

**ALAMO AREA
COUNCIL OF GOVERNMENTS**

SAN ANTONIO, TEXAS

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021**

Prepared by:
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Blanca Tapia, Controller

ALAMO AREA COUNCIL OF GOVERNMENTS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2021

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INTRODUCTORY SECTION



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State Representative, District 21

August 22, 2022

County Judge James E. Teal
Members of the Board of Directors
Alamo Area Council of Governments
San Antonio, Texas

Dear Chairman James E. Teal and Members of the Board of Directors:

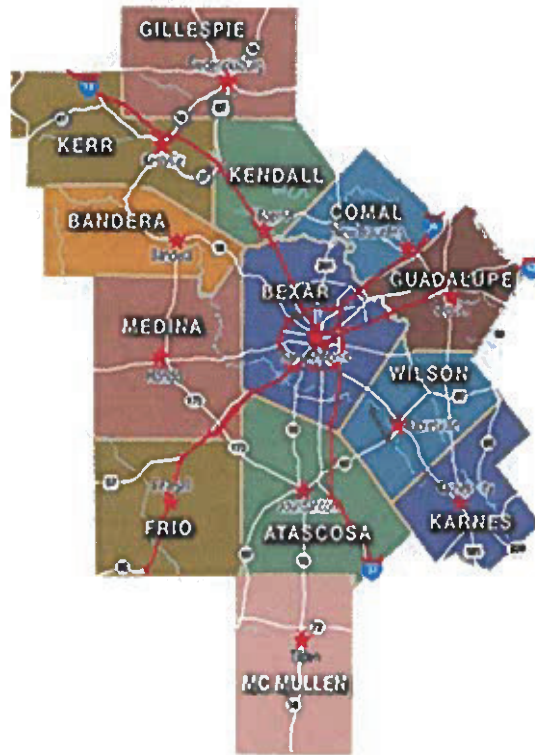
The Annual Comprehensive Financial Report (ACFR) of the Alamo Area Council of Governments ("the Council" or "AACOG") for the fiscal year ended December 31, 2021 is hereby submitted. This report was prepared by the Department of Accounting, which accepts responsibility for the accuracy, completeness, and fairness of the data presented. To provide a reasonable basis for making these representations, the AACOG team has established a comprehensive framework of internal controls that is designated to protect AACOG from loss, and allow the compilation of reliable information to prepare the attached financial statements in conformity with Generally Accepted Accounting Principles (GAAP). It should be noted that reasonable internal control measures weigh the cost of those procedures against their benefits and AACOG's internal control measures provide reasonable, but not absolute, assurance that the financial statements are free of material misstatement. We believe the data, as presented, is accurate in all material respects, that it properly reflects the financial position and the results of operation of AACOG, and that all disclosures have been made to enable the reader to acquire the maximum understanding of the financial affairs of the agency.

These financial statements are presented annually in compliance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the State of Texas Uniform Grant Management Standards as well as Article X of the Council's bylaws. FORVIS, L.L.P., Certified Public Accountants have issued an unmodified opinion, sometimes referred to as a "clean" opinion, on the AACOG financial statements included herein. This report is located on pages 1-3 at the front of the financial section of the report.

AACOG has prepared Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is intended to complement this letter of transmittal and should be read in conjunction with it.

Alamo Area Council of Governments profile:

Defined as a political subdivision of the State of Texas, the Alamo Area Council of Governments (AACOG) was established in 1967 under Chapter 391 of the Texas Local Government Code as a voluntary association of local governments and organizations that serves its members through planning, information, and coordination activities. AACOG serves the Alamo Area/State Planning Region 18, which covers 13 counties and 12,582 square miles in South-central Texas, as illustrated below.



Originally established as a regional planning commission, AACOG has continuously broadened its duties to include the delivery of a wide range of community services in order to assist its member governments and to enhance the quality of life of all residents in the Alamo Area. State law requires that at least two-thirds of the board of directors be elected local government officials. AACOG works to coordinate regional planning and provide efficient delivery of public services by achieving economies of scale. Albeit a governmental entity, AACOG does not have authority to tax or to regulate in support of its mission.

Texas Economic Condition and Outlook:

Texas' \$2.0 trillion economy is the 2nd largest in the United States and 9th in the world. It is also home to 6 of the top 50 companies on the Fortune 500 list. The State Comptroller projects the 2022 unemployment rate to be 4.5% compared to 6.6% in 2021. In addition, the Comptroller estimates Real Gross State Product to increase in 2022 to \$1.9 trillion from \$1.8 trillion in 2021. San Antonio and Bexar County continue to see accelerated growth in its population. It is estimated that the San Antonio metropolitan area will top 4 million by 2050, an increase of 1 million over current numbers. Overall, the state is in very good economic health.

The following annual report contains detailed information on AACOG's oversight, leadership, and programs for fiscal years 2021 and 2022.



A NEW DAY IN THE ALAMO REGION

2021





AGING SERVICES

AACOG's Aging Services programs make it possible for older adults to 'age in place' in their homes and communities by providing a range of services overseen by the Aging and Disability Resource Centers (ADRC) and the Alamo and Bexar Area Agencies on Aging (AAA).

AGING AND DISABILITY RESOURCE CENTER (ADRC) | ALAMO SERVICE CONNECTION

Aging and Disability Resource Centers are a highly visible and trusted resource where individuals of any age, income, or disability can call to learn about a full range of long-term services and supports available throughout the Alamo Area.

The Alamo Service Connection is AACOG's specific ADRC that serves older adults, people with disabilities, veterans – to include veterans' families – residing in the AACOG service area.



The ASC handled **45,863** calls in 2021

6,296 calls in the Alamo Area (AACOG's twelve rural counties) resulting in **1,853** referrals to the Alamo Area Agency on Aging

39,572 calls in Bexar County resulting in **7,226** referrals to the Bexar Area Agency on Aging

36,784 additional referrals were made to other AACOG programs and other community partners.

Through COVID-19 relief funding provided by the CARES Act, over 500 individuals (130 in the Alamo Area and 382 in Bexar County) struggling with food insecurity, rent or mortgage, and utility costs were assisted directly through the ASC. Overall, nearly \$600,000 were distributed for the purpose of purchasing groceries and other essentials between 2020 – 2021.

COVID-19 relief funding helped over 500 individuals struggling with:

-  **Food insecurity**
-  **Rent or Mortgage**
-  **Utility Costs**

 **\$600,000**
in gift cards distributed for purchasing groceries and other essentials.



BENEFITS COUNSELING

Also known as the State Health Insurance Assistance Program, the Benefits Counseling team provides Medicare beneficiaries with information, counseling, and enrollment assistance. Through this free one-on-one counseling, benefits staff assisted over 3,600 Medicare beneficiaries in 2021. The program also provides education, counseling, and advocacy to Medicare beneficiaries of any age.

During a year of pandemic restrictions, the Benefits Counseling team was still able to attend over 120 events, both virtually and in person, during 2021. Benefits Counselors were also able to provide one-on-one counseling and application assistance and education to Medicare Beneficiaries at gift card and food distributions across the Alamo Area.

3,600+ Medicare beneficiaries assisted in 2021

BENEFITS COUNSELING TOPICS:

- MEDICARE AND MEDICAID
- PUBLIC BENEFITS
- ENTITLEMENTS
- LEGAL RIGHTS
- SUPPLEMENTAL SECURITY INCOME
- SENIOR MEDICARE FRAUD
- ADVANCE DIRECTIVES
- LONG-TERM CARE
- NON-COVERED HEALTH
- OTHER INSURANCE
- VETERANS ISSUES
- SOCIAL SECURITY
- FRAUD/SCAMS
- APPEALS HEARINGS
- LEGAL ASSISTANCE

BENEFITS ENROLLMENT CENTER (BEC)

The Benefits Enrollment Center, one of only four in the State of Texas, allows AACOG benefits counselors to assist Medicare beneficiaries with the completion of their applications. The BEC team consults with older adults and individuals with disabilities and helps them apply for: Medicare Part D, Extra Help or Low Income Subsidy, Medicare Saving Program, Medicaid, Supplemental Nutrition Assistance Program, and Low Income Home Energy Assistance Program.



In 2021, Benefits Counselors assisted with over 500 applications and redeterminations.

MASONIC WIDOWS

Through a unique partnership with The Masonic Children & Family Services of Texas, widows of Texas Master Masons living within the 13-county service area are provided support services to assist with maintaining independence and improving quality of life. In 2021, the program assisted 10 masonic widows with: residential repairs, provider services, incontinence supplies, and transportation. This year, the program has approved over \$46,000 in funding specifically to assist this population. The partnership is projected to assist with up to \$100,000 over a two-year period. The assigned Care Specialist for the program was able to continue conducting outreach to disseminate information via emails, social media, flyer distributions, and limited in-person presentations at local Masonic Lodges.



**In 2021,
the program assisted 10
masonic widows with:**

 **Residential Repairs**

 **Provider Services**

 **Incontinence Supplies**

 **Transportation**



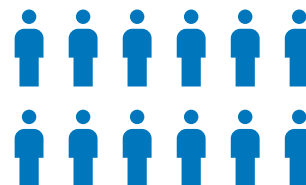
\$100,000

**In projected assistance
over a two year period**



HOUSING BOND

The AAA housing bond funds assist older adults in finding, and maintaining, housing in order to ensure their health, safety, security and independence. The AAA assists individuals relocate to more affordable housing, relocate from long-term care into the community, and assists with repairs or modifications to ease accessibility throughout a home. Our AAA were also able to serve 12 individuals – from January through June – with income support and assistance.



**AAA served
12 individuals from
January through June**

HEALTH & WELLNESS

Falls are a major concern for the elderly – they account for more than 29,000 deaths annually, with 50% of the falls occurring inside the home. During this time of COVID-19, evidence-based fall prevention programs historically taught in-person at senior and community centers were forced to stop, and the AACOG Health and Wellness program quickly had to adapt. Over 400 telephone calls were made to ensure clients were safe and to encourage them to participate in the online fall prevention classes. Through its adaptability, the Health and Wellness program was able to continue its mission of enhancing independence and quality of life, increasing mobility, encouraging socialization and overall health for older adults.

Over 400 telephone calls were made to ensure clients were safe and to encourage them to participate in fall prevention classes



CAREGIVER SERVICES

Informal, unpaid family caregivers many times have to manage their personal or family responsibilities, along with managing the demands and stresses involved in caring for a loved one. This year, the caregiver service program introduced a new type of caregiver education and training called Tualta. Tualta is a video-on-demand website designed with the family caregiver in mind. Topics available on this site include: Aging & Brain Health, Personal Care, Safety & Injury Prevention, and many others. Modules are designed to improve family caregiver confidence and to reduce stress by learning self-care skills. The caregiver services program is providing 100 family caregivers with full access to the website.



Tualta is a video-on-demand website designed with the family caregiver in mind...The caregiver services program is providing 100 family caregivers with full access to the website.



CARE SERVICES

Food insecurity, largely as a result of the pandemic, continues to be addressed through gift card distributions. An individual demonstrating need is provided with a \$100 food gift card to local grocers. This project provided over 2,200 cards – \$220,000 – to older adults across the 13-county service area in 2021 alone.



\$220,000

in gift cards to older adults across 13-county service area in 2021

OMBUDSMAN PROGRAM

The Alamo and Bexar LTC Ombudsman programs were the first in the state to return to the field and to make indoor visits during the pandemic. Both programs were recognized as a model statewide through innovative methods to connect with residents and staff in nursing homes and assisted living communities. Both programs have met or exceeded their annual performance measures, and completed state monitoring with zero findings or recommendations.

The resilience of the Alamo and Bexar Ombudsman programs shone through their shift to virtual training of new interns, ensuring the Certified Volunteers had ample opportunities to acquire the necessary education and training. The virtual platform also allowed for greater interaction and engagement for volunteers during a time of limited in-person contact. The retention of volunteers is critical for the success of the program and the virtual training and ongoing education received recognition from the State of Texas.



The resilience of the Alamo and Bexar Ombudsman programs shone through their shift to virtual training of new interns, ensuring the Certified Volunteers had ample opportunities to acquire the necessary education and training.

NUTRITION

Nutrition providers region-wide, who typically organize congregate meal events, were faced with trying to deliver services with newly adopted social-distancing guidelines and other sanitary best-practices. This shifted their distribution methods to home-delivered meals to older adults and many others in desperate need of nutrition support.

Most nutrition providers in the Alamo Area – the twelve rural counties surrounding Bexar County – were ultimately able to transition to congregate meal sites at 20% capacity. Inside Bexar County, the largest congregate meal provider, limited in-person activities have also resumed, and they continue to provide curbside meal pick-ups. Most other Bexar County congregate meal providers have remained closed with anticipated opening dates at the beginning of 2022.



Bexar Nutrition

Total — Units 962, 763

\$5,991,275

Alamo Nutrition

Total — Units 360,600

\$2,145,808

SENIOR COMPANION PROGRAM

The Senior Companion Program serves socially isolated veterans and older adults. Senior Corps volunteers, all aged 55 years and older, provide companionship and assistance with small tasks such as checking the mail, providing snacks, light housekeeping, running errands, and even accompaniment to doctor appointments. The senior companion volunteer may also provide respite services to a family member (caregiver) who may need some personal time, which ultimately helps the family caregiver avoid burnout. This program allows the senior to continue to live in their home and age in place.



21,484 Volunteer Hours Were Completed in 2021





ALAMO REGIONAL TRANSIT

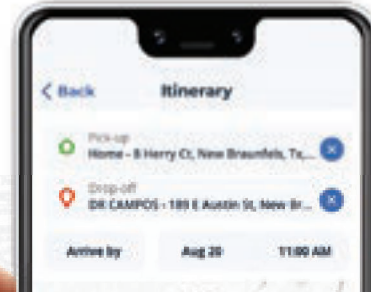
Alamo Regional Transit provides public transportation originating in rural areas outside of Bexar County. ART's mission is to provide safe, reliable, professional and courteous transportation at the lowest cost to residents in the Alamo Region.

DEMAND RESPONSE

ART provides “curb-to-curb” transportation to residents across the Alamo Area. Transportation is offered Monday thru Friday, from 7:00am to 6:00pm. Although a 24-hour advance reservation is typically recommended, the program can now offer same-day reservations based on availability. With a fixed fare structure, ART’s demand response service offers a safe and affordable option for individuals who may need to travel to work, to school, to a medical appointment, or even for leisure activities like shopping.

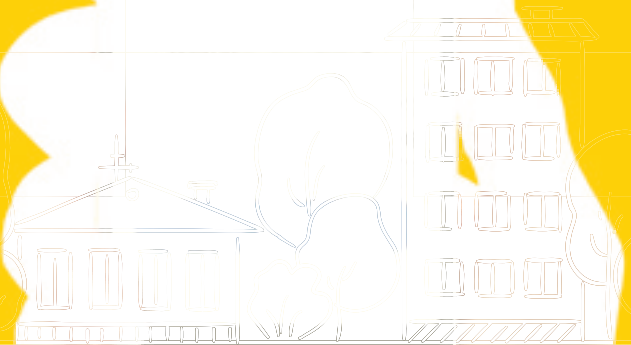


ART conducted a total of
115,049
trips in 2021.



Mobility on Demand App

As technological advancements improve how transit is coordinated, managed, and executed, ART recently partnered with a software service provider called ‘Ecolane’. This company allows ART to offer a mobile app where users can schedule, edit, and check the status of their transportation from their smart phone or computer. This mobile app, similar in design to popular rideshare services, not only enhances the user experience but also helps reduce wait times, travel times, and inefficiencies due to cancellations.



Ecolane

FIXED ROUTE

In partnership with the City of Seguin, ART operates a fixed route service called “Connect Seguin”. This route offers regular stops on a designated loop that visits major destinations across the city. In 2020, ART began a second fixed route in Atascosa County called “Atascosa Cowboy Connect”. This route, in partnership with Atascosa County and the Cities of Poteet, Jourdanon, and Pleasanton, provides a solution for residents that need to go into different cities within their own county. These types of routes aide communities in the reduction of traffic and air pollution while boosting their economy and residents’ quality of life.

These types of routes aide communities in the reduction of traffic and air pollution while boosting their economy and residents' quality of life.

SCHOOL KIDS

Transportation is offered to school children in situations where conventional school bus service cannot accommodate that household. These circumstances typically relate to students in after-school care or those who live within 2 miles of the school. In 2021, despite COVID restrictions 9,102 children were transported to and from school.

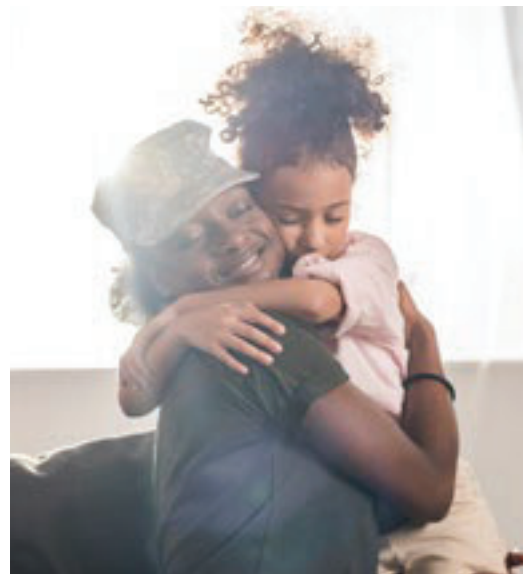


In 2021, 9,102 children were transported to and from school.

VETERANS TRANSPORTATION

ART provides transportation to veterans, their dependent family members, and surviving spouses across the 13-county service area through a partnership with the Texas Veterans Network and the Rides 4 Texas Heroes program.

This service helps veterans and their dependents travel to medical appointments, senior centers, to job interviews or work, and even to shopping trips.





ENVIRONMENTAL CONSERVATION

The Environmental Conservation department consists of two programs: the Regional Solid Waste Management program and the Property Assessed Clean Energy program. These programs work to develop awareness and adoption of environmentally conscious best practices such as source reduction, recycling, local illegal dumping enforcement, solid waste studies, household hazardous waste collections, energy efficiency, and water conservation.

REGIONAL SOLID WASTE MANAGEMENT

The Regional Solid Waste Management program began updating the Regional Solid Waste Management Plan by creating 5, 10, 15, and 20 year goals for the 13-county AACOG region. This process will culminate into a current, active, and adopted plan by the end of 2021, and will lay the foundation for environmental conservation and this program's focus over the next two decades.



5, 10, 15, and 20 year goals created to update the Regional Solid Waste Management Plan for the 13-county AACOG region.

CLOSED LANDFILL INVENTORY

The Closed Landfill Inventory maintains records for landfills within the 13-county region. These inventories are used by realtors, engineers, environmental scientists, developers, planners, and residents seeking information on past uses of land parcels.



Over **\$186,000** used to fund **6 projects**



Projects were implemented across four cities and one county, impacting over **1.6M residents**



15,000 pounds of materials diverted from the landfill in 2021



PROPERTY ASSESSED CLEAN ENERGY (TX-PACE)

In 2021, the Environmental Conservation program also assumed the outreach of the Property Assessed Clean Energy (PACE) program for the agency. PACE provides a private financing tool for area property owners to fund eligible retrofit projects. This tool incentivizes owners of commercial, industrial, and multi-family properties to obtain low-cost, long-term financing for water conservation, energy-efficiency, renewable, and resilient retrofits.

Over 48,800 people reached through education, outreach and events

Participation / Program Adoption: 3 counties and 10 cities by end of year



INTELLECTUAL AND DEVELOPMENTAL DISABILITY SERVICES

The Intellectual and Developmental Disability Services (IDDS) program serves as the single point of access and “front door” to publicly-funded services for individuals, of any age, with an intellectual disability, developmental disability, autism spectrum disorder, or related condition in Bexar County.

ELIGIBILITY DETERMINATION

A determination of eligibility is an assessment to determine if a person has an intellectual disability or is a member of the Health and Human Services Commission priority population for IDD. The assessment uses standardized tests to determine a person's IQ and Adaptive Behavior Level and is conducted by a qualified professional. An assessment typically includes an interview with the person, the person's legally authorized representative, or others who are actively involved with the person.



One of the greatest obstacles individuals with IDD and their supportive family members face is access to adequate behavioral crisis respite support and training opportunities.

BENEFITS ASSISTANCE

Benefits Assistance provides information, education, advocacy, and enrollment assistance to Medicaid beneficiaries with IDD. Benefits Assistance assists with applying for, and maintaining, your maximum state and federal benefits.

SERVICE COORDINATION

Service Coordinators / Case Managers help people access medical, social, educational, and other appropriate services and supports that will assist them to achieve an acceptable quality of life and community participation. Service Coordinators also assist with explaining the array of community living options.

DIRECT SERVICES AND SUPPORTS

IDD Services provides direct services and supports to eligible people residing in nursing facilities or enrolled in community-based services. The direct services are primarily intended to help individuals achieve an acceptable quality of life and community participation. Direct Services and Supports include: attendant & habilitation services, day habilitation, respite, employment services, and specialized therapies.

CRISIS SERVICES

One of the greatest obstacles individuals with IDD and their supportive family members face is access to adequate behavioral crisis respite support and training opportunities. The IDD crisis services program may provide 72 hours of in-home crisis respite or up to 14 days of out-of-home crisis respite to provide therapeutic support to stabilize the situation. Therapeutic support is a flexible array of services, including behavioral support provided to individuals with IDD who require varying therapeutic and habilitative levels of intervention to holistically address the stressors that result in challenging behaviors.



TRANSITION SUPPORT TEAM

The Transition Support Team program is designed to assist people with IDD avoid institutionalization. The goal is successful inclusion in the community for individuals with IDD by providing medical, psychiatric, and behavioral services targeting at-risk factors that lead to institutionalization. The Transition Support Team provides support to local intellectual and developmental disability authorities, Home and Community-based Services providers, and Texas Home Living providers that serve people at risk of admission or re-admission into an institutional setting – and those who have moved from an institutional setting, including state supported living centers and nursing facilities. Such support is provided in the AACOG, Camino Real, Gulf Bend, and Hill Country regions.



The Transition Support Team provides support to local intellectual and developmental disability authorities, Home and Community-based Service providers, and Texas Home Living providers...

SUPPORT & EMPOWERMENT

The Support & Empowerment program aims to educate older adults with IDD and their caregivers in health and wellness. In-person and virtual classes are offered to individuals in the Alamo region as well as statewide. The goal is to educate individuals with IDD and their caregivers about aging with IDD through instruction in various topics that include health, finance, spirituality, caregiver care, nutrition, and physical fitness. Individuals are empowered to identify gaps in the community support system and to create a plan for how to become a healthier and more efficient self-manager and caregiver.



Individuals are empowered to identify gaps in the community support system...



EMPLOYMENT SERVICES

The Employment Services program provides pre-vocational and vocational support services to people seeking to obtain or maintain employment, including the support of internships and apprenticeships in the community.



INTER-AGENCY COORDINATION

IDD Services continues to work diligently toward increasing the level of interagency coordination to support the IDD population:

IDD Services has continued to actively participate in the Southwest Texas Crisis Collaborative, an effort of Southwest Texas Regional Advisory Council designated by the Texas Department of State Health Services to develop, implement, and maintain the regional trauma and emergency healthcare system for Trauma Service Area -P, specifically focused on ending ineffective utilization of services for the safety net population. Through the STCC MEDCOM Law Enforcement Navigation of Emergency Detention Patients program AACOG continues to have visibility into the number of people with IDD and MI who are placed under Emergency Detention each month, and this allows AACOG to wrap-around follow-up care to prevent future crisis. AACOG is also working closely with the Program for Intensive Care Coordination to target interventions for super-utilizers who have experienced six or more Emergency Detentions in a 12-month period. Collaboration in both of these programs effectively supplements AACOG's Crisis Services.

IDD Services continues to partner with the local health information exchange, HASA, and receives daily alerts when people currently being served in our programs have presented at a local hospital. This near real-time information source allows for timelier follow up and discharge planning for urgent and emergent healthcare needs. This collaboration enhances both the quality of Service Coordination and enhances our ability to intervene timely in crisis events.

IDD Services continues to partner with Autism Lifeline Links to provide quality services, resources and care for individuals, families, caregivers, educators and others in the autism community. The goal of Autism Lifeline Links is to increase service capacity and eliminate wait times and barriers for individuals on the autism spectrum. AACOG's IDD Services and other Autism Lifeline Links partners provide services in Bexar County and surrounding areas specifically focusing on: care coordination, diagnostic services, behavioral support and therapy services, education and support



groups, financial assistance for medical expenses and basic needs, respite care, registration with long-term support programs, financial assistance for medical expenses and basic needs, respite care, registration with long-term support programs, and much more.

IDD Services has partnered with Morgan's Wonderland on development of the Multi Assistance Center (MAC). The MAC is a unique and innovative co-located, one-stop-shop model that provides all the medical and non-medical services needed for individuals with special needs and is scheduled to open in 2022.

IDD Services continues to partner and coordinate with Bexar County to develop systems around individuals with intellectual disability who have criminal justice involvement. Beginning in 2020, IDD Services now receives daily alerts when a person suspected of having IDD is booked in the Adult Detention Center. This collaboration with the state and county allows IDD Services to support the person and jail staff while developing a plan to divert the person to the community when possible to do so.

IDD Services has partnered with Morgan's Wonderland on development of the Multi Assistance Center (MAC). The MAC is a unique and innovative co-located, one-stop shop model that provides all the medical and non-medical services needed for individuals with special needs and is scheduled to open in 2022.



MILITARY & VETERAN AFFAIRS

AACOG's Military & Veterans Affairs programs facilitate communication and collaboration between local Joint Base San Antonio military installations and city, county, and community stakeholders.

Services are also available for veterans, veteran dependents, surviving spouses, and active service members, by connecting them to veteran-serving organizations and transportation services in the thirteen-county service area.

JOINT BASE SAN ANTONIO POWER SUB-STATION HARDENING PROJECT

In May 2020, AACOG was awarded a \$5M grant from the Governor's Office to improve the security and resiliency of the power grid supplying JBSA. CPS Energy matched the grant with a \$4M investment of their own to enhance the physical security of all major power substations supplying JBSA. This project also called for the removal of overhead power lines in a 'clear zone' near JBSA-Randolph. The removal of these power poles increases the safety of pilots, aircrew, and the neighboring community. This project is scheduled to be completed March of 2022.

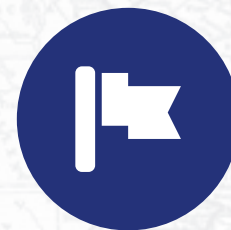
\$5,000,000
grant from the
Governor's Office to
improve the security and
resiliency of the power
grid supplying JBSA.



REGIONAL COMPATIBLE USE PROGRAM IMPLEMENTATION

The Military Affairs program received a \$252,000 grant from the Office of Local Defense Community Cooperation for implementation of the Regional Compatible Use Program study performed in 2019. The study listed 96 recommendations across 8 focus areas to ensure compatible use development of operations affecting JBSA and local communities. AACOG is listed as a responsible party in 59, or 61%, of the recommendations. Currently, AACOG is working on the development and implementation of GIS development and communication tools to assist developers in ensuring that proposed development is compatible with the JBSA mission.

\$252,000
grant from the Office of
Local Defense Community
Cooperation...



SENTINEL LANDSCAPE DESIGNATION

The Military Affairs program led an effort of over 40 separate organizations to seek designation of a Sentinel Landscape, which would protect 90,000 acres around Camp Bullis. Sentinel Landscape is a collaboration between the Department of Defense, Department of the Interior, and United States Department of Agriculture at the federal level and government, non-profit, and not-for-profit agencies. Designation of a Camp Bullis Sentinel Landscape can enable continued mission sustainment of this critical JBSA training facility while also protecting vital natural resources in the Alamo Area. Sentinel Landscape Designations are expected to be announced in December of 2021.

**Designation of a Camp
Bullis Sentinel Landscape
can enable continued
mission sustainment of
this critical JBSA training
facility...**

TEXAS VETERANS NETWORK (TVN)

Through a three-year grant from the Texas Workforce Commission, the Alamo Area Development Corporation, AACOG's 501(c)(3), was able to expand the Texas Veteran Network to the Laredo and Coastal Bend regions. Thanks to this expansion, these 27 Central and South Texas counties are now serviced by over 190 veteran-serving organizational partners that can cater to over 27 different needs-areas veterans may have.

The TVN San Antonio office remains the centralized coordination center where calls from military service members, veterans, and their dependents are answered, processed, and provided with a warm introduction to the provider that can assist them.

TVN also works with AACOG's Alamo Regional Transit program to provide transportation throughout the 13-county service area through the Rides 4 Texas Heroes program. This service helps veterans and their family members get to medical appointments, senior centers, job interviews, work, and even shopping trips.



Veterans Transportation

Over 3,300+ veterans served in 2021

VETERAN DIRECTED CARE SERVICES (VDC)

As an alternative to living in a long-term care facility, the Veteran Directed Care Services program empowers veterans to choose and manage services and supports from the comfort of their own homes. The VDC program serves veterans within a 120-mile radius of the City of San Antonio. In 2021, the program remained resilient by continuing to enroll and serve approximately 400 veteran referrals from the local Veterans Assistance office. VDC staff kept motivated and informed with local, regional, state, and national VA news regarding the ever-changing needs and protocols for our local veterans.

In 2021, the program remained resilient by continuing to enroll and serve approximately 400 veteran referrals from the local Veterans Assistance office.



NATURAL RESOURCES

The Natural Resources program works to educate stakeholders on ways to improve air quality for the AACOG region by conducting technical analysis and outreach programs, and by bringing together stakeholders from all interests – government, industry, small business, and residents – to develop air pollution reduction plans that benefit residents' quality of life.



ALAMO AREA CLEAN CITIES COALITION

The Alamo Area Clean Cities Coalition is a public-private partnership facilitating the adoption of alternative fuel vehicles and infrastructure. The program, funded through a grant from the US Department of Energy, fosters the nation's economic, environmental, and energy security by working locally to advance affordable domestic transportation fuels, energy efficient mobility systems, and other fuel-saving technologies and practices. Coalition efforts in 2021 included expanding alternative fuel corridors throughout South Texas, generating interest in financial incentives to help fleets purchase alternative fuel technology, and planning demonstration events like SA Drive Electric.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) RIDER 7

AACOG expanded its air quality monitoring operations in 2021 by adding nitrogen oxide (NOX) and meteorology monitors to four of its existing ozone monitoring sites, and by adding new monitors in the Cities of Boerne and Poteet. Two devices that measure weather conditions high up in the atmosphere – a Radar Wind Profiler (RWP) and a Sonic Detection and Ranging (SODAR) – were deployed in the Cities of Boerne and New Braunfels. AACOG also conducted aircraft sampling of pollutants in Atascosa, Bandera, Comal, Guadalupe, Kendall, Medina, and Wilson Counties – the seven near nonattainment counties included in the Rider 7 funding. Data collected at these sites help improve our understanding of ozone and can help inform future decisions related to emission reductions.

Emissions inventories were completed for four economic sectors: commercial lawn and garden, landfill operations, quarry and mining, and agriculture. These provide emissions estimates that can be used to predict future ozone levels and is beneficial to developing pollution control measures in those seven counties.

Earlier this year, the 87th Texas Legislature approved approximately \$400,000 to the region to continue these air quality planning efforts in 2022 and 2023 for Comal, Guadalupe, and Wilson counties.

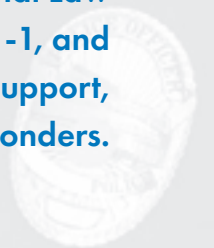


\$400,000
approximated
amount approved to
the region to continue
air quality planning
efforts in 2022 and
2023 for Comal,
Guadalupe, and
Wilson counties.



PUBLIC SAFETY

Public Safety is comprised of the Alamo Area Regional Law Enforcement Academy, Criminal Justice Planning, 9-1-1, and Homeland Security programs. These programs offer support, assistance, and training for first responders.



ALAMO AREA REGIONAL LAW ENFORCEMENT ACADEMY

The Alamo Area Regional Law Enforcement Academy is responsible for training individuals to become a peace officer or corrections officer in the State of Texas. In addition to the Basic Peace Officers Course, the Academy provides continuing education courses for all eligible Texas peace officers.

The Academy also offers over 3,100 online classes with topics ranging from legislative updates to de-escalation techniques. In 2021, a total of 116 cadets graduated from the AARLEA, and over 69,383 hours were reported by professionals who participated in our in-person and online trainings.



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CRIMINAL JUSTICE PLANNING

The Criminal Justice program conducts grant workshops, provides information about local, state, and federal funding opportunities, and offers technical assistance to area law enforcement agencies. Projects funded this year will help support a number of different efforts including victim services, the improvement of justice system response to violence against women, juvenile justice, truancy prevention, and improving overall regional criminal justice programs.

This year, the program provided a no-cost training in Sexualization of Strangulation to area agencies. This training is designed to assist those who provide services to victims of asphyxiation in any capacity. The program is also excited to offer a condensed versions of the Identification and Investigation of Strangulation training used at the Alamo Area Regional Law Enforcement Academy, which is developed by the nationally renowned Kelsey McKay and RESPOND Against Violence. The program hosted 199 attendees in 2021.

CJP assisted the Office of the Governor in reviewing grant applications, and awarded an estimated \$12,075,907 to jurisdictions across the AACOG region.



Criminal Justice Grant Program • \$881,262.60



Juvenile Justice & Truancy Prevention Grant Program • \$1,600,934.05



Violence Against Women Justice and Training Program • \$409,833.58



General Victim Assistance Grant Program • \$9,183,876.79



Total • \$12,075,907

HOMELAND SECURITY

The Homeland Security program provides technical emergency preparedness planning assistance – specifically when relating to terroristic activities – and administers federal and state Homeland Security grants to law enforcement agencies in the AACOG region. Additionally, HLS works with local jurisdictions to identify regional gaps in security and further creates risk analyses of terrorist threats and other potential hazards. HLS, in partnership with the Texas Department of Transportation and the Greater Austin-Travis County Regional Radio System, successfully implemented the Regional Communications Infrastructure Enhancement Project. This project leverages existing tower equipment, coverage areas, and partnerships to expand interoperable communications capabilities in the AACOG region. AACOG also procured 500 'Stop-The-Bleed' kits for first-responders across the AACOG region. These kits have proven time and time again to save lives during active-shooter scenarios, and will continue to be a necessary tool for our law enforcement professionals.



**AACOG also procured
500 'Stop-The-Bleed'
kits for first-responders
across the AACOG
region.**



9-1-1

The 9-1-1 Program maintains 9-1-1 databases, and monitors essential dispatch equipment and software at each of the 9-1-1 emergency call centers inside Atascosa, Bandera, Frio, Gillespie, Karnes, Kendall, McMullen and Wilson counties. The program works to provide a regionalized 9-1-1 database and Public Safety Answering Point, and ensures that all 9-1-1 calls are routed, answered, and located on geographic information system maps for proper handling of the emergency at hand. In 2021, the program upgraded equipment to improve network capabilities. The program made monumental progress towards "Next Generation" 9-1-1 by initiating and completing the Regional ESInet which enables state-wide, cloud-based call routing. With these advancements, in the event of an emergency calls can be routed to any Public Safety Answering Point throughout the State and would not be lost due to a potential power outage or influx of call volumes.

This year, the AACOG 9-1-1 Network processed over 132,000 calls and 450 text messages to 9-1-1. The February winter storms caused long-standing power outages across all the area counties, and the program's continuity and contingency plans were put to the test. However, the infrastructure and software was prepared and maintained operations throughout that particular crisis. We appreciate the support provided during the storm by CPS.

132,000+
**amount of calls
AACOG 9-1-1
Network processed**

450
**amount of text
messages AACOG 9-1-1
Network processed**



REGIONAL SERVICES

Regional Services assists the member governments and residents of the AACOG Region create a better economy, strong viable communities, and informed and trained public officials through annual workshops on planning and zoning, economic development, newly elected officials, and other technical areas.

PROFESSIONAL DEVELOPMENT & TRAINING

- **Planning & Zoning Workshop:** A day-long training on fundamentals of zoning, zoning issues, master plans, group homes, cell towers and signs.
- **Economic Development Week:** Five 1-hour lunch & learn presentations from state and federal agencies on their programs and services.
- **Newly Elected Officials Workshop:** A day-long training on basics of municipal finance, ethical issues, CARES Act, Pandemic Q&A, and Public Information and Open Meetings.
- **Fair Housing Event:** A virtual half-day presentation on housing programs and services across the 13-county region.
- **Brownfields Workshop:** A 2-hour workshop featuring representatives from the Environmental Protection Agency (EPA) and the Texas Commission on Environmental Quality (TCEQ) on identifying Brownfields projects and what processes to follow for program assistance.

**Over 150 people attended workshops in 2021*

In July, Regional Services hosted a 2-hour informational workshop with the US Economic Development Administration (EDA) regional representative to provide information on the American Rescue Plan Act and the \$3 Billion allocation to EDA. The six funding categories were outlined, including the Build Back Better Challenge planning grant, and attendees had the opportunity to ask questions and receive technical assistance.

2021 was the first full year of the EDA CARES administrative grant for AACOG. Program staff began the process of developing strategic plans for Atascosa, Frio, and Karnes counties. The Karnes County Strategic Plan was completed in 2021. The remaining counties' plans will be completed by June 2022.

Regional Services continued work on the Alamo Regional Broadband Project. Program staff submitted a grant application to the National Telecommunications and Information Administration for \$10 million on behalf of Atascosa, Bandera, Frio, Karnes, Medina and Wilson counties. The program anticipates providing support for member governments to pursue funding under the American Rescue Plan for the purposes of broadband projects.

In October, Medina County also applied for an EDA CARES grant to install broadband infrastructure in two neighborhoods in the county. The EDA Austin Region Office has recommended Medina County receive \$500,000 for the Medina County Broadband Project.



Program staff submitted a grant application to the National Telecommunications and Information Administration (NTIA) for \$10 million on behalf of Atascosa, Bandera, Frio, Karnes, Medina and Wilson counties.

\$500,000 grant Medina County applied for to install broadband infrastructure in two neighborhoods in the county.



WEATHERIZATION ASSISTANCE

The Weatherization Assistance program assists low-income families reduce their energy bills by weatherizing their homes to become more energy efficient, and modifies homes to become more accessible for individuals with disabilities.

WEATHERIZATION ASSISTANCE

The Weatherization Assistance program distributes their funding through two programs – the Low Income Home Energy Program and the Department of Energy program. Both programs enable families to decrease their monthly expenditures for energy; which, in turn, enables the lower income families to increase their disposable income to enhance their quality of life. The weatherization program spent \$1,842,575 in Low Income Home Energy Program funding to weatherize 212 homes. This exceeded the original goal of 170 homes. For the Department of Energy, \$766,307 was expended to weatherize 90 homes.



\$1,842,575

**amount spent to weatherize
212 homes using LIHEAP funding**



**For the DOE program,
the program
expended \$766,307
to weatherize
90 homes.**



HOMES FOR TEXAS HEROES

Homes for Texas Heroes is designed to improve the quality of life of veterans. This program allows for home modifications including minor repairs, weatherization, and accessibility needs. In addition to the veterans, this program is also available to surviving spouses and eligible children. The \$375,000 budget assisted 23 worthy veterans.

\$375,000

**budget to assist
23 worthy veterans**

AMY YOUNG BARRIER REMOVAL

The Amy Young Barrier Removal program provides up to \$20,000 in home modifications for individuals with disabilities who need modifications to increase accessibility and eliminate hazardous conditions in their home.


\$20,000

**in home modification
assistance for individuals
with disabilities**

The Council prepared and submitted the Annual Comprehensive Financial Report for the year ended December 31, 2021 to the Government Finance Officers Association (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting. A Certificate is valid for a period of one year. We believe that our current Annual Comprehensive Financial Report has met the Certificate of Achievement Program's requirements and we look forward to their response.

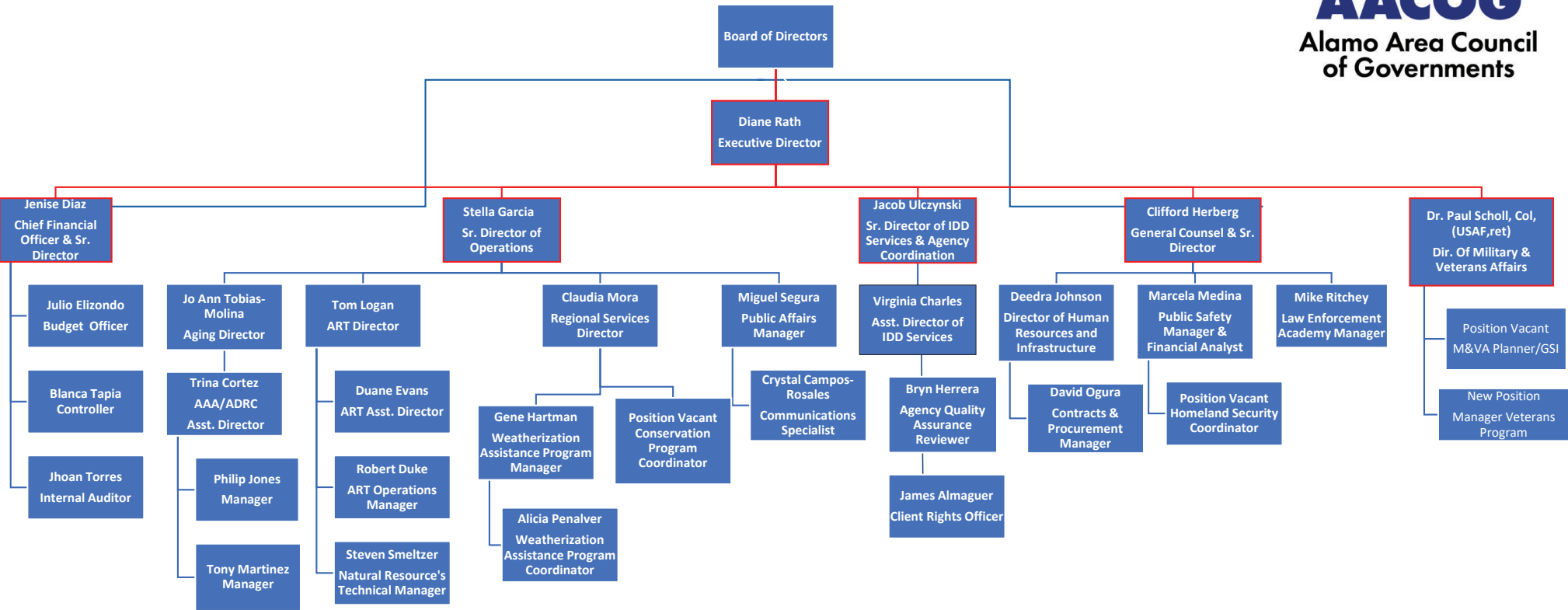
We want to express our thanks to all of the AACOG department staff, the Executive Director, Board Chairman and the Board Members for their continued oversight and guidance.

Respectfully submitted,



Jenise Diaz, CPA
Chief Financial Officer

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**OFFICERS OF THE BOARD OF
DIRECTORS 2021**

CHAIR

**Suzanne de Leon
Mayor Balcones Heights**

VICE CHAIR

**James Teal
Judge McMullen County**

ADMINISTRATIVE STAFF

Executive Director

Chief Financial Officer

Senior Director of Operations

General Counsel/Senior Director

**Senior Director of IDD Services &
Agency Coordination**

Diane Rath

Jenise Diaz

Stella Garcia

Clifford Herberg

Jacob Ulczynski

FINANCIAL SECTION

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Independent Auditor's Report

Board of Directors
Alamo Area Council of Governments
San Antonio, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Alamo Area Council of Governments (the Council), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Council, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Council, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for 12 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The combining fund financial statements and schedules, the Schedule of Expenditures of Federal Awards as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedule of Expenditures of State Awards, as required by the State of Texas *Uniform Grant Management Standards* 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 fund financial statements and schedules 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 comprehensive financial report. The other information comprises the introductory, intellectual and development disabilities services schedules 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 2022, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council'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 Council's internal control over financial reporting and compliance.

FORVIS,LLP

San Antonio, Texas
August 22, 2022

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Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

Introduction

Alamo Area Council of Governments' (the Council) discussion and analysis offers readers of the Council's financial statements a narrative overview and analysis of the Council's financial activities for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in the financial statements and notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the Council exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$18,379,139 (net position). This reflects an increase to net position of \$4,246,585. Of this amount, \$1,649,248 is unrestricted. \$8,781,545 represents the net investment in capital assets; \$7,948,346 is restricted for grant programs.
- As of the close of the current fiscal year, the Council's governmental funds financial statements reported combined ending fund balances of \$9,780,222. The unassigned fund balance in the General Fund that is available for operations is \$1,622,132.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances in a manner similar to a private-sector business.

The statement of net position presents information on all of the Council's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, fluctuations in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

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

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

Fund Financial Statements. A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other similar governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Council are classified as governmental 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 expendable resources, as well as on balances of expendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore, 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 Council's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Council maintains 30 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each major fund: the General Fund, Bexar Area Agency on Aging Fund, Texas Department of Transportation Fund, Intellectual and Developmental Disabilities Services Fund, and Veteran's Assistance Fund.

Notes to the 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 the financial statements can be found immediately following the basic financial statements in this report.

Government-Wide Overall Financial Analysis. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Council's assets exceeded liabilities by \$18,379,139 at December 31, 2021. The table on the following page reflects the condensed statement of net position compared to prior year.

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

	Governmental Activities	
	2021	2020
Assets:		
Current and other assets	\$ 19,998,220	\$ 21,164,641
Capital assets	<u>20,605,255</u>	<u>5,140,075</u>
Total assets	<u>40,603,475</u>	<u>26,304,716</u>
Deferred outflows of resources	<u>3,044,524</u>	<u>1,464,561</u>
Liabilities:		
Current liabilities	10,692,041	12,259,565
Noncurrent liabilities	<u>13,310,322</u>	<u>552,597</u>
Total liabilities	<u>24,002,363</u>	<u>12,812,162</u>
Deferred inflows of resources	<u>1,266,497</u>	<u>824,561</u>
Net position:		
Investment in capital assets	8,781,545	5,140,075
Restricted for pension	-	213,818
Restricted for grant programs	7,948,346	5,720,449
Unrestricted	<u>1,649,248</u>	<u>3,058,212</u>
Total net position	<u>\$ 18,379,139</u>	<u>\$ 14,132,554</u>

The balance of unrestricted net position, \$1,649,248, may be used to meet the Council's ongoing obligations.

Analysis of the Council's Operations. The table on the following page provides a summary of the Council's operations for the year ended December 31, 2021, as compared to the year ended December 31, 2020. The Council's net position increased by \$4,246,585.

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 780,137	\$ 558,522
Operating grants and contributions	73,785,464	54,845,286
Capital grants and contributions	659,366	-
General revenues:		
Investment earnings	73,858	137,122
Member dues	359,396	352,981
Total revenues	<u>75,658,221</u>	<u>55,893,911</u>
Expenses:		
General government	1,660,666	52,833
Workforce development	84,521	-
Aging and veterans services	31,921,661	25,931,144
Emergency communications	2,286,025	1,215,766
Economic development	6,617,291	1,350,562
Environmental quality	1,984,876	1,141,244
Community affairs	2,897,307	2,607,786
Homeland security	348,253	372,143
Transportation	8,017,050	7,035,493
Criminal justice	1,467,445	1,586,864
Health and welfare	13,792,278	13,265,591
Interest on long-term debt	334,263	-
Total expenses	<u>71,411,636</u>	<u>54,559,426</u>
Change in net position	4,246,585	1,334,485
Net position, beginning	<u>14,132,554</u>	<u>12,798,069</u>
Net position, ending	<u>\$ 18,379,139</u>	<u>\$ 14,132,554</u>

The Council's charges for services increased by \$221,615, and operating grants and contributions increased by \$18,940,178. The increase in charges for services was caused by an increase in program income from various grant activities. The increase in operating grants and contributions was primarily caused by increased Area Agencies on Aging funding, Office of the Governor, Texas Military Preparedness Commission grants, and funding from the Texas Department of Transportation. Further, expenses increased by \$16,852,210 from fiscal year 2020 to 2021. The majority of this increase was caused by expenditures related to the increased Area Agencies on Aging and the Alamo Regional Transportation funding. The Council's revenues and expenses are driven primarily by federal and state grant funding, which varies from year to year.

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

Analysis of Fund Financial Statements. The General Fund beginning balance at January 1, 2021 was \$2,886,478. The fund balance decreased by \$1,176,918 for an ending balance at December 31, 2021 of \$1,709,560. The decrease is primarily due to the following reasons:

- Purchase of the Titan Complex, partially offset by the issuance of long-term debt
- Operating, financing costs and capital relating to the building

The Bexar Area Agency on Aging Fund balance at January 1, 2021 was \$728,866. The fund balance decreased by \$704,836 for an ending balance at December 31, 2021 of \$24,030. The decrease to the fund balance is primarily due to the fund balance transfer for the Veterans Directed Program.

The Texas Department of Transportation Fund balance at January 1, 2021 was \$3,631,621. The fund balance increased by \$394,977 for an ending balance at December 31, 2021 of \$4,026,598. The substantial increase to the fund balance is due to increased funding received during 2021. These funds did not require matching dollars.

The Intellectual and Developmental Disabilities Services Fund balance at January 1, 2021 was \$717,759. The fund balance increased by \$697,744 for an ending balance at December 31, 2021 of \$1,415,503. The majority of the increase is due to fee for service revenues generated during 2021 and reduced expenditures for staff local and training travel.

The Veterans Assistance Fund balance at January 1, 2021 was \$1,655. The fund balance increased by \$1,857,568 for an ending balance at December 31, 2021 of \$1,859,223. The increase is due to an increased client base during 2021.

Budgetary Highlights

The Council's annual budget is approved by the Board of Directors at the December Annual Meeting. The Council does not have a legally adopted annual budget. Although the annual budget is reviewed and approved by the Council's Board, it is based on a project-length basis. Accordingly, budgetary information is not presented in this report. As grant funding changes, the Council's Board approves periodic budget modifications.

Capital Asset and Debt Administration

Alamo Area Council of Governments' Capital Assets at Year-End. The Council's investment in capital assets for its governmental activities as of December 31, 2021 amounts to \$20,605,255 (net of accumulated depreciation). This investment includes land, equipment, furniture and fixtures, software, vehicles, and buildings and improvements.

During 2021, the Council's total capital assets increased by \$15,465,180 due to the current year capital asset additions, deletions and current year depreciation.

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

The Council's capital asset additions totaled \$16,733,759 during 2021, primarily from the following categories and programs:

- \$14,766,642 for new purchase of the Titan Complex
- \$1,599,469 for the Public Safety upgrades to the 9-1-1 and Homeland Security system
- \$367,648 for various other building improvements, vehicles and software

A summary of the Council's capital assets for the current and prior year can be found below. Additional information on the Council's capital assets can be found in *Note 4* on page 29 of this report.

	Governmental Activities	
	2021	2020
Land	\$ 2,622,775	\$ 127,000
Equipment	5,433,458	4,164,246
Furniture and fixtures	206,154	154,890
Software	1,836,108	1,827,737
Vehicles	6,578,771	8,202,205
Buildings and improvements	15,319,356	2,490,898
Less: accumulated depreciation	(11,391,367)	(11,826,901)
Total capital assets, net	\$ 20,605,255	\$ 5,140,075

Alamo Area Council of Governments' Outstanding Debt at Year-End

	Governmental Activities	
	2021	2020
Compensated absences	\$ 665,939	\$ 736,796
Long-term obligations	11,823,710	-
Total long-term liabilities	\$ 12,489,649	\$ 736,796

The Council's total debt increased by \$11,752,853. This liability reflects the payout of paid time off (PTO) of \$665,939 due upon termination and the long-term obligation for the Titan Complex. Additional information on the Council's long-term liabilities can be found in *Note 6* of this report.

Economic Factors and Next Year's Financial Plan

The Council's approved 2021 annual financial budget reflected \$73,275,249 for revenues and \$73,147,708 for expenditures. The 2021 actual revenues are \$75,658,221 and actual expenditures are \$86,753,456 for an increase of \$2,382,972 and \$13,605,748, respectively, per the Statement of Revenues, Expenditures, and Changes in Fund Balance, when compared to the 2021 annual financial budget.

Alamo Area Council of Governments
Management’s Discussion and Analysis (Unaudited)
December 31, 2021

The Council’s combined ending fund balance of \$9,780,222 includes \$8,070,662 of dedicated program fund balance and \$1,709,560 of general fund balance. The general fund balance decreased by \$1,176,918 during fiscal year 2021 and is projecting an increase of \$142,426 for 2022. The special revenue fund balance increased by \$2,081,683 for 2021 and is projecting an increase of \$1,132,975 in 2022. The 2021 net decrease to the general fund balance is primarily due to the Titan Complex expenditures exceeding the rent collected and occupancy recoveries from Council programs. The 2021 net increase to the special revenue fund balance is primarily from the Intellectual Developmental Disabilities Services funded by the Health and Human Services Commission and Medicaid, Texas Department of Transportation Fund for the rural and Urbanized Area services, and Veterans Directed program funded by the U.S Department of Veterans Affairs.

In January 2021, the Council moved into the Titan Building under a lease/purchase agreement. Subsequently, the purchase of the Titan Tower and Plaza closed on April 26, 2021 for \$14,005,334. Council staff occupies approximately 50% of the total available office space. 25% is currently leased to third parties and solicitation efforts continue to fill the vacant 25%.

2021 brought increased federal funding, triggering over \$3 million in budget modifications mid-year. This enabled the Council to launch innovative initiatives and provide additional services for many disadvantaged residents during the difficult times of strengthening COVID variants and February’s devastating freeze, and despite unprecedented challenges of hiring and staffing limitations.

Aging Services continued the gift card distribution program and continued offering virtual and socially distant in-person services to combat the challenges of increased isolation and closure of the majority of senior centers. This was all done in addition to and for the continuance of its core essential services of nutrition, utilities, and rental assistance.

The Intellectual & Developmental Disabilities Services (IDDS) program coordinated with community partners to arrange vaccination opportunities. The IDDS program continues to serve as the single point of access and “front door” to publicly funded services for individuals, of any age, with an intellectual disability, developmental disability, autism spectrum disorder, or related condition in Bexar County. IDD Services partnered with Bexar County to develop systems around individuals with intellectual disability who have criminal justice involvement. This collaboration with the state and county allows IDD Services to support the person and jail staff while developing a plan to divert the person to the community when possible to do so. In 2021, over 2000 law enforcement officers and first responders were trained in Recognition & Response of Intellectual & Developmental Disabilities.

Additionally, the Aging & Disability Resource Center (ADRC) launched a unique, vibrant ‘Texas Tall Tales’ campaign to encourage residents—particularly younger demographics—to “Do What Tough Texans Do” and get their vaccinations. This memorable series of videos were made available to communities on television, radio, and social media.

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2021

The partnership with Joint Base San Antonio (JBSA) continues to grow and solidify with the execution of three contracts including the Intergovernmental Services Agreement (IGSA) \$486,840 for elevator maintenance, Randolph-Schertz EMS \$667,492, and the Fort Sam Houston (FSH) Wounded Warrior Shuttle \$505,980. Additionally, the Texas Military Preparedness Commission's (TMPC) \$5 million grant for the hardening of the electrical substations at JBSA is on schedule and the Council was awarded another Office of Local Defense Community Cooperation (OLDCC) grant for \$225,706 to implement the recommendations of the most recent Joint Land Use Study (JLUS).

Texas Veterans Network continues to expand, and in combination with 198 partner organizations, serves an outreach area that extends to 27 counties, including the Coastal Bend and Laredo. Over the past 12 months, 8,000+ individuals have benefitted from the program.

Alamo Regional Transit (ART) continued to provide vital transportation during the worst of the pandemic for medical appointments and offered no-cost transportation for COVID-19 testing and vaccinations. New software and equipment purchased in 2021 improved vehicle dispatching for more efficient routing, which improved trip times and reduced manpower hours, as well as gas consumption. The skyrocketing gas prices brought about other cost-saving measures such as restricting bus idling time to less than 15 minutes, eliminating unproductive service times and closely reviewing vehicle specifications for estimated miles per gallon (MPG) on all vehicle purchases.

Weatherization had many challenges this year but has a good foundation for success in the current contract. 212 households received services under the Low-Income Home Energy Assistance Program (LIHEAP) in 2021, and Homes4TxHeroes continues to provide welcome resources for our veterans.

Fortunately, and despite the many trials of 2021, the Council received national award recognition for services in the Intellectual & Developmental Disability (IDD) and Aging programs, as well as in leadership, innovation, public service announcements, and health and wellness. The Aging Ombudsmen continues to receive outstanding recognition from the State for their leadership and performance.

Information Requests

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the organization. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Chief Financial Officer, Alamo Area Council of Governments, 2700 NE Loop 410, Suite 101, San Antonio, Texas 78217.

The Council's administrative offices are located at 2700 NE Loop 410, Titan Tower, San Antonio, Texas.

BASIC FINANCIAL STATEMENTS

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Alamo Area Council of Governments
Statement of Net Position
December 31, 2021

	Primary Government	Component Unit
	Governmental Activities	Alamo Area Development Corporation
Assets		
Cash and investments	\$ 4,844,285	\$ 55,332
Receivables:		
Grantors	14,497,531	38,215
Other	284,816	69,861
Deposits	43,284	-
Prepaid expenses	328,304	-
Capital assets, not being depreciated:		
Land	2,622,775	-
Capital assets, net of accumulated depreciation:		
Equipment	1,465,165	-
Furniture and fixtures	46,191	-
Software	721,726	-
Vehicles	2,265,303	-
Buildings and improvements	13,484,095	-
Total assets	<u>40,603,475</u>	<u>163,408</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	<u>3,044,524</u>	-
Total deferred outflows of resources	<u>3,044,524</u>	-
Liabilities		
Accounts payable	7,323,009	138,597
Accrued liabilities	425,882	-
Unearned revenue	2,469,107	-
Noncurrent liabilities:		
Due within one year:		
Current portion of long-term obligations	307,558	-
Compensated absences	166,485	-
Due in more than one year:		
Noncurrent portion of long-term obligations	11,516,152	-
Net pension liability	1,294,716	-
Compensated absences	499,454	-
Total liabilities	<u>24,002,363</u>	<u>138,597</u>
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	<u>1,266,497</u>	-
Total deferred inflows of resources	<u>1,266,497</u>	-
Net Position		
Net investment in capital assets	8,781,545	-
Restricted for grant programs:		
Aging and veterans services	1,971,944	20,867
Economic development	3,462	-
Environmental quality	153,868	-
Community affairs	64,349	-
Homeland security	73,015	-
Transportation	4,038,485	-
Criminal justice	342,094	-
Health and welfare	1,301,129	-
Unrestricted	<u>1,649,248</u>	<u>3,944</u>
Total net position	<u>\$ 18,379,139</u>	<u>\$ 24,811</u>

Alamo Area Council of Governments
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Indirect Cost Allocation	Program Revenues	
			Charges for Services	Operating Grants and Contributions
Primary Government:				
Governmental activities:				
General government	\$ 4,658,024	\$ (2,997,358)	\$ -	\$ 980,143
Workforce development	82,959	1,562	-	-
Aging and veterans services	31,281,302	640,359	195,278	32,586,094
Emergency communications	2,177,688	108,337	-	2,663,729
Economic development	6,604,143	13,148	-	3,455,339
Environmental quality	1,913,819	71,057	20,377	1,984,234
Community affairs	2,772,715	124,592	-	2,902,570
Homeland security	321,143	27,110	-	1,443,921
Transportation	7,375,412	641,638	101,972	9,495,711
Criminal justice	1,342,181	125,264	462,510	3,936,038
Health and welfare	12,547,987	1,244,291	-	14,337,685
Interest on long-term debt	334,263	-	-	-
Total governmental activities	<u>71,411,636</u>	<u>-</u>	<u>780,137</u>	<u>73,785,464</u>
Total primary government	<u>\$ 71,411,636</u>	<u>\$ -</u>	<u>\$ 780,137</u>	<u>\$ 73,785,464</u>
Component Unit:				
Alamo Area Development Corporation	<u>\$ 658,621</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 646,957</u>

General revenues:
 Unrestricted investment earnings
 Membership dues

Total general revenues

Change in net position

Net position, beginning

Net position, ending

<u>Program Revenues</u> <u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u> <u>Primary Governmental Activities</u>	<u>Component Unit</u> <u>Alamo Area Development Corporation</u>
\$ -	\$ (680,523)	
-	(84,521)	
14,721	874,432	
-	377,704	
-	(3,161,952)	
-	19,735	
34,550	39,813	
-	1,095,668	
515,987	2,096,620	
80,679	3,011,782	
13,429	558,836	
-	(334,263)	
<u>659,366</u>	<u>3,813,331</u>	
<u>\$ 659,366</u>	<u>3,813,331</u>	
<u>\$ -</u>		\$ (11,664)
	73,858	181
	<u>359,396</u>	<u>-</u>
	<u>433,254</u>	<u>181</u>
	4,246,585	(11,483)
	<u>14,132,554</u>	<u>36,294</u>
	<u>\$ 18,379,139</u>	<u>\$ 24,811</u>

Alamo Area Council of Governments

Balance Sheet

Governmental Funds

December 31, 2021

	Special Revenue Funds		
	General	Bexar Area Agency on Aging	Texas Department of Transportation
Assets			
Cash and investments	\$ 2,751,289	\$ -	\$ 961,899
Accounts receivable:			
Grantors	10,688	2,097,049	2,386,259
Other	284,816	-	-
Due from other funds	-	6,307	7,050,554
Deposits	29,380	-	-
Prepaid items	87,428	-	-
	<u>\$ 3,163,601</u>	<u>\$ 2,103,356</u>	<u>\$ 10,398,712</u>
Liabilities			
Accounts payable	\$ 939,194	\$ 826,581	\$ 504,146
Accrued liabilities	144,722	29,362	58,653
Due to other funds	166,242	1,105,436	5,751,055
Unearned revenue	203,883	117,947	58,260
	<u>1,454,041</u>	<u>2,079,326</u>	<u>6,372,114</u>
Fund Balances			
Nonspendable:			
Prepaid items	87,428	-	-
Restricted:			
Grants	-	24,030	4,026,598
Unassigned (deficit)	1,622,132	-	-
	<u>1,709,560</u>	<u>24,030</u>	<u>4,026,598</u>
Total fund balances	<u>1,709,560</u>	<u>24,030</u>	<u>4,026,598</u>
Total liabilities and fund balances	<u>\$ 3,163,601</u>	<u>\$ 2,103,356</u>	<u>\$ 10,398,712</u>

Special Revenue Funds

Intellectual and Developmental Disabilities Services	Veterans Assistance	Other Governmental Funds	Total Governmental Funds
\$ 707,282	\$ 214,668	\$ 209,147	\$ 4,844,285
2,388,404	3,367,239	4,247,892	14,497,531
-	-	-	284,816
499,072	1,861,553	974,616	10,392,102
-	-	13,904	43,284
114,374	-	126,502	328,304
<u>\$ 3,709,132</u>	<u>\$ 5,443,460</u>	<u>\$ 5,572,061</u>	<u>\$ 30,390,322</u>
\$ 433,177	\$ 3,310,235	\$ 1,309,676	\$ 7,323,009
177,530	15,615	-	425,882
-	168,583	3,200,786	10,392,102
1,682,922	89,804	316,291	2,469,107
<u>2,293,629</u>	<u>3,584,237</u>	<u>4,826,753</u>	<u>20,610,100</u>
114,374	-	126,502	328,304
1,301,129	1,859,223	737,366	7,948,346
-	-	(118,560)	1,503,572
<u>1,415,503</u>	<u>1,859,223</u>	<u>745,308</u>	<u>9,780,222</u>
<u>\$ 3,709,132</u>	<u>\$ 5,443,460</u>	<u>\$ 5,572,061</u>	<u>\$ 30,390,322</u>

Alamo Area Council of Governments
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2021

Total fund balance – governmental funds		\$ 9,780,222
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		20,605,255
The net pension liability reported in governmental activities is not a current financial resource and, therefore, is not reported in the funds.		(1,294,716)
Deferred inflows and deferred outflows of resources related to the net pension liability are not reported as a part of the governmental funds.		
Deferred outflows		3,044,524
Deferred inflows		(1,266,497)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Long-term obligations		(11,823,710)
Compensated absences		(665,939)
		(12,489,649)
Net position of governmental activities in the statement of net position		\$ 18,379,139

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Alamo Area Council of Governments
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
December 31, 2021

	<u>Special Revenue Funds</u>		
	<u>General</u>	<u>Bexar Area Agency on Aging</u>	<u>Texas Department of Transportation</u>
Revenues			
Intergovernmental	\$ 846,401	\$ 9,964,662	\$ 7,105,464
Matching funds	-	6,219,605	-
Local	133,742	5,100	2,273,610
Program income	-	84,848	101,972
Membership dues	359,396	-	-
Investment income	40,630	-	12,086
Total revenues	<u>1,380,169</u>	<u>16,274,215</u>	<u>9,493,132</u>
Expenditures			
Current:			
General government	1,270,009	-	-
Aging and veterans services	-	16,437,594	-
Health and welfare	-	-	-
Transportation	-	-	6,587,840
Workforce development	-	-	-
Environmental quality	-	-	-
Community affairs	-	-	-
Criminal justice	-	-	-
Emergency communications	-	-	-
Homeland security	-	-	-
Economic development	-	-	-
Capital outlay	12,519,031	14,722	2,506,428
Debt Service:			
Principal retirement	176,290	-	-
Interest	334,263	-	-
Total expenditures	<u>14,299,593</u>	<u>16,452,316</u>	<u>9,094,268</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,919,424)</u>	<u>(178,101)</u>	<u>398,864</u>
Other Financing Sources (Uses)			
Issuance of long-term debt	12,000,000	-	-
Transfers in	-	-	-
Transfers out	(257,494)	(526,735)	(3,887)
Total other financing sources (uses)	<u>11,742,506</u>	<u>(526,735)</u>	<u>(3,887)</u>
Net Change in Fund Balances	(1,176,918)	(704,836)	394,977
Fund Balances, Beginning	<u>2,886,478</u>	<u>728,866</u>	<u>3,631,621</u>
Fund Balances, Ending	<u>\$ 1,709,560</u>	<u>\$ 24,030</u>	<u>\$ 4,026,598</u>

See Notes to Financial Statements

Special Revenue Funds

Intellectual and Developmental Disabilities Services	Veterans Assistance	Other Governmental Funds	Total Governmental
\$ 7,611,826	\$ 10,881,256	\$ 17,823,754	\$ 54,233,363
-	-	4,913,075	11,132,680
6,541,861	12	124,462	9,078,787
-	-	593,317	780,137
-	-	-	359,396
11,932	4,663	4,547	73,858
<u>14,165,619</u>	<u>10,885,931</u>	<u>23,459,155</u>	<u>75,658,221</u>
-	-	-	1,270,009
-	9,448,020	5,925,848	31,811,462
13,453,298	-	198,576	13,651,874
-	278,313	380,417	7,246,570
-	-	84,230	84,230
-	-	1,978,044	1,978,044
-	1,088	2,860,927	2,862,015
-	-	1,385,217	1,385,217
-	-	2,278,156	2,278,156
-	-	347,054	347,054
-	-	6,594,513	6,594,513
13,429	-	1,680,149	16,733,759
-	-	-	176,290
-	-	-	334,263
<u>13,466,727</u>	<u>9,727,421</u>	<u>23,713,131</u>	<u>86,753,456</u>
<u>698,892</u>	<u>1,158,510</u>	<u>(253,976)</u>	<u>(11,095,235)</u>
-	-	-	12,000,000
-	699,058	142,368	841,426
(1,148)	-	(52,162)	(841,426)
<u>(1,148)</u>	<u>699,058</u>	<u>90,206</u>	<u>12,000,000</u>
697,744	1,857,568	(163,770)	904,765
<u>717,759</u>	<u>1,655</u>	<u>909,078</u>	<u>8,875,457</u>
<u>\$ 1,415,503</u>	<u>\$ 1,859,223</u>	<u>\$ 745,308</u>	<u>\$ 9,780,222</u>

Alamo Area Council of Governments

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Net Position

December 31, 2021

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

Net change in fund balances – total governmental funds	\$ 904,765
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay	16,733,759
Depreciation expense	(1,268,579)
The issuance of long-term debt (<i>e.g.</i> , bonds, notes and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in treatment of long-term debt and related items:	
Long-term obligation	(11,823,710)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Compensated absences	70,857
Change in pension liabilities and related deferred outflows and deferred inflows of resources	<u>(370,507)</u>
Change in net position of governmental activities	<u>\$ 4,246,585</u>

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Alamo Area Council of Governments

Notes to Financial Statements

December 31, 2021

Note 1: Summary of Significant Accounting Policies

The financial statements of the Alamo Area Council of Governments (the Council) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following represents the significant accounting policies and practices used by the Council.

Reporting Entity

The Council is a political subdivision of the state of Texas and a voluntary association of local governments within a 13-county region. The Council was established in 1967 to study and resolve area-wide problems through the cooperation and coordination action of member cities, counties, school districts and special purpose districts of the region.

Membership in the Council is voluntary. Any county, city or special purpose district within the region may become a member in the independent association by passing a resolution to join the Council and paying annual dues. The Council is governed by a 31-member Board of Directors from member local governments. Each member government is entitled to have voting representation on the Board of Directors.

The accompanying financial statements present the Council and its component units, entities for which the Council is considered to be financially accountable. Blended components are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. The Council has no blended component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Council. The following organization has been included within the Council's reporting entity.

Discretely Presented Component Unit

During 1995, the Council formed a nonprofit organization, Alamo Area Development Corporation (AADC). AADC is governed by a board of seven and must reside within the jurisdictional boundaries of the following counties: Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina and Wilson. AADC is reported as a component unit because the Council appoints its governing body and can remove its members at will. The Council also guarantees AADC's debt obligations. There was no debt outstanding as of December 31, 2021. The separately issued financial statements of AADC can be obtained by contacting the Council's accounting department at 2700 NE Loop 410, Suite 101, San Antonio, Texas 78217.

Description of 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 of the nonfiduciary activities of the primary government and its component units. The Council has no fiduciary activities.

Alamo Area Council of Governments

Notes to Financial Statements

December 31, 2021

Governmental activities, which normally are supported primarily by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from its legally separate component unit for which the primary government is financially accountable.

Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. The Council does not utilize any proprietary funds or fiduciary funds.

As discussed earlier, the Council has one discretely presented component unit. AADC is shown in a separate column in 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 payments where the amounts are reasonably equivalent in value to the interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 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. Other items not properly included among program revenue are reported instead as general revenue.

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the Council's funds. The Council only utilizes governmental funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Council reports the following major governmental funds:

The ***General Fund*** is the Council'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 ***Bexar Area Agency on Aging Fund*** is used to account for certain grants awarded by the Texas Health and Human Services Commission.

The ***Texas Department of Transportation Fund*** is used to account for grants awarded by the Texas Department of Transportation.

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December 31, 2021

The *Intellectual and Developmental Disabilities Services Fund* is used to account for state and federal funds awarded by the Texas Health and Human Services Commission. This fund accounts for the provision of community services and support for eligible adults and children with intellectual and developmental disabilities and their families in Bexar County.

The *Veterans Assistance Fund* is used to account for grants awarded by the Texas Veterans Commission and the Department of Veterans Affairs.

During the course of operations, the Council has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in the fund financial statements, eliminations are made in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, eliminations are made in the preparation of the government-wide financial statements.

Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Council considers revenues to be available if they are collected within 60 days of the end of the current fiscal period with the exception of grant revenue, which is considered available if collected within one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Alamo Area Council of Governments

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December 31, 2021

Charges for services and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within one year of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within one year of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Council.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates.

Cash and Investments

Cash in the Council's financial statements include amounts in demand deposits, certificates of deposit, and public fund investment pools. Investments for the Council are reported at fair value, except for the position in investment pools that measure for financial reporting purposes all of their investments at amortized cost. The Council's investment pools are reported at net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

Accounts Receivable – Grantors

This represents amounts due from federal and state grantor agencies for various programs administered by the Council. The receivables include amounts due on programs closed-out and those in progress as of December 31, 2021. Accounts receivable are recorded net of estimated uncollectible amounts.

Interfund Receivables and Payables

During the course of operations, transactions occur between individual funds for specified purposes. These receivables and payables are, for the most part, eliminated from the government-wide statement of net position and are classified as "due from other funds" or "due to other funds" in the fund financial statements. Transactions between the primary government and the discretely presented component unit, if any, are classified as due from component unit and due to primary government.

Alamo Area Council of Governments
Notes to Financial Statements
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Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property and equipment, are included in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of \$5,000 or greater and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition cost, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The cost of normal maintenance and repairs does not add to the value of the asset or materially extend the asset's life is not capitalized. Land is not depreciated. The other capital asset classes are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital asset classes</u>	<u>Useful life (years)</u>
Equipment	3–10
Furniture and fixtures	5–10
Software	5
Vehicles	5–12
Buildings and improvements	3–25

Deferred Outflows/Inflows of Resources

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

- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Changes in economic and demographic assumptions or other inputs included in determining the pension liability – These effects on the total pension liability are deferred and amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees).
- Difference in expected and actual economic experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

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

- Difference in projected and actual investment earnings – This difference is deferred and amortized over a closed five-year period.

Unearned Revenue

Unearned revenue primarily consists of amounts received from grantors in excess of expenditures for programs in progress as of December 31, 2021.

Compensated Absences

All full-time employees are eligible to accrue Paid Time Off (PTO). Part-time and temporary employees do not earn PTO. Earned but unused PTO can be carried over to the next fiscal year. Employees may accumulate a maximum of 240 hours. Any PTO balance in excess of the maximum is reduced to the maximum without compensation. Pay in lieu of PTO is not permitted other than upon separation. Regular full-time employees earn PTO based on actual hours worked as follows:

Years of Employment	PTO Accrual
1–2 years	10 days
2–5 years	15 days
5–7 years	20 days
7–10 years	22 days
10+ years	25 days

The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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Net Position Flow Assumption

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

Fund Balance Flow Assumption

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

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Council itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Council's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the Council that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Council for specific purposes but do not meet the criteria to be classified as committed. The Board of Directors has by resolution authorized the Chief Financial Officer to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Amounts in unassigned fund balance are available for any purpose. Positive amounts are reported only in the General Fund.

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Intergovernmental Revenue

Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. Such revenue is subject to review by the funding agency and may result in disallowance in subsequent periods. Deferred inflows of resources will arise when potential revenue does not meet the “available” criteria for revenue recognition in the current period. Unearned revenue arises when resources are received by the Council before it has a legal claim to them, as when grant money is received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Council has a legal claim to the resources, the liability for the unearned revenue or the deferred inflow of resources is removed from the balance sheet and revenue is recognized.

Matching Funds

Contributions to grant programs from local governments and other participants are recognized as revenue when grant expenditures are incurred in the case of cost reimbursement grants, and when courses are completed in the case of Regional Police Academy tuition.

Member Government Dues

All member governments are required to pay dues to the Council. Dues are determined annually and are recognized as revenues when assessed because they are measurable and are collectible within the current period. Dues are reported in the General Fund, and funds are transferred to special revenue funds as needed to meet matching requirements for grants.

Indirect Costs and Fringe Benefit and Leave Pool Allocations

General administrative and employee fringe benefits costs are recorded in cost pools. The costs are recovered from special revenue funds based on indirect and fringe benefit rates. Indirect costs are defined by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, as costs “(a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited without effort disproportionate to the results achieved.” The Council uses a fixed-rate plus carry-forward provision. The rates are based on projected costs submitted on a Cost Allocation Plan. The rates are used for billing purposes. Final costs not recovered by the billing rates are allowed by granting agencies to be recovered in succeeding years.

In the statement of activities, indirect expenses are allocated amongst functions using the methods described above. Indirect and direct expenses are presented as separate columns to enhance comparability to governments that do not allocate indirect expenses to other functions.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2021

Note 2: Stewardship, Compliance and Accountability

Budgetary Information

The Council’s financial plan is controlled at the fund and grant level with management authorized to make transfers of budgeted amounts between object class levels within a fund or grant, within restrictions imposed by grantor agencies. The Board approves the financial plan for revenue and expenditures in all funds. The financial plan for the special revenue funds is made on a project (grant) basis, spanning more than one year. Appropriations for all projects in the special revenue funds lapse at the end of a contract period which may not coincide with the fiscal year-end of the Council. The Council does not have a legally adopted annual budget and, accordingly, comparative budget and actual results are not presented in this report.

Deficit Fund Balances

At December 31, 2021, the following funds had deficit fund balances:

Texas Department of Housing and Community Affairs	\$	2,607
Commission on State Emergency Communications		82,083
Corporation for National and Community Service		2,228
Texas Workforce Commission		31,642
	\$	118,560

If funding from outside sources does not become available to cover the deficit fund balance, the Council plans to transfer funds from the General Fund to cover the deficit. Texas Workforce Commission is related to the IDD Employment Services grant, and deficits related to this grant will be covered with transfers from the Intellectual and Developmental Disabilities Services Fund.

Note 3: Cash and Investments

The *Public Funds Investment Act* (Government Code Chapter 2256) (the “Act”) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Council to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

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Notes to Financial Statements
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Statutes authorize the Council to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings account, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the Council to have independent auditors perform test procedures related to investment practices by the Act. The Council is in substantial compliance with the requirements of the Act and with local policies.

At December 31, 2021, the Council’s cash and investments consist of the following:

Demand deposits	\$	711,293
Money market accounts		353,238
TexPool		790
Lone Star		2,285
Certificates of deposit		<u>3,776,679</u>
 Total	 \$	 <u><u>4,844,285</u></u>

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Council’s deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government Securities or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of December 31, 2021, the Council’s deposit value was fully collateralized with securities held by the pledging financial institutions.

Interest Rate Risk. In accordance with its investment policy, the Council manages its exposure to declines in fair value by limiting the Council’s participation in investment pools to those with investment portfolios showing a dollar-weighted average stated maturity of 90 days or fewer.

Credit Risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. It is the Council’s policy to limit its investments in obligations of other states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm to not less than “A” or its equivalent. Further, for an investment pool to be eligible for consideration, the Council’s investment policy requires an investment pool to be continuously rated no lower than AAA or AAA- or at an equivalent rating by at least one nationally recognized rating service.

Concentration of Credit Risk. The Council’s investment policy states that investments shall be diversified to reduce the risk of loss resulting from over concentration of investments in a specific maturity, a specific issue, or a specific class of securities.

Public Funds Investment Pools. Public fund investment pools in Texas (Pools) are established under the authority of the *Interlocal Cooperation Act* Chapter 79 of the Texas Government Code and are subject to the provisions of the *Public Funds Investment Act* (Act), Chapter 2256 of the Texas Government Code.

Alamo Area Council of Governments
Notes to Financial Statements
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In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one-half of one percent of the value of its shares.

The Council participates in TexPool and Lone Star. Both are public funds investment pools operating in full compliance with the Act.

At December 31, 2021, the Council's investment portfolio consists of the following:

Investment Type	Net Asset Value	Weighted- Average Maturity (Days)	Rating
TexPool	\$ 790	11	AAAM
Lone Star Corporate Overnight Fund	2,285	31	AAAM
Total	\$ 3,075		
Portfolio weighted-average maturity		26	

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Notes to Financial Statements
December 31, 2021

Note 4: Capital Assets

Capital assets activity for the year ended December 31, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 127,000	\$ 2,495,775	\$ -	\$ 2,622,775
Capital assets, being depreciated				
Equipment	4,164,246	1,269,212	-	5,433,458
Furniture and fixtures	154,890	51,264	-	206,154
Software	1,827,737	8,371	-	1,836,108
Vehicles	8,202,205	80,679	(1,704,113)	6,578,771
Buildings and improvements	2,490,898	12,828,458	-	15,319,356
Total capital assets being depreciated	<u>16,839,976</u>	<u>14,237,984</u>	<u>(1,704,113)</u>	<u>29,373,847</u>
Less accumulated depreciation				
Equipment	(4,021,263)	(266,859)	319,829	(3,968,293)
Furniture and fixtures	(154,890)	(5,073)	-	(159,963)
Software	(925,752)	(188,630)	-	(1,114,382)
Vehicles	(5,389,382)	(628,199)	1,704,113	(4,313,468)
Building and improvements	(1,335,614)	(499,647)	-	(1,835,261)
Total accumulated depreciation	<u>(11,826,901)</u>	<u>(1,588,408)</u>	<u>2,023,942</u>	<u>(11,391,367)</u>
Total capital assets being depreciated, net	<u>5,013,075</u>	<u>12,649,576</u>	<u>319,829</u>	<u>17,982,480</u>
Governmental activities capital assets, net	<u>\$ 5,140,075</u>	<u>\$ 15,145,351</u>	<u>\$ 319,829</u>	<u>\$ 20,605,255</u>

Alamo Area Council of Governments
Notes to Financial Statements
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Depreciation expense was charged to functions/programs of the Council as follows:

Governmental activities:	
General government	\$ 326,708
Aging	1,632
Emergency communications	28,567
Environmental quality	12,274
Community affairs	25,407
Homeland Security	65,476
Transportation	753,018
Criminal justice	282,076
Health and welfare	93,250
	<hr/>
Total depreciation expense – governmental activities	<u>\$ 1,588,408</u>

Note 5: Interfund Balances and Transfers

The Council pools cash in one bank account, which is accounted for in the General Fund. All expenditures are paid out of this cash account, and appropriate interfund balances are recorded to reflect this activity.

The composition of interfund balances as of December 31, 2021 is as follows:

<u>Fund</u>	<u>Receivable Amount</u>	<u>Payable Amount</u>
General	\$ -	\$ 166,242
Bexar Area Agency on Aging	6,307	1,105,436
Texas Department of Transportation	7,050,554	5,751,055
Intellectual and Development Disabilities Services	499,072	-
Veterans Assitance	1,861,553	168,583
Nonmajor governmental	974,616	3,200,786
	<hr/>	<hr/>
Total	<u>\$ 10,392,102</u>	<u>\$ 10,392,102</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Internal transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the fund reimbursed. All other interfund transactions are recorded as transfers.

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Notes to Financial Statements
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The following is a summary of interfund transfers for the year ended December 31, 2021:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ -	\$ 257,494
Bexar Area Agency on Aging	-	526,735
Texas Department of Transportation	-	3,887
Intellectual and Development Disabilities Services	-	1,148
Veterans Assistance	699,058	-
Nonmajor governmental	142,368	52,162
Total	\$ 841,426	\$ 841,426

Amounts transferred between funds relate to matching requirements for grants and movement of grant funds no longer restricted.

Note 6: Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2021 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:					
Long-term debt obligations	\$ -	\$ 12,000,000	\$ 176,290	\$ 11,823,710	\$ 307,558
Compensated absences	736,796	800,423	871,280	665,939	166,485
Total	\$ 736,796	\$ 12,800,423	\$ 1,047,570	\$ 12,489,649	\$ 474,043

Typically, compensated absences liabilities are liquidated based on the assignment of an employee within a fund.

In April 2021, the Council obtained a promissory note for \$12,000,000 to finance the purchase of the Titan Building Complex. The note matures on May 10, 2046 and has a current interest rate of 3.75% until May 10, 2026 when the interest will be the lesser of 0.50% in excess of the Prime Interest Rate and will be adjusted every five years thereafter based on base. The note is secured by the Titan Building Complex. The outstanding balance as of December 31, 2021 is \$11,823,710. Principal and interest on the note are paid from the General Fund.

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The aggregate maturities of long-term debt at December 31, 2021 are as follows:

Year(s)	Principal	Interest
2022	\$ 307,558	\$ 438,219
2023	219,292	426,485
2024	331,473	414,303
2025	344,119	401,657
2026	357,248	388,529
2027-2031	2,001,382	1,727,500
2032-2036	2,413,422	1,315,460
2037-2041	2,910,292	818,590
2042-2046	2,938,924	229,410
	<u>\$ 11,823,710</u>	<u>\$ 6,160,153</u>

The Council also has a line of credit in the amount of \$2,000,000 with a maturity date of July 2022 and an interest rate of 4.5%, of which none was outstanding as of December 31, 2021.

Note 7: Commitments and Contingencies

Risk Management

The Council 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 Council maintains workers' compensation and other risks of loss coverage through commercial insurance carriers. The Council's management believes such coverage is sufficient to preclude any significant uninsured loss to the Council. There were no significant reductions in insurance coverage from covered in the prior year. There were no insurance settlements that exceeded insurance coverage in any of the past three years.

Contingencies

The Council contracts with local agencies to perform the specific services set forth in certain grant agreements. The Council disburses grant funds to the agencies based on expenditure reports received from each agency.

Agencies expending \$750,000 or more in Council grant funds are required to have an independent audit each year. Copies of such audits are required to be submitted to the Council. If such audits disclose expenditures not in accordance with terms of the grants, the grantor agency could disallow the costs and require reimbursements of the disallowed costs either from the Council or the subcontractor. The Council generally has the right of recovery from the subcontracted agencies.

Alamo Area Council of Governments

Notes to Financial Statements

December 31, 2021

Litigation

The Council is periodically involved in legal proceedings arising from providing various services. As of December 31, 2021, none of these proceedings have been determined to result in probable loss to the Council. Accordingly, no related loss contingencies have been recorded in the accompanying financial statements.

Note 8: Defined Benefit Pension Plan

Plan Description

The Council participates in 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 nontraditional defined benefit pension plans. TCDRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tcdrs.org.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

Benefits Provided

TCDRS provides retirement, disability and survivor benefits for all eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 10 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 80 or more. Members are vested after eight years of service and may request up to 100% of their personal contribution as a lump sum withdrawal at retirement therefore leaving the AACOG match to fund their monthly pension. Unvested members are only eligible to withdraw their account balance and will not benefit from the AACOG match.

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the 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. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee’s accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

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Notes to Financial Statements
December 31, 2021

Employees Covered by Benefit Terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	118
Inactive employees entitled to but not yet receiving benefits	425
Active employees	<u>305</u>
Total	<u><u>848</u></u>

Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer’s governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer’s plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the Council were required to contribute 6% of their annual gross earnings during the fiscal year. The required contribution rate for the Council was 8% in calendar year 2021. The Council’s contributions to TCDRS for the year ended December 31, 2021 were \$1,190,572, which exceeded the required contribution.

Net Pension Liability

The Council’s Net Pension Liability was measured as of December 31, 2020, 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, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.00% per year
Investment rate of return	7.50%, net of administrative and investment expenses, including inflation

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2021

The Council has no automatic cost-of-living adjustments (“COLA”) and one is not considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the actuarial valuation. Each year, the Council may elect an ad-hoc COLA for its retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	90% of the RP-2014 Active Employee Mortality Table for males and 90% of the RP-2014 Active Employee Mortality Table for females, projected with 110% of the MP-2014 Ultimate scale after 2014.
Service retirees, beneficiaries and non-depositing members	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.
Disabled retirees	130% of the RP-2014 Disabled Annuitant Mortality Table for males and 115% of the RP-2014 Disabled Annuitant Mortality Table for females, both projected with 110% of the MP-2014 Ultimate scale after 2014.

The actuarial assumptions that determined the total pension liability as of December 31, 2020 were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.5%. The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2021 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a 30-year time horizon; the most recent analysis was performed in 2017.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2021

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

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.25%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	25.00%	7.25%
Global Equities	MSCI World (net) Index	2.50%	4.55%
International Equities – Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.25%
International Equities – Emerging Markets	MSCI EM (net) Index	6.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	-0.85%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	2.11%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.70%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	4.00%	5.70%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.45%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.10%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	4.90%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	1.85%
Cash Equivalents	90-Day U.S. Treasury	2.00%	-0.70%

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

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.80%, per Cliffwater's 2021 capital market assumptions.

⁽³⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

⁽⁴⁾ Includes vintage years 2005-present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.6%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute.

Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2021

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) – (b)
Balance at December 31, 2019	\$ 36,125,905	\$ 36,339,723	\$ (213,818)
Changes for the year:			
Service cost	1,494,753	-	1,494,753
Interest on total pension liability ⁽¹⁾	2,986,030	-	2,986,030
Effect of plan changes ⁽²⁾	-	-	-
Effect of economic/demographic gains or losses	342,526	-	342,526
Effect of assumptions changes or inputs	2,404,569	-	2,404,569
Refund of contributions	(131,809)	(131,809)	-
Benefit payments	(1,410,394)	(1,410,394)	-
Administrative expenses	-	(29,647)	29,647
Member contributions	-	847,566	(847,566)
Net investment income	-	3,755,027	(3,755,027)
Employer contributions	-	1,130,088	(1,130,088)
Other ⁽³⁾	-	16,310	(16,310)
Balance at December 31, 2020	<u>\$ 41,811,580</u>	<u>\$ 40,516,864</u>	<u>\$ 1,294,716</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.

Typically, the net pension liability for governmental activities is liquidated based on the assignment of an employee within a fund.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2021

Sensitivity Analysis

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

	1% Decrease 6.6%	Discount Rate 7.6%	1% Increase 8.6%
Total pension liability	\$ 47,593,376	\$ 41,811,580	\$ 37,049,134
Fiduciary net position	40,516,863	40,516,864	40,516,863
Net pension liability/(asset)	<u>\$ 7,076,513</u>	<u>\$ 1,294,716</u>	<u>\$ (3,467,729)</u>

Pension Plan Fiduciary Net Position

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

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

For the year ended December 31, 2021, the Council recognized pension expense of \$1,561,081.

At December 31, 2021, the Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 250,906
Changes in actuarial assumptions	-	1,603,046
Difference between projected and actual investment earnings	1,266,497	-
Contributions subsequent to the measurement date	-	1,190,572
Total	<u>\$ 1,266,497</u>	<u>\$ 3,044,524</u>

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2021

\$1,190,572 reported as deferred outflows of resources related to pensions resulted from contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	
2022	\$ 546,966
2023	866,936
2024	(667,497)
2025	<u>(158,950)</u>
Total	<u><u>\$ 587,455</u></u>

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**REQUIRED SUPPLEMENTARY
INFORMATION – UNAUDITED**

Alamo Area Council of Governments
Schedule of Changes in Net Pension Liability
and Related Ratios
For the Year Ended December 31, 2021

Measurement Year Ended December 31	2020	2019
Total Pension Liability		
Service cost	\$ 1,494,753	\$ 1,466,688
Interest on total pension liability	2,986,030	2,741,625
Effect of plan changes	-	199,488
Effect of assumption changes or inputs	2,404,569	-
Effect of economic/demographic (gains) or losses	342,526	67,665
Benefit payments/refunds of contributions	(1,542,203)	(1,432,306)
Net change in total pension liability	5,685,675	3,043,160
Total pension liability – beginning	36,125,905	33,082,745
Total pension liability – ending (a)	<u>\$ 41,811,580</u>	<u>\$ 36,125,905</u>
Plan Fiduciary Net Position		
Employer contributions	\$ 1,130,088	\$ 1,144,130
Member contributions	847,566	783,098
Investment income net of investment expenses	3,755,027	5,056,486
Benefit payments, including refunds of contributions	(1,542,203)	(1,432,306)
Administrative expenses	(29,647)	(27,692)
Other	16,310	22,007
Net change in plan fiduciary net position	4,177,141	5,545,723
Plan fiduciary net position – beginning	36,339,723	30,794,000
Plan fiduciary net position – ending (b)	40,516,864	36,339,723
Net pension liability/(asset) – ending (a) – (b)	<u>\$ 1,294,716</u>	<u>\$ (213,818)</u>
Fiduciary net position as a percentage of total pension liability	96.9%	100.6%
Pensionable covered payroll	\$ 14,126,101	\$ 13,051,626
Net pension liability/(asset) as a percentage of covered payroll	9.17%	-1.64%

Note: GASB Statement No. 68 requires 10 years of data to be provided in this schedule. Additional years will be added in the future as the information becomes available.

	2018	2017	2016	2015	2014
\$	1,413,355	\$ 1,462,580	\$ 1,573,957	\$ 1,383,125	\$ 1,428,588
	2,488,455	2,244,632	2,045,000	1,931,965	1,813,929
	73,306	151,525	-	(236,658)	-
	-	292,223	-	329,757	-
	465,649	244,364	(620,447)	(1,004,313)	(792,235)
	<u>(1,307,218)</u>	<u>(1,363,548)</u>	<u>(1,091,432)</u>	<u>(1,022,508)</u>	<u>(1,010,526)</u>
	3,133,547	3,031,776	1,907,078	1,381,368	1,439,756
	<u>29,949,198</u>	<u>26,917,422</u>	<u>25,010,345</u>	<u>23,628,977</u>	<u>22,189,221</u>
\$	<u><u>33,082,745</u></u>	<u><u>29,949,198</u></u>	<u><u>26,917,423</u></u>	<u><u>25,010,345</u></u>	<u><u>23,628,977</u></u>
\$	1,002,049	\$ 1,125,912	\$ 993,791	\$ 1,176,341	\$ 999,897
	751,537	754,434	745,343	732,256	730,043
	(571,181)	3,882,475	1,779,491	(463,983)	1,410,886
	<u>(1,307,218)</u>	<u>(1,363,548)</u>	<u>(1,091,431)</u>	<u>(1,022,508)</u>	<u>(1,010,526)</u>
	(24,734)	(20,568)	(19,341)	(17,140)	(17,336)
	<u>16,405</u>	<u>6,733</u>	<u>191,638</u>	<u>37,139</u>	<u>12,720</u>
	(133,142)	4,385,438	2,599,491	442,105	2,125,684
	<u>30,927,142</u>	<u>26,541,704</u>	<u>23,942,214</u>	<u>23,500,111</u>	<u>21,374,426</u>
	<u>30,794,000</u>	<u>30,927,142</u>	<u>26,541,705</u>	<u>23,942,216</u>	<u>23,500,110</u>
\$	<u><u>2,288,745</u></u>	<u><u>(977,944)</u></u>	<u><u>375,718</u></u>	<u><u>1,068,129</u></u>	<u><u>128,867</u></u>
	93.1%	103.3%	98.6%	95.7%	99.5%
\$	12,525,614	\$ 12,458,425	\$ 12,431,363	\$ 12,204,268	\$ 11,561,208
	18.27%	-7.85%	3.02%	8.75%	1.11%

Alamo Area Council of Governments
Schedule of Employer Contributions –
Texas County and District Retirement System
Last Ten Fiscal Years

Fiscal Year Ended December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2011	\$ 984,997	1,034,997	\$ (50,000)	11,698,302	8.8%
2012	940,304	990,304	(50,000)	11,709,893	8.5%
2013	946,392	1,111,392	(165,000)	11,712,772	9.5%
2014	919,116	999,897	(80,781)	11,561,208	8.6%
2015	892,132	1,176,341	(284,209)	12,204,268	9.6%
2016	804,309	993,791	(189,482)	12,431,363	8.0%
2017	788,618	1,125,912	(337,294)	12,458,425	9.0%
2018	764,062	1,002,049	(237,987)	12,525,614	8.0%
2019	854,882	1,144,130	(289,248)	13,051,626	8.8%
2020	981,764	1,130,088	(148,324)	14,126,101	8.0%
2021	1,013,475	1,190,572	(177,097)	14,882,154	8.0%

(1) TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis.

(2) Payroll is calculated based on contributions as reported to TCDRS.

Alamo Area Council of Governments
Notes to Schedule of Employer Contributions – Texas County
and District Retirement System
For the Year Ended December 31, 2021

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

Methods and assumptions used to determine contribution rates

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	20 years (based on contribution rate calculated in December 31, 2020 valuation)
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	Varies by age and service. 4.6% average over career including
Investment Rate of Return	7.50%, net of investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% for the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in this Schedule*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule*	2019: New inflation, mortality and other assumptions were reflected 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: Employer contributions reflect that a 2% flat COLA was adopted. 2019: No changes in plan provisions were reflected in the Schedule. 2020: Employer contributions reflect that a 2% flat COLA was adopted

**Only changes effective 2015 and later are shown in the Notes to the Schedule of Employer Contributions.*

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**SUPPLEMENTARY
INFORMATION**

Nonmajor Governmental Funds

Special Revenue Funds

Fund Descriptions

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

Texas Commission on Environmental Quality – This fund is used to account for grants awarded by the Texas Commission on Environmental Quality.

VIA Metropolitan Transit – This fund is used to account for grants awarded by the VIA Metropolitan Transit.

Alamo Area Agency on Aging – This fund is used to account for certain grants awarded by the Texas Health and Human Services Commission.

Economic Development Administration – This fund is used to account for grants awarded by the Economic Development Administration.

Metropolitan Planning Organization – This fund is used to account for grants awarded by the Metropolitan Planning Organization.

Texas Department of Agriculture – This fund is used to account for grants awarded by the Texas Department of Agriculture.

U.S. Department of Homeland Security – This fund is used to account for grants awarded by the U.S. Department of Homeland Security.

Capital Area Council of Governments – This fund is used to account for grants awarded by the Capital Area Council of Governments.

Texas Department of Housing and Community Affairs – This fund is used to account for grants awarded by the Texas Department of Housing and Community Affairs.

Commission on State Emergency Communications – This fund is used to account for grants awarded by the Commission on State Emergency Communications.

Office of the Governor – This fund is used to account for grants awarded by the Office of the Governor.

City of San Antonio – This fund is used to account for grants awarded by the City of San Antonio.

Local Projects – This fund is used to account for projects funded by local donations.

Department of Defense – This fund is used to account for grants awarded by the Department of Defense.

Corporation for National and Community Service – This fund is used to account for grants awarded by the Corporation for National and Community Service.

National Council on Aging – This fund is used to account for grants awarded by the National Council on Aging.

Texas Workforce Commission – This fund is used to account for grants awarded by the Texas Workforce Commission.

Nonmajor Governmental Funds

Special Revenue Funds

Fund Descriptions

Texas Council for Developmental Disabilities – This fund is used to account for grants awarded by the Texas Council for Developmental Disabilities.

U.S. Department of Agriculture – This fund is used to account for grants awarded by the U.S. Department of Agriculture.

United Way Tarrant County – This fund is used to account for grants related to United Way Tarrant County.

Better Business Bureau Senior Medicare Patrol – This fund is used to account for grants related to Better Business Bureau Senior Medicare Patrol.

Environmental Protection Agency – This fund is used to account for grants related to the Environmental Protection Agency.

Texas Judicial Council on Mental Health – This fund is used to account for grants related to the Texas Judicial Council on Mental Health.

Oasis Institute Community Care – This fund is used to account for grants related to the Oasis Institute Community Care.

Kronkosky Autism Lifeline Link – This fund is used to account for grants related to the Kronkosky Autism Lifeline Link.

Alamo Area Council of Governments
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Special Revenue Funds			
	Texas Commission on Environmental Quality	VIA Metropolitan Transit	Alamo Area Agency on Aging	Economic Development Administration
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable:				
Grantors	962,434	81,553	854,322	41,458
Due from other funds	140,761	-	-	-
Deposits	-	-	-	-
Prepaid items	-	-	200	400
	\$ 1,103,195	\$ 81,553	\$ 854,522	\$ 41,858
	\$ 1,103,195	\$ 81,553	\$ 854,522	\$ 41,858
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 437,766	\$ 22,156	\$ 231,735	\$ 27,810
Due to other funds	512,069	59,041	586,386	10,186
Unearned revenue	153,031	356	27,526	-
	1,102,866	81,553	845,647	37,996
	1,102,866	81,553	845,647	37,996
Fund balance:				
Nonspendable:				
Prepaid items	-	-	200	400
Restricted:				
Grants	329	-	8,675	3,462
Unassigned (deficit)	-	-	-	-
	329	-	8,875	3,862
	329	-	8,875	3,862
Total liabilities and fund balance	\$ 1,103,195	\$ 81,553	\$ 854,522	\$ 41,858

Special Revenue Funds

Metropolitan Planning Organization	Texas Department of Agriculture	U.S. Department of Homeland Security	Capital Area Council of Governments	Texas Department of Housing and Community Affairs
\$ -	\$ -	\$ -	\$ -	\$ -
42	1,233	41,068	-	499,081
-	-	34,541	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 42</u>	<u>\$ 1,233</u>	<u>\$ 75,609</u>	<u>\$ -</u>	<u>\$ 499,081</u>
\$ -	\$ 160	\$ 2,594	\$ -	\$ 163,168
42	1,073	-	-	336,335
-	-	-	-	2,185
<u>42</u>	<u>1,233</u>	<u>2,594</u>	<u>-</u>	<u>501,688</u>
-	-	-	-	-
-	-	73,015	-	-
-	-	-	-	(2,607)
<u>-</u>	<u>-</u>	<u>73,015</u>	<u>-</u>	<u>(2,607)</u>
<u>\$ 42</u>	<u>\$ 1,233</u>	<u>\$ 75,609</u>	<u>\$ -</u>	<u>\$ 499,081</u>

Alamo Area Council of Governments

Combining Balance Sheet Nonmajor Governmental Funds

(Continued)

December 31, 2021

	Special Revenue Funds			
	Commission on State Emergency Communications	Office of the Governor	City of San Antonio	Local Projects
Assets				
Cash and investments	\$ -	\$ 209,147	\$ -	\$ -
Accounts receivable:				
Grantors	501,705	1,075,161	-	31,050
Due from other funds	-	377,557	153,602	74,701
Deposits	-	13,904	-	-
Prepaid items	82,824	43,078	-	-
	\$ 584,529	\$ 1,718,847	\$ 153,602	\$ 105,751
Total assets	\$ 584,529	\$ 1,718,847	\$ 153,602	\$ 105,751
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 320,989	\$ 51,829	\$ 7	\$ 12,980
Due to other funds	259,978	1,288,776	-	-
Unearned revenue	2,821	-	56	13,277
	583,788	1,340,605	63	26,257
Total liabilities	583,788	1,340,605	63	26,257
Fund balance:				
Nonspendable:				
Prepaid items	82,824	43,078	-	-
Restricted:				
Grants	-	335,164	153,539	79,494
Unassigned (deficit)	(82,083)	-	-	-
	741	378,242	153,539	79,494
Total fund balance	741	378,242	153,539	79,494
Total liabilities and fund balance	\$ 584,529	\$ 1,718,847	\$ 153,602	\$ 105,751

Special Revenue Funds

Department of Defense	Corporation for National and Community Service	National Council on Aging	Texas Workforce Commission	Texas Council for Developmental Disabilities
\$ -	\$ -	\$ -	\$ -	\$ -
32,972	68,114	9,299	13,001	24,574
-	-	-	8,874	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 32,972</u>	<u>\$ 68,114</u>	<u>\$ 9,299</u>	<u>\$ 21,875</u>	<u>\$ 24,574</u>
\$ 20,999	\$ 10,034	\$ 702	\$ 875	\$ 2,037
11,973	44,719	7,147	52,642	22,537
-	15,589	1,450	-	-
<u>32,972</u>	<u>70,342</u>	<u>9,299</u>	<u>53,517</u>	<u>24,574</u>
-	-	-	-	-
-	-	-	-	-
-	(2,228)	-	(31,642)	-
-	(2,228)	-	(31,642)	-
<u>\$ 32,972</u>	<u>\$ 68,114</u>	<u>\$ 9,299</u>	<u>\$ 21,875</u>	<u>\$ 24,574</u>

Alamo Area Council of Governments

Combining Balance Sheet Nonmajor Governmental Funds

(Continued)

December 31, 2021

	Special Revenue Funds		
	United Way Tarrant County	Better Business Bureau Senior Medicare Patrol	Environmental Protection Agency
Assets			
Cash and investments	\$ -	\$ -	\$ -
Accounts receivable:			
Grantors	-	-	-
Due from other funds	33,432	51,148	-
Deposits	-	-	-
Prepaid items	-	-	-
	\$ 33,432	\$ 51,148	\$ -
	\$ 33,432	\$ 51,148	\$ -
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 650	\$ 242	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
	650	242	-
	650	242	-
Fund balance:			
Nonspendable:			
Prepaid items	-	-	-
Restricted:			
Grants	32,782	50,906	-
Unassigned (deficit)	-	-	-
	32,782	50,906	-
	32,782	50,906	-
	\$ 33,432	\$ 51,148	\$ -
Total liabilities and fund balance	\$ 33,432	\$ 51,148	\$ -

Special Revenue Funds

Texas Judicial Council on Mental Health	Oasis Institute Community Care	Kronkosky Autism Lifeline Link	Totals
\$ -	\$ -	\$ -	\$ 209,147
2,843	7,982	-	4,247,892
-	-	100,000	974,616
-	-	-	13,904
-	-	-	126,502
<u>\$ 2,843</u>	<u>\$ 7,982</u>	<u>\$ 100,000</u>	<u>\$ 5,572,061</u>
\$ 82	\$ 2,861	\$ -	\$ 1,309,676
2,761	5,121	-	3,200,786
-	-	100,000	316,291
<u>2,843</u>	<u>7,982</u>	<u>100,000</u>	<u>4,826,753</u>
-	-	-	126,502
-	-	-	737,366
-	-	-	(118,560)
<u>-</u>	<u>-</u>	<u>-</u>	<u>745,308</u>
<u>\$ 2,843</u>	<u>\$ 7,982</u>	<u>\$ 100,000</u>	<u>\$ 5,572,061</u>

Alamo Area Council of Governments
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
Nonmajor Governmental Funds
December 31, 2021

	Special Revenue Funds			
	Texas Commission on Environmental Quality	VIA Metropolitan Transit	Alamo Area Agency on Aging	Economic Development Administration
Revenues				
Intergovernmental	\$ 1,983,321	\$ 191,100	\$ 3,858,579	\$ 221,422
Matching funds	-	158,707	1,558,538	-
Local	-	-	1,000	-
Program income	-	-	110,430	-
Investment income	-	-	-	-
Total revenues	<u>1,983,321</u>	<u>349,807</u>	<u>5,528,547</u>	<u>221,422</u>
Expenditures				
Current:				
Workforce development	-	-	-	-
Aging and veterans services	-	-	5,585,840	-
Health and welfare	-	-	-	-
Emergency communications	-	-	-	-
Economic development	-	-	-	238,232
Environmental quality	1,976,293	-	-	-
Community affairs	-	-	-	-
Homeland security	-	-	-	-
Transportation	-	353,694	-	-
Criminal justice	8,433	-	-	-
Capital Outlay	-	-	-	-
Total expenditures	<u>1,984,726</u>	<u>353,694</u>	<u>5,585,840</u>	<u>238,232</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,405)</u>	<u>(3,887)</u>	<u>(57,293)</u>	<u>(16,810)</u>
Other Financing Sources and Uses				
Transfers in	-	3,887	61,555	16,754
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>3,887</u>	<u>61,555</u>	<u>16,754</u>
Net Change in Fund Balances	<u>(1,405)</u>	<u>-</u>	<u>4,262</u>	<u>(56)</u>
Fund Balances, Beginning	<u>1,734</u>	<u>-</u>	<u>4,613</u>	<u>3,918</u>
Fund Balances, Ending	<u>\$ 329</u>	<u>\$ -</u>	<u>\$ 8,875</u>	<u>\$ 3,862</u>

Special Revenue Funds

Metropolitan Planning Organization	Texas Department of Agriculture	U.S. Department of Homeland Security	Capital Area Council of Governments	Texas Department of Housing and Community Affairs
\$ 26,723	\$ 10,234	\$ 1,443,921	\$ -	\$ 2,829,599
-	-	-	-	-
-	-	-	10,000	-
-	-	-	-	-
-	-	4	-	-
<u>26,723</u>	<u>10,234</u>	<u>1,443,925</u>	<u>10,000</u>	<u>2,829,599</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	10,234	-	-	2,829,598
-	-	347,054	-	-
26,723	-	-	-	-
-	-	-	-	-
-	-	1,100,000	-	-
<u>26,723</u>	<u>10,234</u>	<u>1,447,054</u>	<u>-</u>	<u>2,829,598</u>
-	-	(3,129)	10,000	1
-	-	-	-	-
-	-	-	(29,557)	-
-	-	-	(29,557)	-
-	-	(3,129)	(19,557)	1
-	-	76,144	19,557	(2,608)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,015</u>	<u>\$ -</u>	<u>\$ (2,607)</u>

Alamo Area Council of Governments
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
Nonmajor Governmental Funds
(Continued)
December 31, 2021

	Special Revenue Funds			
	Commission on State Emergency Communications	Office of the Governor	City of San Antonio	Local Projects
Revenues				
Intergovernmental	\$ 2,663,729	\$ 3,512,879	\$ -	\$ 34,449
Matching funds	-	3,119,428	-	-
Local	-	-	-	64,968
Program income	-	461,994	-	516
Investment income	-	4,543	-	-
Total revenues	<u>2,663,729</u>	<u>7,098,844</u>	<u>-</u>	<u>99,933</u>
Expenditures				
Current:				
Workforce development	-	-	-	-
Aging and veterans services	-	-	-	7,476
Health and welfare	-	-	-	-
Emergency communications	2,278,156	-	-	-
Economic development	-	5,750,143	-	-
Environmental quality	-	-	-	838
Community affairs	-	-	-	21,095
Homeland security	-	-	-	-
Transportation	-	-	-	-
Criminal justice	-	1,296,569	-	80,215
Capital outlay	390,516	189,633	-	-
Total expenditures	<u>2,668,672</u>	<u>7,236,345</u>	<u>-</u>	<u>109,624</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,943)</u>	<u>(137,501)</u>	<u>-</u>	<u>(9,691)</u>
Other Financing Sources and Uses				
Transfers in	-	-	50,450	8,573
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>50,450</u>	<u>8,573</u>
Net Change in Fund Balances	<u>(4,943)</u>	<u>(137,501)</u>	<u>50,450</u>	<u>(1,118)</u>
Fund Balances, Beginning	<u>5,684</u>	<u>515,743</u>	<u>103,089</u>	<u>80,612</u>
Fund Balances, Ending	<u>\$ 741</u>	<u>\$ 378,242</u>	<u>\$ 153,539</u>	<u>\$ 79,494</u>

Special Revenue Funds

Department of Defense	Corporation for National and Community Service	National Council on Aging	Texas Workforce Commission	Texas Council for Developmental Disabilities
\$ 529,736	\$ 258,790	\$ 52,950	\$ -	\$ 194,585
76,402	-	-	-	-
-	-	-	28,494	-
-	-	-	-	-
-	-	-	-	-
606,138	258,790	52,950	28,494	194,585
-	-	-	84,230	-
-	258,790	52,950	-	-
-	-	-	-	195,734
-	-	-	-	-
606,138	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
606,138	258,790	52,950	84,230	195,734
-	-	-	(55,736)	(1,149)
-	-	-	-	1,149
-	(2,228)	-	-	-
-	(2,228)	-	-	1,149
-	(2,228)	-	(55,736)	-
-	-	-	24,094	-
\$ -	\$ (2,228)	\$ -	\$ (31,642)	\$ -

Alamo Area Council of Governments
Combining Statement of Revenues, Expenditures
And Changes in Fund Balance
Nonmajor Governmental Funds
(Continued)
December 31, 2021

	Special Revenue Funds		
	United Way Tarrant County	Better Business Bureau Senior Medicare Patrol	Environmental Protection Agency
Revenues			
Intergovernmental	\$ -	\$ -	\$ 913
Matching funds	-	-	-
Local	-	20,000	-
Program income	-	-	20,377
Investment income	-	-	-
Total revenues	-	20,000	21,290
Expenditures			
Current:			
Workforce development	-	-	-
Aging and veterans services	723	12,087	-
Health and welfare	-	-	-
Emergency communications	-	-	-
Economic development	-	-	-
Environmental quality	-	-	913
Community affairs	-	-	-
Homeland security	-	-	-
Transportation	-	-	-
Criminal justice	-	-	-
Capital outlay	-	-	-
Total expenditures	723	12,087	913
Excess (Deficiency) Of Revenues			
Over (Under) Expenditures	(723)	7,913	20,377
Other Financing Sources and Uses			
Transfers in	-	-	-
Transfers out	-	-	(20,377)
Total other financing sources and uses	-	-	(20,377)
Net Change in Fund Balances	(723)	7,913	-
Fund Balances, Beginning	33,505	42,993	-
Fund Balances, Ending	\$ 32,782	\$ 50,906	\$ -

Special Revenue Funds

Texas Judicial Council on Mental Health	Oasis Institute Community Care	Kronkosky Autism Lifeline Link	Totals
\$ 2,842	\$ 7,982	\$ -	\$ 17,823,754
-	-	-	4,913,075
-	-	-	124,462
-	-	-	593,317
-	-	-	4,547
<hr/> 2,842	<hr/> 7,982	<hr/> -	<hr/> 23,459,155
-	-	-	84,230
-	7,982	-	5,925,848
2,842	-	-	198,576
-	-	-	2,278,156
-	-	-	6,594,513
-	-	-	1,978,044
-	-	-	2,860,927
-	-	-	347,054
-	-	-	380,417
-	-	-	1,385,217
-	-	-	1,680,149
<hr/> 2,842	<hr/> 7,982	<hr/> -	<hr/> 23,713,131
-	-	-	(253,976)
-	-	-	142,368
-	-	-	(52,162)
-	-	-	90,206
-	-	-	(163,770)
-	-	-	909,078
<hr/> <hr/> \$ -	<hr/> <hr/> \$ -	<hr/> <hr/> \$ -	<hr/> <hr/> \$ 745,308

Alamo Area Council of Governments
Schedule of Indirect Costs
For the Year Ended December 31, 2021

Personnel services	\$ 1,968,373
Employee benefits	563,812
Other contract services	828,046
Travel	4,994
Rent	382,890
Supplies	80,162
Equipment	132,338
Insurance and bonding	11,249
Public notices	1,310
Printing and reproduction	106,496
Repairs and maintenance	55,911
Fuel/oil	1,645
Employee recruitment	33,000
Communications	330,251
Postage	30,709
Meetings	41,556
Training in/out region	9,154
Publications	1,638
Professional dues	46,065
Equipment rental	144,921
Tuition staff	11,298
Depreciation	<u>(10,635)</u>
 Total indirect costs	 4,775,183
 Less: administration cost received (rent, communications, postage, copies directly charged to program)	 <u>(1,625,898)</u>
 Net Indirect Costs	 3,149,285
 Actual Indirect Costs Recovered	 (2,997,358)
 Over-Recovery of Indirect Costs Carried Forward From Prior Year	 <u>(214,207)</u>
 Accumulated Cost Over-Recovery	 <u><u>\$ (62,280)</u></u>

Alamo Area Council of Governments
Schedule of Employee Benefits (Fringe and Release Time)
For the Year Ended December 31, 2021

Benefits:	
FICA	\$ 1,106,179
Health insurance	1,942,823
Retirement	1,190,572
Release time	1,620,804
Other insurance	249,230
Workers' compensation	<u>110,685</u>
Total employee benefits	6,220,293
Actual Employee Benefits Recovered	(5,836,582)
Over-Recovery of Employee Benefits Carried Forward From Prior Year	<u>(123,775)</u>
Accumulated Over-Recovery	<u><u>\$ 259,936</u></u>

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OTHER SUPPLEMENTARY INFORMATION

Intellectual and Developmental Disabilities Services Schedules (Unaudited)

This section of the annual comprehensive financial report contains other supplementary schedules required of Intellectual and Developmental Disabilities (IDD) authorities in the State of Texas. IDD authorities report to granting agencies on a 12-month grant period that ends on August 31. Accordingly, these schedules have been prepared in a manner that facilitates reconciliation to a 12-month period ending August 31.

Alamo Area Council of Governments
Reconciliation of Total Expenditures
To Fourth Quarter Financial Report
For the Year Ended December 31, 2021
(Unaudited)

	<u>CARE *</u> <u>Report III</u>	<u>Additions**</u>	<u>Deletions***</u>	<u>Audited</u> <u>Financial</u> <u>Statements</u>
Expenditures				
Salaries	\$ 6,379,793	\$ 8,533,599	\$ 2,060,851	\$ 12,852,541
Employee benefits	1,832,400	2,470,284	594,558	3,708,126
Professional consulting services	1,672,428	42,165,726	939,136	42,899,018
Training/travel	154,103	228,893	59,283	323,714
Debt service	-	334,291	-	334,291
Capital outlay	54,085	17,371,743	13,429	17,412,400
Noncapital equipment	102,221	124,062	765	225,518
Other operating expenditures	<u>2,634,923</u>	<u>7,314,974</u>	<u>952,049</u>	<u>8,997,848</u>
 Total expenditures	 <u>\$ 12,829,953</u>	 <u>\$ 78,543,572</u>	 <u>\$ 4,620,071</u>	 <u>\$ 86,753,456</u>

* CARE Report III Fiscal Year 2021

** Other Agency Programs

*** September – December 2021 IDD Expenditures

Alamo Area Council of Governments
Reconciliation of Total Revenue
To Fourth Quarter Financial Report
For the Year Ended December 31, 2021
(Unaudited)

	CARE * Report III	Additions**	Deletions***	Audited Financial Statements
Local and Earned Revenues:				
Medicaid/HAB Coordination	\$ 5,648,970	\$ 3,030,493	\$ 1,908,678	\$ 6,770,785
Membership dues	-	359,396	-	359,396
Local/Interest/Program Income	42,797	2,908,260	20,780	2,930,277
Titan complex tenant/Occupancy	-	873,079	-	873,079
Contributions – UHS	308,085	102,697	102,696	308,086
Delegate agency match	-	11,024,273	-	11,024,273
Total local and earned revenues	<u>5,999,852</u>	<u>18,298,198</u>	<u>2,032,154</u>	<u>22,265,896</u>
State Program Revenues				
General Revenue	3,423,167	13,055,532	1,073,372	15,405,327
Permanency Planning	62,650	13,136	17,736	58,050
Community Living Options Information Process (CLOIP)	255,113	165,771	119,741	301,143
Crisis Behavioral Supports	208,110	88,184	76,480	219,814
Crisis Behavioral Respite	495,572	280,228	196,393	579,407
NF PASRR Special Services	606,152	876,990	492,110	991,032
Total state program revenues	<u>5,050,764</u>	<u>14,479,841</u>	<u>1,975,832</u>	<u>17,554,773</u>
Federal Program Revenues				
Federal revenue	869,064	34,234,052	260,503	34,842,613
Medicaid administrative claiming	954,870	391,648	351,579	994,939
Total federal program revenues	<u>1,823,934</u>	<u>34,625,700</u>	<u>612,082</u>	<u>35,837,552</u>
Total revenues	<u>\$ 12,874,550</u>	<u>\$ 67,403,739</u>	<u>\$ 4,620,068</u>	<u>\$ 75,658,221</u>
Fund Balance Used per CARE Report III	\$ -			
Equals CARE Report III Fiscal Year 2021	\$ 12,874,550			

* CARE Report III Fiscal Year 2021

** Other Agency Programs and September – December 2021 IDD Revenues

*** September - December 2021 IDD Revenues

Alamo Area Council of Governments
Reconciliation of Total Revenue
To First Quarter FY 2022 Financial Report
For the Year Ended December 31, 2021
(Unaudited)

	1st Qtr * CARE Report III	**Additions	***All Other Agency	Audited Financial Statements
Local and Earned Revenues:				
Medicaid	\$ 1,498,699	\$ 533,094	\$ 4,738,992	\$ 6,770,785
Membership dues	-	-	359,396	359,396
Local/Interest/Program Income	3,839	17,471	3,012,579	2,930,277
Titan complex tenant/occupancy	-	-	873,079	873,079
Contributions – UHS	171,313	(68,617)	205,390	308,086
Delegate agency match	-	-	11,024,273	11,024,273
Other – transfers from reserves	-	(123,644)	123,644	-
Total local and earned revenues	<u>1,673,851</u>	<u>358,304</u>	<u>20,337,352</u>	<u>22,265,896</u>
State Program Revenues				
General Revenue	790,710	282,662	14,331,955	15,405,327
Permanency Planning	14,372	3,365	40,313	58,050
Community Living Options Information Process (CLOIP)	96,494	23,247	181,401	301,143
Crisis Behavioral Supports	58,144	18,336	143,334	219,814
Crisis Behavioral Respite	156,179	40,213	383,015	579,407
Nursing Facilities (NF) Preadmission Screening and Resident Review (PASRR)	-	-	-	-
NF PASRR Special Services	308,842	183,267	498,923	991,032
Total state program revenues	<u>1,424,741</u>	<u>551,090</u>	<u>15,578,941</u>	<u>17,554,773</u>
Federal Program Revenues				
Federal revenue	110,453	150,050	34,582,111	34,842,613
Medicaid administrative claiming	263,685	87,895	643,358	994,939
Total federal program revenues	<u>374,138</u>	<u>237,945</u>	<u>35,225,469</u>	<u>35,837,552</u>
Total revenues	<u>\$ 3,472,730</u>	<u>\$ 1,147,339</u>	<u>\$ 71,141,762</u>	<u>\$ 75,658,221</u>

* 1st quarter Fiscal Year 22 (September – November 2021) IDD Revenues

** December 2021 IDD Revenues

*** Other Agency Programs and January – August 2021 IDD Revenues

Alamo Area Council of Governments
Schedule of Revenues and Expenditures by Source of Funds
For the Year Ended December 31, 2021
(Unaudited)

Fund Sources	Total Revenue	FY2021	FY2021	All Other Program Expenditures	Excess Revenue Over Expenditures
		Jan - Aug Alamo Local Authority Expenditures	Sept - Dec Alamo Local Authority Expenditures		
Objects of expense:					
Personnel	\$ 12,852,541	\$ 3,891,438	\$ 1,838,913	\$ 7,122,190	\$ -
Employee benefits	3,708,126	1,125,510	531,392	2,051,224	-
Debt Service	334,291	-	-	334,291	-
Capital outlay	17,377,850	-	-	17,377,850	-
Other operating expense	52,480,649	3,095,365	1,823,770	47,561,514	-
Allocation of general administration to strategies	-	404,427	199,779	(604,206)	-
Allocation of authority administration to strategies	-	366,813	226,215	(593,028)	-
Total expenditures	86,753,457	8,883,553	4,620,069	73,249,835	-
Method of finance:					
General revenue/IDD	15,405,327	2,462,864	1,073,372	11,869,091	-
Permanency planning	58,050	40,313	17,737	-	-
CLOIP	301,143	181,401	119,742	-	-
Crisis Behavioral Supports	219,814	143,334	76,480	-	-
Crisis Respite	579,407	383,015	196,392	-	-
NF PASRR SC	-	-	-	-	-
NF PASRR Special Services	991,033	498,923	492,109	1	-
Earned income	19,853,135	4,160,502	2,035,521	13,657,112	-
Additional local funds	2,412,761	(321,600)	(3,367)	2,737,728	-
Other services revenues	35,837,552	1,310,603	612,083	33,914,866	-
Total expended sources	\$ 75,658,222	\$ 8,859,355	\$ 4,620,069	\$ 62,178,798	\$ -

Alamo Area Council of Governments
Schedule of Indirect Costs
For the Year Ended December 31, 2021
(Unaudited)

	Total Costs	Nonallowable Costs	Depreciation	Total Adjusted Costs	Direct Costs	Indirect Costs
Personnel	\$ 12,852,541	\$ -	\$ -	\$ 12,852,541	\$ 10,884,168	\$ 1,968,373
Fringe benefits	3,708,126	-	-	3,708,126	3,144,314	563,812
Debt service	334,291	-	-	334,291	334,291	-
Capital outlay	17,637,918	17,637,918	-	-	-	-
Depreciation	-	-	1,172,759	1,172,759	1,183,394	(10,635)
Other operating	<u>52,220,580</u>	<u>-</u>	<u>-</u>	<u>52,220,580</u>	<u>51,592,848</u>	<u>627,732</u>
Total expenditures	<u>\$ 86,753,456</u>	<u>\$ 17,637,918</u>	<u>\$ 1,172,759</u>	<u>\$ 70,288,297</u>	<u>\$ 67,139,015</u>	<u>\$ 3,149,282</u>
Indirect costs						\$ 3,149,282
Direct costs						67,139,015
Indirect cost rate						4.69%

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Alamo Area Council of Governments
Schedule of Insurance in Effect
For the Year Ended December 31, 2021
(Unaudited)

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/21	10/01/22	Workers' Compensation	Statutory
Texas Municipal League Risk Management Fund	10/01/21	10/01/22	Automobile Liability	
			Per Occurrence Limit	\$ 5,000,000
			Deductible	2,500
			Annual Aggregate	-
			Medical Payments per person	25,000
			Deductible	-
	10/01/21	10/01/22	Automobile Physical Damage	
			Per Occurrence Limit	10,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/21	10/01/22	General Liability	
			Per Occurrence Limit	10,000,000
			Deductible	-
			Sudden Events Each Occurrence	2,000,000
			Annual Aggregate	10,000,000
Texas Municipal League Risk Management Fund	10/01/21	10/01/22	Law Enforcement Liability	
			Per Occurrence Limit	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/21	10/01/22	Errors and Omissions	
			Liability	-
			Each Wrongful Act	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000

Alamo Area Council of Governments
Schedule of Insurance in Effect (Continued)
For the Year Ended December 31, 2021
(Unaudited)

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/21	10/01/22	All Risk Property Coverage	
			Coverage Basis	
			Building : Replacement Cost Valuation	\$ 7,192,377
			Deductible	250
			Transit Limit	1,000,000
			Valuable Papers and EDP Media	10,000
			Accounts Receivable	10,000
			Loss of Revenue Extra Expense and Rev	50,000
			Personal Property of Employees and Officials	5,000
			Leasehold Interest	5,000
			Outdoor Trees and Shrubs	10,000
			Newly Acquired Property FMV up to	1,000,000
			Pollutant Cleanup and Removal Each Premise	20,000
			Flood & Earthquake	
Flood Limit	1,500,000			
Earthquake Limit	7,192,377			
Deductible	25,000			
Texas Municipal League Risk Management Fund	10/01/19	10/01/21	Boiler & Machinery	
			Per Accident Limit	100,000
			Deductible	250
Texas Municipal League Risk Management Fund	10/01/19	10/01/21	Public Employee Dishonesty	
			Limit of Coverage	500,000
			Deductible	5,000
			Coverage Includes Faithful Performance of Duty	
WS&P Walthall Sachse & Pipes, Inc	07/01/20	07/01/21	Pollution Coverage	
			General Aggregate Limit	1,000,000
			Each "Pollution Condition" Limit	1,000,000
			Each Crisis Management and Emergency	
			Response limit	250,000
			Deductible	10,000
WS&P Walthall Sachse & Pipes, Inc	02/13/20	02/13/21	Volunteers	
			Accidental Death and Dismemberment Benefit	-
			Covered Person principal sum/amount	5,000
			Total Max Accident Medical and Dental	10,000
			Deductible	-

Alamo Area Council of Governments
Schedule of Professional and Consulting Services
For the Year Ended December 31, 2021
(Unaudited)

Name	City	Type of Service	Amount
January – August 2021			
ABA & Behavioral Services	San Antonio	6230-Community Supports	\$ 97,489
ABA & Behavioral Services	San Antonio	6260-Behavioral Support	167,859
ABA & Behavioral Services	San Antonio	6380-Applied Behavior ABA Therapy	784
ABA Center for Excellence	San Antonio	6215-Crisis Respite	5,750
ABA Center for Excellence	San Antonio	6260-Behavioral Support	52,263
ABA Center for Excellence	San Antonio	6380-Applied Behavior ABA Therapy	8,211
Angel Care Center of San Antonio	San Antonio	6213-Respite Hourly In Home	13,733
Angel Care Center of San Antonio	San Antonio	6220-Day Habilitation	1,171
Angel Care Center of San Antonio	San Antonio	6230-Community Supports	125,684
ARC	San Antonio	6220-Day Habilitation	13,300
Calidad (Converse)	Converse	6213-Respite Hourly In Home	12,960
Calidad (Converse)	Converse	6215-Crisis Respite	9,000
Calidad (Converse)	Converse	6230-Community Supports	10,618
Calidad Drexel	San Antonio	6220-Day Habilitation	553
CBA, LLC	San Antonio	6385-Speech & Language Services	6,900
Eva's Heroes	San Antonio	6370-Day Hab Summer Camp	1,115
Every Moment Matters	San Antonio	6210-Respite Hourly Out of Home	1,320
Every Moment Matters	San Antonio	6213-Respite Hourly In Home	10,260
Every Moment Matters	San Antonio	6230-Community Supports	4,749
Jennifer Garrett	San Antonio	6230-Community Supports	3,024
Jennifer Garrett	San Antonio	6260-Behavioral Support	46,890
Lifeline Care & Services	San Antonio	6210-Respite Hourly out of Home	11,693
Lifeline Care & Services	San Antonio	6211-Respite Daily Out of Home	2,250
Lifeline Care & Services	San Antonio	6213-Respite Hourly In Home	45,079
Lifeline Care & Services	San Antonio	6214-Respite Daily In Home	6,450
Lifeline Care & Services	San Antonio	6230-Community Supports	47,421
Lifetime Living Inc	San Antonio	6211-Respite Daily Out of Home	105
Lifetime Living Inc	San Antonio	6213-Respite Hourly In Home	7,890
Lifetime Living Inc	San Antonio	6220-Day Habilitation	4,852
Lifetime Living Inc	San Antonio	6230-Community Supports	19,827
Mission Development	San Antonio	6220-Day Habilitation	7,288
Mission Development	San Antonio	6225-Head Start	240
Mission Development	San Antonio	6370-Day Hab Summer Camp	3,055
RMI	San Antonio	6220-Day Habilitation	5,152
SAFIRE	San Antonio	6220-Day Habilitation	5,055
San Antonio Life Academy	San Antonio	6220-Day Habilitation	12,074
So. Tx Behavioral Institute	San Antonio	6260-Behavioral Support	1,492
So. Tx Behavioral Institute	San Antonio	6380-Applied Behavior ABA Therapy	191
TWG Investments LTD	San Antonio	6280-Safety Net	242,188
University United Methodist	San Antonio	6220-Day Habilitation	4,732
			\$ 1,020,667

Alamo Area Council of Governments
Schedule of Professional and Consulting Services (Continued)
For the Year Ended December 31, 2021
(Unaudited)

Name	City	Type of Service	Amount
September – December 2021			
ABA & Behavioral Services	San Antonio	6230-Community Supports	\$ 52,324
ABA & Behavioral Services	San Antonio	6260-Behavioral Support	128,175
ABA & Behavioral Services	San Antonio	6380-Applied Behavior ABA Therapy	1,530
ABA Center for Excellence	San Antonio	6215-Crisis Respite Hourly In Home	563
ABA Center for Excellence	San Antonio	6260-Behavioral Support	17,649
ABA Center for Excellence	San Antonio	6380-Applied Behavioral ABA Therapy	2,678
Angel Care Center of San Antonio	San Antonio	6213-Respite Hourly In Home	8,404
Angel Care Center of San Antonio	San Antonio	6220-Day Habilitation	3,628
Angel Care Center of San Antonio	San Antonio	6230-Community Supports	87,080
ARC	San Antonio	6220-Day Habilitation	6,938
Beach House Arts	San Antonio	6220-Day Habilitation	1,908
Behavior Saviors	San Antonio	6215-Crisis Respite Hourly In Home	6,813
Behavior Saviors	San Antonio	6260-Behavioral Support	4,113
CAMP	San Antonio	6211-Respite Daily Out of Home	600
Calidad (Converse)	Converse	6213-Respite Hourly In Home	5,783
Calidad (Converse)	Converse	6230-Community Supports	3,740
Calidad Drexel	San Antonio	6220-Day Habilitation	856
Calidad Drexel	San Antonio	6230-Community Supports	593
Care Warriors	San Antonio	6215-Crisis Respite Hourly In Home	2,078
CBA, LLC	San Antonio	6385-Speech & Language Services	6,360
Eva's Heroes	San Antonio	6370-Day Hab Summer Camp	128
Hand in Hand	San Antonio	6213-Respite Hourly In Home	469
Hand in Hand	San Antonio	6230-Community Supports	1,401
Jennifer Garrett	San Antonio	6260-Behavioral Support	18,574
Lifeline Care & Services	San Antonio	6210-Respite Hourly out of Home	7,549
Lifeline Care & Services	San Antonio	6211-Respite Daily Out of Home	900
Lifeline Care & Services	San Antonio	6213-Respite Hourly In Home	23,029
Lifeline Care & Services	San Antonio	6214-Respite Daily In Home	1,200
Lifeline Care & Services	San Antonio	6230-Community Supports	18,728
Lifetime Living Inc	San Antonio	6210-Respite Hourly Out of Home	4,136
Lifetime Living Inc	San Antonio	6213-Respite Hourly In Home	3,450
Lifetime Living Inc	San Antonio	6220-Day Habilitation	5,979
Lifetime Living Inc	San Antonio	6230-Community Supports	6,557
Mission Development	San Antonio	6220-Day Habilitation	9,255
Mission Development	San Antonio	6370-Day Hab Summer Camp	238
RMI	San Antonio	6220-Day Habilitation	2,867
RMI	San Antonio	6225-Head Start	120
SAFIRE	San Antonio	6220-Day Habilitation	1,804
San Antonio Life Academy	San Antonio	6220-Day Habilitation	5,010
TWG Investments LTD	San Antonio	6280-Safety Net	150,000
University United Methodist	San Antonio	6220-Day Habilitation	1,967
			\$ 605,170

Alamo Area Council of Governments
Schedule of Legal Services
For the Year Ended December 31, 2021
(Unaudited)

<u>Name</u>	<u>City</u>	<u>Type of Service</u>	<u>Amount</u>
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NONE

Alamo Area Council of Governments
Schedule of Lease and Rental Commitments
For the Year Ended December 31, 2021
(Unaudited)

<u>Lessor</u>	<u>Leased Property Location</u>	<u>Termination Date</u>	<u>Monthly Rental</u>
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NONE

Alamo Area Council of Governments
Schedule of Space Occupied in a State-Owned Facility
For the Year Ended December 31, 2021
(Unaudited)

<u>Lessor</u>	<u>Leased Property</u>	<u>Termination Date</u>	<u>Monthly Rental</u>
	NONE		

Alamo Area Council of Governments
Schedule of Bonded Employees
For the Year Ended December 31, 2021
(Unaudited)

<u>Name</u>	<u>Title</u>	<u>Surety Company</u>	<u>Bond Amount</u>
	NONE		

Statistical Section

(Unaudited)

This part of the Council'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 Council's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the Council's financial performance and well-being have changed over time.</i>	67–70
Revenue Capacity <i>These schedules contain information to help the reader assess the Council's most significant local revenue sources.</i>	71
Demographic and Economic Information <i>These schedules present information to help the reader understand the environment within which the Council's financial activities take place.</i>	72–73
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Council's financial report relates to the services the Council provides and the activities it performs.</i>	74–76

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Alamo Area Council of Governments
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
Governmental activities:				
Net investment in				
capital assets	\$ 3,971,524	\$ 3,566,228	\$ 3,320,177	\$ 4,626,797
Restricted	5,213,505	6,003,304	5,468,590	4,435,713
Unrestricted	1,603,840	1,436,790	1,149,419	2,248,303
Total governmental				
activities net position	<u>\$ 10,788,869</u>	<u>\$ 11,006,322</u>	<u>\$ 9,938,186</u>	<u>\$ 11,310,813</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 3,857,627	\$ 3,158,888	\$ 4,232,400	\$ 5,132,815	\$ 5,140,075	\$ 8,781,545
3,783,220	3,832,310	3,813,652	4,145,115	5,934,267	7,948,346
<u>2,467,162</u>	<u>3,199,304</u>	<u>3,625,103</u>	<u>3,520,139</u>	<u>3,058,212</u>	<u>1,649,248</u>
<u>\$ 10,108,009</u>	<u>\$ 10,190,502</u>	<u>\$ 11,671,155</u>	<u>\$ 12,798,069</u>	<u>\$ 14,132,554</u>	<u>\$ 18,379,139</u>

Alamo Area Council of Governments
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental activities:				
General government	\$ 160,091	\$ 325,364	\$ 253,731	\$ 106,379
Workforce development	3,127,544	3,172,384	1,231,591	985,649
Housing and urban development	610,889	733,103	654,225	623,478
Emergency communications	1,152,930	1,375,736	1,302,969	1,637,738
Economic development	121,919	89,988	109,023	52,784
Environmental quality	781,122	891,270	661,454	908,372
Community affairs	3,065,124	1,636,268	1,862,836	1,856,575
Health and welfare	8,485,624	8,361,714	9,441,812	11,628,909
Homeland security	625,480	438,462	615,464	303,317
Aging and veterans services	15,566,223	16,118,847	16,618,027	16,878,439
Criminal justice	901,854	1,494,340	1,133,784	1,468,424
Transportation	5,685,078	6,011,223	6,059,606	5,296,213
Interest	-	-	-	-
Total governmental activities expenses	<u>40,283,878</u>	<u>40,648,699</u>	<u>39,944,522</u>	<u>41,746,277</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	65	-	-	-
Health and welfare	655,495	-	3,198	-
Aging and veterans services	480,924	456,079	556,521	242,780
Criminal justice	173,504	253,983	227,511	246,663
Transportation	-	118,191	-	-
Environmental quality	-	-	-	-
Community affairs	-	-	-	-
Operating grants and contributions	37,322,513	39,733,453	37,769,447	39,870,358
Capital grants and contributions	-	-	-	2,241,447
Total governmental activities program revenues	<u>38,632,501</u>	<u>40,561,706</u>	<u>38,556,677</u>	<u>42,601,248</u>
Net (Expense) Revenues				
Governmental activities	<u>(1,651,377)</u>	<u>(86,993)</u>	<u>(1,387,845)</u>	<u>854,971</u>
Total	<u>(1,651,377)</u>	<u>(86,993)</u>	<u>(1,387,845)</u>	<u>854,971</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Unrestricted investment earnings	3,291	3,911	1,523	8,729
Miscellaneous	92	183	-	-
Member dues	295,636	300,352	318,186	323,933
Gain on sale of capital assets	-	-	-	-
Total governmental activities	<u>299,019</u>	<u>304,446</u>	<u>319,709</u>	<u>332,662</u>
Change in Net Position				
Governmental activities	<u>(1,352,358)</u>	<u>217,453</u>	<u>(1,068,136)</u>	<u>1,187,633</u>
Total	<u>\$ (1,352,358)</u>	<u>\$ 217,453</u>	<u>\$ (1,068,136)</u>	<u>\$ 1,187,633</u>

Notes:

¹ Economic Development expenditures increased drastically in 2017 due to a one-time grant, the Defense Economic Adjustment Assistance Grant.

² Aging was updated to aging and veterans services in 2020

³ Workforce development was reclassified to Aging and veterans services

Fiscal Year						
2016	2017(1)	2018	2019	2020	2021	
\$ 229,932	\$ 130,920	\$ 61,036	\$ 32,566	\$ 52,833	\$ 1,660,666	
334,846	426,572	2,443,360	2,823,796	-	84,521	
30,372	17,445	-	-	-	-	
1,544,150	1,812,052	1,413,105	1,670,714	1,215,766	2,286,025	
853,881	4,431,081	647,838	433,744	1,350,562	6,617,291	
949,942	992,880	704,083	483,930	1,141,244	1,984,876	
1,625,004	2,078,269	2,475,773	2,991,145	2,607,786	2,897,307	
11,866,163	11,600,496	12,446,756	13,612,174	13,265,591	13,792,278	
411,654	281,861	287,900	388,563	372,143	348,253	
17,093,970	18,732,002	17,018,023	20,076,977	25,931,144	31,921,661	
1,508,118	1,417,596	1,536,841	1,567,352	1,586,864	1,467,445	
5,122,713	5,904,299	5,250,931	6,054,983	7,035,493	8,017,050	
-	18,580	4,707	-	-	334,263	
<u>41,570,745</u>	<u>47,844,053</u>	<u>44,290,353</u>	<u>50,135,944</u>	<u>54,559,426</u>	<u>71,411,636</u>	
-	-	-	-	-	-	
-	-	-	-	-	-	
403,393	421,338	242,894	349,274	145,493	195,278	
281,673	436,947	423,974	405,077	413,029	462,510	
-	-	-	-	-	101,972	
-	-	-	-	-	20,377	
-	-	-	520	-	-	
39,344,336	46,719,605	43,172,279	48,563,380	54,845,286	73,785,464	
-	-	1,515,394	1,526,754	-	659,366	
<u>40,029,402</u>	<u>47,577,890</u>	<u>45,354,541</u>	<u>50,845,005</u>	<u>55,403,808</u>	<u>75,224,967</u>	
(1,541,343)	(266,163)	1,064,188	709,061	844,382	3,813,331	
<u>(1,541,343)</u>	<u>(266,163)</u>	<u>1,064,188</u>	<u>709,061</u>	<u>844,382</u>	<u>3,813,331</u>	
8,160	6,276	32,950	40,142	137,122	73,858	
-	-	-	-	-	-	
330,379	332,780	342,501	343,057	352,981	359,396	
-	9,600	41,014	34,654	-	-	
<u>338,539</u>	<u>348,656</u>	<u>416,465</u>	<u>417,853</u>	<u>490,103</u>	<u>433,254</u>	
(1,202,804)	82,493	1,480,653	1,126,914	1,334,485	4,246,585	
<u>\$ (1,202,804)</u>	<u>\$ 82,493</u>	<u>\$ 1,480,653</u>	<u>\$ 1,126,914</u>	<u>\$ 1,334,485</u>	<u>\$ 4,246,585</u>	

Alamo Area Council of Governments
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
General fund:				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	11,080	6,121	6,032	-
Nonspendable	-	-	-	-
Unassigned	<u>1,932,797</u>	<u>1,865,034</u>	<u>1,577,911</u>	<u>1,937,288</u>
Total general fund	<u>\$ 1,943,877</u>	<u>\$ 1,871,155</u>	<u>\$ 1,583,943</u>	<u>\$ 1,937,288</u>
Special revenue funds:				
Reserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	-
Restricted	5,209,858	5,997,002	5,420,274	4,440,389
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total special revenue funds	<u>\$ 5,209,858</u>	<u>\$ 5,997,002</u>	<u>\$ 5,420,274</u>	<u>\$ 4,440,389</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
274,372	-	-	-	-	-
-	313,604	412,199	269,977	388,520	87,428
<u>1,638,063</u>	<u>1,851,426</u>	<u>2,011,899</u>	<u>2,581,217</u>	<u>2,497,958</u>	<u>1,622,132</u>
<u>\$ 1,912,435</u>	<u>\$ 2,165,030</u>	<u>\$ 2,424,098</u>	<u>\$ 2,851,194</u>	<u>\$ 2,886,478</u>	<u>\$ 1,709,560</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	2,000	149,167	187,673	308,339	240,876
3,508,481	3,832,310	3,664,068	3,963,305	5,720,449	7,948,346
<u>-</u>	<u>(45)</u>	<u>(2,779)</u>	<u>(15,709)</u>	<u>(39,809)</u>	<u>(118,560)</u>
<u>\$ 3,508,481</u>	<u>\$ 3,834,265</u>	<u>\$ 3,810,456</u>	<u>\$ 4,135,269</u>	<u>\$ 5,988,979</u>	<u>\$ 8,070,662</u>

Alamo Area Council of Governments
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Intergovernmental	\$ 25,840,605	\$ 25,480,440	\$ 24,742,773	\$ 25,610,714
Matching funds	5,112,138	6,999,166	6,225,094	6,855,548
Local	6,903,919	7,253,847	6,801,580	7,446,925
Program income	874,083	828,253	787,230	494,210
Membership dues	295,636	300,352	318,186	323,933
Investment income	6,659	3,911	1,523	8,729
Miscellaneous	24,119	183	-	-
Total revenues	<u>39,057,159</u>	<u>40,866,152</u>	<u>38,876,386</u>	<u>40,740,059</u>
Expenditures				
Current:				
General government	141,977	229,820	378,365	43,036
Aging and veterans services	15,542,184	16,115,223	16,614,403	17,108,033
Health and welfare	8,482,000	8,361,714	9,441,812	11,782,323
Transportation	5,401,948	5,837,168	5,900,644	4,675,167
Workforce development	3,093,331	3,140,769	1,201,275	966,961
Environmental quality	779,773	889,921	660,105	924,944
Community affairs	3,065,124	1,636,268	1,862,836	1,881,830
Criminal justice	846,294	1,442,256	1,088,328	1,339,882
Emergency communications	1,117,882	1,340,688	1,276,220	1,690,501
Homeland security	518,225	354,828	572,678	282,103
Housing	590,873	713,087	634,637	618,317
Economic development	121,919	89,988	109,023	53,502
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>39,701,530</u>	<u>40,151,730</u>	<u>39,740,326</u>	<u>41,366,599</u>
Net Change in Fund Balances	<u>(644,371)</u>	<u>714,422</u>	<u>(863,940)</u>	<u>(626,540)</u>
Other Financing Sources (Uses)				
Issuance of long-term debt	-	-	-	-
Transfers in	212,120	188,859	230,755	268,314
Transfers out	(212,120)	(188,859)	(230,755)	(268,314)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (644,371)</u>	<u>\$ 714,422</u>	<u>\$ (863,940)</u>	<u>\$ (626,540)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>

Notes:

¹ Membership dues are comprised of eligible governmental units and various associate members within the 13-county Alamo Area planning region. Dues are used as local funds in matching federal and state planning grants.

² Economic Development expenditures increased drastically in 2017 due to a one-time grant, the Defense Economic Adjustment Assistance Grant.

³ Aging was updated to aging and veterans services in 2020.

⁴ Workforce development was reclassified to aging and veterans services.

Fiscal Year						
	2016	2017	2018	2019	2020	2021
\$	25,285,580	\$ 30,077,011	\$ 28,892,676	\$ 33,641,062	\$ 40,890,288	\$ 54,233,363
	7,006,685	8,182,400	7,240,447	7,457,274	5,747,304	11,132,680
	7,025,515	8,450,713	8,566,888	8,944,587	8,207,694	9,078,787
	700,857	859,472	666,868	754,351	558,522	780,137
	330,379	332,780	342,501	343,057	352,981	359,396
	18,925	24,170	32,950	122,527	137,122	73,858
	-	-	-	-	-	-
	<u>40,367,941</u>	<u>47,926,546</u>	<u>45,742,330</u>	<u>51,262,858</u>	<u>55,893,911</u>	<u>75,658,221</u>
	178,991	76,643	10,438	-	42,330	1,270,009
	17,312,612	18,812,366	17,081,492	19,869,451	25,662,883	31,811,462
	12,016,644	11,646,967	12,768,090	13,641,656	13,032,290	13,651,874
	4,691,292	5,638,199	6,342,407	7,071,819	6,357,737	7,246,570
	323,068	426,330	2,452,707	2,795,136	-	84,230
	1,007,720	986,047	730,549	462,019	1,112,545	1,978,044
	1,645,789	2,087,229	2,514,757	2,945,451	2,561,288	2,862,015
	1,235,837	1,125,083	1,249,501	1,264,282	1,364,993	1,385,217
	1,643,255	1,814,118	1,413,665	1,647,275	1,198,503	2,278,156
	391,600	266,337	288,995	384,571	368,311	347,054
	13,091	-	-	-	-	-
	864,803	4,450,187	649,756	429,289	1,336,658	6,594,513
	-	-	-	-	967,379	16,733,759
	-	-	-	-	-	176,290
	-	18,661	4,714	-	-	334,263
	<u>41,324,702</u>	<u>47,348,167</u>	<u>45,507,071</u>	<u>50,510,949</u>	<u>54,004,917</u>	<u>86,753,456</u>
	<u>(956,761)</u>	<u>578,379</u>	<u>235,259</u>	<u>751,909</u>	<u>1,888,994</u>	<u>(11,095,235)</u>
	-	-	-	-	-	12,000,000
	274,414	225,780	324,288	300,526	1,194,871	841,426
	<u>(274,414)</u>	<u>(225,780)</u>	<u>(324,288)</u>	<u>(300,526)</u>	<u>(1,194,871)</u>	<u>(841,426)</u>
	-	-	-	-	-	12,000,000
\$	<u>(956,761)</u>	<u>\$ 578,379</u>	<u>\$ 235,259</u>	<u>\$ 751,909</u>	<u>\$ 1,888,994</u>	<u>\$ 904,765</u>
	- %	0.04%	0.01%	- %	- %	0.48%

Alamo Area Council of Governments
Principal Sources of Revenues
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2012	2013	2014	2015
Earned Revenues:				
Medicaid ⁽¹⁾	\$ 3,446,086	\$ 4,624,276	\$ 5,663,959	\$ 5,793,701
Membership dues	295,636	300,352	318,186	323,933
Local Contributions	3,143,070	2,406,722	1,045,675	1,598,246
Matching funds	-	291,105	332,666	307,076
Investment income	5,649,545	7,455,245	6,781,614	7,097,649
Other	6,659	3,911	1,523	8,729
	16,164	184	-	11
Total local and earned revenues	12,557,160	15,081,795	14,143,623	15,129,345
State Program Revenues				
State	6,883,615	8,589,808	7,581,588	9,665,357
Permanency Planning	87,394	67,115	53,307	95,608
Community Living Options Information Process (CLOIP)	213,963	215,697	260,452	218,801
Crisis Behavioral Supports	-	-	-	-
Nursing Facilities Preadmission Screening and Resident Review	-	-	-	-
Omnibus Reconciliation Reform (OBRA) Funds	7,268	10,089	18,518	9,894
Total state program revenues	7,192,240	8,882,709	7,913,865	9,989,660
Federal Program Revenues				
Federal	18,648,366	16,596,676	16,541,640	14,661,683
Medicaid Administrative Claiming	659,393	328,457	287,268	959,372
Total federal program revenues	19,307,759	16,925,133	16,828,908	15,621,055
Total revenues	\$ 39,057,159	\$ 40,889,637	\$ 38,886,396	\$ 40,740,060

Notes:

⁽¹⁾ The *Patient Protection and Affordable Care Act* (ACA) was signed into law in March 2010, providing for expansion of the Medicaid program.

⁽²⁾ OBRA funds ended in fiscal year 2016.

Fiscal Year					
2016⁽²⁾	2017	2018	2019	2020	2021
\$ 5,745,153	\$ 6,403,262	\$ 6,599,793	\$ 6,465,604	\$ 6,362,345	\$ 6,775,880
330,379	332,780	342,501	343,057	352,981	359,396
786,163	1,212,943	1,419,462	1,631,288	511,933	11,284,645
269,165	383,878	334,754	407,274	221,965	330,456
7,392,976	8,489,710	7,240,447	7,457,274	5,747,304	11,132,680
18,867	24,170	32,950	122,527	137,122	73,858
539,658	1,002,792	879,747	1,194,772	1,669,973	2,501,185
<u>15,082,361</u>	<u>17,849,535</u>	<u>16,849,654</u>	<u>17,621,796</u>	<u>15,003,623</u>	<u>32,458,100</u>
9,231,702	13,151,436	9,516,097	10,856,888	8,724,860	15,405,417
88,772	61,061	78,895	64,754	372,203	58,050
270,079	209,271	206,799	193,956	162,552	301,143
327,407	639,699	204,516	171,506	513,780	799,131
-	638,745	512,829	119,361	447,549	991,033
338,271	-	-	-	-	-
<u>10,256,231</u>	<u>14,700,212</u>	<u>10,519,136</u>	<u>11,406,465</u>	<u>10,220,944</u>	<u>17,554,774</u>
13,859,576	14,440,342	17,378,962	21,277,595	29,228,454	24,641,242
1,169,773	936,458	994,578	957,002	982,753	1,004,105
<u>15,029,349</u>	<u>15,376,800</u>	<u>18,373,540</u>	<u>22,234,597</u>	<u>30,211,207</u>	<u>25,645,347</u>
<u>\$ 40,367,941</u>	<u>\$ 47,926,547</u>	<u>\$ 45,742,330</u>	<u>\$ 51,262,858</u>	<u>\$ 55,435,774</u>	<u>\$ 75,658,221</u>

Alamo Area Council of Governments
Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population¹	Personal Income (\$000)¹	Avg. Per Capita Personal Income	Gross Sales²
2012	2,344,719	58,370,156	24,894	147,649,885,895
2013	2,388,823	61,381,726	25,695	148,276,549,442
2014	2,438,711	66,101,449	27,105	165,977,429,158
2015	2,491,102	67,090,551	26,932	147,242,121,274
2016	2,539,276	69,792,782	27,485	133,579,582,935
2017	2,587,905	75,199,941	29,058	103,523,685,063
2018	2,633,460	78,972,198	29,988	168,662,115,611
2019	2,665,784	82,644,636	31,002	175,264,123,266
2020	2,679,777	84,967,689	31,707	151,116,360,983
2021	2,716,044	N/A ⁴	N/A ⁴	90,425,156,594

Notes:

- 1 U.S. Census Bureau, Annual Estimates of the Resident Population for Counties: July 1, 2020 and July 1, 2021
- 2 Gross Sales, State Tax, and Avg. Outlets Derived from Texas Comptroller of Public Accounts Quarterly Sales tax Report for all industries year 2021. Only available for first two quarters of 2021.
- 3 Total Employment reflects Civilian Labor Force as of December 2021
- 4 Per the Texas Demographic Center, Selected Economics Characteristics for 2021 have not been released for Texas as of June 2022

Taxable Sales	Average Outlets²	Total Employment³	Unemployment Rate
27,731,875,590	4,500	1,089,921	6.3%
29,576,635,365	4,568	1,024,314	6.5%
31,591,846,755	4,589	1,049,445	6.9%
33,102,882,603	4,860	1,074,794	3.7%
33,546,158,475	5,057	1,104,774	3.9%
24,811,767,292	4,435	1,132,763	3.4%
36,417,332,369	5,015	1,079,726	3.0%
37,848,856,980	6,950	1,189,293	5.1%
35,061,199,033	5,442	1,098,628	5.9%
19,718,991,737	5,218	N/A ⁴	N/A ⁴

Alamo Area Council of Governments
Principal Employers
Current Year and Nine Years Ago

Employer	2021			2012		
	Employees	Rank	Percentage of Employment ¹	Employees	Rank	Percentage Of Employment ²
Joint Base San Antonio – Lackland, Fort Sam & Randolph	74,289	1	7.14%	92,301	1	10.87%
H-E-B	20,000	2	1.92%	14,588	3	1.72%
United Services Automobile Association (USAA)	19,000	3	1.83%	15,000	2	1.77%
Northside Independent School District	13,644	4	1.31%	12,751	5	1.50%
Methodist Health Care System	12,500	5	1.20%	7,747	7	0.91%
City of San Antonio	11,042	6	1.06%	13,573	4	1.60%
North East Independent School District	8,600	7	0.83%	10,522	6	1.24%
San Antonio Independent School District	7,410	8	0.71%	7,000	8	0.82%
Baptist Health System	6,162	9	0.59%	6,310	9	0.74%
Wells Fargo	5,152	10	0.50%			
University of Texas Health Science	-		0%	6,153	10	0.72%
Total	177,799		17.09%	185,945		21.89%

Source: Economic Development Division, City of San Antonio, Texas, 2020 Books of Lists – San Antonio Business Journal, and Department of Defense personnel statistics

¹ Percent based on an Employment Estimate of 1,040,400 of Non-Farm Jobs in the San Antonio- New Braunfels, TX Metropolitan Statistical Area as of January 2021. Figure provided by the Texas Workforce Commission.

² Percent based on an Employment Estimate of 849,200 Non-Farm Jobs in the San Antonio- New Braunfels, TX Metropolitan Statistical Area as of January 2012. Figure provided by the Texas Workforce Commission.

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Alamo Area Council of Governments
Operating Indicators by Function
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2012	2013	2014	2015
Alamo Area Agency on Aging:				
Home delivered meals	140,707	131,296	136,506	130,932
Congregate meals	78,607	67,378	68,457	70,619
Transportation trips	11,049	6,069	6,083	6,531
Bexar Area Agency on Aging:				
Home delivered meals	302,558	280,766	305,358	320,524
Congregate meals	417,457	346,857	350,128	403,832
Transportation trips	25,902	20,102	15,631	12,210
Hours of legal and guardianship services	2,678	5,248	4,953	5,494
Alamo Local Authority:				
Individuals enrolled in HCS program	126	132	144	409
Criminal Justice:				
Full time basic peace officer courses completed	3	3	3	4
Basic peace officer graduates	49	71	81	71
Housing/Weatherization:				
LIHEAP units created	206	207	161	242
LIHEAP expenditures	\$ 1,135,285	\$ 1,204,771	\$ 824,344	\$ 1,506,166
DOE units created	44	56	29	47
DOE expenditures	\$ 166,433	\$ 430,301	\$ 211,201	\$ 375,522
Natural resources:				
Ozone monitors completed	6	6	6	6
Commute Solutions:				
Outreach events completed	5	6	7	11
Clean Cities:				
Alternative fuel workshops completed	7	4	4	4
9-1-1/Technical Assistance:				
AACOG match rates	-	-	69%	82%
Resource Recovery:				
Pass-through dollars for annual projects	\$ 819,653	\$ 179,551	\$ 153,542	\$ 113,300
Alamo Regional Transit:				
Ridership	139,086	114,370	113,161	111,145
Workforce:				
Rural job seekers assisted	1,086	3,809	N/A	N/A
Provided employment services	7,240	5,234	N/A	N/A

Fiscal Year						
2016	2017	2018	2019	2020	2021	
143,731	133,233	130,568	161,152	319,355	357,374	
72,386	64,258	67,124	65,264	15,986	22,778	
492	1,090	1,356	2,535	7,422	5,261	
316,252	317,000	785,821	790,416	790,872	1,637,542	
382,750	355,000	263,598	605,052	119,787	4,291	
12,695	12,642	11,061	14,139	11,112	13,789	
5,212	4,954	3,648	4,310	2,184	2,094	
115	103	89	79	94	148	
3	3	3	3	3	3	
81	88	76	72	86	75	
177	180	228	280	225	142	
\$ 1,297,925	\$ 1,504,234	\$ 1,858,132	\$ 2,207,642	\$ 1,112,902	\$ 1,708,093	
47	37	37	36	18	83	
\$ 380,014	\$ 341,899	\$ 363,252	\$ 442,640	\$ 110,989	\$ 484,126	
6	6	6	7	7	7	
12	12	12	6	-	2	
4	-	4	10	4	-	
92%	98%	99%	98%	99%	99%	
\$ 158,213	\$ 161,888	\$ 158,573	\$ 106,715	\$ 173,675	\$ 175,000	
89,037	101,394	117,378	137,635	90,507	115,520	
N/A	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	N/A	

Alamo Area Council of Governments
Full-Time Equivalent Employees
By Program/Department
Last Ten Fiscal Years

Program/Department	Fiscal Year			
	2012	2013	2014	2015
IDD	89	90	111	130
Area Agency on Aging	38	38	36	40
Transportation	44	44	52	47
Administrative	32	33	29	35
Military and Veterans Affairs	-	-	-	-
Public Safety	12	12	13	12
Weatherization	13	13	14	12
Natural Resources	9	10	10	7
Regional Services	1	1	1	1
Resource Recovery	2	2	2	2
Compatible Use Program	-	-	-	-
Workforce/Childcare	44	44	10	9
Total	284	287	278	295

Year-to-Year Percentage Increases				
IDD	9%	1%	23%	17%
Area Agency on Aging	23%	0%	-5%	11%
Transportation	-41%	0%	18%	-10%
Administrative	39%	3%	-12%	21%
Military and Veterans Affairs	0%	0%	0%	0%
Public Safety	-14%	0%	8%	-8%
Weatherization	-13%	0%	8%	-14%
Natural Resources	0%	11%	0%	-30%
Regional Services	0%	0%	0%	0%
Resource Recovery	0%	0%	0%	0%
Compatible Use Program	0%	0%	0%	0%
Workforce/Childcare	2%	0%	-77%	-10%
Total	-4%	1%	-3%	6%

Fiscal Year					
2016	2017	2018	2019	2020	2021
133	135	133	138	142	141
53	53	52	55	63	57
34	34	36	38	44	47
28	26	24	29	27	29
-	-	-	-	-	14
11	12	12	11	13	12
7	8	8	7	9	10
8	5	2	2	3	2
1	4	2	2	1	1
2	2	2	-	2	1
-	-	-	-	2	-
-	-	-	-	-	-
<u>277</u>	<u>279</u>	<u>271</u>	<u>282</u>	<u>306</u>	<u>314</u>

Year-to-Year Percentage Increases					
2%	2%	-1%	4%	3%	-1%
33%	0%	-2%	6%	15%	-10%
-28%	0%	6%	6%	16%	7%
-20%	-7%	-8%	21%	-7%	7%
0%	0%	0%	0%	0%	100%
-8%	9%	0%	-8%	18%	-8%
-42%	14%	0%	-13%	29%	11%
14%	-38%	-60%	0%	50%	-33%
0%	300%	-50%	0%	-50%	0%
0%	0%	0%	-100%	100%	-50%
0%	0%	0%	0%	100%	-100%
-100%	0%	0%	0%	0%	0%
<u>-6%</u>	<u>1%</u>	<u>-3%</u>	<u>4%</u>	<u>9%</u>	<u>3%</u>

Alamo Area Council of Governments
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>General Government</u>										
Vehicles	1	1	-	-	-	-	-	-	-	-
Equipment	5	5	4	3	2	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	2
<u>Aging</u>										
Equipment	-	-	-	-	-	-	-	1	1	1
Furniture & Fixtures	-	-	-	1	1	1	-	-	-	-
<u>IDD</u>										
Equipment	2	2	2	2	2	2	2	2	4	3
Furniture & Fixtures	-	-	-	1	1	1	-	-	-	2
<u>Alamo Regional Transit</u>										
Vehicles	78	71	79	80	67	43	45	56	54	52
Equipment	2	2	2	2	2	2	-	2	2	2
Software	4	2	3	2	2	1	2	2	3	3
Buildings	-	-	-	-	-	-	-	-	1	1
Furniture and Fixtures	-	-	-	-	-	-	-	-	1	1
<u>Public Safety</u>										
Vehicles	8	7	5	6	1	1	2	1	1	3
Equipment	5	5	4	15	14	13	13	13	13	11
Software	-	1	2	2	2	2	1	1	-	-
<u>9-1-1</u>										
Equipment	2	2	2	4	4	4	3	3	3	3
<u>Homeland Security</u>										
Vehicles	8	8	-	-	-	-	-	-	-	-
Equipment	7	7	5	1	1	1	-	-	-	-
<u>Housing</u>										
Vehicles	6	6	6	4	5	5	9	4	5	5
<u>Workforce Development</u>										
Vehicles	3	3	3	3	3	-	-	-	-	-
Furniture & Fixtures	1	1	-	-	-	-	-	-	-	-
<u>Veterans Directed</u>										
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	1
<u>Natural Resources</u>										
Equipment	-	-	-	1	6	6	6	6	6	6
<u>Resource Recovery</u>										
Equipment	1	2	2	2	2	2	2	2	2	2

SINGLE AUDIT SECTION

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Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Board of Directors
Alamo Area Council of Governments
San Antonio, 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 financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Alamo Area Council of Governments (the Council), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated August 22, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Council'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 Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council'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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS,LLP

San Antonio, Texas
August 22, 2022



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Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance

Independent Auditor's Report

Board of Directors
Alamo Area Council of Governments
San Antonio, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Alamo Area Council of Governments' (Council) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the State of Texas *Uniform Grant Management Standards* (UGMS), issued by the Texas Comptroller of Public Accounts, that could have a direct and material effect on each of the Council's major federal and state programs for the year ended December 31, 2021. The Council'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 Council complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal and State Program

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

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Council'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 Council'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 UGMS, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

FORVIS,LLP

San Antonio, Texas
August 22, 2022

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS				
<u>U.S. Department of Commerce/Economic Development Administration</u>				
Direct:				
Economic Development – Support for Planning Organizations	11.302		\$ 67,017	\$ -
Economic Development Cluster				
COVID-19 Economic Adjustment Assistance – Title II, Section 209	11.307		154,405	-
Subtotal Economic Development Cluster			154,405	-
Total U.S. Department of Commerce/Economic Development Administration			221,422	-
<u>U.S. Department of Defense/Office of Economic Adjustment</u>				
Direct:				
Assistance for Compatible Use and Joint Land Use Studies	12.610		46,400	-
Assistance for Compatible Use and Joint Land Use Studies	12.610		344,994	-
Assistance for Compatible Use and Joint Land Use Studies	12.610		138,343	-
Total U.S. Department of Defense/Office of Economic Adjustment			529,737	-
<u>U.S. Department of Housing and Urban Development</u>				
Passed through the Texas Department of Agriculture:				
Community Development Block Grant	14.228	C719221	9,001	-
Community Development Block Grant	14.228	CEDAF21-21	1,233	-
Total Texas Department of Agriculture			10,234	-
Passed through the Texas Department of Housing and Community Affairs:				
COVID-19 Emergency Solutions Grant Program	14.231	43206070080	321,959	-
COVID-19 Texas Emergency Mortgage Assistance Program (TEMAP)	14.228	70700001001	324,284	-
Total Texas Department of Housing and Community Affairs			646,243	-
Total U.S. Department of Housing and Urban Development			656,477	-
<u>U.S. Department of Justice</u>				
Passed through the Office of the Governor, Criminal Justice Division:				
Public Safety Coronavirus Response Project	16.034	4356101	76,931	-
Violence Against Women Formula Grant	16.588	2610709	56,036	-
Violence Against Women Formula Grant	16.588	2610710	13,121	-
Total Office of the Governor, Criminal Justice Division			146,088	-
Total U.S. Department of Justice			146,088	-
<u>U.S. Department of Labor</u>				
WIOA Cluster				
Passed through Texas Workforce Commission:				
WIOA Adult Program	17.258	2920WOS004	603,381	-
Total U.S. Department of Labor			603,381	-
<u>U.S. Department of Transportation</u>				
Passed through the Metropolitan Planning Organization:				
Highway Planning and Construction Cluster	20.205	2019-135-MPO-PCM	26,722	-
Subtotal Highway Planning and Construction Cluster			26,722	-
Federal Transit Cluster				
Passed through the VIA Metropolitan Transit:				
Federal Transit Formula Grants	20.507	1937-2021-2	927,445	-
COVID-19 Federal Transit Formula Grants	20.507	CARES TX-2020-077-00	190,349	-
Subtotal VIA Metropolitan Transit			1,117,794	-
Passed through the Texas Department of Transportation:				
Bus and Bus Facilities Formula Program	20.526	5339-R-2020AACOG-00108	18,066	-
Subtotal Texas Department of Transportation			18,066	-
Subtotal Federal Transit Cluster			1,135,860	-
Passed through the VIA Metropolitan Transit:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	TX-2021-010-00	191,100	-
Subtotal Transit Services Programs Cluster			191,100	-

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (Continued)				
Passed through Texas Department of Transportation:				
Formula Grants for Rural Areas	20.509	5311-2020-AACOG-00061	\$ 1,010,880	\$ -
COVID-19 Formula Grants for Rural Areas	20.509	5311-2021-AACOG-00031	2,912,393	-
Formula Grants for Rural Areas	20.509	5311-2019-AACOG-00056	480,729	-
Metropolitan Transportation Planning and Research	20.505	TX-2019-112/RCTP-2019-AACOG-00024	(2,343)	-
Metropolitan Transportation Planning and Research	20.505	TX-2019-112/RCTP-2019-AACOG-00026	62,894	-
Subtotal			<u>4,464,553</u>	<u>-</u>
Total U.S. Department of Transportation			<u>5,818,235</u>	<u>-</u>
<u>U.S. Environmental Protection Agency</u>				
Direct:				
Diesel Emission Reduction Act (DERA)	66.039		913	-
Total U.S. Environmental Protection Agency			<u>913</u>	<u>-</u>
<u>U.S. Department of Energy</u>				
Direct:				
Conservation Research and Development	81.086		6,258	-
Conservation Research and Development	81.086		28,191	-
Total Direct Programs			<u>34,449</u>	<u>-</u>
Passed through Texas Department of Housing and Community Affairs:				
Weatherization Assistance for Low-Income Persons	81.042	56190003117	339,039	-
Weatherization Assistance for Low-Income Persons	81.042	56210003505	226,509	-
Total Texas Department of Housing and Community Affairs			<u>565,548</u>	<u>-</u>
Total U.S. Department of Energy			<u>599,997</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through Texas Health and Human Services Commission:				
Title VII-EAP – Bexar AAA	93.041	HHS000874100003	20,017	-
Title VII-EAP – Alamo AAA	93.041	HHS000874100001	6,861	-
Subtotal			<u>26,878</u>	<u>-</u>
Title VII-OAG – Alamo AAA	93.042	HHS000874100001	51,863	-
COVID-19 Title VII-OAG – Alamo AAA	93.042	HHS000874100001	30,977	-
Title VII-OAG – Bexar AAA	93.042	HHS000874100003	74,917	-
COVID-19 CARES Title VII-OM – Bexar AAA	93.042	HHS000874100003	45,890	-
Subtotal			<u>203,647</u>	<u>-</u>
Title III-D – Alamo AAA	93.043	HHS000874100001	64,434	-
Title III-D – Bexar AAA	93.043	HHS000874100003	80,193	-
Subtotal			<u>144,627</u>	<u>-</u>
Aging Cluster				
Title III-B – Bexar AAA	93.044	HHS000874100003	1,250,310	260,525
Title III-B – Alamo AAA	93.044	HHS000874100003	550,695	29,314
COVID-19 CARES Title III-B Bexar AAA	93.044	HHS000874100003	314,697	-
Title III-B – Alamo AAA	93.044	HHS000874100001	827,856	150,873
Subtotal			<u>2,943,558</u>	<u>440,712</u>

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (Continued)				
Passed through Texas Health and Human Services Commission (continued)				
Title III-C– Bexar AAA	93.045	HHS000874100003	\$ 2,600,599	\$ 1,203,994
Title III-C – Alamo AAA	93.045	HHS000874100001	986,358	911,942
COVID-19 Title III-C–Bexar AAA	93.045	HHS000874100003	1,331,013	1,331,013
COVID-19 Title III-C – Alamo AAA	93.045	HHS000874100001	441,612	441,612
Consolidated Appropriations Title III C2 Bexar AAA	93.045	HHS000874100003	476,617	476,617
Consolidated Appropriations Title III C2 Alamo AAA	93.045	HHS000874100001	257,002	257,002
Subtotal			6,093,201	4,622,180
Nutrition Services Incentive Program – Bexar AAA	93.053	HHS000874100003	1,033,108	-
Nutrition Services Incentive Program – Alamo AAA	93.053	HHS000874100001	192,545	-
Subtotal			1,225,653	-
Subtotal Aging Cluster			10,262,412	5,062,892
Title III-E – Bexar AAA	93.052	HHS000874100003	1,126,997	-
Title III-E – Alamo AAA	93.052	HHS000874100001	408,897	-
Subtotal			1,535,894	-
Medicare Enrollment Assistance Program (MIPPA -2) – Bexar AAA	93.071	HHS000874100003	27,263	-
Medicare Enrollment Assistance Program (MIPPA -2) – Alamo AAA	93.071	HHS000874100001	15,022	-
Subtotal			42,285	-
COVID-19 Lifespan Respite Care Program – Bexar AAA	93.072	HHS000541100001	3,171	-
COVID-19 Lifespan Respite Care Program – Alamo AAA	93.072	HHS000270200022	1,588	-
Subtotal			4,759	-
State Health Insurance Assistance Program – Bexar AAA	93.324	HHS000874100003	78,953	-
State Health Insurance Assistance Program – Alamo AAA	93.324	HHS000874100001	56,671	-
Subtotal			135,624	-
COVID-19 Provider Relief Fund – IDD	93.498	N/A	119,976	-
Subtotal			119,976	-
Medicaid Administrative Claiming (MAC)	93.778	HHS000537900008	652,525	-
Medicaid Administrative Claiming (MAC)	93.778	HHS000537900008	351,580	-
Subtotal Medicaid Cluster			1,004,105	-
OPIOID STR – Bexar AAA	93.788	HHS000874100003	2,728	-
OPIOID STR – Alamo AAA	93.788	HHS000874100001	2,516	-
Subtotal			5,244	-
Money Follows the Person Rebalancing Demonstration – Transitional Support Team – IDD	93.791	HHS000612000001	384,402	-
Money Follows the Person Rebalancing Demonstration – Transitional Support Team – IDD	93.791	HHS000994500001	196,616	-
Money Follows the Person Rebalancing Demonstration – Enhanced Community Coordination – IDD	93.791	HHS000612000001	173,675	-
Money Follows the Person Rebalancing Demonstration – Enhanced Community Coordination – IDD	93.791	HHS000994500001	63,886	-
Money Follows the Person Rebalancing Demonstration – Apprenticeship Pilot – IDD	93.791	HHS001111400001	3,459	-
Money Follows the Person Rebalancing Demonstration – ADRC BEXAR	93.791	HHS000541100001	60,420	-
Money Follows the Person Rebalancing Demonstration – ADRC ALAMO	93.791	HHS000270200022	48,388	-
Subtotal			930,846	-
Total Texas Health and Human Services Commission			14,416,297	5,062,892
Passed through National Council on Aging:				
Medicare Enrollment Assistance Program (MIPPA -2) – Bexar ADRC	93.071	HHS000541100001	17,282	-
Medicare Enrollment Assistance Program (MIPPA -2) – Alamo ADRC	93.071	HHS000270200022	10,713	-
Medicare Enrollment Assistance Program (MIPPA -2) – Benefits Counseling	93.071	HHS000874100003	52,950	-
Total National Council on Aging			80,945	-
Passed through Texas Department of Housing and Community Affairs:				
Low-Income Home Energy Assistance Program	93.568	81200003178	78,011	-
Low-Income Home Energy Assistance Program	93.568	81210003409	1,497,848	-
Total Texas Department of Housing and Community Affairs			1,575,859	-
Passed through Texas Council for Developmental Disabilities:				
Older Adults with Developmental Disabilities and their Caregivers	93.630	20214	98,605	-
Older Adults with Developmental Disabilities and their Caregivers	93.630	21314	95,503	-
Developmental Disabilities Basic Support Vaccine Access	93.630	21C03	478	-
Total Texas Council for Developmental Disabilities			194,586	-

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (Continued)				
Direct:				
No Wrong Door/COVID-19 ADRC BEXAR	93.048		\$ 125,645	\$ -
No Wrong Door/COVID-19 ADRC ALAMO	93.048		65,071	-
			<u>190,716</u>	<u>-</u>
Passed through The Oasis Institute:				
Community Cares	93.048	90CCDG001-02-00	7,982	-
Total The Oasis Institute			<u>7,982</u>	<u>-</u>
Total U. S. Department of Health and Human Services			<u>16,466,385</u>	<u>5,062,892</u>
<u>Corporation for National and Community Service</u>				
Direct:				
Senior Demonstration Program	94.017		64,326	-
Senior Companion Program	94.016		194,464	-
Total Corporation for National and Community Service			<u>258,790</u>	<u>-</u>
<u>U.S. Department of Homeland Security</u>				
Passed through Office of the Governor, Division of Emergency Management				
Homeland Security Grant Program	97.067	21-00081	24,667	-
Homeland Security Grant Program	97.067	22-00084	12,333	-
Homeland Security Grant Program	97.067	2964006	276,341	-
Homeland Security Grant Program	97.067	2964007	30,581	-
Total Homeland Security Grant Program			<u>343,922</u>	<u>-</u>
Total U.S. Department of Homeland Security			<u>343,922</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 25,645,347</u>	<u>\$ 5,062,892</u>

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2021

<u>State Grantor/Program Title</u>	<u>Grant Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
STATE AWARDS			
<u>Texas Health and Human Services Commission</u>			
State General Revenue – Bexar AAA FY21	HHS000874100003	\$ 456,423	\$ -
State General Revenue – Bexar AAA FY22	HHS000874100003	36,272	-
State General Revenue – Alamo AAA FY21	HHS000874100001	245,330	-
State General Revenue – Alamo AAA FY22	HHS000874100001	15,525	-
Subtotal		<u>753,550</u>	<u>-</u>
State General Revenue – Bexar AAA	HHS000541100001	244,909	-
State General Revenue – Alamo AAA	HHS000270200022	129,346	-
Subtotal		<u>374,255</u>	<u>-</u>
Senior Companion Program FY21	HHS000871100027	6,545	-
State General Revenue – FY21	HHS000612000001	2,462,864	-
Permanency Planning	HHS000612000001	40,313	-
Community Living Options Information Process (CLOIP)	HHS000612000001	181,401	-
IDD Crisis Intervention Specialists	HHS000612000001	143,334	-
IDD Crisis Respite Services	HHS000612000001	383,016	-
Nursing Facility Specialized Services	HHS000612000001	498,923	-
Subtotal		<u>3,709,851</u>	<u>-</u>
State General Revenue – FY22	HHS000994500001	1,073,372	-
Permanency Planning	HHS000994500001	17,737	-
Community Living Options Information Process (CLOIP)	HHS000994500001	119,742	-
IDD Crisis Intervention Specialists	HHS000994500001	76,480	-
IDD Crisis Respite Services	HHS000994500001	196,392	-
Nursing Facility Specialized Services	HHS000994500001	492,110	-
Subtotal		<u>1,975,833</u>	<u>-</u>
Total Texas Health and Human Services Commission		<u>6,820,034</u>	<u>-</u>
<u>Commission on State Emergency Communications</u>			
911 Emergency Communications	FY 2019	44,219	-
911 Emergency Communications	FY 2021	2,242,440	-
911 Emergency Communications	FY 2022	382,009	-
Total Commission on State Emergency Communications		<u>2,668,668</u>	<u>-</u>
<u>Office of the Governor – Criminal Justice Division</u>			
Regional Criminal Justice Coordination FY21	2100081	108,045	-
Regional Criminal Justice Coordination FY22	2200084	54,025	-
Subtotal		<u>162,070</u>	<u>-</u>
Regional Police Training Academy FY21	SF-20-A10-14859-17	372,716	-
Regional Police Training Academy FY23	14859-18	204,226	-
Subtotal		<u>576,942</u>	<u>-</u>
Defense Economic Adjustment Assistance Grant (DEAAG)	2020-01-03	2,627,959	2,627,959
Subtotal		<u>2,627,959</u>	<u>2,627,959</u>
Regional Communication Infrastructure Enhancement	4059301	1,100,000	-
Subtotal		<u>1,100,000</u>	<u>-</u>
Supreme Court of Texas Court Improvement Projects	201-22-2022	2,843	-
Subtotal		<u>2,843</u>	<u>-</u>
Total Office of the Governor – Criminal Justice Division		<u>4,469,814</u>	<u>2,627,959</u>
<u>Texas Commission on Environmental Quality</u>			
Rider 7 Air Quality	582-20-11984	1,481,627	-
Solid Waste Resource Recovery	582-20-10203	459,653	-
Solid Waste Resource Recovery	582-22-30107	42,041	-
Total Texas Commission on Environmental Quality		<u>1,983,321</u>	<u>-</u>
<u>Texas Department of Housing and Community Affairs</u>			
Amy Young Barrier Removal Program	1002985	41,831	-
Total Texas Department of Housing and Community Affairs		<u>41,831</u>	<u>-</u>

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2021

<u>State Grantor/Program Title</u>	<u>Grant Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
STATE AWARDS (Continued)			
<u>Texas Department of Transportation</u>			
Rural Public Transportation	R2020 AACOG 00173	\$ 868,546	\$ -
Total Texas Department of Transportation		<u>868,546</u>	<u>-</u>
<u>Texas Veterans Commission</u>			
Housing 4 Texas Heroes FY21	GT-HTX20-023	242,404	-
Housing 4 Texas Heroes	GT-HTX21-010	140,209	-
Subtotal		<u>382,613</u>	<u>-</u>
Rides 4 Vets FY21	GT-FVA20-57	187,883	-
Rides 4 Vets FY22	GT-FVA21-021	132,064	-
Subtotal		<u>319,947</u>	<u>-</u>
Total Texas Veterans Commission		<u>702,560</u>	<u>-</u>
Total State Expenditures		<u>17,554,774</u>	<u>2,627,959</u>
Total Expenditures of Federal and State Awards		<u>\$ 43,200,121</u>	<u>\$ 7,690,851</u>

Alamo Area Council of Governments
Notes to Schedule of Expenditures for
Federal and State Awards
For the Year Ended December 31, 2021

Note 1: Basis of Presentation

The schedule of expenditures of federal and state awards presents the activity of all applicable federal and state award programs of the reporting entity. The Council's reporting entity is defined in *Note 1* of the basic financial statements. Federal and state awards received directly from federal and state agencies, as well as awards passed through other government agencies, are included on the schedule of expenditures of federal and state awards. 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 State of Texas Uniform Grants Management Standards (UGMS). Because the Schedule presents only a selected portion of the operations of the Council, it is not intended to and does not present the financial position, or changes in net position of the Council.

Note 2: Summary of Significant Accounting Policies

The schedule of expenditures of federal and state awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in *Note 1* of the basic financial statements.

Note 3: Negative Balances

Due to a revision in the allocation of certain costs, certain granting agencies have retroactively reallocated certain grant expenditures. As a result of this, the effected grants reflect a negative balance in the current schedule of expenditures of federal and state awards at the request of the granting agency.

Note 4: Relationship to Federal and State Financial Reports

Grant expenditure reports as of December 31, 2021, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are often prepared at different dates and sometimes reflect refined estimates of year-end accruals. The reports will agree at termination of the grant, as the discrepancies noted are timing differences.

Note 5: Indirect Cost Rate

The Council has not elected to use the 10% de minimis indirect cost rate as allowed in the *Uniform Guidance, Section 414*. Instead, the Council uses indirect and fringe benefit rates that are negotiated with the U.S. Economic Development Administration, which is the Council's designated federal cognizant agency. The Council uses a fixed-rate plus carry-forward provision.

Alamo Area Council of Governments

Notes to Schedule of Expenditures for

Federal and State Awards

For the Year Ended December 31, 2021

Note 6: Subawards from Discretely Presented Component Unit to Primary Government

In the administration of grants, the discretely presented component unit (AADC) may sometimes provide subawards to the primary government (AACOG). In accordance with federal and state guidelines, for purposes of determining Type A programs and reporting on the schedule of expenditures of federal and state awards, these subawards within the single audit reporting entity are eliminated.

Note 7: Fair Value of Personal Protective Equipment from Federal Sources

For the year ended December 31, 2021, the Council received \$480 in personal protective equipment from federal sources (unaudited).

Alamo Area Council of Governments Schedule of Findings and Questioned Costs For the Year Ended December 31, 2021

Section I – Summary of Auditor’s Results

Financial Statements

- The type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP was:

Unmodified
 Qualified
 Adverse
 Disclaimer

- Internal control over financial reporting:

Significant deficiency(ies) identified? *Yes* *None reported*

Material weakness(es) identified? *Yes* *No*

- Noncompliance considered material to the financial statements noted?

Yes *No*

Federal Awards

- Internal control over major federal awards programs:

Significant deficiency(ies)?

Yes *None reported*

Material weakness(es)?

Yes *No*

- Type of auditor’s report issued on compliance for major federal programs:

Unmodified
 Qualified
 Adverse
 Disclaimer

- Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?

Yes *No*

- Identification of major federal programs:

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>
Federal Transit Cluster	20.507, 20.526
Medicaid Cluster	93.778
Title III-E Bexar AAA	93.052
Money Follows the Person	93.791
Low-Income Home Energy Assistance Program	93.568

Alamo Area Council of Governments
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

8. Dollar threshold used to distinguish between Type A and Type B programs: \$769,270.

9. Auditee qualified as a low-risk auditee?

Yes *No*

State Awards

10. Internal control over major state awards programs:

Significant deficiency(ies) identified?

Yes *None reported*

Material weakness(es) identified?

Yes *No*

11. Type of auditor's report issued on compliance for major state programs:

Unmodified *Qualified* *Adverse* *Disclaimer*

12. Any audit findings disclosed that are required to be reported by State of Texas *UGMS*?

Yes *No*

13. Identification of major state programs:

Name of State Program

Defense Economic Adjustment Assistance Grant (2020-01-03)

Regional Communication Infrastructure Enhancement (4059301)

911 Emergency Communications (FY2019, FY2021, FY2022)

14. Dollar threshold used to distinguish between Type A and Type B programs: \$526,643.

15. The Council qualified as a low-risk auditee as that term is defined in the State of Texas *UGMS*?

Yes *No*

Alamo Area Council of Governments
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Section II: Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III: Federal or State Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

Alamo Area Council of Governments
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2021

Reference Number	Summary of Finding	Status
2020-001	<p><u>Accounting Segregation of Duties</u> Criteria or Specific Requirement: Management is responsible for establishing and maintaining adequate segregation of duties over its significant transaction cycles.</p> <p>Condition: The Controller has access to post entries to the general ledger system and perform accounts receivable reconciliations without review.</p> <p>Cause: Current accounting duties do not have controls in place to allow for proper segregation of duties and review of the Controller duties listed in the condition above.</p> <p>Effect: The Council has not adequately segregated the Controller’s duties related to entry posting and reconciliation performance. When accounting activities are performed without review, there is an increased potential for error.</p>	Resolved
2020-002	<p><u>General Ledger Reconciliation</u> Criteria or Specific Requirement: Management is responsible for reconciling account balances for each of their financial statement line items.</p> <p>Condition: Interfund receivables and payables, accounts receivable, and unearned revenue accounts contained numerous debit and credit balances that netted out to the total amount of the asset or liability but did not individually represent a supportable balance. In addition, the specific purpose for interfund receivables, payables, and transfers on the general ledger account balances was unable to be provided and in one instance the balance of unearned revenue exceeded the cash maintained in that fund.</p> <p>Cause: A clean up of general ledger account balances that pertain to prior years has not been done for the accounts listed above. In addition, the general ledger accounting system is set up to record interfund transactions when an entry is recorded across funds which leads to additional interfund transactions being recorded.</p>	Resolved

Alamo Area Council of Governments
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2021

Effect: Individual general ledger accounts for the balances listed above are not supported by an underlying asset or liability. An entry was required to replenish the cash balance in one fund to the level of unearned revenue in that fund.

Reference Number	Summary of Finding	Status
2020-003	<p><u>Financial Statement Close</u> Criteria or Specific Requirement: Management is responsible for establishing and maintaining effective internal control over financial reporting, including a timely financial statement close.</p> <p>Condition: The Council provided 18 adjusting journal entries impacting several account balances after the trial balance was provided for audit.</p> <p>Cause: The Council had turnover in management and other factors that impacted the timing of the financial statement close.</p> <p>Effect: Not closing in a timely manner extends the timeline for issuance of the audit and, therefore, reduces the relevance of the financial statement information. It is also indicative of an environment without strong policies and procedures surrounding financial reporting.</p>	Resolved
2020-004	<p><u>Schedule of Expenditures of Federal and State Awards (SEFA/SESA) Preparation</u> Criteria or Specific Requirement: 2 CFR 200.510(b) and <i>Uniform Grant Management Standards</i> require certain information to be presented on the schedule of expenditures of federal and state awards.</p> <p>Condition: The SEFA/SESA provided does not contain all required information.</p> <p>Cause: The Council maintains the SEFA/SEFA in a format that does not contain all of the required information and did not modify the document to include all required information prior to submission for the financial statements.</p> <p>Effect: Not including all required information could result in the SEFA not being accepted by the Federal Audit Clearinghouse and increases the potential for errors in the Single Audit.</p>	Resolved