

**ALAMO AREA
COUNCIL OF GOVERNMENTS**

SAN ANTONIO, TEXAS

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2023**

Prepared by:

Julio Elizondo, MSF, CFO
Jhoan Torres, Controller

ALAMO AREA COUNCIL OF GOVERNMENTS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Organizational Chart	xxxv
List of Principal Officials	xxxvi
 FINANCIAL SECTION	
Independent Auditor’s Report	1
Management’s Discussion and Analysis (Unaudited)	5
 Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet – Governmental Funds	18
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Net Position	21
Notes to the Financial Statements	22

ALAMO AREA COUNCIL OF GOVERNMENTS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023

TABLE OF CONTENTS

	<u>Page Number</u>
Required Supplementary Information (Unaudited):	
Schedule of Changes in Net Pension Liability and Related Ratios	45
Schedule of Employer Contributions – Texas County and District Retirement System	47
Notes to Schedule of Employer Contributions – Texas County and District Retirement System	48
Supplementary Information:	
Combining Fund Schedules:	
Grants Funds	52
Combining Schedule of Grants Fund Balance Sheet	54
Combining Schedule of Grants Fund of Revenues, Expenditures, and Changes in Fund Balances	60
Indirect Costs and Employee Benefit Schedules:	
Schedule of Indirect Costs	66
Schedule of Employee Benefits (Fringe and Release Time)	67
Other Information:	
Intellectual and Developmental Disabilities Services Schedules (Unaudited):	
Reconciliation of Total Expenditures to Fourth Quarter Financial Report	70
Reconciliation of Total Revenue to Fourth Quarter Financial Report	71
Reconciliation of Total Revenue to First Quarter FY 22 Financial Report.	72
Schedule of Revenues and Expenditures by Source of Funds	73

ALAMO AREA COUNCIL OF GOVERNMENTS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023

TABLE OF CONTENTS

	<u>Table</u>	<u>Page Number</u>
Schedule of Indirect Costs		74
Schedule of Insurance in Effect		75
Schedule of Professional and Consulting Services		77
Schedule of Legal Services		79
Schedule of Lease and Rental Commitments		80
Schedule of Space Occupied in a State-Owned Facility		81
Schedule of Bonded Employees		82
 STATISTICAL SECTION		
Financial Trends:		
Net Position by Component	1	84
Changes in Net Position	2	86
Fund Balances of Governmental Funds	3	88
Changes in Fund Balances of Governmental Funds	4	90
Local Government Annual Membership Dues by Entity	5	92
 Revenue Capacity:		
Principal Sources of Revenues	6	94
 Demographic and Economic Information:		
Demographic and Economic Statistics	7	96
Principal Employers	8	99
 Operating Information:		
Operating Indicators by Function	9	100

ALAMO AREA COUNCIL OF GOVERNMENTS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023

TABLE OF CONTENTS

		<u>Page Number</u>
Full-Time Equivalent Employees	10	102
Capital Asset Statistics by Function	11	104
 SINGLE AUDIT SECTION		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> – Independent Auditor’s Report		106
Report on Compliance for Each Major Federal and State Program and on Internal Control over Compliance Independent Auditor’s Report		108
Schedule of Expenditures of Federal and State Awards		111
Notes to the Schedule of Expenditures of Federal and State Awards.		118
Schedule of Findings and Questioned Costs		120
Summary Schedule of Prior Audit Findings		123

THIS PAGE LEFT BLANK INTENTIONALLY

INTRODUCTORY SECTION

2024 Board of Directors

Rob Kelly, Chair
County Judge, Kerr County

Mary Dennis, Vice Chair
Mayor, City of Live Oak

Tommy Calvert
Commissioner, Bexar County

Rochelle Camacho
County Judge, Frio County

Rebeca Clay-Flores
Commissioner, Bexar County

Weldon Cude
County Judge, Atascosa County

Suzanne de Leon
Mayor, City of Balcones Heights

Donna Dodgen
Mayor, City of Seguin

Richard A. Evans
County Judge, Bandera County

Judy Eychner
Mayor, City of Kerrville

Dr. Adriana Rocha Garcia
Councilwoman, City of San Antonio

Marina Alderete Gavito
Councilwoman, City of San Antonio

James Hasslocher
Board Member, University Health System

Wade Hedtke
County Judge, Karnes County

Daniel Jones
County Judge, Gillespie County

Sherman Krause
County Judge, Comal County

Kyle Kutscher
County Judge, Guadalupe County

Lisa Lewis
Chief Administrative Officer, CPS Energy

Keith Lutz
County Judge, Medina County

Jose Menendez
Senator, State of Texas, District 26

Grant Moody
Commissioner, Bexar County

Andrew Murr
State Representative, District 53

Manny Pelaez
Councilman, City of San Antonio

Darrin Schroeder
Mayor, City of Castroville

Lawrence Spradley
Councilman, City of New Braunfels

Shane Stolarczyk
County Judge, Kendall County

James E. Teal
County Judge, McMullen County

Sylvester Vasquez
President, Southwest ISD

Enrique Valdivia
Chair, Edwards Aquifer Authority

Hank Whitman
County Judge, Wilson County

John Williams
Mayor, City of Universal City

Ryan Guillen (Ex-Officio)
State Representative, District 31

Brian Hoffman (Ex-Officio)
Joint Base San Antonio

Judith Zaffirini (Ex-Officio)
State Senator, District 21

July 31, 2024

The Honorable Rob Kelly, Chairman
Members of the Board of Directors
Alamo Area Council of Governments
San Antonio, Texas

Dear Chairman Kelly, Members of the Board of Directors and Citizens of the Alamo Area:

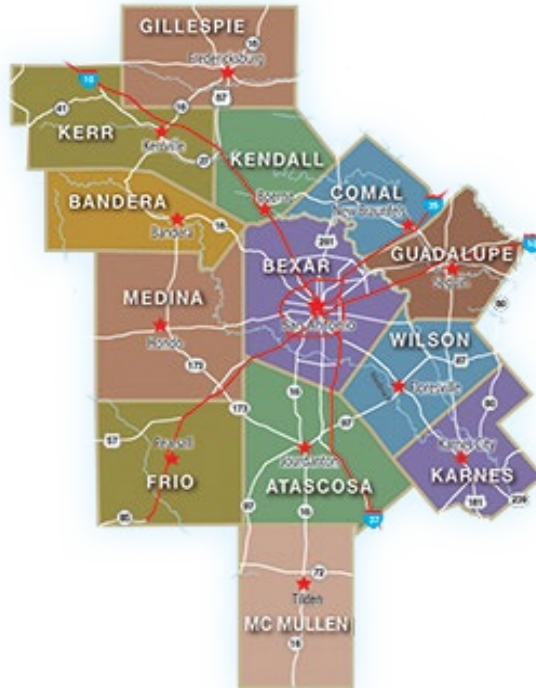
The Annual Comprehensive Financial Report (ACFR) of the Alamo Area Council of Governments (“the Council” or “AACOG”) for the fiscal year ended December 31, 2023, is hereby submitted. This report was prepared by the Department of Accounting, which accepts responsibility for the accuracy, completeness, 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) as applied to governments. 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 Council.

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, the State of Texas Uniform Grant Management Standards, the Governmental Accounting Standards Board (GASB) financial reporting principles, as well as Article X of the Council’s bylaws. AACOG notes that during 2023 the agency implemented GASB Statement No. 96 regarding subscription-based information technology arrangements (SBITAs) that the agency was party to. This statement was based on the standards established in GASB Statement No. 87 concerning leases which was implemented by AACOG in 2022. Forvis Mazars, LLP, 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 in 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 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’ \$2.4 trillion economy is the 2nd largest in the United States and 8th in the world. In 2023, Texas led the nation with the most companies in the Fortune 500 with 55 in total. Texas produces 23% of U.S. GDP, and accounts for 22% of U.S. exports, and has been named the Best State for Business 19 years in a row. 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 2023 and 2024.

ALAMO REGION

TEXAS STRONG



Alamo Area Council
of Governments

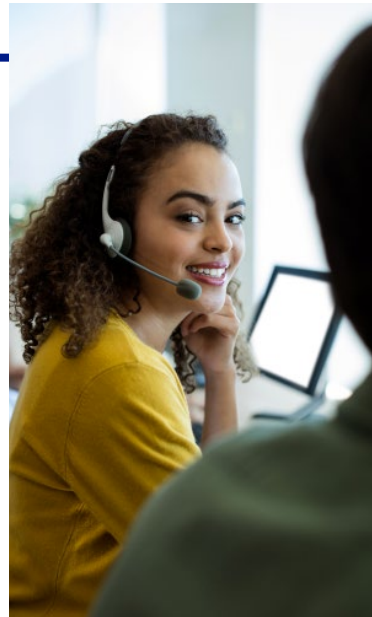
2 0 2 3

A N N U A L

R E P O R T



AGING SERVICES



AGING AND DISABILITY RESOURCE CENTER

ALAMO SERVICE CONNECTION

Aging and Disability Resource Centers (ADRCs) are highly visible and trusted resources where individuals of any age, income, or disability can call to learn about a full range of long-term services. The Alamo Service Connection (ASC) is AACOG's specific ADRC that serves older adults, people with disabilities, and veterans – to include veterans' families – residing in the Alamo Area.

Throughout the year, the ASC maintained its commitment to offer reliable community support and engagement. As the primary resource center for individuals seeking guidance and support in navigating long-term services, the ASC continues to play a vital role in the region.



THE ASC HANDLED

42,351

CALLS
IN 2023

5,373 calls in the Alamo Area
(AACOG's twelve rural counties)

36,978 calls
in Bexar County

BENEFITS COUNSELING

Also known as the State Health Insurance Assistance Program (SHIP), the Benefits Counseling program provides information, counseling, direct enrollment assistance, and advocacy to Medicare beneficiaries of any age.

In a targeted approach, benefits counselors traveled to key community sites such as food distribution centers and assisted living facilities to meet beneficiaries where they are, and did not simply rely on individuals coming to us. In addition to direct community engagement, the team joined forces with other governmental agencies to coordinate specialized benefits counseling events.

Through free one-on-one counseling, the team assisted over 2,800 Medicare beneficiaries in 2023, and participated in over 200 community events.



TOTAL UNDUPLICATED CLIENTS:

2,800+

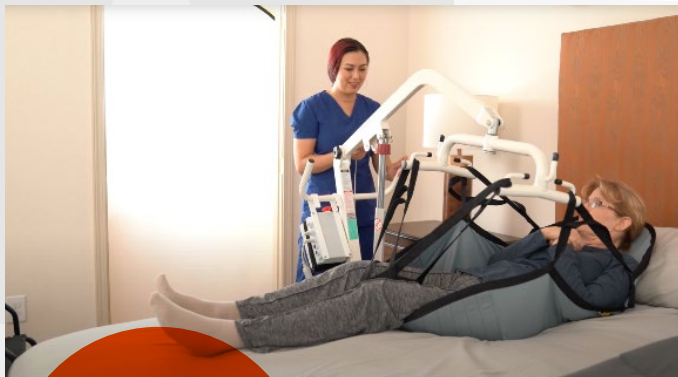
200
Outreach Events

BENEFITS ENROLLMENT CENTER (BEC)

The Benefits Enrollment Center (BEC), one of only four in the State of Texas, allows ACOG benefits counselors to work side by side with Medicare beneficiaries on the completion of their benefits applications. The BEC team offers personalized, private consultations for older adults and individuals with disabilities to apply for: Medicare Part D, Extra Help or Low-Income Subsidy, Medicare Savings Program, Medicaid, Supplemental Nutrition Assistance Program, and Low-Income Home Energy Assistance Program.

THE BEC WORKED
ON OVER **1,000**
APPLICATIONS AND
REDETERMINATION
CASES IN 2023





2023 TOTAL CLIENTS SERVED:

2,771

BEXAR: 2,348

ALAMO: 423

CARE COORDINATION SUPPORT SERVICES

The National Family Caregiver Support Program, otherwise known as Care Coordination, offers an array of services, support, and training to unpaid family caregivers. Services include homemaker assistance, basic personal assistance, income support, residential repair, health maintenance, emergency response services, chore maintenance, mental health services, and social reassurance support.

Last year, through a collaboration with Upward Care and ConnectAbility, the Care Coordination program helped produce an instructional video series. These videos were made available for free and offer family caregivers the resources and training to care for their loved ones safely and properly. Since caregivers typically spend the majority, if not all, of their days with their loved ones, making this available online and self-paced was vital to ensure accessibility. Thus far, these videos have been watched 3,100 times.



HEALTH & WELLNESS

In 2023, the Evidence-Based Intervention class curriculum designed to enhance independence, increase mobility, grow socialization, promote healthy living, and improve the overall quality of life of older adults continued to be offered both in person and virtually. The program worked with 623 participants on a variety of essential needs areas such as fall prevention techniques, nutrition planning, and enhanced mobility skills.

THE PROGRAM WORKED WITH 623 PARTICIPANTS ON A VARIETY OF ESSENTIAL NEEDS AREAS SUCH AS FALL PREVENTION TECHNIQUES, NUTRITION PLANNING, AND ENHANCED MOBILITY SKILLS.

Recognizing the significant impact falls have on the aging population, the Health & Wellness program also established a strategic partnership with the South Texas Region Advisory Council, a network of fire, Emergency Medical Services and trauma agencies to offer additional training classes around physical balance, otherwise known as "A Matter of Balance." These courses were prioritized by identifying facilities with frequent 9-1-1 calls related to falls. During the National Council on Aging National Falls Prevention Week, the Health & Wellness program distributed over 2,000 packets full of educational materials including AACOG services and other community resources.

NUTRITION

Across the region, AACOG and partnering nutrition providers adapted to another shift in daily operations. The conclusion of pandemic related regulations, along with the reopening of larger public dining facilities, played key factors in the decrease of home delivered meals. Therefore, an increased demand for congregate meals at distribution centers was felt across the region.

Particularly in the rural communities, there was a moderate reduction in total units distributed, which highlights the adaptive response in nutrition services for residents in a post-pandemic environment.



ALAMO NUTRITION
TOTAL UNITS — 303,702

\$1,894,154

BEXAR NUTRITION
TOTAL UNITS — 860,381

\$4,826,097

OMBUDSMAN PROGRAM

The Long-Term Care (LTC) Ombudsman program focuses on developing new and current Ombudsmen to assure long-term care residents receive the quality of care they deserve. The recruitment and retention of volunteers remains paramount for the continued success of the program. The program staff, along with 60 dedicated Ombudsman volunteers, visited 1,450 nursing homes and 1,600 assisted living communities in 2023, safeguarding the quality of care for individuals residing in nursing and assisted living communities in the region. The program ensures residents have direct access to their LTC Ombudsman, ensures they understand their rights as tenants of a community, and works as a mediator to resolve any concerns residents may have with the community.



STAFF AND VOLUNTEERS
VISITED **1,450** NURSING
HOMES AND **1,600**
ASSISTED LIVING
COMMUNITIES IN 2023....



SENIOR COMPANION PROGRAM

The Senior Companion program works to serve socially isolated veterans and older adults through the facilitation of camaraderie development and general assistance delivery. By pairing clients with a Senior Corps companion, who are also 55 years of age or older, they are assisted with small tasks such as checking the mail, providing snacks, light housekeeping, running errands, and even accompaniment to doctor appointments. The companion may also provide respite services to a family caregiver that may need personal time, helping avoid burnout.



BY PAIRING CLIENTS WITH A SENIOR CORPS COMPANION, WHO ARE ALSO 55 YEARS OF AGE OR OLDER, THEY ARE ASSISTED WITH SMALL TASKS SUCH AS CHECKING THE MAIL, PROVIDING SNACKS, LIGHT HOUSEKEEPING, RUNNING ERRANDS, AND EVEN ACCOMPANIMENT TO DOCTOR APPOINTMENTS.



ALAMO
REGIONAL TRANSIT



DEMAND RESPONSE

The Alamo Regional Transit (ART) program provides “curb-to-curb” transportation Monday through Friday, from 7:00am to 6:00pm, across the 12 rural counties in the Alamo Area. With a fixed fare structure, ART’s demand response service offers an affordable option for individuals who may need to travel to work, school, medical appointments, and leisure activities. In 2023, 137,890 trips were scheduled and completed.



137,890

DEMAND RESPONSE TRIPS IN 2023

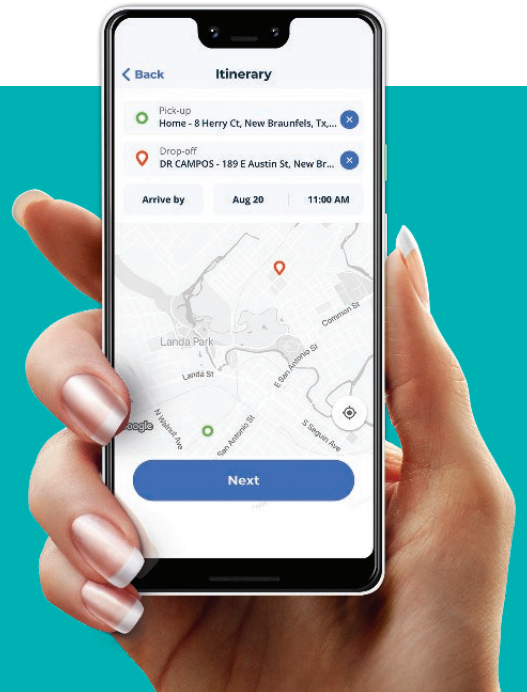
ECOLANE MOBILE APP

The Ecolane mobile app offers users an opportunity to schedule, edit, and check the status of their ride from the convenience of their smartphone or computer. This platform, like popular rideshare services, enhances the user experience while helping reduce wait time, travel time, and scheduling inefficiencies. The app launched in 2021 and currently has 12,373 active users. In 2023, 18,000 trips were scheduled through the Ecolane app, with a large adoption by our veteran population that uses transit services at the San Antonio Military Medical Center Soldier Recovery Unit.

IN 2023

18,000

TRIPS WERE SCHEDULED THROUGH THE ECOLANE APP



CONNECT SEGUIN

The Connect Seguin fixed route offers City of Seguin residents regular stops at major destinations throughout the city, to include the public library, the Texas Workforce Commission office, the local H-E-B grocery store, and multiple apartment complexes. In 2023, over 20,000 riders took advantage of the local transportation route. ART continues to work closely with the cities of New Braunfels and Seguin to further develop this route, in hopes of bridging the gap between the two cities.





ATASCOSA COWBOY CONNECT

Atascosa Cowboy Connect is a fixed route operating in conjunction with Atascosa County and the Cities of Poteet, Jourdanton, and Pleasanton. This multi-jurisdictional transit system provides an essential service for residents who commute to different cities, either for work or leisure. In 2023, over 12,000 trips on cowboy branded buses were recorded. Fixed routes like this help reduce traffic, reduce pollution, boost local economies, and increase quality of life for area residents.

IN 2023, OVER

12,000

TRIPS ON COWBOY BRANDED
BUSES WERE RECORDED.

YOUTH TRIPS PROGRAM

ART's Youth Trips program offers transportation to school aged children whose home is not serviced by the local school district's bus system. This typically impacts students in after school care or those who live within two miles of their campus. In 2023, 115 schoolchildren took over 7,500 trips to get to and from school in our rural communities.

**IN 2023, 115 SCHOOLCHILDREN TOOK
OVER 7,500 TRIPS TO GET TO AND FROM
SCHOOL IN OUR RURAL COMMUNITIES.**



VETERANS TRANSPORTATION

Through a partnership with AACOG's very own Alamo Veterans Network, ART prioritizes transportation for veterans, their dependent family members, and surviving spouses. In 2023, nearly 300 veterans and family members scheduled over 3,000 trips to work, medical appointments, and for other essential needs.

**...OVER 3,000 TRIPS
TO WORK, MEDICAL
APPOINTMENTS, AND FOR
OTHER ESSENTIAL NEEDS.**



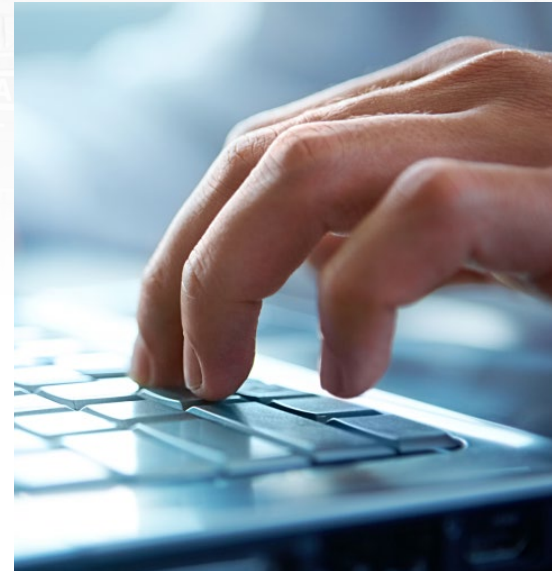
ENVIRONMENTAL CONSERVATION

REGIONAL SOLID WASTE MANAGEMENT

The Environmental Conservation program successfully updated the Regional Solid Waste Management Plan (SWMP) by creating 5, 10, 15, and 20 year priorities for the Alamo Area and its estimated 2.7 million residents. The 2022 – 2042 SWMP was approved by the Texas Commission on Environmental Quality (TCEQ) in July 2023.

CLOSED LANDFILL INVENTORY

AACOG maintains the Closed Landfill Inventory (CLI) for the 13-county service area. This CLI is an archive used by developers, realtors, engineers, environmental scientists, planners, and residents seeking information on past uses of land parcels. In 2023, AACOG was awarded a \$20,000 grant to build an online CLI. This new digital map offers Geographic Information System mapping to provide a more refined and efficient user-experience for stakeholders, while also offering more robust data for users to analyze their needs.



AACOG WAS AWARDED

\$20,000

TO BUILD AN ONLINE
CLOSED LANDFILL
INVENTORY.

GRANT ADMINISTRATION

The Environmental Conservation program, through a TCEQ funded grant for FY 2023 & FY 2024, released a Request for Applications (RFA) to administer 'Implementation' grants for Alamo Area entities seeking to execute solid waste related projects. Applications were reviewed and scored by the program's Resource Recovery Committee, an advisory group comprised of representatives throughout the region. 2023 was the second year of the biennium, and five projects were awarded to area jurisdictions:

CITY OF CASTROVILLE

– **\$33,200** was awarded for the purchase of a brush incinerator to provide residents with additional solid waste programs and to keep streets and sidewalks clean.

KENDALL COUNTY –

\$20,000 was awarded for the purpose of hosting a Household Hazardous Waste event for residents to properly dispose of hazardous materials commonly stored inside homes.

CITY OF KERRVILLE –

\$20,000 was awarded for the purpose of educational and outreach materials to promote solid waste services available for residents of the county.

CITY OF SAN ANTONIO

– **\$81,800** was awarded for improvements on their Create & Reuse Warehouse facilities, allowing the city to increase its recapture of construction and demolition debris that would otherwise go to a local landfill.



ALAMO AREA COUNCIL OF GOVERNMENTS (AACOG) – \$20,000 was awarded to build an online Closed Landfill Inventory on the AACOG website, as required under Section 363.064(a)(10) of the Texas Health and Safety Code and amended in Senate Bill 1447, 76th Texas Legislature for the Regional Solid Waste Management Plan.



INTELLECTUAL &
DEVELOPMENTAL
DISABILITIES



\$2.3 MILLION

**AMOUNT OF DIRECT SERVICES
PROVIDED IN 2023**

ELIGIBILITY DETERMINATION

Anybody on the State Intellectual & Developmental Disability (IDD) interest list receives eligibility determination, which includes 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 typically includes a diagnostic interview with the individual and their legally authorized representative. Currently, there are over 11,400 individuals on the IDD Medicaid waiver interest list in Bexar County alone.

SERVICE COORDINATION

Service coordinators help individuals access medical, social, educational, and other appropriate services in hopes of reaching an acceptable quality of life and improved community participation. Service coordinators also assist with explaining the array of community living options for individuals with IDD and their families. There were over 123,000 service coordination services delivered in 2023.

DIRECT SERVICES AND SUPPORTS

The IDD Services program provides direct service and support to eligible individuals residing in nursing facilities or enrolled in community-based services. Direct services are also intended to help individuals achieve an acceptable quality of life and improve community participation. The amount of direct services provided in 2023 reached \$2.3 Million, and included attendant & habilitation services, day habilitation, respite, employment services, and specialized therapies.

THE IDD SERVICES PROGRAM PROVIDED **500** TRAINING ACTIVITIES IN CRISIS PREVENTION AND INTERVENTION AND ASSISTED IN NEARLY **6,200** CRISIS INTERVENTION ACTIVITIES IN 2023.

CRISIS SERVICES

One of the greatest obstacles individuals with IDD and their supportive family members face is access to adequate respite support and training opportunities, specifically for instances of behavioral crises. The IDD crisis services program may provide up to 72 hours of in home crisis respite or up to 14 days of out of home crisis respite to provide therapeutic support and stabilize the situation. Therapeutic support includes a flexible array of services to holistically address the stressors resulting in challenging behaviors.

TRANSITION SUPPORT TEAM

The goal of the Transition Support Team is successful inclusion in the community by providing medical, psychiatric, and behavioral services to target at-risk factors and avoid institutionalization. The program provides support to Local Intellectual and Developmental Disability Authorities, Home and Community-Based Services providers, and Texas Home Living providers who serve people at risk of admission or readmission to institutional settings. The designated service area where support is provided includes the Alamo Area, Camino Real, Gulf Bend, and the Hill Country regions. In 2023, the program coordinated 74 educational events, provided 59 technical assistance activities, and offered 45 case reviews. Additionally, 402 law enforcement officers were trained in the IDD Recognition and Response program, which educates officers to recognize the characteristics, prominent signs, and self-disclosures made by community members with IDD. This training promotes positive interactions and generates compassion for the community members and their families during encounters.



IN 2023, THE PROGRAM COORDINATED 74 EDUCATIONAL EVENTS, PROVIDED 59 TECHNICAL ASSISTANCE ACTIVITIES, AND OFFERED 45 CASE REVIEWS. ADDITIONALLY, 402 LAW ENFORCEMENT OFFICERS WERE TRAINED IN THE IDD RECOGNITION AND RESPONSE PROGRAM

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 across the state on various topics including health, finance, spirituality, caregiver care, nutrition, and physical fitness. Participants are empowered to identify gaps in the community support system and create a plan for how to become a healthier, more efficient, self-manager and caregiver.



EMPLOYMENT SERVICES

The Employment Services program provides pre-vocational and vocational support for individuals seeking to obtain or maintain employment, to include internships and apprenticeships. To date, the program has assisted over 165 individuals with IDD in finding employment in several different industries.

TO DATE, THE PROGRAM HAS ASSISTED OVER 165 INDIVIDUALS WITH IDD IN FINDING EMPLOYMENT IN SEVERAL DIFFERENT INDUSTRIES.



INTER-AGENCY COORDINATION

In coordination with University Health System (UHS), IDD Services has developed a hospital liaison program. IDD Services locates a member of the IDD Crisis team at UHS to aid in the identification, care coordination, behavior intervention, and care transitions of individuals with intellectual disabilities, developmental disabilities, and related conditions.

In coordination with Bexar County, IDD Services has developed programs for individuals with intellectual disabilities who have encounters with the criminal justice system. IDD Services receives daily alerts when a person suspected of having an intellectual disability is booked in an adult detention center. This collaboration with the state and county allows IDD Services to support the individual and jail staff while developing a plan to divert that individual to the community, when possible. IDD Services continues to work diligently toward increasing the level of inter-agency coordination surrounding and expanding the availability of crucial IDD services through staff liaisons located at University Health System, Bexar County Adult Detention Center, and Morgan's Wonderland Multi-Assistance Center.

IDD SERVICES CONTINUES TO WORK DILIGENTLY TOWARD INCREASING THE LEVEL OF INTER-AGENCY COORDINATION SURROUNDING AND EXPANDING THE AVAILABILITY OF CRUCIAL IDD SERVICES THROUGH STAFF LIAISONS...



MILITARY &
VETERAN AFFAIRS



SENTINEL LANDSCAPE

In 2021, the Military & Veterans Affairs program, in partnership with the Hill Country Alliance, created a consortium of 45 organizations supporting a Sentinel Landscape proposal designed to protect the training mission at JBSA-Camp Bullis. The project was designated as the Camp Bullis Sentinel Landscape (CBSL) by the Federal Coordinating Committee (DOD, DOI, & USDA) in February 2022. This year, the consortium has now grown to include 57 partner organizations. AACOG continues to play a key role in the coordination, outreach, and messaging of CBSL initiatives.

ALAMO VETERANS NETWORK

On April 1, 2023, the Military & Veterans Affairs program concluded a three year grant from the Texas Workforce Commission that funded The Texas Veterans Network, which served a 27 county service area. Without a grant, but with a firm understanding of the value in the existing veterans network, AACOG decided to fully fund the continuation of the program for the 13 county Alamo Area through its general fund. This also came with a change in name: Alamo Veterans Network (AVN). AVN continues to manage calls from military service members, veterans, and their dependents. The program has cultivated fruitful partnerships with over 230 veteran serving organizations that cater to 70 different needs areas veterans may have.



THE PROGRAM HAS CULTIVATED FRUITFUL PARTNERSHIPS WITH OVER 230 VETERAN SERVING ORGANIZATIONS THAT CATER TO 70 DIFFERENT NEEDS AREAS VETERANS MAY HAVE.



RIDES 4 TEXAS HEROES

AACOG was awarded a \$300,000 transportation grant from the Texas Veterans Commission to offer veterans and their families no cost transit services across the 13 county service area. This program offers clients safe and reliable transportation to medical appointments, senior centers, job interviews, school, grocery shopping, and other essential needs. Rides 4 TX Heroes enrolled 2,377 veterans, surviving spouses, and family members in 2023 – a 15% increase from the previous year



AACOG WAS AWARDED A
\$300,000
TRANSPORTATION GRANT
FROM THE TEXAS VETERANS
COMMISSION

VETERAN DIRECTED CARE SERVICES

The Veteran Directed Care (VDC) program, in partnership with the Veterans Administration (VA), empowers veterans to choose and manage services from the comfort of their own home, an appealing alternative to living in a long-term care facility. The AACOG VDC program serves VA referred veterans within a 120 mile radius of the City of San Antonio and, in 2023, became the largest program of its kind in the United States. The program continues to experience continual growth and now provides critical case management and coordination services to over 700 veterans, including residents from Uvalde, Val Verde, and Kinney counties.



MILITARY INSTALLATION RESILIENCE REVIEW

AACOG secured a \$1,200,000 Military Installation Resilience Review (MIRR) grant from the Office of Local Defense Community Cooperation. The study, which requires analyzing energy and wastewater infrastructure resiliency in communities around JBSA – Lackland, JBSA – Fort Sam Houston, and Port San Antonio, began September 2023 and will conclude April 2024. In collaboration with Joint Base San Antonio (JBSA), Port San Antonio, CPS Energy, and San Antonio Water System this study will identify essential infrastructure resiliency prerequisites, offer recommendations to uphold the missions of JBSA beyond its perimeter, and will serve as a tool for local utilities and government entities as they continue to partner with JBSA. This project will help identify and determine feasible enhancements, priorities, and future investments to safeguard infrastructure resilience. At the same time, the MIRR study will establish a strong foundation for the pursuit of future funding opportunities related to addressing those resiliency concerns highlighted by the study.



AACOG SECURED A

\$1.2 MILLION

MILITARY INSTALLATION RESILIENCE REVIEW (MIRR)
GRANT FROM THE OFFICE OF LOCAL DEFENSE COMMUNITY
COOPERATION

DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT

AACOG secured a \$750,000 Defense Economic Adjustment Assistance Grant from the Texas Military Preparedness Commission to enhance the communication infrastructure supporting the 149th Fighter Wing stationed at JBSA – Lackland. These enhancements include the complete replacement of an aging communications tower. This will extend data link and voice communications from the Mission Operation Center while expanding airspace command and control capabilities. Moreover, the new tower and overall improvements to infrastructure will accommodate the eventual transition into more advanced aircraft. Under this grant, a fiber optic cable will also be installed at the McMullen Training Complex, connecting the training complex with the Live Mission Operations Center on JBSA – Lackland. This will enhance pilots' ability to access real time information during operations within the training airspace. The communications enhancements will serve twofold as they will also provide information to the Federal Aviation Administration, elevating training effectiveness and improving overall safety for both military and civilian aircraft.

AACOG SECURED A
\$750,000 GRANT FROM
THE TEXAS MILITARY
PREPAREDNESS
COMMISSION TO ENHANCE
THE COMMUNICATION
INFRASTRUCTURE
SUPPORTING THE 149TH
FIGHTER WING STATIONED
AT JBSA – LACKLAND.



NATURAL RESOURCES



ALAMO AREA CLEAN CITIES COALITION

The Alamo Area Clean Cities Coalition promotes American energy independence, environmental sustainability, and economic development by promoting regional adoption of alternative fuels in the transportation sector. Supported by the U.S. Department of Energy (DOE), the Clean Cities program works to advance affordable domestic transportation fuels, encourages energy efficient mobility systems, and promotes adoption of other fuel-saving technologies and practices. Clean Cities was officially redesignated by the DOE in 2023, enabling it to continue driving towards alternative fuel adoption in the Alamo Area for the next five years. As part of a massive federal investment, the Coalition has lent support to two projects – one local and one statewide – that propose advancing community and corridor alternative fuel vehicle infrastructure development.

TECHNICAL PROGRAMS

Under the Texas Commission on Environmental Quality (TCEQ) Rider 7 Air Quality Planning Program, AACOG continued monitoring ozone, meteorology, and Nitrogen Oxides (NOX) during the 2023 ozone season at Bulverde Elementary, City of Garden Ridge, and the New Braunfels Airport. NOX monitoring at the Seguin Outdoor Learning Center began in August 2023. The Auto-GC in Garden Ridge has also been in operation since August 2023, and is providing Volatile Organic Compound (VOC) data. Because Garden Ridge measures ozone and both of its precursors, NOX and VOC, it is extremely valuable in helping us understand the behavior of ozone.

OVER 380 VISITS TO COUNT THE NUMBER OF TRUCKS IDLING TO ESTIMATE EMISSIONS

A Truck Idling Emission Inventory was also completed this year. This project involved visiting rest areas, truck stops, and other identified locations within Comal, Guadalupe, and Wilson Counties where heavy duty truck idling occurs. Staff made over 380 visits to count the number of parking spaces, trucks present, and trucks idling, and used the information to estimate emissions from heavy duty truck idling.

The Alamo Area Metropolitan Planning Organization funded a School Bus Inventory, which improved school bus population and activity estimates necessary to predict ozone. Having this on the ground data allows AACOG better predict future ozone levels and develop effective pollution control measures in those identified counties.





AIR QUALITY

The Environmental Protection Agency (EPA) sets National Ambient Air Quality Standards (NAAQS) for certain pollutants to protect human health. Because ozone levels in Bexar County have exceeded the 2015 ozone NAAQS for over 6 years, it is now classified as being Moderate Nonattainment. This new classification will result in added costs to Bexar County residents, businesses, and industries with the intent to reduce our ozone levels and attain the NAAQS. Under moderate nonattainment, the TCEQ must implement emissions testing in Bexar County by November 2026. The TCEQ is working with AACOG to prepare Bexar County and the City of San Antonio to meet this requirement.

Bexar County residents who own a gasoline vehicle 1996 or newer will have to undergo an annual emissions inspection to be able to renew vehicle registration. The elimination of safety inspections does not affect the implementation of emissions inspections by November 2026. AACOG has also been preparing local stakeholders for the EPA's proposed revision to the NAAQS for fine particulate matter (PM2.5).

REGIONAL ENERGY MANAGEMENT PROGRAM

In 2023, AACOG began working with local governments to better understand energy management and implement practices to reduce energy consumption. Through a grant from the State Energy Conservation Office (SECO), AACOG is engaging local governments to educate them about energy efficiency, energy resiliency, and incentives to implement those programs. AACOG hosted six events in support of this program in 2023 and looks forward to providing more opportunities in the future. Local governments in Bexar, Comal, Guadalupe, and Wilson Counties are required to report their energy use annually and commit to a 5% annual reduction. AACOG was able to secure six new entities to report energy usage, when they hadn't previously.

ASSESSED AT \$28 MILLION, THE FUTURE INTERCONTINENTAL HOTEL (FORMERLY WYNDHAM) IS UNDERGOING IMPROVED HEATING, VENTILATION, AND AIR CONDITIONING (HVAC) EFFICIENCY, ELECTRICAL AND LIGHTING IMPROVEMENTS, ENVELOPE IMPROVEMENTS, AND PLUMBING AND WATER CONSERVATION.

PROPERTY ASSESSED CLEAN ENERGY

Since 2019 AACOG has administered the regional Property Assessed Clean Energy (PACE) program. PACE is a private low-cost, long-term financing tool for commercial, industrial, and large multi-family property owners to fund eligible energy efficiency and water conservation retrofit projects.



In 2023, the AACOG PACE program closed on four new projects, including the largest in the Alamo Area at the time. Assessed at \$28 million, the future Intercontinental Hotel (formerly Wyndham) in San Antonio is undergoing improved Heating, Ventilation, and Air Conditioning (HVAC) efficiency, electrical and lighting improvements, envelope improvements, and plumbing and water conservation. Shortly after that in September, the program closed on the highly anticipated Curio Collection by Hilton Hotel, the first building in San Antonio's Hemisfair mixed-use development. Slated for late 2025, the 17 story, 200 room full service hotel will open with optimized Heating, Ventilation, and Air Conditioning (HVAC) efficiency, plumbing and water conservation measures, energy efficient electrical and lighting, and envelope improvements.

The different projects that closed in 2023, one for \$140,000 and the other for \$48 million, demonstrate the variety of projects that can implement PACE financing.



PUBLIC SAFETY

ALAMO AREA REGIONAL LAW ENFORCEMENT ACADEMY






The Alamo Area Regional Law Enforcement Academy (AARLEA) trains individuals for peace officer and corrections officer licensure in the State of Texas. With the ongoing need for law enforcement personnel, the Academy saw cadet sponsorships per class increase to an average of 70-80%. Sponsored cadets are recruited, interviewed, and hired by jurisdictions contingent on the cadet graduating from the AARLEA and passing the State licensure exam. The candidate begins to earn a paycheck on the first day of their AARLEA training and is guaranteed a job when they become licensed. This creates an appealing recruitment incentive for local law enforcement agencies and makes it much easier for individuals to attend the Academy and focus on their training. In addition to the Basic Peace Officers Course, AARLEA provides continuing education courses for all eligible Texas peace officers through multiple in-person, and over 4,100 online classes ranging from legislative updates to de-escalation techniques. In 2023, AARLEA received funding to continue implementation of the School Marshal program, which helps prepare civilian school personnel for initial response in the case of an active shooter event. AACOG is one of three entities in the State designated to offer this training. Additionally, the program works with Independent School District Police Departments and School Resource Officers for active shooter training.



IN 2023, A TOTAL OF **111** CADETS GRADUATED FROM THE AARLEA. ADDITIONALLY, LAW ENFORCEMENT PROFESSIONALS ACROSS **149** TEXAS COUNTIES COMPLETED OVER **120,500** TRAINING HOURS.

CRIMINAL JUSTICE PLANNING

The Criminal Justice program conducts grant workshops related to local, state, and federal funding opportunities and offers technical grant application assistance to area law enforcement agencies. This year, the Criminal Justice program continued to offer grant writing and grant management courses, and ultimately received 86 applications for funding from Alamo Area agencies. The Criminal Justice Advisory Committee scored the applications and submitted a recommendation to the Office of the Governor to fund projects for a total of \$12,783,950.

	CRIMINAL JUSTICE PROGRAM	\$1,064,124
	JUVENILE JUSTICE PROGRAM	\$250,459
	VIOLENCE AGAINST WOMEN JUSTICE AND TRAINING PROGRAM	\$355,974
	GENERAL VICTIM ASSISTANCE GRANT PROGRAM	\$9,861,274
	TRUANCY PREVENTION PROGRAM	\$1,252,116



HOMELAND SECURITY

The Homeland Security (HLS) program offers emergency preparedness planning on concerns relating to terrorist activities and administers both state and federal Homeland Security grants to law enforcement agencies in the Alamo Area. The HLS program also works with jurisdictions to identify regional gaps in security and creates risk analyses of terroristic and other hazardous threats. In partnership with Congressman Tony Gonzales, HLS submitted a Community Project Funding Request through

appropriations, totaling \$14.2 million (pending award). The project will continue to support the Regional Communication Infrastructure Enhancement efforts utilizing the Texas Department of Transportation and the Greater Austin-Travis County Regional Radio System. This project will continue to leverage existing communications towers, coverage areas, and partnerships to expand interoperable communications capabilities throughout the Alamo Area.

The HLS program also implemented the Domestic Violent Extremism (DVE) Project with funding through the Office of the Governor – Homeland Security Grants Division. This project ranked number one in the State and funds a team of consultants to focus on combating local terroristic threats in rural counties within the Alamo Area by teaching them how and when to report incidents to the Southwest Texas Fusion Center. In addition, the DVE project evolved to meet the needs of the region and partnered with the Department of Homeland Security to provide both the Basic Threat Evaluation and Reporting - Pathway to Violence course and the National Threat and Evaluation Reporting Course to school personnel, School Resource Officers, and law enforcement. In 2023, it is estimated that the program will have resulted in 100 meetings conducted, 250 participating agencies, 300 individuals trained, and over 600 intelligence curriculum/information distributed. The program runs through August 31, 2024.



\$1.1 MILLION

IN ADDITIONAL FUNDING FOR INTEROPERABLE COMMUNICATIONS CAPABILITIES AND COMBATING TERRORISTIC THREATS



9-1-1

The 9-1-1 program maintains emergency call center databases and essential dispatch equipment at each of the 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. Last year, the program worked to ensure all school districts and their respective campuses within the 9-1-1 service area were following Kari's Law. Enacted in 2015, Kari's Law requires schools and businesses with multiple phones to have a Multi-Line Telephone System, providing outbound dialing and direct access to 9-1-1 without the user having to first dial an initial number, digit, or prefix. In 2023, the 9-1-1 program initiated site visits to over 80 schools to test Voice over Internet Protocol (VoIP) phones and location verification. This will ensure law enforcement can locate a 9-1-1 caller in a timely and efficient manner.



REGIONAL
SERVICES



Designated by the U.S. Economic Development Agency (EDA) as the Economic Development District (EDD) for the region, the Regional Services program focuses on developing industry professionals, elected officials, and local economies within the Alamo Area. The program's annual series of workshops has become a staple across the region, and something member governments look forward to year after year. The standard programming includes:

- **Planning & Zoning:** A workshop on fundamentals of municipal zoning, zoning issues, master plans, group homes, cell towers, and signage.
- **Economic Development:** Presentations from state and federal agencies on available programs and services, and one-on-one discussions with regional representatives.
- **Elected Officials:** A workshop covering the essential responsibilities of a public servant, to include municipal finance, ethical issues, public information, Open Meetings Act, and other essential topics.
- **Brownfields:** A presentation from the Environmental Protection Agency and the Texas Commission on Environmental Quality on identifying Brownfields projects.



125 PEOPLE ATTENDED WORKSHOPS AND PARTICIPATED IN ONE ON ONE WORK SESSIONS IN 2023.

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

The EDD, as part of its EDA grant deliverables, is responsible for developing the Alamo Area Comprehensive Economic Development Strategy (CEDS). The CEDS is a 5 year roadmap for economic progress and prosperity in the region. The CEDS brings together a range of partners, including community leaders and residents, Economic Development Organizations (EDOs), the private sector, educational institutions, and other stakeholders in planning for the region's future.

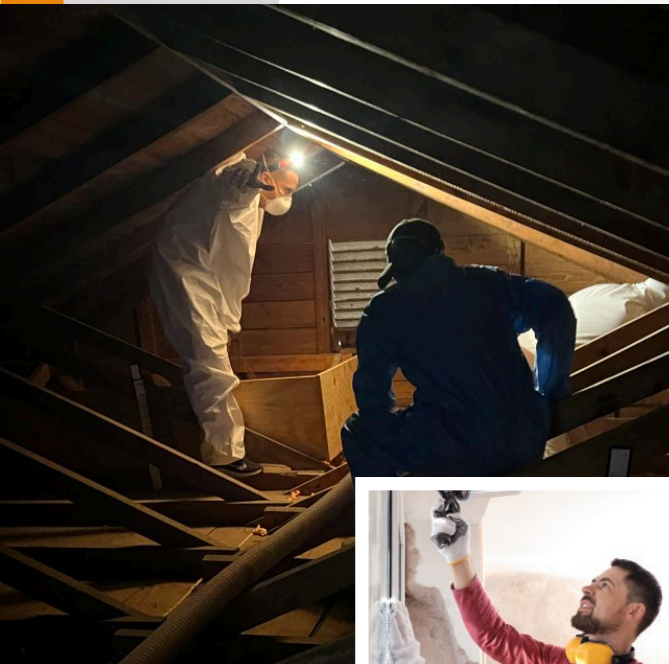
2023 was the last year of the current CEDS (2018-2023). The EDD worked to collect data and results from the current CEDS and took the year to develop the 2024-2029 CEDS. In this process, the program created four groups separated by geographical and economic similarities to identify socioeconomic trends across the region:

- **Group 1: Comal, Gillespie, Guadalupe, and Kendall counties**
- **Group 2: Atascosa, Frio, Karnes, and Wilson counties**
- **Group 3: Bandera, Frio, Kerr, and Medina counties**
- **Group 4: Bexar County**

Stakeholders in each group participated in multiple meetings to analyze individualized research, develop individual Strengths, Weaknesses, Threats, and Opportunities analyses, then come together to create objectives and strategies for the next five years. The collective research data, analyses, goals, and strategies culminated into the 2024-2029 AACOG CEDS and will begin implementation in 2024.



WEATHERIZATION ASSISTANCE



The Weatherization Assistance (WX) program helps low-income families reduce monthly energy expenses by installing systems such as weather stripping, caulking, and insulation to increase energy efficiency and decrease overall energy costs. WX also assists individuals with disabilities with minor home modifications that create a more accessible living space, such as ramps and handlebars.

The WX program receives funding through three federal grant programs: Low-Income Home Energy Program (LIHEAP), Department of Energy (DOE), and Department of Energy Bipartisan Infrastructure Law (DOE BIL). All three offer low-income households the opportunity to receive energy efficiency modifications that enhance the structure's thermal boundary, helping a home stay warm in the colder months and cold in the warmer months. Ultimately, this provides families with increased disposable income and an enhanced quality of life.

In 2023, the program spent over \$1,337,000 in LIHEAP funding to weatherize 83 homes and \$275,000 in DOE funds to weatherize 36 homes.

IN 2023, THE PROGRAM SPENT OVER



\$1,337,000

IN LIHEAP FUNDING TO WEATHERIZE
83 HOMES

\$275,000

IN DOE FUNDS TO WEATHERIZE
36 HOMES



HOMES FOR TEXAS HEROES

In addition to assisting the veteran, the Homes for Texas Heroes (H4TXH) program is also available to homes of surviving spouses and eligible children. The \$215,000 budget in 2023 provided 11 veterans and their families minor home repairs, weatherization assistance, and accessibility needs. The program is excited to receive an increased budget for 2024, to assist a total of 20 veterans and their families with similar needs.

THIS YEAR WX RECEIVED
\$2,253,259 IN DOE-BIL FUNDING
TO WEATHERIZE **179** HOMES BY
JUNE 2025.

The Council prepared and submitted the Annual Comprehensive Financial Report for the year ended December 31, 2023, 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.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to AACOG for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine eligibility for another certificate.

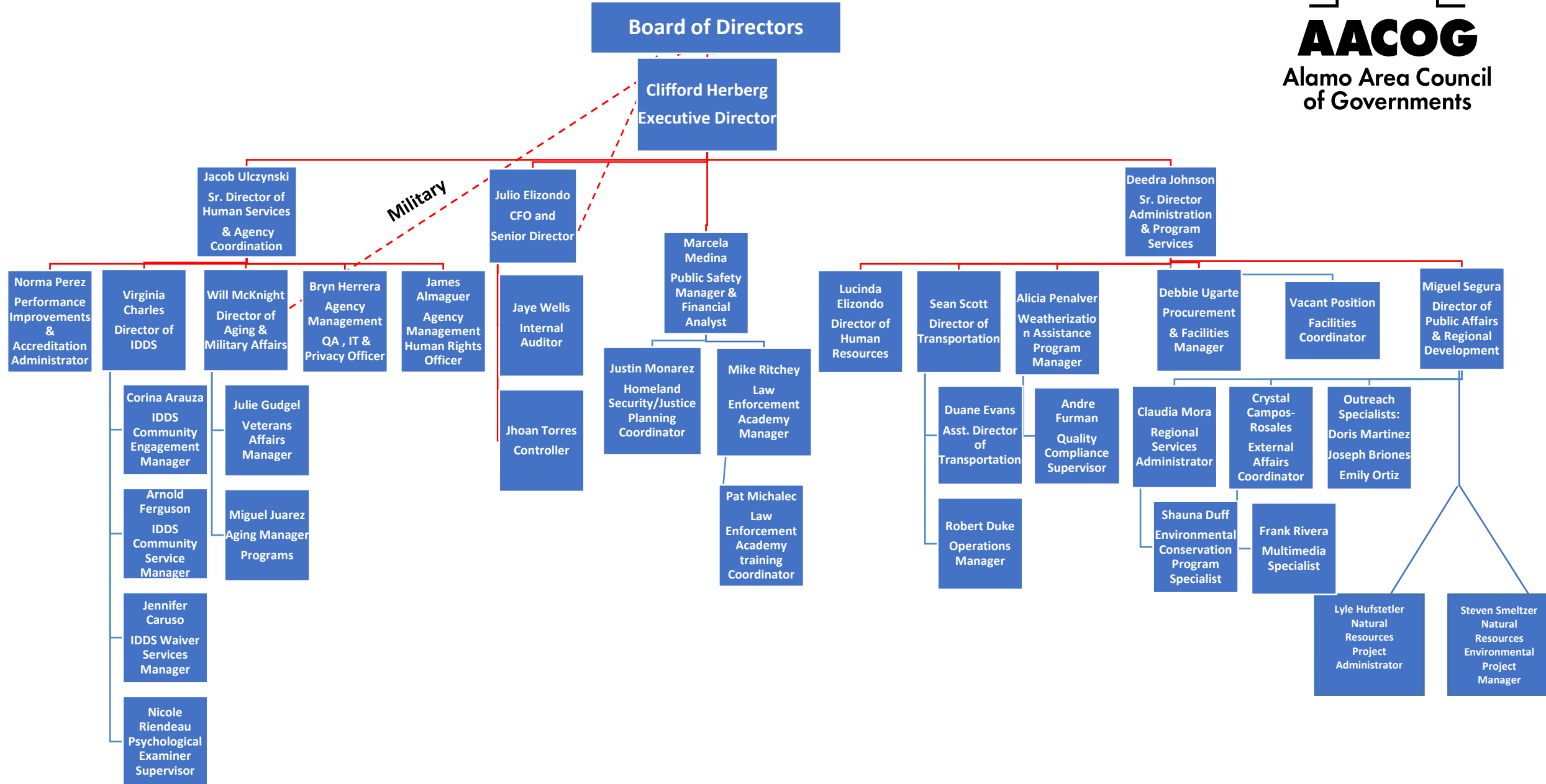
We want to express our thanks to all the AACOG department staff, the Executive Director, Board Chairman and the Board Members for their continued oversight and guidance.

Respectfully submitted,



Julio Elizondo, MSF
Chief Financial Officer

Organizational Chart as of October 2023



THIS PAGE LEFT BLANK INTENTIONALLY

**OFFICERS OF THE BOARD OF
DIRECTORS 2023**

CHAIR

James Teal

County Judge McMullen County

VICE CHAIR

Rob Kelly

County Judge Kerr County

ADMINISTRATIVE STAFF

As of 01/01/24

Executive Director

Clifford Herberg

Deputy Executive Director of Operations

Jacob Ulczynski

Deputy Executive Director of Admin & Program Svcs

Deedra Johnson

Chief Financial Officer

Julio Elizondo



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Alamo Area Council of Governments
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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 and each major fund of the Alamo Area Council of Governments (the Council), as of and for the year ended December 31, 2023, 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 and each major fund of the Council, as of December 31, 2023, 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 (*Government Auditing Standards*). 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.

Emphasis of Matter

As discussed in *Note 1* to the financial statements, the Council adopted new accounting guidance, Governmental Accounting Standards Board Statements No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

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 GAAS, 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 grants 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 *Texas 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 GAAS. In our opinion, the grants 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 section 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 July 31, 2024, 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 Mazars, LLP

San Antonio, Texas
July 31, 2024

THIS PAGE LEFT BLANK INTENTIONALLY

Alamo Area Council of Governments Management's Discussion and Analysis (Unaudited) December 31, 2023

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, 2023. 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

- For the fiscal year ended December 31, 2023, the Council adopted GASB Statement No.96, *Subscription Based IT Arrangements* (GASB 96). Fiscal year 2022 has not been restated because it is not presented in the basic financial statements.
- 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 \$20,654,279 (net position). This reflects an increase to net position of \$573,839. Of this amount, \$(1,434,425) is unrestricted deficit, \$8,838,330 represents the net investment in capital assets and \$13,250,374 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 \$10,646,774. The unassigned fund balance in the General Fund that is a deficit of \$(1,363,791).

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, 2023

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 2 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 and Grants 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20,654,279 at December 31, 2023. 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, 2023

	Governmental Activities	
	2023	2022
Assets:		
Current and other assets	\$ 25,075,603	\$ 28,254,381
Capital and lease assets	<u>20,932,413</u>	<u>21,989,981</u>
Total assets	<u>46,008,016</u>	<u>50,244,362</u>
Deferred outflows of resources	<u>2,626,594</u>	<u>2,352,145</u>
Liabilities:		
Current liabilities	14,214,798	13,421,695
Noncurrent liabilities	<u>12,634,550</u>	<u>12,173,412</u>
Total liabilities	<u>26,849,348</u>	<u>25,595,107</u>
Deferred inflows of resources	<u>1,130,983</u>	<u>6,920,960</u>
Net position:		
Investment in capital and lease assets	8,838,330	9,699,447
Restricted for pension	-	4,921,781
Restricted for grant programs	13,250,374	8,659,925
Unrestricted	<u>(1,434,425)</u>	<u>(3,200,713)</u>
Total net position	<u>\$ 20,654,279</u>	<u>\$ 20,080,440</u>

Note: Fiscal year 2022 amounts have not been restated for GASB 96 adoption.

There is a deficit in the balance of unrestricted net position in the amount of \$(1,434,425) .

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, 2023, as compared to the year ended December 31, 2022. The Council's net position increased by \$573,839.

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2023

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
Revenues:		
Program revenues:		
Charges for services	\$ 784,621	\$ 766,675
Operating grants and contributions	80,783,379	75,774,731
Capital grants and contributions	1,940,000	1,242,373
General revenues:		
Investment earnings	233,537	159,050
Membership dues	350,074	348,832
Total revenues	<u>84,091,611</u>	<u>78,291,661</u>
Expenses:		
General government	4,183,550	2,541,106
Workforce development	91,709	-
Aging and veterans services	46,751,499	39,515,201
Emergency communications	1,788,360	1,899,330
Economic development	393,591	3,027,758
Environmental quality	1,489,691	121,020
Community affairs	2,179,194	2,303,830
Homeland security	1,512,235	462,324
Transportation	7,430,975	8,767,851
Criminal justice	1,492,196	1,501,935
Health and welfare	15,746,920	15,990,446
Interest on leases	15,058	23,573
Interest on SBITAs	1,799	-
Interest on long-term debt	440,995	460,797
Total expenses	<u>83,517,772</u>	<u>76,615,171</u>
Change in net position	573,839	1,676,490
Net position, beginning	<u>20,080,440</u>	<u>18,403,950</u>
Net position, ending	<u>\$ 20,654,279</u>	<u>\$ 20,080,440</u>

Note: Fiscal year 2022 amounts have not been restated for GASB 96 adoption.

**Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2023**

The Council's charges for services increased by \$17,946, and operating grants and contributions increased by \$5,008,648. 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 generated by increased Texas Health and Services Commission, Office of the Governor, and Texas Department of Transportation funding. Further, expenses increased by \$6,902,601 from fiscal year 2022 to 2023. The main driver of this increase was caused by expenditures related to Aging and Veterans Services and Homeland Security. The Council's revenues and expenses are driven primarily by federal and state grant funding, which varies from year to year.

Analysis of Fund Financial Statements. The General Fund beginning balance at January 1, 2023 was \$421,348. The fund balance decreased by \$1,666,714 for an ending balance at December 31, 2023 of \$(1,245,366). The decrease is primarily due to the debt service, operating, and tenant acquisition costs associated with the Titan Complex

The Grants Fund balance at January 1, 2023 was \$9,013,186. The fund balance increased by \$2,878,954 for an ending balance at December 31, 2023 of \$11,892,140 . The increase is primarily due to programs that have fee-for-service programs improving operational efficiencies and increased client bases.

Budgetary Highlights

The Council's annual budget is approved by the Board of Directors (Board) 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.

**Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2023**

Capital Assets 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, 2023 amounts to \$20,932,413 (net of accumulated depreciation). This investment includes land, equipment, furniture and fixtures, software, vehicles, lease and subscription assets, and buildings and improvements.

During 2023, the Council's total capital assets decreased by \$(1,057,568) due to the current year capital, lease and subscription asset additions, deletions, and current year depreciation/amortization.

The Council's capital asset additions totaled \$1,057,657 during 2023, primarily from the following categories and programs:

- \$130,248 increase in subscription based assets related to the implementation of GASB 96
- \$981,241 in vehicles purchased for the transportation department
- \$76,416 for various other furniture, equipment, and lease assets

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 and lease assets can be found in *Note 4* on page 29 of this report.

	Governmental Activities	
	2023	2022
Land	\$ 2,957,124	\$ 2,957,124
Equipment	5,870,304	5,847,277
Furniture and fixtures	247,623	206,154
Software	1,395,712	1,395,712
Vehicles	7,986,636	7,903,744
Lease assets	776,530	768,718
Buildings and improvements	16,006,932	16,002,824
Subscription assets	130,247	-
Less: accumulated depreciation/amortization	(14,438,695)	(13,091,573)
Total capital assets, net	\$ 20,932,413	\$ 21,989,980

Note: Fiscal year 2022 amounts have not been restated for GASB 96 adoption.

**Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2023**

Alamo Area Council of Governments' Outstanding Long-Term Liabilities at Year-End

	Governmental Activities	
	2023	2022
Compensated absences	\$ 732,482	\$ 644,693
Lease liability	427,414	602,524
Subscription liability	55,339	-
Long-term obligations	<u>11,611,327</u>	<u>11,688,010</u>
Total long-term liabilities	<u>\$ 12,826,562</u>	<u>\$ 12,935,227</u>

The Council's total debt decreased by \$108,665. This liability reflects the payout of paid time off (PTO) of \$732,482 due upon termination, the \$427,414 lease liability related to the long-term rental of the Wetmore building, subscription liabilities of \$55,339 for Subscription Based IT Agreements longer than one year, and the long-term obligation of \$11,611,327 on the loan for the Titan Complex. Additional information on the Council's long-term liabilities can be found in *Note 8* of this report.

Economic Factors and Next Year's Financial Plan

The Council's approved 2023 annual financial budget reflected \$78,142,426 for revenues and \$79,012,565 for expenditures. The 2023 actual revenues are \$84,091,611 and actual expenditures are \$83,207,675 for an increase of \$5,983,455 and \$4,195,121, respectively, per the Statement of Revenues, Expenditures, and Changes in Fund Balance, when compared to the 2023 annual financial budget.

The Council's combined ending fund balance of \$10,646,774 includes \$11,892,140 of dedicated program fund balance and \$(1,245,366) of general fund balance. The general fund balance decreased by \$1,666,714 during fiscal year 2023 and is projecting a decrease of \$1,260,000 for 2024. The grants fund balance increased by \$2,878,954 for 2023 and is projecting an increase of \$2,050,000 in 2024. The 2023 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 2023 net increase to the special revenue fund balance is primarily from the Veterans Directed program funded by the U.S Department of Veterans Affairs.

The Area Agencies on Aging (AAA), including the Bexar and Alamo AAAs, delivered services across the region's 13 counties. Services included the Alamo Service Connection, Aging and Disability Resource Center, Benefits Counseling Services, Access and Caregiver Support, Nutrition and Transportation, Long-Term Care Ombudsman, and the Senior Companion Program. The Alamo Service Connection managed over 27,936 calls, supporting older adults, individuals with disabilities, and veterans. Benefits Counselors assisted over 2,800 beneficiaries with Medicare and other applications, handled over 1,000 cases, provided legal assistance to 2,500 clients, and made over 2,480 unduplicated referrals. The Caregiver Support Program served 2,771 clients and produced training videos, while Health & Wellness programs engaged 623 participants and distributed 2,000 educational packets. Nutrition services delivered 467,773 Home Delivered

**Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2023**

Meals and 807,371 Congregate meals, and the Transportation Program facilitated 17,755 one-way trips. The Alamo and Bexar Long-Term Care Ombudsman Program conducted a combined total of 3,050 facility visits. Finally, the Senior Companion program with 32 volunteers provided 27,439 hours of support to socially isolated veterans and older adults with companionship and daily assistance.

The Intellectual & Developmental Disabilities Services (IDDS) program provided over 200,000 service coordination and case management services in 2023. The pilot programs forged with the Bexar County Jail and University Health System in 2022 were a success leading to renewed contracts. IDD Services also collaborated with the Multi Assistance Center, better known as the MAC and has a liaison housed on site. IDD Services has also had the privilege of working with the City of San Antonio in an effort to reduce the line at the front door for IDD Services by ensuring access to psychological services.

The PACE program closed on four new projects in 2023, including the largest in the Alamo Area at the time. Assessed at \$28 million, the future Intercontinental Hotel (formerly Wyndham) undergoing improved Heating, Ventilation, and Air Conditioning (HVAC) efficiency, electrical and lighting improvements, envelope improvements, and plumbing and water conservation. The projects that closed in 2023, one for \$140,000 and the other for \$48 million, demonstrate the variety in which projects can implement PACE financing.

The Veteran Directed Care (VDC) program, in partnership with the Veterans Administration, empowers veterans to manage their services from home and has become the largest program of its kind in the U.S., serving over 600 veterans within a 120-mile radius of San Antonio. The Alamo Veterans Network (AVN), previously funded by a Texas Workforce Commission grant, continues under the council's funding, serving veterans across 13 counties and partnering with over 270 organizations. The Rides 4 Texas Heroes program, supported by a \$300,000 Texas Veterans Commission grant, provided free transportation to 4,688 veterans and family members in 2023. The council also secured a \$1.2 million Military Installation Resilience Review (MIRR) grant to study infrastructure resilience around JBSA installations, and a \$750,000 Defense Economic Adjustment Assistance Grant to upgrade communication infrastructure at JBSA-Lackland, and the McMullen range complex.

Alamo Regional Transit (ART) continued to provide vital transportation during increasingly difficult economic conditions. In 2023, 137,890 rides were scheduled and completed. The use of the Ecolane app increased in 2023 with a total of 18,000 trips scheduled using the app. A total of 115 school children took over 7,500 trips to get to and from school in the rural communities.

The Weatherization Assistance (WX) program aids low-income families in reducing energy expenses by enhancing energy efficiency through weather stripping, caulking, and insulation. Additionally, it supports individuals with disabilities by making minor home modifications for accessibility. Funded by Low-Income Home Energy Program (LIHEAP), Department of Energy (DOE), and Department of Energy Bipartisan Infrastructure Law (DOE BIL), the program ensures homes maintain optimal temperatures year-round, boosting disposable income and quality of life. In 2023, WX utilized over \$1,337,000 in LIHEAP funds to weatherize 83 homes and \$275,000 in DOE funds for 36 homes. The Homes for Texas Heroes (H4TXH) program, with a \$215,000 budget, provided minor repairs and accessibility upgrades to 11 veteran families in 2023 and

Alamo Area Council of Governments
Management's Discussion and Analysis (Unaudited)
December 31, 2023

anticipates assisting 20 families with an increased budget in 2024.

The Alamo Area Regional Law Enforcement Academy (AARLEA) trains individuals for peace officer and corrections officer licensure in the State of Texas. With the ongoing need for law enforcement personnel, in 2023 the Academy saw cadet sponsorships per class increase to an average of 70-80%.

Each year the Criminal Justice program conducts grant workshops about local, state, and federal funding opportunities and offers technical assistance to area law enforcement agencies. In 2023, the Criminal Justice program continued to offer grant writing and grant management courses, and ultimately received 86 applications for funding from Alamo Area agencies.

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.

THIS PAGE LEFT BLANK INTENTIONALLY

BASIC FINANCIAL STATEMENTS

Alamo Area Council of Governments
Statement of Net Position
December 31, 2023

	Primary Government Governmental Activities
Assets	
Cash and investments	\$ 9,485,411
Receivables:	
Grantors	12,943,818
Leases	1,473,014
Other	483,355
Deposits	25,459
Prepays	664,546
Capital assets, not being depreciated:	
Land	2,957,124
Capital assets, net of accumulated depreciation/amortization:	
Equipment	1,253,778
Furniture and fixtures	67,762
Software	385,572
Vehicles	3,308,160
Lease asset: Building	405,673
Buildings and improvements	12,479,432
Subscription assets	74,912
Total assets	46,008,016
Deferred Outflows of Resources	
Pensions	2,626,594
Total deferred outflows of resources	2,626,594
Liabilities	
Accounts payable	8,663,791
Accrued liabilities	1,420,598
Unearned revenue	3,274,940
Noncurrent liabilities:	
Due within one year:	
Current portion of lease liability	197,135
Current portion of subscription liabilities	55,339
Current portion of long-term obligations	419,874
Compensated absences	183,121
Due in more than one year:	
Noncurrent portion of lease liability	230,279
Noncurrent portion of long-term obligations	11,191,453
Noncurrent portion of compensated absences	549,361
Net pension liability	663,457
Total liabilities	26,849,348
Deferred Inflows of Resources	
Leases	1,069,500
Pensions	61,483
Total deferred inflows of resources	1,130,983
Net Position	
Net investment in capital assets	8,838,330
Restricted for grant programs:	
Workforce development	8,002
Aging and veterans services	2,386,271
Economic development	103,245
Environmental quality	134,469
Community affairs	26,380
Homeland security	74,783
Transportation	3,771,909
Criminal justice	6,731,360
Health and welfare	13,955
Unrestricted (deficit)	(1,434,425)
Total net position	\$ 20,654,279

Alamo Area Council of Governments
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:						
Governmental activities:						
General government	\$ 7,709,522	\$ (3,525,972)	\$ 39,421	\$ 2,796,631	\$ -	\$ (1,347,498)
Aging and veterans services	45,862,342	889,157	261,532	48,506,652	-	2,016,685
Emergency communications	1,696,218	92,142	-	1,802,785	-	14,425
Economic development	378,902	14,689	-	440,387	-	46,796
Environmental quality	1,410,045	79,646	-	1,396,694	-	(92,997)
Community affairs	2,068,546	110,648	-	2,170,809	-	(8,385)
Homeland security	1,492,706	19,529	-	361,802	1,000,000	(150,433)
Transportation	6,715,821	715,154	5,915	7,034,373	940,000	549,313
Workforce development	81,784	9,925	-	33,232	-	(58,477)
Criminal justice	1,395,631	96,565	477,743	902,369	-	(112,084)
Health and welfare	14,248,403	1,498,517	10	15,337,645	-	(409,265)
Interest on leases	15,058	-	-	-	-	(15,058)
Interest on SBITAs	1,799	-	-	-	-	(1,799)
Interest on long-term debt	440,995	-	-	-	-	(440,995)
Total governmental activities	83,517,772	-	784,621	80,783,379	1,940,000	(9,772)
Total primary government	<u>\$ 83,517,772</u>	<u>\$ -</u>	<u>\$ 784,621</u>	<u>\$ 80,783,379</u>	<u>\$ 1,940,000</u>	<u>\$ (9,772)</u>
General revenues						
Unrestricted investment earnings						233,537
Membership dues						<u>350,074</u>
Total general revenues						<u>583,611</u>
Change in net position						573,839
Net position, beginning						<u>20,080,440</u>
Net position, ending						<u>\$ 20,654,279</u>

Alamo Area Council of Governments
Balance Sheet
Governmental Funds
December 31, 2023

	General	Grants Fund	Total Governmental Funds
Assets			
Cash and investments	\$ 3,166,682	\$ 6,318,729	\$ 9,485,411
Accounts receivable:			
Grantors	151,941	12,791,877	12,943,818
Leases	1,473,014	-	1,473,014
Other	483,255	100	483,355
Due from other funds	-	20,261,141	20,261,141
Deposits	11,555	13,904	25,459
Prepaid items	118,425	546,121	664,546
	<u>\$ 5,404,872</u>	<u>\$ 39,931,872</u>	<u>\$ 45,336,744</u>
Liabilities			
Accounts payable	\$ 902,898	\$ 7,760,893	\$ 8,663,791
Accrued liabilities	1,118,187	302,411	1,420,598
Due to other funds	3,014,735	17,246,406	20,261,141
Unearned revenue	544,918	2,730,022	3,274,940
	<u>5,580,738</u>	<u>28,039,732</u>	<u>33,620,470</u>
Deferred Inflows of Resources			
Leases	1,069,500	-	1,069,500
	<u>1,069,500</u>	<u>-</u>	<u>1,069,500</u>
Fund Balances			
Nonspendable:			
Prepaid items	118,425	546,121	664,546
Restricted:			
Grants	-	13,257,337	13,257,337
Unassigned (deficit)	(1,363,791)	(1,911,318)	(3,275,109)
	<u>(1,245,366)</u>	<u>11,892,140</u>	<u>10,646,774</u>
Total fund balances	<u>(1,245,366)</u>	<u>11,892,140</u>	<u>10,646,774</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,404,872</u>	<u>\$ 39,931,872</u>	<u>\$ 45,336,744</u>

Alamo Area Council of Governments
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2023

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

Total fund balances – governmental funds	\$	10,646,774
Capital assets of \$35,371,109, net of accumulated depreciation and amortization of \$14,438,699 used in governmental activities are not financial resources and, therefore, are not reported in the funds.		20,932,413
The net pension liability reported in governmental activities is not a current financial resource and, therefore, is not reported in the funds.		(663,457)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings and contributions subsequent to the measurement date for pension are recognized as deferred outflows and inflows of resources on the statement of net position.		
Deferred outflows: pension		2,626,594
Deferred inflows: pension		(61,483)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Lease liability		(427,414)
Subscription liability		(55,339)
Long-term obligations		(11,611,327)
Compensated absences		<u>(732,482)</u>
Net position of governmental activities	\$	<u><u>20,654,279</u></u>

Alamo Area Council of Governments
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

	General	Grants Fund	Total Governmental
Revenues			
Intergovernmental	\$ 2,341,225	\$ 37,883,029	\$ 40,224,254
Matching funds	-	5,503,158	5,503,158
Local	293,672	36,702,295	36,995,967
Program income	39,421	745,200	784,621
Membership dues	350,074	-	350,074
Investment income	52,034	181,503	233,537
Total revenues	3,076,426	81,015,185	84,091,611
Expenditures			
Current:			
General government	2,939,214	196,733	3,135,947
Aging and veterans services	-	46,875,049	46,875,049
Health and welfare	-	15,700,919	15,700,919
Transportation	-	6,697,879	6,697,879
Workforce development	-	91,955	91,955
Environmental quality	-	1,448,192	1,448,192
Community affairs	-	2,167,367	2,167,367
Criminal justice	-	1,373,317	1,373,317
Emergency communications	-	1,793,160	1,793,160
Homeland security	-	1,358,728	1,358,728
Economic development	-	394,648	394,648
Capital outlay	50,792	1,006,865	1,057,657
Leases:			
Principal retirement	175,110	-	175,110
Interest	15,058	-	15,058
SBITA - Principal Retirement	74,908	-	74,908
SBITA - Interest	1,799	-	1,799
Debt Service:			
Principal retirement	404,987	-	404,987
Interest	440,995	-	440,995
Total expenditures	4,102,863	79,104,812	83,207,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,026,437)	1,910,373	883,936
Other Financing Sources (Uses)			
Issuance of Long-Term Debt	328,304	-	328,304
Transfers in	3,330	6,441,921	6,445,251
Transfers out	(971,911)	(5,473,340)	(6,445,251)
Total other financing sources (uses)	(640,277)	968,581	328,304
Net Change in Fund Balances	(1,666,714)	2,878,954	1,212,240
Fund Balances, Beginning	421,348	9,013,186	9,434,534
Fund Balances, Ending	\$ (1,245,366)	\$ 11,892,140	\$ 10,646,774

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
For the Year Ended December 31, 2023

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

Net change in fund balances – total governmental funds	\$	1,212,240
--	----	-----------

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		1,057,657
Depreciation and amortization expense		(2,245,471)

The issuance of long-term debt (e.g., bonds, notes, leases, 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 debt issued		(328,304)
Payments on leases		175,110
Payments on subscription assets		74,908
Payments on long-term obligations		404,987

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		(87,794)
Change in net pension asset/liability and related deferred outflows and deferred inflows of resources		310,506

Change in net position of governmental activities	\$	573,839
---	----	---------

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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 one blended component unit, described below. 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 Council has no discretely presented component units.

Blended 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, 2023.

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, 2023

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 has no 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 ***Grants Fund*** is used to account for grants awarded by various organizations.

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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 leases and subscriptions are reported as other financing sources.

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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. The Council's investment pools are reported at net asset value per share, which approximates fair value.

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, 2023. Accounts receivable are recorded net of estimated uncollectible amounts.

Accounts Receivable – Leases

This represents amounts due from tenants for office/building space in the Titan Complex administered by the Council. Leases receivable are initially valued at the present value of the lease payments expected to be received during the lease term, reduced by any provisions for 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.

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

The cost of normal maintenance and repairs that 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:

Equipment	3 - 10 years
Furniture and fixtures	5 - 10 years
Software	5 years
Vehicles	5 - 12 years
Buildings and improvements	3 - 25 years

Lease assets include any property the Council is leasing for a term longer than one year. The Council has elected to include all leases and not implement a capitalization threshold. Lease assets are initially valued at the present value of the lease payments expected to be made during the lease term. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows/inflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and 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 subsequent to the measurement date – These contributions are deferred and recognized in the following fiscal year.
- Changes in actuarial assumptions or other inputs included in determining the pension liability – These effects on the total pension liability are deferred and amortized over the rounded average remaining service life for all active, inactive, and retired members as of the measurement date.
- Difference between expected and actual economic experience – This difference is deferred and recognized over the rounded average remaining service life for all active, inactive, and retired members as of the measurement date.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

In addition to liabilities, the statement of net 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 assets that applies to a future period(s) and 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.

- Changes in actuarial assumptions or other inputs included in determining the pension liability – These effects on the total pension liability are deferred and amortized over the rounded average remaining service life for all active, inactive, and retired members as of the measurement date.
- Difference in projected and actual investment earnings – This difference is deferred and amortized over a five-year period.
- Leases – This present value of the leases receivable outstanding as of year-end is deferred and recognized on a straight-line basis over the life of the lease.

Unearned Revenue

Unearned revenue primarily consists of amounts received from grantors in excess of expenditures for programs in progress as of December 31, 2023.

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

Pensions

For purposes of measuring the net pension asset/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.

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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.

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

Indirect and direct expenses are presented as separate columns to enhance comparability to governments that do not allocate indirect expenses to other functions.

New Accounting Pronouncements Adopted in Fiscal Year 2023

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96), was issued in May 2020 and addresses the accounting for the costs related to cloud computing arrangement. GASB 96 defines a SBITA, establishes that a SBITA would result in a right-to-use Information Technology (IT) asset and a corresponding liability, provides capitalization criteria, and requires new note disclosures. The statement's language and concepts closely mirror the lease guidance provided in GASB Statement 87, *Leases*. This statement requires governments to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

The adoption resulted in no impact to beginning net position and beginning fund balance as of January 1, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100), was issued in June 2022 and addresses the accounting and disclosure for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information. GASB 100 requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of GASB 100 for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. GASB 100 also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements along with descriptive information about accounting changes and error corrections, such as their nature. GASB 100 also addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information.

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

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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, 2023, the following fund had deficit fund balance:

General	\$ 1,245,366
---------	--------------

If funding from outside sources does not become available to cover the deficit fund balance, the Council plans to transfer funds to cover the deficit.

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. 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, 2023, the Council’s cash and investments consisted of the following:

Demand deposits	\$ 1,114,994
Money market accounts	2,558
TexPool	35,329
Lone Star Corporate Overnight Fund	5,469,829
Certificates of deposit	<u>2,862,701</u>
Total	<u><u>\$ 9,485,411</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, 2023, the Council’s deposit value was fully collateralized with securities held by the pledging financial institutions.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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. 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 Corporate Overnight Fund. Both are public funds investment pools operating in full compliance with the Act.

At December 31, 2023, the Council’s investment portfolio consists of the following:

Investment Type	Net Asset Value	Weighted- Average Maturity (Days)	Rating
TexPool	\$ 35,329	38	AAAm
Lone Star Corporate Overnight Fund	5,469,829	103	AAAm
Total	\$ 5,505,158		
Portfolio weighted-average maturity		103	

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

Note 4: Capital Assets

Capital assets activity for the year ended December 31, 2023 was as follows:

	Beginning Balance, As Restated	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 2,957,124	\$ -	\$ -	\$ 2,957,124
Capital assets being depreciated				
Equipment	5,847,277	23,027	-	5,870,304
Furniture and fixtures	206,154	41,469	-	247,623
Software	1,395,712	-	-	1,395,712
Vehicles	7,903,744	981,241	(898,349)	7,986,636
Lease asset: Building	768,718	7,812	-	776,530
Buildings and improvements	16,002,824	4,108	-	16,006,932
Subscription assets	130,247	-	-	130,247
Total capital assets being depreciated	<u>32,254,676</u>	<u>1,057,657</u>	<u>(898,349)</u>	<u>32,413,984</u>
Less accumulated depreciation and amortization				
Equipment	(4,314,354)	(302,172)	-	(4,616,526)
Furniture and fixtures	(167,286)	(12,575)	-	(179,861)
Software	(841,679)	(168,461)	-	(1,010,140)
Vehicles	(4,923,672)	(653,153)	898,349	(4,678,476)
Lease asset: Building	(184,492)	(186,365)	-	(370,857)
Building and improvements	(2,660,090)	(867,410)	-	(3,527,500)
Subscription assets	-	(55,335)	-	(55,335)
Total accumulated depreciation and amortization	<u>(13,091,573)</u>	<u>(2,245,471)</u>	<u>898,349</u>	<u>(14,438,695)</u>
Total capital assets being depreciated or amortized, net	<u>19,163,103</u>	<u>(1,187,814)</u>	<u>-</u>	<u>17,975,289</u>
Governmental activities capital assets, net	<u>\$ 22,120,227</u>	<u>\$ (1,187,814)</u>	<u>\$ -</u>	<u>\$ 20,932,413</u>

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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

Governmental activities:	
General government	\$ 1,061,805
Aging	1,918
Environmental quality	45,375
Community affairs	17,628
Homeland security	157,143
Transportation	751,023
Criminal justice	122,556
Health and welfare	<u>88,024</u>
 Total depreciation and amortization expense – governmental activities	 <u><u>\$ 2,245,472</u></u>

Note 5: Leases Receivable

The Council leases a portion of its property and office space within the Titan Complex to various third parties. The terms of these leases expire in various years through 2028. Lease payments based on the future performance of the lessee are not included in the lease receivable because they are not fixed in substance.

Revenue recognized under lease contracts during the year ended December 31, 2023 was approximately \$450,000, which includes both lease revenue and interest and is included in intergovernmental revenue on the accompanying statement of revenues, expenditures, and changes in fund balances. The Council did not recognize any variable payments not previously included in the measurement of the lease receivable for the year ended December 31, 2023.

Note 6: Lease and Subscription Liabilities

The Council leases building space, the terms of which expire in 2026. Variable payments based upon the future performance of the lessor or usage of the underlying asset are not included in the lease liability because they are not fixed in substance. During the year ended December 31, 2023, the Council did not recognize rental expense for variable payments not previously included in the measurement of the liability.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

The following is a schedule by year of payments under the lease as of December 31, 2023:

	Principal	Interest
2024	\$ 197,135	\$ 11,050
2025	200,460	4,653
2026	29,819	138
	\$ 427,414	\$ 15,841

The Council has various subscription-based information technology arrangements (SBITAs), the terms of which expire in 2024. Variable payments based upon the future performance of the subscription issuer or usage of the underlying asset are not included in the subscription liability because they are not fixed in substance. During the year ended December 31, 2023, the Council did not recognize subscription expense for variable payments not previously included in the measurement of the liability.

The following is a schedule by year of payments under the subscriptions as of December 31, 2023:

	Principal	Interest
2024	\$ 55,339	\$ 1,799
	\$ 55,339	\$ 1,799

Note 7: 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, 2023 is as follows:

Fund	Receivable Amount	Payable Amount
General	\$ -	\$ 3,014,735
Grants	20,261,141	17,246,406
Total	\$ 20,261,141	\$ 20,261,141

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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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.

The following is a summary of interfund transfers for the year ended December 31, 2023:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 3,330	\$ 971,911
Grants	<u>6,441,921</u>	<u>5,473,340</u>
Total	<u>\$ 6,445,251</u>	<u>\$ 6,445,251</u>

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

Note 8: Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	<u>Beginning Balance, As Restated</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Lease liability	\$ 602,524	\$ -	\$ 175,110	\$ 427,414	\$ 197,135
Subscription liability	130,247	-	74,908	55,339	55,339
Long-term debt obligations	11,688,010	328,304	404,987	11,611,327	419,874
Compensated absences	<u>644,693</u>	<u>732,482</u>	<u>644,693</u>	<u>732,482</u>	<u>183,121</u>
Total	<u>\$ 13,065,474</u>	<u>\$ 1,060,786</u>	<u>\$ 1,299,698</u>	<u>\$ 12,826,562</u>	<u>\$ 855,469</u>

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

In 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, 2023 is \$11,209,074 Principal and interest on the note are paid from the General Fund.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

In June 2020, the Council obtained a promissory note for a maximum amount of \$435,140, of which \$217,570 had been drawn as of December 31, 2023 to finance the modernization of the Titan Complex elevators. The note matures on June 9, 2027 and has a current interest rate of 4.5%. The note is secured by the Council's CD account held at the loaning bank. The outstanding balance as of December 31 2023, is \$73,849. Principal and interest on the note are paid from the General Fund.

In February 2024, the Council obtained a LoanSTAR loan for a maximum amount of \$8,000,000, of which \$328,304 had been drawn as of December 31, 2023 to finance the utility cost reduction measures at the Titan Complex. The loan is under a project simple payback which is the total amount of the loan divided by the annual energy cost savings which is currently estimated to be 12.8 years from completion of the project. The interest rate is 2%. The loan is unsecured. The outstanding balance as of December 31, 2023 is \$328,304. Principal and interest on the loan are paid from the General Fund.

The aggregate maturities of long-term debt at December 31, 2023 are as follows:

	Principal	Interest
2024	\$ 419,874	\$ 416,043
2025	471,325	401,657
2026	484,454	388,529
2027	444,769	374,899
2028	386,230	359,547
2029 - 2033	2,158,255	1,570,627
2034 - 2038	2,601,085	1,127,797
2039 - 2043	3,136,590	592,291
2044 - 2046	1,508,745	63,346
	\$ 11,611,327	\$ 5,294,736

Note 9: 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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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.

Litigation

The Council is periodically involved in legal proceedings arising from providing various services. As of December 31, 2023, 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 10: 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.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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.

Employees Covered by Benefit Terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	139
Inactive employees entitled to but not yet receiving benefits	529
Active employees	328
Total	996

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 2023. The Council’s contributions to TCDRS for the year ended December 31, 2023 were \$1,490,962, which exceeded the required contribution.

Net Pension Asset/Liability

The Council’s Net Pension Asset/Liability was measured as of December 31, 2022, and the Total Pension Liability used to calculate the Net Pension Asset/Liability was determined by an actuarial valuation as of that date.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

Actuarial Assumptions

The Total Pension Liability in the December 31, 2022 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	7.60%, net of investment expense, plus 0.10% adjustment to be gross of administrative expenses as required by GASB 68.

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

The actuarial assumptions that determined the total pension liability as of December 31, 2022 were based on the results of an actuarial experience study for the period January 1, 2017 through December 31, 2020, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.6%. 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 2023 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 2021.

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities – Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.95%
International Equities – Emerging Markets	MSCI EM (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	9.00%	3.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ³	4.00%	7.60%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁴	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁵	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

¹ Target asset allocation adopted at the March 2023 TCDRS Board meeting.

² Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.3%, per Cliffwater's 2023 capital market assumptions.

³ Includes vintage years 2005-present of Quarter Pooled Horizon IRRS.

⁴ Includes vintage years 2007-present of Quarter Pooled Horizon IRRS.

⁵ Includes vintage years 2006-present of Quarter Pooled Horizon IRRS.

Discount Rate

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

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

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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, 2022	\$ 44,999,516	\$ 49,921,296	\$ (4,921,780)
Changes for the year:			
Service cost	1,789,338	-	1,789,338
Interest on total pension liability ¹	3,475,629	-	3,475,629
Effect of plan changes ²	-	-	-
Effect of economic/demographic gains or losses	66,707	-	66,707
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(480,037)	(480,037)	-
Benefit payments	(1,673,173)	(1,673,173)	-
Administrative expenses	-	(27,844)	27,844
Member contributions	-	1,087,029	(1,087,029)
Net investment income	-	(2,967,329)	2,967,329
Employer contributions	-	1,545,393	(1,545,393)
Other ³	-	109,188	(109,188)
Balance at December 31, 2023	<u>\$ 48,177,980</u>	<u>\$ 47,514,523</u>	<u>\$ 663,457</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.

Sensitivity Analysis

The following presents the net pension liability (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%	Current Discount Rate 7.6%	1% Increase 8.6%
Total pension liability	\$ 55,266,253	\$ 48,177,981	\$ 42,355,883
Fiduciary net position	<u>47,514,524</u>	<u>47,514,524</u>	<u>47,514,524</u>
Net pension liability (asset)	<u>\$ 7,751,729</u>	<u>\$ 663,457</u>	<u>\$ (5,158,641)</u>

Alamo Area Council of Governments
Notes to Financial Statements
December 31, 2023

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, 2023, the Council recognized pension expense of \$1,299,909.

At December 31, 2023, the Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 49,724
Changes in actuarial assumptions	61,483	-
Difference between projected and actual investment earnings	-	1,085,907
Contributions subsequent to the measurement date	-	1,490,963
Total	<u>\$ 61,483</u>	<u>\$ 2,626,594</u>

\$1,490,963 reported as deferred outflows of resources related to pensions resulted from contributions subsequent to the measurement date and will be recognized as an addition of the net pension liability in the year ending December 31, 2024.

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

2024	\$ (516,189)
2025	48,587
2026	185,300
2027	<u>1,356,450</u>
Total	<u>\$ 1,074,148</u>

**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, 2023

Measurement Year Ended December 31	2022	2021	2020
Total Pension Liability			
Service cost	\$ 1,789,338	\$ 1,735,794	\$ 1,494,753
Interest on total pension liability	3,475,629	3,248,868	2,986,030
Effect of plan changes	-	-	-
Effect of assumption changes or inputs	-	(184,449)	2,404,569
Effect of economic/demographic (gains) or losses	66,707	15,759	342,526
Benefit payments/refunds of contributions	(2,153,210)	(1,628,036)	(1,542,203)
Net change in total pension liability	3,178,464	3,187,936	5,685,675
Total pension liability – beginning	44,999,516	41,811,580	36,125,905
Total pension liability – ending (a)	<u>\$ 48,177,980</u>	<u>\$ 44,999,516</u>	<u>\$ 41,811,580</u>
Plan Fiduciary Net Position			
Employer contributions	\$ 1,545,393	\$ 1,190,572	\$ 1,130,088
Member contributions	1,087,029	892,929	847,566
Investment income net of investment expenses	(2,967,329)	8,951,915	3,755,027
Benefit payments, including refunds of contributions	(2,153,210)	(1,628,036)	(1,542,203)
Administrative expenses	(27,844)	(27,008)	(29,647)
Other	109,188	24,061	16,310
Net change in plan fiduciary net position	(2,406,773)	9,404,433	4,177,141
Plan fiduciary net position – beginning	49,921,296	40,516,864	36,339,723
Plan fiduciary net position – ending (b)	<u>47,514,523</u>	<u>49,921,297</u>	<u>40,516,864</u>
Net pension liability/(asset) – ending (a) – (b)	<u>\$ 663,457</u>	<u>\$ (4,921,781)</u>	<u>\$ 1,294,716</u>
Fiduciary net position as a percentage of total pension liability	98.6%	110.9%	96.9%
Pensionable covered payroll	\$ 18,117,155	\$ 14,882,154	\$ 14,126,101
Net pension liability (asset) as a percentage of covered payroll	3.66%	-33.07%	9.17%

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.

	2019	2018	2017	2016	2015	2014
\$	1,466,688	\$ 1,413,355	\$ 1,462,580	\$ 1,573,957	\$ 1,383,125	\$ 1,428,588
	2,741,625	2,488,455	2,244,632	2,045,000	1,931,965	1,813,929
	199,488	73,306	151,525		(236,658)	
			292,223		329,757	
	67,665	465,649	244,364	(620,447)	(1,004,313)	(792,235)
	(1,432,306)	(1,307,218)	(1,363,548)	(1,091,432)	(1,022,508)	(1,010,526)
	3,043,160	3,133,547	3,031,776	1,907,078	1,381,368	1,439,756
	33,082,745	29,949,198	26,917,422	25,010,345	23,628,977	22,189,221
\$	<u>36,125,905</u>	<u>\$ 33,082,745</u>	<u>\$ 29,949,198</u>	<u>\$ 26,917,423</u>	<u>\$ 25,010,345</u>	<u>\$ 23,628,977</u>
\$	1,144,130	\$ 1,002,049	\$ 1,125,912	\$ 993,791	\$ 1,176,341	\$ 999,897
	783,098	751,537	754,434	745,343	732,256	730,043
	5,056,486	(571,181)	3,882,475	1,779,491	(463,983)	1,410,886
	(1,432,306)	(1,307,218)	(1,363,548)	(1,091,431)	(1,022,508)	(1,010,526)
	(27,692)	(24,734)	(20,568)	(19,341)	(17,140)	(17,336)
	22,007	16,405	6,733	191,638	37,139	12,720
	5,545,723	(133,142)	4,385,438	2,599,491	442,105	2,125,684
	30,794,000	30,927,142	26,541,704	23,942,214	23,500,111	21,374,426
	36,339,723	30,794,000	30,927,142	26,541,705	23,942,216	23,500,110
\$	<u>(213,818)</u>	<u>\$ 2,288,745</u>	<u>\$ (977,944)</u>	<u>\$ 375,718</u>	<u>\$ 1,068,129</u>	<u>\$ 128,867</u>
	100.6%	93.1%	103.3%	98.6%	95.7%	99.5%
\$	13,051,626	\$ 12,525,614	\$ 12,458,425	\$ 12,431,363	\$ 12,204,268	\$ 11,561,208
	-1.64%	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
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%
2022	1,545,393	1,425,940	119,453	18,117,155	7.9%
2023	1,249,395	1,490,963	(241,568)	15,895,612	9.4%

(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, 2023

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

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry age (level percentage of pay)
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	12.7 years (based on contribution rate calculated in December 31, 2022 valuation)
Asset Valuation Method	5-year smoothed fair value
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	Prior to 2022: 7.60%, net of investment expenses, including inflation 2022: 7.5%, net of administrative and investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in this Schedule*	2015: New inflation, mortality, and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality, and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected

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

Alamo Area Council of Governments
Notes to Schedule of Employer Contributions - Texas County
and District Retirement System (Continued)
For the Year Ended December 31, 2023

Methods and Assumptions Used to Determine Contribution Rates (continued)

**Changes in Plan Provisions Reflected
in the Schedule***

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.
2021: No changes in plan provisions were reflected in the Schedule.
2022: No changes in plan provisions were reflected in the Schedule.

THIS PAGE LEFT BLANK INTENTIONALLY

**SUPPLEMENTARY
INFORMATION**

Grants Fund Fund Details Fund Descriptions

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

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

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

Intellectual Developmental Disabilities Services – This fund is used to account for grants awarded by the Department of Health and Human Services.

Veterans Services – This fund is used to account for grants awarded by for veterans services.

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 award 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.

Grants Fund Fund Details Fund Descriptions

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.

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

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.

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

Texas Parks and Wildlife Department – This fund is used to account for grants related to the Texas Parks and Wildlife.

Alamo Area Development Corporation – This fund is used to account for grants awarded by to the Alamo Area Development Corporation.

Alamo Area Council of Governments
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds			
	Bexar Area Agency on Aging	Texas Department of Transportation	Intellectual Development Disabilities Services	Veterans Assistance
Assets				
Cash and investments	\$ -	\$ 1,862,796	\$ 1,416,330	\$ 2,683,781
Accounts receivable:				
Grantors	1,533,600	1,782,498	2,018,519	4,846,309
Other	-	-	-	-
Due from other funds	1,057,174	4,774,760	173,554	4,532,549
Deposits	-	-	-	-
Prepaid items	27,466	163,567	179,562	-
	<u>\$ 2,618,240</u>	<u>\$ 8,583,621</u>	<u>\$ 3,787,965</u>	<u>\$ 12,062,639</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 1,559,509	\$ 1,135,103	\$ 340,919	\$ 3,527,604
Accrued liabilities	23,857	47,796	157,787	18,051
Due to other funds	2,196,243	3,361,334	1,059,081	6,001,702
Unearned revenue	27,022	103,912	2,036,254	216,230
	<u>3,806,631</u>	<u>4,648,145</u>	<u>3,594,041</u>	<u>9,763,587</u>
Fund balance:				
Nonspendable:				
Prepaid items	27,466	163,567	179,562	-
Restricted:				
Grants	-	3,771,909	14,362	2,299,052
Unassigned (deficit)	(1,215,857)	-	-	-
	<u>(1,188,391)</u>	<u>3,935,476</u>	<u>193,924</u>	<u>2,299,052</u>
Total fund balance	<u>(1,188,391)</u>	<u>3,935,476</u>	<u>193,924</u>	<u>2,299,052</u>
Total liabilities and fund balance	<u>\$ 2,618,240</u>	<u>\$ 8,583,621</u>	<u>\$ 3,787,965</u>	<u>\$ 12,062,639</u>

Special Revenue Funds

Texas Commission on Environmental Quality	VIA Metropolitan Transit	Alamo Area Agency on Aging	Economic Development Administration	Metropolitan Planning Organization	Texas Department of Agriculture
\$ 62,901	\$ -	\$ -	\$ -	\$ -	\$ -
220,881	64,479	726,661	17,640	18,392	657
-	-	-	-	-	-
24,658	42,662	216,254	24,588	-	245,732
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 308,440</u>	<u>\$ 107,141</u>	<u>\$ 942,915</u>	<u>\$ 42,228</u>	<u>\$ 18,392</u>	<u>\$ 246,389</u>
\$ 9,581	\$ 8,487	\$ 682,024	\$ 309	\$ -	\$ -
3,279	(2,925)	12,974	-	1,534	-
200,788	113,123	674,977	41,582	16,858	246,389
99,241	-	54,867	-	-	-
<u>312,889</u>	<u>118,685</u>	<u>1,424,842</u>	<u>41,891</u>	<u>18,392</u>	<u>246,389</u>
-	-	-	-	-	-
-	-	-	337	-	-
<u>(4,449)</u>	<u>(11,544)</u>	<u>(481,927)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(4,449)</u>	<u>(11,544)</u>	<u>(481,927)</u>	<u>337</u>	<u>-</u>	<u>-</u>
<u>\$ 308,440</u>	<u>\$ 107,141</u>	<u>\$ 942,915</u>	<u>\$ 42,228</u>	<u>\$ 18,392</u>	<u>\$ 246,389</u>

**Alamo Area Council of Governments
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
December 31, 2023**

	Special Revenue Funds			
	U.S. Department of Homeland Security	Capital Area Council of Governments	Texas Department of Housing and Community Affairs	Commission on State Emergency Communications
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable:				
Grantors	80,588	-	303,454	233,626
Other	-	-	-	-
Due from other funds	80,012	6,523	258,192	-
Deposits	-	-	-	-
Prepaid items	-	-	-	111,032
	<u>\$ 160,600</u>	<u>\$ 6,523</u>	<u>\$ 561,646</u>	<u>\$ 344,658</u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ 5,059	\$ -	\$ 162,995	\$ 101,506
Accrued liabilities	2,924	-	8,291	4,071
Due to other funds	77,834	6,523	398,411	269,462
Unearned revenue	-	-	2,872	25,540
	<u>85,817</u>	<u>6,523</u>	<u>572,569</u>	<u>400,579</u>
Fund balance:				
Nonspendable:				
Prepaid items	-	-	-	111,032
Restricted:				
Grants	74,783	-	-	-
Unassigned (deficit)	-	-	(10,923)	(166,953)
	<u>74,783</u>	<u>-</u>	<u>(10,923)</u>	<u>(55,921)</u>
Total fund balance	<u>74,783</u>	<u>-</u>	<u>(10,923)</u>	<u>(55,921)</u>
Total liabilities and fund balance	<u>\$ 160,600</u>	<u>\$ 6,523</u>	<u>\$ 561,646</u>	<u>\$ 344,658</u>

Special Revenue Funds

Office of the Governor	City of San Antonio	Local Projects	Department of Defense	Corporation for National and Community Service	National Council on Aging
\$ 281,993	\$ -	\$ -	\$ -	\$ -	\$ -
448,913	22,784	134,216	95,063	46,263	5,694
-	-	-	-	-	-
6,700,055	124,236	95,933	1,244	-	-
13,904	-	-	-	-	-
64,494	-	-	-	-	-
<u>\$ 7,509,359</u>	<u>\$ 147,020</u>	<u>\$ 230,149</u>	<u>\$ 96,307</u>	<u>\$ 46,263</u>	<u>\$ 5,694</u>
\$ 145,668	\$ 7,637	\$ 3,141	\$ 48,806	\$ 21,131	\$ 73
8,209	7,188	3,096	1,193	1,990	461
515,952	17,115	140,605	-	39,550	5,233
-	(1,464)	4,525	-	1,830	-
<u>669,829</u>	<u>30,476</u>	<u>151,367</u>	<u>49,999</u>	<u>64,501</u>	<u>5,767</u>
64,494	-	-	-	-	-
6,775,036	116,544	78,782	46,308	-	-
-	-	-	-	(18,238)	(73)
<u>6,839,530</u>	<u>116,544</u>	<u>78,782</u>	<u>46,308</u>	<u>(18,238)</u>	<u>(73)</u>
<u>\$ 7,509,359</u>	<u>\$ 147,020</u>	<u>\$ 230,149</u>	<u>\$ 96,307</u>	<u>\$ 46,263</u>	<u>\$ 5,694</u>

Alamo Area Council of Governments
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
December 31, 2023

	Special Revenue Funds			
	Texas Workforce Commission	Texas Council for Developmental Disabilities	United Way Tarrant County	Better Business Bureau Senior Medicare Patrol
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable:				
Grantors	839	44,992	-	200
Other	-	-	-	-
Due from other funds	9,821	-	18,497	-
Deposits	-	-	-	-
Prepaid items	-	-	-	-
	\$ 10,660	\$ 44,992	\$ 18,497	\$ 200
Total assets	\$ 10,660	\$ 44,992	\$ 18,497	\$ 200
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ 1,339	\$ -	\$ -
Accrued liabilities	-	2,311	-	20
Due to other funds	-	42,678	-	(56,279)
Unearned revenue	2,658	-	-	13,464
	2,658	46,328	-	(42,795)
Total liabilities	2,658	46,328	-	(42,795)
Fund balance:				
Nonspendable:				
Prepaid items	-	-	-	-
Restricted:				
Grants	8,002	-	18,497	42,995
Unassigned (deficit)	-	(1,336)	-	-
	8,002	(1,336)	18,497	42,995
Total fund balance	8,002	(1,336)	18,497	42,995
Total liabilities and fund balance	\$ 10,660	\$ 44,992	\$ 18,497	\$ 200

Special Revenue Funds

Environmental Protection Agency	Kronkosky Autism Lifeline Link	Texas Parks and Wildlife Department	Alamo Area Development Corporation	Totals
\$ -	\$ -	\$ -	\$ 10,928	\$ 6,318,729
-	-	2,836	142,773	12,791,877
-	-	-	100	100
3	286	-	1,874,408	20,261,141
-	-	-	-	13,904
-	-	-	-	546,121
<u>\$ 3</u>	<u>\$ 286</u>	<u>\$ 2,836</u>	<u>\$ 2,028,209</u>	<u>\$ 39,931,872</u>
\$ -	\$ -	\$ -	\$ 2	\$ 7,760,893
-	304	-	-	302,411
-	-	2,836	1,874,409	17,246,406
-	-	-	143,071	2,730,022
-	304	2,836	2,017,482	28,039,732
-	-	-	-	546,121
3	-	-	10,727	13,257,337
-	(18)	-	-	(1,911,318)
<u>3</u>	<u>(18)</u>	<u>-</u>	<u>10,727</u>	<u>11,892,140</u>
<u>\$ 3</u>	<u>\$ 286</u>	<u>\$ 2,836</u>	<u>\$ 2,028,209</u>	<u>\$ 39,931,872</u>

Alamo Area Council of Governments
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
December 31, 2023

	Special Revenue Funds			
	Bexar Area Agency on Aging	Texas Department of Transportation	Intellectual Development Disabilities Services	Veterans Assistance
Revenues				
Intergovernmental	\$ 10,036,925	\$ 4,994,166	\$ 8,573,892	\$ 432,690
Matching funds	2,961,338	-	-	-
Local	2,745	2,830,989	6,304,533	27,263,598
Program income	116,364	5,915	10	-
Investment income	-	52,512	46,025	65,992
Total revenues	<u>13,117,372</u>	<u>7,883,582</u>	<u>14,924,460</u>	<u>27,762,280</u>
Expenditures				
Current:				
General government	-	-	-	-
Aging and veterans services	13,314,667	-	-	25,556,703
Health and welfare	-	-	15,237,811	-
Transportation	-	6,528,818	-	-
Workforce development	-	-	-	-
Environmental quality	-	-	-	-
Community affairs	-	-	-	-
Criminal justice	-	-	-	-
Emergency communications	-	-	-	-
Homeland security	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	981,241	-	-
Total expenditures	<u>13,314,667</u>	<u>7,510,059</u>	<u>15,237,811</u>	<u>25,556,703</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(197,295)</u>	<u>373,523</u>	<u>(313,351)</u>	<u>2,205,577</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(1,026,522)	(147,707)	(226,762)	(3,533,019)
Total other financing sources (uses)	<u>(1,026,522)</u>	<u>(147,707)</u>	<u>(226,762)</u>	<u>(3,533,019)</u>
Net Change in Fund Balances	(1,223,817)	225,816	(540,113)	(1,327,442)
Fund Balances, Beginning	<u>35,426</u>	<u>3,709,660</u>	<u>734,037</u>	<u>3,626,494</u>
Fund Balances, Ending	<u>\$ (1,188,391)</u>	<u>\$ 3,935,476</u>	<u>\$ 193,924</u>	<u>\$ 2,299,052</u>

Special Revenue Funds

Texas Commission on Environmental Quality	VIA Metropolitan Transit	Alamo Area Agency on Aging	Economic Development Administration	Metropolitan Planning Organization	Texas Department of Agriculture
\$ 927,198	\$ 149,218	\$ 4,835,270	\$ 76,005	\$ 101,006	\$ 11,000
-	-	2,335,679	-	-	-
-	-	(34,270)	500	-	-
-	-	145,168	-	-	-
6,156	-	-	-	-	-
<u>933,354</u>	<u>149,218</u>	<u>7,281,847</u>	<u>76,505</u>	<u>101,006</u>	<u>11,000</u>
-	-	-	-	-	-
-	-	7,368,296	-	-	-
-	-	-	-	-	-
-	169,061	-	-	-	-
-	-	-	-	-	-
963,235	-	-	-	101,006	-
-	-	-	-	-	11,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	95,766	-	-
-	-	-	-	-	-
<u>963,235</u>	<u>169,061</u>	<u>7,368,296</u>	<u>95,766</u>	<u>101,006</u>	<u>11,000</u>
<u>(29,881)</u>	<u>(19,843)</u>	<u>(86,449)</u>	<u>(19,261)</u>	<u>-</u>	<u>-</u>
22,197	8,299	-	17,256	-	-
-	-	(397,864)	-	-	-
<u>22,197</u>	<u>8,299</u>	<u>(397,864)</u>	<u>17,256</u>	<u>-</u>	<u>-</u>
(7,684)	(11,544)	(484,313)	(2,005)	-	-
3,235	-	2,386	2,342	-	-
<u>(4,449)</u>	<u>(11,544)</u>	<u>(481,927)</u>	<u>337</u>	<u>-</u>	<u>-</u>

Alamo Area Council of Governments
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
December 31, 2023

	Special Revenue Funds			
	U.S. Department of Homeland Security	Texas Department of Housing and Community Affairs	Commission on State Emergency Communications	Office of the Governor
Revenues				
Intergovernmental	\$ 1,365,950	\$ 2,117,529	\$ 1,802,785	\$ 1,042,369
Matching funds	-	-	-	45,896
Local	-	-	-	2
Program income	-	-	-	477,743
Investment income	5	-	-	8,518
Total revenues	<u>1,365,955</u>	<u>2,117,529</u>	<u>1,802,785</u>	<u>1,574,528</u>
Expenditures				
Current:				
General government	-	-	-	-
Aging and veterans services	-	-	-	-
Health and welfare	-	-	-	-
Transportation	-	-	-	-
Workforce development	-	-	-	-
Environmental quality	-	-	-	-
Community affairs	-	2,117,343	-	-
Criminal justice	-	-	-	1,368,688
Emergency communications	-	-	1,793,160	-
Homeland security	1,362,876	-	-	(4,148)
Economic development	-	-	-	200,026
Capital outlay	-	-	7,625	17,999
Total expenditures	<u>1,362,876</u>	<u>2,117,343</u>	<u>1,800,785</u>	<u>1,582,565</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,079</u>	<u>186</u>	<u>2,000</u>	<u>(8,037)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	6,293,428
Transfers out	(5,115)	(11,519)	(56,662)	-
Total other financing sources (uses)	<u>(5,115)</u>	<u>(11,519)</u>	<u>(56,662)</u>	<u>6,293,428</u>
Net Change in Fund Balances	(2,036)	(11,333)	(54,662)	6,285,391
Fund Balances, Beginning	<u>76,819</u>	<u>410</u>	<u>(1,259)</u>	<u>554,139</u>
Fund Balances, Ending	<u>\$ 74,783</u>	<u>\$ (10,923)</u>	<u>\$ (55,921)</u>	<u>\$ 6,839,530</u>

Special Revenue Funds

City of San Antonio	Local Projects	Department of Defense	Corporation for National and Community Service	National Council on Aging	Texas Workforce Commission
\$ 292,429	\$ 98,032	\$ 95,046	\$ 461,494	\$ 58,579	\$ -
-	-	68,810	89,359	-	-
-	189,947	-	-	-	33,232
-	-	-	-	-	-
-	-	-	-	-	-
<u>292,429</u>	<u>287,979</u>	<u>163,856</u>	<u>550,853</u>	<u>58,579</u>	<u>33,232</u>
-	-	-	-	-	-
-	1,240	-	547,512	58,579	-
-	170,989	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	91,955
294,463	89,213	-	-	-	-
-	18,990	-	-	-	-
-	4,629	-	-	-	-
-	-	-	-	-	-
-	-	98,856	-	-	-
-	-	-	-	-	-
<u>294,463</u>	<u>285,061</u>	<u>98,856</u>	<u>547,512</u>	<u>58,579</u>	<u>91,955</u>
<u>(2,034)</u>	<u>2,918</u>	<u>65,000</u>	<u>3,341</u>	<u>-</u>	<u>(58,723)</u>
-	-	-	-	-	98,206
(29,646)	(408)	(18,692)	(19,351)	(73)	-
<u>(29,646)</u>	<u>(408)</u>	<u>(18,692)</u>	<u>(19,351)</u>	<u>(73)</u>	<u>98,206</u>
(31,680)	2,510	46,308	(16,010)	(73)	39,483
148,224	76,272	-	(2,228)	-	(31,481)
<u>\$ 116,544</u>	<u>\$ 78,782</u>	<u>\$ 46,308</u>	<u>\$ (18,238)</u>	<u>\$ (73)</u>	<u>\$ 8,002</u>

Alamo Area Council of Governments
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
December 31, 2023

	Special Revenue Funds			
	Texas Council for Developmental Disabilities	United Way Tarrant County	Better Business Bureau Senior Medicare Patrol	Environmental Protection Agency
Revenues				
Intergovernmental	\$ 197,209	\$ -	\$ -	\$ 275
Matching funds	-	-	-	-
Local	-	-	20,230	-
Program income	-	-	-	-
Investment income	-	-	-	-
Total revenues	<u>197,209</u>	<u>-</u>	<u>20,230</u>	<u>275</u>
Expenditures				
Current:				
General government	-	-	-	-
Aging and veterans services	-	7,822	20,230	-
Health and welfare	200,973	-	-	-
Transportation	-	-	-	-
Workforce development	-	-	-	-
Environmental quality	-	-	-	275
Community affairs	-	-	-	-
Criminal justice	-	-	-	-
Emergency communications	-	-	-	-
Homeland security	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>200,973</u>	<u>7,822</u>	<u>20,230</u>	<u>275</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,764)</u>	<u>(7,822)</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	2,428	-	-	3
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,428</u>	<u>-</u>	<u>-</u>	<u>3</u>
Net Change in Fund Balances	<u>(1,336)</u>	<u>(7,822)</u>	<u>-</u>	<u>3</u>
Fund Balances, Beginning	<u>-</u>	<u>26,319</u>	<u>42,995</u>	<u>-</u>
Fund Balances, Ending	<u>\$ (1,336)</u>	<u>\$ 18,497</u>	<u>\$ 42,995</u>	<u>\$ 3</u>

Special Revenue Funds

Kronkosky Autism Lifeline Link	Texas Parks and Wildlife Department	Alamo Area Development Corporation	Totals
\$ -	\$ 17,958	\$ 196,004	\$ 37,883,029
-	2,076	-	5,503,158
91,024	-	(235)	36,702,295
-	-	-	745,200
-	-	2,295	181,503
<u>91,024</u>	<u>20,034</u>	<u>198,064</u>	<u>81,015,185</u>
-	-	196,733	196,733
-	-	-	46,875,049
91,146	-	-	15,700,919
-	-	-	6,697,879
-	-	-	91,955
-	-	-	1,448,192
-	20,034	-	2,167,367
-	-	-	1,373,317
-	-	-	1,793,160
-	-	-	1,358,728
-	-	-	394,648
-	-	-	1,006,865
<u>91,146</u>	<u>20,034</u>	<u>196,733</u>	<u>79,104,812</u>
<u>(122)</u>	<u>-</u>	<u>1,331</u>	<u>1,910,373</u>
104	-	-	6,441,921
-	-	-	(5,473,340)
<u>104</u>	<u>-</u>	<u>-</u>	<u>968,581</u>
(18)	-	1,331	2,878,954
-	-	9,396	9,013,186
<u>\$ (18)</u>	<u>\$ -</u>	<u>\$ 10,727</u>	<u>\$ 11,892,140</u>

Alamo Area Council of Governments
Schedule of Indirect Costs
For the Year Ended December 31, 2023

Personnel services	\$ 1,963,889
Employee benefits	939,275
Other contract services	758,109
Travel	53,109
Supplies	47,483
Insurance and bonding	20,479
Public notices	493
Printing and reproduction	8,956
Software	114,968
Fuel/oil	3,781
Employee recruitment	9,500
Communications	305,723
Postage	21,663
Meetings	28,379
Training in/out region	19,045
Publications	7,752
Professional dues	59,304
Equipment	157,735
Rent	4,350
Occupancy	706
Equipment rental	207,364
Maintenance/repairs software	200,525
Maintenance/repairs vehicles	200
Membership fees and dues	1,853
Depreciation	<u>4,465</u>
Total indirect costs	4,939,106
Less: administration cost received (rent, communications, postage, copies directly charged to program)	<u>(1,399,868)</u>
Net Indirect Costs	3,539,238
Actual Indirect Costs Recovered	(3,525,972)
Over-Recovery of Indirect Costs Carried Forward From Prior Year	<u>(97,895)</u>
Accumulated Cost Over-Recovery	<u><u>\$ (84,629)</u></u>

Alamo Area Council of Governments
Schedule of Employee Benefits (Fringe and Release Time)
For the Year Ended December 31, 2023

Benefits:	
FICA	\$ 1,281,774
Health insurance	2,356,000
Retirement	1,490,962
Release time	1,828,399
Other insurance	151,215
Workers' compensation	172,462
State unemployment tax	<u>3,473</u>
Total employee benefits	7,284,285
Actual Employee Benefits Recovered	(7,125,812)
Under-Recovery of Employee Benefits Carried Forward From Prior Year	<u>8,360</u>
Accumulated Over-Recovery	<u><u>\$ 166,833</u></u>

THIS PAGE LEFT BLANK INTENTIONALLY

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, 2023
(Unaudited)**

	CARE *			Audited
	Report III	Additions**	Deletions***	Financial
				Statements
Expenditures				
Salaries	\$ 6,685,232	\$ 10,616,688	\$ 2,066,479	\$ 15,235,441
Employee benefits	2,065,484	3,272,608	638,476	4,699,616
Professional consulting services	2,608,972	47,345,145	790,208	49,163,909
Training/travel	212,331	334,235	52,071	494,495
Debt service	-	463,958	-	463,958
Capital outlay	-	2,714,526	-	2,714,526
Noncapital equipment	5,525	81,828	(123)	87,476
Other operating expenditures	3,399,910	7,755,766	895,175	10,260,501
	<u>\$ 14,977,454</u>	<u>\$ 72,584,754</u>	<u>\$ 4,442,286</u>	<u>\$ 83,119,922</u>
Total expenditures	<u>\$ 14,977,454</u>	<u>\$ 72,584,754</u>	<u>\$ 4,442,286</u>	<u>\$ 83,119,922</u>

* CARE Report III Fiscal Year 2023

** Other Agency Programs

*** September - December 2023 IDD Expenditures

Alamo Area Council of Governments
Reconciliation of Total Revenue
To Fourth Quarter Financial Report
For the Year Ended December 31, 2023
(Unaudited)

	CARE *			Audited
	Report III	Additions**	Deletions***	Financial
				Statements
Local and Earned Revenues:				
Medicaid/HAB Coordination	\$ 5,995,774	\$ 2,253,747	\$ 1,841,790	\$ 6,407,731
Membership dues	-	350,074	-	350,074
Local/Interest/Program Income	35,257	31,541,118	16,583	31,559,792
Titan complex tenant/Occupancy	-	1,633,887	-	1,633,887
Contributions – UHS	308,085	107,476	105,067	310,494
Delegate agency match	-	5,754,561	-	5,754,561
Total local and earned revenues	<u>6,339,116</u>	<u>41,640,863</u>	<u>1,963,440</u>	<u>46,016,539</u>
State Program Revenues				
General Revenue	3,423,167	8,835,764	954,895	11,304,036
Permanency Planning	62,650	33,851	27,307	69,194
Community Living Options Information Process (CLOIP)	208,531	48,916	59,773	197,674
Crisis Behavioral Supports	208,110	81,205	80,958	208,357
Crisis Behavioral Respite	495,572	166,739	170,048	492,263
NF PASRR Special Services	1,533,779	242,048	431,366	1,344,461
HHSC ARPA	155,698	184,702	92,351	248,049
Total state program revenues	<u>6,087,507</u>	<u>9,593,225</u>	<u>1,816,698</u>	<u>13,864,034</u>
Federal Program Revenues				
Federal Revenue	741,625	22,195,706	216,410	22,720,921
Habilitation Coordination	590,124	217,809	202,400	605,533
Medicaid Administrative Claiming	1,163,057	388,259	360,796	1,190,520
Total federal program revenues	<u>2,494,806</u>	<u>22,801,774</u>	<u>779,606</u>	<u>24,516,974</u>
Total revenues	<u>\$ 14,921,429</u>	<u>\$ 74,035,862</u>	<u>\$ 4,559,744</u>	<u>\$ 84,397,547</u>
Fund Balance Used per CARE Report III	\$ (56,025)			
Equals CARE Report III Fiscal Year 2023	\$ 14,977,454			

* CARE Report III Fiscal Year 2023

** Other Agency Programs and September - December 2023 IDD Revenues

*** September - December 2023 IDD Revenues

Alamo Area Council of Governments
Reconciliation of Total Revenue
To First Quarter FY 2023 Financial Report
For the Year Ended December 31, 2023
(Unaudited)

	1st Qtr * CARE Report III	**Additions	***All Other Agency	Audited Financial Statements
Local and Earned Revenues				
Medicaid	\$ 1,315,862	\$ 463,030	\$ 4,628,839	\$ 6,407,731
Membership dues	-	-	350,074	350,074
Local/Interest/Program income	7,020	9,564	31,543,208	31,559,792
Titan complex tenant/occupancy	-	-	1,633,887	1,633,887
Contributions – UHS	78,801	26,267	205,426	310,494
Delegate agency match	-	-	5,754,561	5,754,561
Other – transfers from reserves	-	-	-	-
Total local and earned revenues	<u>1,401,683</u>	<u>498,861</u>	<u>44,115,995</u>	<u>46,016,539</u>
State Program Revenues				
General revenue	742,707	211,480	10,349,849	11,304,036
Permanency planning	22,270	5,037	41,887	69,194
Community Living Options Information Process (CLOIP)	51,367	8,406	137,901	197,674
Crisis behavioral support	60,706	20,252	127,399	208,357
Crisis behavioral respite	125,281	44,767	322,215	492,263
NF PASRR Special Services	307,718	123,649	913,094	1,344,461
HHSC ARPA	84,078	9,922	154,049	248,049
Total state program revenues	<u>1,394,127</u>	<u>423,513</u>	<u>12,046,394</u>	<u>13,864,034</u>
Federal Program Revenues				
Federal revenue	184,944	31,466	22,504,511	22,720,921
Habilitation coordination	152,841	49,559	403,133	605,533
Medicaid administrative claiming	255,622	105,174	829,724	1,190,520
Total federal program revenues	<u>593,407</u>	<u>186,199</u>	<u>23,737,368</u>	<u>24,516,974</u>
Total revenues	<u>\$ 3,389,217</u>	<u>\$ 1,108,573</u>	<u>\$ 79,899,757</u>	<u>\$ 84,397,547</u>

* 1st quarter Fiscal Year 24 (September - November 2023) IDD Revenues

** December 2023 IDD Revenues

*** Other Agency Programs and January - August 2023 IDD Revenues

Alamo Area Council of Governments
Schedule of Revenues and Expenditures by Source of Funds
For the Year Ended December 31, 2023
(Unaudited)

Fund Sources	Total Revenue	FY2023 Jan - Aug Alamo Local Authority Expenditures	FY2023 Sept - Dec Alamo Local Authority Expenditures	All Other Program Expenditures	Excess Revenue Over Expenditures
Objects of expense:					
Personnel	\$ 15,235,441	\$ 4,294,932	\$ 1,844,218	\$ 9,096,291	\$ -
Employee benefits	4,699,616	1,327,393	569,992	2,802,231	-
Debt service	463,958	-	-	463,958	-
Capital outlay	2,714,526	-	-	2,714,526	-
Other operating expense	60,006,381	3,547,894	1,596,381	54,862,106	-
Allocation of general administration to strategies	-	628,334	280,272	(908,606)	-
Allocation of authority administration to strategies	-	324,427	151,422	(475,849)	-
Total expenditures	<u>83,119,922</u>	<u>10,122,980</u>	<u>4,442,285</u>	<u>68,554,657</u>	<u>-</u>
Method of finance:					
General revenue/IDD	11,552,086	2,482,836	1,047,246	8,022,004	-
Permanency planning	69,195	41,888	27,307	-	-
CLOIP	197,674	137,901	59,773	-	-
Crisis behavioral support	208,356	127,398	80,958	-	-
Crisis respite	492,263	322,215	170,048	-	-
NF PASRR SC	-	-	-	-	-
NF PASRR Special Services	1,344,461	913,095	431,366	-	-
Earned income	15,102,788	4,062,255	1,858,368	9,182,165	-
Additional local funds	30,913,750	313,876	105,073	30,494,801	-
Other services revenues	24,515,974	1,715,621	779,606	22,020,747	-
Total expended sources	<u>\$ 84,396,547</u>	<u>\$ 10,117,085</u>	<u>\$ 4,559,745</u>	<u>\$ 69,719,717</u>	<u>\$ -</u>

Alamo Area Council of Governments
Schedule of Indirect Costs
For the Year Ended December 31, 2023
(Unaudited)

	Total Costs	Nonallowable Costs	Depreciation	Total Adjusted Costs	Direct Costs	Indirect Costs
Personnel	\$ 15,235,441	\$ -	\$ -	\$ 15,235,441	\$ 13,271,552	\$ 1,963,889
Fringe benefits	4,699,616	-	-	4,699,616	3,760,341	939,275
Debt service	463,958	-	-	463,958	463,958	-
Capital outlay	2,802,003	2,802,003	-	-	-	-
Depreciation	-	-	1,105,421	1,105,421	1,100,956	4,465
Other operating	<u>59,918,905</u>	<u>-</u>	<u>-</u>	<u>59,918,906</u>	<u>59,287,295</u>	<u>631,611</u>
Total expenditures	<u>\$ 83,119,923</u>	<u>\$ 2,802,003</u>	<u>\$ 1,105,421</u>	<u>\$ 81,423,342</u>	<u>\$ 77,884,102</u>	<u>\$ 3,539,240</u>

Indirect costs	\$ 3,539,240
Direct costs	77,884,102

Indirect cost rate 4.54%

Alamo Area Council of Governments
Schedule of Insurance in Effect
For the Year Ended December 31, 2023
(Unaudited)

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/23	10/01/24	Workers' Compensation	Statutory
Texas Municipal League Risk Management Fund	10/01/23	10/01/24	Automobile Liability Per Occurrence Limit	\$ 5,000,000
			Deductible	2,500
			Medical Payments per person	25,000
	10/01/23	10/01/24	Automobile Physical Damage Per Occurrence Limit	10,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/23	10/01/24	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	10/01/23	10/01/24	Law Enforcement Liability Per Occurrence Limit	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/23	10/01/24	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, 2023
(Unaudited)

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/23	10/01/24	All Risk Property Coverage	
			Coverage Basis	
			Building: Replacement Cost Valuation	\$ 25,776,107
			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 and Earthquake	-
			Flood Limit	2,577,611
			Earthquake Limit	10,000,000
			Deductible	25,000
Boiler and Machinery				
	Per Accident Limit	100,000		
	Deductible	250		
Texas Municipal League Risk Management Fund	10/01/23	10/01/24	Public Employee Dishonesty	
			Limit of Coverage	500,000
			Deductible	5,000
			Coverage Includes Faithful Performance of Duty	
WS&P Walthall Sachse & Pipes, Inc	07/01/23	07/01/24	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	02/14/23	02/14/24	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, 2023
(Unaudited)

Name	City	Type of Service	Amount
January – August 2023			
ABA & Behavioral Services	San Antonio	6230-Community Supports	\$ 212,791
ABA & Behavioral Services	San Antonio	6260-Behavioral Support	145,741
ABA Center for Excellence	San Antonio	6215-Crisis Respite Hourly In Home	25,820
ABA Center for Excellence	San Antonio	6216-Crisis Respite Daily In Home	300
ABA Center for Excellence	San Antonio	6260-Behavioral Support	10,981
Angel Care Center of San Antonio	San Antonio	6210-Respite Hourly Out Of Home	2,033
Angel Care Center of San Antonio	San Antonio	6213-Respite Hourly In Home	48,671
Angel Care Center of San Antonio	San Antonio	6214-Respite Daily In Home	3,450
Angel Care Center of San Antonio	San Antonio	6220-Day Habilitation	12,508
Angel Care Center of San Antonio	San Antonio	6230-Community Supports	396,847
ARC	San Antonio	6220-Day Habilitation	37,949
Beach House Arts	San Antonio	6220-Day Habilitation	10,729
Beach House Arts	San Antonio	6230-Community Supports	4,777
Behavior Saviors	San Antonio	6215-Crisis Respite Hourly In Home	23,626
Behavior Saviors	San Antonio	6217-Crisis Supervision	9,300
Behavior Saviors	San Antonio	6260-Behavioral Support	25,843
Care Warriors	San Antonio	6213-Respite Hourly In Home	38,666
Care Warriors	San Antonio	6230-Community Supports	90,910
Care Warriors	San Antonio	6240-Employment Assistance	1,354
CBA, LLC	San Antonio	6385-Speech & Language Services	20,520
Distinctively Remembered	San Antonio	6240-Employment Assistance	490
Eva's Heroes	San Antonio	6370-Day Hab Summer Camp	1,490
Jennifer Garrett	San Antonio	6260-Behavioral Support	61,703
Lifeline Care & Services	San Antonio	6211-Respite Daily Out Of Home	3,450
Lifeline Care & Services	San Antonio	6213-Respite Hourly In Home	51,011
Lifeline Care & Services	San Antonio	6214-Respite Daily In Home	2,400
Lifeline Care & Services	San Antonio	6230-Community Supports	23,214
Mission Development	San Antonio	6220-Day Habilitation	37,668
Mission Development	San Antonio	6225-Head Start	40
Mission Development	San Antonio	6370-Day Hab Summer Camp	2,482
RMI	San Antonio	6220-Day Habilitation	4,341
SAFIRE	San Antonio	6220-Day Habilitation	3,992
San Antonio Life Academy	San Antonio	6220-Day Habilitation	13,027
Shaping Solutions	San Antonio	6260-Behavioral Support	11,478
So. Tx Behavioral Institute	San Antonio	6260-Behavioral Support	402
So. Tx Behavioral Institute	San Antonio	6380-Applied Behavior ABA Therapy	115
TWG Investments LTD	San Antonio	6280-Safety Net	300,000
University United Methodist	San Antonio	6220-Day Habilitation	5,134
			<u>\$ 1,645,253</u>

Alamo Area Council of Governments
Schedule of Professional and Consulting Services (Continued)
For the Year Ended December 31, 2023
(Unaudited)

Name	City	Type of Service	Amount
September – December 2023			
ABA & Behavioral Services	San Antonio	6230-Community Supports	\$ 62,998
ABA & Behavioral Services	San Antonio	6260-Behavioral Support	1,818
ABA Center for Excellence	San Antonio	6215-Crisis Respite Hourly In Home	6,109
ABA Center for Excellence	San Antonio	6260-Behavioral Support	918
Angel Care Center of San Antonio	San Antonio	6213-Respite Hourly In Home	21,758
Angel Care Center of San Antonio	San Antonio	6214-Respite Daily In Home	750
Angel Care Center of San Antonio	San Antonio	6220-Day Habilitation	2,728
Angel Care Center of San Antonio	San Antonio	6230-Community Supports	157,581
ARC	San Antonio	6220-Day Habilitation	10,533
Behavior Savors	San Antonio	6215-Crisis Respite Hourly In Home	5,022
Behavior Savors	San Antonio	6217-Crisis Supervision	1,950
Behavior Savors	San Antonio	6260-Behavioral Support	2,009
Care Warriors	San Antonio	6230-Community Supports	51,706
CBA, LLC	San Antonio	6385-Speech & Language Services	6,330
Eva's Heroes	San Antonio	6370-Day Hab Summer Camp	24
Jennifer Garrett	San Antonio	6260-Behavioral Support	21,505
Lifeline Care & Services	San Antonio	6210-Respite Hourly Out Of Home	1,350
Lifeline Care & Services	San Antonio	6211-Respite Daily Out Of Home	1,350
Lifeline Care & Services	San Antonio	6213-Respite Hourly In Home	20,981
Lifeline Care & Services	San Antonio	6214-Respite Daily In Home	1,200
Lifeline Care & Services	San Antonio	6230-Community Supports	13,060
Mission Development	San Antonio	6220-Day Habilitation	13,113
RMI	San Antonio	6220-Day Habilitation	2,008
SAFIRE	San Antonio	6220-Day Habilitation	1,828
San Antonio Life Academy	San Antonio	6220-Day Habilitation	6,652
Shaping Solutions	San Antonio	6260-Behavioral Support	8,762
TWG Investments LTD	San Antonio	6280-Safety Net	150,000
University United Methodist	San Antonio	6220-Day Habilitation	1,591
			<u>\$ 575,634</u>

Alamo Area Council of Governments
Schedule of Legal Services
For the Year Ended December 31, 2023
(Unaudited)

Name	City	Type of Service	Amount
NONE			

Alamo Area Council of Governments
Schedule of Lease and Rental Commitments
For the Year Ended December 31, 2023
(Unaudited)

Lessor	Leased Property Location	Termination Date	Monthly Rental
--------	-----------------------------	---------------------	-------------------

NONE

Alamo Area Council of Governments
Schedule of Space Occupied in a State-Owned Facility
For the Year Ended December 31, 2023
(Unaudited)

Lessor	Leased Property	Termination Date	Monthly Rental
NONE			

Alamo Area Council of Governments
Schedule of Bonded Employees
For the Year Ended December 31, 2023
(Unaudited)

Name	Title	Surety Company	Bond Amount
NONE			

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>	84–92
Revenue Capacity <i>These schedules contain information to help the reader assess the Council’s most significant local revenue sources.</i>	94
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>	96–99
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>	100–104

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

	Fiscal Year			
	2014	2015	2016	2017
Governmental activities:				
Net investment in				
capital assets	\$ 3,320,177	\$ 4,626,797	\$ 3,857,627	\$ 3,158,888
Restricted	5,468,590	4,435,713	3,783,220	3,832,310
Unrestricted	1,149,419	2,248,303	2,467,162	3,199,304
Total governmental				
activities net position	<u>\$ 9,938,186</u>	<u>\$ 11,310,813</u>	<u>\$ 10,108,009</u>	<u>\$ 10,190,502</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 4,232,400	\$ 5,132,815	\$ 5,140,075	\$ 8,781,545	\$ 9,699,447	\$ 8,838,330
3,813,652	4,145,115	5,934,267	7,948,346	13,581,706	13,250,374
3,625,103	3,520,139	3,058,212	1,649,248	(3,210,113)	(1,434,425)
<u>\$ 11,671,155</u>	<u>\$ 12,798,069</u>	<u>\$ 14,132,554</u>	<u>\$ 18,379,139</u>	<u>\$ 20,071,040</u>	<u>\$ 20,654,279</u>

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

	Fiscal Year			
	2014	2015	2016	2017 ¹
Expenses				
Governmental activities:				
General government	\$ 253,731	\$ 106,379	\$ 229,932	\$ 130,920
Workforce development	1,231,591	985,649	334,846	426,572
Housing and urban development	654,225	623,478	30,372	17,445
Emergency communications	1,302,969	1,637,738	1,544,150	1,812,052
Economic development	109,023	52,784	853,881	4,431,081
Environmental quality	661,454	908,372	949,942	992,880
Community affairs	1,862,836	1,856,575	1,625,004	2,078,269
Health and welfare	9,441,812	11,628,909	11,866,163	11,600,496
Homeland security	615,464	303,317	411,654	281,861
Aging and veterans services	16,618,027	16,878,439	17,093,970	18,732,002
Criminal justice	1,133,784	1,468,424	1,508,118	1,417,596
Transportation	6,059,606	5,296,213	5,122,713	5,904,299
Interest	-	-	-	18,580
Total governmental activities expenses	<u>39,944,522</u>	<u>41,746,277</u>	<u>41,570,745</u>	<u>47,844,053</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	-	-	-	-
Health and welfare	3,198	-	-	-
Aging and veterans services	556,521	242,780	403,393	421,338
Criminal justice	227,511	246,663	281,673	436,947
Transportation	-	-	-	-
Environmental quality	-	-	-	-
Community affairs	-	-	-	-
Operating grants and contributions	37,769,447	39,870,358	39,344,336	46,719,605
Capital grants and contributions	-	2,241,447	-	-
Total governmental activities program revenues	<u>38,556,677</u>	<u>42,601,248</u>	<u>40,029,402</u>	<u>47,577,890</u>
Net (Expense) Revenues				
Governmental activities	<u>(1,387,845)</u>	<u>854,971</u>	<u>(1,541,343)</u>	<u>(266,163)</u>
Total	<u>(1,387,845)</u>	<u>854,971</u>	<u>(1,541,343)</u>	<u>(266,163)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Unrestricted investment earnings	1,523	8,729	8,160	6,276
Miscellaneous	-	-	-	-
Member dues	318,186	323,933	330,379	332,780
Gain on sale of capital assets	-	-	-	9,600
Total governmental activities	<u>319,709</u>	<u>332,662</u>	<u>338,539</u>	<u>348,656</u>
Change in Net Position				
Governmental activities	<u>(1,068,136)</u>	<u>1,187,633</u>	<u>(1,202,804)</u>	<u>82,493</u>
Total	<u>\$ (1,068,136)</u>	<u>\$ 1,187,633</u>	<u>\$ (1,202,804)</u>	<u>\$ 82,493</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						
2018	2019	2020	2021	2022	2023	
\$ 61,036	\$ 32,566	\$ 52,833	\$ 1,660,666	\$ 2,523,606	\$ 4,183,550	
2,443,360	2,823,796	-	84,521	-	91,709	
-	-	-	-	-	-	
1,413,105	1,670,714	1,215,766	2,286,025	1,899,330	1,788,360	
647,838	433,744	1,350,562	6,617,291	3,027,758	393,591	
704,083	483,930	1,141,244	1,984,876	121,020	1,489,691	
2,475,773	2,991,145	2,607,786	2,897,307	2,303,830	2,179,194	
12,446,756	13,612,174	13,265,591	13,792,278	15,964,536	15,746,920	
287,900	388,563	372,143	348,253	462,324	1,512,235	
17,018,023	20,076,977	25,931,144	31,921,661	38,879,559	46,751,499	
1,536,841	1,567,352	1,586,864	1,467,445	1,501,935	1,492,196	
5,250,931	6,054,983	7,035,493	8,017,050	8,767,851	7,430,975	
4,707	-	-	334,263	484,370	457,852	
<u>44,290,353</u>	<u>50,135,944</u>	<u>54,559,426</u>	<u>71,411,636</u>	<u>75,936,119</u>	<u>83,517,772</u>	
-	-	-	-	-	39,421	
-	-	-	-	-	10	
242,894	349,274	145,493	195,278	221,734	261,532	
423,974	405,077	413,029	462,510	543,574	477,743	
-	-	-	101,972	1,367	5,915	
-	-	-	20,377	-	-	
-	520	-	-	-	-	
43,172,279	48,563,380	54,845,286	73,785,464	75,111,206	80,783,379	
1,515,394	1,526,754	-	659,366	1,242,373	1,940,000	
<u>45,354,541</u>	<u>50,845,005</u>	<u>55,403,808</u>	<u>75,224,967</u>	<u>77,120,254</u>	<u>83,508,000</u>	
1,064,188	709,061	844,382	3,813,331	1,184,135	(9,772)	
<u>1,064,188</u>	<u>709,061</u>	<u>844,382</u>	<u>3,813,331</u>	<u>1,184,135</u>	<u>(9,772)</u>	
32,950	40,142	137,122	73,858	158,934	233,537	
-	-	-	-	-	-	
342,501	343,057	352,981	359,396	348,832	350,074	
41,014	34,654	-	-	-	-	
<u>416,465</u>	<u>417,853</u>	<u>490,103</u>	<u>433,254</u>	<u>507,766</u>	<u>583,611</u>	
1,480,653	1,126,914	1,334,485	4,246,585	1,691,901	573,839	
<u>\$ 1,480,653</u>	<u>\$ 1,126,914</u>	<u>\$ 1,334,485</u>	<u>\$ 4,246,585</u>	<u>\$ 1,691,901</u>	<u>\$ 573,839</u>	

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

	Fiscal Year			
	2014	2015	2016	2017
General fund:				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Restricted	6,032	-	274,372	-
Nonspendable	-	-	-	313,604
Unassigned (deficit)	<u>1,577,911</u>	<u>1,937,288</u>	<u>1,638,063</u>	<u>1,851,426</u>
Total general fund	<u>\$ 1,583,943</u>	<u>\$ 1,937,288</u>	<u>\$ 1,912,435</u>	<u>\$ 2,165,030</u>
Special revenue funds:				
Reserved	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	2,000
Restricted	5,420,274	4,440,389	3,508,481	3,832,310
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(45)</u>
Total special revenue funds	<u>\$ 5,420,274</u>	<u>\$ 4,440,389</u>	<u>\$ 3,508,481</u>	<u>\$ 3,834,265</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
412,199	269,977	388,520	87,428	83,288	118,425
2,011,899	2,581,217	2,497,958	1,622,132	338,060	(1,363,791)
<u>\$ 2,424,098</u>	<u>\$ 2,851,194</u>	<u>\$ 2,886,478</u>	<u>\$ 1,709,560</u>	<u>\$ 421,348</u>	<u>\$ (1,245,366)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
149,167	187,673	308,339	240,876	492,366	546,121
3,664,068	3,963,305	5,720,449	7,948,346	8,659,925	13,257,337
(2,779)	(15,709)	(39,809)	(118,560)	(148,501)	(1,911,318)
<u>\$ 3,810,456</u>	<u>\$ 4,135,269</u>	<u>\$ 5,988,979</u>	<u>\$ 8,070,662</u>	<u>\$ 9,003,790</u>	<u>\$ 11,892,140</u>

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

	Fiscal Year			
	2014	2015	2016	2017
Revenues				
Intergovernmental	\$ 24,742,773	\$ 25,610,714	\$ 25,285,580	\$ 30,077,011
Matching funds	6,225,094	6,855,548	7,006,685	8,182,400
Local	6,801,580	7,446,925	7,025,515	8,450,713
Program income	787,230	494,210	700,857	859,472
Membership dues	318,186	323,933	330,379	332,780
Investment income	1,523	8,729	18,925	24,170
Miscellaneous	-	-	-	-
Total revenues	<u>38,876,386</u>	<u>40,740,059</u>	<u>40,367,941</u>	<u>47,926,546</u>
Expenditures				
Current:				
General government	378,365	43,036	178,991	76,643
Aging and veterans services	16,614,403	17,108,033	17,312,612	18,812,366
Health and welfare	9,441,812	11,782,323	12,016,644	11,646,967
Transportation	5,900,644	4,675,167	4,691,292	5,638,199
Workforce development	1,201,275	966,961	323,068	426,330
Environmental quality	660,105	924,944	1,007,720	986,047
Community affairs	1,862,836	1,881,830	1,645,789	2,087,229
Criminal justice	1,088,328	1,339,882	1,235,837	1,125,083
Emergency communications	1,276,220	1,690,501	1,643,255	1,814,118
Homeland security	572,678	282,103	391,600	266,337
Housing	634,637	618,317	13,091	-
Economic development	109,023	53,502	864,803	4,450,187
Capital outlay	-	-	-	-
Leases:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Subscriptions:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	18,661
Total expenditures	<u>39,740,326</u>	<u>41,366,599</u>	<u>41,324,702</u>	<u>47,348,167</u>
Net Change in Fund Balances	<u>(863,940)</u>	<u>(626,540)</u>	<u>(956,761)</u>	<u>578,379</u>
Other Financing Sources (Uses)				
Issuance of long-term debt	-	-	-	-
Issuance of lease liabilities	-	-	-	-
Transfers in	230,755	268,314	274,414	225,780
Transfers out	(230,755)	(268,314)	(274,414)	(225,780)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (863,940)</u>	<u>\$ (626,540)</u>	<u>\$ (956,761)</u>	<u>\$ 578,379</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>0.04%</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						
	2018	2019	2020	2021	2022	2023
\$	28,892,676	\$ 33,641,062	\$ 40,890,288	\$ 54,233,363	\$ 38,655,309	\$ 40,224,254
	7,240,447	7,457,274	5,747,304	11,132,680	5,063,619	5,503,158
	8,566,888	8,944,587	8,207,694	9,078,787	32,634,651	36,995,967
	666,868	754,351	558,522	780,137	766,675	784,621
	342,501	343,057	352,981	359,396	348,832	350,074
	32,950	122,527	137,122	73,858	158,934	233,537
	-	-	-	-	-	-
	45,742,330	51,262,858	55,893,911	75,658,221	77,628,020	84,091,611
	10,438	-	42,330	1,270,009	1,615,841	3,135,947
	17,081,492	19,869,451	25,662,883	31,811,462	39,384,967	46,875,049
	12,768,090	13,641,656	13,032,290	13,651,874	16,100,005	15,700,919
	6,342,407	7,071,819	6,357,737	7,246,570	8,158,571	6,697,879
	2,452,707	2,795,136	-	84,230	61,446	91,955
	730,549	462,019	1,112,545	1,978,044	68,478	1,448,192
	2,514,757	2,945,451	2,561,288	2,862,015	2,337,581	2,167,367
	1,249,501	1,264,282	1,364,993	1,385,217	1,376,622	1,373,317
	1,413,665	1,647,275	1,198,503	2,278,156	1,927,155	1,793,160
	288,995	384,571	368,311	347,054	309,652	1,358,728
	-	-	-	-	-	-
	649,756	429,289	1,336,658	6,594,513	3,072,114	394,648
	-	-	967,379	16,733,759	2,784,408	1,057,657
	-	-	-	-	166,194	175,110
	-	-	-	-	23,573	15,058
	-	-	-	-	-	74,908
	-	-	-	-	-	1,799
	-	-	-	17,290	353,270	404,987
	4,714	-	-	334,263	460,797	440,995
	45,507,071	50,510,949	54,004,917	86,594,456	78,200,674	83,207,675
	235,259	751,909	1,888,994	(10,936,235)	(572,654)	883,936
	-	-	-	12,000,000	217,570	328,304
	-	-	-	-	-	-
	324,288	300,526	1,194,871	841,426	297,576	6,445,251
	(324,288)	(300,526)	(1,194,871)	(841,426)	(297,576)	(6,445,251)
	-	-	-	12,000,000	217,570	328,304
\$	235,259	\$ 751,909	\$ 1,888,994	\$ 1,063,765	\$ (355,084)	\$ 1,212,240
	0.01%	-%	-%	0.48%	0.62%	0.54%

**ALAMO AREA COUNCIL OF GOVERNMENTS
LOCAL GOVERNMENT ANNUAL MEMBERSHIP DUES BY ENTITY
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City										
City of Alamo Heights	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 600	\$ 602	\$ 615	\$ 600	\$ 600
City of Balcones Heights	600	600	600	600	600	600	600	600	600	600
City of Bandera	600	600	600	600	600	600	600	600	600	600
City of Boerne	807	867	898	898	1,037	1,037	1,197	1,246	1,250	1,338
City of Bulverde	600	600	600	600	600	600	600	600	600	600
City of Castle Hills	600	600	600	600	600	600	600	600	600	600
City of Castroville	600	600	600	600	600	600	600	600	600	600
City of Charlotte	600	600	600	600	600	600	600	600	600	600
City of China Grove	600	600	600	600	600	600	600	600	600	600
City of Christine	600	600	600	600	600	600	600	600	-	-
City of Cibolo	1,245	1,672	1,770	1,770	1,974	1,974	2,139	2,265	2,259	2,343
City of Converse	1,377	1,423	1,474	1,474	1,521	1,521	1,942	2,057	1,923	2,005
City of Devine	600	600	600	600	600	600	600	600	600	600
City of Dilley	600	600	600	600	600	600	600	600	600	600
City of Elmendorf	600	600	600	600	600	600	600	600	600	600
City of Fair Oaks Ranch	600	600	600	600	630	630	679	673	688	735
City of Falls City	600	600	600	600	600	600	600	600	600	600
City of Floresville	600	600	600	600	600	600	600	600	600	600
City of Fredericksburg	750	758	762	762	808	808	801	807	761	775
City of Grey Forest	600	600	600	600	600	600	600	600	600	600
City of Helotes	600	600	600	600	622	622	669	739	632	642
City of Hill Country Village	600	600	600	600	600	600	600	600	600	600
City of Hondo	623	630	634	634	652	652	657	676	600	600
City of Ingram	600	600	600	600	600	600	600	600	600	600
City of Jourdanton	600	600	600	600	600	600	600	600	600	600
City of Karnes	600	600	600	600	600	600	600	600	600	600
City of Kenedy	600	600	600	600	600	600	600	600	600	600
City of Kerrville	1,572	1,586	1,603	1,603	1,649	1,649	1,661	1,685	1,699	1,713
City of Kirby	600	600	600	600	600	600	612	616	600	600
City of La Coste	600	600	600	600	600	600	600	600	600	600
City of La Vernia	600	600	600	600	600	600	600	600	600	735
City of Leon Valley	747	757	771	771	788	788	804	837	808	802
City of Live Oak	994	1,033	1,058	1,058	1,109	1,109	1,114	1,165	1,105	1,109
City of Lytle	600	600	600	600	600	600	600	600	600	600
City of Marion	600	600	600	600	600	600	600	600	600	600
City Of Natalia	600	600	600	600	600	600	600	600	600	600
City of New Berlin	600	600	600	600	600	600	600	600	600	600
City of New Braunfels	4,253	4,430	4,648	4,938	5,245	5,245	5,923	6,192	6,328	6,920
City of Olmos Park	600	600	600	600	600	600	600	600	600	600
City of Pearsall	658	673	690	690	704	704	730	744	600	-
City of Pleasanton	650	666	675	675	746	746	753	770	745	755
City of Poteet	600	600	600	600	600	600	600	600	600	600

**ALAMO AREA COUNCIL OF GOVERNMENTS
LOCAL GOVERNMENT ANNUAL MEMBERSHIP DUES BY ENTITY
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
City of Poth	600	600	600	600	600	600	600	600	600	600
City of Runge	600	600	600	600	600	600	600	600	600	600
City of Saint Hedwig	-	-	-	-	-	-	-	-	600	600
City of San Antonio	96,807	98,631	100,569	100,569	105,033	105,033	107,256	108,876	100,424	101,630
City of Sandy Oaks	-	-	-	-	-	-	600	-	-	-
City of Santa Clara	-	-	-	-	-	-	-	-	-	600
City of Schertz	2,442	2,515	2,583	2,583	2,666	2,666	2,874	3,001	2,940	2,984
City of Seguin	1,839	1,866	1,893	1,893	2,148	2,148	2,079	2,244	2,060	2,163
City of Selma	600	600	600	600	672	672	775	993	767	813
City of Shavano Park	600	600	600	600	600	600	600	600	600	600
City of Somerset	600	600	600	600	600	600	600	600	600	600
City of Stockdale	600	600	600	600	600	600	600	600	600	600
City of Terrell Hills	600	600	600	600	600	600	600	600	1,223	600
City of Universal City	1,341	1,356	1,380	1,380	1,467	1,467	1,451	1,544	1,380	1,387
City of Von Ormy	600	600	600	600	600	600	600	600	600	600
City of Windcrest	600	600	600	600	600	600	600	600	-	-
Town of Hollywood Park	600	600	600	600	600	600	600	600	600	600
	1,630	(2,050)	(700)	(750)	-	-	-	-	-	-
City Total	144,349	143,428	147,323	147,564	154,291	154,292	158,939	161,367	151,815	153,673
County										
Atascosa County	3,251	3,297	3,344	3,314	3,447	3,447	3,522	3,586	3,476	3,496
Bandera County	1,438	1,442	1,462	1,462	1,554	1,554	1,598	1,635	1,536	1,510
Bexar County	124,999	127,233	129,911	129,911	135,267	135,267	139,023	140,434	143,532	141,977
Comal County	8,007	8,294	8,659	8,949	9,589	9,589	10,386	11,293	12,787	12,249
Frio County	1,239	1,265	1,297	1,297	1,318	1,318	1,387	1,326	1,332	1,291
Gillespie County	1,761	1,775	1,786	1,786	1,887	1,887	1,876	1,933	1,910	1,911
Guadalupe County	9,789	10,023	10,308	10,308	11,047	11,047	11,459	11,840	12,421	12,393
Karnes County	1,066	1,056	1,043	1,043	1,079	1,079	1,096	1,104	1,019	1,033
Kendall County	2,517	2,644	2,722	2,722	3,031	3,031	3,195	3,339	3,344	3,275
Kerr County	3,485	3,497	3,539	3,539	3,615	3,615	3,668	3,712	3,773	3,721
McMullen County	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Medina County	3,274	3,318	3,353	3,353	3,579	3,579	3,564	3,823	3,607	3,639
Wilson County	3,106	3,179	3,248	3,248	3,420	3,420	3,516	3,699	3,621	3,588
County Total	164,932	168,023	171,672	171,932	179,833	179,833	185,290	188,723	193,358	191,081
School Districts Total	4,200	4,800	2,400	3,750	3,680	3,600	3,600	3,600	4,800	3,600
Special Districts Total	6,720	9,700	11,000	11,400	10,200	10,200	10,200	5,400	5,400	4,200
Total Membership Dues:	\$ 320,201	\$ 325,951	\$ 332,395	\$ 334,646	\$ 348,004	\$ 347,925	\$ 358,029	\$ 359,091	\$ 355,373	\$ 352,553

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

	Fiscal Year			
	2014	2015	2016	2017 ²
Earned Revenues:				
Medicaid ¹	\$ 5,663,959	\$ 5,793,701	\$ 5,745,153	\$ 6,403,262
Membership dues	318,186	323,933	330,379	332,780
Local	1,045,675	1,598,246	786,163	1,212,943
Contributions	332,666	307,076	269,165	383,878
Matching funds	6,781,614	7,097,649	7,392,976	8,489,710
Investment income	1,523	8,729	18,867	24,170
Other	-	11	539,658	1,002,792
Total local and earned revenues	<u>14,143,623</u>	<u>15,129,345</u>	<u>15,082,361</u>	<u>17,849,535</u>
State Program Revenues				
General revenue	7,581,588	9,665,357	9,231,702	13,151,436
Permanency planning	53,307	95,608	88,772	61,061
Community Living Options Information Process (CLOIP)	260,452	218,801	270,079	209,271
Crisis behavioral supports	-	-	327,407	639,699
Nursing Facilities Preadmission Screening and Resident Review	-	-	-	638,745
Omnibus Reconciliation Reform (OBRA) Funds	18,518	9,894	338,271	-
HHSC ARPA	-	-	-	-
Total state program revenues	<u>7,913,865</u>	<u>9,989,660</u>	<u>10,256,231</u>	<u>14,700,212</u>
Federal Program Revenues				
Federal	16,541,640	14,661,683	13,859,576	14,440,342
Medicaid administrative claiming	287,268	959,372	1,169,773	936,458
Total federal program revenues	<u>16,828,908</u>	<u>15,621,055</u>	<u>15,029,349</u>	<u>15,376,800</u>
Total revenues	<u>\$ 38,886,396</u>	<u>\$ 40,740,060</u>	<u>\$ 40,367,941</u>	<u>\$ 47,926,547</u>

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					
2018	2019	2020	2021	2022	2023
\$ 6,599,793	\$ 6,465,604	\$ 6,362,345	\$ 6,775,880	\$ 6,394,684	\$ 6,407,521
342,501	343,057	352,981	359,396	348,832	350,074
1,419,462	1,631,288	511,933	11,284,645	11,245,192	28,890,836
334,754	407,274	221,965	330,456	325,816	326,694
7,240,447	7,457,274	5,747,304	11,132,680	5,063,619	5,503,158
32,950	122,527	137,122	73,858	158,934	233,537
879,747	1,194,772	1,669,973	2,501,185	16,007,726	4,691,447
<u>16,849,654</u>	<u>17,621,796</u>	<u>15,003,623</u>	<u>32,458,100</u>	<u>39,544,803</u>	<u>46,403,267</u>
9,516,097	10,856,888	8,724,860	15,405,417	11,062,110	11,304,036
78,895	64,754	372,203	58,050	65,675	69,194
206,799	193,956	162,552	301,143	159,419	197,674
204,516	171,506	513,780	799,131	684,879	700,620
512,829	119,361	447,549	991,033	1,730,760	1,344,461
-	-	-	-	-	-
-	-	-	-	-	248,049
<u>10,519,136</u>	<u>11,406,465</u>	<u>10,220,944</u>	<u>17,554,774</u>	<u>13,702,843</u>	<u>13,864,034</u>
17,378,962	21,277,595	29,228,454	24,641,242	22,740,376	22,028,467
994,578	957,002	982,753	1,004,105	1,639,998	1,795,843
<u>18,373,540</u>	<u>22,234,597</u>	<u>30,211,207</u>	<u>25,645,347</u>	<u>24,380,374</u>	<u>23,824,310</u>
<u>\$ 45,742,330</u>	<u>\$ 51,262,858</u>	<u>\$ 55,435,774</u>	<u>\$ 75,658,221</u>	<u>\$ 77,628,020</u>	<u>\$ 84,091,611</u>

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

Calendar Year	Population ¹	Personal Income (\$000) ¹	Avg. Per Capita Personal Income	Gross Sales ²
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	2,718,208	\$ 92,818,649	\$ 34,147	\$ 200,882,552,228
2022	2,770,443	\$ 100,012,992	\$ 36,100	\$ 218,805,318,934
2023	2,819,220	N/A ⁴	N/A ⁴	\$ 102,808,059,998

Notes:

- ¹ U.S. Census Bureau, Annual Estimates of the Resident Population for Counties: July 1, 2022 and July 1 2023.
- ² Gross Sales, State Tax, and Avg. Outlets Derived from Texas Comptroller of Public Accounts Quarterly Sales tax Report for all industries year 2023. Only available for first two quarters of 2022.
- ³ Total Employment reflects Civilian Labor Force as of December 2023.
- ⁴ Per the Texas Demographic Center, Selected Economics Characteristics for 2023 have not been released for Texas as of April 2024.

	Taxable Sales	Average Outlets ²	Total Employment ³	Unemployment Rate
\$	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%
\$	41,871,968,291	5,744	1,233,362	4.5%
\$	46,500,590,293	6,072	1,262,897	4.2%
\$	23,321,075,857	5,905	N/A ⁴	N/A ⁴

THIS PAGE LEFT BLANK INTENTIONALLY

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

Employer	2023			2014		
	Employees	Rank	Percentage of Employment ¹	Employees	Rank	Percentage of Employment ²
Joint Base San Antonio – Lackland, Fort Sam, and Randolph	82,639	1	7.23%	80,165	1	8.54%
H-E-B	20,000	2	1.75%	20,000	2	2.13%
United Services Automobile Association (USAA)	18,100	3	1.58%	16,000	3	1.70%
City of San Antonio	14,500	4	1.27%	11,326	5	1.21%
Northside Independent School District	12,900	5	1.13%	13,000	4	1.38%
Methodist Health Care System	12,000	6	1.05%	8,118	7	0.86%
North East Independent School District	8,208	7	0.72%	9,141	6	0.97%
University of Texas Health Science	7,930	8	0.69%			
San Antonio Independent School District	7,500	9	0.66%	7,425	8	0.79%
Baptist Health System	7,291	10	0.64%	7,205	9	0.77%
Wells Fargo				6,500	10	0.69%
Total	191,068		16.72%	178,880		19.04%

Source: Economic Development Division, City of San Antonio, TX, 2023 Books of Lists - San Antonio Business Journal, and Department of Defense personnel statistics

¹ Percent based on an Employment Estimate of 1,165,900 of Non-Farm Jobs in the San Antonio - New Braunfels, TX Metropolitan Statistical Area as of September 2023. Figure provided by the U.S. Bureau of Labor Statistics.

² Percent based on an Employment Estimate of 905,100 Non-Farm Jobs in the San Antonio- New Braunfels, TX Metropolitan Statistical Area as of January 2014. Figure provided by the Texas Workforce Commission.

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

Function/Program	Fiscal Year			
	2014	2015	2016	2017
Alamo Area Agency on Aging:				
Home delivered meals	136,506	130,932	143,731	133,233
Congregate meals	68,457	70,619	72,386	64,258
Transportation trips	6,083	6,531	492	1,090
Bexar Area Agency on Aging:				
Home delivered meals	305,358	320,524	316,252	317,000
Congregate meals	350,128	403,832	382,750	355,000
Transportation trips	15,631	12,210	12,695	12,642
Hours of legal and guardianship services	4,953	5,494	5,212	4,954
Alamo Local Authority:				
Individuals enrolled in HCS program	144	409	115	103
Criminal Justice:				
Full time basic peace officer courses completed	3	4	3	3
Basic peace officer graduates	81	71	81	88
Housing/Weatherization:				
LIHEAP units created	161	242	177	180
LIHEAP expenditures	\$ 824,344	\$ 1,506,166	\$ 1,297,925	\$ 1,504,234
DOE units created	29	47	47	37
DOE expenditures	\$ 211,201	\$ 375,522	\$ 380,014	\$ 341,899
Natural resources:				
Ozone monitors completed	6	6	6	6
Commute Solutions:				
Outreach events completed	7	11	12	12
Clean Cities:				
Alternative fuel workshops completed	4	4	4	-
9-1-1/Technical Assistance:				
AACOG match rates	69%	82%	92%	98%
Resource Recovery:				
Pass-through dollars for annual projects	\$ 153,542	\$ 113,300	\$ 158,213	\$ 161,888
Alamo Regional Transit:				
Ridership	113,161	111,145	89,037	101,394
MVA				
Verteran members served	-	-	-	-

Fiscal Year					
2018	2019	2020	2021	2022	2023
130,568	161,152	319,355	357,374	245,050	309,504
67,124	65,264	15,986	22,778	58,652	113,211
1,356	2,535	7,422	5,261	5,837	9,904
785,821	790,416	790,872	1,637,542	663,027	58,438
263,598	605,052	119,787	4,291	190,018	519,803
11,061	14,139	11,112	13,789	12,098	15,933
3,648	4,310	2,184	2,094	1,289	961
89	79	94	148	82	227
3	3	3	3	4	3
76	72	86	75	94	11
228	280	225	142	143	84
\$ 1,858,132	\$ 2,207,642	\$ 1,112,902	\$ 1,708,093	\$ 1,390,681	\$ 1,196,364
37	36	18	83	32	64
\$ 363,252	\$ 442,640	\$ 110,989	\$ 484,126	\$ 409,071	\$ 672,656
6	7	7	7	7	7
12	6	-	2	6	-
4	10	4	-	-	5
99%	98%	99%	99%	99%	99%
\$ 158,573	\$ 106,715	\$ 173,675	\$ 175,000	\$ 120,345	\$ 162,929
117,378	137,635	90,507	115,520	131,976	136,524
242	727	1,114	3,049	4,036	3,077

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

Program/Department	Fiscal Year			
	2014	2015	2016	2017
IDD	111	130	133	135
Area Agency on Aging	36	40	53	53
Transportation	52	47	34	34
Administrative	29	35	28	26
Military and Veterans Affairs	-	-	-	-
Public Safety	13	12	11	12
Weatherization	14	12	7	8
Natural Resources	10	7	8	5
Regional Services	1	1	1	4
Resource Recovery	2	2	2	2
Compatible Use Program	-	-	-	-
Workforce/Childcare	10	9	-	-
Total	278	295	277	279

Year-to-Year Percentage Increases				
IDD	23%	17%	2%	2%
Area Agency on Aging	-5%	11%	33%	0%
Transportation	18%	-10%	-28%	0%
Administrative	-12%	21%	-20%	-7%
Military and Veterans Affairs	0%	0%	0%	0%
Public Safety	8%	-8%	-8%	9%
Weatherization	8%	-14%	-42%	14%
Natural Resources	0%	-30%	14%	-38%
Regional Services	0%	0%	0%	300%
Resource Recovery	0%	0%	0%	0%
Compatible Use Program	0%	0%	0%	0%
Workforce/Childcare	-77%	-10%	-100%	0%
Total	-3%	6%	-6%	1%

Fiscal Year					
2018	2019	2020	2021	2022	2023
133	138	142	141	153	142
52	55	63	57	44	45
36	38	44	47	42	37
24	29	27	29	33	33
-	-	-	14	21	17
12	11	13	12	12	13
8	7	9	10	9	10
2	2	3	2	2	3
2	2	1	1	1	1
2	-	2	1	1	1
-	-	2	-	-	-
-	-	-	-	-	-
271	282	306	314	318	302

Year-to-Year Percentage Increases					
-1%	4%	3%	0%	9%	-7%
-2%	6%	15%	-10%	-23%	2%
6%	6%	17%	6%	-11%	-12%
-8%	21%	-7%	7%	14%	0%
0%	0%	0%	0%	0%	-19%
0%	-8%	21%	-10%	0%	8%
0%	-13%	34%	6%	-10%	11%
60%	0%	55%	-35%	0%	50%
50%	0%	-30%	-29%	0%	0%
0%	-100%	100%	-52%	0%	0%
0%	0%	100%	-100%	0%	0%
0%	0%	0%	0%	0%	0%
-3%	4%	9%	3%	1%	-5%

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>General Government</u>										
Equipment	4	3	2	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	2	2	2
Land	-	-	-	-	-	-	-	-	1	1
Property Improvements	-	-	-	-	-	-	-	-	6	6
<u>Aging</u>										
Equipment	-	-	-	-	-	1	1	1	1	1
Furniture and Fixtures	-	1	1	1	-	-	-	-	-	-
<u>IDD</u>										
Equipment	2	2	2	2	2	2	4	3	-	-
Software	-	-	-	-	-	-	-	-	3	3
Furniture and Fixtures	-	1	1	1	-	-	-	2	1	1
<u>Alamo Regional Transit</u>										
Vehicles	79	80	67	43	45	56	54	52	61	53
Equipment	2	2	2	2	-	2	2	2	2	2
Software	3	2	2	1	2	2	3	3	4	4
Buildings	-	-	-	-	-	-	1	1	1	1
Furniture and Fixtures	-	-	-	-	-	-	1	1	1	1
Property Improvements	-	-	-	-	-	-	-	-	7	7
<u>Public Safety</u>										
Vehicles	5	6	1	1	2	1	1	3	3	3
Equipment	4	15	14	13	13	13	13	11	13	15
Software	2	2	2	2	1	1	-	-	1	1
Furniture & Fixtures	-	-	-	-	-	-	-	-	-	4
Leasehold Improvements	-	-	-	-	-	-	-	-	2	2
<u>9-1-1</u>										
Equipment	2	4	4	4	3	3	3	3	4	4
<u>Homeland Security</u>										
Equipment	5	1	1	1	-	-	-	-	1	1
<u>Weatherization</u>										
Vehicles	6	4	5	5	9	4	5	5	5	5
Software	-	-	-	-	-	-	-	1	1	1
<u>Workforce Development</u>										
Vehicles	3	3	3	-	-	-	-	-	-	-
<u>Veterans Directed</u>										
Furniture and Fixtures	-	-	-	-	-	-	-	1	1	1
<u>Natural Resources</u>										
Equipment	-	1	6	6	6	6	6	6	20	20
<u>Resource Recovery</u>										
Equipment	2	2	2	2	2	2	2	2	-	-

Notes: Assets in excess of \$5,000.

Assets listed are based on items that were depreciated in that fiscal year. Fully depreciated assets are not included in this schedule.

Assets purchased with grant funds but owned by subrecipients are not included.

SINGLE AUDIT SECTION

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the discretely presented component unit, and each major fund of Alamo Area Council of Governments (the Council), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated July 31, 2024.

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 Mazars, LLP

**San Antonio, Texas
July 31, 2024**

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 *Texas Grant Management Standards* (TxGMS), 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, 2023. 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, 2023.

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 TxGMS. Our responsibilities under those standards, the Uniform Guidance and the TxGMS are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the 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 TxGMS will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the 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 TxGMS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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 TxGMS, 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 TxGMS. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

**San Antonio, Texas
July 31, 2024**

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards
For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Other 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 Economic Development Cluster	11.302		ED21AUS3020008	\$ 72,288	\$ -
COVID-19 Economic Adjustment Assistance – Title II, Section 209	11.307		08-79-05521	2,198	-
Subtotal Economic Development Cluster				<u>2,198</u>	<u>-</u>
Total U.S. Department of Commerce/Economic Development Administration				<u>74,486</u>	<u>-</u>
<u>U.S. Department of Defense/Office of Economic Adjustment</u>					
Direct:					
Community Economic Adjustment Assistance for Responding to Threats to the Resilience of a Military Installation	12.003		HQ0052310029	95,063	-
Assistance for Compatible Use and Joint Land Use Studies	12.610		HQ0051710003	(17)	-
Total U.S. Department of Defense/Office of Economic Adjustment				<u>95,046</u>	<u>-</u>
<u>U.S. Department of Housing and Urban Development</u>					
Passed through the Texas Department of Agriculture:					
Community Development Block Grant FY22	14.228	18-497-002-B229		45,414	-
Community Development Block Grant FY23	14.228	CEDAF21-21		10,342	-
Community Development Block Grant FY24	14.228	CEDAF23-21		658	-
Total U.S. Department of Housing and Urban Development				<u>56,414</u>	<u>-</u>
<u>U.S. Department of the Interior</u>					
Passed through the Texas Parks and Wildlife Department:					
Fish and Wildlife Cluster					
Wildlife Resotration and Basic Hunter Education	15.611	F21AF02504-00		17,958	-
Subtotal Fish and Wildlife Cluster				<u>17,958</u>	<u>-</u>
Total U.S. Department of the Interior				<u>17,958</u>	<u>-</u>
<u>U.S. Department of Justice</u>					
Passed through the Office of the Governor, Criminal Justice Division:					
COVID-19 Public Safety Coronavirus Response Project	16.034	4356101		7,580	-
Violence Against Women Formula Grant FY23	16.588	2610711		45,747	-
Violence Against Women Formula Grant FY24	16.588	2610712		19,885	-
School Marshall & Active Shooter Training	16.738	4844501		793	-
Total Office of the Governor, Criminal Justice Division				<u>74,005</u>	<u>-</u>
Total U.S. Department of Justice				<u>74,005</u>	<u>-</u>

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Other Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (continued)					
<u>U.S. Department of Labor</u>					
Passed through Texas Workforce Commission:					
WIOA Cluster					
WIOA Adult Program	17.258	2920WOS004		196,004	-
Subtotal WIOA Cluster				196,004	-
Total Texas Workforce Commission					
Total U.S. Department of Labor				196,004	-
<u>U.S. Department of Transportation</u>					
Passed through the Metropolitan Planning Organization:					
Highway Planning and Construction Cluster FY23	20.205	2021-2023 MPO		82,614	-
Highway Planning and Construction Cluster FY25	20.205	2023-2025 MPO		18,392	-
Subtotal				101,006	-
Passed through the Texas Department of Transportation:					
Federal Transit Cluster					
Bus and Bus Facilities Formula Program FY24	20.526	BBF 2301 (15) 050 22		340,278	-
Subtotal				340,278	-
Passed through the VIA Metropolitan Transit:					
Federal Transit Cluster					
COVID-19 Federal Transit Formula Grants FY23	20.507	1937-2023-4		330,607	-
COVID-19 Federal Transit Formula Grants FY24	20.507	1937-2023-4		143,554	-
Subtotal				474,161	-
Subtotal Federal Transit Cluster				814,439	-
Transit Services Programs Cluster					
Enhanced Mobility of Seniors and Individuals with Disabilities FY23	20.513	ED 2201 (15) 108 21		9,339	-
Passed through Texas Department of Transportation:					
Enhanced Mobility of Seniors and Individuals with Disabilities FY19	20.513	TX-2019-070-00		(684)	-
Enhanced Mobility of Seniors and Individuals with Disabilities FY20	20.513	TX-2021-010-00		40,265	-
Enhanced Mobility of Seniors and Individuals with Disabilities FY23	20.513	TX-2022-043-00		53,876	-
Enhanced Mobility of Seniors and Individuals with Disabilities FY24	20.513	TX-2021-010-00		55,760	-
Subtotal Transit Services Programs Cluster				158,556	-
Passed through Texas Department of Transportation:					
Formula Grants for Rural Areas FY23	20.509	RPT 2301 (15) 051_22		1,874,626	-
Formula Grants for Rural Areas FY24	20.509	RPT 2401 (31) 108_23		1,021,649	-
Subtotal				2,896,275	-
Metropolitan Transportation Planning and Research	20.505	PLN 2301 (15) 039 22		32,610	-
Subtotal				32,610	-
Total U.S. Department of Transportation				4,002,886	-

See accompanying notes to the Schedule of Expenditures of Federal and State Awards

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Other Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (continued)					
<u>U.S. Environmental Protection Agency</u>					
Direct:					
Diesel Emission Reduction Act (DERA)	66.039		01F88701	275	-
Total U.S. Environmental Protection Agency				275	-
<u>U.S. Department of Energy</u>					
Direct:					
Conservation Research and Development FY23	81.086		DE-EE0009565	29,590	-
Conservation Research and Development FY24	81.086		DE-EE0009565	46,196	-
Passed through Texas Department of Housing and Community Affairs:					
Weatherization Assistance for Low-Income Persons FY23	81.042	56220003752		403,171	-
Weatherization Assistance for Low-Income Persons FY24	81.042	56230004069		264,738	-
Weatherization Assistance for Low-Income Persons FY25	81.042	56220004047		225,766	-
Total Texas Department of Housing and Community Affairs				893,675	-
Total U.S. Department of Energy				969,461	-
<u>U.S. Department of the Treasury</u>					
Passed through the City of San Antonio Covid-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	M8MHKZAERQN6		292,429	-
Total U.S. Department of the Treasury				292,429	-
<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		20,417	-
Title VII-EAP – Bexar AAA	93.041	HHS000874100003		2,552	-
Title VII-EAP – Alamo AAA	93.041	HHS000874100001		6,844	-
Title VII-EAP – Alamo AAA	93.041	HHS000874100001		855	-
Subtotal				30,668	-
Title VII-OM – Alamo AAA	93.042	HHS000874100001		71,353	-
Title VII-OM – Alamo AAA	93.042	HHS000874100001		18,254	-
Title VII-OM – Bexar AAA	93.042	HHS000874100003		96,584	-
Title VII-OM – Bexar AAA	93.042	HHS000874100003		25,661	-
Subtotal				211,852	-
Title III-D – Bexar AAA	93.043	HHS000874100003		229,331	-
Title III-D – Alamo AAA	93.043	HHS000874100001		49,515	-
COVID-19 American Rescue Plan Title III-D Alamo AAA	93.043	HHS000874100001		22,605	-
COVID-19 American Rescue Plan Title III-D Bexar AAA	93.043	HHS000874100003		45,213	-
COVID-19 American Rescue Plan Title III-D Bexar AAA	93.043	HHS000874100003		37,957	-
Subtotal				384,621	-

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Other Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (continued)					
<u>U.S. Department of Health and Human Services (continued)</u>					
Passed through Texas Health and Human Services Commission (continued):					
Aging Cluster					
Title III-B – Bexar AAA	93.044	HHS000874100003		1,198,724	-
Title III-B – Bexar AAA	93.044	HHS000874100003		40,591	-
Title III-B – Alamo AAA	93.044	HHS000874100001		945	-
Title III-B – Alamo AAA	93.044	HHS000874100001		517,898	-
Title III-B – Alamo AAA	93.044	HHS000874100001		22,732	-
COVID-19 American Rescue Plan Title III-B Alamo AAA	93.044	HHS000874100001		432,600	-
COVID-19 American Rescue Plan Title III-B Alamo AAA	93.044	HHS000874100001		177,395	-
COVID-19 American Rescue Plan Title III-B Bexar AAA	93.044	HHS000874100003		89,499	-
COVID-19 American Rescue Plan Title III-B Bexar AAA	93.044	HHS000874100003		459,139	-
Subtotal				2,939,523	-
Title III-C – Bexar AAA	93.045	HHS000874100003		2,352,736	1,804,772
Title III-C – Bexar AAA	93.045	HHS000874100003		365,995	326,659
Title III-C – Alamo AAA	93.045	HHS000874100001		1,275,106	-
Title III-C – Alamo AAA	93.045	HHS000874100001		163,632	-
COVID-19 American Rescue Plan Title III-C Alamo AAA	93.045	HHS000874100001		285,788	61,780
COVID-19 American Rescue Plan Title III-C Alamo AAA	93.045	HHS000874100001		419,981	26,820
COVID-19 American Rescue Plan Title III-C Bexar AAA	93.045	HHS000874100003		(919)	-
COVID-19 American Rescue Plan Title III-C Bexar AAA	93.045	HHS000874100003		1,040,497	997,517
COVID-19 American Rescue Plan Title III-C Bexar AAA	93.045	HHS000874100003		919,685	746,948
Consolidated Appropriations Title III C2 Alamo AAA	93.045	HHS000874100001		14,251	-
Subtotal				6,836,752	3,964,496
Nutrition Services Incentive Program – Alamo AAA	93.053	HHS000874100001		223,047	-
Nutrition Services Incentive Program – Alamo AAA	93.053	HHS000874100001		65,492	-
Nutrition Services Incentive Program – Bexar AAA	93.053	HHS000874100003		824,457	811,503
Nutrition Services Incentive Program – Bexar AAA	93.053	HHS000874100003		351,399	351,399
Subtotal				1,464,395	1,162,902
Subtotal Aging Cluster				11,240,670	5,127,398
Title III-E – Bexar AAA	93.052	HHS000874100003		(788)	-
Title III-E – Bexar AAA	93.052	HHS000874100003		445,996	-
Title III-E – Bexar AAA	93.052	HHS000874100003		28,254	-
Title III-E – Alamo AAA	93.052	HHS000874100001		630	-
Title III-E – Alamo AAA	93.052	HHS000874100001		204,491	-
Title III-E – Alamo AAA	93.052	HHS000874100001		9,219	-
COVID-19 American Rescue Plan Title III-E Alamo AAA	93.052	HHS000874100001		68,551	-
COVID-19 American Rescue Plan Title III-E Alamo AAA	93.052	HHS000874100001		56,180	-
COVID-19 American Rescue Plan Title III-E Bexar AAA	93.052	HHS000874100003		173,738	-
COVID-19 American Rescue Plan Title III-E Bexar AAA	93.052	HHS000874100003		138,486	-
Subtotal				1,124,757	-

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Other Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (continued)					
U.S. Department of Health and Human Services (continued)					
Elder Abuse Prevention Interventions Program Bexar FY25	93.747	HHS000874100003		21,726	-
Elder Abuse Prevention Interventions Program Alamo FY25	93.747	HHS000874100001		15,483	-
Lifespan Respite Care Program Bexar FY23	93.072	HHS000874100003		5,788	-
Lifespan Respite Care Program Alamo FY23	93.072	HHS000874100001		3,992	-
Subtotal				46,989	-
State Health Insurance Assistance Program – Bexar AAA	93.324	HHS000874100003		25,852	-
State Health Insurance Assistance Program – Bexar AAA	93.324	HHS000874100003		56,757	-
State Health Insurance Assistance Program – Alamo AAA	93.324	HHS000874100001		18,991	-
State Health Insurance Assistance Program – Alamo AAA	93.324	HHS000874100001		50,889	-
Subtotal				152,489	-
Medicaid Cluster					
Habituation Coordination	93.778	HHS000994500001		403,133	-
Habituation Coordination	93.778	HHS001333300002		202,400	-
Medicaid Administrative Claiming (MAC)	93.778	HHS000994500001		829,514	-
Medicaid Administrative Claiming (MAC)	93.778	HHS001333300002		360,796	-
Subtotal Medicaid Cluster				1,795,843	-
Money Follows the Person Rebalancing Demonstration – Transitional Support Team – IDD	93.791	HHS000994500001		143,822	-
Money Follows the Person Rebalancing Demonstration – Transitional Support Team – IDD	93.791	HHS001333300002		58,077	-
Money Follows the Person Rebalancing Demonstration – Enhanced Community Coordination – IDD	93.791	HHS000994500001		340,153	-
Money Follows the Person Rebalancing Demonstration – Enhanced Community Coordination – IDD	93.791	HHS001333300002		158,334	-
Money Follows the Person Rebalancing Demonstration – ADRC BEXAR	93.791	HHS000541100001		26,348	-
Money Follows the Person Rebalancing Demonstration – ADRC BEXAR	93.791	HHS000541100001		9,181	-
Money Follows the Person Rebalancing Demonstration – ADRC ALAMO	93.791	HHS000270200022		36,590	-
Money Follows the Person Rebalancing Demonstration – ADRC ALAMO	93.791	HHS000270200022		14,590	-
Subtotal				787,095	-
Total Texas Health and Human Services Commission				15,774,984	5,127,398
Passed through National Council on Aging:					
Medicare Enrollment Assistance Program (MIPPA -2) – Bexar ADRC	93.071	HHS000874100003		51,726	-
Medicare Enrollment Assistance Program (MIPPA -2) – Bexar ADRC	93.071	HHS000874100003		8,320	-
Medicare Enrollment Assistance Program (MIPPA -2) – Alamo ADRC	93.071	HHS000874100001		19,671	-
Medicare Enrollment Assistance Program (MIPPA -2) – Alamo ADRC	93.071	HHS000874100001		4,366	-
Medicare Enrollment Assistance Program (MIPPA -2) – Benefits Counseling	93.071	N/A		58,579	-
Total National Council on Aging				142,662	-
Passed through Texas Department of Housing and Community Affairs:					
Low-Income Home Energy Assistance Program	93.568	81220003602		48,337	-
Low-Income Home Energy Assistance Program	93.568	81220003870		1,082,031	-
Total Texas Department of Housing and Community Affairs				1,130,368	-

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2023

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Other Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (continued)					
<u>U.S. Department of Health and Human Services (continued)</u>					
Passed through Texas Council for Developmental Disabilities:					
Older Adults with Developmental Disabilities and their Caregivers	93.630	22414		69,289	-
Older Adults with Developmental Disabilities and their Caregivers	93.630	23514		71,889	-
Developmental Disabilities Supporting Aging	93.630	23117		56,032	-
Total Texas Council for Developmental Disabilities				197,210	-
Direct:					
No Wrong Door/COVID-19 ADRC BEXAR	93.048		HHS000541100001	3,199	-
No Wrong Door/COVID-19 ADRC ALAMO	93.048		HHS000270200022	11,860	-
Subtotal				15,059	-
Total U.S. Department of Health and Human Services				17,260,283	5,127,398
<u>Corporation for National and Community Service</u>					
Direct:					
Foster Grandparent/Senior Companion Cluster					
Senior Companion Program FY23	94.016		20SCWRX005	74,882	-
Senior Companion Program FY25	94.016		20SCWRX005	241,948	-
Subtotal Foster Grandparent/Senior Companion Cluster				316,830	-
Senior Demonstration Program FY21	94.017		18SDWTX002	2,228	-
Senior Demonstration Program FY24	94.017		22SDGTX001	142,437	-
Subtotal				144,665	-
Total Corporation for National and Community Service				461,495	-
<u>U.S. Department of Homeland Security</u>					
Passed through Office of the Governor, Division of Emergency Management					
Homeland Security Grant Program FY22	97.067	2964008		188,709	-
Homeland Security Grant Program FY23	97.067	2964009		56,202	-
Homeland Security Grant Program FY22 - Preparedness Resilience Project	97.067	4512401		(4,148)	-
Homeland Security Grant Program FY24 - Domestic Violence Extremism	97.067	4433001		82,805	-
Total Homeland Security Grant Program				323,568	-
Total U.S. Department of Homeland Security				323,568	-
Total Federal Expenditures				\$ 23,824,310	\$ 5,127,398

Alamo Area Council of Governments
Schedule of Expenditures of Federal and State Awards (Continued)
For the Year Ended December 31, 2023

State Grantor/Program Title	Grant Number	Expenditures	Passed Through to Subrecipients
STATE AWARDS (Continued)			
<u>Office of the Governor – Criminal Justice Division (continued)</u>			
Regional Criminal Justice Coordination FY23	22-00527	\$ 108,045	\$ -
Regional Criminal Justice Coordination FY24	24-00120	59,425	-
Subtotal		<u>167,470</u>	<u>-</u>
Regional Police Training Academy FY23	14859-18	400,563	-
Regional Police Training Academy FY25	14859-19	204,455	-
Subtotal		<u>605,018</u>	<u>-</u>
Defense Economic Adjustment Assistance Grant (DEAAG)	DEAAG 2023-01-05	200,026	200,026
Regional Communication Infrastructure Enhancement	4059302	1,000,000	-
Total Office of the Governor – Criminal Justice Division		<u>2,010,748</u>	<u>200,026</u>
<u>State Energy Conservation Office</u>			
Regional Energy Management Program (SECO) FY 23	CM23001	86,636	-
Regional Energy Management Program (SECO) FY24	CM23001	22,358	-
Total State Energy Conservation Office		<u>108,994</u>	<u>-</u>
<u>Texas Commission on Environmental Quality</u>			
Rider 7 Air Quality	582-20-11984	297,426	-
Solid Waste Resource Recovery FY23	582-22-30107	471,247	-
Solid Waste Resource Recovery FY25	582-24-50125	49,532	-
Total Texas Commission on Environmental Quality		<u>818,205</u>	<u>-</u>
<u>Texas Department of Housing and Community Affairs</u>			
Amy Young Barrier Removal Program	2021-9014	93,884	-
Total Texas Department of Housing and Community Affairs		<u>93,884</u>	<u>-</u>
<u>Texas Department of Transportation</u>			
Rural Public Transportation 2023 Cycle	RUR 2301 (15)	1,070,558	-
Rural Public Transportation 2024 Cycle	RUR 2401 (15)	170,947	-
Subtotal		<u>1,241,505</u>	<u>-</u>
Total Texas Department of Transportation		<u>1,241,505</u>	<u>-</u>
<u>General Land Office</u>			
Community Development Block Grant Disaster Recovery Program	18-497-002-B229	(23,168)	-
Total General Land Office		<u>(23,168)</u>	<u>-</u>
<u>Texas Veterans Commission</u>			
Housing 4 Texas Heroes FY24	HTX23-M-001	112,652	-
Rides 4 Vets FY22	FVA23-T-001	124,034	-
Total Texas Veterans Commission		<u>236,686</u>	<u>-</u>
Total State Expenditures		<u>13,864,036</u>	<u>436,581</u>
Total Expenditures of Federal and State Awards		<u>\$ 37,688,346</u>	<u>\$ 5,563,979</u>

Alamo Area Council of Governments
Notes to Schedule of Expenditures for
Federal and State Awards
For the Year Ended December 31, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal and state awards (Schedule) includes 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 Texas Grants Management Standards (TxGMS). 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

Federal and state award expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The modified accrual basis of accounting is described in *Note 1* of the basic financial statements.

Note 3: Relationship to Federal and State Financial Reports

Grant expenditure reports as of December 31, 2023, 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 4: Indirect Cost Rate

The Council has not elected to use the ten percent 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, 2023**

Note 5: Federal Loan Programs

AACOG did not have any federal loan programs during the year ended December 31, 2023.

**Alamo Area Council of Governments
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023**

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

- Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

- Significant deficiency(ies) identified? Yes None reported
 Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:

- Significant deficiency(ies) identified? Yes None reported
 Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal program(s):

- Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? Yes No

7. Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.044, 93.045, 93.053	Aging Cluster
93.778	Medicaid Cluster

Alamo Area Council of Governments
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023

Assistance Listing Number(s)	Name of Federal Program or Cluster
81.042	Weatherization for Low-Income Persons
21.027	Covid-19 Coronavirus State and Local Fiscal Recovery Funds

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

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 program(s):

Unmodified Qualified Adverse Disclaimer

12. Any audit findings disclosed that are required to be reported by TxGMS? Yes No

13. Identification of major state programs:

Grant Number	Name of State Program
HHS000994500001, HHS001333300002	State General Revenue – IDD

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

Alamo Area Council of Governments
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal or State Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

**Alamo Area Council of Governments
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2023**

Reference Number	Summary of Finding	Status
-----------------------------	---------------------------	---------------

No matters are reportable.