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CITY OF SAN JUAN

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

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CITY OF SAN JUAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2024

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ANNUAL COMPREHENSIVE FINANCIAL REPORT
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Manuel B. Garcia, CPA
Jaime X. Pena, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Commission
City of San Juan, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the government activities, the business-type activities, and the aggregate blended presented components units, each major fund, and the aggregate remaining fund information of the City of San Juan, Texas as of and for the year ended September 30, 2024 with comparison to September 30, 2023, and the related notes to the financial statements which collectively comprise the City of San Juan, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of San Juan, Texas as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of San Juan, Texas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The City of San Juan, Texas' 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 City of San Juan, Texas' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages d-k and 13 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of San Juan, Texas' basic financial statements. The accompanying combining and individual nonmajor fund financial statements and 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*, 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 the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Information

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

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or 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 March 21, 2025, on our consideration of the City of San Juan, Texas' 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 City of San Juan, Texas' 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 City of San Juan, Texas' internal control over financial reporting and compliance.

Garcia & Pena,
Certified Public Accountants
Weslaco, Texas 78599

March 21, 2025

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City of San Juan, Texas
Management's Discussion and Analysis

This discussion and analysis is intended to provide an overview of the City of San Juan, Texas financial performance for the fiscal year ended September 30, 2024, and the related effect on the City of San Juan, Texas financial condition. Please read it in conjunction with the financial statements which begin on page 1.

Financial Highlights

- The City's Government-Wide Net Position increased to $98,601,908, as a result of this year's operations. Governmental activities were at $38,927,511, with the balance of $59,674,397 resulting from the business-type activities.
- Statement of Activities – Governmental and Business-Type Activities - Total government-wide net position increased by $6,842,935. An increase of $2,312,504 from governmental activities and $4,530,431 from the business-type activities.
- Governmental Activities-Revenue and Expenses Compared to Last Year- Total revenues in the aggregate increased by $202,412 from the prior year, where property taxes increased by $1,650,372, sales tax increased by $210,875, and other revenues increased by $933,575, while other taxes decreased by $31,121, charges for services decreased by $258,682, operating grants decreased by $2,232,134, and capital grants decreased by $70,473. Transfers out decreased $1,845,137. Expenses increased by $733,033, due to an increase of $162,295 in public safety, increases of $72,130 in public works, an increase of $59,320 in culture and recreation, increases in economic development of $234,371, and $265,738 in interest expense, with a decrease of $60,822 in general government.
- At September 30, 2024, the City's governmental funds reported revenues in excess of expenditures of $5,420,966, thus increasing the fund balance from $22,933,055 to $28,354,021 in the previous year.
- At the end of the current fiscal year, the general fund's fund balance decreased by $1,597,419 to $5,595,439; compared to $7,192,858 from the previous year.
- Business-Type Activities – Revenues and Expenses Compared to Last Year – Total operating revenues in the aggregate increased $643,552 from last year. Operating revenues increased $312,517, an increase of $172,581 in interest income, with an increase of $1,845,137 in transfers; while capital grants decreased $1,526,113, and a decrease of $160,570 in miscellaneous income. Operating expenses increased $799,305: water, sewer, garbage and brush increasing $844,765, with long-term debt interest decreasing $45,460 over last year.
- City as a Whole: Statement of Activities - Revenues and Expenses – Governmental revenues were $24,176,884, and business-type activity revenues were $14,312,657, while expenses were $21,864,380 for governmental activities and $9,782,226 for business-type activities.
- The City's governmental activities debt increased by $11,232,000 in bonds payable and $174,617 in compensated absences; while leases decreased $249,861, accrued interest decreased $1,871, and pension liability decreased $228,273. Total long-term debt for governmental funds was $52,968,931 at September 30, 2024.
- The City's business-type activities debt decreased by $1,446,538 in bond and notes payable, a decrease of $175,655 in capital lease, and a decrease of $6,204 in accrued interest, with an increase of $40,384 in compensated absences, and a decrease of $277,896 in pension liability. Total long-term debt for business-type funds was $21,482,422 at September 30, 2024.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City'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. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the City's assets and liabilities, with the differences between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of activities presents information showing how the City'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., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, health, economic development, and culture and recreation. The business-type activities of the City include the Utility System, which includes water, sewer, garbage, and brush services.

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate component unit for which the City is financially accountable: Economic Development Corporation.

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

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

Because the focus of governmental funds is narrower that that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains two major and eighteen non-major governmental funds. Information for the major funds is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund. Data from the non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all of its general funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

***Proprietary funds* –** The City maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its collection of garbage, the pick-up of brush and water/sewer services. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Blended presented component units – Blended presented component units are legally separate from the City. The component units are intended to operate on a self-supporting basis through user charges or the collection of sales tax. The unit is blended presented because the City has a voting majority, imposition of will, financial benefit and financial accountability over the units. The unit also maintains a September 30 fiscal year-end. There is one blended presented component unit, the San Juan Economic Development Corporation. A separate financial statement is issued and can be obtained by contacting the Office of the City Secretary, 512 S. Nebraska, San Juan, Texas 78589.

Notes to financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Other information* –** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's revenues and expenditures budget to actual comparison.

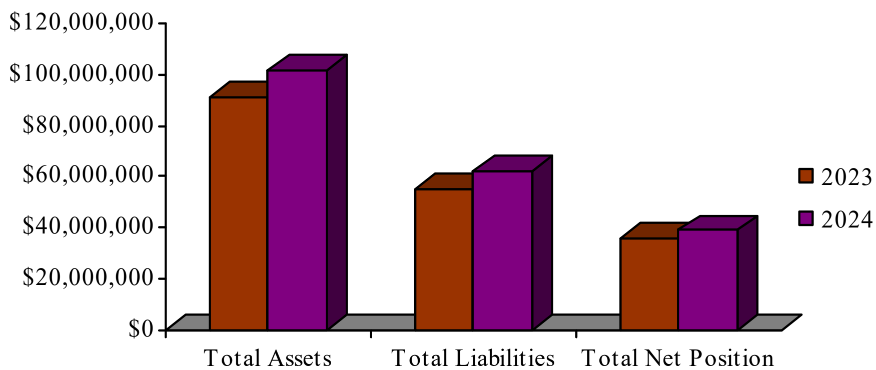
Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

In the case of the City, assets exceeded liabilities by $38,927,511 and $36,615,007, for 2024 and 2023, respectively, for governmental activities.

By far the largest portion of the City's net position (60 percent) reflects its investment in capital assets (e.g., land building, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

City of San Juan's Sources Net Position
Governmental Activities



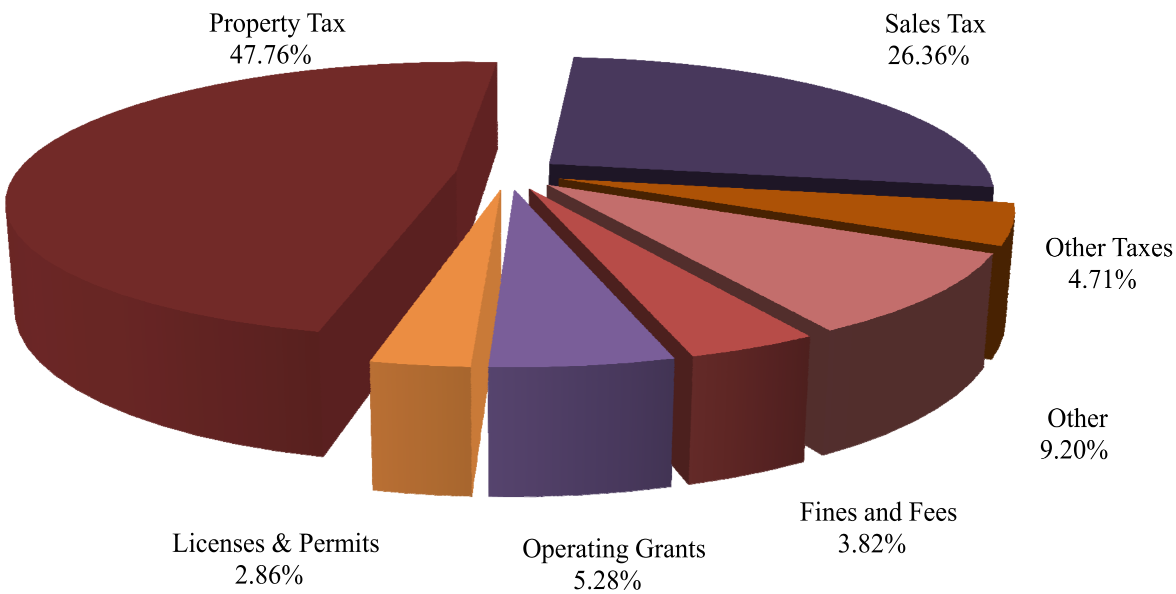
The City's condensed Statement of Net Position along with the last fiscal year's numbers are presented for comparison in the table below.

City of San Juan's
Statement of Net Position

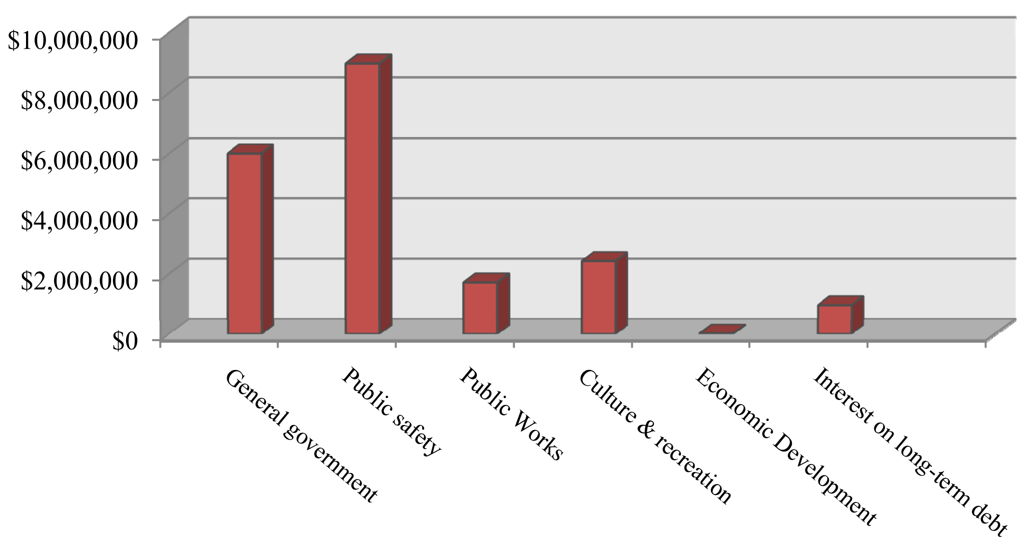
	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 39,664,254	$ 37,140,044	$ 26,271,006	$ 26,085,344	$ 65,935,260	$ 63,225,388
Capital assets	61,349,898	54,064,888	56,521,934	53,511,330	117,871,832	107,576,218
Total Assets	101,014,152	91,204,932	82,792,940	79,596,674	183,807,092	170,801,606
Deferred Outflow of Resources	666,113	764,224	195,112	796,707	861,225	1,560,931
Total Assets and Deferred Outflows	$ 101,680,265	$ 91,969,156	$ 82,988,052	$ 80,393,381	$ 184,668,317	$ 172,362,537
Current liabilities	13,401,773	16,734,530	3,815,599	3,993,702	17,217,372	20,728,232
Long-term debt due in more than one year	49,092,896	38,385,650	19,422,455	21,094,928	68,515,351	59,480,578
Total Liabilities	62,494,669	55,120,180	23,238,054	25,088,630	85,732,723	80,208,810
Deferred Inflow of Resources	258,085	233,969	75,601	160,785	333,686	394,754
Net Position						
Invested in capital assets, Net	23,573,944	23,600,195	43,539,518	38,980,431	67,113,462	62,580,626
Restricted	22,909,428	15,933,717	4,545,970	3,880,849	27,455,398	19,814,566
Unrestricted	(7,555,861)	(2,918,905)	11,588,909	12,282,686	4,033,048	9,363,781
Total Net Position	$ 38,927,511	$ 36,615,007	$ 59,674,397	$ 55,143,966	$ 98,601,908	$ 91,758,973

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

City of San Juan's Sources of Income
Governmental Activities



City of San Juan's Expenditures
Governmental Activities



Governmental Activities/Business-Type Activities

Governmental activities increased net position by $2,312,504 in 2024.

The business-type activities increased by $4,530,431 in 2024.

The City's condensed Changes in Net Position are presented in the table below.

City of San Juan's
Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	$ 1,724,920	$ 1,983,602	$ 10,504,869	$ 10,192,352	$ 12,229,789	$ 12,175,954
Operating grants and contributions	906,601	3,138,735	-	-	906,601	3,138,735
Capital grants and contributions	155,295	225,768	2,770,047	4,296,160	2,925,342	4,521,928
General revenues						
Property tax	12,055,387	10,405,015	-	-	12,055,387	10,405,015
Other taxes	7,693,381	7,513,627	-	-	7,693,381	7,513,627
Interest Earnings	1,327,531	1,267,239	858,438	685,857	2,185,969	1,953,096
Other	1,664,808	791,525	179,303	339,873	1,844,111	1,131,398
Total revenues	25,527,923	25,325,511	14,312,657	15,514,242	39,840,580	40,839,753
Expenses						
General government	5,949,596	6,010,418	-	-	5,949,596	6,010,418
Public safety	9,162,295	9,000,000	-	-	9,162,295	9,000,000
Highways/streets	1,799,564	1,727,434	-	-	1,799,564	1,727,434
Culture & recreation	2,495,529	2,436,209	-	-	2,495,529	2,436,209
Economic Development	1,113,695	879,324	-	-	1,113,695	879,324
Interest -Long-term debt	1,343,701	1,077,962	343,172	381,246	1,686,873	1,459,208
Water services	-	-	3,060,813	2,762,794	3,060,813	2,762,794
Sewer services	-	-	3,600,079	2,950,689	3,600,079	2,950,689
Garbage and brush	-	-	4,129,201	3,523,284	4,129,201	3,523,284
Other	-	-	-	-	-	-
Total expenses	21,864,380	21,131,347	11,133,265	9,618,013	32,997,645	30,749,360
Non-Operating Transfers (Net)	(1,351,039)	494,098	1,351,039	(494,098)	-	-
Change in Net Position	2,312,504	4,688,262	4,530,431	5,402,131	6,842,935	10,090,393
Net position - beginning	36,615,007	31,926,745	55,143,966	49,741,835	91,758,973	81,668,580
Net position - ending	$ 38,927,511	$ 36,615,007	$ 59,674,397	$ 55,143,966	$ 98,601,908	$ 91,758,973

Business-Type Activities

Business-type activities consist of operating expenses of $10,790,093 for 2024 and interest expense costs of $343,172 for 2024; with operating revenues of $10,504,869 for 2024 and capital grants of $2,770,047, and transfers in amount of $1,351,656, resulting in an increase in net position of $4,530,431 in 2024.

Capital Assets and Debt Administration

Capital Assets

The City of San Juan's investments in capital assets for its governmental and business-type activities amount to $117,871,832 and $107,576,218 (net of accumulated depreciation) for 2024 and 2023. This investment in capital assets includes land, buildings, and systems improvements, machinery and equipment.

City of San Juan's Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Capital assets, not being depreciated:						
Land	$ 2,021,360	$ 1,721,760	$ 344,215	$ 344,215	$ 2,365,575	$ 2,065,975
Construction-in-progress	20,455,542	13,745,406	17,522,504	15,203,522	37,978,046	28,948,928
	22,476,902	15,467,166	17,866,719	15,547,737	40,343,621	31,014,903
Capital assets, being depreciated:						
Buildings	6,742,438	6,434,502	260,278	260,278	7,002,716	6,694,780
Machinery & Equipment	7,665,540	6,944,354	4,906,800	3,826,350	12,572,340	10,770,704
Vehicles	8,494,840	7,753,043	8,436,052	7,357,965	16,930,892	15,111,008
Improvements other than buildings	4,333,370	4,284,232	8,657,182	8,575,047	12,990,552	12,859,279
Infrastructure	41,786,388	40,833,846	37,172,983	36,750,141	78,959,371	77,583,987
	69,022,576	66,249,977	59,433,295	56,769,781	128,455,871	123,019,758
Less accumulated depreciation for:						
Buildings	2,201,383	2,059,734	154,206	144,257	2,355,589	2,203,991
Machinery & Equipment	4,037,925	3,415,766	2,329,720	2,000,502	6,367,645	5,416,268
Vehicles	3,840,441	3,327,525	3,970,342	3,298,869	7,810,783	6,626,394
Improvements other than buildings	2,339,359	2,186,253	2,424,170	2,228,750	4,763,529	4,415,003
Infrastructure	17,730,472	16,662,977	11,899,642	11,133,810	29,630,114	27,796,787
Total accumulated depreciation	30,149,580	27,652,255	20,778,080	18,806,188	50,927,660	46,458,443
Total capital assets, being depreciated, net	38,872,996	38,597,722	38,655,215	37,963,593	77,528,211	76,561,315
Capital assets, net	$ 61,349,898	$ 54,064,888	$ 56,521,934	$ 53,511,330	$ 117,871,832	$ 107,576,218

Additional information on the City of San Juan's capital assets can be found in Note F on pages 34 and 35 of this report.

Long-Term Debt

At year-end, the City's outstanding long-term debt was $74,451,353 and $65,629,253 for 2024 and 2023. The City's governmental activities debt increased by $10,688,009 and decreased by $1,645,909 in business-type activities in 2024.

Additional information on the City of San Juan's long-term debt can be found in Note G on pages 36 through 41 of this report.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Secretary, 512 S. Nebraska, San Juan, Texas 78589.

BASIC FINANCIAL STATEMENTS

CITY OF SAN JUAN, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024 AND 2023

	Primary Government			
	Governmental Activities	Business-type Activities	2024	2023
ASSETS AND DEFERRED OUTFLOW OF RESOURCES				
Cash and Cash Equivalents	$ 4,900,127	$ 1,995,933	$ 6,896,060	$ 9,768,449
Investments	17,004,501	7,179,800	24,184,301	35,714,500
Receivable, Net	2,262,581	2,514,447	4,777,028	4,870,363
Internal Balances, Net	(1,721,821)	1,721,821	-	2,859,359
Due from Other Governments	212,505	-	212,505	183,137
Due from Others	1,939,228	171,512	2,110,740	58,700
Inventory	19,978	18,194	38,172	34,313
Prepaids	130,868	-	130,868	176,140
Bond Receivable	14,500,000	-	14,500,000	-
Note Receivables	3,556	2,053,333	2,056,889	2,084,093
Restricted Assets:				
Temporarily Restricted	125,707	10,542,130	10,667,837	10,282,407
Capital Assets:				
Land	2,021,360	344,215	2,365,575	2,065,975
Buildings	6,742,438	260,278	7,002,716	6,694,780
Infrastructure	41,786,388	37,172,983	78,959,371	77,583,987
Improvements Other Than Buildings	4,333,370	8,657,182	12,990,552	12,859,279
Machinery and Equipment	7,665,540	4,906,800	12,572,340	10,770,704
Vehicles	8,494,840	8,436,052	16,930,892	15,111,008
Accumulated Depreciation	(30,149,580)	(20,778,080)	(50,927,660)	(46,458,443)
Construction-In-Progress	20,455,542	17,522,504	37,978,046	28,948,928
Other Assets	252,057	73,836	325,893	-
Intangible Assets: Equipment Right-to-Use	34,967	-	34,967	53,286
Total Assets	101,014,152	82,792,940	183,807,092	173,660,965
Deferred Outflow of Resources (Note I)	666,113	195,112	861,225	1,560,931
Total Assets and Deferred Outflow of Resources	$ 101,680,265	$ 82,988,052	$ 184,668,317	$ 175,221,896

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

CITY OF SAN JUAN, TEXAS
GOVERNMENT-WIDE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024 AND 2023

	Primary Government			
	Governmental Activities	Business-type Activities	2024	2023
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND NET POSITION				
Liabilities				
Accounts Payable	$ 1,131,499	$ 292,509	$ 1,424,008	$ 1,163,300
Bank Payable	4,488,486	44,892	4,533,378	3,920,690
Accrued Liabilities	454,923	147,685	602,608	500,056
Contract Payable	123,660	-	123,660	1,682,501
Other Liabilities	-	104,494	104,494	173,904
Trust-PEG Fund	71,451	-	71,451	71,451
Unearned Revenues	2,596,264	-	2,596,264	5,403,792
Customer Deposits Payable	659,455	1,166,053	1,825,508	4,523,222
Non-current Liabilities				
Due in one year	4,351,035	2,059,966	6,411,001	6,148,675
Due in more than one year	48,617,896	19,422,455	68,040,351	59,480,578
Total Liabilities	62,494,669	23,238,054	85,732,723	83,068,169
Deferred Inflow of Resources (Note I)	258,085	75,601	333,686	394,754
Net Position				
Net Investment in Capital Assets	23,573,944	43,539,518	67,113,462	62,580,626
Restricted For:				
Debt Service	2,256,441	906,769	3,163,210	2,534,902
Capital Projects	15,340,611	2,473,148	17,813,759	11,867,620
Economic Development	3,419,817	-	3,419,817	2,822,532
Municipal Court	-	-	-	138,434
Federal and State Awards	692,745	-	692,745	322,131
Other Purposes	1,199,814	1,166,053	2,365,867	2,128,947
Unrestricted	(7,555,861)	11,588,909	4,033,048	9,363,781
Total Net Position	38,927,511	59,674,397	98,601,908	91,758,973
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 101,680,265	$ 82,988,052	$ 184,668,317	$ 175,221,896

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

CITY OF SAN JUAN, TEXAS
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

		Program Revenues		
Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	$ 5,949,596	$ 763,420	$ -	$ -
Public Safety	9,162,295	311,348	892,013	155,295
Public Works	1,799,564	309,778	-	-
Culture & Recreation	2,495,529	277,774	14,588	-
Economic Development	1,113,695	62,600	-	-
Interest on Long-Term Debt	1,343,700	-	-	-
Total Governmental Activities	21,864,380	1,724,920	906,601	155,295
Business-type Activities:				
Water Services	3,060,813	2,799,236	-	598,880
Sewer Services	3,600,079	3,319,777	-	2,171,167
Garbage and Brush	4,129,201	4,385,856	-	-
Interest on Long-Term Debt	343,172	-	-	-
Total Business-type Activities	11,133,265	10,504,869	-	2,770,047
Total Governmental and Business-type Activities	$ 32,997,645	$ 12,229,789	$ 906,601	$ 2,925,342

General Revenues
Taxes:
Property Taxes
Sales Taxes
Franchise Taxes
Other Taxes
Miscellaneous
Bond Premium Proceeds
Investment Earnings
Transfers In (Out)
Total General Revenues

Changes in Net Position

Net Position, Beginning of Year
Net Position at End of Year

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

Net (Expense) Revenue and Changes in Net Position — Primary Government		
Governmental Activities	Business-type Activities	Totals
$ (5,186,176)	$ -	$ (5,186,176)
(7,803,639)		(7,803,639)
(1,489,786)		(1,489,786)
(2,203,167)		(2,203,167)
(1,051,095)		(1,051,095)
(1,343,700)		(1,343,700)
(19,077,564)		(19,077,564)
	337,303	337,303
	1,890,865	1,890,865
	256,655	256,655
	(343,172)	(343,172)
-	2,141,651	2,141,651
(19,077,564)	2,141,651	(16,935,913)
12,055,387	-	12,055,387
6,553,411	-	6,553,411
1,027,964	-	1,027,964
112,006	-	112,006
250,051	179,303	429,354
1,414,757	-	1,414,757
1,327,531	858,438	2,185,969
(1,351,039)	1,351,039	-
21,390,068	2,388,780	23,778,848
2,312,504	4,530,431	6,842,935
36,615,007	55,143,966	91,758,973
$ 38,927,511	$ 59,674,397	$ 98,601,908

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

CITY OF SAN JUAN, TEXAS
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

		Program Revenues		
Program Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	$ 6,010,418	$ 1,091,899	$ 15,000	$ -
Public Safety	9,000,000	201,609	503,899	225,768
Public Works	1,727,434	301,206	685,035	-
Culture & Recreation	2,436,209	326,288	1,934,801	-
Economic Development	879,324	62,600	-	-
Interest on Long-Term Debt	1,077,962	-	-	-
Total Governmental Activities	21,131,347	1,983,602	3,138,735	225,768
Business-type Activities:				
Water Services	2,762,793	2,844,752	-	543,934
Sewer Services	2,950,689	3,351,521	-	3,752,226
Garbage and Brush	3,523,285	3,996,079	-	-
Interest on Long-Term Debt	381,246	-	-	-
Total Business-type Activities	9,618,013	10,192,352	-	4,296,160
Total Governmental and Business-type Activities	$ 30,749,360	$ 12,175,954	$ 3,138,735	$ 4,521,928

General Revenues
Taxes:
Property Taxes
Sales Taxes
Franchise Taxes
Other Taxes
Miscellaneous
Investment Earnings
Bond Premium Proceeds
Administrative Transfers In (Out)
Transfers In (Out)
Total General Revenues

Changes in Net Position

Net Position, Beginning of Year, As Adjusted (Note O)
Net Position at End of Year

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Totals
$ (4,903,519)	$ -	$ (4,903,519)
(8,068,724)		(8,068,724)
(741,193)		(741,193)
(175,120)		(175,120)
(816,724)		(816,724)
(1,077,962)		(1,077,962)
(15,783,242)		(15,783,242)
	625,893	625,893
	4,153,058	4,153,058
	472,794	472,794
	(381,246)	(381,246)
-	4,870,499	4,870,499
(15,783,242)	4,870,499	(10,912,743)
10,405,015	-	10,405,015
6,342,536	-	6,342,536
1,082,507	-	1,082,507
88,584	-	88,584
791,525	339,873	1,131,398
1,267,239	685,857	1,953,096
-	-	-
494,098	(494,098)	-
-	-	-
20,471,504	531,632	21,003,136
4,688,262	5,402,131	10,090,393
31,926,745	49,741,835	81,668,580
$ 36,615,007	$ 55,143,966	$ 91,758,973

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

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GOVERNMENTAL FUNDS

CITY OF SAN JUAN, TEXAS
GOVERNMENTAL FUNDS
BALANCE SHEETS
SEPTEMBER 30, 2024 AND 2023

	General Fund	Debt Service Fund	Economic Development Fund	TDEM Grant Fund
ASSETS				
Cash and Cash Equivalents	$ 958,834	$ 457,182	$ 612,257	$ -
Investments	5,269,474	1,712,571	1,881,383	3,291,143
Designated Cash and Investments	65,371	-	60,336	-
Receivables, net				
Property Taxes	1,159,427	429,153	-	-
Sales Taxes	520,759	-	-	-
Franchise Taxes	85,618	-	-	-
Other Receivables	11,359	-	-	-
Bonds Receivable	-	-	-	-
Notes Receivable	-	-	-	-
Due from Other Funds	-	-	1,137,538	-
Due from Other Governments	-	-	-	-
Due from Others	19,205	-	-	-
Inventories	19,978	-	-	-
Prepaids	130,868	-	-	-
Total Assets	$ 8,240,893	$ 2,598,906	$ 3,691,514	$ 3,291,143
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 526,400	$ -	$ 6,485	$ -
Bank Payable	-	-	-	221,129
Wages Payable	426,574	-	3,791	-
Contract Payable	98,320	-	-	-
Due to Other Funds	-	-	-	-
Due to Others	296,059	-	-	-
Trust-PEG Fund	71,451	-	-	-
Unearned Revenues	131,980	-	-	2,449,777
Total Liabilities	1,550,784	-	10,276	2,670,906
Deferred Inflows of Resources				
Deferred Revenues (Note I)	1,094,670	402,801	-	-
Total Deferred Inflows of Resources	1,094,670	402,801	-	-
Fund Balances				
Nonspendable:				
Inventories	19,978	-	-	-
Prepaid Items	130,868	-	-	-
Assigned to:				
Debt Service	-	2,196,105	60,336	-
Capital Projects	-	-	1,137,539	620,237
Economic Development	-	-	2,483,363	-
Municipal Court	-	-	-	-
Federal or State Funds Grant Restriction	-	-	-	-
Other Purposes	-	-	-	-
Unassigned:	5,444,593	-	-	-
Total Fund Balances	5,595,439	2,196,105	3,681,238	620,237
Total Liabilities and Fund Balances	$ 8,240,893	$ 2,598,906	$ 3,691,514	$ 3,291,143

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

Certificates of Obligation 2020 Fund	Certificates of Obligation 2023 Fund	Certificates of Obligation 2024 Fund	Non-Major Governmental Funds	Totals 2024	Totals 2023
$ -	$ -	$ -	$ 2,871,854	$ 4,900,127	$ 7,001,529
-	3,480,063	-	1,369,867	17,004,501	26,958,996
-	-	-	-	125,707	121,601
-	-	-	-	1,588,580	1,391,603
-	-	-	-	520,759	720,337
-	-	-	-	85,618	96,253
-	-	-	56,265	67,624	173,867
-	-	14,500,000	-	14,500,000	-
-	-	-	3,556	3,556	30,760
-	-	-	-	1,137,538	1,277,164
-	-	-	212,505	212,505	183,137
1,920,023	-	-	-	1,939,228	1,935,575
-	-	-	-	19,978	18,780
-	-	-	-	130,868	176,140
$ 1,920,023	$ 3,480,063	$ 14,500,000	$ 4,514,047	$ 42,236,589	$ 40,085,742
$ -	$ 558,213	$ -	$ 40,401	$ 1,131,499	$ 807,951
2,683,933	591,384	-	992,040	4,488,486	3,920,690
-	-	-	24,558	454,923	378,343
-	-	-	25,340	123,660	1,682,501
2,859,359	-	-	-	2,859,359	139,625
-	-	-	363,396	659,455	3,433,889
-	-	-	-	71,451	71,451
-	-	-	14,507	2,596,264	5,403,792
5,543,292	1,149,597	-	1,460,242	12,385,097	15,838,242
-	-	-	-	1,497,471	1,314,445
-	-	-	-	1,497,471	1,314,445
-	-	-	-	19,978	18,780
-	-	-	-	130,868	174,740
-	-	-	-	2,256,441	1,726,531
(3,623,269)	2,330,466	14,500,000	375,638	15,340,611	9,884,475
-	-	-	936,454	3,419,817	2,822,532
-	-	-	-	-	138,434
-	-	-	692,745	692,745	322,131
-	-	-	1,048,968	1,048,968	846,094
-	-	-	-	5,444,593	6,999,338
(3,623,269)	2,330,466	14,500,000	3,053,805	28,354,021	22,933,055
$ 1,920,023	$ 3,480,063	$ 14,500,000	$ 4,514,047	$ 42,236,589	$ 40,085,742

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

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CITY OF SAN JUAN, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024 AND 2023

	2024	2023
Total fund balance-total governmental funds	$ 28,354,021	$ 22,933,055
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not financial resources; therefore, are not reported in the governmental fund balance sheet	61,349,898	54,064,888
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds		
Property Taxes	1,497,471	1,314,445
Long-term liabilities are not due and payable in the current period; therefore, are not reported in the governmental fund balance sheet	(51,329,240)	(40,587,575)
Payables for compensated absences which are not due in the current period are not reported in the funds	(1,233,490)	(1,058,873)
Net pension deferred asset which is not due in the current period and; therefore, not reported in the funds	918,170	764,224
Net pension asset (liability) which is not due in the current period and; therefore, not reported in the funds	(406,201)	(634,474)
Unamortized pension liability unavailable for current period revenue and; therefore, deferred in the Statement of Net Position	(258,085)	(233,969)
GASB 87, Lease Recognition Intangible Asset: Equipment Right-to-Use	34,967	53,286
Net Position of governmental activities	$ 38,927,511	$ 36,615,007

CITY OF SAN JUAN, TEXAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	General Fund	Debt Service Fund	Economic Development Fund	TDEM Grant Fund
Revenues				
Taxes:				
Property Taxes	$ 8,212,984	$ 3,659,377	$ -	$ -
Sales Taxes	4,882,511	-	1,670,900	-
Franchise Taxes	1,027,964	-	-	-
Hotel Occupancy Taxes	-	-	-	-
Other Taxes	79,417	-	-	-
Licenses and Permits	711,669	-	-	-
Intergovernmental Revenues	783,991	-	-	-
Fines and Fees	345,479	-	-	-
Forfeitures	-	-	-	-
Interest Earned	430,340	88,418	109,318	242,375
Miscellaneous & Other Income	502,257	7,973	-	-
Total Revenues	16,976,612	3,755,768	1,780,218	242,375
Expenditures				
Current:				
General Government	3,031,834	15,964	-	-
Public Safety	7,642,307	-	-	-
Public Works	1,283,646	-	-	-
Culture & Recreation	2,162,365	-	-	-
Economic Development	-	-	1,103,050	-
Non-Departmental Expenditures	2,194,346	-	-	-
Capital Outlay	1,811,990	-	-	-
Debt Service:				
Principal	628,292	2,043,000	225,000	-
Interest	77,681	1,171,000	92,173	-
Total Expenditures	18,832,461	3,229,964	1,420,223	-
Excess (Deficiency) of Revenues Over Expenditures	(1,855,849)	525,804	359,995	242,375
Other Financing Sources (Uses)				
Transfers In (Out)	-	-	-	-
Bond/Note Proceeds	258,430	-	-	-
Bond Premium Proceeds	-	-	-	-
Bond/Note Issuance Costs	-	-	-	-
Total Other Financing Sources (Uses)	258,430	-	-	-
Net Changes in Fund Balances	(1,597,419)	525,804	359,995	242,375
Fund balances, October 1, As Restated (Note O)	7,192,858	1,670,301	3,321,243	377,862
Fund balances, September 30	$ 5,595,439	$ 2,196,105	$ 3,681,238	$ 620,237

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

Certificates of Obligation 2020 Fund	Certificates of Obligation 2023 Fund	Certificates of Obligation 2024 Fund	Non-Major Governmental Funds	2024	2023
$ -	$ -	$ -	$ -	$ 11,872,361	$ 10,280,658
-	-	-	-	6,553,411	6,342,536
-	-	-	-	1,027,964	1,082,507
-	-	-	32,589	32,589	26,047
-	-	-	-	79,417	62,537
-	-	-	-	711,669	869,249
-	-	-	529,487	1,313,478	3,843,588
-	-	-	605,172	950,651	1,051,753
-	-	-	430,268	430,268	202,765
-	335,654	-	121,426	1,327,531	1,267,239
-	-	-	49,578	559,808	474,496
-	335,654	-	1,768,520	24,859,147	25,503,375
-	-	-	29,823	3,077,621	2,915,302
-	-	-	335,591	7,977,898	7,151,073
-	-	-	273,165	1,556,811	1,405,893
-	-	-	18,549	2,180,914	2,007,338
-	-	-	-	1,103,050	857,017
-	-	-	-	2,194,346	2,249,715
339,934	5,037,527	-	2,709,085	9,898,536	10,730,161
-	-	-	-	2,896,292	2,220,238
-	-	-	-	1,340,854	1,046,972
339,934	5,037,527	-	3,366,213	32,226,322	30,583,709
(339,934)	(4,701,873)	-	(1,597,693)	(7,367,175)	(5,080,334)
2,770	(1,970,289)	-	(2,770)	(1,970,289)	(125,152)
-	-	13,395,000	-	13,653,430	10,143,868
-	-	1,414,757	-	1,414,757	317,029
-	-	(309,757)	-	(309,757)	-
2,770	(1,970,289)	14,500,000	(2,770)	12,788,141	10,335,745
(337,164)	(6,672,162)	14,500,000	(1,600,463)	5,420,966	5,255,411
(3,286,105)	9,002,628	-	4,654,268	22,933,055	17,677,644
$ (3,623,269)	$ 2,330,466	$ 14,500,000	$ 3,053,805	$ 28,354,021	$ 22,933,055

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CITY OF SAN JUAN, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Net change in fund balances-total governmental funds	$ 5,420,966	$ 5,255,411
Amounts reports for governmental activities in the state of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over the estimated useful lives and reports as depreciation expense. The capital outlay ($9,898,536) recorded in the current period exceeded current year depreciation ($2,521,473).	7,377,063	8,330,447
Governmental funds do not report the retirement of fixed assets. In the Government-Wide Statement of Revenues, Expenditures, and Changes in Fund Balance this is the amount of retired assets in the current period.	(92,053)	61,529
The issuance of long-term debt (e.g., notes) provides current financial resource to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transactions, however, has any effect on net position. This amount is the net effect on these differences.	(10,757,138)	(7,923,630)
Note Proceeds/Lease $ (13,653,430)		
Principal Retirement 2,896,292		
Compensated absences in the statement of activities does not require the use of current financial resources, and therefore are not reported as expenditures in governmental funds.	(174,617)	(101,472)
Accrued interest expense on long-term debt is reported in government-wide statement of activities and changes in net position, but does not require the use of current financial resources; therefore accrued interest expense is not reported as expenditures in governmental funds.	(2,846)	(30,990)
Some property tax will not be collected for several months after the City's fiscal year-end, they are not considered "available" revenues in the governmental funds.	183,026	124,357
Pension expense for the current period not recorded in the governmental funds.	358,103	(1,027,390)
Changes in net position of governmental activities	$ 2,312,504	$ 4,688,262

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

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CITY OF SAN JUAN, TEXAS
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budget			Variance Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Property Taxes	$ 12,007,474	$ 12,007,474	$ 11,872,361	$ (135,113)
Sales Taxes	6,806,743	6,806,743	6,553,411	(253,332)
Franchise Taxes	1,089,649	1,089,649	1,027,964	(61,685)
Hotel Occupancy Taxes	18,500	24,600	32,589	7,989
Other Taxes	70,000	70,000	79,417	9,417
Licenses & Permits	1,058,400	1,058,400	711,669	(346,731)
Intergovernmental Revenues	1,803,039	2,223,889	1,313,478	(910,411)
Fines and Fees	919,842	919,842	950,651	30,809
Forfeitures	322,000	322,000	430,268	108,268
Interest Earned	460,000	460,000	1,327,531	867,531
Miscellaneous & Other Income	504,290	504,290	559,808	55,518
Total revenues	25,059,937	25,486,887	24,859,147	(627,740)
Expenditures				
Current				
General Government	3,032,054	3,227,134	3,077,621	149,513
Public Safety	8,683,289	9,070,854	7,977,898	1,092,956
Public Works	1,579,974	1,618,963	1,556,811	62,152
Culture & Recreation	2,225,328	2,155,914	2,180,914	(25,000)
Economic Development	1,675,421	1,462,371	1,103,050	359,321
Non-Departmental Expenses	2,394,864	2,333,785	2,194,346	139,439
Capital Outlay	1,077,680	1,361,743	9,898,536	(8,536,793)
Debt Service:				
Principal	2,000,160	2,062,293	2,896,292	(833,999)
Interest	1,121,528	1,855,533	1,340,854	514,679
Total expenditures	23,790,298	25,148,590	32,226,322	(7,077,732)
Excess (Deficiency) of Revenues Over Expenditures	1,269,639	338,297	(7,367,175)	(7,705,472)
Other Financing Sources (Uses)				
Transfers In (Out)	-	-	(1,970,289)	(1,970,289)
Lawsuit Settlement	-	-	13,653,430	13,653,430
Bond/Note Proceeds	-	-	1,414,757	1,414,757
Bond Premium Proceeds	-	-	(309,757)	(309,757)
Total Other Financing Sources (Uses)	-	-	12,788,141	12,788,141
Net Changes in Fund Balances	$ 1,269,639	$ 338,297	5,420,966	$ 5,082,669
Fund Balance, October 1,			22,933,055	
Fund Balance, September 30			$ 28,354,021	

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

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PROPRIETARY FUNDS

CITY OF SAN JUAN, TEXAS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024 AND 2023

	Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds	2024 Enterprise Funds	2023 Enterprise Funds
Assets					
Cash and cash equivalents	$ -	$ 1,822,336	$ 173,597	$ 1,995,933	$ 2,766,920
Investments	5,549,160	825,734	804,906	7,179,800	6,835,481
Restricted cash and investments	758,915	-	9,783,215	10,542,130	10,160,806
Utility and trade receivables, net	1,507,520	1,006,927	-	2,514,447	2,488,303
Due from other funds	1,153,051	568,770	-	1,721,821	1,721,820
Due from others	170,438	1,074	-	171,512	43,148
Inventory	-	18,194	-	18,194	15,533
Long-Term Loan	-	2,053,333	-	2,053,333	2,053,333
Capital assets - net					
Non-depreciable assets	15,250,318	8,783	2,607,618	17,866,719	15,547,737
Depreciable assets	33,393,648	5,261,567	-	38,655,215	37,963,593
Other Assets	42,551	31,285	-	73,836	-
Total Assets	57,825,601	11,598,003	13,369,336	82,792,940	79,596,674
Deferred Outflow of Resources	112,435	82,677	-	195,112	796,707
Total Assets and Deferrred Outflows of Resources	$ 57,938,036	$ 11,680,680	$ 13,369,336	$ 82,988,052	$ 80,393,381
Liabilities Deferred Inflow of Resources and Net Position					
Liabilities					
Accounts payable	$ 207,807	$ 84,702	$ -	$ 292,509	$ 355,349
Bank Payable	44,892	-	-	44,892	-
Wages payable	86,000	61,685	-	147,685	121,713
Other liabilities	12	104,482	-	104,494	173,904
Customer deposits payable	702,693	463,360	-	1,166,053	1,089,333
Due to other funds	-	-	-	-	-
Non-current liabilities :					
Due in one year	1,274,054	459,178	326,734	2,059,966	2,253,403
Due in more than one year	9,911,404	880,272	8,630,779	19,422,455	21,094,928
Total Liabilities	12,226,862	2,053,679	8,957,513	23,238,054	25,088,630
Deferred Inflow of Resources	43,568	32,033	-	75,601	160,785
Net Position					
Net Investment in capital assets	37,663,601	4,085,096	1,790,821	43,539,518	38,980,431
Restricted					
Customer deposits	702,693	463,360	-	1,166,053	1,089,333
Debt service	-	-	906,769	906,769	808,371
Capital projects	758,915	-	1,714,233	2,473,148	1,983,145
Unrestricted	6,542,397	5,046,512	-	11,588,909	12,282,686
Total Net Position	45,667,606	9,594,968	4,411,823	59,674,397	55,143,966
Total Liabilities, Deferred Inflow of Resources and Net Position	$ 57,938,036	$ 11,680,680	$ 13,369,336	$ 82,988,052	$ 80,393,381

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

CITY OF SAN JUAN, TEXAS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds	2024 Enterprise Funds	2023 Enterprise Funds
Operating Revenues					
Water sales	$ 2,647,220	$ -	$ -	$ 2,647,220	$ 2,688,945
Sewer charges	3,139,493	-	-	3,139,493	3,167,958
Refuse fees	-	4,046,499	-	4,046,499	3,711,219
Other operating revenues					
Penalties	107,370	-	-	107,370	100,950
Tap fees	147,595	-	-	147,595	164,200
Connect/Reconnect fees	77,335	-	-	77,335	74,220
Other	-	339,357	-	339,357	284,860
Miscellaneous	158,102	21,201	-	179,303	339,873
Total Operating Revenues	6,277,115	4,407,057	-	10,684,172	10,532,225
Operating Expenses					
Personal expenses	2,058,359	1,550,696	-	3,609,055	3,057,127
Other services and charges	2,505,521	568,209	13,145	3,086,875	2,383,100
Supplies	898,824	582,407	-	1,481,231	1,498,615
Contractual services-Administrative	407,820	211,430	-	619,250	619,250
Contractual services-Operations	-	637,481	-	637,481	593,490
Total Operating Expenses	5,870,524	3,550,223	13,145	9,433,892	8,151,582
Operating Income (Loss) Before Depreciation	406,591	856,834	(13,145)	1,250,280	2,380,643
Depreciation	1,185,043	790,408	-	1,975,451	1,704,435
Operating Income (Loss)	(778,452)	66,426	(13,145)	(725,171)	676,208
Non-operating Revenues (Expenses)					
Interest income	317,355	43,131	497,952	858,438	685,857
Interest expense	-	(30,066)	(313,106)	(343,172)	(381,246)
Total non-operating revenues (expenses)	317,355	13,065	184,846	515,266	304,611
Excess of Revenues Over Expenditures Before Capital Grants and Transfers	(461,097)	79,491	171,701	(209,905)	980,819
Capital Grants and Transfers					
Capital Grants	2,727,708	-	42,339	2,770,047	4,296,160
Transfers In (Out)	(1,298,520)	1,543,636	1,725,173	1,970,289	125,152
Total Capital Grants and Transfers	1,429,188	1,543,636	1,767,512	4,740,336	4,421,312
Changes in Net Position	968,091	1,623,127	1,939,213	4,530,431	5,402,131
Net position, October 1	44,699,515	7,971,841	2,472,610	55,143,966	49,741,835
Net position, September 30	$ 45,667,606	$ 9,594,968	$ 4,411,823	$ 59,674,397	$55,143,966

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

CITY OF SAN JUAN, TEXAS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds	2024 Enterprise Funds	2023 Enterprise Funds
Cash flows provided (used) by operating activities:					
Receipts from customers	$ 5,801,320	$ 4,082,467	$ -	$ 9,883,787	$ 9,961,043
Receipts from others	323,599	398,996	-	722,595	408,486
Operating grants	-	-	-	-	-
Payment (to) from other funds	12	-	-	12	-
Payments to employees for services	(1,941,432)	(1,463,648)	-	(3,405,080)	(3,194,281)
Payments to suppliers for good and services	(3,960,970)	(1,925,484)	(13,145)	(5,899,599)	(4,971,865)
Net cash provided (used) by operating activities	222,529	1,092,331	(13,145)	1,301,715	2,203,383
Cash flow from non-capital financing activities					
Transfers in (out)	(1,298,520)	-	1,725,173	426,653	125,152
Cash flows provided (used) by capital and related financing activities					
Capital asset purchases	(2,967,142)	(1,609,113)	(103,009)	(4,679,264)	(6,041,489)
Long-term note recievable repayment	-	-	-	-	-
Retirement of long-term debt	(246,569)	(285,151)	(1,357,677)	(1,889,397)	(1,698,431)
Interest paid	-	(30,065)	(313,106)	(343,171)	(381,246)
Note/Bond/Bond premium proceeds	-	-	-	-	-
Capital grants	2,727,708	1,543,635	8,339	4,279,682	4,296,160
Net cash provided (used) by capital and related financial activities	(486,003)	(380,694)	(1,765,453)	(2,632,150)	(3,825,006)
Cash flow provided (used) by investing activities:					
Proceeds from sale & maturities of securities	317,355	43,131	497,952	858,438	685,856
Lawsuit Settlement	-	-	-	-	-
Net cash provided (used) by investment activities	317,355	43,131	497,952	858,438	685,856
Net increase (decrease) in cash and cash equivalents	(1,244,639)	754,768	444,527	(45,344)	(810,615)
Cash and cash equivalents, October 1	7,552,714	1,893,302	10,317,191	19,763,207	20,573,822
Cash and cash equivalents, September 30	$ 6,308,075	$ 2,648,070	$ 10,761,718	$ 19,717,863	$ 19,763,207

CITY OF SAN JUAN, TEXAS
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds	2024 Enterprise Funds	2023 Enterprise Funds
Reconciliation of operating loss to net cash provided by (used) in operating activities:					
Operating Income (Loss)	$ (778,452)	$ 66,426	$ (13,145)	$ (725,171)	$ 676,208
Adjustments to reconcile net income to net cash from operating activities:					
Depreciation expense	1,185,043	790,408	-	1,975,451	1,704,435
(Increase) Decrease in accounts receivable	238	(26,382)	-	(26,144)	(414,627)
(Increase) Decrease in due from other funds	-	-	-	-	-
(Increase) Decrease in due from others	(166,803)	38,438	-	(128,365)	(39,550)
(Increase) Decrease in inventory	-	(2,661)	-	(2,661)	(7,916)
(Increase) Decrease in other assets	(42,551)	(31,285)		(73,836)	647,613
(Increase) Decrease in deferred outflow of resources	342,048	259,547	-	601,595	(630,404)
Increase (Decrease) in accounts payable	(40,642)	10,904	-	(29,738)	102,671
Increase (Decrease) in wages payable	10,027	15,944	-	25,971	18,796
Increase (Decrease) in other liabilities	(108,163)	49,856	-	(58,307)	135,999
Increase (Decrease) in customer deposits	14,369	62,350	-	76,719	82,547
Increase (Decrease) in due to other funds	12	-	-	12	-
Increase (Decrease) in compensated absences	(144,445)	(93,067)	-	(237,512)	152,449
Increase (Decrease) in deferred inflow of resources	(48,152)	(48,147)	-	(96,299)	(224,838)
Net cash provided (used) by operating activities	$ 222,529	$ 1,092,331	$ (13,145)	$ 1,301,715	$ 2,203,383

	Utility Fund	Solid Waste Fund	Nonmajor Enterprise Funds	2024 Enterprise Funds	2023 Enterprise Funds
Reconciliation of total cash and cash investments:					
Cash and cash equivalents	$ -	$ 1,822,336	$ 173,597	$ 1,995,933	$ 2,766,920
Investments	5,549,160	825,734	804,906	7,179,800	6,835,481
Restricted cash and investments	758,915	-	9,783,215	10,542,130	10,160,806
Total cash and cash equivalents	$ 6,308,075	$ 2,648,070	$ 10,761,718	$ 19,717,863	$ 19,763,207

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

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FIDUCIARY FUNDS

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CITY OF SAN JUAN, TEXAS
FIDUCIARY FUND
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024 AND 2023

	2024	2023
ASSETS		
Cash and cash equivalents	$ 3,092	$ 2,851
Due from other funds	12	169
Total Assets	$ 3,104	$ 3,020
LIABILITIES AND NET POSITION		
LIABILITIES		
Wages Payable	$ 1,942	$ 2,112
Due from other funds	1,162	908
	3,104	3,020
NET POSITION		
Unrestricted	-	-
Total Liabilities and Net Position	$ 3,104	$ 3,020

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NOTES TO FINANCIAL STATEMENTS

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NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. General Statement

The City of San Juan, Texas (the "City") was incorporated on December 29, 1917, under Article XI, Section 5 of the Constitution of the State of Texas. The City operates under a City Commission-Manager form of government and provides the following services as authorized by its charter. The services include public safety (police and fire), public works, health, and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities (water and sewer services and solid waste collection).

On April 5, 1975, the voters officially adopted the Home Rule Act, which conferred the City the powers of Title 22, Revised Civil Statues of Texas, 1911, Chapter 13 Title 28, AN 1175 Revised Civil Statues of Texas, 1925, and Section 4, Chapter 147, Acts of the 33rd Legislative, General Laws Regular Session.

The accounting and reporting policies of the City San Juan, Texas as reflected in the accompanying financial statements conform to generally accepted accounting principles (GAAP) in the United States of America applicable to state and local 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 more significant accounting and reporting policies and reported practices used by the City.

2. Financial Reporting Entity

The accompanying financial statements present the reporting entity, which consists of the primary government. Financial reporting standards also require the City of San Juan, Texas to include, if any, legally-separate entities or organizations for which the primary government is financially accountable and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion could cause the City's basic financial statements to be misleading or incomplete.

Financial accountability exists if a primary government appoints a voting majority of an organization's governing Board and either is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing Board, a governing Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the primary government.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City of San Juan, Texas, and its component units, entities for which the City is considered to be financial accountable. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

NOTE A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Blended component units – Blended component units, although legally separate entities, are in substance part of the government's operations and so data from these units are combined with data of the primary government. Blended presented component units include the following:

- The San Juan Economic Development Corporation (the "Corporation") was incorporated on May 31,1996, under the Development Corporation Act of 1979, of the State of Texas. The Corporation operates as a component unit of the City of San Juan, Texas. The Corporation's specific public purpose is to promote economic development and encourage employment for the public welfare on behalf of the City by developing, implementing, providing, and financing projects under the Act as defined in Section 4B of the Act. The Corporation's primary source of revenues is sales tax revenues generated by the City of San Juan, Texas. There were no significant adjustments needed to convert the fund statements of the Corporation to compliance with GASB 34 requirements.

A copy of the component units' financial statements can be obtained by contacting the Office of the City Secretary at City Hall, 512 S. Nebraska Street, San Juan, Texas 78589.

Government Accounting Standards Board has issued the following pronouncements, which are relevant to the City, and have been implemented in prior years:

GASB Statement No 60, *Accounting and Financial Reporting For Service Concession Arrangements*

GASB Statement No 61, *The Financial Reporting Entity: Omnibus* – An Amendment of GASB Statements No. 14 and No. 34

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB AICPA Pronouncements*

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*

GASB Statement No 65, *Items Previously Reported as Assets and Liabilities*

GASB Statement No. 68, *Accounting and Financial Reporting for Pension Plans – An Amendment of GASB Statement No. 27*

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*

GASB Statement No. 70, Accounting *and Financial Reporting for Non-Exchange Financial Guarantees*

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*

GASB Statement No. 87, *Leases*

GASB Statement No. 98, *The Annual Comprehensive Financial Report*

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements:* This statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15,2022. The implementation of GASB Statement No. 96 didn't have a material impact on the financial statements.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Future accounting standards possibly applicable to the City of San Juan, Texas that have been issued by the Governmental Accounting Standards Board are:

GASB Statement No. 99, *Omnibus 2022*

GASB Statement No. 100, *Accounting Changes and Error Corrections*

GASB Statement No. 101, *Compensated Absences*

3. Use of Estimates
The preparation of financial statements in conformity with U.S. generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements –

The Government-Wide Financial Statements (the Statement of Net Position and the Statement of Activities) report information on all the activities of the City. Generally, the effect of inter-fund activity, within the governmental and business-type activities columns, has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *Business-type activities*, which rely on a significant extent on fees and charges for support.

The statement of activities reflects the extent to which direct expenses of each function are offset by program revenues. *Direct expen*ses are those that are attributable to a specific function and are clearly identifiable. *Program revenues* include charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a specific function as well as grants and contributions that are restricted to meeting the operational or capital requirements of a specific function. Taxes and other items not appropriately included with program revenues are shown as general revenues.

In addition to and apart from the government-wide financial statements, fund financial statements are presented for governmental funds, proprietary funds, and fiduciary funds. In each of these financial statements, major funds are presented in separate columns.

Fund Financial Statements –

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental, proprietary, and fiduciary activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental Funds **–**

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fund –

General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other funds are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund –

Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is reserved to signify the amounts that are restricted exclusively for debt service expenditures.

Non-major Governmental Funds:

Capital Project Funds –

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Special Revenue Funds –

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to finance specific activities.

Proprietary Funds –

Proprietary Funds are accounted for using the economic resources measurements focus and the accrual basis of accounting. The accounting objectives are determination of net income, financial position, and cash flow. All assets and liabilities are included on the Statement of Net Position. The City has presented the following major proprietary funds:

Utility Fund –

Utility Fund is used to account for the provision of water and sewer service to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Solid Waste Fund –

Solid Waste Fund is used to account for the provision of garbage and brush pick-up service to the residents of the City. Activities of the fund include administration, operations and maintenance of the garbage and brush pick-up and billing and collection activities. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Utility Debt Service Fund –

The fund accounts for the accumulation of resources from the Utility Fund for the payment of long-term debt principal and interest for water and wastewater debt.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

5. Measurement Focus/Basis of Accounting and Financial Statement Presentation

The government-wide statements and fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, consistent with the presentation of the proprietary fund and fiduciary fund financial statements, with the exception that custodial funds that use the *economic resources measurement focus*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, without regard to the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurements focus* and are accounted for using the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period, except for property taxes, which is 60 days required by GAAP. However, debt service expenditures, as well as those related to compensated absences and claims, and judgments are recognized only when payment is made.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The City considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the City to refund all or part of the unused amount.

NOTE A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Stewardship, Compliance and Accountability

6. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except for certain major and non-major special revenue funds, which adopt project-length budgets. Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds, as well as for the water and sewer funds.

Unused appropriations for the annual budgeted funds lapse at the end of the year. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

On or before the end of June of each year, all agencies of the City submit requests for appropriation to the city secretary so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates and requested appropriations by fund function, and activity for the next fiscal year.

Before October 1, the proposed budget is presented to the City Commission for review. The City Commissioners hold a public hearing and may add to, subtract from, or change appropriations by fund, function and activity but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Secretary or the revenue estimates must be changed by an affirmative vote of a majority of the City Commissioners.

The City Manager is authorized to transfer budgeted amounts within a department within any fund; however, any revisions that alter the overall fund total of appropriated expenditures of any fund must be approved by the City Commission.

Expenditures Over-Appropriations

For the fiscal year ended September 30, 2024, expenditures in the General Fund exceeded budgeted appropriations in three (3) expenditure categories.

General fund expenditures exceeded appropriations by the indicated amounts in the following categories, which are budgeted in conformity with accounting principles generally accepted in the United States of America.

	Expenditures (Over) Appropriations
Culture & Recreation (Page 72)	$ (21,039)
Capital Outlay (Page 72)	(1,263,563)
Debt Service - Principal (Page 72)	(178,999)

These expenditures over appropriations are the result of underestimating actual expenditures for the year. Revenue sufficient to provide for the excess was made available through the use of excess actual revenues over budgeted revenues.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Encumbrances

Encumbrance accounting, under which purchase orders for the future expenditure of monies are recorded in order to reserve the portion of the applicable budget appropriations, is not used by the City of San Juan, Texas, except for an appropriation for a capital expenditure, but shall be deemed abandoned if three years pass without disbursement from an encumbrance of the appropriation.

8. Assets, Liabilities and Equity

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, the proprietary fund type considers cash and cash equivalents to include all highly liquid investments with maturity of three months or less when purchased.

Investments

In accordance with provisions of GASB Statement No. 31, “Accounting and Financial Reporting for Certain Investments and External Investment Pools,” investments are reported at fair value, which is determined by market value. Certificates of deposits are reported at carrying amount which reasonably estimates fair value.

b. Credit Risks

Custodial Credit Risk

Deposits and Certificates of Deposits

Custodial credit risk refers to the risk that in the event of a bank failure, the City’s deposits may not be returned to it.

In accordance with the City’s fiscal policy as approved by the Board, the City maintains demand and time deposits under the terms of the depository agreement. The local depository banks are members of the Federal Reserve System.

In no time during the fiscal year did the City’s deposits go over the Federal Deposit Insurance Corporation (FDCI) insurance of $250,000 and the pledged securities at the local depository bank.

Interest Rate Risk

The City’s investment policy limits investment maturities to no more than two years from the date of purchase.

Concentration of Credit Risk

The City’s policy limits the deposits in any one-bank institution to their extent of FDIC coverage, and where applicable with bank depository agreements, but it is silent in the concentration of balances in the various types of accounts.

Fair Values of Financial Instruments

The following methods of assumptions were used by the City in estimating its fair value disclosures for financial instruments:

- Cash, cash equivalents, short-term investments, and promises to give are due in less than one year. The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State statutes authorize the City to invest in the obligations of the United States of America, State of Texas, obligations of states, agencies, counties, cities, and any other political subdivisions of any state having a rating no less than A or its equivalent by a nationally recognized investment rating firm, certificates of deposit issued by state and national banks guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) and/or further collateralized by additional pledged securities above the FDIC limits, and fully collateralized direct repurchased agreements.

c. Property Tax

The State of Texas Constitution limits the City's ad valorem tax rate for all purposes to $2.50 per one hundred dollars of assessed valuation. Ad valorem tax revenue during the year ended September 30, 2024, was levied using a rate of $.6765 per one hundred dollars of assessed valuation based on 100 percent of estimated market value.

Legislation has been passed by the Texas Legislature which affects the methods of property appraisal in the City. This legislation, with certain exceptions, exempts intangible personal property, household goods, and family-owned automobiles (unless specifically authorized by resolution of the governing body) from taxation. In addition, this legislation creates a "Property Tax Code" and provides, among other things, for the establishment of county appraisal districts and for a state property board.

The appraisal of property within the city is the responsibility of the Hidalgo County Tax Appraisal District.

The Appraisal District is required under the Property Tax Code to appraise all property within the county on the basis of 100 percent of its market value. The value of real property within the Appraisal District must be reviewed every five years; however, the City may, at its own expense, require annual reviews of appraised values. The city may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action.

Under this legislation, the City continues to set tax rates on city property. However, if the effective tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements, exceeds the rate of the previous year by more than 8 percent, qualified voters of the city may petition for an election to determine whether to limit the tax rate to no more than 8 percent above the effective tax rate.

The city bills and collects its own property taxes through a contractual agreement with the County of Hidalgo. Collections of the city taxes and remittance of them are accounted for in the County of Hidalgo Tax Collection Agency Fund. City property tax revenues are recognized when levied to the extent that they result in current receivables. January 1 is the assessment date. March 31 is the end of the rendition period for the Appraisal District.

By September 30, the City adopts the tax rate. On October 1 taxes are levied and payable by January 31. Property taxes attach as an enforceable lien on property as of January 1. Uncollected taxes are placed in the hands of the attorney for legal action on February 1, following year of assessment.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property tax is levied each October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the City Council. Appraised values are established by the Appraisal Board of Review at 100% for estimated fair market value.

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax liens are automatic on January 1 each year. The tax lien is part of a lawsuit for property that can be filed any time after taxes become delinquent (February 1). The City usually waits until after July 1 to file suits on real estate property. As of July 1, 15% collection costs may be added to all delinquent accounts. Current tax collections for the year ended September 30, 2024, were 95.06% of the current tax levy.

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

The City charter of the City of San Juan, Texas, does not provide for a debt limit, therefore, no computation can be made. However, at September 30, 2024, the City had a tax margin of $1.8235 for every $100 valuation based upon a maximum ad valorem tax of $2.50 for every $100 valuation imposed by Texas Constitutional law.

d. Prepaid Items and Inventories

Prepaid balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and the prepaid items have been recorded as un-spendable to signify that a portion of fund balance is not available for other subsequent expenditures.

e. Inventories

The inventories in the Governmental Funds and Proprietary Funds consist of supplies and are recorded at the lower of weighted average cost or market.

f. Inter-fund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as “Internal balances.”

g. Transactions Between Funds

Legally authorized transfers are treated as inter-fund transfers and are included in the results of operations of both Governmental and Proprietary Funds. The City allocates to the Proprietary Funds an indirect cost percentage of information technology services, salaries, and related costs of personnel who perform administrative services for those funds but are paid through the General Fund along with other indirect costs deemed necessary for their operations. During the year ended September 30, 2024, the City allocated $407,820 from the Utility Fund and $211,430 from the Solid Waste Fund.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets, because their use is limited by applicable bond covenants or City Ordinance. Funds restricted include amounts set aside to subsidize potential deficiencies from the enterprise funds operations that could adversely affect debt service payments, amounts set aside from the proceeds of revenue bond issuances that are required for payment of construction, amounts set aside for debt service payments over the succeeding twelve months, amounts set aside for unexpected contingencies or to fund asset replacements, as well as amounts set aside from customer's deposits.

Restricted assets at September 30, 2023, were as follows:

	2024	2023
Trust - PEG Fund	$ 65,371	$ 65,371
Cash in Bank - Escrow	8,008,417	10,160,806
Debt Service - Component Unit	60,336	56,230
Total Restricted Assets	$ 8,134,124	$ 10,282,407

In accordance with Texas Water Code, Chapter 16, Section 16.356, the City did not use any revenue received from fees collected from a water supply or sewer service constructed in whole or in part from funds from the economically distressed areas program account for purposes other than utility purposes.

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available.

Donated assets are valued at acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant, and equipment.

Assets capitalized, not including infrastructure assets, have an original cost of $5,000 or more and over one year of useful life. Infrastructure assets are capitalized and have an original cost of $5,000 or more.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20-50 years
Water and Wastewater System	30-50 years
Infrastructure	20-35 years
Machinery and Equipment	5 –10 years
Improvements	20 years

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. Compensated Absences

Vacation

Full-time employees shall be eligible to use vacation leave with pay after one (1) year of service with the City. 0-5 years: Eight (8) hours or one (1) day per month Maximum accumulation is ninety-six (96) hours. 5-10 years: Ten (10) hours or one (1) day per month Maximum accumulation is one hundred twenty (120) hours. 10 years or More: Twelve (12) hours per month. Maximum accumulation is one hundred forty-four (144) hours. Leave accumulated over maximum during the year will not be lost until the end of the calendar year.

Sick Leave

Full-time employees shall accrue 96 hours of sick leave per year, accrued at a rate of eight (8) hours per month and may accrue up to ninety-six (96) hours. Sick leave shall accumulate during the first full year of full-time employment but may not be granted use during the first six (6) month period only at the discretion of the department director.

If an employee resigns with at least 2 weeks notice and works the remaining 2 weeks, they will be paid for unpaid vacation and sick time that has accrued through the last day of work. If an employee leaves for any reason during the first year, no payment will be made for accrued sick leave.

At September 30, 2024, the liability for accrued vacation leave and accrued sick leave is approximately $1,473,789. The amount applicable to the Proprietary Funds of $240,299 has been recorded in the Proprietary Funds. The amount applicable to the General Fund Long-Term Debt has been recorded in the Long-Term Debt as $1,233,490.

k. Nature and Purpose of Reservations and Designation of Fund Equity

The fund equity reserves for revenue bonds retirement and construction. Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

The “revenue bond construction” account is used to report those proceeds of revenue bond issuances that are restricted for use in construction. The “revenue bond current debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months. The “revenue bond future debt service’ account is used to report resources set aside to make potential future deficiencies in the revenue bond current debt service account. The fund equity designation for subsequent years’ expenditures primarily represents capital outlays.

Fund balance, reported in governmental funds, which has some level of constraint placed on it, is classified as non-spendable, restricted, committed, or assigned. The amount remaining, which can be spent for any lawful purpose is classified as unassigned. Amounts classified as restricted have constraints placed on the use by law, regulations of other governments, creditors, grantors or be enabling legislation.

Those classified as committed are constrained by the City Commission through an ordinance for specific purposes but are neither restricted nor committed. Reversing a commitment would require City Commission approval through an ordinance. Non-spendable are amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

l. Net Position

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

m. Implementation of New Accounting Principles

The City elected to utilize the infrastructure transition option in the implementation of GASB Statement No. 34 (GASB 34), “Basic Financial Statements-Management’s Discussion and Analysis-for State and Local Governments” and in fiscal year 2010 capitalized its major infrastructure networks; street, drainage, and parks. It is using in the absence of actual cost information, weighted average age calculation for estimating the historical cost of these infrastructure networks.

n. Reclassification

Certain items in the prior year have been reclassified to conform to current year classifications. Such reclassifications had no effect on previously reported net income.

As a result of implementing the infrastructure transition provision of GASB 34, net assets at October 1, 2023, is reconciled as follows:

	Governmental Activities
Net Assets, October 1, 2023	
as previously reported	$ 22,933,055
Deferred Revenue - Tax	1,314,445
Deferred Outflow - Pension	(104,219)
Capital Fixed Assets	81,717,143
Estimated Depreciation	(27,652,255)
Long-Term Debt	(41,593,162)
Long-Term Debt - Pension	-
Prior Period Reclassification	-
Net Assets, October 1, 2023	$ 36,615,007

NOTE B. BUDGET BASIS OF ACCOUNTING

The City of San Juan, Texas prepares its annual budget on a basis (budget basis), which differs from generally accepted accounting principles (GAAP basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Statements of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual-General Fund to provide a meaningful comparison of actual results with the budget.

The major differences between budget and GAAP basis in the General Fund are that total property taxes collected are recognized as revenues (budget) as opposed to recognizing the current year levy as revenues (GAAP).

Adjustments necessary to convert the General Fund's excess of revenues and other sources over expenditure and other uses on the budget basis to a GAAP basis are provided below:

	General Fund
Excess of revenues and other uses over expenditures and other sources-budget basis	$ (1,597,419)
Accrued Interest	2,507
Net of Capital Fixed Assets	1,811,990
Net of Long-Term Debt	628,292
Current Year Levy in Excess of Collection	183,026
Excess of revenues and other sources over expenditures and other uses-GAAP Basic	$ 1,028,396

NOTE C. CASH AND CASH INVESTMENTS

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

Deposit and Credit Risks
Custodial Credit Risk
Custodial credit risk refers to the risk that in the event of a bank failure, the City's deposits may not be returned to them.

It is the City's policy, as well as a requirement in its depository agreement, for deposits plus accrued interest thereon to be 110% secured by collateral valued at fair value, less the amount of the Federal Deposit Insurance Corporation insurance. The City's deposits, including certificates of deposit, were fully insured, or collateralized as required by the state statues at September 30, 2024. At year-end, the City's carrying amount was $5,432,968 and the respective bank balance totaled $3,200,160. Deposits in financial institutions are carried at cost plus accrued interest. At September 30, 2024, checking as well as time and savings deposits are summarized as follows:

	Bank Balance	Carrying Value
Lone Star National Bank	$ 3,200,160	$ 2,365,774
Total	$ 3,200,160	$ 2,365,774

NOTE C. CASH AND CASH INVESTMENTS (CONTINUED)

At September 30, 2024, the insurance and collateral pledges are summarized as follows:

Financial Instuition	FDIC Coverage	Securities Pledged	Cash on Deposit	(Deficiency) In Depository Security
Lone Star National Bank	$ 250,000	$ 5,432,968	$ 3,200,160	$ 2,482,808
Total	$ 250,000	$ 5,432,968	$ 3,200,160	$ 2,482,808

At September 30, 2024, the City is covered under the City of San Juan, Texas' FDIC coverage and securities pledged.

As of September 30, 2024, the City of San Juan, Texas had the following investments:

Investment Type	Fair Value
Certificates of Deposit	$ -
TexPool Investments	8,345
TexStar Investments	22,147,250
Lone Star Investments	2,028,706
Total	$ 24,184,301

NOTE D. PROPERTY TAX

A summary of all activity regarding delinquent taxes for the year ended September 30, 2024, is as follows:

	2024
Delinquent Taxes Receivable, October 1, 2023	$ 1,391,603
Tax Levy 2023	11,550,566
Less: Collections and Tax Roll Adjustments	(11,353,589)
Net Delinquent Taxes Receivable, September 30, 2024	$ 1,588,580

The addition to the tax levy for the year ended September 30, 2024 consisted of the following:

Taxable Value of Real and Tangible Property and Improvements	$ 1,561,214,504
Tax Rate per $100 of Valuation	0.6765%
Subtotal	10,561,616
2023 Tax Ceilings (Tax Freeze) Adjusted Levy	988,950
Total Tax Levy 2023	$ 11,550,566

Allowances for uncollectible tax receivables within the General Fund and the Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

CITY OF SAN JUAN, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE E. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund balances at September 30, 2024, consisted of the following individual fund receivables and payables:

	Receivable	Payable
General Fund		
Payroll Fund	$ -	$ -
Debt Service Fund		
Economic Development Corporation	-	-
Capital Projects Fund (2020 CO Bond)		
Economic Development Corporation	-	1,137,538
Utility Fund	-	1,153,051
Sanitation Fund	-	568,769
Total General Fund	-	2,859,358
Economic Development Corporation		
General Fund	-	-
Debt Service Fund	-	-
Capital Projects Fund (2020 CO Bond)	1,137,538	-
Total Economic Development Corporation	1,137,538	-
Utility Fund		
Capital Projects Fund (2020 CO Bond)	1,153,051	-
Sanitation Fund		
Capital Projects Fund (2020 CO Bond)	568,769	-
Total Enterprise Funds	1,721,820	-
Total Funds	$ 2,859,358	$ 2,859,358

NOTE F. **CAPITAL ASSETS**

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

	Balance @ 9/30/2023	Additions	Retirements	Balance @ 9/30/2024
Governmental Activities:				
Capital assets, not depreciated:				
Land	$ 1,721,760	$ 299,600	$ -	$ 2,021,360
Construction-in-Progress	13,745,406	7,969,014	1,258,878	20,455,542
Total Non-Depreciable	15,467,166	8,268,614	1,258,878	22,476,902
Capital assets, being depreciated:				
Buildings	6,434,502	307,936	-	6,742,438
Machinery & Equipment	6,944,354	730,430	9,244	7,665,540
Vehicles	7,753,043	848,754	106,957	8,494,840
Improvements other than Buildings	4,284,232	49,138	-	4,333,370
Infrastructure	40,833,846	952,542	-	41,786,388
Total Depreciable Assets	66,249,977	2,888,800	116,201	69,022,576
Less: Accumulated depreciation for:				
Buildings	2,059,734	141,649	-	2,201,383
Machinery & Equipment	3,415,766	631,091	8,932	4,037,925
Vehicles	3,327,525	528,132	15,216	3,840,441
Improvements other than Buildings	2,186,253	153,106	-	2,339,359
Infrastructure	16,662,977	1,067,495	-	17,730,472
Total Accumulated Depreciation	27,652,255	2,521,473	24,148	30,149,580
Total Capital assets, being depreciation, Net	38,597,722	367,327	92,053	38,872,996
Total Governmental Activities Capital Assets, Net	$ 54,064,888	$ 8,635,941	$ 1,350,931	$ 61,349,898

Depreciation is provided in the funds in amounts sufficient to allocate the cost of the depreciable assets to operations over their estimated service lives on the straight-line basis. The service life by type of assets are noted in Note A.

Depreciation was charged to government functions as follows:

	2024
General Government	$ 635,971
Public Safety	1,285,984
Public Works	254,789
Culture and Recreation	331,026
Economic Development	13,703
Total Depreciation-Governmental Activities	$ 2,521,473

NOTE F. CAPITAL ASSETS (CONTINUED)

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

	Balance @ 9/30/2023	Additions	Retirements	Balance @ 9/30/2024
Business-Type Activities:				
Capital assets, not depreciated:				
Land	$ 344,215	$ -	$ -	$ 344,215
Construction-in-Progress	15,203,522	2,848,267	529,285	17,522,504
Total Non-Depreciable	15,547,737	2,848,267	529,285	17,866,719
Capital assets, being depreciated:				
Buildings	260,278	-	-	260,278
Machinery & Equipment	3,826,350	1,084,009	3,559	4,906,800
Vehicles	7,357,965	1,130,936	52,849	8,436,052
Improvements other than Buildings	8,575,047	82,135	-	8,657,182
Infrastructure	36,750,141	422,842	-	37,172,983
Total Depreciable Assets	56,769,781	2,719,922	56,408	59,433,295
Less: Accumulated depreciation for:				
Buildings	144,257	9,949	-	154,206
Machinery & Equipment	2,000,502	332,777	3,559	2,329,720
Vehicles	3,298,869	671,473	-	3,970,342
Improvements other than Buildings	2,228,750	195,420	-	2,424,170
Infrastructure	11,133,810	765,832	-	11,899,642
Total Accumulated Depreciation	18,806,188	1,975,451	3,559	20,778,080
Total Capital assets, being depreciation, Net	37,963,593	744,471	52,849	38,655,215
Total Business-Type Activities Capital Assets, Net	$ 53,511,330	$ 3,592,738	$ 582,134	$ 56,521,934

Depreciation and amortization was charged to business-type activity functions as follows:

	2024
Water	$ 283,405
Sewer	901,638
Solid Waste	790,408
Total Depreciation-Business-Type Activities	$ 1,975,451

NOTE G. LONG-TERM DEBT

Long-Term Debt as of September 30, 2024, is as follows:

Governmental Activities Long-Term Debt	2024	2023
Bonds Payable		
\$3,920,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2015, due in annual installments of \$125,000 to \$300,000 through February 15, 2024; Interest rate at 4.25%	\$ 3,530,000	\$ 3,725,000
\$3,800,000 General Obligation Refunding Bonds, Series 2015, due annual install -ments of \$340,000 to \$590,000 through February 15, 2024; Interest rate from 2.00% to 3.50%	-	440,000
\$3,985,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2017, due in annual installments of \$125,000 to \$335,000 through February 15, 2022; Interest rates from 3% to 4%	2,695,000	2,900,000
\$3,950,000 General Obligation Refunding Bonds, Series 2016, due annual install- -ments of \$175,000 to \$365,000 through February 15, 2032; Interest rate from 3.00% to 4.00%	2,555,000	2,760,000
\$3,020,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation Series 2018, due in annual installment of \$60,000 to \$250,000, through February 15, 2048, interest rate of 4.00%.	2,720,000	2,780,000
\$1,820,000 General Obligation Refunding Bonds, Series 2020, due annual installments of \$135,000 to \$250,000 through February 15, 2030; Interest rate from 4.00% to 5.00%	890,000	1,140,000
\$2,070,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2020, due in annual installments of \$80,000 to \$125,000 through February 15, 2040; Interest rates from 1% to 4%	1,745,000	1,830,000
\$1,155,000 Tax Note, Series 2020, due in annual installments of \$40,000 to \$315,000 through February 15, 2028; interest rate from 4.0% to 5.0%.	910,000	985,000
\$8,205,000 Combination Tax & Limited Pledge Revenue Cerificates of Obligation, Series 2021, due on annual installments of \$170,000 to \$950,000 through February 15, 2041; interest rates from 2% to 5%.	7,730,000	7,885,000
\$577,000 Texas Public Property Finance Contractual Obligation, Series 2022, due on annual installments of \$47,000 to \$65,000 through Febraury 15, 2032; interest rate at 2.480%.	477,000	530,000
\$8,935,000 Combination Tax & Limited Pledge Revenue Cerificates of Obligation, Series 2023, due on annual installments of \$275,000 to \$660,000 through Febraury 15, 2043; interest rates from 2% to 5%.	8,495,000	8,935,000
Total Governmental Bonds	31,747,000	33,910,000

NOTE G. LONG-TERM DEBT (CONTINUED)

Long-Term Debt as of September 30, 2024, is as follows:

	2024	2023
Governmental Activities Long-Term Debt		
Note Payable		
$2,200,000 General Fund Note Payable due to the Solid Waste Fund in annual installments of $73,333 through December 31, 2047	$ 2,053,333	$ 2,053,333
Capital Leases		
$470,465 Capital Lease Agreement on October 27, 2018 for the purchase of a 2016 E-One Typhoon Fire Truck payable to US Bank due in annual installments of $54,900 through October 1, 2028; interest rate at 2.91%	203,123	252,072
$449,500 Capital Lease Agreement on March 26, 2018 for the purchase of a Light Structure Foundation-to-Pole System payable to Musco Finance due in annual installments of $58,393 throught March 26, 2028; interest of 4.95%.	206,752	252,365
$90,540 Capital Lease Agreement on October 21, 2020 for the purchase of bunker gear payable to Community First National Bank due in annual installments of $20,078 throught October 1, 2025; interest of 4.95%.	19,391	38,117
$1,208,868 Capital Lease Agreement on March 2023 for the purchase of 28 vehicles payable to Enterprise Finance due in monthy installments from $735 to $1,527 through August 31, 2028; interest of 1.50%.	573,349	968,351
Total Governmental Long-term Debt	$ 34,802,948	$ 37,474,238
Economic Development Corporation Bonds Payable		
$1,795,000 General Obligation Refunding Bonds, Series 2016, due in annual installments of $85,000 to $165,000 through February 15, 2032; Interest rate from 3.00% to 4.00%	1,125,000	1,225,000
$3,090,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2018, due in annual installment of $60,000 to $250,000, through February 15, 2048, interest rate of 4.00%.	605,000	685,000
$1,100,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2020, due in annual installment of $40,000 to $65,000 through February 15, 2040; Interest rates from 1.00% to 4.00%	925,000	970,000
Total Economic Development Corporation Bonds	$ 2,655,000	$ 2,880,000
Business-Type Activities Long-Term Debt		
Solid Waste Fund		
$285,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation Series 2015, due in annual installments of $45,000 to $50,000 through February 15, 2022; Interest rate at 2.00%	$ -	$ -
$695,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2017, due in annual installments of $35,000 to $110,000 through February 15, 2027; Interest rate from 3.00% to 4.00%	315,000	410,000
$550,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2020, due in annual installments of $20,000 to $35,000 through February 15, 2040; Interest rate from 1.00% to 4.00%	470,000	490,000
Total Solid Waste Bonds Payable	$ 785,000	$ 900,000

NOTE G. LONG-TERM DEBT (CONTINUED)

Long-Term Debt as of September 30, 2024, is as follows:

Business-Type Activities Long-Term Debt Utility Fund	2024	2023
$6,170,000 Combination Tax & Revenue Certificates of Obligation, Series 2013, due in annual installments of $90,000 to $410,000 through February 15, 2033; Interest rate from 0.13% to 2.48%	$ 3,385,000	$ 3,725,000
$2,586,308 TWDB Loan Forgiveness Funds, no repayment due upon completion and fulfillment of loan stipulations	-	-
$1,400,000 Waterworks and Sewer System Revenue Bonds, Series 2013B, due in annual installments of $65,000 to $95,000 through January 1, 2033; Interest rate from 0.00% to 3.57%	735,000	805,000
$600,000 TWDB Loan Forgiveness Funds, no repayment due upon completion and fulfillment of loan stipulations	-	-
$2,240,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2014, due in annual installments of $90,000 to $410,000 through February 15, 2034; Interest rate from 2.0% to 4.0%	1,335,000	1,440,000
$135,000 EDAP Waterworks and Sewer System Revenue Bonds, Series 2014, due in annual installments of $10,000 to $15,000 through January 1, 2024; Interest rate from 1.03% to 3.05%	-	15,000
$135,000 TWDB Loan Forgiveness Funds, no repayment due upon completion and fulfillment of loan stipulations	18,019	18,019
$730,000 General Obligation Refunding Bonds, Series 2015, due in annual installments of $65,000 to $90,000 through February 15, 2025; Interest rate from 2.00% to 3.50%	90,000	175,000
$1,440,000 General Obligation Refunding Bonds, Series 2016, due in annual installments of $125,000 to $225,000 through February 15, 2025; Interest rate at 3.00%	225,000	425,000
$2,285,000 Waterworks and Sewer System Revenue Bonds, Series 2017, due in annual installments of $65,000 to $100,000 through January 1, 2047; Interest rate from 0.00% to 3.57%	1,890,000	1,960,000
$1,100,000 Tax Notes, Series 2020, due in annual installments of $40,000 to $410,000 through February 15, 2027; Interest rate from 4.0% to 5.0%	860,000	925,000
$1,270,000 Waterworks and Sewer System Revenue Bonds, Series 2018, due in annual installments of $65,000 to $100,000 through January 1, 2047; Interest rate from 0.00% to 3.56%	1060000	1,095,000
$1,115,000 Combination Tax & Limited Pledge Revenue Certificates of Obligation, Series 2020, due in annual installments of $75,000 to $95,000 through February 15, 2040; Interest rate from 1.0% to 4.0%	1,115,000	1,115,000
Total Utility Fund	$ 10,713,019	$ 11,698,019

NOTE G. LONG-TERM DEBT (CONTINUED)

Long-Term Debt as of September 30, 2024, is as follows:

		2024		2023
Business-Type Activities Long-Term Debt				
Other Enterprise Funds				
$6,645,000 Waterwork and Sewer System Revenue Bonds; Series 2019 due in annual installments of $200,000 to $260,000 through January 1, 2049, Interest rates from 0.01% to 1.43%.	$	5,655,000	$	5,855,000
$2,562,000 TWDB Loan Forgiveness Funds, no repayment due upon completion and fulfillment of loan stipulations		1,743,777		1,777,777
$1,715,000 Waterworks and Sewer System Revenue Bonds, Series 2019A, due in annual installments of $50,000 to $70,000 through January 1, 2049; Interest rates from 0.01% to 1.43%.		1,465,000		1,515,000
$498,000 TWDB Loan Forgiveness Funds, no repayment due upon completion of fulfillment of loan stipulations		22,002		30,341
Total Other Enterprise Funds Bonds	$	8,885,779	$	9,178,118
Leases				
Utility Fund $42,305 Lease Agreement on February 16, 2023 for the purchase of a 2023 Chevrolet Silverado 1500 payable in 48 monthly payments of $902; through February 28, 2027; Interest rate of 1.5%.	$	24,585	$	42,305
Solid Waste Fund $1,072,760 Lease Agreement on February 15, 2019 for the purchase of miscellaneous equipment/vehicles payable to US Bancorp Government, due in annual installments of $173,941 through February 15, 2026; Interest rate of 3.27%.		331,528		489,464
Total Leases	$	356,113	$	531,769
Total Business-Type Activities Long-Term Debt	$	20,739,911	$	21,212,906

In accordance with Texas Water Development Board covenant requirements:

- The City of San Juan has contributed to a reserve fund. At September 30, 2024, the City reserved $814,019. Total reserve requirement for these bonds is $746,209.
- The City of San Juan has contributed to an interest and sinking fund. At September 30, 2024, the City contributed a total of $164,484. At September 30, 2024, the total interest and sinking requirements for these bonds are $137,479. The City has met the requirements in the 2024 fiscal year.
- At September 30, 2023, the City of San Juan was in compliance with the Public Funds Investment Act (PFIA). The funds are secured by funds pledged in the amount of $8,165,586.

NOTE G. LONG-TERM DEBT (CONTINUED)

During the year ended September 30, 2024, the following changes occurred:

	Balance @ 9/30/2023	Additions	Retirements	Balance @ 9/30/2024	Due Within One Year
Governmental Activities:					
Bonds Payable	$ 33,910,000	$ 13,395,000	$ 2,163,000	$ 45,142,000	$ 2,520,000
Notes Payable	2,053,334	-	-	2,053,334	-
Leases	1,510,905	258,430	508,291	1,261,044	455,522
Intangible Lease	53,286	-	12,629	40,657	18,319
Accrued Interest	168,041	166,170	168,041	166,170	166,170
Compensated Absences	1,058,873	1,233,490	1,058,873	1,233,490	538,788
Net Pension Liability	634,474	406,201	634,474	406,201	406,201
Subtotal	39,388,913	15,459,291	4,545,308	50,302,896	4,105,000
Economic Development Corporation					
Bonds Payable	2,880,000	-	225,000	2,655,000	235,000
Notes Payable	-	-	-	-	-
Accrued Interest	12,009	11,035	12,009	11,035	11,035
Subtotal	2,892,009	11,035	237,009	2,666,035	246,035
Total Governmental	$ 42,280,922	$ 15,470,326	$ 4,782,317	$ 52,968,931	$ 4,351,035
Business-Type Activities:					
Bonds Payable	$ 19,950,000	$ -	$ 1,350,000	$ 18,600,000	$ 1,385,000
Loan Forgiveness	1,826,136	-	42,339	1,783,797	-
Bond Premiums	359,980	-	54,199	305,781	59,327
Leases	531,769	-	175,655	356,114	178,909
Accrued Interest	83,645	77,441	83,645	77,441	77,441
Compensated Absences	199,915	240,299	199,915	240,299	240,299
Net Pension Liability	396,886	118,990	396,886	118,990	118,990
Total Business-Type	23,348,331	436,730	2,302,639	21,482,422	2,059,966
Total Long-Term Debt	$ 65,629,253	$ 15,907,056	$ 7,084,956	$ 74,451,353	$ 6,411,001

Debt Service bond requirements are as follows:

Bonds					
Year Ending	Governmental Activities		Business-Type Activities		
September 30,	Principal	Interest	Principal	Interest	Total
2025	$ 2,520,000	$ 1,848,150	$ 1,385,000	$ 362,472	$ 6,115,622
2026	2,505,000	1,928,598	1,415,000	328,686	6,177,284
2027	2,566,000	1,825,079	1,460,000	291,265	6,142,344
2028	2,687,000	1,712,228	1,255,000	260,971	5,915,199
2029	2,559,000	1,585,847	1,395,000	247,922	5,787,769
2030-2034	14,130,000	5,859,441	5,530,000	951,154	26,470,595
2035-2039	10,715,000	3,165,019	2,905,000	506,035	17,291,054
2040-2044	7,200,000	954,263	2,415,000	291,873	10,861,136
2045-2049	260,000	25,625	840,000	110,091	1,235,716
Total	$ 45,142,000	$ 18,904,250	$ 18,600,000	$ 3,350,469	$ 85,996,719

NOTE G. LONG-TERM DEBT (CONTINUED)

Leases					
Year Ending	Governmental Activities		Business-Type Activities		
September 30,	Principal	Interest	Principal	Interest	Total
2025	$ 551,444	$ 20,115	$ 173,924	$ 10,841	$ 756,324
2026	410,713	16,421	179,251	30,538	636,923
2027	194,739	12,570	2,939	5,508	215,756
2028	104,148	8,554	-	-	112,702
2029	-	-	-	-	-
2030-2034	-	-	-	-	-
Total	$ 1,261,044	$ 57,660	$ 356,114	$ 46,887	$ 1,721,705

On March 21, 2021, the City of San Juan, Texas entered an agreement with NDS Leasing for the right-to-use copiers for $8,651 on a monthly basis for the term of its lease with the University of Texas Systems. The City of San Juan, Texas has committed to disburse the following:

Year	Principal	Interest	Total
2025	$ 18,503	$ 265	$ 18,768
2026	16,464	80	16,544
Total	$ 34,967	$ 345	$ 35,312

NOTE H. RECEIVABLES

	Governmental Activities			Business-Type Activities	
	General Fund	Debt Service Fund	Stormwater Fund	Utility Fund	Total
Property Tax	$ 1,159,427	$ 429,153	$ -	$ -	$ 1,588,580
Sales Tax	520,759	-	-	-	520,759
Franchise Tax	85,618	-	-	-	85,618
Other Receivables	11,359	-	56,265	-	67,624
Utility Receivables	-	-	-	2,514,447	2,514,447
Allowance for Ucollectible	-	-	-	-	-
Total	$ 1,777,163	$ 429,153	$ 56,265	$ 2,514,447	$ 4,777,028

NOTE I. DEFFERED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period (s) and so will not be recognized as an outflow of resources (expenses/expenditure) until then.

Deferred Outflows of Resources	Governmental Activities	Business-Type Activities	Total
Deferred Revenue-Pension	$ 666,113	$ 195,126	$ 861,239

NOTE I. DEFFERED OUTFLOWS/INFLOWS OF RESOURCES (CONTINUED)

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

Deferred Inflows of Resources	General Activities	Business-Type Activities	Total
Deferred Revenue-Pension	$ 258,085	$ 75,601	$ 333,686

At the government fund level, revenues that have been billed but not yet collected or collected within the availability period are reported as unavailable revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has one category that qualified as deferred inflows or resources. The following table describes the items and amounts:

Deferred Inflows of Resources	General Fund	Debt Service Fund	Total
Deferred Revenue-Property Taxes	$ 1,094,670	$ 402,801	$ 1,497,471

NOTE J. PENSION PLAN

(1). Texas Municipal Retirement System

a. Plan Description
The City of San Juan, Texas participates as of 860 plans in the non-traditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tmrs.org.

All eligible employees of the City are required to participate in TMRS.

b. Benefits Provided
TMRS provides retirement, disability, and death benefits. Benefits provisions are adopted by the governing body of the City, within the options available in the state statues governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financial monetary credits with interest were used to purchase an annuity.

NOTE J. PENSION PLAN (CONTINUED)

Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest. Plan provisions for the City are as follows:

	2023	2022
Employee deposit rate	6%	6%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Retirement Eligibility (Age/Service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	0%	0%
Annuity Increase (to retirees)	0% to CPI	0% to CPI
Supplemental Death Benefits to Active Employees	Yes	Yes
Supplemental Death Benefit to Retirees	Yes	Yes

Employees covered by benefit terms:

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

	2023	2022
Inactive employees or beneficiaries currently receiving benefits	108	101
Inactive employees entitles to but not yet receiving benefits	196	191
Active Employees	249	235
Total Employees	553	527

c. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employees gross earnings, and the City matching are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the consulting actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees of the City of San Juan, Texas were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of San Juan, Texas were 4.57% and 4.48% in calendar year 2023 and 2022, respectively. The City's contributions to TMRS for fiscal year ending September 30, 2024, were $627,069 and were equal to the required contributions.

d. Net Pension Liability

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

Valuation Date:

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

NOTE J. PENSION PLAN (CONTINUED)

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	N/A
Asset Valuation Method	10 Years smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a generational basis with scale UMP

Other Information:

Notes	There were no benefit changes during the year.

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct RP2000 Combined Health Mortality Table, with male rates and female rates multiplied by 107.5%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2022, valuations were based on the results of actuarial investigation of the experience over the four-year period from December 31, 2014 through December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019, actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering through 2027 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013, valuation, the System adopted the Entry Age Normal (EAN) actuarial cost method and a one-time change to the amortization policy. Assumptions are reviewed annually.

The long-term expected rate of return on pension plan investment is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

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

NOTE J. <u>PENSION PLAN (CONTINUED)</u>

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

Discount Rate
The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed the employee contributions will remain at the current 6.75% and employee 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 periods of projected benefit payments to determine the Total Pension Liability.

Covered Payroll	$ 10,683,496
Changes for the year:	
Service Cost	$ 1,112,152
Interest on Total Pension Liability	1,203,424
Changes in Current Period Benefits including Substantively Automatic Status	-
Employee Contributions (Reduction of Expense)	(641,010)
Projected Earnings on Plan Investments (Reduction of Expense)	(1,158,995)
Administrative Expense	12,643
Other Changes in Fidiciary Net Position	88
Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	(39,811)
Recognition of Current Year Outflow (Inflow) of Resources-Assets	(165,565)
Amortization of Prior Year Outflow (Inflow) of Resources-Liabilities	(121,514)
Amortization of Prior Year Outflow (Inflow) of Resources-Assets	74,701
Total Pension Expense (Income)	$ 276,113

At September 30, 2024, the City reported a net pension asset of $1,560,931.

NOTE J. **PENSION PLAN (CONTINUED)**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b) (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2022	$ 17,742,997	$ 17,170,289	$ 572,708
Changes for the year:			
Service cost	1,112,152	-	1,112,152
Interest	1,203,424	-	1,203,424
Changes in benefit terms	-		-
Difference between expected and actual experience	(42,844)	-	(42,844)
Changes of assumptions	(103,256)	-	(103,256)
Contributions-employer	-	452,980	(452,980)
Contributions-employee	-	641,010	(641,010)
Net investment income	-	1,986,819	(1,986,819)
Benefit payment, including refunds of employee contributions	(941,124)	(941,124)	-
Administrative expense	-	(12,643)	12,643
Other Changes	-	(89)	89
Net changes	1,228,352	2,126,953	(898,601)
Balance at 12/31/2023	$ 18,971,349	$ 19,297,242	$ (325,893)
Plan Fiduciary Net Position as a Percentage of Total Pension		101.72%	
Net Pension Liability as a Percentage of Covered Payroll		-3.05%	

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

The following presents the net pension liability of the City, calculated using the discount rate of 7.0% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	$ 2,521,970	$ (325,893)	$ (2,635,353)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.org.

e. Pension Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2024, the City recognized pension expense of $627,069.

NOTE J. PENSION PLAN (CONTINUED)

At the end of fiscal year 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Recognition Period Amortization Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience (Actual (gains) or losses)	3.67	$ -	$ 160,292
Changes in actuarial assumptions	3.67	-	75,120
Total		-	235,412
Difference between projected and actual investment earnings on pension plan investments (Actual (gains) or losses)	5.00	473,874	-
Contributions paid subsequent to the Measurement Date		387,351	-
Total		861,225	-
Total		$ 861,225	$ 235,412

$861,225 reported as deferred outflows of resources related to pensions resulting from contributions subsequent the measurement data will be recognized as a reduction of the net pension liability for the measurement year ending September 30, 2024.

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

Year-Ended 31-Dec	Net Deferred Outflows (Inflows) of Resources
2024	$ 11,384
2025	65,849
2026	326,808
2027	(165,565)
2028	-
Thereafter	-
Total	$ 238,476

(2). Texas Municipal Retirement System

Other Post Employment Benefit (OPEB) Programs

a. Plan Description
Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Funds ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees.

NOTE J. <u>PENSION PLAN (CONTINUED)</u>

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earning, for the 12-month period preceding the month of death). The death benefit for retirees is considered another postemployment benefit ("OPEB") and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is an unfunded OPEB plan (i.e. no assets are accumulated). The City contributes to the SDBF at a contractual required rate as determined by an annual actuarial valuation. The rate is based on the mortality and service expense of all expenses covered by the SDBF and the demographics specific to the workforce of the City. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. As such, contributions fund the covered active member and retiree deaths on a pay-as-you-go basis.

GASB 75 requires employers to recognize the total OPEB liability and the OPEB expense on their financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability.

In the year of implementation, the employer should make a prior period adjustment for the total OPEB liability as of the 12/31/2023 measurement date (provided) and record a deferred outflow of resources for contributions recorded by the city (retiree porting of SDB rate only) from December 31, 2023 to its prior fiscal year end. TMRS has elected to not calculate other deferrals as of the December 31, 2023 measurement date.

The total OPEB liability shown in this report is based on an actuarial valuation performed as of December 31, 2023 and a measurement date of December 31, 2023; as such, no roll-forward is required.

b. Supplemental Death Benefit (SDBF) Plan Contributions
The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not pre-fund retiree term life insurance during employees' entire careers.

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2023	0.33%	0.13%
2022	0.19%	0.09%
2021	0.20%	0.10%
2020	0.17%	0.04%
2019	0.17%	0.03%
2018	0.16%	0.03%

NOTE J. <u>PENSION PLAN (CONTINUED)</u>

c. OPEB Liability

The Other Post-Employment Benefits (OPEB) was measured as of December 31, 2023 and the Total Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. Actuarial Assumptions: The Total OPEB Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Discount Rate*	4.05%
Retiree's Share of benefit-related costs	$-0-
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.Mortality rates-disabled retirees 2019 Municipal Retirees of Texas Mortality with a 4 year set forward for males and a 3 year set-forward for females. In addition, a 3.50% and 3% minimum mortality rates will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis with scale UMP to account for future mortality improvements subject to the floor.

*The Discount Rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023. Note: The actuarial assumptions used in December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31,2014 to December 31, 2018.

The following employees were covered by the benefit terms:

Membership*	2023	2022
Number of :		
Inactive employees currently receiving benefits	79	74
Inactive employees entitled to but not yet receiving benefits	32	32
Active employees	249	235
Total Membership	360	341

*Membership counts for inactive employees currently receiving or entitled to but not yet receiving benefits will differ from GASB 68 as they include only those eligible for a SDBF benefit (i.e. excludes beneficiaries, non-vested termination due a refund, etc.).

Covered Payroll	$	10,683,496
Changes in the Total OPEB Liability:		
Total OPEB Liability - beginning of year	$	458,652
Changes for the year:		
Service Cost		28,845
Interest on Total OPEB Liability		18,878
Changes of Benefit Terms		-
Difference between expected and actual experience		6,930
Changes in Assumptions or Other Inputs		25,774
Benefit Payments**		(13,889)
Net changes		66,538
Total OPEB Liability - end of year	$	525,190
Net OPEB Liability as a Percentage of Covered Payroll		4.92%

**Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

NOTE J. PENSION PLAN (CONTINUED)

Sensitivity of the net pension liability to changes in the discount rate:

	1% Decrease in Discount Rate 2.77%	Discount Rate 3.77%	1% Increase in Discount Rate 4.77%
City's OPEB Liability	$ 630,655	$ 525,190	$ 443,444

d. OPEB Expense

OPEB Expense	
Service Cost	$ 28,845
Interest on Total OPEB Liability	18,878
Changes of Benefit Terms	-
Recognition of deferred outflows/inflows of resources:	
Difference between expected and actual experience	6,930
Changes in assumptions or other inputs	25,774
Benefit payments	(13,889)
Net changes	66,538
Total OPEB Expense	$ 66,538

**Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Generally, this will only be the annual change in the Municipal Bond Index Rate.

e. OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At the end of fiscal year 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB pensions from the following sources:

	Recognition Period Amortization Years	**Deferred Outflows of Resources**	**Deferred Inflows of Resources**
Differences between expected and actual economic experience (Actual (gains) or losses)	6.05	$ -	$ 16,253
Changes in actuarial assumptions	6.05	-	82,021
Total		-	98,274
Difference between projected and actual investment earnings on pension plan investments (Actual (gains) or losses)		-	-
Contributions paid subsequent to the Measurement Date		-	-
Total		-	-
Total		$ -	$ 98,274

NOTE J. **PENSION PLAN (CONTINUED)**

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in OPEB expense as follows:

Year-Ended 31-Dec	Net Deferred Outflows (Inflows) of Resources
2024	$ (16,618)
2025	(14,018)
2026	(33,191)
2027	(36,237)
2028	1,790
Thereafter	-
Total	$ (98,274)

*The recognition period for liability (gains) or losses may differ from GASB 68 reporting due to differences in the covered inactive populations.

NOTE K. **RISK MANAGEMENT**

The City is exposed to various uncertainties for losses related to intentional and unintentional torts; theft of, damage to and destruction of real and personal property; errors-and-omissions; catastrophes, medical and dental claims by employees; employee illnesses and injuries and pollution claims for which the City carries commercial insurance coverage. There have been no significant reductions in insurance coverage from the previous year. No negotiated settlements or jury awards have exceeded policy limits in any of the past three years. The City is a member of an intergovernmental risk pool.

The risk pool is an inter-local non-assessable agency with present unreserved resources in excess of $225,700,000 (as of September 30, 2005, the most recently audited financial statements completed for the risk pool). Reinsurance is provided by several A and A++ rated companies in amounts ranging from $3,000,000 to $90,000,000 depending on type of insurance coverage.

City management is not aware of any pending or alleged claims that could exceed the policy limits of the present insurance coverage.

NOTE L. **CONTINGENT LIABILITIES**

The City is currently involved in litigation claims against it that are generally incidental to its operations. However, it is the opinion of the City's management that the City's liability in those cases that are not covered by liability insurance will not be material to the financial statements. Accordingly, no provision has been made in the financial statements for these contingent liabilities. The City received a substantial portion of its financial resources in the form of state and federal grants. Expenditure of such funds generally requires compliance with terms and conditions specified in the grant agreement. These funds are also subject by the grantor agency. Any disallowed costs resulting from such audit could become the responsibility of the City and repayment could be requested from nonfederal resources.

NOTE M. 380 ECONOMIC DEVELOPMENT PROGRAM AGREEMENT

The City of San Juan, Texas is committed to the promotion of high-quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. The City of San Juan, Texas has previously developed economic development programs and incentives designed to encourage high quality business, commercial, professional sports, and manufacturing concerns to locate, remain, and expand in the City of San Juan, Texas. Now the City of Juan, Texas seeks to enhance its economic development efforts to attract and retain high quality development and jobs by establishing Chapter 380 Economic Development Program Agreements. These 380 Economic Development Program Agreements are established in an effort to develop and expand the local economy by promoting and encouraging development and redevelopment projects that enhance the City's economic base and diversify and expand job opportunities or by promoting and encouraging projects that create additional revenue for the City without substantially increasing the demand on City services or infrastructure. The ultimate goal and public purpose of programs established is to protect and enhance the City's fiscal ability to provide high quality municipal services for the safety, comfort and enjoyment of the City of San Juan, Texas residents.

SALES TAX REBATE AGREEMENTS – CHAPTER 378 AGREEMENTS

In addition to the 380 Agreement, the City also offered sales rebates as additional incentives to the developer and retail establishments, locating within the development project. These rebates are not recorded as a liability or commitment, as the individual amounts are not known until the sales taxes are collected. In the current fiscal year, the City expended $67,450 and the San Juan Economic Development Corporation expended $100,000 in agreement payments.

To obtain information on the Economic Development Agreement Contract, contact Office of the City Secretary, 512 S. Nebraska, City of San Juan, Texas 78589.

NOTE N. COVID-19 DISCLOSURE

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The City of San Juan, Texas is closely monitoring its investment portfolio and its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the City’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on the City’s customers, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which the COVID-19 may impact the City’s financial position and changes in net assets and cash flows is uncertain and the accompanying consolidated financial statements include no adjustments relating to the effects of this pandemic.

NOTE O. SUBSEQUENT EVENTS

Subsequent events were evaluated through March 21, 2025, which is the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAN JUAN, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
A. Total Pension Liability										
Service Cost	$ 607,938	$ 614,786	$ 655,845	$ 670,077	$ 712,642	$ 929,294	$ 1,157,112	$ 1,004,890	$ 980,356	$ 1,112,152
Interest (on the Pension Liability)	618,566	651,956	710,247	757,785	818,663	911,590	972,226	1,061,377	1,131,650	1,203,424
Change in benefit terms	-	-	-	-	-	504,864	-	-	-	-
Difference between expected and actual experience	(287,662)	25,017	(209,999)	(72,234)	(129,213)	(260,816)	(10,744)	(189,850)	(136,094)	(42,844)
Change of assumptions	-	391,268	-	-	-	(21,231)	-	-	-	(103,256)
Benefit Payments, including refunds of employee contributions	(449,710)	(480,839)	(509,227)	(408,645)	(541,399)	(735,770)	(813,101)	(630,333)	(1,015,830)	(941,124)
Net Change in Total Pension Liability	**489,132**	**1,202,188**	**646,866**	**946,983**	**860,693**	**1,327,931**	**1,305,493**	**1,246,084**	**960,082**	**1,228,352**
Total Pension Liability - Beginning	8,757,545	9,246,677	10,448,865	11,095,731	12,042,714	12,903,407	14,231,338	15,536,831	16,782,915	17,742,997
Total Pension Liability - Ending	$ 9,246,677	$ 10,448,865	$ 11,095,731	$ 12,042,714	$ 12,903,407	$ 14,231,338	$ 15,536,831	$ 16,782,915	$ 17,742,997	$ 18,971,349
B. Total Fiduciary Net Position										
Contributions - Employer	$ 86,499	$ 143,613	$ 132,221	$ 201,940	$ 210,792	$ 224,404	$ 518,359	$ 427,854	$ 406,905	$ 452,980
Contributions - Employee	447,416	448,749	450,753	458,957	486,445	528,008	668,850	584,805	567,775	641,010
Net Investment Income	549,514	15,095	698,876	1,538,028	(386,059)	1,955,832	1,109,035	2,097,653	(1,355,424)	1,986,819
Benefit Payments, including refunds of employee contributions	(449,710)	(480,839)	(509,227)	(408,645)	(541,399)	(735,770)	(813,101)	(630,333)	(1,015,830)	(941,124)
Administrative Expense	(5,737)	(9,197)	(7,899)	(7,983)	(7,466)	(11,057)	(7,180)	(9,708)	(11,727)	(12,643)
Other	(472)	(454)	(426)	(405)	(390)	(332)	(280)	76	13,993	(89)
Net Change in Plan Fiduciary Net Position	**627,510**	**116,967**	**764,298**	**1,781,892**	**(238,077)**	**1,961,085**	**1,475,683**	**2,470,347**	**(1,394,308)**	**2,126,953**
Plan Fiduciary Net Position - Beginning	9,604,892	10,232,402	10,349,369	11,113,667	12,895,559	12,657,482	14,618,567	16,094,250	18,564,597	17,170,289
Plan Fiduciary Net Position - Ending	$ 10,232,402	$ 10,349,369	$ 11,113,667	$ 12,895,559	$ 12,657,482	$ 14,618,567	$ 16,094,250	$ 18,564,597	$ 17,170,289	$ 19,297,242
C. Net Pension Liability	**$ (985,725)**	**$ 99,496**	**$ (17,936)**	**$ (852,845)**	**$ 245,925**	**$ (387,229)**	**$ (557,419)**	**$ (1,781,682)**	**$ 572,708**	**$ (325,893)**
D. Plan Fiduciary net position as a percentage of the total pension liability	110.66%	99.05%	100.16%	107.08%	98.09%	102.72%	103.59%	110.62%	96.77%	101.72%
E. Covered Employee Payroll	$ 7,456,939	$ 7,479,151	$ 7,512,548	$ 7,649,278	$ 8,107,421	$ 8,800,135	$ 11,147,514	$ 9,746,754	$ 9,462,897	$ 10,683,496
F. Net Pension Liability as a Percentage of Covered Employee Payroll	-13.22%	1.33%	-0.24%	-11.15%	3.03%	-4.40%	-5.00%	-18.28%	6.05%	-3.05%

Note: GASB 68, Paragraph 46, a and b requires that the data in this schedule be presented for the time period covered by the measurement date rather that the governmental entity's current fiscal year.

Note: Only one year of data is presented in accordance with GASB 68, Paragraph 138, "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

CITY OF SAN JUAN, TEXAS
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)
TEXAS MUNICIPAL RETIREMENT SYSTEM
LAST TEN YEARS

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	$ 86,499	$ 143,613	$ 132,221	$ 201,940	$ 210,792	$ 224,404	$ 518,359	$ 427,864	$ 406,904	$ 452,980
Contributions in Relation to the Actuarially Determined Contributions	86,499	143,613	132,221	222,562	234,223	463,489	458,174	418,997	475,106	525,504
Contribution Deficiency (Excess)	**$ -**	**$ -**	**$ -**	**$ (20,622)**	**$ (23,431)**	**$ (239,085)**	**$ 60,185**	**$ 8,867**	**$ (68,202)**	**$ (72,524)**
Covered Employee Payroll	$ 7,466,511	$ 7,812,281	$ 7,582,238	$ 8,044,078	$ 8,353,409	$ 10,530,612	$ 9,845,923	$ 9,288,388	$ 10,451,150	$ 11,425,436
Contributions as a Percentage of Covered Employee Payroll	1.16%	1.84%	1.74%	2.51%	2.52%	2.13%	5.26%	4.61%	3.89%	3.96%

Note: GASB 68, Paragraph 46, a and b requires that the data in this schedule be presented for the time period covered by the measurement date rather that the governmental entity's current fiscal year.

Note: Only one year of data is presented in accordance with GASB 68, Paragraph 138, "The information for all periods for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include inform- -ation that is not measured in accordance with the requirements of this Statement."

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COMBINING

NON-MAJOR GOVERNMENTAL FUNDS

CITY OF SAN JUAN, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024 AND 2023

	Total Nonmajor Capital Project Funds	Total Nonmajor Special Revenue Funds	2024 Nonmajor Governmental Funds	2023 Nonmajor Governmental Funds
Assets				
Cash	$ 608,235	$ 2,263,619	$ 2,871,854	$ 2,189,169
Investments	597,286	772,581	1,369,867	3,666,689
Receivables, net				
Other	-	56,265	56,265	55,152
Notes Receivable	-	3,556	3,556	30,760
Due from other funds	-	-	-	-
Due from other governments	-	212,505	212,505	183,137
Prepaid Items	-	-	-	1,400
Total Assets	$ 1,205,521	$ 3,308,526	$ 4,514,047	$ 6,126,307
Liabilities				
Accounts payable	$ -	$ 40,401	$ 40,401	$ 8,855
Bank payable	804,543	187,497	992,040	503,405
Wages and salaries	-	24,558	24,558	20,450
Contract Payable	25,340	-	25,340	561,238
Due to other funds	-	-	-	-
Due to others	-	363,396	363,396	363,396
Unearned revenue	-	14,507	14,507	14,695
Total Liabilities	829,883	630,359	1,460,242	1,472,039
Fund Balances				
Non-Major funds	375,638	2,678,167	3,053,805	4,654,268
Total Liabilities and Fund Balances	$ 1,205,521	$ 3,308,526	$ 4,514,047	$ 6,126,307

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

CITY OF SAN JUAN, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Total Nonmajor Capital Project Funds	Total Nonmajor Special Revenue Funds	2024 Nonmajor Governmental Funds	2023 Nonmajor Governmental Funds
Revenues				
Hotel Occupancy Tax	$ -	$ 32,589	$ 32,589	$ 26,047
Intergovernmental revenue	-	529,487	529,487	1,126,433
Fines and Fees	-	605,172	605,172	643,104
Forfeitures	-	430,268	430,268	202,765
Interest	71,173	50,253	121,426	233,735
Miscellaneous & Other Income	-	49,578	49,578	16,422
Total Revenues	71,173	1,697,347	1,768,520	2,248,506
Expenditures				
Current:				
General Government	-	29,823	29,823	8,625
Public Safety	-	335,591	335,591	283,242
Public Works	-	273,165	273,165	257,103
Culture & Recreation	-	18,549	18,549	13,074
Economic Development	-	-	-	-
Capital outlay	2,345,316	363,769	2,709,085	4,243,779
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	2,345,316	1,020,897	3,366,213	4,805,823
Excess (deficiency) of revenues over expenditures	(2,274,143)	676,450	(1,597,693)	(2,557,317)
Other financing sources (uses)				
Transfers In (Out)	(2,770)	-	(2,770)	(365,209)
Bond/Note Proceeds	-	-	-	-
Bond Premium Proceeds	-	-	-	-
Net other financing sources (uses)	(2,770)	-	(2,770)	(365,209)
Net change in fund balances	(2,276,913)	676,450	(1,600,463)	(2,922,526)
Fund Balances, October 1	2,652,551	2,001,717	4,654,268	7,576,794
Fund Balances, September 30	$ 375,638	$ 2,678,167	$ 3,053,805	$ 4,654,268

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

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NON-MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

CITY OF SAN JUAN, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
SEPTEMBER 30, 2024 AND 2023

	Certificates of Obligation 2007 Fund	Certificates of Obligation 2014 Fund	Certificates of Obligation 2015 Fund	Capital Projects Library Fund	Certificates of Obligation 2017 Fund
Assets					
Cash	$ 237,654	$ 55,428	$ -	$ 200,853	$ 842
Investments	-	276,772	240,226	-	78,955
Receivables, net	-	-	-	-	-
Notes Receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Total Assets	$ 237,654	$ 332,200	$ 240,226	$ 200,853	$ 79,797
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Bank payable	-	-	-	-	-
Wages and salaries	-	-	-	-	-
Contract Payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Due to others	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	-	-	-	-	-
Fund Balances					
Non-Major funds	237,654	332,200	240,226	200,853	79,797
Total Liabilities and Fund Balances	$ 237,654	$ 332,200	$ 240,226	$ 200,853	$ 79,797

Certificates of Obligation 2018 Fund	Tax Note 2020 Fund	Certificates of Obligation 2021 Fund	2024 Non-Major Capital Project Funds	2023 Non-Major Capital Project Funds
$ 18,741	$ 94,717	$ -	$ 608,235	$ 590,183
-	-	1,333	597,286	2,934,494
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 18,741	$ 94,717	$ 1,333	$ 1,205,521	$ 3,524,677
$ -	$ -	$ -	$ -	$ -
-	-	804,543	804,543	310,888
-	-	-	-	-
-	-	25,340	25,340	561,238
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	829,883	829,883	872,126
18,741	94,717	(828,550)	375,638	2,652,551
$ 18,741	$ 94,717	$ 1,333	$ 1,205,521	$ 3,524,677

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

CITY OF SAN JUAN, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Certificates of Obligation 2007 Fund	Certificates of Obligation 2014 Fund	Certificates of Obligation 2015 Fund	Capital Projects Library Fund	Certificates of Obligation 2017 Fund
Revenues					
Sales Tax	$ -	$ -	$ -	$ -	$ -
Hotel Occupancy Tax	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Fines and Fees	-	-	-	-	-
Forfeitures	-	-	-	-	-
Interest	-	14,354	15,372	-	6,814
Miscellaneous & Other Income	-	-	-	-	-
Total Revenues	-	14,354	15,372	-	6,814
Expenditures					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Culture & Recreation	-	-	-	-	-
Economic Development	-	-	-	-	-
Capital outlay	-	-	92,068	-	254,159
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	-	92,068	-	254,159
Excess (deficiency) of revenues over expenditures	-	14,354	(76,696)	-	(247,345)
Other financing sources (uses)					
Transfers In (Out)	-	-	(2,770)	-	-
Bond/Note Proceeds	-	-	-	-	-
Bond Premium Proceeds	-	-	-	-	-
Net other financing sources (use	-	-	(2,770)	-	-
Net change in fund balances	-	14,354	(79,466)	-	(247,345)
Fund Balances, October 1	237,654	317,846	319,692	200,853	327,142
Fund Balances, September 30	$ 237,654	$ 332,200	$ 240,226	$ 200,853	$ 79,797

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

Certificates of Obligation 2018 Fund	Tax Note 2020 Fund	Certificates of Obligation 2021 Funds	2024 Non-Major Capital Project Funds	2023 Non-Major Capital Project Funds
$ -	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	685,035
-	-	-	-	-
-	-	-	-	-
18,741	-	15,892	71,173	197,498
-	-	-	-	-
18,741	-	15,892	71,173	882,533
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,999,089	2,345,316	3,900,416
			-	-
-	-	-	-	-
-	-	-	-	-
-	-	1,999,089	2,345,316	3,900,416
18,741	-	(1,983,197)	(2,274,143)	(3,017,883)
-	-	-	(2,770)	(387,408)
-	-	-	-	-
-	-	-	-	-
-	-	-	(2,770)	(387,408)
18,741	-	(1,983,197)	(2,276,913)	(3,405,291)
-	94,717	1,154,647	2,652,551	6,057,842
$ 18,741	$ 94,717	$ (828,550)	$ 375,638	$ 2,652,551

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

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

CITY OF SAN JUAN, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2024 AND 2023

	Revolving Loan Fund	Federal Asset Forfeiture Fund	State Asset Forfeiture Fund	Miscellaneous Grants Fund	Municipal Court Funds	Wrecker Fees Fund
Assets						
Cash	$ 274,387	$ 693,200	$ 5,968	$ -	$ 143,888	$ 30,581
Investments	941		-	-	-	-
Receivables, net	-	-	-	-	-	-
Notes Receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	212,505	-	-
Prepaid Items	-	-	-	-	-	-
Total Assets	$ 275,328	$ 693,200	$ 5,968	$ 212,505	$ 143,888	$ 30,581
Liabilities						
Accounts payable	$ -	$ 6,423	$ -	$ 29,747	$ -	$ -
Bank Payable	-	-	-	187,497	-	-
Wages and salaries	-	-	-	9,907	-	-
Contract Payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Due to others	-	-	-	-	-	-
Deferred revenue	-	-	-	14,507	-	-
Total Liabilities	-	6,423	-	241,658	-	-
Fund Balances						
Non-Major funds	275,328	686,777	5,968	(29,153)	143,888	30,581
Total Liabilities and Fund Balances	$ 275,328	$ 693,200	$ 5,968	$ 212,505	$ 143,888	$ 30,581

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

	Park Development Fund	Park Sports Fee Fund	Hotel/ Motel Tax Fund	Development Escrow Fund	Storm Water Fees Fund	2024 Non-Major Special Revenue Funds	2023 Non-Major Special Revenue Funds
	$ 372,263	$ 15,333	$ 123,671	$ 167,113	$ 437,215	$ 2,263,619	$ 1,598,986
	548,858	-	-	222,782	-	772,581	732,195
	-	-	-	-	56,265	56,265	55,152
	-	-	3,556	-	-	3,556	30,760
	-	-	-	-	-	-	-
	-	-	-	-	-	212,505	183,137
	-	-	-	-	-	-	1,400
	$ 921,121	$ 15,333	$ 127,227	$ 389,895	$ 493,480	$ 3,308,526	$ 2,601,630
	$ -	$ -	$ -	$ -	$ 4,231	$ 40,401	$ 8,855
	-	-	-	-	-	187,497	192,517
	-	-	-	-	14,651	24,558	20,450
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	363,396	-	363,396	363,396
	-	-	-	-	-	14,507	14,695
	-	-	-	363,396	18,882	630,359	599,913
	921,121	15,333	127,227	26,499	474,598	2,678,167	2,001,717
	$ 921,121	$ 15,333	$ 127,227	$ 389,895	$ 493,480	$ 3,308,526	$ 2,601,630

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

CITY OF SAN JUAN, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Revolving Loan Fund	Federal Asset Forfeiture Fund	State Asset Forfeiture Fund	Miscellaneous Grants Fund	Municipal Court Funds	Wrecker Fees Fund
Revenues						
Hotel Occupancy Tax	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	-	-	-	529,487	-	-
Fines and Fees	-	-	-	-	22,352	6,120
Forfeitures	-	430,268	-	-	-	-
Interest	48	9,868	-	-	-	-
Miscellaneous & Other Income	-	42,989	35	-	-	6,554
Total Revenues	48	483,125	35	529,487	22,352	12,674
Expenditures						
Current:						
General Government	27,582	-	-	-	2,241	-
Public Safety	-	99,344	3,826	224,806	-	7,615
Public Works	-	-	-	-	-	-
Culture & Recreation	-	-	-	13,929	-	-
Economic Development	-	-	-	-	-	-
Capital outlay	-	9,376	-	289,995	14,657	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Expenditures	27,582	108,720	3,826	528,730	16,898	7,615
Excess (deficiency) of revenues over expenditures	(27,534)	374,405	(3,791)	757	5,454	5,059
Other financing sources (uses)						
Transfers In (Out)	-	-	-	-	-	-
Bond/Note Proceeds	-	-	-	-	-	-
Bond/Note Premium	-	-	-	-	-	-
Bond/Note Issuance Costs	-	-	-	-	-	-
Net other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	(27,534)	374,405	(3,791)	757	5,454	5,059
Fund Balances, October 1	302,862	312,372	9,759	(29,910)	138,434	25,522
Fund Balances, September 30	$ 275,328	$ 686,777	$ 5,968	$ (29,153)	$ 143,888	$ 30,581

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

Park Development Fund	Park Sports Fee Fund	Hotel/ Motel Tax Fund	Development Escrow Fund	Storm Water Fees Fund	2024 Non-Major Special Revenue Funds	2023 Non-Major Special Revenue Funds
$ -	$ -	$ 32,589	$ -	$ -	$ 32,589	$ 26,047
-	-	-	-	-	529,487	441,398
264,393	2,529	-	-	309,778	605,172	643,104
-	-	-	-	-	430,268	202,765
28,835	-	-	11,502	-	50,253	36,237
-	-	-	-	-	49,578	16,422
293,228	2,529	32,589	11,502	309,778	1,697,347	1,365,973
-	-	-	-	-	29,823	8,625
-	-	-	-	-	335,591	283,242
-	-	-	-	273,165	273,165	257,103
4,620	-	-	-	-	18,549	13,074
-	-	-	-	-	-	-
49,741	-	-	-	-	363,769	343,363
-	-	-	-	-	-	-
-	-	-	-	-	-	-
54,361	-	-	-	273,165	1,020,897	905,407
238,867	2,529	32,589	11,502	36,613	676,450	460,566
-	-	-	-	-	-	22,199
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	22,199
238,867	2,529	32,589	11,502	36,613	676,450	482,765
682,254	12,804	94,638	14,997	437,985	2,001,717	1,518,952
$ 921,121	$ 15,333	$ 127,227	$ 26,499	$ 474,598	$ 2,678,167	$ 2,001,717

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

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NON-MAJOR ENTERPRISE FUNDS

CITY OF SAN JUAN, TEXAS
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2024 AND 2023

	Utility I&S Fund	Utility Reserve Fund	2018 Construction Fund	2019 Construction Fund	2019A Construction Fund
Assets					
Cash and cash equivalents	$ 47,210	$ 126,387	$ -	$ -	$ -
Investments	117,274	687,632	-	-	-
Restricted cash and investments	-	-	-	9,113,010	670,205
Due from other funds	-	-	-	-	-
Due from others	-	-	-	-	-
Capital assets - net					
Non-depreciable assets	-	-	-	957,510	1,650,108
Depreciable assets	-	-	-		-
Other Assets	-	-	-	-	-
Total Assets	164,484	814,019	-	10,070,520	2,320,313
Deferred Outflow of Resources	-	-	-	-	-
Total Assets and Deferrred Outflows of Resources	$ 164,484	$ 814,019	$ -	$ 10,070,520	$ 2,320,313
Liabilities Deferred Inflow of Resources and Net Position					
Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Other liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Non-current liabilities :					
Due in one year	71,734	-	-	205,000	50,000
Due in more than one year	-	-	-	7,193,777	1,437,002
Total Liabilities	71,734	-	-	7,398,777	1,487,002
Deferred Inflow of Resources	-	-	-	-	-
Net Position					
Net investment in capital assets	-	-	-	957,510	833,311
Restricted					
Debt service	92,750	814,019	-	-	-
Capital projects	-	-	-	1,714,233	-
Unrestricted	-	-	-	-	-
Total Net Position	92,750	814,019	-	2,671,743	833,311
Total Liabilities, Deferred Inflow of Resources and Net Position	$ 164,484	$ 814,019	$ -	$ 10,070,520	$ 2,320,313

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

	2024 Non-Major Enterprise Funds	2023 Non-Major Enterprise Funds
	$ 173,597	$ 94,228
	804,906	790,215
	9,783,215	9,432,748
	-	-
	-	-
	2,607,618	2,537,710
	-	-
	-	-
	13,369,336	12,854,901
	-	-
	$ 13,369,336	$ 12,854,901
	$ -	$ 33,101
	-	-
	-	-
	326,734	361,072
	8,630,779	9,988,118
	8,957,513	10,382,291
	-	-
	1,790,821	409,152
	906,769	808,371
	1,714,233	1,255,087
	-	-
	4,411,823	2,472,610
	$ 13,369,336	$ 12,854,901

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

CITY OF SAN JUAN, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Utility I&S Fund	Utility Reserve Fund	2018 Construction Fund	2019 Construction Fund	2019A Construction Fund
Operating Revenues					
Utility fees	$ -	$ -	$ -	$ -	$ -
Miscellaneous	-	-	-	-	-
Total Operating Revenues	-	-	-	-	-
Operating Expenses					
Personal expenses	-	-	-	-	-
Other services and charges	13,145	-	-	-	-
Supplies	-	-	-	-	-
Total Operating Expenses	13,145	-	-	-	-
Operating Income (Loss)	(13,145)	-	-	-	-
Non-operating Revenues (Expenses)					
Interest income	8,975	35,501	-	420,041	33,435
Interest expense	(313,106)	-	-	-	-
Total non-operating revenues (expenses)	(304,131)	35,501	-	420,041	33,435
Excess of Revenues Over Expenditures Before Capital Grants and Transfers	(317,276)	35,501	-	420,041	33,435
Capital Grants and Transfers					
Capital Grants	-	-	-	34,000	8,339
Transfers In (Out)	318,795	61,378	1,095,000	200,000	50,000
Total Capital Grants and Transfers	318,795	61,378	1,095,000	234,000	58,339
Changes in Net Position	1,519	96,879	1,095,000	654,041	91,774
Net position, October 1	91,231	717,140	(1,095,000)	2,017,702	741,537
Net position, September 30	$ 92,750	$ 814,019	$ -	$ 2,671,743	$ 833,311

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

2024 Non-Major Enterprise Funds	2023 Non-Major Enterprise Funds
$ -	$ -
-	-
-	-
-	-
13,145	12,555
-	-
13,145	12,555
(13,145)	(12,555)
497,952	398,053
(313,106)	(341,545)
184,846	56,508
171,701	43,953
42,339	341,906
1,725,173	692,043
1,767,512	1,033,949
1,939,213	1,077,902
2,472,610	1,394,708
$ 4,411,823	$ 2,472,610

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

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SUPPLEMENTARY INFORMATION

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CITY OF SAN JUAN, TEXAS
NOTES TO SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except for certain major and non-major special revenue funds, which adopt project-length budgets. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds, as well as for the Utility Funds.

Unused appropriations for the annual budgeted funds lapse at the end of the year. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

On or before the end of June of each year, all agencies of the City submit requests for appropriation to the City Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations by fund function, and activity for the next fiscal year.

Before October 1, the proposed budget is presented to the City Commission for review. The City Commissioners hold a public hearing and may add to, subtract from or change appropriations by fund, function and activity, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Manager or the revenue estimates must be changed by an affirmative vote of a majority of the City Commissioners.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the overall fund total of appropriated expenditures of any fund must be approved by the Board of Commissioners.

Expenditures Over Appropriations

For the fiscal year September 30, 2024, expenditures in the General Fund exceeded budgeted appropriations in the following functions:

Culture & Recreation	$	(21,039)
Capital Outlay		(1,263,563)
Debt Service - Principal		(178,999)

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GENERAL FUND SCHEDULES

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CITY OF SAN JUAN TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024 AND 2023

	Budget	2024 Actual	Variance Final Budget Favorable (Unfavorable)	2023 Actual
Revenues				
Taxes:				
Property Taxes	$ 8,331,585	$ 8,212,984	$ (118,601)	$ 7,656,162
Sales Taxes	5,094,531	4,882,511	(212,020)	4,756,902
Franchise Taxes	1,089,649	1,027,964	(61,685)	1,082,507
Other Taxes	70,000	79,417	9,417	62,537
Licenses & Permits	1,058,400	711,669	(346,731)	869,249
Intergovernmental Revenues	820,418	783,991	(36,427)	782,132
Fines & Forfeitures	309,842	345,479	35,637	408,649
Interest Earned	350,000	430,340	80,340	418,031
Miscellaneous & Other Income	544,243	502,257	(41,986)	458,074
Total revenues	17,668,668	16,976,612	(692,056)	16,494,243
Expenditures				
Current				
General Government	3,212,034	3,031,834	180,200	2,628,093
Public Safety	8,259,219	7,642,307	616,912	6,867,831
Public Works	1,327,888	1,283,646	44,242	1,148,790
Culture & Recreation	2,141,326	2,162,365	(21,039)	1,994,264
Non-Departmental Expenditures	2,333,785	2,194,346	139,439	2,249,715
Capital Outlay	548,427	1,811,990	(1,263,563)	1,608,318
Debt Service				
Principal	449,293	628,292	(178,999)	463,238
Interest	77,683	77,681	2	87,950
Total expenditures	18,349,655	18,832,461	(482,806)	17,048,199
Excess (Deficiency) of Revenues Over Expenditures	(680,987)	(1,855,849)	(1,174,862)	(553,956)
Other Financing Sources (Uses)				
Transfers (Out)	-	-	-	(22,199)
Bond/Note Proceeds	-	258,430	258,430	1,208,868
Bond Premium Proceeds	-	-	-	-
Total Other Financing Sources (Uses)	-	258,430	258,430	1,186,669
Net Changes in Fund Balances	$ (680,987)	(1,597,419)	$ (916,432)	632,713
Fund Balance, October 1		7,192,858		6,560,145
Fund Balance, September 30		$ 5,595,439		$ 7,192,858

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

CITY OF SAN JUAN, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
Taxes			
General Property Taxes			
Ad valorem Taxes	$ 8,091,585	$ 8,012,592	$ (78,993)
Penalties and Interest on Taxes	240,000	200,392	(39,608)
Total General Property Taxes	8,331,585	8,212,984	(118,601)
Other Taxes			
City Sales Taxes	5,094,531	4,882,511	(212,020)
Franchise Taxes	1,089,649	1,027,964	(61,685)
Bingo Gross Receipts Tax	50,000	51,483	1,483
Other Taxes	20,000	27,934	7,934
Total Other Taxes	6,254,180	5,989,892	(264,288)
Total Taxes	14,585,765	14,202,876	(382,889)
Licenses and Permits			
Building Permits	600,000	348,476	(251,524)
Other Permits	458,400	363,193	(95,207)
Total Licenses and Permits	1,058,400	711,669	(346,731)
Intergovernmental Revenue			
Federal Grants	83,501	36,450	(47,051)
State Grants	55,067	65,691	10,624
Police Agreement	-	-	-
Administrative Fees	681,850	681,850	-
Total Intergovernmental Revenue	820,418	783,991	(36,427)
Fines and Fees			
Municipal Court Fines	163,200	163,891	691
Municipal Court Fines-Other	250	438	188
Arrest Fees	9,000	8,609	(391)
City Library Fines and Fees	10,000	10,852	852
Animal Control Fees	-	-	-
Police Reports and Fees	7,100	4,107	(2,993)
Rural Fire Fees	2,500	15,990	13,490
Health Fees	11,500	8,717	(2,783)
Rental Fees	22,212	20,008	(2,204)
Ambulance Fees	62,180	89,841	27,661
Other Fees	21,900	23,026	1,126
Total Fines and Fees	309,842	345,479	35,637

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

CITY OF SAN JUAN, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
Interest			
Interest Revenue	350,000	430,340	80,340
Total Interest	350,000	430,340	80,340
Other Revenues/Reimbursements			
Cleaning and Moving Fee	80,000	17,156	(62,844)
Parks and Recreation Fees	174,600	207,055	32,455
Contribution	150,000	114,300	(35,700)
Miscellaneous	134,643	120,194	(14,449)
Insurance Reimbursements	-	39,552	39,552
Sale of Assets	5,000	4,000	(1,000)
Total Miscellaneous Revenues	544,243	502,257	(41,986)
Total Revenues	$ 17,668,668	$ 16,976,612	$ (692,056)

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

CITY OF SAN JUAN, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
GENERAL GOVERNMENT			
City Commission			
Personal Services	$ -	$ -	$ -
Other Services & Charges	211,600	162,114	49,486
Supplies	8,370	5,493	2,877
Total City Commission	219,970	167,607	52,363
City Manager			
Personal Services	321,235	308,155	13,080
Other Services & Charges	205,295	193,379	11,916
Supplies	10,250	4,093	6,157
Total City Manager	536,780	505,627	31,153
City Secretary			
Personal Services	214,225	206,890	7,335
Other Services & Charges	87,052	84,045	3,007
Supplies	6,686	2,884	3,802
Total City Secretary	307,963	293,819	14,144
Municipal Court			
Personal Services	234,595	237,215	(2,620)
Other Services & Charges	118,904	110,996	7,908
Supplies	5,907	3,993	1,914
Total Municipal Court	359,406	352,204	7,202
Finance			
Personal Services	476,109	479,982	(3,873)
Other Services & Charges	32,586	19,569	13,017
Supplies	6,833	5,752	1,081
Total Finance	515,528	505,303	10,225
Planning & Zoning			
Personal Services	673,421	624,068	49,353
Other Services & Charges	68,691	73,025	(4,334)
Supplies	37,642	23,404	14,238
Contract Services	-	-	-
Total Planning & Zoning	779,754	720,497	59,257

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

CITY OF SAN JUAN, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
GENERAL GOVERNMENT (CONTINUED)			
Building Maintenance			
Personal Services	$ 373,063	$ 358,764	$ 14,299
Other Services & Charges	61,617	65,776	(4,159)
Supplies	57,953	62,237	(4,284)
Total Building Maintenance	492,633	486,777	5,856
Total General Government	3,212,034	3,031,834	180,200
PUBLIC SAFETY			
Police			
Personal Services	4,440,356	4,029,374	410,982
Other Services & Charges	196,561	204,266	(7,705)
Supplies	359,740	390,562	(30,822)
Total Police	4,996,657	4,624,202	372,455
Fire Suppression			
Personal Services	2,268,250	1,910,501	357,749
Other Services & Charges	526,123	603,468	(77,345)
Supplies	155,250	165,667	(10,417)
Total Fire Suppression	2,949,623	2,679,636	269,987
Emergency Management			
Personal Services	-	-	-
Other Services & Charges	4,400	240	4,160
Supplies	64,645	25,314	39,331
COVID-19 Expenses	-	-	-
Total Emergency Management	69,045	25,554	43,491
Animal Control			
Personal Services	94,978	94,170	808
Other Services & Charges	133,666	199,994	(66,328)
Supplies	15,250	18,751	(3,501)
Total Animal Control	243,894	312,915	(69,021)
Total Public Safety	8,259,219	7,642,307	616,912

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

CITY OF SAN JUAN, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
PUBLIC WORKS			
Streets & Highways			
Personal Services	$ 442,577	$ 361,827	$ 80,750
Other Services & Charges	501,034	521,244	(20,210)
Supplies	135,774	195,054	(59,280)
Total Streets & Highways	1,079,385	1,078,125	1,260
Central Garage			
Personal Services	206,785	179,438	27,347
Other Services & Charges	7,208	4,823	2,385
Supplies	34,510	21,260	13,250
Total Central Garage	248,503	205,521	42,982
Total Public Works	1,327,888	1,283,646	44,242
CULTURE & RECREATION			
Parks			
Personal Services	1,060,125	1,061,737	(1,612)
Other Services & Charges	650,768	727,594	(76,826)
Supplies	61,989	63,119	(1,130)
Total Parks & Recreation	1,772,882	1,852,450	(79,568)
Library			
Personal Services	328,704	260,531	68,173
Other Services & Charges	37,170	47,328	(10,158)
Supplies	2,570	2,056	514
Total Library	368,444	309,915	58,529
Total Culture & Recreation	2,141,326	2,162,365	(21,039)
NON-DEVELOPMENTAL EXPENDITURES			
General Expenditures			
Personal Services	$ -	$ -	$ -
Other Services & Charges	908,694	823,585	85,109
Supplies	3,326	3,692	(366)
Total General Expenditures	912,020	827,277	84,743

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

CITY OF SAN JUAN, TEXAS
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
NON-DEVELOPMENTAL EXPENDITURES (CONTINUED)			
Human Resources			
Personal Services	237,288	217,159	20,129
Other Services & Charges	24,479	23,113	1,366
Supplies	4,220	4,281	(61)
Total Human Resources	265,987	244,553	21,434
Information Technology			
Personal Services	576,769	552,265	24,504
Other Services & Charges	484,340	454,738	29,602
Supplies	50,224	48,063	2,161
Total Information Technology	1,111,333	1,055,066	56,267
380 Agreement Expenditures	44,445	67,450	(23,005)
Total Non-Department Expenditures	2,333,785	2,194,346	139,439
CAPITAL OUTLAY			
General Government	30,390	660,531	(630,141)
Public Safety			
Police	28,502	199,383	(170,881)
Fire	234,971	665,819	(430,848)
Emergency Management	43,604	30,827	12,777
Animal Control	15,960	15,960	-
Public Works - Streets	79,000	38,628	40,372
Culture & Recreation			
Parks	-	94,745	(94,745)
Library	116,000	106,097	9,903
Recreation	-	-	-
Total Capital Outlay	548,427	1,811,990	(1,263,563)
DEBT SERVICE			
Principal Payments	449,293	628,292	(178,999)
Interest Expense	77,683	77,681	2
Total Debt Service	526,976	705,973	(178,997)
Total Expenditures	$ 18,349,655	$ 18,832,461	$ (482,806)

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UTILITY FUND SCHEDULES

CITY OF SAN JUAN, TEXAS
UTILITY FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
Utility Revenues			
Water sales	$ 2,710,000	$ 2,647,220	$ (62,780)
Sewer charges	3,072,000	3,139,493	67,493
Other services fees	-	-	-
Total Utility	5,782,000	5,786,713	4,713
Other Operating Revenues			
Penalties	98,000	107,370	9,370
Tap fees	178,000	147,595	(30,405)
Connect/reconnect fees	78,500	77,335	(1,165)
Total Other Operating Revenues	354,500	332,300	(22,200)
Other			
Rents and royalties	30,000	14,206	(15,794)
Grant Reimbursement	250,000	-	
Miscellaneous	197,139	143,896	(53,243)
Total Other	477,139	158,102	(69,037)
Total Revenues	$ 6,613,639	$ 6,277,115	$ (86,524)

CITY OF SAN JUAN, TEXAS
UTILITY FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
UTILITY FUND			
Water Plant			
Personal Services	$ 554,004	$ 547,642	$ 6,362
Other Services & Charges	590,222	550,015	40,207
Supplies	517,088	546,878	(29,790)
Total Water Plant	1,661,314	1,644,535	16,779
Water Distribution			
Personal Services	336,657	285,805	50,852
Other Services & Charges	23,303	17,367	5,936
Supplies	124,704	81,335	43,369
Total Water Distribution	484,664	384,507	100,157
Sewer Plant			
Personal Services	300,139	340,593	(40,454)
Other Services & Charges	535,189	606,730	(71,541)
Supplies	183,686	84,781	98,905
Total Sewer Plant	1,019,014	1,032,104	(13,090)
Sewer Collection			
Personal Services	396,735	287,701	109,034
Other Services & Charges	551,196	501,709	49,487
Supplies	103,688	141,706	(38,018)
Total Sewer Collection	1,051,619	931,116	120,503
Utility Administration			
Personal Services	249,792	235,813	13,979
Other Services & Charges	464,568	605,332	(140,764)
Supplies	16,241	16,770	(529)
Contractual services-Administrative	407,820	407,820	-
Total Utility Administration	1,138,421	1,265,735	(127,314)
Utility Billing & Collection			
Personal Services	380,863	360,805	20,058
Other Services & Charges	227,555	224,368	3,187
Supplies	24,655	27,354	(2,699)
Total Utility Billing & Collection	633,073	612,527	20,546
Total Expenditures	$ 5,988,105	$ 5,870,524	$ 117,581

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

CITY OF SAN JUAN, TEXAS
SANITATION FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
SANITATION FUND			
Refuse Collection System			
Garbage fees	$ 2,400,000	$ 2,526,623	$ 126,623
Other refuse services fees	754,500	710,412	(44,088)
Brush fees	600,000	809,464	209,464
Total Refuse Collection System	3,754,500	4,046,499	291,999
Other Operating Revenues			
Roll-off service	160,000	263,608	103,608
Brush/other pick-up service	16,000	14,421	(1,579)
Recycling fees	40,200	61,328	21,128
Total Other Operating Revenues	216,200	339,357	123,157
Other			
Contribution	-	-	-
Scrap Metal Sales	-	-	-
Grant Reimbursement	-	-	-
Miscellaneous	34,005	21,201	(12,804)
Total Other	34,005	21,201	(12,804)
Total Revenues	$ 4,004,705	$ 4,407,057	$ 402,352

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

CITY OF SAN JUAN, TEXAS
SANITATION FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance Final Budget Favorable (Unfavorable)
SANITATION FUND			
Sanitation			
Personal Services	$ 1,647,204	$ 1,550,696	$ 96,508
Other Services & Charges	578,638	568,209	10,429
Supplies	637,192	582,407	54,785
Contractual services-Administrative	211,430	211,430	-
Contractual Services-Operations	643,784	637,481	6,303
Total Sanitation	3,718,248	3,550,223	168,025
Recycling			
Personal Services	-	-	-
Other Services & Charges	-	-	-
Supplies	-	-	-
Total Recycling	-	-	-
Total Expenditures	$ 3,718,248	$ 3,550,223	$ 168,025

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

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PART III
STATISTICAL SECTION

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FINANCIAL TRENDS

CITY OF SAN JUAN, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2015	2016	2017	2018
Governmental Activities				
Net investment in capital assets	$ 14,402,752	$ 14,853,405	$ 12,020,704	$ 14,981,295
Restricted	3,528,492	6,411,258	8,958,766	7,852,701
Unrestricted	(6,177,486)	662,115	3,432,184	3,272,194
Total governmental activities net position	$ 11,753,758	$ 21,926,778	$ 24,411,654	$ 26,106,190
Business-Type Activities				
Net investment in capital assets	$ 20,890,114	$ 23,593,066	$ 23,178,623	$ 26,941,036
Restricted	-	8,166,356	8,929,343	3,023,142
Unrestricted	17,084,774	7,815,047	8,375,826	12,255,158
Total business-type activities net position	$ 37,974,888	$ 39,574,469	$ 40,483,792	$ 42,219,336
Primary Government				
Net investment in capital assets	$ 35,292,866	$ 38,446,471	$ 35,199,327	$ 41,922,331
Restricted	3,528,492	14,577,614	17,888,109	10,875,843
Unrestricted	10,907,288	8,477,162	11,808,010	15,527,352
Total primary government net position	$ 49,728,646	$ 61,501,247	$ 64,895,446	$ 68,325,526

CITY OF SAN JUAN, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

2019	2020	2021	2022 (Restated)	2023	2024
$ 12,682,754	$ 10,162,726	$ 4,081,328	$ 11,629,695	$ 23,600,195	$ 23,573,944
10,216,810	14,431,998	21,270,450	11,249,660	15,933,717	22,909,428
3,651,818	4,993,734	5,535,263	9,047,390	(2,918,905)	(7,555,861)
$ 26,551,382	$ 29,588,458	$ 31,675,216	$ 31,926,745	$ 36,615,007	$ 38,927,511
$ 19,423,167	$ 19,340,604	$ 21,078,288	$ 24,859,831	$ 38,980,431	$ 43,539,518
15,090,514	13,714,428	12,987,395	12,350,950	3,880,849	4,545,970
12,445,314	14,057,690	12,829,197	12,531,054	12,282,686	11,588,909
$ 46,958,995	$ 47,112,722	$ 46,894,880	$ 49,741,835	$ 55,143,966	$ 59,674,397
$ 32,105,921	$ 29,503,330	$ 25,159,616	$ 36,489,526	$ 62,580,626	$ 67,113,462
25,307,324	28,146,426	34,257,845	23,600,610	19,814,566	27,455,398
16,097,132	19,051,424	18,364,460	21,578,444	9,363,781	4,033,048
$ 73,510,377	$ 76,701,180	$ 77,781,921	$ 81,668,580	$ 91,758,973	$ 98,601,908

CITY OF SAN JUAN, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2015	2016	2017	2018
Expenses				
Governmental Activities				
General Government	$ 3,333,865	$ 3,224,602	$ 2,975,124	$ 3,549,759
Public Safety	5,765,568	5,987,900	5,554,722	5,981,871
Public Works	924,753	1,147,700	830,978	846,319
Culture and Recreation	1,510,395	1,658,225	1,582,011	1,607,603
Economic Development	776,777	617,843	422,315	882,085
Interest on Long-Term Debt	665,471	792,672	750,813	753,798
Bond/Note Issuance Costs	3,535	207,271	226,930	-
Total governmental activities expenses	12,980,364	13,636,213	12,342,893	13,621,435
Business-type Activities				
Utility System	-	-	-	-
Water Services	2,275,371	1,975,597	2,027,012	2,155,066
Sewer Services	2,090,129	2,075,238	2,218,039	2,046,075
Garbage and Brush	2,098,746	2,403,310	2,446,074	2,732,150
Interest on Long-Term Debt	382,855	285,602	439,192	333,374
Total business-type activities expenses	6,847,101	6,739,747	7,130,317	7,266,665
Total primary government expenses	$ 19,827,465	$ 20,375,960	$ 19,473,210	$ 20,888,100
Program Revenues				
Governmental Activities				
Charges for services				
General government	$ 1,124,979	$ 245,082	$ 353,278	$ 312,167
Public Safety	53,333	200,223	296,699	245,291
Public Works	-	232,810	273,055	280,159
Culture and Recreation	-	57,578	46,029	67,242
Economic Development	-	-	-	-
Other Activities	-	-	-	-
Operating Grants and Contributions	-	584,796	550,455	602,554
Capital Grants and Contributions	-	146,626	78,274	955,835
Total governmental activities program revenues	1,178,312	1,467,115	1,597,790	2,463,248
Business-type Activities				
Charges for Services				
Utility System	-	-	-	-
Water Services	2,223,644	2,501,017	2,654,971	2,571,073
Sewer Services	2,516,948	2,800,606	2,904,348	2,834,435
Garbage and Brush	2,921,309	2,833,887	2,920,258	3,123,790
Operating Grants and Contributions	-	72,533	-	-
Capital Grants and Contributions	-	-	12,373	-
Total business-type activities program revenues	7,661,901	8,208,043	8,491,950	8,529,298
Total primary government program revenues	$ 8,840,213	$ 9,675,158	$ 10,089,740	$ 10,992,546
Net (expense)/revenue				
Governmental activities	$ (11,802,052)	$ (12,169,098)	$ (10,745,103)	$ (11,158,187)
Business-type activities	814,800	1,468,296	1,361,633	1,262,633
Total primary government net expense	$ (10,987,252)	$ (10,700,802)	$ (9,383,470)	$ (9,895,554)

CITY OF SAN JUAN, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

2019	2020	2021	2022 (Restated)	2023	2024
$ 3,557,363	$ 4,761,022	$ 4,384,823	$ 4,598,574	6,010,418	5,949,596
6,385,914	8,564,288	7,514,118	6,586,373	9,000,000	9,162,295
992,982	1,433,173	1,372,834	1,447,607	1,727,434	1,799,564
1,666,235	1,901,646	2,005,191	2,044,460	2,436,209	2,495,529
712,766	636,383	680,886	476,424	879,324	1,113,695
863,742	851,869	908,845	1,070,352	1,077,962	1,343,700
159,652	229,346	265,200	32,000	-	-
14,338,654	18,377,727	17,131,897	16,255,790	21,131,347	21,864,379
-	-	-	-	-	-
2,068,407	2,226,289	2,451,468	2,277,193	2,762,794	3,060,813
2,296,958	2,504,440	2,461,657	2,578,339	2,950,688	3,600,079
2,891,329	3,592,637	3,464,290	3,536,470	3,523,285	4,129,201
335,107	516,422	486,748	426,706	381,246	343,172
7,591,801	8,839,788	8,864,163	8,818,708	9,618,013	11,133,265
$ 21,930,455	$ 27,217,515	$ 25,996,060	$ 25,074,498	$ 30,749,360	$ 32,997,644
$ 328,535	$ 340,509	$ 660,833	$ 765,021	1,091,899	763,420
198,059	153,711	216,008	154,801	201,609	311,348
287,211	295,997	292,621	297,061	301,206	309,778
22,227	30,760	233,676	91,877	326,288	277,774
-	-	-	62,600	62,600	62,600
-	-	-	-	-	-
412,285	4,531,248	319,897	411,123	3,138,735	906,601
270,954	367,764	462,055	-	225,768	155,295
1,519,271	5,719,989	2,185,090	1,782,483	5,348,105	2,786,816
-	-	-	-	-	-
2,518,609	2,536,300	2,584,610	2,704,012	2,844,752	2,799,236
2,691,766	2,840,479	3,071,230	3,184,784	3,351,521	3,319,777
3,271,037	3,311,164	3,251,938	3,320,776	3,996,079	4,385,856
-	740,000	869	16,685	-	-
160,557	525,531	185,188	50,400	4,296,160	2,770,047
8,641,969	9,953,474	9,093,835	9,276,657	14,488,512	13,274,916
$ 10,161,240	$ 15,673,463	$ 11,278,925	$ 11,059,140	$ 19,836,617	$ 16,061,732
$ (12,819,383)	$ (12,657,738)	$ (14,946,807)	$ (14,473,307)	$ (15,783,242)	$ (19,077,563)
1,050,168	1,113,686	229,672	457,949	4,870,499	2,141,651
$ (11,769,215)	$ (11,544,052)	$ (14,717,135)	$ (14,015,358)	$ (10,912,743)	$ (16,935,912)

CITY OF SAN JUAN, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2015	2016	2017	2018
General Revenue and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property taxes	$ 6,350,712	$ 6,591,273	$ 6,857,207	$ 7,366,024
Sales taxes	3,439,026	3,495,985	3,612,443	3,760,439
Franchise taxes	707,413	719,737	934,525	969,315
Other taxes	30,922	40,636	64,090	52,598
Grants and contributions not restricted	614,729	-	-	-
Gain (loss) on sale of capital assets	-	-	304,041	-
Miscellaneous	653,685	419,333	258,342	384,675
Investment earnings	17,240	15,597	21,655	73,402
Bond premium proceeds	-	686,971	558,426	-
Transfers	(1,272,583)	619,250	619,250	(191,902)
Total governmental activities	10,541,144	12,588,782	13,229,979	12,414,551
Business-type activities				
Gain (loss) on sale of capital assets	-	-	9,663	-
Miscellaneous	69,066	140,312	111,515	53,194
Investment earnings	-	36,065	45,762	92,907
Special item	-	-	-	-
Transfers	1,272,583	(619,250)	(619,250)	191,902
Total business-type activities	1,341,649	(442,873)	(452,310)	338,003
Total primary government	$ 11,882,793	$ 12,145,909	$ 12,777,669	$ 12,752,554
Change in Net Position				
Governmental activities	$ (1,260,908)	$ 419,684	$ 2,484,876	$ 1,256,364
Business-type activities	2,156,449	1,025,423	909,323	1,600,636
Total primary government	$ 895,541	$ 1,445,107	$ 3,394,199	$ 2,857,000

CITY OF SAN JUAN, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

2019	2020	2021	2022	2023	2024
$ 7,573,872	$ 7,988,410	$ 8,738,405	$ 9,460,013	10,405,015	12,055,387
4,199,640	4,561,267	5,230,061	6,006,988	6,342,536	6,553,411
951,410	959,468	991,290	1,051,773	1,082,507	1,027,964
72,759	66,671	92,762	71,132	88,584	112,006
-	-	-	-	-	-
(118,340)	(11,643)	-	(70,630)	-	-
310,344	293,496	290,248	365,903	791,525	250,051
85,441	70,435	39,607	167,877	1,267,239	1,327,531
89,733	634,765	1,077,372	-	-	1,414,757
149,716	1,131,945	573,820	(2,249,656)	494,098	(1,351,039)
13,314,575	15,694,814	17,033,565	14,803,400	20,471,504	21,390,068
-	-	-	-		
319,109	58,420	53,673	79,393	339,873	179,303
216,808	113,566	4,072	59,957	685,857	858,438
-	-	-	-	-	-
(149,716)	(1,131,945)	(573,820)	2,249,656	(494,098)	1,351,039
386,201	(959,959)	(516,075)	2,389,006	531,632	2,388,780
$ 13,700,776	$ 14,734,855	$ 16,517,490	$ 17,192,406	$ 21,003,136	$ 23,778,848
$ 495,192	$ 3,037,076	$ 2,086,758	$ 330,093	$ 4,688,262	$ 2,312,505
1,436,369	153,727	(286,403)	2,846,955	5,402,131	4,530,431
$ 1,931,561	$ 3,190,803	$ 1,800,355	$ 3,177,048	$ 10,090,393	$ 6,842,936

CITY OF SAN JUAN, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2015	2016	2017	2018
GENERAL FUND				
Pre GASB 54				
Reserved	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-
Total Pre GASB 54	$ -	$ -	$ -	$ -
Post GASB 54				
Nonspendable				
Inventory	$ -	$ 7,582	$ 10,216	$ 11,627
Prepaid	-	13,019	10,722	59,323
Restricted				
Debt Service	-	-	-	-
Capital Improvements	-	-	1,158,518	957,637
Economic Development	-	-	-	-
Municipal Court	-	-	-	-
Federal or State Funds Grant Restriction	-	-	-	-
Other Purposes	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	1,507,107	1,830,147	2,530,541	1,173,785
Total Post GASB 54	$ 1,507,107	$ 1,850,748	$ 3,709,997	$ 2,202,372
ALL OTHER GOVERNMENTAL FUNDS				
Pre GASB 54				
Reserved	$ -	$ -	$ -	$ -
Unreserved, reported in				
Special revenue funds	-	-	-	-
Total Pre GASB 54	$ -	$ -	$ -	$ -
Post GASB 54				
Nonspendable				
Prepaid	$ -	$ 8,257	$ 8,257	$ 8,257
Restricted				
Debt Service	598,118	539,924	592,770	827,360
Capital Improvements	-	3,738,661	6,073,469	4,082,506
Economic Development	-	305,804	614,269	894,023
Municipal Court	-	84,305	99,194	25,177
Federal or State Funds Grant Restriction	-	1,214,715	(38,298)	2,697
Other Purposes	2,930,374	498,992	458,844	984,094
Total Post GASB 54	$ 3,528,492	$ 6,390,657	$ 7,808,505	$ 6,824,114

CITY OF SAN JUAN, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

2019	2020	2021	2022	2023	2024
$ -	$ -	$ -	$ -	-	-
-	-	-	-		
$ -	$ -	$ -	$ -	$ -	$ -
$ 5,389	$ 10,727	$ 8,286	$ 16,426	18,780	19,978
143,250	136,100	158,440	115,235	174,740	130,868
-	-	-	-	-	-
788,175	788,175	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,323,109	3,632,863	4,770,838	6,428,484	6,999,338	5,444,593
$ 2,259,923	$ 4,567,865	$ 4,937,564	$ 6,560,145	$ 7,192,858	$ 5,595,439
$ -	$ -	$ -	$ -	-	-
-	-	-	-		
$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	-	-
982,837	1,237,528	1,593,555	1,440,645	1,726,531	2,256,441
6,250,612	8,765,949	16,870,999	6,205,048	9,506,613	15,340,611
925,965	2,384,003	1,683,066	2,298,505	2,822,532	3,419,817
95,993	104,844	106,732	120,118	138,434	-
315,696	372,190	171,573	292,180	699,993	692,745
708,893	632,482	677,799	761,003	846,094	1,048,968
$ 9,279,996	$ 13,496,996	$ 21,103,724	$ 11,117,499	$ 15,740,197	$ 22,758,582

CITY OF SAN JUAN, TEXAS
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2015	2016	2017	2018
Revenues				
Taxes	$ 10,632,909	$ 10,920,469	$ 11,439,371	$ 12,218,780
Licenses and permits	-	224,830	335,620	292,981
Intergovernmental	614,729	981,003	1,104,285	1,943,600
Charges for services	1,182,292	510,863	633,441	611,878
Fines & Forfeitures	186,145	369,669	143,694	234,039
Investment earnings	14,683	15,597	21,655	73,402
Miscellaneous	405,042	395,581	772,383	384,675
Total Revenues	13,035,800	13,418,012	14,450,449	15,759,355
Expenditures				
General government	2,681,372	1,759,329	1,804,276	2,125,363
Public safety	6,200,794	4,937,862	4,926,129	5,290,419
Highways and streets	1,013,044	939,784	706,371	709,251
Culture and recreation	1,359,237	1,375,328	1,420,225	1,429,638
Economic development	776,777	522,839	425,238	580,761
Non-Departmental Expenditures	-	927,193	959,518	2,086,585
Capital outlay	208,178	2,394,870	5,125,480	4,754,346
Debt service				
Principal	1,112,744	5,049,358	7,322,561	1,382,333
Interest	669,006	775,851	745,050	761,316
Total expenditures	14,021,152	18,682,414	23,434,848	19,120,012
Excess of revenues over (under) expenditures	(985,352)	(5,264,402)	(8,984,399)	(3,360,657)
Other financing sources (uses)				
Transfers in (out)	(1,272,583)	-	-	-
380 Agreement expenditures	-	(58,447)	-	(51,324)
Lawsuit Settlement	-	-	-	-
Bonds/Notes proceeds	55,506	7,720,000	11,930,000	919,965
Bond premium proceeds	-	686,971	558,426	-
Bond/Note issuance costs	-	(207,271)	(226,930)	-
Total other financing sources (uses)	(1,217,077)	8,141,253	12,261,496	868,641
Net change in fund balances	$ (2,202,429)	$ 2,876,851	$ 3,277,097	$ (2,492,016)
Debt service as a percentage of noncapital expenditures(1)	12.71%	31.18%	34.43%	11.21%

CITY OF SAN JUAN, TEXAS
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

2019	2020	2021	2022	2023	2024
$ 12,747,125	$ 13,644,234	$ 15,129,440	$ 16,642,629	17,794,285	19,565,742
305,689	327,852	633,046	732,409	869,249	711,669
1,184,813	5,366,168	1,331,537	919,469	3,843,588	1,313,478
530,343	493,125	770,092	576,351	1,051,753	950,651
117,676	152,094	69,665	173,504	202,765	430,268
85,441	70,435	39,607	167,877	1,267,239	1,327,531
310,344	293,496	290,248	365,903	474,496	559,808
15,281,431	20,347,404	18,263,635	19,578,142	25,503,375	24,859,147
2,102,780	2,356,973	2,425,540	2,375,407	2,915,302	3,077,621
5,642,745	7,053,852	6,674,472	5,904,769	7,151,073	7,977,898
846,524	1,199,311	1,192,143	1,295,007	1,405,893	1,556,811
1,475,639	1,564,314	1,780,759	1,848,256	2,007,338	2,180,914
599,065	558,000	489,396	479,461	857,017	1,103,050
1,195,375	1,688,554	1,571,948	1,843,263	2,249,715	2,194,346
1,036,523	2,100,305	2,456,219	8,865,839	10,730,161	9,898,536
2,450,415	3,444,844	1,654,843	1,893,702	2,220,238	2,896,292
825,948	818,981	913,145	1,074,333	1,046,972	1,340,854
16,175,014	20,785,134	19,158,465	25,580,037	30,583,709	32,226,322
(893,583)	(437,730)	(894,830)	(6,001,895)	(5,080,334)	(7,367,175)
(469,534)	512,695	(45,430)	(2,868,906)	(125,152)	(1,970,289)
(113,531)	(70,442)	(191,024)	(37,343)	-	-
-	(30,000)	-	-	-	-
4,110,000	6,145,000	8,295,539	577,000	10,143,868	13,653,430
89,733	634,765	1,077,372	-	317,029	1,414,757
(159,652)	(229,346)	(265,200)	(32,000)	-	(309,757)
3,457,016	6,962,672	8,871,257	(2,361,249)	10,335,745	12,788,141
$ 2,563,433	$ 6,524,942	$ 7,976,427	$ (8,363,144)	$ 5,255,411	$ 5,420,966
20.26%	20.51%	13.40%	11.60%	10.68%	13.15%

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REVENUE CAPACITY

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CITY OF SAN JUAN, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy: Amount	Collection within the Fiscal Year of the Levy: Percentage of Levy	Delinquent Tax Collections	Total Tax Collections
2015	$ 6,062,874	$ 5,720,271	94.3%	$ 422,328	$ 6,142,599
2016	6,363,986	6,006,560	94.4%	332,157	6,338,717
2017	6,638,278	6,232,309	93.9%	349,762	6,582,071
2018	7,112,363	6,751,778	94.9%	389,009	7,140,787
2019	7,286,364	6,913,739	94.9%	345,610	7,259,349
2020	7,793,729	7,396,487	94.9%	390,517	7,787,004
2021	8,178,632	8,133,995	99.5%	402,639	8,536,634
2022	9,088,384	8,834,001	97.2%	384,687	9,218,688
2023	10,077,566	9,673,448	96.0%	322,417	9,995,865
2024	11,550,566	11,245,062	97.4%	337,060	11,582,122

Source: Hidalgo County Tax Office

CITY OF SAN JUAN, TEXAS
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Other Taxes	Total
2015	$ 6,350,712	$ 3,439,026	$ 707,413	$ 30,922	$ 10,528,073
2016	6,591,273	3,495,985	719,737	40,636	10,847,631
2017	6,857,207	3,612,443	934,525	64,090	11,468,265
2018	7,366,024	3,760,439	969,315	52,598	12,148,376
2019	7,573,872	4,199,640	951,410	72,759	12,797,681
2020	7,988,410	4,561,267	959,468	66,671	13,575,816
2021	8,738,405	5,230,061	991,290	92,762	15,052,518
2022	9,460,013	6,006,988	1,051,773	71,132	16,589,906
2023	10,405,015	6,342,536	1,082,507	88,584	17,918,642
2024	12,055,387	6,553,411	1,027,964	112,006	19,748,768

CITY OF SAN JUAN, TEXAS
BUSINESS-TYPE ACTIVITIES OPERTING REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Water Services	Sewer Services	Garbage and Brush Services	Total
2015	$ 2,223,644	$ 2,516,948	$ 2,921,309	$ 7,661,901
2016	2,501,017	2,800,606	2,833,887	8,135,510
2017	2,654,971	2,904,348	2,920,258	8,479,577
2018	2,571,073	2,834,435	3,123,790	8,529,298
2019	2,518,609	2,691,766	3,271,037	8,481,412
2020	2,536,300	2,840,479	3,311,164	8,687,943
2021	2,584,610	3,071,230	3,251,938	8,907,778
2022	2,704,012	3,184,784	3,320,776	9,209,572
2023	2,844,752	3,351,521	3,996,079	10,192,352
2024	2,799,236	3,319,777	4,385,856	10,504,869

CITY OF SAN JUAN, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

					Overlapping Rates[1]
	City of San Juan				
Tax Year	Fiscal Year	Operating Tax Rate	Debt Service Tax Rate	Total City Tax Rate	Hidalgo County Tax Rate
2014	2014-15	0.5304	0.1689	0.6993	0.5900
2015	2015-16	0.5304	0.1689	0.6993	0.5900
2016	2016-17	0.5304	0.1689	0.6993	0.5900
2017	2017-18	0.5291	0.1702	0.6993	0.5900
2018	2018-19	0.5320	0.1673	0.6993	0.5800
2019	2019-20	0.5259	0.1734	0.6993	0.5750
2020	2020-21	0.5164	0.1762	0.6926	0.5750
2021	2021-22	0.5302	0.1574	0.6876	0.5750
2022	2022-23	0.5033	0.1732	0.6765	0.5750
2023	2023-24	0.4664	0.2101	0.6765	0.5750

1. Overlapping rates are those of the City, County, and school districts that apply to property owners within the City of San Juan. Not all overlapping rates apply to City of San Juan property owners.

2. (Total Tax Rate)-The allocation of operation and debt service is not available at this time for the County, School Districts Special Districts and the Community College.

Source: Hidalgo County Tax Office

CITY OF SAN JUAN, TEXAS
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

Overlapping Rates[1]				
School District				
PSJA ISD Tax Rate	South Texas ISD Tax Rate	Drainage Dist. No. 1 Tax Rate	South Texas College Tax Rate	Total Direct & Overlapping Rates[2]
1.3592	0.0492	0.0957	0.1500	2.94
1.3992	0.0492	0.0951	0.1850	3.02
1.3992	0.0492	0.0951	0.1850	3.02
1.3892	0.0492	0.0951	0.1850	3.01
1.3792	0.0492	0.0951	0.1780	2.98
1.2725	0.0492	0.1051	0.1733	2.87
1.2675	0.0492	0.1026	0.1718	2.86
1.2167	0.0492	0.1264	0.1715	2.83
1.1837	0.0492	0.1179	0.1615	2.76
1.0183	0.0492	0.1139	0.1562	2.59

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CITY OF SAN JUAN, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
(UNAUDITED)

	Tax Year 2023			Tax Year 2014		
Taxpayer	**Taxable Value**	**Rank**	**Percentage of Total Taxable Value**	**Taxable Value**	**Rank**	**Percentage of Total Taxable Value**
DJP III LLC	$ 15,010,761	1	0.75%	$ 8,551,899	1	0.98%
North Park Lexus Rio Grande Valley	8,898,644	2	0.45%	-		0.00%
HEB Grocery Co	6,674,854	3	0.34%	6,384,889	2	0.73%
Mercedes Benz of San Juan	6,338,565	4	0.32%	4,864,740	4	0.56%
SJL Land Venture LTD	6,239,881	5	0.31%	-		0.00%
AEP Texas Inc-27H	6,206,630	6	0.31%	-		0.00%
Doggett Heavy Machinery Services LLC	6,082,231	7	0.31%	-		0.00%
Jaguar Land Rover San Juan	5,254,923	8	0.26%	5,133,346	3	0.59%
Columbia Rio Grande Healthcare LP	5,182,555	9	0.26%	-		0.00%
Driscoll's INC	4,888,019	10	0.25%	-		0.00%
H E Butt Grocery Company				$ 4,735,764	5	0.55%
Audi San Juan				3,669,512	6	0.42%
DHMS Properties II LLC				3,153,494	7	0.36%
Dove Equipment LLC				2,777,640	8	0.32%
Chavez Felix Jr				2,552,126	9	0.29%
Lubin Properties LLC				2,150,617	10	0.25%
Total	$ 70,777,063		3.56%	$ 43,974,027		5.06%

CITY OF SAN JUAN, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended	Real Property		Non-Real Property	Less:
September 30,	Residential Property	Non-Homesite & Ag. Property	Personal Property	Tax Exempt Real Property
2015	432,194,595	575,968,908	57,251,739	196,513,550
2016	473,050,141	604,745,074	52,339,149	215,289,537
2017	476,919,422	655,522,361	62,303,083	239,517,528
2018	512,982,325	700,535,794	65,384,332	252,154,574
2019	518,766,824	716,645,549	67,455,713	249,683,489
2020	540,135,414	758,246,050	83,148,375	253,673,567
2021	604,593,553	798,505,633	90,530,906	290,855,870
2022	698,576,290	883,567,065	90,429,612	316,404,059
2023	843,571,227	967,481,396	104,950,231	378,335,716
2024	1,147,017,347	1,179,923,587	129,077,203	467,295,173

1. Tax rate per every $100 valuation of property.
2. The estimated property value is derived directly from the Levy Roll Tax Totals provided by the Hidalgo County Tax Assessor.

CITY OF SAN JUAN, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Total Taxable Assessed Value	Total Direct Tax Rate[1]	Estimated Actual Taxable Value[2]	Assessed Value as a Percentage of Actual Value
868,901,692	0.6993	1,065,415,242	0.82%
914,844,827	0.6993	1,130,134,364	0.81%
955,227,338	0.6993	1,194,744,866	0.80%
1,026,747,877	0.6993	1,278,902,451	0.80%
1,053,184,597	0.6993	1,302,868,086	0.81%
1,127,856,272	0.6993	1,381,529,839	0.82%
1,202,774,222	0.6926	1,493,630,092	0.81%
1,356,168,908	0.6876	1,672,572,967	0.81%
1,537,667,138	0.6876	1,916,002,854	0.80%
1,988,722,964	0.6765	2,456,018,137	0.81%

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DEBT CAPACITY

CITY OF SAN JUAN, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	2015	2016	2017	2018
Legal Debt Margin Calculation for Fiscal Year				
Assessed value	$ 868,901,692	$ 914,844,827	$ 955,227,338	$ 1,026,747,877
Add: Exempt Rreal Property	196,513,550	215,289,537	239,517,528	252,154,574
Total Assessed Value (Net)	1,065,415,242	1,130,134,364	1,194,744,866	1,278,902,451
Debt Limit (10% of Total Assessed Value)	$ 106,541,524	$ 113,013,436	$ 119,474,487	$ 127,890,245
Debt Applicable to Limit:				
General obligation bonds	14,255,000	17,090,000	19,900,000	18,725,000
Less: Amount set aside for repayment of general obligation debt	(401,093)	(539,923)	(592,770)	(827,360)
Total Net Debt Aapplicable to Limit	13,853,907	16,550,077	19,307,230	17,897,640
Legal Debt Margin	$ 92,687,617	$ 96,463,359	$ 100,167,257	$ 109,992,605

Note: Texas statutes do not prescribe a debt limit; however, by custom a practical economic debt limit of 10% of the assessed valuation is used.

CITY OF SAN JUAN, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

2019	2020	2021	2022	2023	2024
$ 1,053,184,597	$ 1,127,856,272	$ 1,202,774,222	$ 1,356,168,908	$ 1,537,667,138	$ 1,988,722,964
249,683,489	253,673,567	290,855,870	316,404,059	378,335,716	467,295,173
1,302,868,086	1,381,529,839	1,493,630,092	1,672,572,967	1,916,002,854	2,456,018,137
$ 130,286,809	$ 138,152,984	$ 149,363,009	$ 167,257,297	$ 191,600,285	$ 245,601,814
21,510,000	24,290,000	30,940,000	29,727,000	36,790,000	47,797,000
(982,837)	(1,237,528)	(1,540,960)	(1,388,273)	(1,673,920)	(46,123,080)
20,527,163	23,052,472	29,399,040	28,338,727	35,116,080	1,673,920
$ 109,759,646	$ 115,100,512	$ 119,963,969	$ 138,918,570	$ 156,484,205	$ 243,927,894

CITY OF SAN JUAN, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Governmental Activities			Business-Type Activities		
Fiscal Year	General Obligation Bonds	Notes Payable	Leases	Revenue Bonds	Notes Payable	Leases
2015	14,255,000	1,444,663	231,497	12,819,000	3,321,308	-
2016	17,090,000	1,315,180	196,623	12,348,000	3,321,308	-
2017	19,900,000	2,126,667	-	14,340,000	3,321,308	-
2018	18,725,000	2,053,334	919,965	14,805,000	3,321,308	-
2019	21,510,000	2,053,334	843,125	22,245,000	2,929,161	1,072,760
2020	24,290,000	2,053,334	763,281	23,840,000	2,403,630	933,898
2021	30,940,000	2,053,334	753,977	22,580,000	2,218,442	790,490
2022	29,727,000	2,053,334	650,275	21,280,000	2,168,042	642,398
2023	36,790,000	2,053,334	1,564,193	19,950,000	1,826,138	531,769
2024	47,797,000	2,053,334	1,667,618	18,600,000	1,783,797	356,114

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
(1) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF SAN JUAN, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Total Primary Government	Per Capita (1)
32,071,468	871
34,271,111	927
39,687,975	1,068
39,824,607	1,076
50,653,380	1,435
54,284,143	1,533
59,336,243	1,658
56,521,049	1,551
62,715,434	1,704
72,257,863	1,966

CITY OF SAN JUAN, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2015	14,255,000	476,028	13,778,972	1.59%	376.51
2016	17,090,000	401,093	16,688,907	1.82%	453.37
2017	19,900,000	539,923	19,360,077	2.03%	523.51
2018	18,725,000	592,770	18,132,230	1.77%	488.03
2019	21,510,000	827,360	20,682,640	1.96%	558.87
2020	24,290,000	982,837	23,307,163	2.07%	660.37
2021	30,940,000	1,237,528	29,702,472	2.47%	839.05
2022	29,727,000	1,540,960	28,186,040	2.08%	787.72
2023	36,790,000	1,388,273	35,401,727	2.30%	971.29
2024	47,797,000	1,673,920	46,123,080	2.32%	1,253.00

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF SAN JUAN, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2022
(UNAUDITED)

Governmental Unit	Date	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct:				
City of San Juan	09/30/2024	$ 36,790,000	100%	$ 36,790,000
Overlapping:				
Pharr, San Juan, Alamo ISD	09/30/2024	247,255,000	22.15%	54,766,983
Hidalgo County	09/30/2024	395,825,000	3.30%	13,062,225
Hidalgo County Irrigation District #1	09/30/2024	276,378,000	3.36%	9,286,301
South Texas College	09/30/2024	103,234,693	3.08%	3,179,629
Total Direct and Overlapping Debt				$ 117,085,137

Source: Municipal Advisory Council of Texas

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of the overlapping governments that is borne by the residents and businesses of the City of San Juan, Texas. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

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CITY OF SAN JUAN, TEXAS
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Revenue Bonds					
				Debt Service		
Fiscal Year	Charges and Other Fees	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2015	7,661,901	6,464,246	1,197,655	12,819,000	382,855	0.09
2016	8,135,510	6,454,145	1,681,365	12,348,000	285,602	0.14
2017	8,479,577	6,691,125	1,788,452	14,340,000	439,192	0.12
2018	8,529,298	6,933,291	1,596,007	14,805,000	333,374	0.11
2019	8,481,412	7,256,694	1,224,718	22,245,000	335,107	0.06
2020	8,687,943	8,323,366	364,577	23,840,000	516,422	0.02
2021	8,907,778	8,377,415	530,363	22,580,000	486,748	0.02
2022	9,209,572	8,392,002	817,570	21,280,000	426,706	0.04
2023	10,192,352	9,236,767	955,585	19,950,000	381,246	0.05
2024	10,504,869	10,790,093	(285,224)	18,600,000	343,172	(0.02)

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DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF SAN JUAN, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Median Age (2)	Unemployment Rate (2)
2015	36,597	15,566	26.9	8.1%
2016	36,811	15,566	26.9	7.4%
2017	36,981	15,566	28.7	9.2%
2018	37,154	15,754	29.5	8.8%
2019	37,008	15,754	29.2	7.9%
2020	35,294	15,754	29.6	7.3%
2021	35,400	15,754	29.7	13.8%
2022	35,782	15,754	29.3	10.6%
2023	36,448	16,256	29.3	7.7%
2024	36,810	14.517	29.7	7.4%

(1) Estimated (Information was received from the U.S. Census Bureau)
(2) Source: U.S. Census Bureau, American Community Survey 5-year Estimates

CITY OF SAN JUAN, TEXAS
PRINCIPAL EMPLOYERS
(UNAUDITED)

	2024	
Employers	**Employees**	**Rank**
H.E.B	500	1
PSJA ISD	466	2
Rio Fresh, Inc.	219	3
Spirit Truck Lines	167	4
San Juan Nursing Home	165	5
Cano & Sons Trucking, LLC	122	6
Basilica Of Our Lady Of San Juan Del Valle National Shrine	108	7
Idea Academy	88	8
GF Client Services	65	9
Ales Auto Sales LLC	58	10
Total	1,958	

CITY OF SAN JUAN, TEXAS
MISCELLANEOUS SUPPLEMENTAL INFORMATION
(UNAUDITED)

Date of Incorporation:	December 29, 1917
Date of Adoption of City Charter:	April 5, 1975
Form of Government:	Home Rule
Area:	
Square Miles	11.5
Acres (estimated)	7,310
Miles of Streets:	
Paved within City Limits - City Maintained	118
Miles of Water Lines:	97
Miles of Sewer:	
Sanitary	139
Storm	20
Fire Protection:	
Number of Stations	2
Num Civil Service	33
Civilian	3
Volunteer	20
Police Protection	
Number of Stations	2
Num Civil Service	50
Civilian (includes animal control)	21
Recreation:	
Developed Parks - 50.9 Acres	12
Number of Municipal Pools	0
Lighted Baseball/Softball Fields	5
Birding Center Undeveloped	1
Education:	
(City of San Juan within the PSJA School District)	
Number of Teachers	511
Number of Registered Students	10,081
School Campuses: Elementary/Middle/High/Special Purpose	8/2/1/0

OPERATING INFORMATION

CITY OF SAN JUAN, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
(UNAUDITED)

		Fiscal Year Ended 2023-2024	Fiscal Year Ended 2022-2023	Fiscal Year Ended 2021-2022
POSITIONS BY DEPARTMENT				
410	City Manager	3	2	2
420	City Secretrary	4	3	3
430	Municipal Court	4	4	4
440	Finance	8	7	7
450	Planning	13	12	11
460	Police	69	68	68
470	Fire Suppression	36	36	36
480	Street, Alley, Other	11	10	9
490	Central Garage	5	5	5
500	Parks Department	17	18	18
520	Building Mainteance	9	8	8
530	Library	7	7	7
570	Human Resources	4	4	4
580	Information Technology	9	9	8
602	Health & Welfare - Animal Control	2	2	2
	Total General Fund	**201**	**195**	**192**
601	Storm Water	8	8	8
	Total Storm Water	**8**	**8**	**8**
700	Sanitation	37	32	27
701	Recycling	-	-	5
	Total Sanitation	**37**	**32**	**32**
441	Utility Billing	9	7	7
451	Utility Administration	4	5	5
600	Water Plant	12	12	12
610	Water Distribution	7	7	7
620	Sewer Collection	8	8	8
630	Sewer Plant	6	6	6
	Total Utility Fund	**46**	**45**	**45**
	GRAND TOTAL POSITIONS	**292**	**280**	**277**

CITY OF SAN JUAN, TEXAS
OPERATING INDICATORS BY FUNCTION
(UNAUDITED)

	2024	2023	2022	2021
Population:	36,810	36,448	35,782	35,400
% Change	0.98%	1.83%	1.07%	-4.95%
Building Permits:	744	744	771	1,068
% Change	0.00%	-3.63%	-38.52%	-159.08%

Building Permits:		
Permits Issued in FY 2024		744
Estimated Value	$	348,476

UTILITY/ENTERPRISE FUND:

Class of Customer	Number*	Gallons of Water-Per 1,000 Gallons (October 2022-September 2023)
Residential	6,512	2,723,000
Commercial	556	18,487,000
Apartment	251	1,377,000
All Other	8	105,000

Gallons of water shown to have passed through the master meter at City's Water plants #1 and #2 during the period	10/01/23 - 09/30/24	936,402,000
Gallons of water billed during the period	10/01/23 - 09/30/22	22,692,000

The rate charged for water furnished and consumed under the standard water rate schedule by Section 1.0 of Ordinance Number 09-12, amended September 08, 2009 to all classes of customer is as follows:

Class of Customer	Base Charge		Per 1,000 Gal
Residential	$ 12.05		$ 1.65
Commercial	27.95	**	1.90
Apartment	27.95	**	1.90
All Other	27.95	**	1.90

	Number of Customers	
Fiscal Year	Water	Sewer
2024	7,347	6,915
2023	7,202	6,775
2022	7,055	6,645
2021	6,862	6,467
2020	6,703	6,311
2019	6,553	6,182
2018	6,483	6,112
2017	6,376	6,037
2016	6,279	5,965
2015	6,164	5,828

*As of September 30, 2024
** Rate is for 3/4" meter. This base charge increases with size of meter.

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PART IV
COMPLIANCE SECTION

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CITY OF SAN JUAN, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE ASSISTANCE
SEPTEMBER 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Pass-Through Entity Identifying Number	Program Award	Federal Expenditure
FEDERAL ASSISTANCE				
U.S. Department of Justice				
Direct Award				
Passed through Marshals Office Joint Law Enforcement				
Joint Law Enforcement Program	16.000	M-24-D79-O-000201	$ 21,900	$ 21,900
Passed through Office of Community Oriented Policing				
Services - COPS Hiring Program	16.710	2020UMWX0208	229,592	12,468
Passed through Office of Community Oriented Policing				
Services - COPS Hiring Program	16.710	15JCPOS-23-GG-04795-UHPX	342,063	75,812
Passed through the Texas Office of the Governor				
E. Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01898-JAGX	12,890	12,520
Passed through the Texas Office of the Governor				
E. Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03798-JAGX	13,233	12,910
U.S. Department of Treasury				
American Rescue Plan Act - Coronavirus State and Local Fiscal Recovery Funds				
Passed through the Texas Division of Emergency				
Management (TDEM)	21.027	FY 2021	9,170,062	2,770,047
Passed through Immigration and Customs Enforcement				
Joint Task Force (ICE)	21.027	FY 2021	15,000	2,417
Passed through the Federal Emergency Management Agency (FEMA)				
2023 Stone Garden	97.067	EMW-2023-SS-00025	150,000	108,508
2022 Stone Garden	97.083	EMW-2022-SS-00021	150,000	76,767
* Environmental Protection Agency				
Passed through Texas Water Development Board				
Clean Water State Revolving Fund	66.458	L-1000933	1,715,000	-
Clean Water State Revolving Fund	66.458	LF-1000942	498,000	8,339
Clean Water State Revolving Fund	66.458	L-1000937	6,645,000	-
Clean Water State Revolving Fund	66.458	LF-1000943	2,562,000	34,000
Total Federal Assistance			21,524,740	3,135,688
STATE ASSISTANCE				
Texas Department of Public Safety				
Division of Emergency Management				
Local Border Security Program (LBSP-22)		2023-BL-ST-0016	$ 20,000	$ 19,864
Office of the Governor				
BG-Rifle-Resistant Body Armor Grant Program		2024-BG-ST-0025 (4797601)	11,900	11,900
BC-Body Worn Cameras (BWC) Program		2024-BC-ST-0020 (4383302)	10,095	9,595
BD-Operation Lone Star Grant Program		2024-BD-ST-0001 (4920201)	128,142	124,531
Texas State Comptroller				
Passed through the Texas Department of Transportation				
LEOSE (Travel & Training)			-	7,781
Total State Assistance			170,137	173,671
Total Federal and State Assistance			$ 21,694,877	$ 3,309,359

* The City was originally indebted to the Texas Water Development Board (TWDB) in the amount of $11,420,000. The debt consists of $7,120,000 in Certificates of Obligation, and $1,765,779 as part of a loan forgiveness funds agreement. The outstanding balance at September 30, 2024 is $8,885,779.

CITY OF SAN JUAN, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE ASSISTANCE
SEPTEMBER 30, 2024

1. Basis of Presentation

   The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of San Juan, Texas under the programs of the federal government for the fiscal year ended September 30, 2024. 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, Costs Principles, and Audit Requirements of Federal Awards.* Because the schedule represents only a selected portion of the operations of the City of San Juan, Texas it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of San Juan, Texas.

2. Summary of Significant Accounting Policies

   Expenditures reports on the schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles, contained in the *Uniform Guidance* and/or *OMB Circular A-87* , wherein certain types of of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

   City of San Juan, Texas has elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Grant/Program Title	CFDA	Grantor Number	Federal & State Expenditure
FEDERAL ASSISTANCE			
U.S. Department of Justice			
Joint Law Enforcement Program	16.111	M-24-D79-O-000201	$ 21,900
Services - COPS Hiring Program	16.111	2020UMWX0208	12,468
Services - COPS Hiring Program	16.111	15JCPOS-23-GG-04795-UHPX	75,812
E. Byrne Memorial Justice Assistance Grant Program	16.111	15PBJA-21-GG-01898-JAGX	12,520
E. Byrne Memorial Justice Assistance Grant Program	16.111	15PBJA-23-GG-03798-JAGX	12,910
U.S. Department of Justice			
ARPA - TDEM	21.027	FY 2021	2,770,047
Immigration and Customs Enforcement Joint Task Force (ICE)	21.027	FY 2021	2,417
U.S. Department of Homeland Security			
(LEERT) Enhancements - 2022 Project	97.067	EMW-2021-SS-00062	-
2023 Stone Garden	97.067	EMW-2023-SS-00025	108,508
* Environmental Protection Agency			
Clean Water State Revolving Fund	66.458	L-1000933	-
Clean Water State Revolving Fund	66.458	LF-1000942	8,339
Clean Water State Revolving Fund	66.458	L-1000937	-
Clean Water State Revolving Fund	66.458	LF-1000943	34,000
Total Federal Assistance			3,135,688

CITY OF SAN JUAN, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE ASSISTANCE
SEPTEMBER 30, 2024

Grant/Program Title	CFDA	Grantor Number	Federal & State Expenditure
STATE ASSISTANCE			
Texas Department of Public Safety			
Local Border Security Program (LBSP-22)		2023-BL-ST-0016	19,864
Office of the Governor			
BG-Rifle-Resistant Body Armor Grant Program		2024-BG-ST-0025 (4797601)	11,900
BC-Body Worn Cameras (BWC) Program		2024-BC-ST-0020 (4383302)	9,595
BD-Operation Lone Star Grant Program		2024-BD-ST-0001 (4920201)	124,531
Texas State Comptroller			
LEOSE (Travel & Training)			7,781
Total State Assistance			173,671
Total Federal and State Assistance			$ 3,309,359
Total Federal and State Assistance			$ 3,309,359
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES	(Page 3)		
Program Revenues			
Operating Grants and Contributions		$ 771,900	
Capital Grants and Contributions		3,060,043	
Subtotal Grants and Contributions		3,831,943	
Cash Released from Escrow (Loan)		42,339	
LESS: Other Reimbursable Grants		(564,923)	
Total Grants and Contributions		$ 3,309,359	$ 3,309,359

Other Reimbursable Grants:	
Library Grant	$ 14,588
Local Police Fees	55,067
Forfeitures Fees	430,268
Other Contributions	65,000
Total Other Reimbursable Grants	$ 564,923

NOTE:

* The City was originally indebted to the Texas Water Development Board (TWDB) in the amount of $11,420,000. The debt consisted of $8,360,000 in Certificates of Obligation, and $3,060,000 as part of a loan forgiveness funds agreement. The outstanding balance at September 30, 2024 is $8,885,779; $7,120,000 in Certificates of Obligation and $1,765,779 in loan forgiveness funds, this amount is recorded in Long-Term Debt (Note G). The expenditures are recorded in the Business-Type Activities Capital Assets (Note F)

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and
Members of the City Commission
City of San Juan, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the City of San Juan, Texas which comprise the statement of financial position as of September 30, 2024, and the related statements of activities for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 21, 2025.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Mayor and
Members of the City Commission
San Juan, Texas

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the Organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Garcia & Pena,
Certified Public Accountants
Weslaco, Texas

March 21, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and
Members of the City Commission
San Juan, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of San Juan, Texas' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of San Juan, Texas' major federal program for the year ended September 30, 2024. of the City of San Juan, Texas' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of San Juan, Texas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year then ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit on compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of San Juan, Texas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of San Juan, Texas' 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, statues, regulations, rules, and provisions of contracts or grant agreements applicable to the City of San Juan, Texas' federal 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 City of San Juan, Texas' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance 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 City of San Juan, Texas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards,* and the Uniform Guidance, 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 to the City of San Juan, Texas' 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 City of San Juan, Texas' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of San Juan, Texas' 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 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 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 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. Accordingly, this report is not suitable for any other purpose.

Garcia & Pena
Certified Public Accountants
Weslaco, Texas 78596

March 21, 2025

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CITY OF SAN JUAN, TEXAS
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified			
Internal control over financial reporting:				
* Significant deficiency (ies) identified		Yes	X	No
* Significant deficiency (ies) identified that are considered to be material weaknesses?		Yes	X	No
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Material weakness(es) identified:		Yes	X	No
* Reportable condition (s) identified that are considered to be material weakness (es).		Yes	X	No
Type of auditors' report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CRF Section 200.516(a)?		Yes	X	No

Identification of major programs:

CFDA Number (s)	Name of Federal Program or Cluster
21.027	U.S. Department of Justice

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

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