

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT

FINANCIAL STATEMENTS

For the Year Ended December 31, 2024

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
FINANCIAL STATEMENTS
For the Year Ended December 31, 2024**

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ANNUAL FILING AFFIDAVIT

STATE OF TEXAS }

COUNTY OF KENEDY }

I, _____
(Name of Duly Authorized District Representative)

of the _____
Kenedy County Groundwater Conservation District
(Name of District)

hereby swear, or affirm, that the District above has reviewed and approved at a meeting of the District's Board of Directors on the _____ day of _____, 2025 its annual audit report for the fiscal period ended December 31, 2024 and that copies of the annual audit report have been filed in the District's office, located at 100 East Kleberg Avenue, Kingsville, Texas, 78363.

This filing affidavit and the attached copy of the audit report will be submitted to the Texas Commission on Environmental Quality to satisfy the annual filing requirements of Texas Water Section 49.194.

Date: _____, 20____ By: _____
(Signature of District Representative)

(Typed Name & Title of District Representative)

Sworn to and subscribed to me this _____ day of _____, 20____

(Seal)

(Signature of Notary)

My Commission Expires On: _____
Notary Public in the State of Texas

JOHN WOMACK & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

JOHN L. WOMACK, CPA
MARGARET KELLY, CPA

P.O. BOX 1147
KINGSVILLE, TEXAS 78364
(361) 592-2671
FAX (361) 592-1411

Independent Auditor's Report

To the Board of Directors
Kenedy County Groundwater Conservation District
P.O. Box 1433
Kingsville, Texas 78364

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Kenedy County Groundwater Conservation District ("the District"), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Kenedy County Groundwater Conservation District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Kenedy County Groundwater Conservation District, as of December 31, 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. 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 Kenedy County Groundwater Conservation District 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 Kenedy County Groundwater Conservation District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



PRIVATE COMPANIES PRACTICE SECTION, AICPA DIVISION FOR CPA FIRMS

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information 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 Kenedy County Groundwater Conservation District's basic financial statements. Such supplementary information as required by the Texas Commission on Environmental Quality, listed in the Table of Contents, 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.

Respectfully submitted,

A handwritten signature in blue ink that reads "John Womack & Co., P.C.".

John Womack & Co., P.C.
Kingsville, TX
August 15, 2025

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

As management of the Kenedy County Groundwater Conservation District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2024. This discussion and analysis is intended to be an easily readable analysis of the District's financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements that follow.

Report Layout

In addition to the Management's Discussion and Analysis (MD&A), the report consists of basic financial statements, notes to the financial statements and supplementary information. The basic financial statements are highly condensed and present a government-wide view of the District's finances. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the District. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide basic financial statements.

Basic Financial Statements

- The Statement of Net Assets and Governmental Funds Balance Sheet is the first of the two governmental fund and government-wide financial statements which focus on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the District owns, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. The presentation is similar to a private-sector business.
- The second governmental fund and government-wide financial statement is called the Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance. This statement summarizes the District's income and expenditures for the year. Once again, the presentation is similar to a private-sector business.
- The notes to the financial statements provide additional disclosure required by governmental accounting standards and provide information to assist the reader in understanding the District's financial condition.

The discussion and analysis of the District's financial performance provides an overall review of its financial activities for the year ended December 31, 2024. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Financial Highlights

- The assets of the Kenedy County Groundwater Conservation District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended December 31, 2024 by \$1,008,850. 100% of this amount is unrestricted net assets and is available to meet the District's ongoing obligations.
- At December 31, 2024, unassigned fund balance for the General Fund was \$1,009,526 or 591% of total General Fund expenditures.
- The total cost of all District activities was \$170,588 for the fiscal year.

District as a Whole

Government-Wide Financial Statements

A condensed version of the Statement of Net Position at December 31, 2024 and 2023 is as follows:

Net Assets at Year-End

	<u>Governmental Activities</u> 2024	<u>Governmental Activities</u> 2023	<u>% Change</u>
Cash and investments	\$ 1,153,301	\$ 1,020,914	12.97 %
Other assets	122,073	102,117	19.54 %
Total assets	<u>1,275,374</u>	<u>1,123,031</u>	13.57 %
Accounts payable & other	11,297	11,834	(4.54) %
Total liabilities	<u>11,297</u>	<u>11,834</u>	(4.54) %
Unearned revenues	255,227	252,686	1.01 %
Total deferred inflows of resources	<u>255,227</u>	<u>252,686</u>	1.01 %
Net Position:			
Unrestricted	<u>1,008,850</u>	<u>858,511</u>	17.51 %
Total net position	<u>\$ 1,008,850</u>	<u>\$ 858,511</u>	17.51 %

The total net position increased by \$150,339. The increase was primarily a result of increased investment income from realized gains on the sale of investments. Significant changes also included an increase in taxes receivable as a result of an increase in the 2024 property rate and a decrease in current year collections.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Financial Highlights (Concluded)

A condensed version of the Statement of Activities follows:

**Governmental Activities
For the year ended December 31, 2024 and 2023**

	<u>Governmental Activities</u> 2024	<u>Governmental Activities</u> 2023	<u>% Change</u>
Revenues			
General revenues			
Property Taxes	\$ 253,529	\$ 236,614	7.15 %
Misc. Income	965	241	99.90 %
Investment Income	64,735	16,933	282.30 %
Unrealized gain (loss) on investments	1,698	9,730	(100.00) %
Total revenues	<u>320,927</u>	<u>263,518</u>	<u>21.79 %</u>
Expenses:			
Service operations			
Salaries & Benefits	75,862	74,197	2.24 %
Accounting & Audit	10,339	13,473	(23.26) %
Tax Collector/Appraisal District	13,173	14,202	(7.25) %
Dues and Subscriptions	2,509	1,941	29.26 %
Public Education Brochure	100	-	- %
Legal	49,546	31,026	59.69 %
Well Monitoring	-	379	(100.00) %
Joint Planning/GMA-16	-	5,000	(100.00) %
Travel	7,997	7,443	7.44 %
Insurance	3,449	4,193	(17.74) %
Telephone	719	750	(4.13) %
Office Supplies/Other	5,621	6,383	(11.94) %
Website	1,273	1,400	(9.07) %
Total expenses	<u>170,588</u>	<u>160,387</u>	<u>6.36 %</u>
Change in net assets	150,339	103,131	45.77 %
Beginning net assets	858,511	755,380	13.65 %
Ending net assets	<u>\$ 1,008,850</u>	<u>\$ 858,511</u>	<u>(17.51) %</u>

The revenues exceeded expenses by \$150,339 and the net income was utilized for operations of the District. Revenues, of which property taxes make up 79% of revenues other than unrealized income, are up \$57,409, or 21.79%, due to an increase in realized gains on the sale of investments. The increase in expenditures is due mostly to increased legal costs resulting from management plan and rule changes mandated by the State.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2024**

Budgetary Highlights

Actual revenues in the General Fund were above budgeted revenues by \$69,038 due mostly to realized gains on investments. Actual General Fund expenditures were \$79,398 less than budgeted, with Salaries and Benefits, Legal, and Construction/Maintenance accounting for the largest of these positive variances.

Capital Assets

At year end, the District had no Capital Assets.

Debt Outstanding

At year end, the District had no debt outstanding.

Economic Factors and Next Year's Budgets and Rates

The District's property tax rate for Tax Year 2024 (Fiscal Year 2025) is \$0.0154 per \$100 valuation. The net taxable value is \$1,641,227,273, for total tax revenue budgeted to be \$252,749. Total revenues are projected to be \$252,749.

The District's budgeted expenditures for 2025 are \$252,749, which is \$2,763 higher than the fiscal year 2024 final amended budget.

If the 2025 budget is achieved the District Fund Balance will remain the same.

Financial Contact

The District's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, please contact the District Manager at P.O. Box 1433, Kingsville, Texas, 78364-1433.

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
December 31, 2024

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets				
Cash and cash equivalents	\$ 219,666	\$ 219,666	\$ -	\$ 219,666
Investments	933,635	933,635	-	933,635
Taxes receivable (net of allowance of \$2,000)	110,307	110,307	-	110,307
Due from other Governments	<u>11,766</u>	<u>11,766</u>	<u>-</u>	<u>11,766</u>
Total assets	<u>\$ 1,275,374</u>	<u>\$ 1,275,374</u>	<u>\$ -</u>	<u>\$ 1,275,374</u>
Liabilities				
Accounts payable	\$ <u>11,297</u>	\$ <u>11,297</u>	\$ -	\$ <u>11,297</u>
Total liabilities	<u>11,297</u>	<u>11,297</u>	<u>-</u>	<u>11,297</u>
Deferred Inflows of Resources				
Unearned revenues	<u>254,551</u>	<u>254,551</u>	<u>676</u>	<u>255,227</u>
Total deferred inflows of resources	<u>254,551</u>	<u>254,551</u>	<u>676</u>	<u>255,227</u>
Fund balance/net assets				
Fund balance:				
Unassigned (Deficit)	<u>1,009,526</u>	<u>1,009,526</u>	<u>(1,009,526)</u>	<u>-</u>
Total fund balance	<u>1,009,526</u>	<u>1,009,526</u>	<u>(1,009,526)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,275,374</u>	<u>\$ 1,275,374</u>		
Net position:				
Unrestricted			<u>1,008,850</u>	<u>1,008,850</u>
Total net position			<u>\$ 1,008,850</u>	<u>\$ 1,008,850</u>

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

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2024**

	<u>General Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues				
Property taxes, including penalty and interest	\$ 253,326	\$ 253,326	\$ 203	\$ 253,529
Misc. Income	965	965	-	965
Investment income	64,735	64,735	-	64,735
Unrealized gain (loss) on investments	1,698	1,698	-	1,698
Total revenues	<u>320,724</u>	<u>320,724</u>	<u>203</u>	<u>320,927</u>
Expenditures/expenses				
Service operations:				
Salaries	63,250	63,250	-	63,250
Major Medical	7,656	7,656	-	7,656
Payroll Taxes	4,956	4,956	-	4,956
Audit	9,334	9,334	-	9,334
Accounting	1,005	1,005	-	1,005
Tax Collector and Appraisal District	13,173	13,173	-	13,173
Dues and Subscriptions	2,509	2,509	-	2,509
Public Education Brochure	100	100	-	100
Legal	49,546	49,546	-	49,546
Travel	7,997	7,997	-	7,997
Telephone	719	719	-	719
Insurance	3,449	3,449	-	3,449
Website	1,273	1,273	-	1,273
Office Supplies/Other	5,621	5,621	-	5,621
Total expenditures/expenses	<u>170,588</u>	<u>170,588</u>	<u>-</u>	<u>170,588</u>
Excess (deficiency) of revenues over expenditures/change in net position	150,136	150,136	203	150,339
Fund balance/net position:				
Beginning of the year	859,390	859,390	(879)	858,511
End of the year	\$ <u>1,009,526</u>	\$ <u>1,009,526</u>	\$ <u>(676)</u>	\$ <u>1,008,850</u>

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

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

NOTE 1: THE FINANCIAL REPORTING ENTITY

Creation of District

The Kenedy County Groundwater Conservation District operates with a Board of Directors form of government. The District was created on May 29, 2003 under and subject to the authority, conditions, and restrictions of section 59, Article XVI, Texas Constitution. It has the same boundaries as Kenedy County, Texas (931,840 acres), plus 420,938 additional acres in Kleberg County, Texas; 165,162 acres in Brooks County, Texas; 44,311 acres in Willacy County, Texas; 21,649 acres in Nueces County, Texas; 31,489 acres in Jim Wells County, Texas; and 73,006 acres in Hidalgo County, Texas. The District's mission is to develop, promote, and implement water conservation, augmentation, and management strategies in order to protect water resources for the benefit of the citizens, economy, and environment of the above counties.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING

Basis of Accounting/Measurement Focus

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The accounting and reporting policies of the District relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the District are described below.

A. Government Fund Financial Statements and Government-Wide Financial Statements

The Governmental fund financial statements and government-wide financial statements include a Statement of Net Assets and Governmental Funds Balance Sheet and a Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance. These Statements present summaries of governmental activities for the District.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Assets, and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance presents changes in fund balance net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the District are reported in two categories: 1) property taxes and 2) investment earnings.

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING
(Continued)

Governmental fund financial statements are included in the Statement of Net Assets and Governmental Funds Balance Sheet and Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance. The District has presented all major funds that meet those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Statement of Net Assets and Governmental Funds Balance Sheet. The Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measureable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District are charges for water and sewer, property tax, capital recovery revenue, and interest income. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The following is the District's Governmental Fund type:

General Fund

The General Fund is the general operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

B. Budget

The District Board members follow these procedures in establishing the District budgets:

- a. Thirty to sixty days prior to the beginning of each fiscal year, the department supervisors submit to the Board members a proposed budget for the fiscal year beginning on the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at which comments concerning the budget are heard.
- c. The budget is legally enacted by the Board members prior to the beginning of the fiscal year.
- d. Any revisions that alter the total expenditures of any fund must be approved by the Board members.

C. Inventory

There is no inventory at December 31, 2024.

D. Vacation and Sick Leave

There is no vacation or sick leave.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING
(Continued)

E. Property Tax

The Appraisal District annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty, and interest ultimately imposed for the year on the property. By September 1 of each year, or as soon thereafter as practicable, the rate of taxation is set by the Board of Directors of the District based upon the aggregate appraisal value.

Taxes are levied on October 1 and are due and payable on or before January 31 of the following year. All unpaid taxes become delinquent February 1 and attach as an enforceable lien on the property as of July 1 of the following year. The Kenedy County Tax Assessor/Collector collects and remits the property taxes to the District on a monthly basis. Property taxes not collected within 60 days are deemed not to be material to the financial statements, so no allowance for doubtful accounts has been established.

The District reports deferred revenue on its General Fund balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the District receives resources before it has legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

The following table shows a schedule of delinquent taxes receivable and the allowance for uncollectible taxes for the District:

	<u>Balance</u> <u>12/31/2023</u>	<u>Current</u> <u>Year Levy</u>	<u>Total</u> <u>Collections</u>	<u>Yearly</u> <u>Adjustments</u>	<u>Balance</u> <u>12/31/2024</u>
Delinquent Taxes					
Receivable	\$ 89,393	\$ 255,227	\$ 232,409	\$ 96	\$ 112,307
Allowance for					
Uncollected Taxes	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,000)</u>
Net Delinquent					
Taxes Receivable	<u>\$ 77,085</u>	<u>\$ 255,227</u>	<u>\$ 232,409</u>	<u>\$ 96</u>	<u>\$ 110,307</u>

F. Capital Assets

There are no capital assets.

G. Related Party Transactions

There are no related party transactions.

H. Contingent Liabilities

There are no contingent liabilities.

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING
(Continued)

I. Fund Equity

Fund balances of the governmental funds are classified as follows:

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

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions, or enabling legislation.

Committed Fund Balance – represents amounts that can only be used for a specific purpose pursuant to constraints imposed by the Board of Directors' ordinance or resolution no later than the fiscal year. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board or by an official or body to which the Board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

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

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

J. Implementation of New Standards

The District has adopted all current GASB pronouncements that are applicable to its operations and activities. There were no new GASB pronouncements adopted during fiscal year 2024.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF ACCOUNTING
(Continued)

New pronouncements not yet in effect as of December 31, 2024, are not expected to have a significant impact on the District's financial position, results of operations, or cash flows. The District is currently studying these new pronouncements and will adopt them, as applicable, in subsequent fiscal years.

NOTE 3: OTHER DISCLOSURES

Tax Revenues

The tax rate for Fiscal Year 2024 was \$0.0154 per \$100 valuation. The taxable value was \$1,641,227,273. All tax monies are used for maintenance and operations.

Location of District

The District is located in various counties as shown in the chart below. The general membership of the Board is elected within the District.

<u>County:</u>	<u>Percent of Taxable Value</u>	<u>Percent of Land Area (Acres)</u>
Kenedy County	69.0 %	55.2 %
Kleberg County	22.0 %	24.9 %
Brooks County	6.8 %	9.8 %
Willacy County	1.4 %	2.6 %
Jim Wells County	0.4 %	1.9 %
Hidalgo County	0.2 %	4.3 %
Nueces County	0.2 %	1.3 %

NOTE 4: CASH DEPOSITS AND INVESTMENTS

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a market value of not less than the principal amount of the deposits. The District's deposits were fully collateralized at 12/31/24 and during the fiscal year. At year-end, the carrying amount of the District's deposits was \$219,666 and the respective bank balance totaled \$196,810. The bank balance was covered by Federal Depository Insurance of \$250,000.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024**

NOTE 4: CASH DEPOSITS AND INVESTMENTS (continued)

Texas Statutes authorize the Kenedy County Groundwater Conservation District to invest in:

1. Obligations of the U.S. Treasury or its agencies and instrumentalities;
2. Direct obligations of the State of Texas or its agencies;
3. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States;
4. Obligations of states, agencies, counties, or cities rated A or better by a national investment rating firm;
5. Certificates of deposit that are insured by the Federal Deposit Insurance Corporation or secured by obligations having a market value of at least the principal amount of the certificates; and
6. Fully collateralized direct repurchase agreements.

The District's investments at 12/31/24 consisted of the following:

<u>Investment</u>	<u>Reported Amount</u>	<u>Fair Value</u>
Mainstay MacKay High Yield Corp. Bond A Fund (Morningstar 4/5 stars)	\$ 227,792	\$ 227,792
Texas Class (Rated AAAM)	705,843	705,843
	<u>\$ 933,635</u>	<u>\$ 933,635</u>

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

- a. Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.
- b. Custodial Credit Risk – Deposits are exposed to this risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investments are exposed to this risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name. At year end, the District was not exposed to custodial credit risk.
- c. Concentration of Risk – This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District's investments are divided between two issuers at 24% and 76%.
- d. Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024

NOTE 4: CASH DEPOSITS AND INVESTMENTS (continued)

- e. Foreign Currency Risk – This is the risk that exchange rates will adversely affect the value of an investment. At year end, the District was not exposed to this risk.

GASB 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritized the inputs to valuation techniques used to measure fair value. The hierarchy of fair value focuses on the price that would be received to sell the asset or paid to transfer the liability regardless of whether an observable liquid market price existed (an exit price). An exit price valuation will include margins for risk even if they are not observable. As the District is released from risk, the margins for risk will also be released through net realized capital gains (losses) in net income. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB 72 are described below:

Level 1 Inputs – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Level 2 Inputs – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities measured at fair value are based on one or more of three valuation techniques:

- Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities (including a business);
- Cost approach – Amount that would be required to replace the service capacity of an asset (i.e., current replacement cost);
- Income approach – Techniques that convert future amounts to a single present amount based on current market expectations about those future amounts (including present value techniques, option-pricing models, and lattice models).

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value.

Local Government Investment Pool– Valued at the amortized cost.

Bond Mutual Funds – Valued at the net asset value of shares held by the District at year end.

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2024**

NOTE 5: CHANGES IN CAPITAL ASSETS

There are no capital assets.

NOTE 6: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During the year ended December 31, 2024, the District purchased commercial insurance to cover general liabilities.

NOTE 7: DEFERRED REVENUE

Deferred revenue at year end consisted of the following:

<u>Revenue Description</u>	<u>Fund</u>	<u>Deferred Amount</u>
2024 property taxes collected but deferred to 2025	General	\$254,551
Collectible portion of property taxes receivable	General	<u>676</u>
		<u>\$255,227</u>

NOTE 8: ADJUSTMENTS

The adjustments on the Statement of Net Assets and Governmental Funds Balance Sheet are to reflect taxes as earned rather than deferred.

The adjustments to the Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balance are to record the difference in deferred revenues at the beginning and end of the year.

NOTE 9: SUBSEQUENT EVENTS

Management has reviewed the subsequent events and transactions that occurred after the balance sheet date through August 15, 2025, which is the date of the audit report. The financial statements include all Type I events or transactions, including estimates, required to be recognized in accordance with accounting principles generally accepted in the United States of America. Management and those charged with governance have determined that there are no non-recognized Type II subsequent events that require additional disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the Year Ended December 31, 2024**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Property taxes, including penalty and interest	\$ 251,186	\$ 251,186	\$ 253,326	\$ 2,140
Misc. Income	-	-	965	965
Investment income	500	500	64,735	64,235
Unrealized gain (loss) on investments	-	-	1,698	1,698
Total revenues	<u>251,686</u>	<u>251,686</u>	<u>320,724</u>	<u>69,038</u>
Expenditures/expenses				
Service operations:				
Salaries and Benefits	91,250	89,250	75,862	13,388
Audit	8,000	9,400	9,334	66
Accounting	1,100	1,100	1,005	95
Tax Collector and Appraisal District	12,000	13,650	13,173	477
Election Costs	1,500	1,500	-	1,500
Dues and Subscriptions	1,500	1,500	2,509	(1,009)
Public Education Brochure/Notices	4,000	4,000	100	3,900
Legal	60,000	60,000	49,546	10,454
Travel	13,000	13,150	7,997	5,153
Telephone	800	800	719	81
Well Monitoring	2,000	2,000	-	2,000
Joint Planning/GMA-16	6,000	6,000	-	6,000
Insurance	4,500	4,850	3,449	1,401
Construction/Maintenance	24,236	24,236	-	24,236
Equipment	3,000	2,150	-	2,150
Website	2,500	2,500	1,273	1,227
Office Supplies/Other	16,300	13,900	5,621	8,279
Total expenditures/expenses	<u>251,686</u>	<u>249,986</u>	<u>170,588</u>	<u>79,398</u>
Excess (deficiency) of revenues over Unreserved	-	1,700	150,136	148,436
Fund balance/net assets:				
Beginning of the year	<u>859,390</u>	<u>859,390</u>	<u>859,390</u>	<u>-</u>
End of the year	<u>\$ 859,390</u>	<u>\$ 861,090</u>	<u>\$ 1,009,526</u>	<u>\$ 148,436</u>

TEXAS SUPPLEMENTARY INFORMATION

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TEXAS SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2024**

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TSI-2.	General Fund Expenditures
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TSI-4.	Taxes Levied and Receivable
TSI-5.	Long-Term Debt Service Requirements by Years - N/A
TSI-6.	Changes in Long-Term Bonded Debt - N/A
TSI-7.	Comparative Schedule of Revenues and Expenditures – General Fund – Five Years
TSI-8.	Board Members, Consultants, and Key Administrative Personnel

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TSI-1. SERVICE AND RATES
For the Year Ended December 31, 2024

1. Services Provided by the District during the Fiscal Year:

- ☐ Retail Water
- ☐ Retail Wastewater
- ☐ Parks/Recreation
- ☐ Solid Waste/Garbage
- ☐ Participates in joint venture, regional system, and/or wastewater service (other than emergency interconnect)
- ☒ Other (specify): Groundwater District

2. Retail Service Providers: N/A

a. Retail Rates for a 5/8" meter (or equivalent):

<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 500 Gallons Over Minimum Use</u>	<u>Usage Levels</u>
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WATER:

WASTEWATER:

SURCHARGE:

District employs winter averaging for wastewater usage? Yes ☐ No ☐

Total charges per 10,000 gallons usage: Water: Wastewater:

b. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered			x 1.0	
≤ 3/4"			x 1.0	
1"			x 2.5	
1 1/2"			x 5.0	
2"			x 8.0	
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water				
Total Wastewater			x 1.0	

3. Total Water Consumption During the Fiscal Year (rounded to the nearest thousand): **N/A**

Gallons Pumped into system:

Water Accountability Ratio:
(Gallons billed/Gallons pumped)

Gallons billed to customers:

4. Standby Fees (authorized only under TWC Section 49.231): **N/A**

Does the District have Debt Service standby fees? Yes ☐ No ☐

If yes, Date of the most recent Commission Order: _____

Does the District have Operation and Maintenance standby fees? Yes ☐ No ☐

If yes, Date of the most recent Commission Order: _____

5. Location of District

Counties in which the District is located: Kenedy, Kleberg, Jim Wells, Brooks, Nueces, Willacy & Hidalgo

Is the District located entirely within one county? No

Is the District located within a city? Not at all

City(ies) in which the District is located: N/a

Is the District located within a city's extra territorial jurisdiction (ETJ)? Not at all

ETJ's in which the District is located: _____

Are Board members appointed by an office outside the District? No

If yes, by whom? _____

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TSI-2. GENERAL FUND EXPENDITURES
For the Year Ended December 31, 2024

Personnel Expenditures (including benefits) *	\$ 75,862
Professional Fees:	
Accounting/Auditing	10,339
Legal	49,546
Technical Services	0
Redistricting	0
Website	1,273
Purchased Services for Resale	-
Contracted Services:	
Tax assessor and appraisal services	13,173
Utilities	-
Repairs and Maintenance	-
Administrative Expenditures:	
Travel	7,997
Telephone	719
Dues and Subscriptions	2,509
Office Supplies/Other	5,621
Joint Planning/GMA-16	0
Insurance	3,449
Election Costs	0
Well Monitoring	0
Public Education Brochure	100
Capital Outlay	-
Tap Connection Expenditures	-
Solid Waste Disposal	-
Fire Fighting	-
Parks and Recreation	-
Total Expenditures	<u><u>\$ 170,588</u></u>

* Number of persons employed by the District: 1 Full time 0 Part time

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TSI-4. TAXES LEVIED AND RECEIVABLE
For the Year Ended December 31, 2024

	Maintenance Taxes	Debt Service Taxes	Other District Taxes	
Taxes Receivable, Beginning of Year	\$ 89,393	\$ -	\$ -	
2023 Original Tax Levy	255,227	-	-	
Discounts given	-	-	-	
Total to be accounted for	344,620	-	-	
Tax Collections and adjustments:				
Current year	144,243	-	-	
Prior year	88,166	-	-	
Adjustments	(96)	-	-	
Total collections and adjustments	232,313	-	-	
Taxes Receivable, End of Year	\$ 112,307	\$ -	\$ -	
Taxes Receivable, by Years				
2024	\$ 110,984	\$ -	\$ -	
2023 and before	1,323	-	-	
Taxes Receivable, End of Year	\$ 112,307	\$ -	\$ -	
	2024	2023	2022	2021
Property Valuations:				
Land	\$ 2,843,072,886	\$ 2,184,723,702	\$ 2,169,014,125	\$ 1,976,979,165
Improvements	57,554,933	70,935,005	64,372,579	52,791,558
Personal Property	1,330,107,342	1,339,714,672	1,321,198,432	1,324,155,575
Minerals	188,037,790	418,873,950	490,124,550	196,200,750
Total Market Value	4,418,772,951	4,014,247,329	4,044,709,686	3,550,127,048
Exemptions and adjustments	2,777,545,678	2,092,782,170	2,073,854,327	1,842,041,962
Total Assessed Value	\$ 1,641,227,273	\$ 1,921,465,159	\$ 1,970,855,359	\$ 1,708,085,086
Tax Rates per \$100 Valuation:				
Maintenance tax rates	\$ 0.015400	\$ 0.013065	\$ 0.011865	\$ 0.0128
Debt service tax rates	-	-	-	-
Other district tax rates	-	-	-	-
Total Tax Rates per\$100 Valuation	0.015400	0.013065	0.011865	0.012800
Original Tax Levy	\$ 255,227	\$ 251,039	\$ 233,842	\$ 220,803
Percent of Taxes Collected to Taxes Levied	91.06%	111.07%	100.61%	84.02%

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TSI-7. COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES-
GENERAL FUND - FIVE YEARS (page 1 of 2)
For the Year Ended December 31, 2024

	Amounts				
	2024	2023	2022	2021	2020
Revenues:					
Property taxes	\$ 253,326	\$ 236,807	\$ 225,174	\$ 203,924	\$ 219,567
Misc. Income	965	241	78	3,352	1
Interest	64,735	16,933	15,334	9,348	4,026
Unrealized gain(loss)-investments	1,698	9,730	(51,597)	(13,146)	-
Total Revenues	320,724	263,711	188,989	203,478	223,594
Expenditures:					
Salaries & Benefits	75,862	74,197	69,566	69,640	69,668
Technical Service	-	-	-	-	-
Office Repairs	-	-	-	-	-
Accounting & Audit	10,339	13,473	11,139	10,133	10,222
Tax Assessor/Appraisal District	13,173	14,202	11,432	10,377	11,806
Redistricting	-	-	-	-	-
Legal	49,546	31,026	35,940	55,060	103,742
Dues and Subscriptions	2,509	1,941	1,786	1,648	1,258
Election Cost	-	-	-	-	-
Telephone	719	750	805	2,003	479
Well Monitoring	-	379	898	539	898
Office Supplies/Other	5,721	6,383	5,923	11,095	5,187
Joint Planning/GMA-16	-	5,000	-	-	-
Website	1,273	1,400	1,259	3,053	1,343
Computer/Software	-	-	-	-	-
Equipment	-	-	-	-	-
Insurance	3,449	4,193	3,270	3,548	3,505
Travel	7,997	7,443	8,345	7,007	5,231
Total expenditures	170,588	160,387	150,363	174,103	213,339
Excess revenues over (under) expenditures	\$ 150,136	\$ 103,324	\$ 38,626	\$ 29,375	\$ 10,255

KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TSI-7. COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES-
GENERAL FUND - FIVE YEARS (page 2 of 2)
For the Year Ended December 31, 2024

Percent of Fund Total Revenues				
2024	2023	2022	2021	2020
78.99%	89.80%	119.15%	100.22%	98.20%
0.30%	0.09%	0.04%	1.65%	0.00%
20.18%	6.42%	8.11%	4.59%	1.80%
0.53%	3.69%	-27.30%	-6.46%	0.00%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
23.65%	28.14%	36.81%	34.22%	31.16%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
3.22%	5.11%	5.89%	4.98%	4.57%
4.11%	5.39%	6.05%	5.10%	5.28%
0.00%	0.00%	0.00%	0.00%	0.00%
15.45%	11.77%	19.02%	27.06%	46.40%
0.78%	0.74%	0.95%	0.81%	0.56%
0.00%	0.00%	0.00%	0.00%	0.00%
0.22%	0.28%	0.43%	0.98%	0.21%
0.00%	0.14%	0.48%	0.26%	0.40%
1.78%	2.42%	3.13%	5.45%	2.32%
0.00%	1.90%	0.00%	0.00%	0.00%
0.40%	0.53%	0.67%	1.50%	0.60%
0.00%	0.00%	0.00%	0.00%	0.00%
0.00%	0.00%	0.00%	0.00%	0.00%
1.08%	1.59%	1.73%	1.74%	1.57%
2.49%	2.82%	4.42%	3.44%	2.34%
<u>53.19%</u>	<u>60.82%</u>	<u>79.56%</u>	<u>85.56%</u>	<u>95.41%</u>
<u>46.81%</u>	<u>39.18%</u>	<u>20.44%</u>	<u>14.44%</u>	<u>4.59%</u>

**KENEDY COUNTY GROUNDWATER CONSERVATION DISTRICT
TSI-8. BOARD MEMBERS, CONSULTANTS, AND KEY ADMINISTRATIVE PERSONNEL
For the Year Ended December 31, 2024**

Complete District Mailing Address: P.O. Box 212, Sarita, Texas 78385

District Business Telephone Number: (361) 294-5336

Submission Date of the most recent District Registration Form:
(TWC Sections 36.054 and 49.054)

Limit on Fees of Office that a Director may receive during a fiscal year:
(Set by Board Resolution – TWC Section 49.070)

<u>Names:</u>	<u>Term of Office (Elected or Appointed) or Date Hired</u>	<u>Fees of Office Paid Year Ended 12/31/24</u>	<u>Expense Reim- bursements Year Ended 12/31/24</u>	<u>Title at Year End</u>
Board Members:				
Edward Bordovsky, Jr.	Elected	\$0	\$0	President
Daniel Butler	Elected - retired	\$0	\$214	Director
Charles E. Burns, Jr.	Elected	\$0	\$740	Director
Verl Cash	Elected	\$0	\$0	Vice-President
Esteban Lopez	Elected	\$0	\$0	Secretary
Justin Cantu	Elected	\$0	\$370	Director
Consultants:				
Venkatesh Uddameri		\$ 10,069		Attorney
Kristen Fancher		\$ 9,410		Attorney
Key Administrative Personnel:				
Leo Villarreal		\$ 30,000	\$383	Assistant to Board
Andres Garza (Annual)		\$ 63,250	\$3,846	General Manager