65,499</u>	<u>\$ 7,267</u>	<u>\$ 11,998</u>	<u>\$ 10,960</u>	<u>\$ 6,190</u>

<u>Operation Lone Star</u>	<u>Operation Stonegarden Grant</u>	<u>GCRPC 9-1-1 Allocation</u>	<u>Byrne JAG Program</u>	<u>High Intensity Drug Trafficking Area Grant</u>	<u>Firefighters Grant</u>	<u>Feral Hog Grant</u>	<u>State Fees</u>
\$ -	\$ -	\$ 6,801	\$ -	\$ -	\$ 20,666	\$ -	\$ 118,251
-	-	-	-	-	-	-	7,343
166,078	36,198	-	14,251	26,497	9,205	2,843	-
-	-	-	-	-	-	-	-
<u>\$ 166,078</u>	<u>\$ 36,198</u>	<u>\$ 6,801</u>	<u>\$ 14,251</u>	<u>\$ 26,497</u>	<u>\$ 29,871</u>	<u>\$ 2,843</u>	<u>\$ 125,594</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,350	\$ 29,871	\$ -	\$ -
-	14,432	-	-	2,707	-	-	-
-	-	-	-	-	-	-	125,594
166,078	30,478	-	14,251	26,497	-	2,843	-
-	-	-	-	-	-	-	-
<u>166,078</u>	<u>44,910</u>	<u>-</u>	<u>14,251</u>	<u>30,554</u>	<u>29,871</u>	<u>2,843</u>	<u>125,594</u>
-	-	-	14,251	-	-	2,843	-
-	-	-	14,251	-	-	2,843	-
-	-	6,801	-	-	-	-	-
-	(8,712)	-	(14,251)	(4,057)	-	(2,843)	-
-	(8,712)	6,801	(14,251)	(4,057)	-	(2,843)	-
<u>\$ 166,078</u>	<u>\$ 36,198</u>	<u>\$ 6,801</u>	<u>\$ 14,251</u>	<u>\$ 26,497</u>	<u>\$ 29,871</u>	<u>\$ 2,843</u>	<u>\$ 125,594</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	PESC Mental Health	Mental Health Peace Officer	BISD School Resource Officer	Sheriff's Special Purpose	Sheriff's Donation
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 937,943	\$ 935
Receivables (net)					
Other	-	-	-	41,238	-
Due from other governments	4,108	78,006	10,570	-	-
Due from other funds	-	-	-	-	-
Total assets	<u>\$ 4,108</u>	<u>\$ 78,006</u>	<u>\$ 10,570</u>	<u>\$ 979,181</u>	<u>\$ 935</u>
LIABILITIES					
Accounts payable	\$ -	\$ 224	\$ 15	\$ 3	\$ -
Accrued expenditures	358	16,722	4,324	732	-
Due to other governments	-	-	-	-	-
Due to other funds	3,750	61,060	6,231	19	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>4,108</u>	<u>78,006</u>	<u>10,570</u>	<u>754</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	-	-	-	978,427	935
Unassigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>978,427</u>	<u>935</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,108</u>	<u>\$ 78,006</u>	<u>\$ 10,570</u>	<u>\$ 979,181</u>	<u>\$ 935</u>

CDA Contraband Forfeiture	CDA DOJ Equitable Share	Sheriff's Federal Forfeiture	National School Lunch Program	VISD School Resource Officer	Election Admin. Special	Elections Chapter 19	Tax Assessor- Collector Special
\$ 1,194,543	\$ 1,146	\$ 818,401	\$ -	\$ -	\$ 44,686	\$ -	\$ 43,290
58,705	-	-	-	-	56,821	-	-
-	-	-	24,472	94,410	-	349	-
-	-	-	-	-	-	13,000	-
<u>\$ 1,253,248</u>	<u>\$ 1,146</u>	<u>\$ 818,401</u>	<u>\$ 24,472</u>	<u>\$ 94,410</u>	<u>\$ 101,507</u>	<u>\$ 13,349</u>	<u>\$ 43,290</u>
\$ 3,723	\$ -	\$ 486	\$ 10,450	\$ 143	\$ 198	\$ 76	\$ -
2,127	-	-	5,278	35,872	961	-	-
-	-	-	-	-	-	-	-
3	-	-	8,744	58,395	13,002	13,273	-
-	-	-	-	-	-	-	-
<u>5,853</u>	<u>-</u>	<u>486</u>	<u>24,472</u>	<u>94,410</u>	<u>14,161</u>	<u>13,349</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,247,395	1,146	817,915	-	-	87,346	-	43,290
-	-	-	-	-	-	-	-
<u>1,247,395</u>	<u>1,146</u>	<u>817,915</u>	<u>-</u>	<u>-</u>	<u>87,346</u>	<u>-</u>	<u>43,290</u>
<u>\$ 1,253,248</u>	<u>\$ 1,146</u>	<u>\$ 818,401</u>	<u>\$ 24,472</u>	<u>\$ 94,410</u>	<u>\$ 101,507</u>	<u>\$ 13,349</u>	<u>\$ 43,290</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	Historical Commission	Child Welfare Board	Indigent Defense Coordinator Program	Coastal Plains Regional Public Defender	Petsmart Charities Grant
ASSETS					
Cash and cash equivalents	\$ 5,805	\$ 32,316	\$ -	\$ -	\$ 34,695
Receivables (net)					
Other	-	-	-	-	-
Due from other governments	-	-	4,663	327,509	-
Due from other funds	-	-	6,994	61,415	-
Total assets	<u>\$ 5,805</u>	<u>\$ 32,316</u>	<u>\$ 11,657</u>	<u>\$ 388,924</u>	<u>\$ 34,695</u>
LIABILITIES					
Accounts payable	\$ -	\$ 46	\$ 9	\$ 14,607	\$ 4,284
Accrued expenditures	-	-	2,816	55,723	1,841
Due to other governments	-	-	-	-	-
Due to other funds	-	-	11,660	318,594	22
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>46</u>	<u>14,485</u>	<u>388,924</u>	<u>6,147</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	5,805	32,270	-	-	28,548
Unassigned	-	-	(2,828)	-	-
Total fund balances	<u>5,805</u>	<u>32,270</u>	<u>(2,828)</u>	<u>-</u>	<u>28,548</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 5,805</u>	<u>\$ 32,316</u>	<u>\$ 11,657</u>	<u>\$ 388,924</u>	<u>\$ 34,695</u>

<u>Best Friends Grant</u>	<u>Law Library</u>	<u>Health Department</u>	<u>Medicaid Administrative Claims</u>	<u>Texas Home Visiting Grant</u>	<u>Hogg Foundation Grant</u>	<u>CPS/Public Health Infrastructure Grant</u>	<u>WIC Program</u>
\$ -	\$ 19,985	\$ 536,471	\$ 47,832	\$ -	\$ 162,238	\$ -	\$ -
2,277	1,785	94,342	10,047	-	-	-	-
-	-	231,300	-	137,981	-	70,407	182,761
-	-	<u>222,577</u>	-	-	-	-	-
<u>\$ 2,277</u>	<u>\$ 21,770</u>	<u>\$ 1,084,690</u>	<u>\$ 57,879</u>	<u>\$ 137,981</u>	<u>\$ 162,238</u>	<u>\$ 70,407</u>	<u>\$ 182,761</u>
\$ 2,277	\$ 4,108	\$ 44,917	\$ 5	\$ 7,242	\$ 2,089	\$ 306	\$ 6,953
-	-	87,282	832	21,430	4,863	9,480	25,405
-	-	-	-	-	-	-	-
-	-	694,834	7	109,309	19	60,621	150,403
-	-	<u>249,396</u>	-	-	-	-	-
<u>2,277</u>	<u>4,108</u>	<u>1,076,429</u>	<u>844</u>	<u>137,981</u>	<u>6,971</u>	<u>70,407</u>	<u>182,761</u>
-	-	-	10,047	-	-	-	-
-	-	-	10,047	-	-	-	-
-	17,662	8,261	46,988	-	155,267	-	-
-	-	-	-	-	-	-	-
-	<u>17,662</u>	<u>8,261</u>	<u>46,988</u>	-	<u>155,267</u>	-	-
<u>\$ 2,277</u>	<u>\$ 21,770</u>	<u>\$ 1,084,690</u>	<u>\$ 57,879</u>	<u>\$ 137,981</u>	<u>\$ 162,238</u>	<u>\$ 70,407</u>	<u>\$ 182,761</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET - STATUTORY BASIS

December 31, 2024

	<u>LEOSE</u>	<u>Total</u>
ASSETS		
Cash and cash equivalents	\$ 62,479	\$ 8,110,360
Receivables (net)		
Other	-	284,531
Due from other governments	-	1,997,929
Due from other funds	-	407,571
Total assets	<u>\$ 62,479</u>	<u>\$ 10,800,391</u>
LIABILITIES		
Accounts payable	\$ 60	\$ 214,824
Accrued expenditures	-	445,653
Due to other governments	-	366,988
Due to other funds	-	2,473,756
Unearned revenue	-	249,396
Total liabilities	<u>60</u>	<u>3,750,617</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	-	288,486
Total deferred inflows of resources	<u>-</u>	<u>288,486</u>
FUND BALANCES		
Restricted	62,419	7,126,816
Unassigned	-	(365,528)
Total fund balances	<u>62,419</u>	<u>6,761,288</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 62,479</u>	<u>\$ 10,800,391</u>

(concluded)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS

For the year ended December 31, 2024

	Emergency Mgmt.	LEPC Fund	Court Initiated Guardianship	County Jury	Records Mgmt.
REVENUES					
Fees of office and user fees	\$ -	\$ -	\$ 9,241	\$ 17,210	\$ 210,514
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment income					
Interest	-	-	-	-	2,592
Contributions	230,104	2,500	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>230,104</u>	<u>2,500</u>	<u>9,241</u>	<u>17,210</u>	<u>213,106</u>
EXPENDITURES					
Current					
General government	-	-	3,890	10,000	498,812
Public safety	514,997	6,736	-	-	-
Public health	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>514,997</u>	<u>6,736</u>	<u>3,890</u>	<u>10,000</u>	<u>498,812</u>
Excess (deficiency) of revenues over expenditures	<u>(284,893)</u>	<u>(4,236)</u>	<u>5,351</u>	<u>7,210</u>	<u>(285,706)</u>
OTHER FINANCING SOURCES (USES)					
Subscription liability issued	-	-	-	-	-
Transfers in	312,270	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>312,270</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances	27,377	(4,236)	5,351	7,210	(285,706)
Fund balances, January 1, as previously reported	(95,784)	15,757	9,928	4,460	606,208
Restatement of beginning fund balances	-	-	-	-	-
Fund balances, January 1, as restated	<u>(95,784)</u>	<u>15,757</u>	<u>9,928</u>	<u>4,460</u>	<u>606,208</u>
Fund balance, December 31	<u>\$ (68,407)</u>	<u>\$ 11,521</u>	<u>\$ 15,279</u>	<u>\$ 11,670</u>	<u>\$ 320,502</u>

<u>Courthouse Security</u>	<u>Justice Court Building Security</u>	<u>District Clerk Records Mgmt.</u>	<u>County Clerk of the Court</u>	<u>District Clerk of the Court</u>	<u>Court Reporter Service</u>	<u>Court Facility Fee</u>	<u>Language Access</u>
\$ 46,067	\$ 2,330	\$ 45,180	\$ 41,236	\$ 66,637	\$ 41,349	\$ 32,909	\$ 12,347
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,800	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>48,867</u>	<u>2,330</u>	<u>45,180</u>	<u>41,236</u>	<u>66,637</u>	<u>41,349</u>	<u>32,909</u>	<u>12,347</u>
14,313	-	12,140	16,174	31,952	-	14,793	10,066
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>14,313</u>	<u>-</u>	<u>12,140</u>	<u>16,174</u>	<u>31,952</u>	<u>-</u>	<u>14,793</u>	<u>10,066</u>
<u>34,554</u>	<u>2,330</u>	<u>33,040</u>	<u>25,062</u>	<u>34,685</u>	<u>41,349</u>	<u>18,116</u>	<u>2,281</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	(38,000)	-	-
-	-	-	-	-	(38,000)	-	-
<u>34,554</u>	<u>2,330</u>	<u>33,040</u>	<u>25,062</u>	<u>34,685</u>	<u>3,349</u>	<u>18,116</u>	<u>2,281</u>
140,846	30,435	50,635	90,474	74,950	43,696	58,215	20,113
-	-	-	-	-	-	-	-
<u>140,846</u>	<u>30,435</u>	<u>50,635</u>	<u>90,474</u>	<u>74,950</u>	<u>43,696</u>	<u>58,215</u>	<u>20,113</u>
<u>\$ 175,400</u>	<u>\$ 32,765</u>	<u>\$ 83,675</u>	<u>\$ 115,536</u>	<u>\$ 109,635</u>	<u>\$ 47,045</u>	<u>\$ 76,331</u>	<u>\$ 22,394</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - STATUTORY BASIS

For the year ended December 31, 2024

	Patriot Park Donations	Opioid Settlement	FEMA Public Assistance Hurricane Beryl	FEMA Public Assistance COVID-19	HMGP Juvenile Justice Generator
REVENUES					
Fees of office and user fees	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	31,811	-	58,072	-
Fines and forfeitures	-	-	-	-	-
Investment income					
Interest	-	-	-	-	-
Contributions	3,000	-	-	2,209	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>3,000</u>	<u>31,811</u>	<u>-</u>	<u>60,281</u>	<u>-</u>
EXPENDITURES					
Current					
General government	4,350	-	73,123	-	-
Public safety	-	-	-	-	4,317
Public health	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>4,350</u>	<u>-</u>	<u>73,123</u>	<u>-</u>	<u>4,317</u>
Excess (deficiency) of revenues over expenditures	<u>(1,350)</u>	<u>31,811</u>	<u>(73,123)</u>	<u>60,281</u>	<u>(4,317)</u>
OTHER FINANCING SOURCES (USES)					
Subscription liability issued	-	-	-	-	-
Transfers in	-	-	34,337	-	31
Transfers out	-	-	-	(739,948)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>34,337</u>	<u>(739,948)</u>	<u>31</u>
Change in fund balances	(1,350)	31,811	(38,786)	(679,667)	(4,286)
Fund balances, January 1, as previously reported	3,002	163,517	-	679,667	-
Restatement of beginning fund balances	-	-	-	-	-
Fund balances, January 1, as restated	<u>3,002</u>	<u>163,517</u>	<u>-</u>	<u>679,667</u>	<u>-</u>
Fund balance, December 31	<u>\$ 1,652</u>	<u>\$ 195,328</u>	<u>\$ (38,786)</u>	<u>\$ -</u>	<u>\$ (4,286)</u>

Hurricane Helene	HMGP Emergency Community Safe Room	Gulf of Mexico Energy Security Act	Hazard Mitigation Grant Program	TxDOT McCoy Rd Reconstr.	CTIF Grant	Capital Credits	Juvenile Probation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165
11,460	-	511,982	76,171	7,995	44,263	37,251	2,082,559
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	7,135
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	17,760
<u>11,460</u>	<u>-</u>	<u>511,982</u>	<u>76,171</u>	<u>7,995</u>	<u>44,263</u>	<u>37,251</u>	<u>2,107,619</u>
11,460	311	-	-	7,995	-	6,500	2,217,754
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>11,460</u>	<u>311</u>	<u>-</u>	<u>-</u>	<u>7,995</u>	<u>-</u>	<u>6,500</u>	<u>2,217,754</u>
-	(311)	511,982	76,171	-	44,263	30,751	(110,135)
-	-	-	-	-	-	-	-
-	31	-	-	-	-	-	420,000
-	-	(80,895)	-	-	(44,263)	(6,525)	-
-	31	(80,895)	-	-	(44,263)	(6,525)	420,000
-	(280)	431,087	76,171	-	-	24,226	309,865
-	-	743,648	(294,729)	83,130	-	151,569	295,563
-	-	-	-	-	-	-	-
-	-	743,648	(294,729)	83,130	-	151,569	295,563
<u>\$ -</u>	<u>\$ (280)</u>	<u>\$ 1,174,735</u>	<u>\$ (218,558)</u>	<u>\$ 83,130</u>	<u>\$ -</u>	<u>\$ 175,795</u>	<u>\$ 605,428</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS

For the year ended December 31, 2024

	Drug Courts Program	County Specialty Court	Local Truancy Preventions	Justice Technology	Family Protection Fee
REVENUES					
Fees of office and user fees	\$ 148	\$ 11,788	\$ 8,900	\$ 7,732	\$ 1,915
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment income					
Interest	5	-	-	-	-
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>153</u>	<u>11,788</u>	<u>8,900</u>	<u>7,732</u>	<u>1,915</u>
EXPENDITURES					
Current					
General government	360	7,068	-	9,000	1,750
Public safety	-	-	-	-	-
Public health	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>360</u>	<u>7,068</u>	<u>-</u>	<u>9,000</u>	<u>1,750</u>
Excess (deficiency) of revenues over expenditures	<u>(207)</u>	<u>4,720</u>	<u>8,900</u>	<u>(1,268)</u>	<u>165</u>
OTHER FINANCING SOURCES (USES)					
Subscription liability issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances	(207)	4,720	8,900	(1,268)	165
Fund balances, January 1, as previously reported	411	791	39,882	5,289	216
Restatement of beginning fund balances	-	-	-	-	-
Fund balances, January 1, as restated	<u>411</u>	<u>791</u>	<u>39,882</u>	<u>5,289</u>	<u>216</u>
Fund balance, December 31	<u>\$ 204</u>	<u>\$ 5,511</u>	<u>\$ 48,782</u>	<u>\$ 4,021</u>	<u>\$ 381</u>

County/ District Technology	Child Abuse Prevention	Rural Salary Assistance Program	Rural Prosecutor Salary	CDA Processing Fee	CDA Bond Forfeiture Commissions	CDA State Judiciary	Pre-Trial Intervention
\$ 3,125	\$ 267	\$ -	\$ -	\$ 3,945	\$ 1,003	\$ -	\$ 20,860
-	-	484,819	268,564	-	-	22,150	-
-	-	-	-	-	-	-	-
-	-	3,241	2,956	224	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,125</u>	<u>267</u>	<u>488,060</u>	<u>271,520</u>	<u>4,169</u>	<u>1,003</u>	<u>22,150</u>	<u>20,860</u>
11,025	-	-	164,636	-	-	22,150	23,642
-	-	456,100	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>11,025</u>	<u>-</u>	<u>456,100</u>	<u>164,636</u>	<u>-</u>	<u>-</u>	<u>22,150</u>	<u>23,642</u>
<u>(7,900)</u>	<u>267</u>	<u>31,960</u>	<u>106,884</u>	<u>4,169</u>	<u>1,003</u>	<u>-</u>	<u>(2,782)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(7,900)</u>	<u>267</u>	<u>31,960</u>	<u>106,884</u>	<u>4,169</u>	<u>1,003</u>	<u>-</u>	<u>(2,782)</u>
12,769	291	-	-	8,658	38,410	1,495	67,130
-	-	-	-	-	-	-	-
<u>12,769</u>	<u>291</u>	<u>-</u>	<u>-</u>	<u>8,658</u>	<u>38,410</u>	<u>1,495</u>	<u>67,130</u>
<u>\$ 4,869</u>	<u>\$ 558</u>	<u>\$ 31,960</u>	<u>\$ 106,884</u>	<u>\$ 12,827</u>	<u>\$ 39,413</u>	<u>\$ 1,495</u>	<u>\$ 64,348</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS

For the year ended December 31, 2024

	CARE Court	CDA Victims Assistance Grant	Sheriff Victims Assistance Grant	Texas Vine Grant	Operation Lone Star
REVENUES					
Fees of office and user fees	\$ 3,490	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	50,301	50,656	18,211	410,330
Fines and forfeitures	-	-	-	-	-
Investment income					
Interest	-	-	-	-	-
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	<u>3,490</u>	<u>50,301</u>	<u>50,656</u>	<u>18,211</u>	<u>410,330</u>
EXPENDITURES					
Current					
General government	-	69,773	-	-	-
Public safety	-	-	59,215	18,211	243,156
Public health	-	-	-	-	-
Capital outlay	-	-	-	-	167,174
Total expenditures	<u>-</u>	<u>69,773</u>	<u>59,215</u>	<u>18,211</u>	<u>410,330</u>
Excess (deficiency) of revenues over expenditures	<u>3,490</u>	<u>(19,472)</u>	<u>(8,559)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Subscription liability issued	-	-	-	-	-
Transfers in	-	21,417	10,449	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>21,417</u>	<u>10,449</u>	<u>-</u>	<u>-</u>
Change in fund balances	3,490	1,945	1,890	-	-
Fund balances, January 1, as previously reported	3,777	(3,285)	(3,070)	-	-
Restatement of beginning fund balances	-	-	-	-	-
Fund balances, January 1, as restated	<u>3,777</u>	<u>(3,285)</u>	<u>(3,070)</u>	<u>-</u>	<u>-</u>
Fund balance, December 31	<u>\$ 7,267</u>	<u>\$ (1,340)</u>	<u>\$ (1,180)</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Operation Stonegarden Grant</u>	<u>GCRPC 9-1-1 Allocation</u>	<u>Byrne JAG Program</u>	<u>High Intensity Drug Trafficking Area Grant</u>	<u>Firefighters Grant</u>	<u>Feral Hog Grant</u>	<u>TxCDBG Hurricane Harvey DRP</u>	<u>PESC Mental Health</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
360,739	-	-	109,581	140,778	-	308,532	17,854
-	-	-	-	-	-	-	-
-	361	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>360,739</u>	<u>361</u>	<u>-</u>	<u>109,581</u>	<u>140,778</u>	<u>-</u>	<u>308,532</u>	<u>17,854</u>
-	-	-	-	-	-	8,673	-
360,739	11,173	14,251	107,390	-	-	-	-
-	-	-	-	-	2,843	-	17,854
-	-	-	-	131,551	-	-	-
<u>360,739</u>	<u>11,173</u>	<u>14,251</u>	<u>107,390</u>	<u>131,551</u>	<u>2,843</u>	<u>8,673</u>	<u>17,854</u>
-	(10,812)	(14,251)	2,191	9,227	(2,843)	299,859	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(9,227)	-	(117,421)	-
-	-	-	-	(9,227)	-	(117,421)	-
-	(10,812)	(14,251)	2,191	-	(2,843)	182,438	-
(8,712)	17,613	-	(6,248)	-	-	(182,438)	-
-	-	-	-	-	-	-	-
<u>(8,712)</u>	<u>17,613</u>	<u>-</u>	<u>(6,248)</u>	<u>-</u>	<u>-</u>	<u>(182,438)</u>	<u>-</u>
<u>\$ (8,712)</u>	<u>\$ 6,801</u>	<u>\$ (14,251)</u>	<u>\$ (4,057)</u>	<u>\$ -</u>	<u>\$ (2,843)</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS

For the year ended December 31, 2024

	Mental Health Peace Officer	BISD School Resource Officer	Sheriff's Special Purpose	Sheriff's Donation	CDA Contraband Forfeiture
REVENUES					
Fees of office and user fees	\$ -	\$ 81,557	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	-	279,213	-	264,115
Investment income					
Interest	-	-	21,058	19	24,229
Contributions	-	-	-	-	-
Miscellaneous	371,205	-	-	-	241
Total revenues	<u>371,205</u>	<u>81,557</u>	<u>300,271</u>	<u>19</u>	<u>288,585</u>
EXPENDITURES					
Current					
General government	-	-	-	-	114,884
Public safety	371,205	81,557	34,004	-	-
Public health	-	-	-	-	-
Capital outlay	-	-	301,458	-	-
Total expenditures	<u>371,205</u>	<u>81,557</u>	<u>335,462</u>	<u>-</u>	<u>114,884</u>
Excess (deficiency) of revenues over expenditures	-	-	(35,191)	19	173,701
OTHER FINANCING SOURCES (USES)					
Subscription liability issued	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances	-	-	(35,191)	19	173,701
Fund balances, January 1, as previously reported	-	-	1,013,618	916	1,073,694
Restatement of beginning fund balances	-	-	-	-	-
Fund balances, January 1, as restated	<u>-</u>	<u>-</u>	<u>1,013,618</u>	<u>916</u>	<u>1,073,694</u>
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 978,427</u>	<u>\$ 935</u>	<u>\$ 1,247,395</u>

<u>CDA DOJ Equitable Share</u>	<u>Sheriff's Federal Forfeiture</u>	<u>National School Lunch Program</u>	<u>VISD School Resource Officer</u>	<u>Election Admin. Special</u>	<u>Elections Chapter 19</u>	<u>Tax Assessor- Collector Special</u>	<u>Historical Commission</u>
\$ -	\$ -	\$ -	\$ 788,657	\$ 179,589	\$ 20,613	\$ -	\$ -
-	-	144,342	-	-	-	-	-
-	184,164	-	-	-	-	-	-
24	15,630	-	-	619	-	13,665	135
-	-	-	-	-	-	-	-
-	-	-	-	-	-	4,143	150
<u>24</u>	<u>199,794</u>	<u>144,342</u>	<u>788,657</u>	<u>180,208</u>	<u>20,613</u>	<u>17,808</u>	<u>285</u>
-	-	-	-	156,576	20,613	12,202	4,622
-	107,903	-	788,657	-	-	-	-
-	-	233,113	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>107,903</u>	<u>233,113</u>	<u>788,657</u>	<u>156,576</u>	<u>20,613</u>	<u>12,202</u>	<u>4,622</u>
<u>24</u>	<u>91,891</u>	<u>(88,771)</u>	<u>-</u>	<u>23,632</u>	<u>-</u>	<u>5,606</u>	<u>(4,337)</u>
-	-	-	-	-	-	-	-
-	-	88,771	-	-	-	-	6,525
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>88,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,525</u>
24	91,891	-	-	23,632	-	5,606	2,188
1,122	726,024	-	-	63,714	-	37,684	3,617
-	-	-	-	-	-	-	-
<u>1,122</u>	<u>726,024</u>	<u>-</u>	<u>-</u>	<u>63,714</u>	<u>-</u>	<u>37,684</u>	<u>3,617</u>
<u>\$ 1,146</u>	<u>\$ 817,915</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,346</u>	<u>\$ -</u>	<u>\$ 43,290</u>	<u>\$ 5,805</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - STATUTORY BASIS

For the year ended December 31, 2024

	Child Welfare Board	Indigent Defense Coordinator Program	Coastal Plains Regional Public Defender	Petsmart Charities Grant	Best Friends Grant
REVENUES					
Fees of office and user fees	\$ 80	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	27,692	471,337	-	-
Fines and forfeitures	-	-	-	-	-
Investment income					
Interest	-	-	-	-	-
Contributions	-	-	-	50,000	2,277
Miscellaneous	-	-	-	-	-
Total revenues	<u>80</u>	<u>27,692</u>	<u>471,337</u>	<u>50,000</u>	<u>2,277</u>
EXPENDITURES					
Current					
General government	6,592	50,937	598,323	-	-
Public safety	-	-	-	21,452	2,277
Public health	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>6,592</u>	<u>50,937</u>	<u>598,323</u>	<u>21,452</u>	<u>2,277</u>
Excess (deficiency) of revenues over expenditures	<u>(6,512)</u>	<u>(23,245)</u>	<u>(126,986)</u>	<u>28,548</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Subscription liability issued	-	-	42,682	-	-
Transfers in	10,705	24,519	84,304	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>10,705</u>	<u>24,519</u>	<u>126,986</u>	<u>-</u>	<u>-</u>
Change in fund balances	4,193	1,274	-	28,548	-
Fund balances, January 1, as previously reported	28,077	(4,102)	-	-	-
Restatement of beginning fund balances	-	-	-	-	-
Fund balances, January 1, as restated	<u>28,077</u>	<u>(4,102)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, December 31	<u>\$ 32,270</u>	<u>\$ (2,828)</u>	<u>\$ -</u>	<u>\$ 28,548</u>	<u>\$ -</u>

<u>Law Library</u>	<u>Health Department</u>	<u>Medicaid Administrative Claims</u>	<u>Texas Home Visiting Grant</u>	<u>Hogg Foundation Grant</u>	<u>COVID-19 Health Disparities Grant</u>	<u>CPS/Public Health Workforce Grant</u>
\$ 58,033	\$ 1,327,488	\$ -	\$ -	\$ -	\$ -	\$ -
-	1,330,055	15,088	738,133	-	45,081	186,242
-	-	-	-	-	-	-
-	8,784	-	-	-	-	-
-	-	-	-	150,000	-	-
-	19	-	-	-	-	-
<u>58,033</u>	<u>2,666,346</u>	<u>15,088</u>	<u>738,133</u>	<u>150,000</u>	<u>45,081</u>	<u>186,242</u>
43,773	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,394,865	25,135	738,133	151,956	45,081	186,242
-	-	-	-	-	-	-
<u>43,773</u>	<u>3,394,865</u>	<u>25,135</u>	<u>738,133</u>	<u>151,956</u>	<u>45,081</u>	<u>186,242</u>
<u>14,260</u>	<u>(728,519)</u>	<u>(10,047)</u>	<u>-</u>	<u>(1,956)</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	566,126	-	-	-	-	-
<u>(17,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(17,000)</u>	<u>566,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(2,740)	(162,393)	(10,047)	-	(1,956)	-	-
20,402	189,075	57,035	-	157,223	-	-
-	(18,421)	-	-	-	-	-
<u>20,402</u>	<u>170,654</u>	<u>57,035</u>	<u>-</u>	<u>157,223</u>	<u>-</u>	<u>-</u>
<u>\$ 17,662</u>	<u>\$ 8,261</u>	<u>\$ 46,988</u>	<u>\$ -</u>	<u>\$ 155,267</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

OTHER SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
STATUTORY BASIS

For the year ended December 31, 2024

	CPS/Public Health Infrastructure Grant	WIC Program	LEOSE	Total
REVENUES				
Fees of office and user fees	\$ -	\$ -	\$ -	\$ 3,044,375
Intergovernmental	185,590	716,155	30,117	8,993,911
Fines and forfeitures	-	-	-	727,492
Investment income				
Interest	-	-	-	103,477
Contributions	-	-	-	440,090
Miscellaneous	-	-	-	393,518
Total revenues	<u>185,590</u>	<u>716,155</u>	<u>30,117</u>	<u>13,702,863</u>
EXPENDITURES				
Current				
General government	-	-	-	4,260,232
Public safety	-	-	18,538	3,221,878
Public health	185,590	716,155	-	5,696,967
Capital outlay	-	-	-	600,183
Total expenditures	<u>185,590</u>	<u>716,155</u>	<u>18,538</u>	<u>13,779,260</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>11,579</u>	<u>(76,397)</u>
OTHER FINANCING SOURCES (USES)				
Subscription liability issued	-	-	-	42,682
Transfers in	-	-	-	1,579,485
Transfers out	-	-	-	(1,053,279)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>568,888</u>
Change in fund balances	-	-	11,579	492,491
Fund balances, January 1, as previously reported	-	-	50,840	6,287,218
Restatement of beginning fund balances	-	-	-	(18,421)
Fund balances, January 1, as restated	<u>-</u>	<u>-</u>	<u>50,840</u>	<u>6,268,797</u>
Fund balances, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,419</u>	<u>\$ 6,761,288</u>

(concluded)

GENERAL FUND

The General Fund is a constitutional fund and is utilized to account for all County revenues and expenditures except those which are required to be classed in other constitutional funds and such other funds that are presented separately to facilitate proper accountability.

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
REVENUES				
Taxes				
Ad valorem				
Current	\$ 28,559,135	\$ 28,559,135	\$ 27,911,150	\$ (647,985)
Delinquent	300,000	300,000	611,693	311,693
Penalty and interest	200,000	200,000	281,452	81,452
Sales and use	12,000,000	12,000,000	12,101,151	101,151
Total taxes	<u>41,059,135</u>	<u>41,059,135</u>	<u>40,905,446</u>	<u>(153,689)</u>
Fees of office and user fees				
Sheriff's department	210,000	210,000	244,399	34,399
Estray fees	100	100	1,199	1,099
County treasurer	2,000	2,000	2,520	520
County clerk	350,000	350,000	264,741	(85,259)
Probate personnel education fees	1,000	1,000	1,430	430
County courts at law	1,600	1,600	1,528	(72)
Tax assessor-collector	585,000	585,000	598,463	13,463
Criminal district attorney	9,000	9,000	7,775	(1,225)
District clerk	75,000	75,000	79,010	4,010
Fire marshal fees	-	-	5	5
Justices of the peace	133,000	68,000	84,020	16,020
JP truancy cost FC 65.107	-	-	382	382
Deferred adjudication	18,000	18,000	18,801	801
Constables	105,000	105,000	150,914	45,914
Pre-trial supervisory fees	12,000	12,000	12,913	913
Pre-trial bonding fees	250,000	250,000	255,739	5,739
Interlock device fees	12,000	12,000	6,534	(5,466)
Total fees of office and user fees	<u>1,763,700</u>	<u>1,698,700</u>	<u>1,730,373</u>	<u>31,673</u>
Intergovernmental				
Payment in lieu of taxes	-	-	566	566
Alcohol beverage tax	275,000	275,000	301,920	26,920
County courts at law	168,000	168,000	210,000	42,000
Bingo gross receipts tax	90,000	90,000	109,863	19,863
Tobacco settlement	43,000	43,000	61,503	18,503
Indigent defense grant	70,000	70,000	132,523	62,523
Jury fee reimbursement/SB1704	70,000	70,000	41,272	(28,728)
DA longevitiy reimb/GC 41	1,440	1,440	1,412	(28)
Constitutional judge state	25,200	25,200	20,150	(5,050)
Juvenile detention contracts	2,500,000	2,560,000	2,894,387	334,387
State juvenile detention funds	78,000	78,000	55,751	(22,249)
Jail inmate bedspace	1,100,000	1,100,000	838,610	(261,390)
Jail inmate contract other	18,000	18,000	83,383	65,383
Jail inmate extradition	12,500	12,500	8,810	(3,690)
General inmate medical	38,000	38,000	34,402	(3,598)
Total intergovernmental	<u>4,489,140</u>	<u>4,549,140</u>	<u>4,794,552</u>	<u>245,412</u>

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
REVENUES (continued)				
Fines and forfeitures				
District court fines	\$ 210,000	\$ 210,000	\$ 204,177	\$ (5,823)
County court at law fines	300,000	300,000	209,932	(90,068)
Justice of the peace fines	260,000	325,000	205,916	(119,084)
Forfeitures	10,000	10,000	8,350	(1,650)
Total fines and forfeitures	<u>780,000</u>	<u>845,000</u>	<u>628,375</u>	<u>(216,625)</u>
Interest	<u>1,200,100</u>	<u>1,200,100</u>	<u>1,482,212</u>	<u>282,112</u>
Licenses and permits				
Marriage licenses	15,000	15,000	19,123	4,123
Beer and whiskey licenses	20,000	20,000	24,740	4,740
Miscellaneous	1,000	1,000	-	(1,000)
Total licenses and permits	<u>36,000</u>	<u>36,000</u>	<u>43,863</u>	<u>7,863</u>
Miscellaneous				
Records management preservation	2,000	2,000	839	(1,161)
Crime stopper fee	-	-	(117)	(117)
Consolidated state criminal fee	20,000	20,000	19,546	(454)
Legal service for indigents fees	-	-	24	24
Defensive driving course fee	2,500	2,500	2,780	280
Visual record by electronic device	2,500	2,500	2,807	307
Court reporter fees	1,500	1,500	1,430	(70)
Arrest warrant fees	22,000	22,000	21,078	(922)
Other fees	125,150	125,624	91,440	(34,184)
Personal recognizant fees	-	-	26	26
CJAD contract services	5,000	5,000	7,475	2,475
Rents and royalties	284,941	284,941	287,010	2,069
Telephone commissions	60,000	60,000	55,688	(4,312)
Election machines rental	5,000	63,260	137,603	74,343
Reimbursements and refunds	1,250,696	1,250,696	1,263,222	12,526
Miscellaneous	50,450	95,550	165,164	69,614
Total miscellaneous	<u>1,831,737</u>	<u>1,935,571</u>	<u>2,056,016</u>	<u>120,445</u>
Total revenues	<u>51,159,812</u>	<u>51,323,646</u>	<u>51,640,836</u>	<u>317,190</u>

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
EXPENDITURES				
Current				
General government				
County judge				
Salaries	\$ 286,873	\$ 285,802	\$ 262,916	\$ 22,886
Fringe benefits	79,778	80,522	71,587	8,935
Operating expenditures	15,300	16,961	15,428	1,533
Other services and charges	2,800	300	-	300
Total county judge	384,751	383,585	349,931	33,654
Commissioners' court				
Salaries	107,001	104,040	102,370	1,670
Fringe benefits	29,261	28,592	28,052	540
Operating expenditures	41,218	48,392	47,175	1,217
Other services and charges	4,800	3,691	3,691	-
Total commissioners' court	182,280	184,715	181,288	3,427
Records management				
Salaries	92,751	-	-	-
Fringe benefits	30,055	-	-	-
Operating expenditures	1,000	-	-	-
Total records management	123,806	-	-	-
County clerk				
Salaries	648,662	623,662	606,009	17,653
Fringe benefits	204,420	204,420	186,833	17,587
Operating expenditures	30,962	30,962	15,879	15,083
Capital outlay	-	25,000	25,000	-
Total county clerk	884,044	884,044	833,721	50,323
Pre-trial services				
Salaries	112,485	117,151	114,457	2,694
Fringe benefits	34,554	34,554	34,075	479
Operating expenditures	3,070	3,070	1,784	1,286
Total pre-trial services	150,109	154,775	150,316	4,459
Veterans' service officer				
Salaries	83,931	90,272	85,397	4,875
Fringe benefits	19,169	19,555	19,551	4
Operating expenditures	4,750	18,401	9,035	9,366
Total veterans' service officer	107,850	128,228	113,983	14,245
Heritage director				
Salaries	47,435	48,598	48,598	-
Fringe benefits	16,008	16,008	15,388	620
Operating expenditures	2,125	2,125	1,580	545
Total heritage director	65,568	66,731	65,566	1,165

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
EXPENDITURES (continued)				
Current (continued)				
General government (continued)				
Non-departmental				
Operating expenditures	\$ 1,821,000	\$ 1,598,225	\$ 1,449,271	\$ 148,954
Other services and charges	1,610,745	1,766,978	1,649,667	117,311
Capital outlay	<u>546,937</u>	<u>3,050,919</u>	<u>2,171,140</u>	<u>879,779</u>
Total non-departmental	<u>3,978,682</u>	<u>6,416,122</u>	<u>5,270,078</u>	<u>1,146,044</u>
County court at law				
Salaries	586,130	586,130	580,629	5,501
Fringe benefits	160,589	160,589	153,033	7,556
Operating expenditures	9,600	9,600	4,097	5,503
Other services and charges	<u>143,000</u>	<u>225,266</u>	<u>219,223</u>	<u>6,043</u>
Total county court at law	<u>899,319</u>	<u>981,585</u>	<u>956,982</u>	<u>24,603</u>
County court at law # 2				
Other services and charges	<u>135,000</u>	<u>286,632</u>	<u>284,964</u>	<u>1,668</u>
Total county court at law # 2	<u>135,000</u>	<u>286,632</u>	<u>284,964</u>	<u>1,668</u>
District court				
Salaries	389,621	408,197	378,095	30,102
Fringe benefits	169,398	176,535	167,617	8,918
Operating expenditures	16,100	16,100	6,728	9,372
Other services and charges	<u>996,585</u>	<u>1,265,391</u>	<u>1,251,835</u>	<u>13,556</u>
Total district court	<u>1,571,704</u>	<u>1,866,223</u>	<u>1,804,275</u>	<u>61,948</u>
District clerk				
Salaries	655,130	653,010	623,896	29,114
Fringe benefits	210,294	210,294	196,317	13,977
Operating expenditures	<u>102,749</u>	<u>104,869</u>	<u>85,138</u>	<u>19,731</u>
Total district clerk	<u>968,173</u>	<u>968,173</u>	<u>905,351</u>	<u>62,822</u>
Justice of the peace # 1				
Salaries	197,358	197,370	197,368	2
Fringe benefits	63,571	63,559	61,977	1,582
Operating expenditures	<u>5,513</u>	<u>5,513</u>	<u>3,755</u>	<u>1,758</u>
Total justice of the peace # 1	<u>266,442</u>	<u>266,442</u>	<u>263,100</u>	<u>3,342</u>
Justice of the peace # 2				
Salaries	157,119	157,119	157,060	59
Fringe benefits	44,815	44,815	44,440	375
Operating expenditures	<u>5,800</u>	<u>5,800</u>	<u>3,533</u>	<u>2,267</u>
Total justice of the peace # 2	<u>207,734</u>	<u>207,734</u>	<u>205,033</u>	<u>2,701</u>
Justice of the peace # 3				
Salaries	239,755	239,755	239,350	405
Fringe benefits	72,552	72,552	71,122	1,430
Operating expenditures	<u>7,060</u>	<u>7,060</u>	<u>6,461</u>	<u>599</u>
Total justice of the peace # 3	<u>319,367</u>	<u>319,367</u>	<u>316,933</u>	<u>2,434</u>

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
EXPENDITURES (continued)				
Current (continued)				
General government (continued)				
Justice of the peace # 4				
Salaries	\$ 180,351	\$ 180,351	\$ 174,518	\$ 5,833
Fringe benefits	56,023	56,023	53,317	2,706
Operating expenditures	5,540	7,145	6,504	641
Total justice of the peace # 4	<u>241,914</u>	<u>243,519</u>	<u>234,339</u>	<u>9,180</u>
Criminal district attorney				
Salaries	1,652,980	1,650,486	1,337,368	313,118
Fringe benefits	439,441	441,935	380,292	61,643
Operating expenditures	37,350	37,350	36,755	595
Total criminal district attorney	<u>2,129,771</u>	<u>2,129,771</u>	<u>1,754,415</u>	<u>375,356</u>
Election administrator				
Salaries	187,582	203,932	199,146	4,786
Fringe benefits	50,824	51,724	51,578	146
Operating expenditures	114,670	115,890	92,819	23,071
Other services and charges	48,736	52,231	47,190	5,041
Capital outlay	-	36,295	36,295	-
Total election administrator	<u>401,812</u>	<u>460,072</u>	<u>427,028</u>	<u>33,044</u>
County auditor				
Salaries	499,271	499,296	499,293	3
Fringe benefits	143,107	145,518	144,637	881
Operating expenditures	20,821	23,521	21,261	2,260
Total county auditor	<u>663,199</u>	<u>668,335</u>	<u>665,191</u>	<u>3,144</u>
County treasurer				
Salaries	283,005	283,005	278,658	4,347
Fringe benefits	87,604	87,604	84,814	2,790
Operating expenditures	33,899	33,899	13,672	20,227
Total county treasurer	<u>404,508</u>	<u>404,508</u>	<u>377,144</u>	<u>27,364</u>
Tax assessor-collector				
Salaries	775,631	772,631	708,137	64,494
Fringe benefits	242,826	242,826	215,009	27,817
Operating expenditures	17,202	20,202	17,670	2,532
Other services and charges	-	6,150	6,149	1
Total tax assessor-collector	<u>1,035,659</u>	<u>1,041,809</u>	<u>946,965</u>	<u>94,844</u>
Engineering and development				
Salaries	277,914	310,326	288,897	21,429
Fringe benefits	74,954	85,499	79,007	6,492
Operating expenditures	12,900	12,900	11,714	1,186
Total engineering and development	<u>365,768</u>	<u>408,725</u>	<u>379,618</u>	<u>29,107</u>

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
EXPENDITURES (continued)				
Current (continued)				
General government (continued)				
Information technology				
Salaries	\$ 490,307	\$ 490,307	\$ 430,617	\$ 59,690
Fringe benefits	138,657	138,657	122,187	16,470
Operating expenditures	530,300	460,250	459,285	965
Other services and charges	482,000	909,712	907,846	1,866
Capital outlay	65,000	107,250	107,167	83
Debt service	70,265	70,265	70,264	1
Total information technology	<u>1,776,529</u>	<u>2,176,441</u>	<u>2,097,366</u>	<u>79,075</u>
Human resources				
Salaries	263,312	260,312	202,274	58,038
Fringe benefits	82,972	82,920	59,432	23,488
Operating expenses	14,400	19,952	19,216	736
Capital outlay	10,000	7,500	7,499	1
Total human resources	<u>370,684</u>	<u>370,684</u>	<u>288,421</u>	<u>82,263</u>
Facilities management				
Salaries	558,065	621,575	611,514	10,061
Fringe benefits	179,390	194,566	177,385	17,181
Operating expenditures	1,436,959	1,717,319	1,660,382	56,937
Capital outlay	-	1,390	1,390	-
Total facilities management	<u>2,174,414</u>	<u>2,534,850</u>	<u>2,450,671</u>	<u>84,179</u>
Adult probation department				
Operating expenditures	1,000	1,000	-	1,000
Total adult probation department	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Juvenile detention facility				
Salaries	2,849,132	2,803,495	2,692,899	110,596
Fringe benefits	828,156	828,156	769,850	58,306
Operating expenditures	418,950	536,926	471,099	65,827
Other services and charges	129,750	130,480	130,469	11
Capital outlay	-	30,909	30,909	-
Total juvenile detention facility	<u>4,225,988</u>	<u>4,329,966</u>	<u>4,095,226</u>	<u>234,740</u>
Juvenile board				
Salaries	34,877	34,877	34,877	-
Fringe benefits	7,948	7,948	7,847	101
Total juvenile board	<u>42,825</u>	<u>42,825</u>	<u>42,724</u>	<u>101</u>
Total general government	<u>24,078,900</u>	<u>27,926,861</u>	<u>25,460,629</u>	<u>2,465,067</u>

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
EXPENDITURES (continued)				
Current (continued)				
Public safety				
Fire marshal				
Salaries	\$ 458,571	\$ 459,919	\$ 422,249	\$ 37,670
Fringe benefits	133,652	133,652	116,466	17,186
Operating expenditures	129,450	126,249	117,048	9,201
Other services and charges	125,000	89,455	88,365	1,090
Capital outlay	22,000	124,203	124,202	1
Total fire marshal	<u>868,673</u>	<u>933,478</u>	<u>868,330</u>	<u>65,148</u>
Sheriff				
Salaries	12,455,214	12,287,378	10,867,119	1,420,259
Fringe benefits	3,593,779	3,593,779	3,174,631	419,148
Operating expenditures	3,140,288	3,257,122	3,127,507	129,615
Other services and charges	40,000	-	-	-
Capital outlay	-	208,509	202,904	5,605
Total sheriff	<u>19,229,281</u>	<u>19,346,788</u>	<u>17,372,161</u>	<u>1,974,627</u>
Constable # 1				
Salaries	59,975	59,975	59,974	1
Fringe benefits	18,884	18,884	18,378	506
Operating expenditures	3,700	4,900	4,034	866
Total constable # 1	<u>82,559</u>	<u>83,759</u>	<u>82,386</u>	<u>1,373</u>
Constable # 2				
Salaries	61,465	61,465	61,464	1
Fringe benefits	18,483	18,483	18,170	313
Operating expenditures	12,154	12,154	5,107	7,047
Capital outlay	8,770	8,770	-	8,770
Total constable # 2	<u>100,872</u>	<u>100,872</u>	<u>84,741</u>	<u>16,131</u>
Constable # 3				
Salaries	60,935	60,935	60,934	1
Fringe benefits	18,361	18,361	18,184	177
Operating expenditures	4,700	4,700	3,297	1,403
Total constable # 3	<u>83,996</u>	<u>83,996</u>	<u>82,415</u>	<u>1,581</u>
Constable # 4				
Salaries	60,060	60,060	60,059	1
Fringe benefits	18,904	18,904	18,377	527
Operating expenditures	6,000	6,000	4,088	1,912
Total constable # 4	<u>84,964</u>	<u>84,964</u>	<u>82,524</u>	<u>2,440</u>

(continued)

COUNTY OF VICTORIA, TEXAS

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

For the year ended December 31, 2024

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Variance Positive (Negative)
EXPENDITURES (continued)				
Current (continued)				
Public safety (continued)				
Animal services				
Salaries	\$ 513,871	\$ 455,781	\$ 445,284	\$ 10,497
Fringe benefits	160,427	138,113	131,149	6,964
Operating expenditures	144,600	221,604	210,059	11,545
Other services and charges	57,104	57,104	57,104	-
Capital outlay	7,000	142,870	142,220	650
Total animal services	<u>883,002</u>	<u>1,015,472</u>	<u>985,816</u>	<u>29,656</u>
Non-departmental				
Other services and charges				
City/County interlocal agreement	2,510,570	2,589,812	2,572,003	17,809
Total non-departmental	<u>2,510,570</u>	<u>2,589,812</u>	<u>2,572,003</u>	<u>17,809</u>
Total public safety	<u>23,843,917</u>	<u>24,239,141</u>	<u>22,130,376</u>	<u>2,108,765</u>
Culture and recreation				
Extension service				
Salaries	197,515	197,543	197,489	54
Fringe benefits	33,536	34,640	34,636	4
Operating expenditures	27,400	26,268	19,399	6,869
Other services and charges	13,000	14,325	13,746	579
Total extension service	<u>271,451</u>	<u>272,776</u>	<u>265,270</u>	<u>7,506</u>
Total culture and recreation	<u>271,451</u>	<u>272,776</u>	<u>265,270</u>	<u>7,506</u>
Total expenditures	<u>48,194,268</u>	<u>52,438,778</u>	<u>47,856,275</u>	<u>4,581,338</u>
Excess (deficiency) of revenues over expenditures	<u>2,965,544</u>	<u>(1,115,132)</u>	<u>3,784,561</u>	<u>4,899,693</u>
OTHER FINANCING SOURCES (USES)				
Sale of assets	1,000	1,000	1,250	250
Transfers in	128,536	2,664,910	2,664,936	26
Transfers out	<u>(3,097,980)</u>	<u>(5,446,241)</u>	<u>(5,065,147)</u>	<u>381,094</u>
Total other financing sources (uses)	<u>(2,968,444)</u>	<u>(2,780,331)</u>	<u>(2,398,961)</u>	<u>381,370</u>
Change in fund balance	(2,900)	(3,895,463)	1,385,600	5,281,063
Fund balance, January 1	<u>20,431,394</u>	<u>20,431,394</u>	<u>20,431,394</u>	<u>-</u>
Fund balance, December 31	<u>\$ 20,428,494</u>	<u>\$ 16,535,931</u>	<u>\$ 21,816,994</u>	<u>\$ 5,281,063</u>

(concluded)

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for general government debt principal and interest.

COUNTY OF VICTORIA, TEXAS**NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS****ROAD AND BRIDGE PRECINCT NO. 1****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -****BUDGET AND ACTUAL - STATUTORY BASIS**

For the year ended December 31, 2024

	Final Budget	Actual Amounts Budgetary Basis	Budget to Statutory Differences Over (Under)	Actual Amounts Statutory Basis
REVENUES				
Taxes				
Current taxes	\$ 1,490,823	\$ 1,454,436	\$ -	\$ 1,454,436
Delinquent taxes	18,000	30,632	(58)	30,690
Penalty and interest	8,400	14,259	(23)	14,282
Intergovernmental				
Vehicle license fees	90,000	90,116	-	90,116
Additional license fees	220,000	216,670	2,927	213,743
Permits	28,500	35,469	-	35,469
Investment income				
Interest	4,500	22,580	-	22,580
Miscellaneous	35,100	34,369	466	33,903
Total revenues	<u>1,895,323</u>	<u>1,898,531</u>	<u>3,312</u>	<u>1,895,219</u>
EXPENDITURES				
Current				
Highways and streets				
Salaries	692,231	616,619	(7,977)	624,596
Fringe benefits	196,525	179,987	(3,612)	183,599
Operating expenditures	881,175	757,266	(96,897)	854,163
Other services and charges	250	154	-	154
Capital outlay	415,006	316,476	-	316,476
Debt service	59,917	59,916	-	59,916
Total expenditures	<u>2,245,104</u>	<u>1,930,418</u>	<u>(108,486)</u>	<u>2,038,904</u>
Excess (deficiency) of revenues over expenditures	<u>(349,781)</u>	<u>(31,887)</u>	<u>111,798</u>	<u>(143,685)</u>
OTHER FINANCING SOURCES (USES)				
Finance purchase issued	311,006	311,005	-	311,005
Transfers out	(21,142)	(21,129)	-	(21,129)
Total other financing sources (uses)	<u>289,864</u>	<u>289,876</u>	<u>-</u>	<u>289,876</u>
Change in fund balance	(59,917)	257,989	111,798	146,191
Fund balance, January 1	<u>371,484</u>	<u>371,484</u>	<u>103,158</u>	<u>268,326</u>
Fund balance, December 31	<u>\$ 311,567</u>	<u>\$ 629,473</u>	<u>\$ 214,956</u>	<u>\$ 414,517</u>

Explanation of differences:

The County budgets on the cash basis of accounting. Therefore, under the budgetary basis, revenues are recognized as collected and expenditures when paid.

COUNTY OF VICTORIA, TEXAS*NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**ROAD AND BRIDGE PRECINCT NO. 2**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -**BUDGET AND ACTUAL - STATUTORY BASIS**For the year ended December 31, 2024*

	Final Budget	Actual Amounts Budgetary Basis	Budget to Statutory Differences Over (Under)	Actual Amounts Statutory Basis
REVENUES				
Taxes				
Current taxes	\$ 1,403,127	\$ 1,368,881	\$ -	\$ 1,368,881
Delinquent taxes	17,000	28,971	(49)	29,020
Penalty and interest	8,300	13,515	(21)	13,536
Intergovernmental				
Vehicle license fees	90,000	90,116	-	90,116
Additional license fees	220,000	203,925	2,755	201,170
Permits	28,500	35,469	-	35,469
Investment income				
Interest	5,000	42,335	-	42,335
Miscellaneous	1,100	4,893	-	4,893
Total revenues	<u>1,773,027</u>	<u>1,788,105</u>	<u>2,685</u>	<u>1,785,420</u>
EXPENDITURES				
Current				
Highways and streets				
Salaries	606,452	544,612	(6,705)	551,317
Fringe benefits	171,218	161,736	(3,908)	165,644
Operating expenditures	899,116	637,598	(14,113)	651,711
Other services and charges	21,000	5,613	-	5,613
Capital outlay	114,431	109,533	-	109,533
Total expenditures	<u>1,812,217</u>	<u>1,459,092</u>	<u>(24,726)</u>	<u>1,483,818</u>
Excess (deficiency) of revenues over expenditures	<u>(39,190)</u>	<u>329,013</u>	<u>27,411</u>	<u>301,602</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,271	125,654	-	125,654
Transfers out	<u>(18,385)</u>	<u>(18,385)</u>	<u>-</u>	<u>(18,385)</u>
Total other financing sources (uses)	<u>(10,114)</u>	<u>107,269</u>	<u>-</u>	<u>107,269</u>
Change in fund balance	(49,304)	436,282	27,411	408,871
Fund balance, January 1	<u>1,230,825</u>	<u>1,230,825</u>	<u>198,048</u>	<u>1,032,777</u>
Fund balance, December 31	<u>\$ 1,181,521</u>	<u>\$ 1,667,107</u>	<u>\$ 225,459</u>	<u>\$ 1,441,648</u>

Explanation of differences:

The County budgets on the cash basis of accounting. Therefore, under the budgetary basis, revenues are recognized as collected and expenditures when paid.

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

ROAD AND BRIDGE PRECINCT NO. 3

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

BUDGET AND ACTUAL - STATUTORY BASIS

For the year ended December 31, 2024

	Final Budget	Actual Amounts Budgetary Basis	Budget to Statutory Differences Over (Under)	Actual Amounts Statutory Basis
REVENUES				
Taxes				
Current taxes	\$ 1,373,895	\$ 1,340,363	\$ -	\$ 1,340,363
Delinquent taxes	17,000	28,117	(31)	28,148
Penalty and interest	8,200	13,049	(21)	13,070
Intergovernmental				
Vehicle license fees	90,000	90,116	-	90,116
Additional license fees	220,000	199,676	2,698	196,978
Permits	28,500	35,470	-	35,470
Investment income				
Interest	5,000	26,222	-	26,222
Miscellaneous	49,300	36,761	(309)	37,070
Total revenues	<u>1,791,895</u>	<u>1,769,774</u>	<u>2,337</u>	<u>1,767,437</u>
EXPENDITURES				
Current				
Highways and streets				
Salaries	700,268	692,268	(4,415)	696,683
Fringe benefits	215,319	212,260	(2,623)	214,883
Operating expenditures	861,981	754,695	43,833	710,862
Other services and charges	19,399	18,020	-	18,020
Capital outlay	45,000	21,089	(3,985)	25,074
Total expenditures	<u>1,841,967</u>	<u>1,698,332</u>	<u>32,810</u>	<u>1,665,522</u>
Excess (deficiency) of revenues over expenditures	<u>(50,072)</u>	<u>71,442</u>	<u>(30,473)</u>	<u>101,915</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	58,283	58,283	14,020	44,263
Transfers out	(44,786)	(44,772)	-	(44,772)
Total other financing sources (uses)	<u>13,497</u>	<u>13,511</u>	<u>14,020</u>	<u>(509)</u>
Change in fund balance	(36,575)	84,953	(16,453)	101,406
Fund balance, January 1	649,305	649,305	82,975	566,330
Fund balance, December 31	<u>\$ 612,730</u>	<u>\$ 734,258</u>	<u>\$ 66,522</u>	<u>\$ 667,736</u>

Explanation of differences:

The County budgets on the cash basis of accounting. Therefore, under the budgetary basis, revenues are recognized as collected and expenditures when paid.

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS

ROAD AND BRIDGE PRECINCT NO. 4

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

BUDGET AND ACTUAL - STATUTORY BASIS

For the year ended December 31, 2024

	Final Budget	Actual Amounts Budgetary Basis	Budget to Statutory Differences Over (Under)	Actual Amounts Statutory Basis
REVENUES				
Taxes				
Current taxes	\$ 1,578,518	\$ 1,539,991	\$ -	\$ 1,539,991
Delinquent taxes	19,000	32,445	(51)	32,496
Penalty and interest	9,300	15,099	(24)	15,123
Intergovernmental				
Vehicle license fees	90,000	90,116	-	90,116
Additional license fees	250,000	229,415	3,099	226,316
Permits	28,500	35,469	-	35,469
Investment income				
Interest	4,000	31,705	-	31,705
Miscellaneous	74,100	62,659	810	61,849
Total revenues	<u>2,053,418</u>	<u>2,036,899</u>	<u>3,834</u>	<u>2,033,065</u>
EXPENDITURES				
Current				
Highways and streets				
Salaries	633,621	556,843	(2,677)	559,520
Fringe benefits	182,437	159,389	(1,514)	160,903
Operating expenditures	1,168,762	829,232	(78,284)	907,516
Other services and charges	72,130	31,812	-	31,812
Capital outlay	503,912	456,693	-	456,693
Debt service	223,914	223,913	-	223,913
Total expenditures	<u>2,784,776</u>	<u>2,257,882</u>	<u>(82,475)</u>	<u>2,340,357</u>
Excess (deficiency) of revenues over expenditures	<u>(731,358)</u>	<u>(220,983)</u>	<u>86,309</u>	<u>(307,292)</u>
OTHER FINANCING SOURCES (USES)				
Finance purchase issued	447,962	447,961	-	447,961
Transfers in	104,538	104,538	-	104,538
Transfers out	(21,142)	(21,129)	-	(21,129)
Total other financing sources (uses)	<u>531,358</u>	<u>531,370</u>	<u>-</u>	<u>531,370</u>
Change in fund balance	(200,000)	310,387	86,309	224,078
Fund balance, January 1	<u>827,864</u>	<u>827,864</u>	<u>226,332</u>	<u>601,532</u>
Fund balance, December 31	<u>\$ 627,864</u>	<u>\$ 1,138,251</u>	<u>\$ 312,641</u>	<u>\$ 825,610</u>

Explanation of differences:

The County budgets on the cash basis of accounting. Therefore, under the budgetary basis, revenues are recognized as collected and expenditures when paid.

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for general government debt principal and interest.

COUNTY OF VICTORIA, TEXAS

NONMAJOR GOVERNMENTAL FUND

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

For the year ended December 31, 2024

	Final Budget	Actual Amounts Budgetary Basis	Budget to Statutory Differences Over (Under)	Actual Amounts Statutory Basis
REVENUES				
Taxes				
Current taxes	\$ 3,406,404	\$ 3,330,007	\$ -	\$ 3,330,007
Delinquent taxes	30,000	67,048	(132)	67,180
Penalty and interest	18,000	30,871	(60)	30,931
Investment income				
Interest	3,000	35,981	-	35,981
Total revenues	<u>3,457,404</u>	<u>3,463,907</u>	<u>(192)</u>	<u>3,464,099</u>
EXPENDITURES				
Debt service				
Principal retirement	1,895,000	1,895,000	-	1,895,000
Interest and fiscal charges	1,319,336	1,318,334	-	1,318,334
Total expenditures	<u>3,214,336</u>	<u>3,213,334</u>	<u>-</u>	<u>3,213,334</u>
Excess (deficiency) of revenues over expenditures	<u>243,068</u>	<u>250,573</u>	<u>(192)</u>	<u>250,765</u>
OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	243,068	250,573	(192)	250,765
Fund balance, January 1	1,005,489	1,005,489	(27,509)	1,032,998
Fund balance, December 31	<u>\$ 1,248,557</u>	<u>\$ 1,256,062</u>	<u>\$ (27,701)</u>	<u>\$ 1,283,763</u>

Explanation of differences:

The County budgets on the cash basis of accounting. Therefore, under the budgetary basis, revenues are recognized as collected and expenditures when paid.

CUSTODIAL FUNDS

Custodial Funds are used to account for the monies received and disbursed by the County in the capacity of trustee, custodian, or agent for individuals or other entities.

County Clerk-Trusts Fund - Accounts for monies held by the County Clerk in trust for various minors of the County of Victoria.

Criminal District Attorney Fund - Accounts for the merchants' portion of collections made on "hot" checks.

District Clerk-Trusts Fund - Accounts for monies held by the District Clerk in trust for various minors of the County of Victoria.

Jail Inmate Trust Fund - Accounts for monies that are held for the benefit of and use by inmates in the County Jail.

Tax Assessor-Collector Fund - Accounts for the collection of ad valorem taxes, various vehicle taxes, and sales taxes by the County Tax Assessor-Collector. These monies are remitted to other governments and the State as collected.

Juvenile Restitution Fund - Records the receipt and disbursement of monies collected from juvenile offenders and paid to owners of damaged property.

Special Services Fund - Records confiscated drug monies prior to their being awarded, by action of the court, to various individuals and/or County departments.

Juvenile Inmate Trust Fund - Accounts for monies that are held for the benefit of and use by inmates in the County Juvenile Detention facility.

TDCJ Restitution Fund - Accounts for monies held by the District Clerk on behalf of the Texas Department of Criminal Justice in order to locate and pay victim restitutions.

COUNTY OF VICTORIA, TEXAS
 FIDUCIARY FUNDS - CUSTODIAL FUNDS
 COMBINING STATEMENT OF NET POSITION
 December 31, 2024

	County Clerk- Trusts	Criminal District Attorney	District Clerk- Trusts	Jail Inmate Trust
ASSETS				
Cash and cash equivalents	\$ 927,567	\$ 4,046	\$ 1,197,592	\$ 83,310
Receivables (net)				
Other	-	-	-	-
Seized assets	-	-	-	-
Total assets	<u>\$ 927,567</u>	<u>\$ 4,046</u>	<u>\$ 1,197,592</u>	<u>\$ 83,310</u>
LIABILITIES				
Accounts payable	\$ -	\$ 4,046	\$ 9,152	\$ 83,310
Due to other governments	-	-	-	-
Due to component unit	-	-	-	-
Total liabilities	<u>-</u>	<u>4,046</u>	<u>9,152</u>	<u>83,310</u>
NET POSITION				
Restricted	<u>927,567</u>	<u>-</u>	<u>1,188,440</u>	<u>-</u>
Total net position	<u>\$ 927,567</u>	<u>\$ -</u>	<u>\$ 1,188,440</u>	<u>\$ -</u>

<u>Tax Assessor- Collector</u>	<u>Juvenile Restitution</u>	<u>Special Services</u>	<u>Juvenile Inmate Trust</u>	<u>TDCJ Restitution</u>	<u>Total</u>
\$ 5,695,687	\$ 25	\$ 740,630	\$ 409	\$ 25,811	\$ 8,675,077
89,263	-	-	-	-	89,263
-	-	304,660	-	-	304,660
<u>\$ 5,784,950</u>	<u>\$ 25</u>	<u>\$ 1,045,290</u>	<u>\$ 409</u>	<u>\$ 25,811</u>	<u>\$ 9,069,000</u>
\$ 64,911	\$ 25	\$ 154,188	\$ 409	\$ 25,811	\$ 341,852
5,653,836	-	-	-	-	5,653,836
66,203	-	-	-	-	66,203
<u>5,784,950</u>	<u>25</u>	<u>154,188</u>	<u>409</u>	<u>25,811</u>	<u>6,061,891</u>
-	-	891,102	-	-	3,007,109
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 891,102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,007,109</u>

COUNTY OF VICTORIA, TEXAS
FIDUCIARY FUNDS - CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
For the year ended December 31, 2024

	County Clerk- Trusts	Criminal District Attorney	District Clerk- Trusts	Jail Inmate Trust
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ADDITIONS				
Miscellaneous				
Minor trust account deposits	\$ 1,880,564	\$ -	\$ 540,469	\$ -
Confiscation and restitution receipts	-	92,573	-	-
Inmate deposits	-	-	-	835,524
Tax collections	-	-	-	-
Investment income	<u>3,299</u>	<u>-</u>	<u>12,626</u>	<u>-</u>
Total additions	<u>1,883,863</u>	<u>92,573</u>	<u>553,095</u>	<u>835,524</u>
DEDUCTIONS				
General government				
Minor trust account disbursements	1,918,400	-	355,480	-
Confiscation and restitution disbursements	-	92,573	-	-
Inmate withdrawals	-	-	-	835,524
Tax distributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>1,918,400</u>	<u>92,573</u>	<u>355,480</u>	<u>835,524</u>
Changes in net position	(34,537)	-	197,615	-
Net position, beginning	<u>962,104</u>	<u>-</u>	<u>990,825</u>	<u>-</u>
Net position, ending	<u>\$ 927,567</u>	<u>\$ -</u>	<u>\$ 1,188,440</u>	<u>\$ -</u>

<u>Tax Assessor-Collector</u>	<u>Juvenile Restitution</u>	<u>Special Services</u>	<u>Juvenile Inmate Trust</u>	<u>TDCJ Restitution</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,421,033
-	4,064	606,891	-	26,578	730,106
-	-	-	4,238	-	839,762
205,860,404	-	-	-	-	205,860,404
13,665	-	16,519	-	-	46,109
<u>205,874,069</u>	<u>4,064</u>	<u>623,410</u>	<u>4,238</u>	<u>26,578</u>	<u>209,897,414</u>
-	-	-	-	-	2,273,880
-	4,064	1,236,363	4,238	26,578	1,363,816
-	-	-	-	-	835,524
<u>205,874,069</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>205,874,069</u>
<u>205,874,069</u>	<u>4,064</u>	<u>1,236,363</u>	<u>4,238</u>	<u>26,578</u>	<u>210,347,289</u>
-	-	(612,953)	-	-	(449,875)
-	-	1,504,055	-	-	3,456,984
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 891,102</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,007,109</u>

STATISTICAL SECTION

This part of the County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	183
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property tax and sales tax revenues.....	194
Debt Capacity	
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	207
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments	214
Operating Information	
These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs	216

COUNTY OF VICTORIA, TEXAS
NET POSITION BY COMPONENT (1)
Last ten fiscal years

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities				
Net investment in capital assets	\$ 18,533,816	\$ 16,809,816	\$ 15,075,452	\$ 19,060,322
Restricted	1,561,037	2,283,067	2,695,608	3,329,934
Unrestricted	<u>14,018,912</u>	<u>17,629,833</u>	<u>15,968,499</u>	<u>12,312,292</u>
Total governmental activities net position	<u>\$ 34,113,765</u>	<u>\$ 36,722,716</u>	<u>\$ 33,739,559</u>	<u>\$ 34,702,548</u>
Business-type activities				
Net investment in capital assets	\$ 8,172,038	\$ 7,942,228	\$ 7,118,679	\$ 5,975,370
Unrestricted	<u>(1,521,139)</u>	<u>(1,647,712)</u>	<u>549,053</u>	<u>404,747</u>
Total business-type activities net position	<u>\$ 6,650,899</u>	<u>\$ 6,294,516</u>	<u>\$ 7,667,732</u>	<u>\$ 6,380,117</u>
Primary Government				
Net investment in capital assets	\$ 27,753,134	\$ 24,752,044	\$ 22,194,131	\$ 25,035,692
Restricted	1,561,037	2,283,067	2,695,608	3,329,934
Unrestricted	<u>12,497,773</u>	<u>15,982,121</u>	<u>16,517,552</u>	<u>12,717,039</u>
Total primary government activities net position	<u>\$ 41,811,944</u>	<u>\$ 43,017,232</u>	<u>\$ 41,407,291</u>	<u>\$ 41,082,665</u>

(1) Accrual basis of accounting

NOTES: Amounts presented using a Statutory Basis of Accounting

The County implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

The County implemented GASB Statement No. 101 "Compensated Absences" in fiscal year 2024. The amounts for all prior fiscal years have not been restated for the effects of this standard.

Fiscal Year

2019	2020	2021	2022	2023	2024
\$ 10,876,359	\$ 11,906,255	\$ 22,643,608	\$ 28,113,132	\$ 32,270,692	\$ 34,633,177
3,930,837	4,482,986	5,696,513	6,491,711	8,166,893	8,469,906
<u>16,924,646</u>	<u>16,622,042</u>	<u>9,035,581</u>	<u>13,839,757</u>	<u>13,479,611</u>	<u>19,662,551</u>
<u>\$ 31,731,842</u>	<u>\$ 33,011,283</u>	<u>\$ 37,375,702</u>	<u>\$ 48,444,600</u>	<u>\$ 53,917,196</u>	<u>\$ 62,765,634</u>
\$ 6,130,111	\$ 5,652,802	\$ 5,119,321	\$ 4,547,692	\$ 4,782,828	\$ 8,678,450
476,162	1,032,578	1,474,553	1,778,594	2,052,462	4,208,592
<u>6,606,273</u>	<u>6,685,380</u>	<u>6,593,874</u>	<u>6,326,286</u>	<u>6,835,290</u>	<u>12,887,042</u>
\$ 17,006,470	\$ 17,559,057	\$ 27,762,929	\$ 32,660,824	\$ 37,053,520	\$ 43,311,627
3,930,837	4,482,986	5,696,513	6,491,711	8,166,893	8,469,906
<u>17,400,808</u>	<u>17,654,620</u>	<u>10,510,134</u>	<u>15,618,351</u>	<u>15,532,073</u>	<u>23,871,143</u>
<u>\$ 38,338,115</u>	<u>\$ 39,696,663</u>	<u>\$ 43,969,576</u>	<u>\$ 54,770,886</u>	<u>\$ 60,752,486</u>	<u>\$ 75,652,676</u>

COUNTY OF VICTORIA, TEXAS

CHANGES IN NET POSITION (1)

Last ten fiscal years

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities				
Expenses				
General government	\$ 18,521,250	\$ 20,353,896	\$ 26,304,990	\$ 24,306,587
Public safety	18,684,796	20,708,786	21,626,868	21,767,661
Streets and highways	5,444,923	5,866,714	6,298,408	6,400,322
Culture and recreation	306,605	353,798	395,762	317,732
Public health	3,527,448	3,941,509	4,299,622	4,041,478
Interest on long-term debt	433,173	493,290	615,616	301,789
Total expenses	<u>46,918,195</u>	<u>51,717,993</u>	<u>59,541,266</u>	<u>57,135,569</u>
Program revenues				
Charges for services				
General government	4,795,027	5,683,863	6,475,812	6,601,723
Public safety	2,504,511	2,619,758	2,103,246	2,167,104
Streets and highways	1,496,157	1,441,352	1,395,105	1,409,429
Culture and recreation	-	2,338	1,850	2,625
Public health	587,120	545,175	459,781	441,946
Operating grants and contributions	4,440,829	4,104,052	4,626,724	5,456,911
Capital grants and contributions	-	169,264	1,214,971	3,041,129
Total program revenues	<u>13,823,644</u>	<u>14,565,802</u>	<u>16,277,489</u>	<u>19,120,867</u>
Total governmental activities net program (expense) revenue	<u>(33,094,551)</u>	<u>(37,152,191)</u>	<u>(43,263,777)</u>	<u>(38,014,702)</u>
General revenues and other changes in net position				
Taxes				
Property taxes	25,407,422	26,135,287	25,826,188	26,205,061
Sales taxes	10,626,687	9,085,344	9,275,154	10,314,720
Other taxes	331,179	307,839	282,089	336,764
Grants and contributions not restricted to specific programs	251,659	289,639	2,739,331	1,354,933
Unrestricted investment earnings	183,319	185,145	312,407	602,197
Miscellaneous	661,223	659,665	652,954	641,980
Extraordinary item	-	-	3,264,253	481,222
Transfers	(296,254)	(671,653)	(2,071,756)	(165,366)
Special items	-	-	-	734,506
Total general revenues and other changes in net position	<u>37,165,235</u>	<u>35,991,266</u>	<u>40,280,620</u>	<u>40,506,017</u>
Total governmental activities change in net position	<u>\$ 4,070,684</u>	<u>\$ (1,160,925)</u>	<u>\$ (2,983,157)</u>	<u>\$ 2,491,315</u>

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 23,817,872	\$ 22,331,100	\$ 22,332,747	\$ 24,242,100	\$ 28,114,701	\$ 30,065,660
23,277,427	22,647,849	21,794,099	22,402,099	27,836,645	25,800,416
7,226,644	6,484,337	6,053,548	7,656,770	7,079,047	7,045,429
312,336	287,547	281,960	240,643	318,800	271,899
4,118,147	4,871,860	5,290,892	5,498,833	4,974,749	5,687,334
558,442	583,908	549,960	745,518	1,177,306	1,221,970
<u>59,310,868</u>	<u>57,206,601</u>	<u>56,303,206</u>	<u>60,785,963</u>	<u>69,501,248</u>	<u>70,092,708</u>
6,074,148	4,469,942	5,336,819	5,500,661	6,118,225	6,825,645
2,543,329	1,750,924	1,833,123	2,690,476	2,018,738	2,734,336
1,408,121	1,347,561	1,383,485	1,387,293	1,381,649	1,344,463
3,540	250	1,800	2,050	2,200	1,950
782,105	1,128,741	1,634,307	1,438,750	2,148,136	1,399,188
6,401,522	8,847,234	7,087,257	7,709,954	8,724,416	9,703,892
671,011	806,880	2,470,691	2,405,763	2,340,656	223,695
<u>17,883,776</u>	<u>18,351,532</u>	<u>19,747,482</u>	<u>21,134,947</u>	<u>22,734,020</u>	<u>22,233,169</u>
(41,427,092)	(38,855,069)	(36,555,724)	(39,651,016)	(46,767,228)	(47,859,539)
25,814,316	29,021,304	28,770,115	30,668,752	34,472,140	38,191,125
10,236,137	9,914,958	10,694,633	12,361,082	12,395,383	12,268,123
338,937	274,495	380,983	388,590	425,502	405,202
254,689	412,994	158,895	6,426,196	3,510,779	3,227,691
766,974	444,946	245,363	381,355	1,148,926	2,147,792
422,329	546,982	819,227	705,602	1,229,724	1,448,673
-	-	-	-	-	-
(392,250)	(481,169)	(149,073)	(48,016)	(961,044)	451,505
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>37,441,132</u>	<u>40,134,510</u>	<u>40,920,143</u>	<u>50,883,561</u>	<u>52,221,410</u>	<u>58,140,111</u>
\$ (3,985,960)	\$ 1,279,441	\$ 4,364,419	\$ 11,232,545	\$ 5,454,182	\$ 10,280,572

(continued)

COUNTY OF VICTORIA, TEXAS

CHANGES IN NET POSITION (1)

Last ten fiscal years

	Fiscal Year			
	2015	2016	2017	2018
Business-type activities				
Expenses				
Airport	\$ 5,323,304	\$ 5,680,308	\$ 5,640,986	\$ 5,553,508
Navarro Project	612,894	547,458	550,407	-
Commisary	113,824	114,924	153,074	147,365
Total expenses	<u>6,050,022</u>	<u>6,342,690</u>	<u>6,344,467</u>	<u>5,700,873</u>
Program revenues				
Charges for services				
Airport	4,351,312	4,531,502	4,894,066	4,727,396
Navarro Project	504,534	522,983	524,583	-
Commisary	161,543	166,848	159,086	175,539
Operating grants and contributions	65,148	78,842	64,804	73,151
Capital grants and contributions	243,803	13,000	-	-
Total program revenues	<u>5,326,340</u>	<u>5,313,175</u>	<u>5,642,539</u>	<u>4,976,086</u>
Total business-type activities net program (expense) revenue	(723,682)	(1,029,515)	(701,928)	(724,787)
General revenues and other changes in net position				
Unrestricted investment earnings	1,153	1,479	3,388	6,312
Miscellaneous	-	-	-	-
Transfers	296,254	671,653	2,071,756	165,366
Special item - transfer of operations	-	-	-	(734,506)
Total general revenues and other changes in net position	<u>297,407</u>	<u>673,132</u>	<u>2,075,144</u>	<u>(562,828)</u>
Total business-type activities change in net position	<u>\$ (426,275)</u>	<u>\$ (356,383)</u>	<u>\$ 1,373,216</u>	<u>\$ (1,287,615)</u>
Total primary government change in net position	<u>\$ 3,644,409</u>	<u>\$ (1,517,308)</u>	<u>\$ (1,609,941)</u>	<u>\$ 1,203,700</u>

(1) Accrual basis of accounting

NOTES: Amounts presented using a Statutory Basis of Accounting

The County implemented GASB Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" in fiscal year 2018. The amounts for all prior fiscal years have not been restated for the effects of this new standard.

The County implemented GASB Statement No. 101 "Compensated Absences" in fiscal year 2024. The amounts for all prior fiscal years have not been restated for the effects of this standard.

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 3,656,509	\$ 2,841,230	\$ 3,284,451	\$ 4,686,383	\$ 4,123,482	\$ 3,336,843
-	-	-	-	-	-
<u>175,288</u>	<u>165,383</u>	<u>198,062</u>	<u>221,060</u>	<u>269,928</u>	<u>322,196</u>
<u>3,831,797</u>	<u>3,006,613</u>	<u>3,482,513</u>	<u>4,907,443</u>	<u>4,393,410</u>	<u>3,659,039</u>
2,993,978	2,160,555	2,661,592	3,616,913	3,213,995	2,942,339
-	-	-	-	-	-
173,247	255,532	404,277	430,675	355,298	387,095
83,212	184,324	167,141	537,341	340,898	105,214
<u>237,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,661,555</u>
<u>3,487,579</u>	<u>2,600,411</u>	<u>3,233,010</u>	<u>4,584,929</u>	<u>3,910,191</u>	<u>10,096,203</u>
(344,218)	(406,202)	(249,503)	(322,514)	(483,219)	6,437,164
10,444	4,140	1,924	6,910	24,248	41,994
-	-	7,000	-	6,931	32,148
392,250	481,169	149,073	48,016	961,044	(451,505)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>402,694</u>	<u>485,309</u>	<u>157,997</u>	<u>54,926</u>	<u>992,223</u>	<u>(377,363)</u>
<u>\$ 58,476</u>	<u>\$ 79,107</u>	<u>\$ (91,506)</u>	<u>\$ (267,588)</u>	<u>\$ 509,004</u>	<u>\$ 6,059,801</u>
<u>\$ (3,927,484)</u>	<u>\$ 1,358,548</u>	<u>\$ 4,272,913</u>	<u>\$ 10,964,957</u>	<u>\$ 5,963,186</u>	<u>\$ 16,340,373</u>

(concluded)

COUNTY OF VICTORIA, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS (1)
Last ten fiscal years

	Fiscal Year			
	2015	2016	2017	2018
General Fund				
Nonspendable				
Advance to other funds	\$ 1,641,361	\$ 1,984,347	\$ -	\$ -
Unassigned	<u>18,954,639</u>	<u>18,449,982</u>	<u>17,318,465</u>	<u>18,682,620</u>
Total general fund	<u>\$ 20,596,000</u>	<u>\$ 20,434,329</u>	<u>\$ 17,318,465</u>	<u>\$ 18,682,620</u>
All Other Governmental Funds				
Restricted				
Various capital projects	\$ 2,682,918	\$ 142,086	\$ -	\$ -
Road & bridge	2,763,394	2,996,031	2,719,326	2,943,347
County/District Clerks	237,461	306,810	364,893	465,609
Public safety	586,856	978,937	1,365,867	1,500,219
Highways and streets	-	-	-	-
Public health	-	66,691	27,166	119,436
Courthouse security	74,793	86,851	78,382	96,823
Retirement of long-term debt	361,231	411,677	405,931	471,251
Various court	-	-	-	-
Criminal District Attorney	-	-	-	-
Various government costs	273,084	377,990	403,007	580,020
Unassigned	<u>-</u>	<u>-</u>	<u>(1,602,895)</u>	<u>(367,436)</u>
Total all other governmental funds	<u>\$ 6,979,737</u>	<u>\$ 5,367,073</u>	<u>\$ 3,761,677</u>	<u>\$ 5,809,269</u>

(1) Modified accrual basis of accounting

NOTE: Amounts presented using a Statutory Basis of Accounting

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>17,922,967</u>	<u>16,060,315</u>	<u>16,461,732</u>	<u>19,472,458</u>	<u>20,798,980</u>	<u>22,712,400</u>
<u>\$ 17,922,967</u>	<u>\$ 16,060,315</u>	<u>\$ 16,461,732</u>	<u>\$ 19,472,458</u>	<u>\$ 20,798,980</u>	<u>\$ 22,712,400</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,039,403	\$ 5,785,215
2,145,278	2,488,430	2,497,746	2,255,719	2,468,965	3,349,511
305,369	438,676	585,001	831,618	835,036	634,217
2,008,931	1,876,333	1,160,985	1,362,393	2,284,139	2,739,840
-	-	478,484	142,343	83,130	83,130
180,887	213,347	225,857	208,875	403,333	210,516
124,714	145,518	170,554	169,710	171,281	208,165
541,502	530,730	596,283	792,554	1,032,998	1,283,763
-	-	-	-	146,680	189,722
-	-	-	-	1,123,379	1,409,160
737,459	916,795	2,469,457	2,565,530	1,888,427	1,701,885
<u>(589,137)</u>	<u>(245)</u>	<u>-</u>	<u>(627,019)</u>	<u>(598,368)</u>	<u>(365,528)</u>
<u>\$ 5,455,003</u>	<u>\$ 6,609,584</u>	<u>\$ 8,184,367</u>	<u>\$ 7,701,723</u>	<u>\$ 17,878,403</u>	<u>\$ 17,229,596</u>

COUNTY OF VICTORIA, TEXAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

	Fiscal Year			
	2015	2016	2017	2018
Revenues				
Taxes	\$ 36,250,684	\$ 35,508,536	\$ 35,652,475	\$ 36,776,092
Fees of office and user fees	3,263,987	3,349,455	3,178,804	3,408,145
Intergovernmental	8,983,997	8,797,632	9,706,909	15,624,255
Fines and forfeitures	1,156,377	1,643,780	1,936,418	1,732,727
Investment income	181,688	183,980	310,694	592,655
Licenses and permits	58,412	39,533	61,234	44,989
Contributions	119,484	110,442	406,175	925,026
Miscellaneous	930,084	908,467	865,666	1,147,918
Total revenues	50,944,713	50,541,825	52,118,375	60,251,807
Expenditures				
Current				
General government	18,434,960	19,251,396	24,640,425	23,090,130
Public safety	18,719,272	19,491,221	19,374,178	20,086,422
Highways and streets	5,296,511	5,659,988	7,291,882	6,071,539
Culture and recreation	263,792	315,601	313,589	248,439
Public health	3,615,808	3,883,793	4,146,837	4,011,118
Capital outlay	1,302,382	1,440,333	123,150	2,607,738
Debt service				
Principal retirement	1,018,228	1,054,925	887,100	992,856
Interest and fiscal charges	624,304	547,250	502,957	393,712
Bond issue costs	-	-	123,790	-
Total expenditures	49,275,257	51,644,507	57,403,908	57,501,954
Excess (deficiency) of revenues over expenditures	1,669,456	(1,102,682)	(5,285,533)	2,749,853
Other financing sources (uses)				
Bonds issued	-	-	4,920,000	-
Payment to escrow	-	-	(5,302,717)	-
Capital lease	-	-	-	-
Sales of assets	-	-	1,275	7,050
Transfers in	1,947,195	2,309,609	1,904,672	2,331,791
Transfers out	(2,412,992)	(2,981,262)	(4,391,428)	(2,805,953)
Payments to component unit	-	-	-	-
Premium on issuance of bonds	-	-	506,507	-
Finance purchase issued	-	-	-	-
Right-to-use lease issued	-	-	-	-
Subscription liability issued	-	-	-	-
Total other financing sources (uses)	(465,797)	(671,653)	(2,361,691)	(467,112)
Extraordinary Items	-	-	2,925,964	1,129,006
Change in fund balances	\$ 1,203,659	\$ (1,774,335)	\$ (4,721,260)	\$ 3,411,747
Debt service as a percentage of noncapital expenditures	3.51%	3.25%	2.75%	2.57%

(1) Modified accrual basis of accounting

NOTE: Amounts presented using a Statutory Basis of Accounting

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 36,210,166	\$ 37,769,168	\$ 38,972,877	\$ 43,117,998	\$ 46,108,372	\$ 50,381,928
3,928,318	4,170,249	4,927,929	4,720,261	4,623,476	4,751,530
11,183,725	11,767,886	12,057,398	19,966,039	18,319,147	18,251,498
1,863,648	908,559	1,364,908	1,186,322	1,388,484	1,369,863
764,147	444,425	244,795	380,757	1,146,946	2,143,896
53,980	55,928	59,047	38,145	57,398	41,923
895,267	1,111,581	971,202	359,988	431,767	440,090
1,403,202	2,279,032	1,837,080	1,697,026	2,411,918	2,660,453
<u>56,302,453</u>	<u>58,506,828</u>	<u>60,435,236</u>	<u>71,466,536</u>	<u>74,487,508</u>	<u>80,041,181</u>
21,664,882	21,832,791	22,028,388	25,460,296	27,237,399	31,806,283
21,269,889	21,605,397	20,982,811	23,216,899	24,619,370	25,542,249
7,044,887	6,359,200	5,710,807	7,176,134	7,971,862	7,528,601
237,131	247,639	252,831	233,973	265,521	266,961
4,656,263	4,808,668	5,215,356	5,540,051	4,969,820	5,696,967
588,441	1,330,510	2,490,384	5,227,764	3,564,284	3,191,240
933,752	954,786	1,255,964	1,292,290	1,924,160	1,895,000
427,494	566,061	621,875	584,249	927,322	1,318,334
189,043	-	-	160,097	165,280	-
<u>57,011,782</u>	<u>57,705,052</u>	<u>58,558,416</u>	<u>68,891,753</u>	<u>71,645,018</u>	<u>77,245,635</u>
(709,329)	801,776	1,876,820	2,574,783	2,842,490	2,795,546
9,895,000	-	-	9,460,000	9,690,000	-
-	-	-	-	-	-
-	111,203	220,793	-	-	-
1,208	11,119	27,660	7,669	(26,010)	1,250
1,754,569	1,982,640	2,886,896	3,621,962	6,096,555	5,752,335
(2,349,410)	(3,614,809)	(3,035,969)	(4,171,032)	(8,057,599)	(8,271,944)
(10,002,616)	-	-	(9,838,306)	-	-
296,659	-	-	538,403	427,095	-
-	-	-	-	-	758,966
-	-	-	498,250	-	-
-	-	-	-	549,085	246,881
<u>(404,590)</u>	<u>(1,509,847)</u>	<u>99,380</u>	<u>116,946</u>	<u>8,679,126</u>	<u>(1,512,512)</u>
-	-	-	-	-	-
<u>\$ (1,113,919)</u>	<u>\$ (708,071)</u>	<u>\$ 1,976,200</u>	<u>\$ 2,691,729</u>	<u>\$ 11,521,616</u>	<u>\$ 1,283,034</u>
<u>2.87%</u>	<u>2.79%</u>	<u>3.43%</u>	<u>3.30%</u>	<u>4.71%</u>	<u>4.64%</u>

COUNTY OF VICTORIA, TEXAS

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (1)

Last ten fiscal years

<u>Fiscal Year</u>	<u>Ad Valorem</u>	<u>Penalty and Interest</u>	<u>Sales</u>	<u>Total</u>
2015	\$ 25,394,946	\$ 229,051	\$ 10,626,687	\$ 36,250,684
2016	26,174,207	248,985	9,085,344	35,508,536
2017	26,086,063	291,258	9,275,154	35,652,475
2018	26,207,789	253,583	10,314,720	36,776,092
2019	25,704,436	269,592	10,236,138	36,210,166
2020	27,604,001	250,209	9,914,958	37,769,168
2021	27,997,486	280,758	10,694,633	38,972,877
2022	30,451,452	305,464	12,361,082	43,117,998
2023	33,389,506	323,483	12,395,383	46,108,372
2024	37,744,940	368,865	12,268,123	50,381,928
Change 2015-2024	48.63%	61.04%	15.45%	38.98%

(1) Modified accrual basis of accounting

NOTES: Property tax rates have remained stable because of growth in property tax values and the addition of new construction values.

Increase in ad valorem revenues in 2020, 2022, 2023, and 2024 is due to an increase in taxable assessed values in the County.

COUNTY OF VICTORIA, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY - GENERAL AND I&S

Last ten fiscal years

Fiscal Year	Tax Roll	Real Property			Personal Property	
		Residential Property	Commercial and Industrial Property	Rural-Underdeveloped Property	Business	Other
2015	2014	\$ 3,334,260,997	\$ 1,854,149,141	\$ 1,192,795,666	\$ 2,151,078,215	\$ 137,890,000
2016	2015	3,600,729,580	1,927,390,407	1,272,680,618	2,245,895,665	100,076,960
2017	2016	3,695,285,075	1,817,385,566	1,280,347,158	2,101,048,269	50,990,150
2018	2017	3,800,900,747	1,867,539,086	1,263,321,519	2,022,310,652	45,179,240
2019	2018	3,835,612,285	1,863,986,398	1,303,680,506	1,888,492,492	68,527,440
2020	2019	4,023,912,223	2,013,843,145	1,427,901,840	2,014,143,034	141,207,970
2021	2020	4,214,224,745	2,024,151,824	1,419,629,038	1,996,782,146	100,936,890
2022	2021	4,485,681,600	2,246,116,394	1,456,675,163	2,043,197,225	79,683,340
2023	2022	5,004,567,812	2,485,913,142	1,534,405,949	2,329,007,458	146,211,310
2024	2023	6,014,261,033	2,842,318,462	1,733,194,695	3,068,371,004	187,201,380

(1) Values on property for maintenance and operation and interest and sinking taxes. Property exemptions differ from those allowed on road and bridge taxes.

NOTE: Property in the County is reassessed annually. The County assesses property at 100 percent of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: Victoria County Tax Assessor/Collector

<u>Less: Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value (1) as a Percentage of Actual Value</u>
\$ 2,136,944,123	\$ 6,533,229,896	\$ 0.3386	\$ 6,533,229,896	100.00%
2,136,201,137	7,010,572,093	0.3299	7,010,572,093	100.00%
2,024,244,176	6,920,812,042	0.3959	6,920,812,042	100.00%
2,021,928,370	6,977,322,874	0.3959	6,977,322,874	100.00%
2,084,423,602	6,875,875,519	0.3959	6,875,875,519	100.00%
2,330,907,978	7,290,100,234	0.3959	7,290,100,234	100.00%
2,285,738,005	7,469,986,638	0.3959	7,469,986,638	100.00%
2,290,016,904	8,021,336,818	0.3959	8,021,336,818	100.00%
2,727,656,087	8,772,449,584	0.3934	8,772,449,584	100.00%
3,371,709,063	10,473,637,511	0.3880	10,473,637,511	100.00%

COUNTY OF VICTORIA, TEXAS

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY - ROAD AND BRIDGE

Last ten fiscal years

Fiscal Year	Tax Roll	Real Property			Personal Property	
		Residential Property	Commercial and Industrial Property	Rural-Underdeveloped Property	Business	Other
2015	2014	\$ 3,334,260,997	\$ 1,854,149,141	\$ 1,192,795,666	\$ 2,151,078,215	\$ 137,890,000
2016	2015	3,600,729,580	1,927,390,407	1,272,680,618	2,245,895,665	100,076,960
2017	2016	3,695,285,075	1,817,385,566	1,280,347,158	2,101,048,269	50,990,150
2018	2017	3,800,900,747	1,867,539,086	1,263,321,519	2,022,310,652	45,179,240
2019	2018	3,835,612,285	1,863,986,398	1,303,680,506	1,888,492,492	68,527,440
2020	2019	4,023,912,223	2,013,843,145	1,427,901,840	2,014,143,034	141,207,970
2021	2020	4,214,224,745	2,024,151,824	1,419,629,038	1,996,782,146	100,936,890
2022	2021	4,485,681,600	2,246,116,394	1,456,675,163	2,043,197,225	79,683,340
2023	2022	5,004,567,812	2,485,913,142	1,534,405,949	2,329,007,458	146,211,310
2024	2023	6,015,121,683	2,842,428,812	1,733,194,695	3,068,449,884	187,201,380

(1) Values on property for road and bridges taxes.
Property exemptions differ from those allowed on maintenance and operation and interest and sinking taxes.

NOTE: Property in the County is reassessed annually. The County assesses property at 100 percent of actual taxable value for all types of real and personal property. Tax rates are per \$100 of assessed value.

SOURCE: Victoria County Tax Assessor/Collector

<u>Less: Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value (1) as a Percentage of Actual Value</u>
\$ 2,249,412,211	\$ 6,420,761,808	\$ 0.0600	\$ 6,420,761,808	100.00%
2,190,939,913	6,955,833,317	0.0660	6,955,833,317	100.00%
2,079,036,609	6,866,019,609	0.0660	6,866,019,609	100.00%
2,076,655,611	6,922,595,633	0.0630	6,922,595,633	100.00%
2,139,034,659	6,821,264,462	0.0630	6,821,264,462	100.00%
2,384,598,367	7,236,409,845	0.0630	7,236,409,845	100.00%
2,340,528,309	7,415,196,334	0.0523	7,415,196,334	100.00%
2,344,768,261	7,966,585,461	0.0630	7,966,585,461	100.00%
2,781,343,555	8,718,762,116	0.0605	8,718,762,116	100.00%
3,430,290,890	10,416,105,564	0.0605	10,416,105,564	100.00%

COUNTY OF VICTORIA, TEXAS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

PER \$100 OF ASSESSED VALUE

Last ten fiscal years

Tax Roll	County Direct Rates				Overlapping Rates				
	Debt Service	General Fund	Road & Bridge Fund	Total	City of Victoria	Navigation District	Victoria Junior College	Victoria I.S.D.	Bloomington I.S.D.
2014	\$ 0.0250	\$ 0.3136	\$ 0.0600	\$ 0.3986	\$ 0.5840	\$ 0.0240	\$ 0.1875	\$ 1.2744	\$ 1.5150
2015	0.0206	0.3093	0.0660	0.3959	0.5711	0.0240	0.1925	1.2663	1.4002
2016	0.0206	0.3093	0.0660	0.3959	0.5892	0.0266	0.2065	1.2663	1.4002
2017	0.0215	0.3114	0.0630	0.3959	0.5952	0.0286	0.2170	1.2663	1.4002
2018	0.0215	0.3114	0.0630	0.3959	0.6224	0.0305	0.2235	1.3763	1.4002
2019	0.0213	0.3116	0.0630	0.3959	0.6115	0.0308	0.2206	1.1935	1.2317
2020	0.0272	0.3164	0.0523	0.3959	0.6115	0.0308	0.2203	1.1899	1.2281
2021	0.0265	0.3064	0.0630	0.3959	0.5882	0.0297	0.2076	1.1682	1.2204
2022	0.0329	0.3000	0.0605	0.3934	0.5582	0.0288	0.1959	1.0542	1.1163
2023	0.0349	0.2926	0.0605	0.3880	0.4898	0.0267	0.1722	0.8058	0.9309

SOURCE: Victoria County Appraisal District

Overlapping Rates

Industrial I.S.D.	Nursery I.S.D.	McFaddin I.S.D.	W.C.I.D #1	W.C.I.D #2	V.C.D.D. #2	V.C.D.D. #3	Ground Water District	Quail Creek M.U.D.	Total
\$ 1.2400	\$ 1.1000	\$ 1.1500	\$ 0.6569	\$ 1.0700	\$ 0.1089	\$ 0.0294	\$ 0.0088	\$ 0.1729	\$ 9.1218
1.2520	1.1000	1.2900	0.6462	1.1400	0.1116	0.0290	0.00878	0.1822	9.2138
1.2833	1.1000	1.3350	0.5033	0.8607	0.1179	0.0297	0.00878	0.1822	8.9096
1.3630	1.1000	1.3600	0.3849	0.5702	0.1134	0.0295	0.00843	0.1822	8.6189
1.3135	1.1150	1.4900	0.3849	1.3158	0.1144	0.0312	0.00843	0.1964	9.6225
1.2122	1.0650	1.2400	0.6371	1.1302	0.0901	0.0298	0.00843	0.1926	8.8936
1.2053	1.0360	1.2864	0.6399	1.0475	0.0925	0.0308	0.00828	0.1926	8.8199
1.1987	1.0436	1.3034	0.6102	0.2937	0.0931	0.0290	0.00800	0.1810	7.9748
1.1325	1.0431	1.1501	0.5119	0.2763	0.0831	0.0279	0.00800	0.1572	7.3435
1.0544	0.8212	0.9592	0.4650	0.2514	0.0779	0.0242	0.00699	0.1580	6.2437

COUNTY OF VICTORIA, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)
Current Year and Nine Years Ago

2024		
Taxpayer	Taxable Assessed Valuation	Percentage of Total County Taxable Assessed Valuation
INV Nylon Chem Americas LLC	\$ 340,672,090	3.25%
AEP Texas Central Co	131,976,090	1.26%
Caterpillar Inc	122,243,910	1.17%
Haliburton Energy Services	118,093,860	1.13%
Victoria WLE LP	102,319,990	0.98%
Allegiant Resources LLC	90,051,608	0.86%
Dow Chemical	74,215,520	0.71%
Union Pacific Railroad Co	71,845,890	0.69%
Transcontinental Gas Pipeline	67,292,450	0.64%
South Texas Electric Coop Inc	<u>59,010,180</u>	<u>0.56%</u>
	<u>\$ 1,177,721,588</u>	<u>11.24%</u>

2015		
Taxpayer	Taxable Assessed Valuation	Percentage of Total County Taxable Assessed Valuation
Invista S A R L	\$ 194,766,340	2.98%
South Texas Electric Coop Inc	79,446,960	1.22%
Pioneer Natural Resources	66,580,000	1.02%
AEP Texas Central Co	58,966,190	0.90%
Invista S A R L	48,772,120	0.75%
E I Dupont De Nemours	46,222,380	0.71%
Victoria WLE LP	42,451,848	0.65%
Union Pacific Railroad Co	40,162,560	0.61%
Great White Pressure Control	30,545,710	0.47%
Integrated Production Serv	<u>30,510,340</u>	<u>0.46%</u>
	<u>\$ 638,424,448</u>	<u>9.77%</u>

COUNTY OF VICTORIA, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS(1) - GENERAL AND I&S

Last ten fiscal years

<u>Fiscal Year</u>	<u>Taxes Levied for the Fiscal Year (Original Levy)</u>	<u>Adjustments</u>	<u>Total Adjusted Levy</u>	<u>Collections within the Fiscal Year of the Levy</u>	
				<u>Amount</u>	<u>Percentage of Levy</u>
2015	\$ 21,401,700	\$ 461,458	\$ 21,863,158	\$ 21,384,820	97.81%
2016	22,206,174	(10,010)	22,196,164	21,658,022	97.58%
2017	21,799,367	144,737	21,944,104	21,425,479	97.64%
2018	22,111,531	214,439	22,325,970	21,869,446	97.96%
2019	21,908,979	(40,188)	21,868,791	21,501,047	98.32%
2020	23,334,503	192,528	23,527,031	23,018,147	97.84%
2021	24,621,248	(14,165)	24,607,083	24,085,398	97.88%
2022	25,454,269	491,759	25,946,028	25,519,444	98.36%
2023	28,230,414	283,399	28,513,813	28,022,894	98.28%
2024	24,302,502	(188,914)	24,113,588	23,209,977	96.25%

(1) Tax levies and collections on maintenance and operation and interest and sinking only

The information above is presented to illustrate the County's ability to collect the amount it levies for a fiscal year, rather than provide a detailed breakdown of the revenue recognized in a fiscal year.

SOURCE: Victoria County Tax Assessor/Collector

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 427,043	\$ 21,808,699	99.75%
463,270	22,116,864	99.64%
415,986	21,836,005	99.51%
374,420	22,235,397	99.59%
274,548	21,763,776	99.52%
413,896	23,406,467	99.49%
422,861	24,453,834	99.38%
269,859	25,682,097	98.98%
179,621	28,202,515	98.91%
-	23,209,977	96.25%

COUNTY OF VICTORIA, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS (1) - ROAD AND BRIDGE

Last ten fiscal years

<u>Fiscal Year</u>	Taxes Levied for the Fiscal Year <u>(Original Levy)</u>	<u>Adjustments</u>	Total <u>Adjusted Levy</u>	<u>Collections within the Fiscal Year of the Levy</u>	
				<u>Amount</u>	<u>Percentage of Levy</u>
2015	\$ 3,686,201	\$ 78,551	\$ 3,764,752	\$ 3,683,761	97.85%
2016	4,262,192	(3,378)	4,258,814	4,157,006	97.61%
2017	4,255,603	28,255	4,283,858	4,183,834	97.67%
2018	4,105,567	39,876	4,145,443	4,061,624	97.98%
2019	4,069,728	(8,166)	4,061,562	3,994,493	98.35%
2020	4,233,572	144,579	4,378,151	4,284,258	97.86%
2021	3,617,300	133,089	3,750,389	3,671,161	97.89%
2022	4,583,413	238,797	4,822,210	4,744,339	98.39%
2023	4,960,931	158,582	5,119,513	5,032,380	98.30%
2024	4,445,072	(35,578)	4,409,494	4,244,781	96.26%

(1) Tax levies and collections on road and bridge only.

SOURCE: Victoria County Tax Assessor/Collector

Collections in Subsequent Years	Total Collections to Date	
	Amount	Percentage of Levy
\$ 72,463	\$ 3,756,224	99.77%
87,925	4,244,931	99.67%
80,431	4,264,265	99.54%
69,090	4,130,714	99.64%
50,311	4,044,804	99.59%
76,887	4,361,145	99.61%
64,134	3,735,295	99.60%
49,714	4,794,053	99.42%
32,062	5,064,442	98.92%
-	4,244,781	96.26%

COUNTY OF VICTORIA, TEXAS

SALES TAX REVENUE

Last ten fiscal years

<u>Fiscal Year</u>	<u>Collections</u>
2015	\$ 9,891,860
2016	8,515,577
2017	8,244,984
2018	9,420,631
2019	9,451,596
2020	9,148,982
2021	9,891,242
2022	11,457,658
2023	11,304,405
2024	11,051,713

NOTES: Collections reported on the budgetary (cash) basis of accounting and include only sales and use tax revenue.

COUNTY OF VICTORIA, TEXAS
DIRECT AND OVERLAPPING SALES TAX RATES
Last ten fiscal years

<u>Fiscal Year</u>	<u>Direct Rate County</u>	<u>Overlapping Rates</u>		<u>Total</u>
		<u>City of Victoria</u>	<u>State of Texas</u>	
2015	0.50%	1.50%	6.25%	8.25%
2016	0.50%	1.50%	6.25%	8.25%
2017	0.50%	1.50%	6.25%	8.25%
2018	0.50%	1.50%	6.25%	8.25%
2019	0.50%	1.50%	6.25%	8.25%
2020	0.50%	1.50%	6.25%	8.25%
2021	0.50%	1.50%	6.25%	8.25%
2022	0.50%	1.50%	6.25%	8.25%
2023	0.50%	1.50%	6.25%	8.25%
2024	0.50%	1.50%	6.25%	8.25%

NOTES: Eventhough the total sales tax rate is 8.25%, sales occurring outside the City of Victoria city limits would only be taxed at 6.75% which is the combination of the County and the State of Texas sales tax rates.

Texas counties have the option of imposing an additional local sales tax of 0.5% to 1.5% for a combined total of state and local taxes of 8.25%.

COUNTY OF VICTORIA, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
Last ten fiscal years

Fiscal Year	Governmental Activities					
	Certificates of Obligation*	General Obligation Bonds	Less: Issuance Discount	Plus: Issuance Premiums	Direct Borrowing Financed Purchases	Right-to-Use Leases
2015	\$ 13,340,000	\$ 470,000	\$ (35,163)	\$ 412,212	\$ 288,940	\$ -
2016	12,985,000	-	(32,689)	383,640	197,015	-
2017	7,245,000	4,920,000	-	763,838	100,769	-
2018	6,585,000	4,835,000	-	708,713	-	-
2019	15,800,000	4,835,000	-	950,247	-	-
2020	15,105,000	4,835,000	-	880,289	87,290	-
2021	14,525,000	4,425,000	-	810,331	277,455	-
2022	23,390,000	4,000,000	-	1,272,366	185,786	441,825
2023	32,160,000	3,560,000	-	1,596,746	93,312	379,231
2024	30,715,000	3,110,000	-	1,479,795	499,051	314,105

NOTES: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

N/A denotes information not available

*Payments on the 2019 Certificates of Obligation (\$9,895,000 principal) will be reimbursed by the Citizens Medical Center over twenty years beginning in 2021. Payments on the 2022 Certificates of Obligation (\$9,460,000) will be reimbursed by the Citizens Medical Center over twenty years beginning in 2023.

<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
<u>Subscription Liabilities</u>	<u>Interlocal Commitment</u>	<u>Direct Borrowing</u>	<u>Financed Purchases</u>			
\$ -	\$ 2,335,833	\$ -	\$ -	\$ 16,811,822	0.39%	\$ 181.98
-	2,105,908	-	-	15,638,874	0.36%	169.13
-	1,863,808	-	-	14,893,415	0.36%	161.74
-	1,615,952	-	-	13,744,665	0.35%	149.34
-	1,362,200	-	-	22,947,447	0.54%	249.20
-	1,102,414	-	-	22,009,993	0.49%	239.41
-	836,450	-	-	20,874,236	0.39%	229.48
-	564,160	-	-	29,854,137	0.56%	327.83
433,389	-	-	-	38,222,678	0.71%	416.99
650,575	-	-	-	36,768,526	N/A	401.12

COUNTY OF VICTORIA, TEXAS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last ten fiscal years

Fiscal Year	General Bonded Debt Outstanding				Debt Service Funds Available (1)
	Certificates of Obligation	General Obligation Bonds	Plus: Issuance Premiums	Total	
2015	\$ 13,340,000	\$ 470,000	\$ 412,212	\$ 14,222,212	\$ 361,231
2016	12,985,000	-	383,640	13,368,640	411,677
2017	7,245,000	4,920,000	763,838	12,928,838	405,931
2018	6,585,000	4,835,000	708,713	12,128,713	471,251
2019	15,800,000 *	4,835,000	950,247	21,585,247	541,502
2020	15,105,000	4,835,000	880,289	20,820,289	530,730
2021	14,525,000	4,425,000	810,331	19,760,331	596,283
2022	23,390,000 *	4,000,000	1,272,366	28,662,366	792,554
2023	32,160,000	3,560,000	1,596,746	37,316,746	1,032,998
2024	30,715,000	3,110,000	1,479,795	35,304,795	1,283,763

NOTES: *Payments on the 2019 Certificates of Obligation (\$9,895,000 principal) will be reimbursed by the Citizens Medical Center over twenty years beginning in 2021. Payments on the 2022 Certificates of Obligation (\$9,460,000) will be reimbursed by the Citizens Medical Center over twenty years beginning in 2023.

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) This is the amount restricted for debt service principal payments.

<u>Net Bonded Debt</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
\$ 13,860,981	0.21%	\$ 145.58
12,956,963	0.18%	135.98
12,522,907	0.18%	127.70
11,657,462	0.17%	118.96
21,043,745	0.31%	218.21
20,289,559	0.28%	211.12
19,164,048	0.26%	201.77
27,869,812	0.35%	306.04
36,283,748	0.41%	395.83
34,021,032	0.32%	370.00

COUNTY OF VICTORIA, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

(UNAUDITED)

December 31, 2024

	Net Debt Outstanding		Percentage Applicable To County	Amount Applicable To County
	Date	Amount		
Direct Debt:				
County of Victoria	12/31/2024	<u>\$ 35,484,763</u>	100.00%	<u>\$ 35,484,763</u>
Overlapping Debt:				
City of Victoria	9/30/2024	92,923,981	100.00%	92,923,981
Victoria County Navigation District	12/31/2024	13,935,041	100.00%	13,935,041
Victoria Junior College District	8/31/2024	23,924,899	100.00%	23,924,899
Victoria Independent School District	8/31/2024	99,867,631	100.00%	99,867,631
Industrial Independent School District	8/31/2024	12,836,736	25.46%	3,268,233
Victoria County Water Control and Improvement District #1	6/30/2024	1,317,554	100.00%	1,317,554
Victoria County Water Control and Improvement District #2	9/30/2024	<u>16,705</u>	100.00%	<u>16,705</u>
Total Overlapping Debt		<u>244,822,547</u>		<u>235,254,044</u>
Total		<u>\$ 280,307,310</u>		<u>\$ 270,738,807</u>

(1) Includes general obligation bonds, certificates of obligation, issuance premiums, financed purchases, Right-to-Use leases, and subscription liabilities, net of debt service funds available.

NOTE: The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the County's boundaries and dividing it by each government's total taxable value.

SOURCE: County of Victoria, City of Victoria, Victoria Junior College, Victoria Independent School District, Industrial Independent School District, Victoria County Water Control and Improvement District Numbers 1 and 2.

COUNTY OF VICTORIA, TEXAS
LEGAL DEBT MARGIN INFORMATION
Last ten fiscal years

	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt limit	\$ 2,167,543,505	\$ 2,286,693,308	\$ 2,236,264,055	\$ 2,249,812,811
Total net debt applicable to limit	<u>13,448,769</u>	<u>12,573,323</u>	<u>11,759,068</u>	<u>10,948,749</u>
Legal debt margin	<u>\$ 2,154,094,736</u>	<u>\$ 2,274,119,985</u>	<u>\$ 2,224,504,987</u>	<u>\$ 2,238,864,062</u>
Total net debt applicable to the limit as a percentage of debt limit	0.62%	0.55%	0.53%	0.49%

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 2,240,074,780	\$ 2,405,252,053	\$ 2,438,931,161	\$2,577,838,431	\$ 2,193,112,396	\$ 2,618,409,378
<u>20,093,498</u>	<u>19,409,270</u>	<u>18,353,717</u>	<u>26,597,446</u>	<u>34,687,002</u>	<u>32,541,237</u>
<u>\$ 2,219,981,282</u>	<u>\$ 2,385,842,783</u>	<u>\$ 2,420,577,444</u>	<u>\$2,551,240,985</u>	<u>\$ 2,158,425,394</u>	<u>\$ 2,585,868,141</u>
0.90%	0.81%	0.75%	1.03%	1.58%	1.24%

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed value	\$10,473,637,511
Debt limit	2,618,409,378
Debt applicable to limit	
Certificates of obligation	30,715,000
General obligation bonds	3,110,000
Less: Debt Service Fund Balance	<u>1,283,763</u>
Total amount of debt applicable to debt limit	<u>32,541,237</u>
Legal debt margin	<u>\$ 2,585,868,141</u>

COUNTY OF VICTORIA, TEXAS

DEMOGRAPHIC STATISTICS

(UNAUDITED)

Last ten fiscal years

<u>Fiscal Year</u>	<u>(1) Population</u>	<u>(2) Personal Income (000's)</u>	<u>(2) Per Capita Personal Income</u>	<u>(3) Unemployment Rate</u>
2015	92,382	\$ 4,351,303	\$ 47,101	4.2%
2016	92,467	4,109,015	44,438	5.0%
2017	92,084	3,912,142	42,484	4.9%
2018	92,035	4,246,686	46,142	3.8%
2019	92,084	4,506,415	48,938	3.4%
2020	91,936	4,953,641	53,881	8.1%
2021	90,964	5,319,509	58,479	5.4%
2022	91,065	5,375,580	59,030	3.6%
2023	91,664	5,399,576	33,305	3.6%
2024	91,949	N/A	N/A	4.0%

NOTE: N/A denotes information not available

SOURCE: (1) Texas Association of Counties & Census Bureau
(2) U.S. Department of Commerce, Bureau of Economic Analysis - Estimates based on Victoria County Area statistical data. Data for 2024 is not yet available.
(3) Texas Workforce Commission & Economic Research

COUNTY OF VICTORIA, TEXAS

PRINCIPAL EMPLOYERS

(UNAUDITED)

Current Year and Nine Years Ago

<u>Employer</u>	<u>2024</u>	
	<u>Employees</u>	<u>Percentage of Total Area Employment</u>
Formosa Plastics	3,719	8.98%
Victoria Independent School District	2,520	6.08%
The Inteplast Group	1,248	3.01%
Citizens Medical Center	1,300	3.14%
DeTar Healthcare System	775	1.87%
City of Victoria	654	1.58%
Caterpillar- NAHEX Victoria	650	1.57%
Calhoun County ISD	600	1.45%
Invista	600	1.45%
DOW-Seadrift Operations	600	1.45%
	<u>12,666</u>	<u>30.58%</u>

<u>Employer</u>	<u>2015</u>	
	<u>Employees</u>	<u>Percentage of Total Area Employment</u>
Victoria Independent School District	2,300	5.08%
The Inteplast Group	2,250	4.96%
Formosa Plastics	1,896	4.18%
Citizens Medical Center	1,074	2.37%
DeTar Healthcare System	857	1.89%
Invista	700	1.54%
City of Victoria	618	1.36%
DOW-Seadrift Operations	573	1.26%
Calhoun County ISD	571	1.26%
Caterpillar- NAHEX Victoria	550	1.21%
	<u>11,389</u>	<u>25.11%</u>

SOURCE: Victoria Economic Development Corporation

NOTE: Based on Victoria Metropolitan Statistical Area, which includes Victoria, Calhoun, Dewitt, Lavaca, Gonzales, Jackson and Goliad Counties.

COUNTY OF VICTORIA, TEXAS

FULL-TIME-EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last ten fiscal years

Function/Program	Fiscal Year			
	2015	2016	2017	2018
General government				
County Judge	1	1	2	2
Comissioners' court	3	3	2	2
Records management	2	2	2	2
County clerk	15	14	15	15
Pre-Trial Services	2	2	2	2
Veterans' service officer	1	1	1	1
Heritage director	1	1	1	1
County court at law #1	2	4	5	5
County court at law #2	2	-	-	-
District court	11	11	11	11
District clerk	14	14	14	14
Justice of the peace #1	4	4	4	4
Justice of the peace #2	3	3	3	3
Justice of the peace #3	4	4	4	4
Justice of the peace #4	3	3	3	3
Criminal district attorney	28	28	28	28
Election administrator	3	3	3	3
County auditor	8	8	8	8
County treasurer	5	5	5	5
Tax assessor-collector	16	16	16	16
Administrative services	4	4	4	4
Information technology	9	9	8	7
Human resources	-	-	-	-
Building maintenance	10	9	9	12
Juvenile detention facility	57	57	55	56
Public safety				
Fire marshal	9	9	9	9
Sheriff	202	202	202	202
Constable #1	1	1	1	1
Constable #2	1	1	1	1
Constable #3	1	1	1	1
Constable #4	1	1	1	1
Animal control	-	-	-	-
Culture and recreation				
Parks and recreation	1	1	1	1
Extension service	5	5	5	5
Public health (includes flood/emg mgmt & health dept)	51	49	51	51
Highways and streets	44	44	43	43
Airport	17	17	17	17
Commissary	1	1	1	1
Navarro Project	3	3	3	-
Total	545	541	541	541

NOTES: A full-time employee is scheduled to work 2,080 hours per year (including paid time off).
Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

In 2023, Animal Control was no longer a part of the health department and became its own department.

Fiscal Year					
2019	2020	2021	2022	2023	2024
2	2	2	2	2	2
2	2	2	2	2	3
2	2	2	2	2	2
15	15	15	15	15	15
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	5
-	-	-	-	-	-
11	11	11	11	11	11
14	14	14	14	14	14
4	4	4	4	4	4
3	3	3	3	3	3
4	4	4	4	4	4
3	3	3	3	3	3
28	27	27	28	28	28
3	6	5	5	5	5
8	8	8	8	8	8
5	5	5	5	5	5
16	16	16	16	16	16
4	3	3	3	4	4
7	7	7	7	7	7
-	2	2	3	3	3
12	12	12	13	13	13
56	56	56	56	56	56
9	9	9	7	7	7
202	213	226	234	234	234
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
-	-	-	-	11	12
-	-	-	-	-	-
5	5	5	5	5	5
52	59	59	59	57	65
43	44	43	45	45	45
14	14	15	15	15	15
1	1	2	2	2	2
-	-	-	-	-	-
<u>538</u>	<u>560</u>	<u>573</u>	<u>584</u>	<u>594</u>	<u>604</u>

COUNTY OF VICTORIA, TEXAS*OPERATING INDICATORS BY FUNCTION/PROGRAM**Last ten fiscal years*

Function/Program	Fiscal Year			
	2015	2016	2017	2018
General government				
County Court				
Criminal cases filed	1,472	1,730	1,472	1,686
Criminal case dispositions	1,970	1,721	1,843	1,726
Civil cases filed	469	419	535	654
Civil case dispositions	468	587	444	554
Juvenile cases filed	66	112	28	70
Juvenile case dispositions	90	112	40	86
District Court				
Criminal cases filed	933	972	863	1,081
Criminal case dispositions	969	892	811	803
Civil cases filed	2,770	3,012	3,378	2,949
Civil case dispositions	2,918	2,849	3,452	2,884
Justice of the Peace				
Civil cases filed	1,322	1,577	1,811	2,485
Criminal cases filed	8,247	6,788	6,487	8,183
Elections Administrator				
New registrations	2,026	5,774	5,963	9,808
Elections held	2	6	1	5
County Auditor				
Accounts payable invoices processed	22,529	24,700	24,259	25,504
County Treasurer				
Payroll checks processed	17,478	17,665	17,058	16,954
Tax Assessor-collector				
Automobile registrations	97,932	92,717	91,587	91,016
Public Safety				
Animal Control				
Animal control calls	7,976	7,000	6,748	5,498
Sheriff				
Emergency 911 calls received	5,268	5,105	5,755	5,405
Fire marshal				
Fires	179	180	314	415
Culture and recreation				
Parks and recreation				
Cabana rentals	12	24	20	26
Public health				
Health Department				
Immunizations administered	3,296	4,352	4,840	3,674
Adult/child health screening visits	1,582	1,076	840	651
Environmental inspections/permits	3,683	4,011	2,303	2,416
Mosquito control trips	73	55	61	88
Water laboratory tests	9,682	4,236	2,305	1,760
Highways and streets				
Road and bridge precincts				
Miles of roads overlaid	35	39	40	37

Fiscal Year					
2019	2020	2021	2022	2023	2024
1,983	1,520	1,320	1,853	1,248	1,162
982	1,712	828	2,029	1,720	915
624	422	348	645	319	253
576	168	225	326	217	233
95	90	77	91	84	88
57	57	60	74	100	78
863	885	955	1,033	820	827
1,132	706	931	1,053	987	957
2,506	2,106	2,101	1,823	1,927	1,787
2,682	1,814	2,227	2,087	1,820	1,957
2,567	2,079	2,487	2,194	2,340	2,625
8,456	5,976	6,118	6,032	5,197	5,215
2,866	5,060	3,256	8,998	3,077	4,821
2	3	4	4	2	5
26,353	23,808	23,991	25,828	26,023	26,206
17,174	17,093	16,862	16,449	17,288	17,544
90,696	87,257	90,455	89,662	89,759	88,713
4,452	4,870	4,230	4,390	3,726	3,488
5,055	5,248	5,317	5,606	5,935	5,507
323	363	219	557	264	235
39	2	17	23	24	23
4,151	2,699	9,838	3,491	1,345	1,456
674	658	840	617	542	583
2,760	2,784	2,846	3,246	2,890	2,943
88	77	132	83	66	137
1,405	1,312	1,580	2,238	2,236	2,754
45	42	32	36	39	36

COUNTY OF VICTORIA, TEXAS*CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**Last ten fiscal years*

Function/Program	Fiscal Year			
	2015	2016	2017	2018
General government				
Buildings	10	11	11	11
Parking lots	3	3	3	3
Public safety				
Animal Control				
Animal Shelter	1	1	1	1
Sheriff				
Jail	1	1	1	1
Patrol units	98	110	110	114
Fire Marshal				
Stations	1	1	1	1
Fire trucks	7	7	7	7
Highways and streets				
Roads (miles)	592.96	590.21	604.67	592.25
Bridges	90	90	90	90
Landfills	3	3	3	3
Culture and recreation				
Lake (acreage)	95	95	95	95
Boat ramps	2	2	2	2
Extension Office	1	1	1	1
4 H Activity Center	1	1	1	1
Airport				
T-Hanger	6	6	6	6
Terminal	1	1	1	1
Navarro Lease Project				
Building	1	1	1	1

SOURCES: Various County Departments

Texas Department of Transportation

Fiscal Year						
2019	2020	2021	2022	2023	2024	
11	11	13	13	14	15	
3	3	3	3	3	3	
1	1	1	1	1	1	
1	1	1	1	1	1	
114	125	106	111	110	108	
1	1	1	1	1	1	
8	10	10	11	12	14	
599.26	599.54	599.72	601.88	604.33	604.33	
90	90	90	90	92	92	
3	3	3	3	3	3	
95	95	95	95	95	95	
2	2	2	2	2	2	
1	1	1	1	1	1	
1	1	1	1	1	1	
6	6	6	6	6	6	
1	1	1	1	1	1	
1	1	0	0	0	0	

SINGLE AUDIT SECTION



CERTIFIED PUBLIC ACCOUNTANTS
101 S. MAIN, SUITE 400
VICTORIA, TEXAS 77901-8142

STEPHEN W. VAN MANEN, CPA
DENNIS C. CIHAL, CPA
ERIC L. KUCERA, CPA
CLAYTON P. VAN PELT, CPA
ROBERT W. SCHAAR, CPA
MELISSA M. TERRY, CPA

VOICE: (361) 573-3255
FAX: (361) 573-9531

**INDEPENDENT AUDITORS' 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**

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the statutory basis financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Victoria, Texas (the "County") as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Citizens Medical Center, as described in our report on the County's financial statements. These financial statements were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



HARRISON, WALDROP & UHEREK, L.L.P.
Certified Public Accountants

July 30, 2025



CERTIFIED PUBLIC ACCOUNTANTS
101 S. MAIN, SUITE 400
VICTORIA, TEXAS 77901-8142

STEPHEN W. VAN MANEN, CPA
DENNIS C. CIHAL, CPA
ERIC L. KUCERA, CPA
CLAYTON P. VAN PELT, CPA
ROBERT W. SCHAAR, CPA
MELISSA M. TERRY, CPA

VOICE: (361) 573-3255
FAX: (361) 573-9531

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE TEXAS GRANT MANAGEMENT STANDARDS

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the County of Victoria, Texas' (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Texas Grant Management Standards* that could have a direct and material effect on each of the County's major federal and state programs for the year ended December 31, 2024. The County's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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, the Uniform Guidance, and the TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

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

Auditor's Responsibility for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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 the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the TxGMS, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings or questioned costs as item 2024-001 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



HARRISON, WALDROP & UHEREK, L.L.P.
Certified Public Accountants

July 30, 2025

COUNTY OF VICTORIA, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	Other Award Number
FEDERAL EXPENDITURES		
U. S. Department of Homeland Security		
<i>Passed Through the Transportation Security Administration</i>		
Law Enforcement Officer Reimbursement Agreement Program	97.090	70T02021T6114N288
<i>Passed Through the Office of the Texas Governor, Homeland Security Grants Division</i>		
Homeland Security Grant Program	97.067	EMW-2022-SS-00021
Homeland Security Grant Program	97.067	EMW-2023-SS-00025
Total Office of the Texas Governor, Homeland Security Grants Division		
<i>Passed Through the Texas Division of Emergency Management</i>		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR-4798
COVID-19 Hazard Mitigation Grant	97.039	DR-4485-0040
COVID-19 Hazard Mitigation Grant	97.039	DR-4485-0005
Total Texas Division of Emergency Management		
Total U.S. Department of Homeland Security		
U. S. Department of Justice		
<i>Direct Program</i>		
Equitable Sharing Program	16.922	N/A
Equitable Sharing Program	16.922	N/A
<i>Passed Through the Office of the Texas Governor, Criminal Justice Division</i>		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03817-JAGX
Crime Victim Assistance	16.575	C-00934
Crime Victim Assistance	16.575	C-01582
Crime Victim Assistance	16.575	C-00935
Crime Victim Assistance	16.575	C-01583
Total Office of the Texas Governor, Criminal Justice Division		
Total U.S. Department of Justice		
U. S. Department of Agriculture		
<i>Passed Through Texas Health and Human Services Commission</i>		
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	HHS000807400001
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	HHS000807400001
Total Texas Health and Human Services Commission		

Expenditures			Passed through to Subrecipients	Name of Cluster (if applicable)	Note
From Pass-Through Awards	From Direct Awards	Total			
\$ 9,394	\$ -	\$ 9,394	\$ -		
9,394	-	9,394	-		
143,514	-	143,514	-		
217,225	-	217,225	-		
360,739	-	360,739	-		
51,714	-	51,714	-		
51,714	-	51,714	-		
4,317	-	4,317	-		
280	-	280	-		
4,597	-	4,597	-		
56,311	-	56,311	-		
426,444	-	426,444	-		
-	64,594	64,594	-		
-	43,309	43,309	-		
-	107,903	107,903	-		
14,251	-	14,251	-		
14,251	-	14,251	-		
26,333	-	26,333	-		
23,968	-	23,968	-		
29,913	-	29,913	-		
20,743	-	20,743	-		
100,957	-	100,957	-		
115,208	-	115,208	-		
115,208	107,903	223,111	-		
553,371	-	553,371	-		3
232,849	-	232,849	-		3
786,220	-	786,220	-		

COUNTY OF VICTORIA, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	Other Award Number
FEDERAL EXPENDITURES - (Continued)		
U. S. Department of Agriculture - (Continued)		
<i>Passed Through Texas Department of Agriculture</i>		
School Breakfast Program	10.553	246TX332N1199
School Breakfast Program	10.553	246TX332N1199
National School Lunch Program	10.555	246TX332N1199
National School Lunch Program	10.555	246TX332N1199
Supply Chain Assistance (SCA)	10.555	236TX400N8903
Non-Cash Assistance (Commodities)	10.565	236TX877Y8005
Non-Cash Assistance (Commodities)	10.565	236TX877Y8005
Total Child Nutrition Cluster		
Total Texas Department of Agriculture		
Total U.S. Department of Agriculture		
U. S. Department of Health and Human Services		
<i>Passed Through Texas Department of State Health Services</i>		
Public Health Emergency Preparedness (PHEP)	93.069	HHS001311200045
Public Health Emergency Preparedness (PHEP)	93.069	HHS001439500032
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	HHS001077700001
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	HHS001096400026
Immunization Cooperative Agreements	93.268	HHS001331300049
Immunization Cooperative Agreements	93.268	HHS001331300049
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	HHS001105400020
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	HHS001105400020
Preventive Health and Health Services Block Grant	93.991	HHS001324900053
Preventive Health and Health Services Block Grant	93.991	HHS000438400007
Preventive Health and Health Services Block Grant	93.991	HHS000456400001

Expenditures			Passed through to Subrecipients	Name of Cluster (if applicable)	Note
From Pass-Through Awards	From Direct Awards	Total			
\$ 22,735	\$ -	\$ 22,735	\$ -	Child Nutrition Cluster	
23,115	-	23,115	-	Child Nutrition Cluster	
45,850	-	45,850	-		
45,410	-	45,410	-	Child Nutrition Cluster	
46,040	-	46,040	-	Child Nutrition Cluster	
6,597	-	6,597	-	Child Nutrition Cluster	
98,047	-	98,047	-		
1,349	-	1,349	-	Child Nutrition Cluster	4
2,780	-	2,780	-	Child Nutrition Cluster	4
4,129	-	4,129	-		
148,026	-	148,026	-		
148,026	-	148,026	-		
934,246	-	934,246	-		
51,814	-	51,814	-		
41,533	-	41,533	-		
93,347	-	93,347	-		
186,242	-	186,242	-		
186,242	-	186,242	-		
20,709	-	20,709	-		
20,709	-	20,709	-		
63,595	-	63,595	-		
138,978	-	138,978	-		
202,573	-	202,573	-		
547,677	-	547,677	114,872		3
244,698	-	244,698	54,179		3
792,375	-	792,375	169,051		
161,826	-	161,826	-		
62,031	-	62,031	-		
23,562	-	23,562	-		
247,419	-	247,419	-		

COUNTY OF VICTORIA, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	Other Award Number
FEDERAL EXPENDITURES - (Continued)		
U. S. Department of Health and Human Services - (Continued)		
<i>Passed Through Texas Department of State Health Services - (Continued)</i>		
COVID-19 Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	HHS001057600044
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	HHS000812700032
CDC's Collaboration with Academia to Strengthen Public Health	93.967	HHS001313500001
Total Texas Department of State Health Services		
<i>Passed Through Texas Health and Human Services Commission</i>		
Medical Assistance Program	93.778	HHS000537900284
<i>Passed Through Brazos Valley Council of Governments</i>		
HIV Care Formula Grants	93.917	5611/SR1-565-03
HIV Care Formula Grants	93.917	5611/2-565-01
Total Brazos Valley Council of Governments		
Total U.S. Department of Health and Human Services		
U. S. Department of Housing and Urban Development		
<i>Passed Through Texas General Land Office</i>		
Community Development Block Grant/State's program	14.228	20-065-094-C262
Total Texas General Land Office		
<i>Passed Through Brazos Valley Council of Governments</i>		
Housing Opportunities for Persons with AIDS	14.241	5613/1-565-01
Housing Opportunities for Persons with AIDS	14.241	5613/1-565-01
Total Brazos Valley Council of Governments		
Total U.S. Department of Housing and Urban Development		
U. S. Department of Transportation		
<i>Passed Through Federal Aviation Administration</i>		
Airport Improvement Program and COVID-19 Airports Programs	20.106	3-48-0219-025-2022
Airport Improvement Program and COVID-19 Airports Programs	20.106	3-48-0219-024-2022
Airport Improvement Program and COVID-19 Airports Programs	20.106	3-48-0219-026-2023
Airport Improvement Program and COVID-19 Airports Programs	20.106	3-48-0219-027-2024
Total U.S. Department of Transportation		
U. S. Department of the Interior		
<i>Direct Program</i>		
GOMESA	15.435	N/A
Total U.S. Department of the Interior		

Expenditures			Passed through to Subrecipients	Name of Cluster (if applicable)	Note
From Pass-Through Awards	From Direct Awards	Total			
\$ 49,749	\$ -	\$ 49,749	\$ -		3
19,780	-	19,780	-		
185,590	-	185,590	-		
1,797,784	-	1,797,784	169,051		
25,135	-	25,135	-	Medicaid Cluster	
8,808	-	8,808	-		
3,526	-	3,526	-		
12,334	-	12,334	-		
1,835,253	-	1,835,253	169,051		
126,094	-	126,094	-		
126,094	-	126,094	-		
101,529	-	101,529	-		
46,333	-	46,333	-		
147,862	-	147,862	-		
273,956	-	273,956	-		
(13,807)	-	(13,807)	-		
9,627	-	9,627	-		
1,110,312	-	1,110,312	-		
1,942,581	-	1,942,581	-		
3,048,713	-	3,048,713	-		
-	80,895	80,895	-		
-	80,895	80,895	-		

COUNTY OF VICTORIA, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended December 31, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing No.	Other Award Number
FEDERAL EXPENDITURES - (Continued)		
Executive Office of the President		
<i>Passed Through Office of National Drug Control Policy</i>		
High Intensity Drug Trafficking Areas Program	95.001	G23HN0020A
High Intensity Drug Trafficking Areas Program	95.001	G24HN0020A
Total Executive Office of the President		
U.S. Department of the Treasury		
<i>Direct Program</i>		
Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19
Total U.S. Department of the Treasury		
TOTAL FEDERAL EXPENDITURES		
STATE EXPENDITURES		
Texas Department of State Health Services		
Texas Epidemiology Capacity Expansion IDCU/SUR	N/A	HHS001315700028
TB/PC-STATE Tuberculosis Prevention and Control	N/A	HHS001182200025
TB/PC-STATE Tuberculosis Prevention and Control	N/A	HHS0010437400027
<i>Passed Through Brazos Valley Council of Governments</i>		
HIV Health and Social Services (State Services)	N/A	5612/2-565-01
HIV Health and Social Services (State Services)	N/A	5612/1-565-01
Total Brazos Valley Council of Governments		
Total Texas Department of State Health Services		
Texas Juvenile Justice Department		
State Aid	N/A	TJPC-A-2024-235
State Aid	N/A	TJPC-A-2025-235
Grant R	N/A	TJPC-R-2024-235
Grant R	N/A	TJPC-R-2024-235
Grant R	N/A	TJPC-R-2025-235
Grant Det Reimb	N/A	TJPC-Det Reimb-2024-235
Total Texas Juvenile Justice Department		
Office of the Attorney General of Texas		
Texas Vine Grant	N/A	20222344900-515-01
Texas Department of Transportation		
Routine Airport Maintenance Program	N/A	M2413VICT
County Transportation Infrastructure Fund Grant	N/A	CTIF-02-235
Total Texas Department of Transportation		
Law Enforcement Officers Standards and Education		
Training Grant	N/A	N/A

Expenditures			Passed through to Subrecipients	Name of Cluster (if applicable)	Note
From Pass-Through Awards	From Direct Awards	Total			
\$ 83,084	\$ -	\$ 83,084	\$ -		
24,306	-	24,306	-		
107,390	-	107,390	-		
-	3,128,937	3,128,937	3,040,986		
-	3,128,937	3,128,937	3,040,986		
6,741,210	3,317,735	10,058,945	3,210,037		
-	86,364	86,364	-		
-	36,985	36,985	-		
-	18,346	18,346	-		
-	141,695	141,695	-		
11,535	-	11,535	-		
124,826	-	124,826	-		
136,361	-	136,361	-		
136,361	141,695	278,056	-		
-	744,069	744,069	-		
-	883,008	883,008	-		
-	(829)	(829)	-		
-	180,248	180,248	-		
-	34,223	34,223	-		
-	17,760	17,760	-		
-	1,858,479	1,858,479	-		
-	18,211	18,211	-		
-	100,000	100,000	-		
-	44,263	44,263	-		
-	144,263	144,263	-		
-	18,538	18,538	-		

COUNTY OF VICTORIA, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended December 31, 2024

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing No.</u>	<u>Other Award Number</u>
STATE EXPENDITURES - (Continued)		
Texas Task Force on Indigent Defense		
Indigent Defense	N/A	212-24-235
Indigent Defense Coordinator Program	N/A	212-24-C14
Indigent Defense Coordinator Program	N/A	212-25-C12
Coastal Plains Regional Public Defender	N/A	SN-24-002
Coastal Plains Regional Public Defender	N/A	SG-25-014
Total Texas Task Force Indigent Defense		
Texas Office of the Governor - Homeland Security Grants Division		
Operation Lone Star Grant Program	N/A	4381002
Texas Forest Service		
Texas Rural Volunteer Fire Department Assistance Program	N/A	N/A
Texas A&M Agrilife Extension Service		
Feral Hog Abatement Program	N/A	N/A
Texas Comptroller of Public Accounts		
Rural Law Enforcement Salary Assistance Grant Program	N/A	IA-0000000425
Rural Law Enforcement Salary Assistance Grant Program	N/A	IA-0000000442
Total Texas Comptroller of Public Accounts		
TOTAL STATE EXPENDITURES		
TOTAL FEDERAL AND STATE EXPENDITURES		

See accompanying notes to schedule of expenditures of federal and state awards.

Expenditures		Total	Passed through to Subrecipients	Name of Cluster (if applicable)	Note
From Pass-Through Awards	From Direct Awards				
\$ -	\$ 61,293	\$ 61,293	\$ -		
-	23,029	23,029	-		
-	4,663	4,663	-		
-	144,207	144,207	-		
-	278,650	278,650	-		
-	511,842	511,842	-		
-	410,330	410,330	-		
-	140,778	140,778	-		
-	2,843	2,843	-		
-	456,100	456,100	-		
-	164,636	164,636	-		
-	620,736	620,736	-		
136,361	3,867,715	4,004,076	-		
<u>\$ 6,877,571</u>	<u>\$ 7,185,450</u>	<u>\$ 14,063,021</u>	<u>\$ 3,210,037</u>		

(concluded)

COUNTY OF VICTORIA, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended December 31, 2024

NOTE 1: BASIS OF ACCOUNTING

Expenditures reported on the schedule are reported on the statutory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the Texas Grant Management Standards (TxGMS), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 2: PROGRAM COSTS

The accompanying schedule of expenditures of federal and state awards includes only the federal and state grant portion of the program costs. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements. The information in this schedule is presented in accordance with the 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 TxGMS.

NOTE 3: INDIRECT COST RATE

The amount expended for these grants includes a total of \$128,976 claimed as indirect cost recoveries using an approved indirect cost rate of 16.91 percent of total expenses.

The County has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 4: NONCASH AWARDS

The amount of commodities reported on the schedule is the value of the commodities received by the County during the fiscal year and priced as prescribed by the Department of Agriculture, Food and Nutrition Service.

NOTE 5: SUBRECIPIENTS

The County passes certain federal awards received from both the Department of the Treasury and the Department of Health and Human Services to other governments or not-for-profit organizations (subrecipients). The County reports expenditures of federal awards to subrecipients when paid in cash. As a pass-through entity, the County has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

COUNTY OF VICTORIA, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended December 31, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Adverse (GAAP Basis); Unmodified (Statutory Basis)

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that is/are not considered to be material weakness(es)? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that is/are not considered to be material weakness(es)? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a) and Texas Grant Management Standards? yes no

Identification of major programs:

Federal Assistance

<i>Listing Number(s)</i>	<i>Name of Major Programs or Cluster</i>
93.870	Maternal, Infant and Early Childhood Home Visiting Grant
21.027	Coronavirus State and Local Fiscal Recovery Funds
N/A	Rural Law Enforcement Salary Assistance Grant Program
N/A	Texas Juvenile Justice Department-2024-235 and 2025-235

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

Auditee qualified as low-risk auditee? yes no

Section II - Financial Statement Findings

None noted.

Section III - Federal Award Findings and Questioned Costs

Finding 2024-001: Subrecipient Monitoring

Federal Agency: U.S. Department of Health and Human Services
Federal Program: Maternal, Infant and Early Childhood Home Visiting Grant
Assistance Listing Number: 93.870
Award Number and Period: HHS001105400020
September 1, 2023 – August 31, 2024
September 1, 2024 – August 31, 2025
Pass-Through Agency: Texas Department of State Health Services

Type of Finding: Significant Deficiency in Internal Control Over Compliance, Material Non-compliance

Criteria or specific requirement: Per 2 CFR 200.303(a), the County must establish and maintain effective internal control over the Federal award that provides reasonable assurance that it is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in the "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Under Uniform Grant Guidance, the County must:

- Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes certain required information including but not limited to: Federal and subaward information, indirect cost rate, and the subrecipient's unique entity identifier (UEI). (2 CFR 200.332 (b))
- Evaluate each subrecipient's fraud risk and risk of noncompliance with a subaward to determine the appropriate subrecipient monitoring. (2 CFR 200.332 (c))
- Monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. (2 CFR 200.332 (e))
- Verify that a subrecipient is audited as required by 2 CFR 200.501. (2 CFR 200.332 (g))

Condition: Subaward agreement was expired and did not include all required information, nor did the subrecipient have the required UEI. Subaward requirements were not communicated to the subrecipient; therefore, monitoring activities were not effective. Documentation of subrecipient risk assessment or audit verification not available for audit.

Questioned Costs: None noted.

Context: Audit procedures included testing of the one subrecipient who received a subaward during the year. There were no other subrecipients.

Cause: The County's procedures were not sufficient to ensure the subawards were issued or monitored in compliance with Federal requirements. Internal controls did not prevent or detect the errors.

Effect: Failure to properly document required contract information, perform the necessary risk assessments, and document the review of the subrecipient's single audit may result in noncompliance with grant terms and conditions. Subrecipients may have incomplete Schedules of Expenditures of Federal Awards, and federal funds may not be properly audited at the subrecipient level in accordance with the Uniform Guidance.

Repeat Finding from Prior Year: No.

Recommendation: The County should review and enhance internal controls and procedures to ensure that all required information is included in subaward agreements, that proper subrecipient monitoring is conducted, and that evaluation of independent audits is performed for all subrecipients if applicable.

Views of Responsible Officials: The County will implement necessary controls to comply with the pass-through entity and subrecipient monitoring requirements under the federal Uniform Guidance as per CFR § 200.332.



MICHELLE SAMFORD
COUNTY AUDITOR
VICTORIA COUNTY, TEXAS

115 N. Bridge, Room 122
Victoria, Texas 77901
Email: msamford@vctx.org

Tel: (361)575-8451
Fax: (361)573-0636

Federal Award Findings and Questioned Costs

2024-001

The County's Corrective Action Plan to address the condition is to put controls in place to ensure subaward agreements are current and include all required information, required information is provided to the subrecipient at the time of award issuance, subrecipients have a UEI, monitoring activities are conducted in accordance with the subaward agreement, and subrecipient risk assessment and audit verification is documented.

In addition, finance personnel will be provided with the proper education and training to ensure proper monitoring procedures are being followed.

The County is in the process of finalizing an updated subaward agreement that includes all required information. The subrecipient has obtained the proper UEI.

The County Auditor, Michelle Samford, will be responsible for ensuring that the Corrective Action Plan is implemented. The anticipated completion date is December 31, 2025.

COUNTY OF VICTORIA, TEXAS
SCHEDULE OF PRIOR AUDIT FINDINGS
For the year ended December 31, 2024

None were reported.