



Comprehensive Annual Financial Report

For the Fiscal Year Ended
December 31, 2019

San Antonio, Texas

**ALAMO AREA
COUNCIL OF GOVERNMENTS**

SAN ANTONIO, TEXAS

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019**

Prepared by:

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Blanca Tapia, Controller

ALAMO AREA COUNCIL OF GOVERNMENTS
 Comprehensive Annual Financial Report
 For the Year Ended December 31, 2019

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INTRODUCTORY SECTION

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State Representative, District 31

John Kuempel (Ex-Officio)
State Representative, District 44

COL. Peter Velsky (Ex-Officio)
Joint Base San Antonio

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

June 23, 2020

Mr. Robert L. Hurley, Chairman
Members of the Board of Directors
Alamo Area Council of Governments
San Antonio, TX

Dear Chairman Robert L. Hurley and Members of the Board of Directors:

The Comprehensive Annual Financial Report (CAFR) of the Alamo Area Council of Governments (the "Council" or "AACOG") for the fiscal year ended December 31, 2019 is hereby submitted. This report was prepared by the Department of Accounting, which accepts responsibility for the accuracy, completeness, and fairness of the data presented. To provide a reasonable basis for making these representations, management of AACOG has established a comprehensive framework of internal controls that is designed to protect AACOG from loss and allow the compilation of reliable information to prepare the attached financial statements in conformity with GAAP. It should be noted that reasonable internal control measures weigh the cost of those procedures against their benefits and AACOG's internal control measures provide reasonable but not absolute assurance that the financial statements are free of material misstatement. We believe the data, as presented, is accurate in all material respects, that it properly reflects the financial position and the results of operation of the Council, and that all disclosures have been made to enable the reader to acquire the maximum understand of the financial affairs concerning the Council.

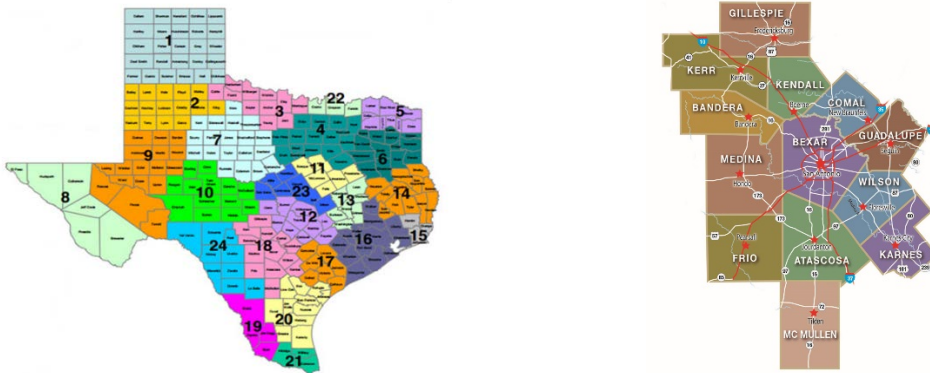
These financial statements are presented annually in compliance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State of Texas Uniform Grant Management Standards* as well as Article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

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

Alamo Area Council of Governments profile:

In 1967, the Alamo Area Council of Governments (Council) was created under authority of State Law now re-codified as Local Government Code, Chapter 391 and is statutorily a political subdivision of the state. The Council is a voluntary membership organization of local governments in a thirteen-county region of Southcentral Texas. The organization is one of 24 regional councils in Texas. The Council was established to study and resolve area-wide problems through the cooperation and coordination action of member cities, counties, school districts and special purpose districts of the region. The Council continues to be dedicated to improving the quality of life of the citizens of the region through cooperative efforts to enhance the physical, social, and economic environment of the communities it serves.

AACOG is governed by a 31 member board of directors from member local governments. The board represents local and state elected officials to include: state house and senate, county governments, cities, school districts, and public utilities. During 2019, AACOG’s membership was comprised of the 13 county governments, 54 cities, and 5 school districts, 2 public utilities, 8 special districts, 15 associate members and 20 strategic partners. According to the 2010 Decennial Population Count from the U.S. Bureau of Census, these member governments represented approximately 2.25 million citizens and covered an area of 12,585 square miles. Below is a graphic representation of the AACOG region (18) and its location in the state of Texas.



Texas Economic Condition and Outlook:

Texas’ \$1.8 trillion economy is the second largest in the United States. It is also home to 105 of the 1,000 largest public and private U.S companies. The State Comptroller estimates the 2020 unemployment rate to be 3.6% compared to 3.5% in 2019. In addition, the comptroller estimates Real Gross State Product to increase in 2020 to 1.978.2 trillion from 1.863.2 trillion in 2019. Overall the state is in very good economic health.

San Antonio and Bexar Country continue to see accelerated growth in its population. It is estimated that the San Antonio metropolitan area will increase by 1 million residents by 2040.

Area Agencies ON AGING

Area Agencies on Aging

The Area Agencies on Aging (AAAs) were established under the Older Americans Act in 1973 to respond to the needs of Americans aged 60 years and older. AAAs make it possible for older adults to “age in place” by providing a wide array of options for community-based services and living arrangements in which to choose from. Since 1973, the Alamo and Bexar AAAs have been delivering programs and services that include:

- case management,
- family caregiver support and respite care,
- support for grandparents raising grandchildren,
- legal assistance,
- home-delivered and congregate meals,
- health & wellness coaching,
- chronic disease and diabetes self-management,
- stress busting for caregivers,
- ombudsman services, and
- home modifications for safe and independent living.

In 2019, the Alamo and Bexar AAAs were able to serve a total of 21,295 seniors in the 13 county service area.

Aging and Disability Resource Center (ADRC) / Alamo Service Connection (ASC)

The Alamo Service Connection (ASC), through its local call center, provides an abundance of impartial resources for individuals seeking long-term care and support. Moreover, the ASC helps seniors, people with disabilities, veterans, and caregivers navigate the network of accessible options to ensure they receive the best service(s) for their specific situations. This year, the ASC provided 46,000 referrals to 34,000 callers. 7,000 of those callers were veterans and their families. Any individual over the age of 60, and individuals with disabilities, can access help by calling the ASC at (210) 477-3275.

Benefits Counseling

Every year, AACOG’s Benefits Counseling program, also known as the State Health Insurance Assistance Program (SHIP), provides information, counseling, and enrollment assistance to thousands of Medicare beneficiaries. In 2019, nearly 2,300 beneficiaries met one-on-one with AACOG counselors to discuss matters of:

- Medicare
- Medicaid
- Public Benefits
- Entitlements
- Legal Rights
- Supplemental Security Income
- Senior Fraud
- Advance Directives
- Long-Term Care
- Non-Covered Health
- Other Insurance
- Veterans Issues
- Social Security
- Fraud/Scams
- Medicare and Medicaid Appeals/Hearings
- Legal Assistance



Area Agencies ON AGING

Benefits Enrollment Center

AACOG saw a tremendous opportunity for the benefits counseling program, and applied for funding through the National Council on Aging (NCOA) to establish a Benefits Enrollment Center. The BEC, aimed at assisting beneficiaries in the completion of their Medicare applications, opened its doors in 2019 as only one of four BECs in the state. The Greater San Antonio Chamber of Commerce joined AACOG for a ribbon cutting and grand opening in March. Staff members can now visit and assist seniors and individuals with disabilities – those with limited income and resources – to apply for Medicare Part D, Extra Help (or LIS), Medicare Savings Program, Medicaid, SNAP, and LIHEAP.

Masonic Widows

In October 2018, the Bexar AAA collaborated with Masonic widows, children, and family to launch a pilot project called the Masonic Widows Assistance Program. The purpose of the program was to deliver the same mission of the AAAs to widows of master Masons in the San Antonio area – an opportunity to age in place with dignity, security and an enhanced quality of life. The program assisted 18 Masonic Widows with short-term assistance services, such as grab-bars, homemaker aids, personal assistance, incontinence supplies, and payments for utilities expenses. Due to its accomplishments, the Masonic Widow Assistance Program has been extended through October 2020, and will now include the remaining 12 counties inside the AACOG region.



Housing Bond

The Alamo and Bexar AAAs received housing bond funds from the Texas Health and Human Services Commission (HHSC) to assist eligible individuals obtain housing and ensure health, safety, security, and independence. The AAAs helped seniors relocate to more affordable housing, relocate from long-term care facilities to their home-communities, and assisted with housing repairs and modifications. Through this supplementary funding, the AAAs managed to serve an additional 16 clients with ramps, utilities payment assistance, and mortgage/rent payments.



Area Agencies ON AGING

TXServes

AACOG functions as the organizing provider for the TXServes veterans program—a branch of AmericaServes. Services are coordinated through a network of public, private, and nonprofit organizations working together to serve veterans and their families.

This program, the first of its kind in the State of Texas, launched June 2017 with just over 40 partners. Today, over 100 providers have administered over 5,000 service requests to more than 3,600 veterans and their family members. In 2018, the Texas Governor’s Committee to Support the Military found that “no comprehensive method of tracking or enabling service referrals exists for veterans in need of specialized services. This produces inefficiencies and does not allow veterans to easily receive the full compendium of available services.” The Committee then stated “TXServes is an initiative currently operating in San Antonio, and should be expanded in communities across the state to achieve as much coverage as possible. Such a system would help make Texas a national model for service delivery to our military members, military families, and veterans.” The State responded with a Request for Applications for a Veterans Network. AACOG responded to the RFA in October to continue the operation of TXServes and expand to other regions of the state.



Veteran’s Directed Home and Community Based Services (VDHCBS)

As an alternative to living in a long-term care facility, VDHCBS empowers veterans to choose and manage services and supports in their own homes. VDHCBS serves veterans within 100 miles of the city of San Antonio. Since its inception, VDHCBS has served over 60 veterans, and is anticipating growth in 2020.

Alamo REGIONAL TRANSIT

Alamo Regional Transit (ART) provides public transportation to rural communities outside Bexar County. A critical component of AACOG's services, ART's mission is to provide safe, courteous, reliable, and cost-effective transportation to the residents of the Alamo Region.

In 2019, with more than 1.5 million miles traveled, ART was able to service over 131,000 residents throughout AACOG's 12 rural counties. These residents used the ART program to attend medical appointments, commute to work, school, and to complete other personal errands.

The City of Seguin in Guadalupe County is home to the only ART deviated fixed-route system in the Alamo region. The "Connect Seguin" route operates an hourly, circular pathway throughout the city with a number of designated stops. This resource is made possible through the City of Seguin and AACOG, to ensure an affordable and reliable method of transportation for the city's residents. In 2019, Connect Seguin was able to transport 17,800 riders throughout the city.

Although the majority of San Antonio and Bexar County are serviced by VIA Metropolitan, this year ART extended its amenities to service over 26,000 residents of municipalities in the Urbanized Areas (UZA). UZA communities include the cities of Cibolo, Schertz, Marion, New Braunfels, and parts of unincorporated Guadalupe County.

The ART program has continued to experience an upward trend, transporting more and more residents throughout the region. In particular, a significant reduction in Medicaid-funded ridership that plagued the program's numbers since 2016 is now beginning to trend upward. Through 2019, the Medicaid ridership

increased by 1,695 trips – an increase of 15%. These improvements afford the opportunity to create economies of scale and better serve AACOG's constituency. With an overall increase in ridership of 12% in 2019, the program managed to reduce its operating expenses by 8%. The implementation of additional technologies in dispatching, scheduling, and maintenance software have also contributed to a boost in efficiencies.

Through a \$1.9 Million grant by the Texas Department of Transportation (TxDOT), twenty model 2019 buses were purchased to repower and replace the ART program's current fleet of buses.



ART is also known to be one of the training hubs in the region. The ART program hosted 24 total workshops and trainings this year. Transportation professionals from across the state continue to request the in-house programs that also serve as continuing education units (CEUs).

This year, the Director of the ART program also worked to reinstate the Alamo Regional Transportation Steering Committee. This group of 8 stakeholders, community partners, and industry leaders are meeting regularly to discuss industry trends, needs, and the framework for ART's continued growth.

Intellectual & DEVELOPMENTAL SERVICES

Intellectual & Developmental Disabilities

Since 2006, AACOG has functioned as a part of a statewide network of 39 Local Intellectual and Developmental Disability (IDD) Authorities who serve as the single point of access to publically-funded services and supports for individuals with IDD in Bexar County. AACOG is responsible for planning, policy & resource development, and oversight of IDD services whether the program is provided by a public or private entity.

Service Coordination

Our Service Coordinators and Case Managers help people access medical, social, educational, and other appropriate services that assist individuals achieve an acceptable quality of life and community participation. The team is actively involved in the lives of more than 4,400 residents and their families. Service Coordination is provided to individuals enrolling in, participating in, or transitioning from:

- Nursing Facilities (NF);
- Intermediate Care Facilities (ICF/IID);
- State Supported Living Centers (SSLC);
- Home and Community-based Services (HCS);
Texas Home Living (TxHmL);
- General Revenue (GR); and,
- Community First Choice (CFC)



Southwest Texas Regional Advisory Council

AACOG has continued to participate in the Southwest Texas Crisis Collaborative (STCC), an effort of the Southwest Texas Regional Advisory Council (STRAC). STRAC is one of the twenty-two RACs designated by the Texas Department of State Health Services (DSHS) to develop, implement, and maintain the regional trauma and emergency healthcare system for Trauma Service Area -P (TSA-P). The STCC MEDCOM Law Enforcement Navigation of Emergency Detention Patients program offers AACOG visibility into the number of people with IDD who are placed under Emergency Detention each month. This system change decompresses local emergency departments and allows AACOG to provide follow-up care to prevent future crisis. AACOG is also working closely with the Program for Intensive Care Coordination (PICC) to target interventions for super-utilizers who have experienced 6 or more Emergency Detentions in the most recent 12-month period.

One of the greatest obstacles individuals with IDD and their families face is access to adequate behavioral crisis respite support. In a continued effort to address the need for behavioral crisis resolution services, AACOG continues to enhance its IDD crisis respite program. This program provides therapeutic respite, in-home (72 hours) or out-of-home (up to 14 calendar days), to stabilize the situation. In 2019, our program was able to work with 345 individuals with IDD and their families. Therapeutic respite is a flexible array of services that includes behavioral support to address the stressors that result in challenging behaviors.

Intellectual & DEVELOPMENTAL SERVICES

HASA Alerts

AACOG has entered into a new agreement with the local health information exchange, HASA, to receive alerts when Individuals have presented at a local hospital. This daily information source allows for more timely follow up and discharge planning for urgent and emergency healthcare needs.



Autism Lifeline Links

Autism Lifeline Links (ALL) is a coalition of agencies and organizations working together to provide quality services and care for individuals, families, caregivers, educators, and others in the autism community. The goal of ALL is to increase service capacity and eliminate wait times for individuals on the autism spectrum. ALL is committed to doing this by working collaboratively and transparently to create a comprehensive, person-centered system of awareness, early diagnosis, treatment, and services to improve the opportunities and outcomes for individuals with autism. AACOG, along with the more than 13 other Autism Lifeline Links partners, provided service for the estimated 21,600 residents in Bexar County and surrounding areas living with IDD, specifically in the areas of: care coordination, diagnostic services, behavioral support and therapy services, education and support groups, financial assistance for medical expenses and basic needs, respite care, registration with long-term support programs, financial assistance for medical expenses and basic needs, respite care, registration with long-term support programs, and much more.

Bexar County, Department of Behavioral Health

AACOG continues to partner and coordinate with Bexar County to develop systems around individuals with intellectual disabilities who have criminal justice involvement. There are a number of different intercept points (Figure 1.1) where individuals can be diverted from costly institutional services provided in jails. Identifying these opportunities and connecting individuals with community-based programs can save taxpayer dollars and ensure accountability for alleged nonviolent offenses.

AACOG currently supports and coordinates Safety Net Services (Intercept -1); an IDD Crisis Line and Crisis Respite program (Intercept 0); IDD Recognition & Response trainings for law enforcement (Intercept 1); coordinates with the Center for Health Care Services and Bexar County Department of Mental Health to support the effective screening and identification of IDD at time of arrest (Intercept 2); and has assigned a permanent liaison with the Bexar County Criminal Magistrate (Intercept 3).

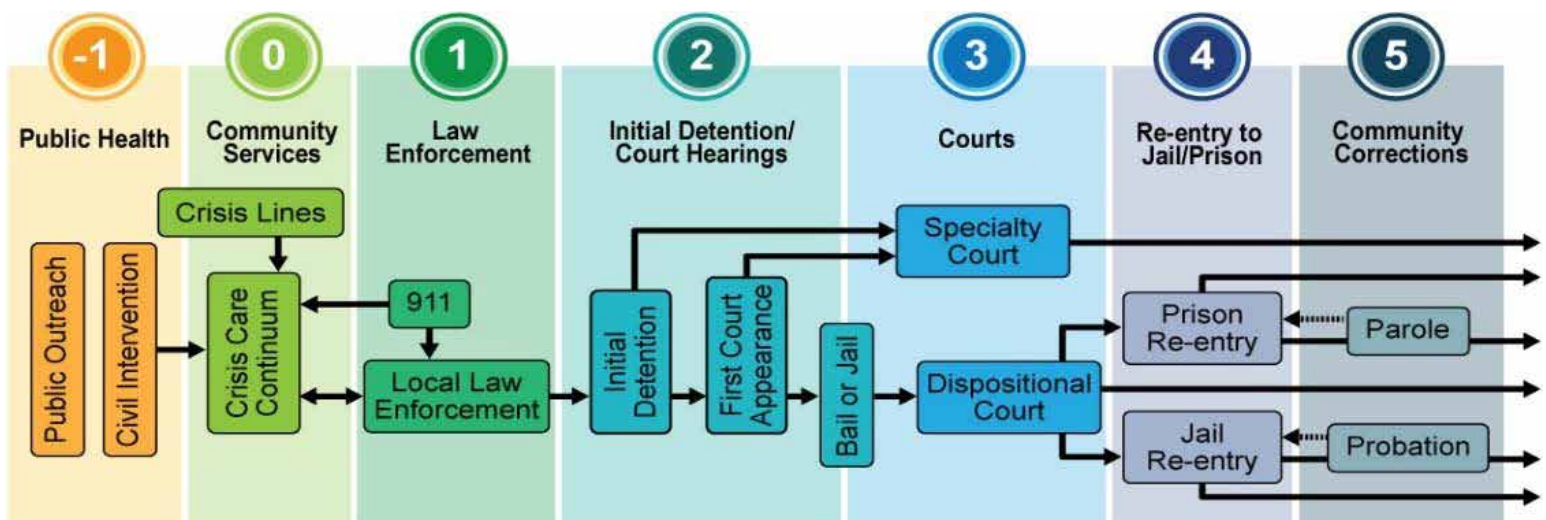


Figure 1.1

Intellectual & DEVELOPMENTAL SERVICES

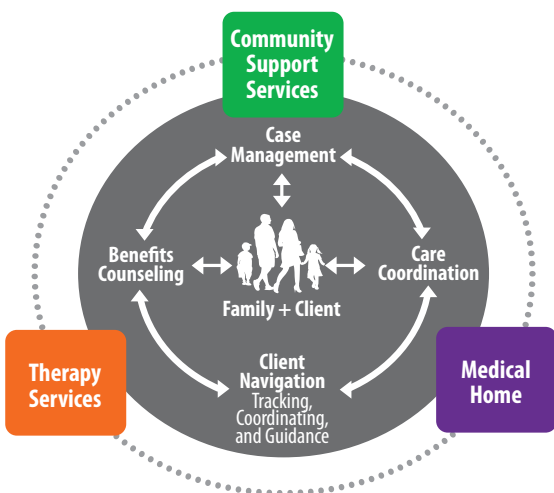


Figure 1.2

Multi Assistance Center at Morgan's Wonderland

AACOG has partnered with Morgan's Wonderland on the development of the Multi Assistance Center (MAC). The MAC is an innovative one-stop facility that provides all medical and non-medical services needed for Individuals with special needs. The MAC care model is designed to be coordinated, comprehensive, complementary, and synergistic – thus ensuring improved communications among the different providers.

AACOG plans to coordinate the services provided at the MAC through special trained navigators (Figure 1.3). The MAC rendering (Figure 1.2) illustrates the conceptual design where individuals and families, with assistance from AACOG's navigators, will have the ability to meet all their needs through the fully inclusive and accessible campus. The MAC development is on an anticipated 2-year timeline. After the scheduled 2020 groundbreaking, the facility is expected to open in 2021.



Navigators assigned to all MAC clients

- MAC clients to undergo intake by a navigator to address needs
- Navigators will coordinate needs with all agencies and do periodic follow-up
- Navigators will concentrate on social work and case management
- Software to link all services and all organizations in the MAC.



Community Support Services

(Social Determinants of Health)
Day Care Center, Sports, Transportation, Educational Sessions and Workshops, Peer Support Groups, Legal Clinics, Housing Programs, Job Training Programs, Food Assistance Programs, Legal Assistance, Dietary Counseling and Education, Financial Planning, Longer Term Care Planning, Education Programs



Therapy Services

Physical Therapy, Occupational Therapy, Speech Therapy, Massage Therapy, Recreational Therapy, Behavioral Therapy, Music Therapy, Assistive Technology Lab, Home Lab, Counseling Therapy



Medical Home

Primary Care, Subspecialty Care, Mental Health, Dental Services, Eye Clinic, Audiology Clinic, Ambulatory Surgery Center, Podiatry, Telemedicine, Lab, Imaging, Pharmacy

Figure 1.3

Natural RESOURCES



The goal of AACOG's Natural Resources program is to improve the region's air quality by conducting technical studies related to ground-level ozone and promoting multi-agency collaboration.

Despite Bexar County's nonattainment designation, air quality in the San Antonio area has seen major improvement in the last decade. Ozone levels as high as 81 parts per billion (ppb) in 2013 have fallen to 73 ppb in 2019.

Photochemical Modeling

Photochemical modeling studies estimate the impact of regional emission sources on local ozone levels. Modeling demonstrates how ozone levels may respond to changes in emissions resulting from implementation of local pollution control measures, such as the anti-idling ordinances passed by the City of San Antonio and Bexar County in 2017. Another feature is source apportionment, which estimates the impact that each emissions source type or source region has on ozone levels.

In 2019, AACOG was commissioned to perform two different photochemical modeling studies. The first, a \$125,000 project funded by the City of San Anto-

nio and Bexar County, focused on the entire county of Bexar. The second, a \$50,000 project funded by the Alamo Area Metropolitan Planning Organization (AAMPO), focused primarily on mobile emission sources.

In the AAMPO report, ozone level projections were made through the year 2023. It

was predicted that by 2023, emissions from the San Antonio-New Braunfels Metropolitan Statistical Area (MSA) would make up approximately 19% of the ozone captured by monitors at the Camp Bullis Military Training Reservation. An estimated 39% of ozone from that monitor would have international origins. By modeling effects of implemented local pollution control measures, AACOG can provide agency partners information to select the most effective methods of pollution reduction.

Air Quality Funding

Air quality planning dollars, previously vetoed by the Governor in 2017, have been restored in the 86th legislature. Seven near nonattainment counties inside the AACOG region will be recipients of just under \$2 million to further air quality studies. AACOG will conduct emissions inventories and monitoring.



Natural RESOURCES



U. S. Department of Energy

Alamo Area Clean Cities Coalition

AACOG hosts the Alamo Area Clean Cities Coalition (AACCC), a program funded by the U.S. Department of Energy's Vehicle Technologies Office. The Clean Cities mission is to facilitate the integration of alternative fuel vehicles and technology into the market.

Coalitions assist fleet management teams in grant applications and other funding opportunities, which include the recent Texas Volkswagen Environmental Mitigation Program (TxVEMP). In May, four counties in the San Antonio area (Bexar, Comal, Guadalupe, and Wilson) were designated over \$21.5 million to fund reimbursements of new school, transit, and shuttle bus purchases. This was nearly double the amount that the Dallas and Houston regions received. The AACCC engaged transportation directors and business managers in all eligible school districts to increase awareness and assist with the application process. Through these efforts, area school districts, transit agencies, and shuttle bus operators requested funding in excess of the allocation by over \$2 million. To date, over \$7 million has been awarded in the San Antonio area.

Coalitions also organize alternative fuel demonstrations and showcases. In September, the AACCC hosted Drive Electric Day SA at Wonderland of the Americas mall, an event of National Drive Electric Week. Over 50 electric vehicle (EV) owners expressed their enthusiasm by showing off their cars to the public. Many offered ride-alongs, which gave attendees the chance to have an up-close and personal EV experience in a no-pressure, educational environment.

Commute Solutions

Throughout 2019, AACOG successfully transitioned its Commute Solutions program to the AAMPO after running it for more than 20 years. This included the shutdown of the old carpool-matching and rewards software – and facilitating the launch of its replacement, AgileMile. Under AAMPO control, the program has been rebranded as Alamo Commutes.

TCEQ Partnership

As a result of the Volkswagen settlement funds made available by the Environmental Protection Agency (EPA) and Bexar County's designation of nonattainment with the EPA's National Ambient Air Quality Standards (NAAQS), the Texas Commission on Environmental Quality (TCEQ) has hosted a record number of workshops at AACOG's offices. Over 8 sessions have been held by TCEQ to inform stakeholders about funding and program updates, specific opportunities by industry, technical application assistance, and current air quality standards.



Public SAFETY

Alamo Area Regional Law Enforcement Academy

The Alamo Area Regional Law Enforcement Academy (AARLEA) has trained future Texas Peace Officers, Correction Officers, and Emergency Telecommunications personnel for the AACOG Region for over 40 years. AARLEA also provides dozens of specialized in-service (continuing education) courses for existing law enforcement personnel. This year, AARLEA provided training for more than 15,000 individuals with over 175,000 contact hours.

Through a grant from the Texas Department of Agriculture (TDA), AARLEA is developing a curriculum on credit card skimmer identification and awareness for law enforcement personnel and members of the business community. The program is expecting to purchase several skimmer prototypes that can be used to provide hands-on experience. This training will increase the awareness and effective prosecution of credit card fraud committed through the use of skimmer devices on fuel pumps.



AARLEA successfully integrated a unique online training platform with 23 courses, half of which are available at no charge. The online training platform has 3,800 users representing 161 of the 254 counties in Texas. The online training platform reports training hours, produces training certificates, and maintains training records. To date, 11,703 training certificates have been completed.

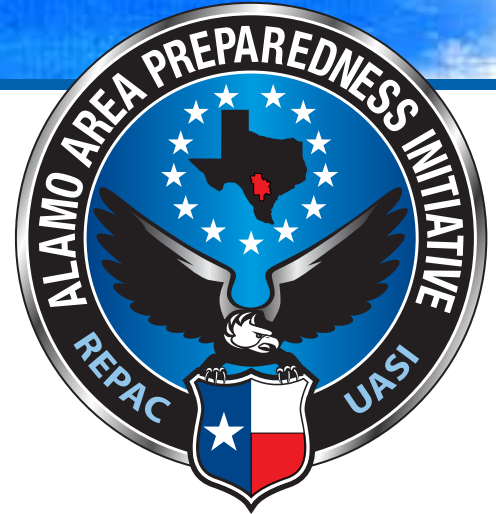
In 2019, AARLEA celebrated the graduation of the first participant in the Job Skills Program. Through a partnership between AACOG and Joint Base San Antonio (JBSA), the Job Skills Program is available to military service personnel transitioning out of military service.

AARLEA has increased the use of its VirTra Simulator in Use-of-Force training, offering the tool to 500 in-service and BPOC students this year alone. In 2020, the use of the VirTra Simulator will be made available to the entire law enforcement community throughout the Alamo region.

In partnership with the US State Department, AARLEA was again able to host three week-long trainings for police administrators from Mexico through the US & Mexico Police Professionalization Exchange Program. 28 participants were trained on American police structure, use of force law, reality based training scenarios, and basic crime scene investigation techniques.

In partnership with AACOG's Intellectual & Developmental Disabilities program, the AARLEA created and delivered a number of 'Recognition & Response' trainings across the state. These unique sessions incorporate informal communication and interaction between law enforcement and individuals with IDD so attendees can better understand one another. Officers teach individuals with IDD how to respond to police when an officer confronts them; the IDD students also have the opportunity to share their perspective on what may trigger fear or anxiety for the IDD population. In 2019, AARLEA staff traveled to 32 trainings to work with over 200 law enforcement officials and individuals with IDD.

Public SAFETY



Criminal Justice Planning

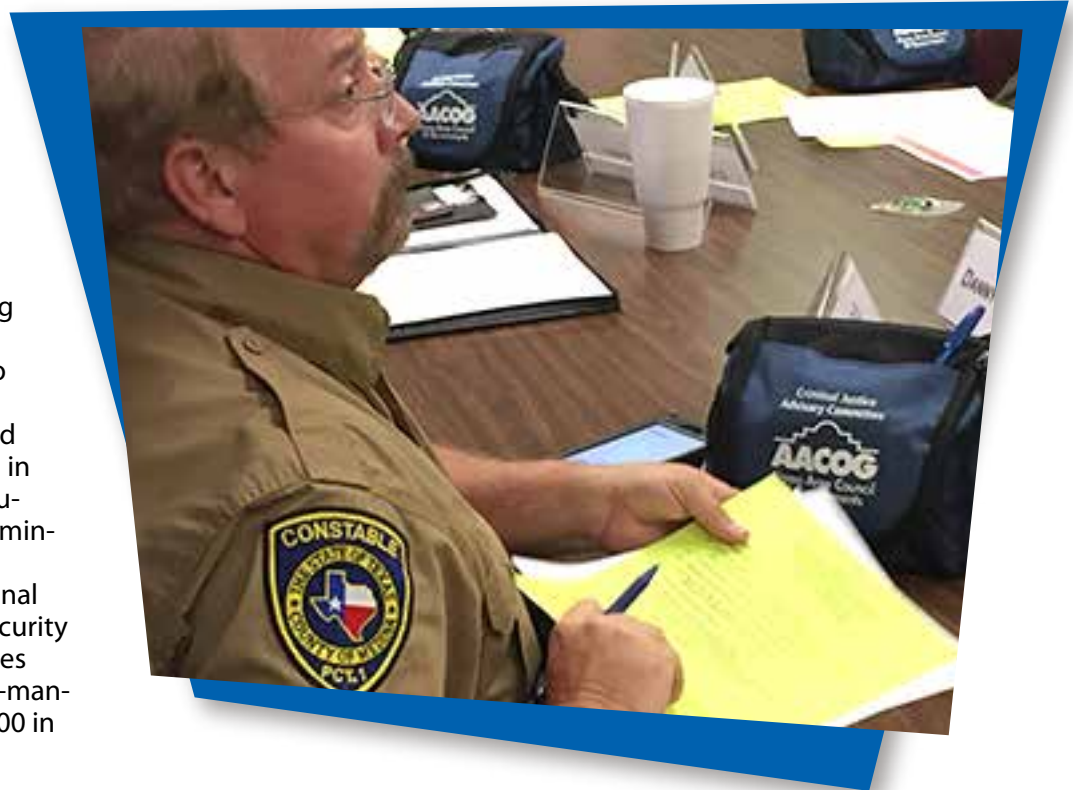
Criminal Justice Planning conducts grant workshops, provides information about funding opportunities, and offers technical assistance to area jurisdictions and agencies. These services include performing technical reviews for law enforcement and non-profit agencies seeking funding from the Office of the Governor – Criminal Justice Division. In 2019, the Criminal Justice Planning staff completed over 2,800 hours of technical assistance and provided grant management assistance to more than 90 funded projects. The projects funded this year will help support a number of different efforts, including:

- victim assistance,
- violence prevention,
- juvenile delinquency prevention, and
- purchasing of law enforcement equipment.

In 2019, the program sponsored a grant management workshop through Grant Writing USA® to train 70 individuals throughout the region. Criminal Justice Planning staff will provide three additional grant workshops next year, specific to funding through the Office of the Governor – Criminal Justice Division. The program will continue to work with the Criminal Justice Advisory Committee (CJAC) and other community stakeholders to develop a new strategic plan that defines regional priorities and the sustainability of services in the community.

Homeland Security

The Homeland Security Program provides jurisdictions and local agencies technical assistance during the planning phase of emergency preparedness, specifically related to terroristic activities. This identifies threats and security weaknesses and ensures vulnerabilities are included in annual multipurpose planning documents. In addition, this program administers federal and state Homeland Security grants and promotes regional cooperation. In 2019, Homeland Security assisted 17 jurisdictions and agencies with technical assistance and grant-management, and administered \$320,000 in regional grants.



Leading into 2020, the Homeland Security Program, the Regional Emergency Preparedness Advisory Committee (REPAC), and regional partners are working on a framework for a Regional Rescue Task Force. This preparedness initiative will analyze recent terroristic events and provide strategic changes in the way first responders address future incidents.

Public SAFETY

Regional 911

The AACOG 9-1-1 Program oversees essential dispatch equipment and software at each of the 9-1-1 emergency call centers throughout Atascosa, Bandera, Frio, Gillespie, Karnes, Kendall, McMullen, and Wilson Counties. The AACOG emergency 9-1-1 call center serves 52,109 landlines that represent 222,712 residents. Funding for this program is afforded through state collected funds from cell phone usage taxes, fees, and surcharges. These funds are administered to AACOG through the Commission on State Emergency Communications (CSEC).

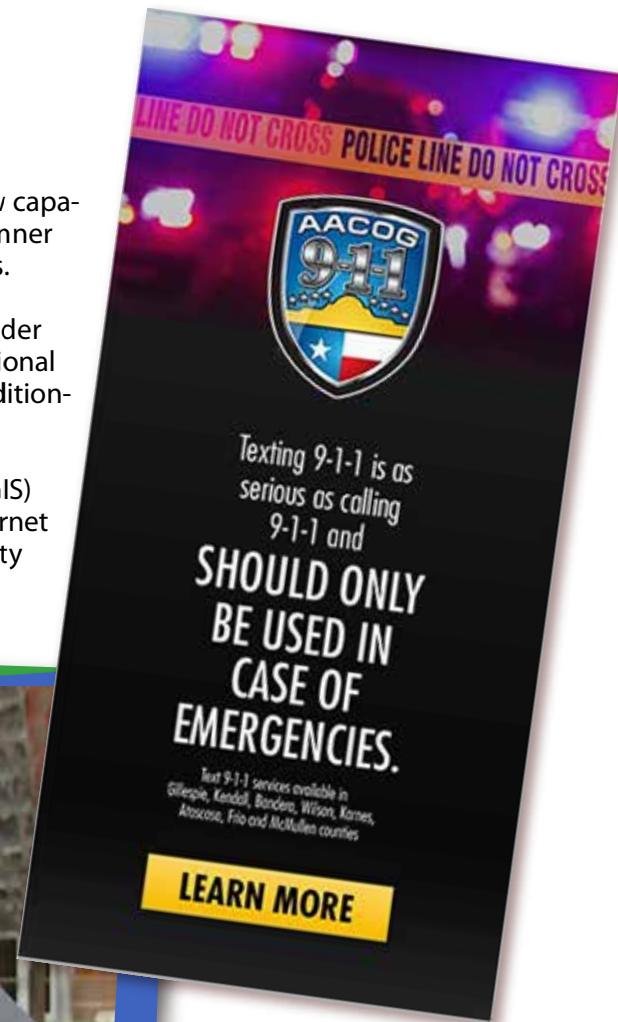
Through 2019, this program has moved towards a “Next Generation 9-1-1” ready system by implementing the latest technologies in emergency call delivery and response, including:

- text to 9-1-1,
- short message service (SMS),
- photo messaging, and
- video streaming capabilities.

AACOG executed a successful advertising campaign to promote these new capabilities throughout the seven counties. Targeted push notifications and banner ads were delivered to residents via mobile devices and desktop computers.

This year, the 9-1-1 program was also able to shift its network system provider from Verizon to AT&T, resulting in almost \$30,000 in cost-savings and additional technological capabilities. The savings from this transition will result in additional services to the respective communities.

In 2020, this program will complete its Geographic Information Systems (GIS) and migrate the database towards a cloud-based Emergency Services Internet Protocol Network (ESInet). This will enable call routing to other public-safety answering points (PSAP) across the State of Texas.



Regional SERVICES

AACOG is the designated Economic Development District (EDD) for the Alamo region. In partnership with local counties and municipalities, the Regional Services program works to address issues related to economic, community, and workforce development; business recruitment and retention; entrepreneurship; small business support; strategic planning; and disaster recovery and resiliency. Regional Services also provides grant information, resource development, and technical assistance.

This program also hosts a series of workshops throughout the year. In 2019, over 260 members of our local governments participated in four unique workshops:

- Planning & Zoning, held in March;
- Economic Development – Federal and State Partners, held in May;
- Newly Elected Officials, held in June; and
- Legislative Update, held in September.

In October 2017, the AACOG Board of Directors adopted the Comprehensive Economic Development Strategy (CEDS) 2018-2023 document. The CEDS document outlines the plan for AACOG to assist member communities in their economic development projects promoting community, business, and workforce development. Each year, the document is reviewed and updated by the CEDS Committee. This year's review involved specific attention to resiliency planning after devastating floods and hurricanes impacted the state.

Each year, the U.S. Department of Housing and Urban Development (HUD) provides a federal Community Development Block Grant (TxCDBG) to the Texas Department of Agriculture (TDA). In partnership with TDA, AACOG provides administrative and technical support to communities in the region. AACOG's approximate regional allocation for FY2019-FY2020 is \$2.5 million. From the AACOG region, 3 counties and 16 cities applied for infrastructure projects. TDA estimates that 9 to 10 applications will be funded for the program year, specifically for projects related to infrastructure.



Regional Services continued providing Hurricane Harvey disaster recovery services to Comal, Guadalupe, and Karnes Counties. The program is working with a designated planning volunteer from the International Economic Development Council (IEDC) and coordinating efforts with the Economic Development Administration (EDA), TDA, and the Texas General Land Office (GLO) to inform communities of the various disaster recovery resources available.

Regional Services is also working with representatives from the U.S. Census Bureau in the rural communities to provide information on the upcoming census. The program has submitted an application to the Hogg Foundation for Mental Health to assist with outreach to undercounted or hard-to-count (HTC) populations in seven targeted counties in the region. Regional Services has provided support to the U.S. Census Bureau by assisting rural communities with the Participant Statistical Areas Program (PSAP). The PSAP enables communities to review and update selected statistical area boundaries for the 2020 Census data tabulation. The U.S. Census Bureau will also use the statistical areas to tabulate data for the annual American Community Survey (ACS) estimates and the Economic Census. AACOG plans to continue providing support for the Census through August 2020.

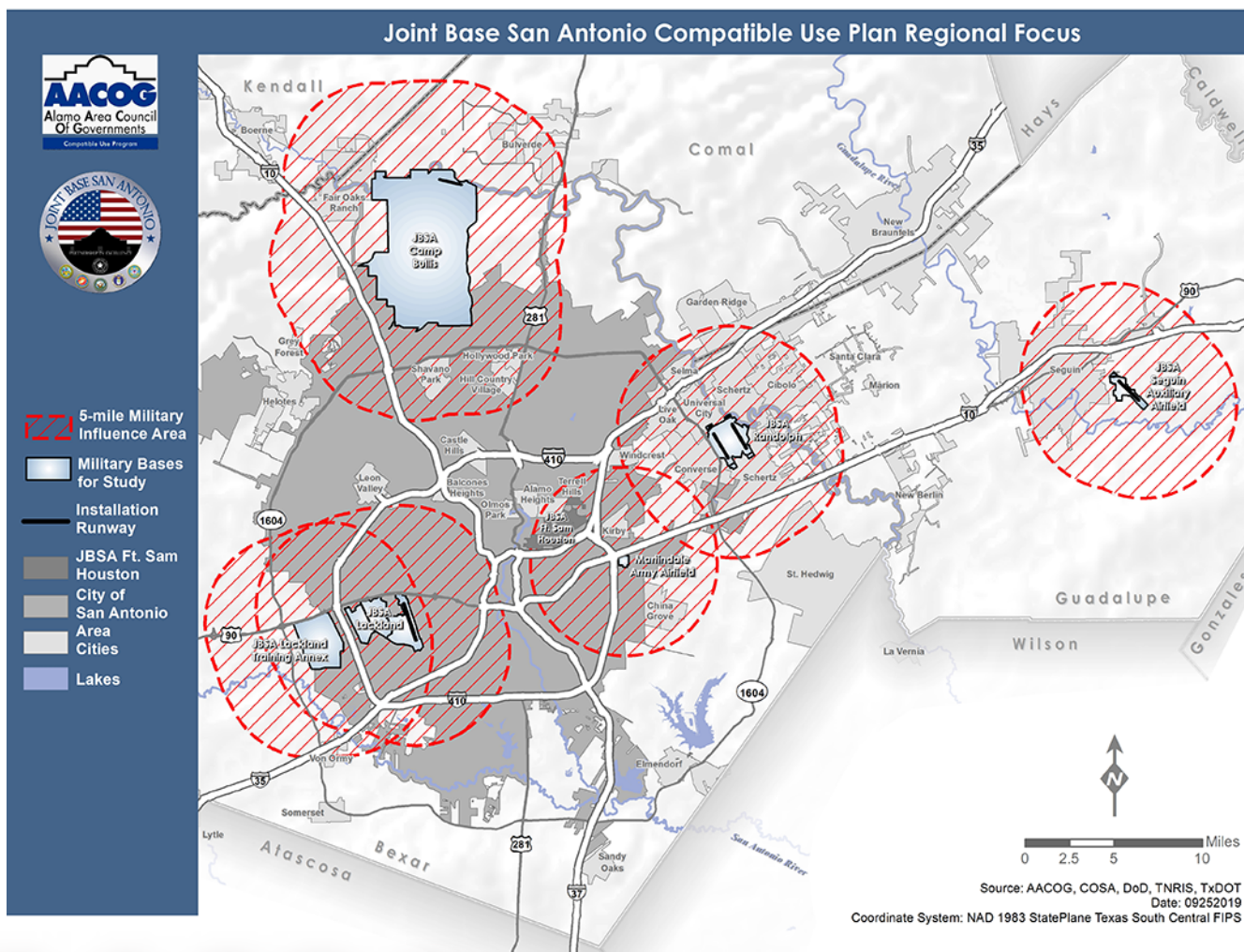
Regional SERVICES

JLUS / CUP

2019 was a transitional year for AACOG, as it closed out its Joint Land Use Study (JLUS) program with publication of the 2019 Joint Land Use Consolidated Actions report. This report culminated a two-year effort to implement over 150 strategies identified by the 2015 JBSA Regional Joint Land Use Study Implementation Strategy. The Consolidated Actions report also served as the capstone document to close the Department of Defense Office of Economic Adjustment (OEA) funded grant. Its success is reflective of the introduced 134 local, and 20 regional, recommended implementation strategies.

In August, OEA ended the JLUS Program and created the Compatible Use Program (CUP) – a program designed to address evolving aspects beyond land use. These aspects may include urban density, building heights, light pollution, frequency spectrum interference, and the effects of climate change. OEA awarded AACOG \$1.6 million to complete a Joint Base San Antonio (JBSA) regional CUP. This grant will fund the first ever region-wide land use study of military installations across Bexar, Comal, Guadalupe, and Kendall counties. The study will explore regional challenges to sustaining the military mission on its installations in the Alamo area, and will specifically update prior studies for Camp Bullis (2009), JBSA-Lackland (2011), and JBSA-Randolph (2015). The study will also address Martindale Army Airfield for the first time.

The development of a regional compatible use plan entails cooperative partnerships between these military installations, the surrounding communities, local governments, state and federal agencies, and other impacted stakeholders. This partnership enables the region to address compatibility around military installations while accommodating economic development, protecting public health and safety, and protecting the operational missions of JBSA.



Regional SERVICES

Resource Recovery

The Resource Recovery program develops and implements solid waste management plans to reduce the amount of waste entering landfills, and to increase recycling throughout the Alamo region.

One of the program's primary responsibilities is to maintain the closed landfill inventory within the region. This inventory is used by realtors, environmental scientists, developers, planners, and residents seeking information on past uses of land parcels. Resource Recovery staff reviews applications and registrations to the Texas Commission on Environmental Quality (TCEQ) for solid waste facilities within the region. Most notably, the program receives funds from TCEQ to assist local governments expand their waste diversion programs.

Since 1996, AACOG has received funding from TCEQ to administer to local governments for:

- the purchasing of recycling equipment,
- hosting special collections of household hazardous waste, and
- promoting proper recycling and prevention of illegal dumping.

To date, over \$10.3 million has been granted to local governments to develop their solid waste management programs. In 2019, the Resource Recovery program funded the below cities over \$150,000 for recycling efforts:

- San Antonio: \$71,357.15
- City of Kerrville: \$25,000.00
- City of Leon Valley: \$19,948.50
- City of Seguin: \$19,654.72
- City of New Braunfels: \$15,000.00
- San Antonio ISD: \$15,000.00



Weatherization

The AACOG Weatherization Assistance Program (WAP) provides cost-effective energy efficiency measures and home accessibility modifications for existing residential and multifamily housing with income-eligible residents. Low-income households face a home energy burden of 28%, which is far above the national average.

WAP works with a network of contractors to provide weatherization services to low-income families across the Alamo region. These services are derived by using a diagnostic energy audit and building assessments that determine the necessary energy efficiency measures for each unique home.

This year, WAP expended \$431,000 of its Department of Energy (DOE) funding and \$1.5M of its Low Income Home Energy Assistance Program (LIHEAP) funding. This translates to 273 weatherized households who were at, or below, 200% of the Federal Poverty Level.

The Amy Young Barrier Removal (AYBR) Program provides one-time grants of up to \$20,000 for individuals in need of modifications to increase accessibility and eliminate hazardous conditions in their home. Program beneficiaries must have a household income that does not exceed 80% of the area median family income. Although a smaller grant, the AYBR funds were able to support 8 households in 2019, for a total program expenditure of \$160,000.

The Alamo Housing 4 Texas Heroes (H4TXH) program provides essential home modification needs, associated with medical-specific conditions, for veterans and their families. The goal is to provide home modifications that veteran families would not normally have access to from other community programs. This year, a total of \$300,000 in bathroom accessibility modifications, new roofs, and updated electrical upgrades were delivered to 16 veteran families.



BEFORE



AFTER

The Council prepared and submitted the Comprehensive Annual Financial Report (CAFR) for Year ended December 31, 2019 to the Government Finance Officers Association (GFOA) for consideration of the Certificate of Achievement for Excellence in Financial Reporting.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to AACOG for its comprehensive annual financial report for the fiscal year ended December 31, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

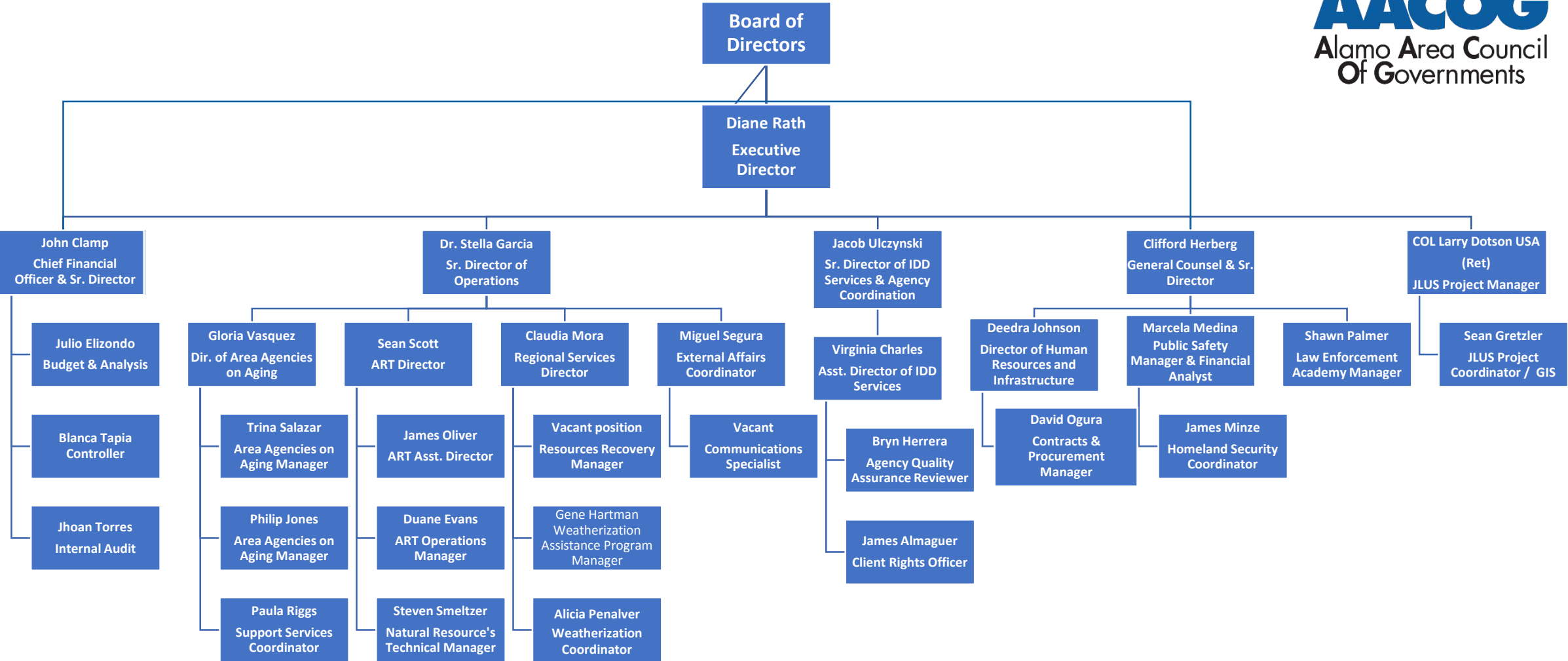
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "John Clamp". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

John Clamp, Chief Financial Officer



AACOG Leadership

OFFICERS OF THE BOARD OF DIRECTORS 2019

CHAIR

James C. Hasslocher
UHS Board Member

VICE CHAIR

Robert Hurley
Atascosa County Judge

ADMINISTRATIVE STAFF

Executive Director	Diane Rath
Chief Financial Officer	John Clamp
Senior Director of Operations	Stella Garcia
General Counsel/Senior Director	Clifford Herberg
Senior Director of IDD Services & Agency Coordination	Jacob Ulczynski



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Alamo Area Council of Governments
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Alamo Area Council of Governments (the "Council"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Alamo Area Council of Governments, as of December 31, 2019, 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.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The introductory section, supplementary information, statistical section and the schedule of expenditures of federal and state awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and the State of Texas *Uniform Grant Management Standards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, the indirect cost schedule, the employee benefit schedule, and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, indirect cost and employee benefit schedules, and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, the Intellectual and Developmental Disabilities (IDD) Services schedules, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2020, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
June 23, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Alamo Area Council of Governments' (the "Council") discussion and analysis offers readers of the Council's financial statements a narrative overview and analysis of the Council's financial activities for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in the financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- ◆ The assets and deferred outflows of resources of the Council exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$12,798,069 (net position). This reflects an increase to net position of \$1,126,914. Of this amount, \$3,520,139 is unrestricted. \$5,132,815 represents the net investment in capital assets, and \$4,145,115 is restricted for grant programs.
- ◆ As of the close of the current fiscal year, the Council's governmental funds financial statements reported combined ending fund balances of \$6,986,463. The unassigned fund balance in the General Fund that is available for operations is \$2,581,217.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

Fund Financial Statements – A *fund* is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other similar governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Council are classified as *governmental funds*.

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

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

The Council maintains 24 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each major fund: the General Fund, the Bexar Area Agency on Aging Fund, the Texas Department of Transportation Fund, the Intellectual and Developmental Disabilities Services Fund, and the Alamo Area Agency on Aging Fund.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements in this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. The Council’s assets exceeded liabilities by \$12,798,069 at December 31, 2019. The following table reflects the condensed Statement of Net Position compared to prior year.

Alamo Area Council of Government’s Statement of Net Position

	Governmental Activities	
	2019	2018
Assets:		
Current and other assets	\$ 14,054,081	\$ 14,396,224
Capital assets	5,132,815	4,232,400
Total assets	19,186,896	18,628,624
Deferred outflows of resources	3,631,069	1,290,932
Liabilities:		
Current liabilities	7,194,723	7,302,091
Noncurrent liabilities	2,670,061	355,096
Total liabilities	9,864,784	7,657,187
Deferred inflows of resources	155,112	591,214
Net position:		
Investment in capital assets	5,132,815	4,232,400
Restricted for grant programs	4,145,115	3,813,652
Unrestricted	3,520,139	3,625,103
Total net position	\$ 12,798,069	\$ 11,671,155

The balance of *unrestricted net position*, \$3,520,139, may be used to meet the Council’s ongoing obligations.

Analysis of the Council's Operations

The following table provides a summary of the Council's operations for the year ended December 31, 2019, as compared to the year ended December 31, 2018. The Council's net position increased by \$1,126,914.

	Governmental Activities	
	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 754,871	\$ 666,868
Operating grants and contributions	48,563,380	43,172,279
Capital grants and contributions	1,526,754	1,515,394
General revenues:		
Investment earnings	40,142	32,950
Member dues	343,057	342,501
Gain on sale of capital assets	34,654	41,014
Total revenues	<u>51,262,858</u>	<u>45,771,006</u>
Expenses:		
General government	32,566	61,036
Workforce development	2,823,796	2,443,360
Aging	20,076,977	17,018,023
Emergency communications	1,670,714	1,413,105
Economic development	433,744	647,838
Environmental quality	483,930	704,083
Community affairs	2,991,145	2,475,773
Homeland security	388,563	287,900
Transportation	6,054,983	5,250,931
Criminal justice	1,567,352	1,536,841
Health and welfare	13,612,174	12,446,756
Interest	-	4,707
Total expenses	<u>50,135,944</u>	<u>44,290,353</u>
Change in net position	1,126,914	1,480,653
Net position, beginning	<u>11,671,155</u>	<u>10,190,502</u>
Net position, ending	<u>\$ 12,798,069</u>	<u>\$ 11,671,155</u>

The Council's charges for services increased by \$88,003, operating grants and contributions increased by \$5,391,101, and capital grants and contributions increased by \$11,360 from fiscal year 2018 to 2019. The increase in charges for services was caused by an increase in program income from various grant activities. The increase in operating grants and contributions was primarily caused by increased Area Agencies on Aging funding. The increase in capital grants and contributions came largely from funding by the Texas Department of Transportation for the purchase of new buses. Further, expenses increased by \$5,845,591 from fiscal year 2018 to 2019. The majority of this increase was caused by the increased area agencies on aging funding discussed earlier. The Council's revenues and expenses are driven primarily by federal and state grant funding, which varies from year to year.

Analysis of Fund Financial Statements

The General Fund beginning balance at January 1, 2019 was \$2,424,098. The fund balance increased by \$427,096 for an ending balance at December 31, 2019 of \$2,851,194. The increase is primarily due to the following reasons:

- Credit card rebate
- Increase to membership dues collected
- Increase in investment income
- Decrease in expenditures

The Bexar Area Agency on Aging Fund balance at January 1, 2019 was \$24,449. The fund balance decreased by \$1,536 for an ending balance at December 31, 2019 of \$22,913. The decrease is a result of utilizing 2018 program income carryover for additional services.

The Alamo Area Agency on Agency Fund balance at January 1, 2019 was \$3,676. The fund balance decreased by \$456 for an ending balance at December 31, 2019 of \$3,220. The decrease is a result of utilizing 2018 program income carryover for additional services.

The Texas Department of Transportation Fund balance at January 1, 2019 was \$2,475,686. The fund balance decreased by \$223,696 for an ending balance at December 31, 2019 of \$2,251,990. This decrease was a result of program expenditures exceeding grant funding during the year.

The Intellectual and Developmental Disabilities Services Fund balance at January 1, 2019 was \$411,395. The fund balance increased by \$175,695 for an ending balance at December 31, 2019 of \$587,090. The majority of the increase is a result of the additional nursing facility specialized services revenue.

BUDGETARY HIGHLIGHTS

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

CAPITAL ASSET AND DEBT ADMINISTRATION

Alamo Area Council of Governments’ Capital Assets at Year-end

The Council’s investment in capital assets for its governmental activities as of December 31, 2019 amounts to \$5,132,815 (net of accumulated depreciation). This investment includes land, equipment, furniture and fixtures, software, vehicles, and buildings and improvements.

During 2019, the Council’s total capital assets increased by \$900,415 largely due to the current year capital asset additions. The Council’s capital asset additions totaled \$1,714,695 during 2019, primarily from the following categories and programs:

- \$1,526,754 for new buses for the Transportation Department.
- \$187,941 for IT equipment.

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

	Governmental Activities	
	2019	2018
Land	\$ 127,000	\$ 127,000
Equipment	4,164,246	4,164,246
Furniture and fixtures	154,890	154,890
Software	1,808,512	1,620,571
Vehicles	7,753,789	6,724,896
Buildings and improvements	2,290,040	2,290,040
Less: accumulated depreciation	(11,165,662)	(10,849,243)
Total capital assets, net	\$ 5,132,815	\$ 4,232,400

Alamo Area Council of Governments’ Outstanding Debt at Year-end

	Governmental Activities	
	2019	2018
Compensated absences	\$ 508,421	\$ 473,461
Total long-term liabilities	\$ 508,421	\$ 473,461

The Council’s total debt increased by \$34,960. This liability reflects the payout of vacation and holiday leave upon termination. Additional information on the Council’s long-term liabilities can be found in Note 8 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S FINANCIAL PLAN

The Council's approved 2020 annual financial plan reflects \$52,202,834 for revenues and \$56,246,807 for expenditures. The plan reflects an increase to revenues and expenditures when compared to 2019 actual results. The 2019 actual revenues are \$51,262,858 and actual expenditures are \$50,510,949 for an increase of \$939,976 and \$5,735,858 respectively.

The Council's combined ending fund balance of \$6,986,463 includes \$4,135,269 of dedicated program fund balance and \$2,851,194 of general fund fund balance. The Council increased the general fund balance by \$427,096 during fiscal year 2019 and is projecting an increase of \$68,634 for 2020. The Council's special revenue fund balance increased by \$324,813 for 2019. The 2019 net increase to the general fund balance is primarily from the procurement card rebate program, membership dues and investment earnings. The 2019 net increase to the special revenue fund balance is primarily from the Intellectual and Developmental Disabilities Services Fund.

The Council successfully closed out the first funding received from the Office of Economic Adjustment (OEA) by April of 2019. During this time staff was successful in obtaining an award of \$1.6 million for 2019 and 2020. This project funding is for a new Compatible Use Plan for Camp Bullis, Lackland, Randolph, the Martindale Airfield and comprehensive planning for the Port of San Antonio/Kelly field. The Council along with CPS are applying for a DEAG grant for fiscal year 2020. This grant will enhance the relationships with our regional partners and help with securing the of the distribution substations that serve JBSA. The grant is available in 2020.

In pursuit of staying compliant with state and federal health care requirements and to remain competitive with other health care businesses, The Council's Intellectual and Disability Services program purchased Netsmart's MyEvol Electronic Health Record (EHR) for its Intellectual and Developmental Disability (IDD) program to replace its outdated client software system. MyEvol has a robust program side that includes form features and monthly state reporting abilities the prior client software system did not. In addition, it has a financial module that will reduce and eventually eliminate the need to manually track and reconcile the IDD billing. Overall the purchase should increase the accuracy of the data and better track that data for all necessary distributions including state reporting and billing.

The Council executed an Internal Governmental Services Agreement (IGSA) with Joint Base San Antonio (JBSA). The IGSA allows JBSA the opportunity to bring requirements they would normally fill through traditional federal contracting actions to the Council. The Council and its member governments could then fulfill these requirements through their own capabilities and local contractors. This streamlines the procurement process, which is also expected to save millions of dollars for JBSA as the agreement matures.

The funding for the Tx-Serves program, which assists both military and veterans' families was exhausted in 2019 and therefore was supported by the Veterans' home bound program until additional funding was secured. The Council was awarded a 3-year grant from the Texas Workforce Commission, which allows the program to continue services for fiscal years 2020 through 2023.

The Council has been selected to be the Property Assessed Clean Energy (PACE) Administrator for Comal County, Medina County, and the cities of Hondo and Leon Valley. The PACE program provides market-based loans for building improvements in an effort to increase efficiency for water and electric usage. It is anticipated that additional municipalities and counties will also adopt the PACE program in 2020.

The Transportation program significantly increased ridership and decreased the cost per mile during 2019. The program was provided \$1.5 million from the Texas Department of Transportation to purchase an additional 17 vehicles, allowing the disposal of 13 aging and non- operating vehicles.

The Council currently resides at 8700 Tesoro Dr., San Antonio Texas in a multiple floor building leased from NE Loop 410 LLC. The original lease commenced on August 14, 2000 and has been amended seven (7) times to accommodate additional program space and continues through December 31, 2020. Total leased space includes 51,883 square feet. The Council has successfully negotiated a lease purchase agreement with the Titan Building and Titan Plaza located at 2700 NE Loop 410 and 8200 Perrin Beitel Road in San Antonio Texas. The Council will begin the space planning and tenant finish-out construction at the beginning of 2020 and plans to move in November 2020.

INFORMATION REQUESTS

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the organization. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Chief Financial Officer, Alamo Area Council of Governments, 8700 Tesoro Drive, San Antonio, Texas 78217.

BASIC FINANCIAL STATEMENTS

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ALAMO AREA COUNCIL OF GOVERNMENTS

STATEMENT OF NET POSITION

DECEMBER 31, 2019

	<u>Primary Government</u>	<u>Component Unit</u>
	Governmental Activities	Alamo Area Development Corporation
ASSETS		
Cash and investments	\$ 6,679,271	\$ 54,912
Receivables:		
Grantors	6,893,256	-
Deposits	23,904	-
Prepaid items	457,650	-
Capital assets, not being depreciated:		
Land	127,000	-
Capital assets, net of accumulated depreciation:		
Equipment	421,041	-
Furniture and fixtures	2,162	-
Software	631,836	-
Vehicles	2,894,825	-
Buildings and improvements	<u>1,055,951</u>	<u>-</u>
Total assets	<u>19,186,896</u>	<u>54,912</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	<u>3,631,069</u>	<u>-</u>
Total deferred outflows of resources	<u>3,631,069</u>	<u>-</u>
LIABILITIES		
Accounts payable	3,906,090	-
Accrued liabilities	392,585	174
Unearned revenue	2,768,943	-
Noncurrent liabilities:		
Due within one year:		
Compensated absences	127,105	-
Due in more than one year:		
Compensated absences	381,316	-
Net pension liability	<u>2,288,745</u>	<u>-</u>
Total liabilities	<u>9,864,784</u>	<u>174</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	<u>155,112</u>	<u>-</u>
Total deferred inflows of resources	<u>155,112</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	5,132,815	-
Restricted for grant programs:		
Workforce development	428,313	203
Aging	119,628	47,351
Economic development	6,310	-
Environmental quality	104,015	-
Community affairs	56,950	-
Homeland security	54,833	-
Transportation	2,244,967	512
Criminal justice	543,009	3,622
Health and welfare	587,090	-
Unrestricted	<u>3,520,139</u>	<u>3,050</u>
Total net position	<u>\$ 12,798,069</u>	<u>\$ 54,738</u>

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

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ALAMO AREA COUNCIL OF GOVERNMENTS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Indirect Cost Allocation	Program Revenues	
			Charges for Services	Operating Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 2,982,925	\$(2,950,359)	\$ -	\$ 289,657
Workforce development	2,763,159	60,637	-	3,084,238
Aging	19,487,305	589,672	349,274	19,270,337
Emergency communications	1,602,178	68,536	-	1,647,275
Economic development	396,573	37,171	-	409,050
Environmental quality	447,330	36,600	-	535,320
Community affairs	2,881,304	109,841	520	2,940,238
Homeland security	357,413	31,150	-	393,245
Transportation	5,471,125	583,858	-	5,125,364
Criminal justice	1,420,988	146,364	405,077	1,051,305
Health and welfare	<u>12,325,644</u>	<u>1,286,530</u>	<u>-</u>	<u>13,817,351</u>
Total governmental activities	<u>50,135,944</u>	<u>-</u>	<u>754,871</u>	<u>48,563,380</u>
Total primary government	<u>\$ 50,135,944</u>	<u>\$ -</u>	<u>\$ 754,871</u>	<u>\$ 48,563,380</u>
Component unit:				
Alamo Area Development Corporation	\$ -	\$ -	\$ -	\$ -
Total component unit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues:				
Unrestricted investment earnings				
Membership dues				
Gain on sale of capital assets				
Total general revenues				
Change in net position				
Net position, beginning				
Net position, ending				

<u>Program Revenues</u> Capital Grants and Contributions	<u>Net (Expense) Revenue and Changes in Net Position</u> Primary Government Governmental Activities	<u>Component Unit</u> Alamo Area Development Corporation
\$ -	\$ 257,091	
-	260,442	
-	(457,366)	
-	(23,439)	
-	(24,694)	
-	51,390	
-	(50,387)	
-	4,682	
1,526,754	597,135	
-	(110,970)	
<u>-</u>	<u>205,177</u>	
<u>1,526,754</u>	<u>709,061</u>	
\$ <u>1,526,754</u>	709,061	
\$ <u>-</u>		\$ <u>-</u>
\$ <u>-</u>		<u>-</u>
	40,142	-
	343,057	-
	<u>34,654</u>	<u>-</u>
	417,853	-
	1,126,914	-
	<u>11,671,155</u>	<u>54,738</u>
	\$ <u>12,798,069</u>	\$ <u>54,738</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2019

		Special Revenue Funds	
	General	Bexar Area Agency on Aging	Texas Department of Transportation
ASSETS			
Cash and investments	\$ 2,593,154	\$ -	\$ 2,538,556
Accounts receivable:			
Grantors	-	1,601,471	1,081,071
Due from other funds	1,557,587	-	-
Deposits	10,000	-	-
Prepaid items	<u>269,977</u>	<u>-</u>	<u>140,875</u>
Total assets	<u>\$ 4,430,718</u>	<u>\$ 1,601,471</u>	<u>\$ 3,760,502</u>
LIABILITIES			
Liabilities:			
Accounts payable	\$ 698,093	\$ 1,169,352	\$ 180,617
Accrued liabilities	136,350	27,165	35,273
Due to other funds	-	382,041	1,220,023
Unearned revenue	<u>745,081</u>	<u>-</u>	<u>72,599</u>
Total liabilities	<u>1,579,524</u>	<u>1,578,558</u>	<u>1,508,512</u>
FUND BALANCES			
Nonspendable:			
Prepaid items	269,977	-	140,875
Restricted:			
Grants	-	22,913	2,111,115
Unassigned	<u>2,581,217</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>2,851,194</u>	<u>22,913</u>	<u>2,251,990</u>
Total liabilities and fund balances	<u>\$ 4,430,718</u>	<u>\$ 1,601,471</u>	<u>\$ 3,760,502</u>

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

Special Revenue Funds

Intellectual and Developmental Disabilities Services	Alamo Area Agency on Aging	Other Governmental Funds	Total Governmental Funds
\$ 915,264	\$ -	\$ 632,297	\$ 6,679,271
2,140,445	580,219	1,490,050	6,893,256
-	-	825,207	2,382,794
-	-	13,904	23,904
<u>13,050</u>	<u>-</u>	<u>33,748</u>	<u>457,650</u>
<u>\$ 3,068,759</u>	<u>\$ 580,219</u>	<u>\$ 2,995,206</u>	<u>\$ 16,436,875</u>
\$ 512,259	\$ 267,456	\$ 1,078,313	\$ 3,906,090
176,937	16,860	-	392,585
207,647	292,683	280,400	2,382,794
<u>1,584,826</u>	<u>-</u>	<u>366,437</u>	<u>2,768,943</u>
<u>2,481,669</u>	<u>576,999</u>	<u>1,725,150</u>	<u>9,450,412</u>
13,050	-	33,748	457,650
574,040	3,220	1,252,017	3,963,305
-	-	(15,709)	2,565,508
<u>587,090</u>	<u>3,220</u>	<u>1,270,056</u>	<u>6,986,463</u>
<u>\$ 3,068,759</u>	<u>\$ 580,219</u>	<u>\$ 2,995,206</u>	<u>\$ 16,436,875</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

DECEMBER 31, 2019

Total fund balance - governmental funds	\$	6,986,463
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		5,132,815
Deferred inflows and deferred outflows of resources related to the net pension liability are not reported as a part of the governmental funds.		
Deferred outflows		3,631,069
Deferred inflows	(155,112)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences	(508,421)
Net pension liability	(<u>2,288,745</u>)
Net position of governmental activities in the Statement of Net Position	\$	<u>12,798,069</u>

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ALAMO AREA COUNCIL OF GOVERNMENTS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

		Special Revenue Funds	
	General	Bexar Area Agency on Aging	Texas Department of Transportation
REVENUES			
Intergovernmental	\$ -	\$ 8,623,940	\$ 4,455,008
Matching funds	-	5,330,736	-
Local	289,657	-	1,584,377
Program income	-	183,289	-
Membership dues	343,057	-	-
Investment income	40,142	-	54,866
Total revenues	672,856	14,137,965	6,094,251
EXPENDITURES			
Current:			
Aging	-	14,293,532	-
Health and welfare	-	-	-
Transportation	-	-	6,265,231
Workforce development	-	-	-
Environmental quality	-	-	-
Community affairs	-	-	-
Criminal justice	-	-	-
Emergency communications	-	-	-
Homeland security	-	-	-
Economic development	-	-	-
Total expenditures	-	14,293,532	6,265,231
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	672,856	(155,567)	(170,980)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	154,031	-
Transfers out	(245,760)	-	(52,716)
Total other financing sources (uses)	(245,760)	154,031	(52,716)
NET CHANGE IN FUND BALANCES	427,096	(1,536)	(223,696)
FUND BALANCES, BEGINNING	2,424,098	24,449	2,475,686
FUND BALANCES, ENDING	\$ 2,851,194	\$ 22,913	\$ 2,251,990

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

Special Revenue Funds

<u>Intellectual and Developmental Disabilities Services</u>	<u>Alamo Area Agency on Aging</u>	<u>Other Governmental Funds</u>	<u>Total Governmental</u>
\$ 7,180,464	\$ 3,259,575	\$ 10,122,075	\$ 33,641,062
-	1,849,765	276,773	7,457,274
6,539,942	-	530,611	8,944,587
-	165,985	405,077	754,351
-	-	-	343,057
16,579	-	10,940	122,527
<u>13,736,985</u>	<u>5,275,325</u>	<u>11,345,476</u>	<u>51,262,858</u>
-	5,347,544	228,375	19,869,451
13,561,290	-	80,366	13,641,656
-	-	806,588	7,071,819
-	-	2,795,136	2,795,136
-	-	462,019	462,019
-	-	2,945,451	2,945,451
-	-	1,264,282	1,264,282
-	-	1,647,275	1,647,275
-	-	384,571	384,571
-	-	429,289	429,289
<u>13,561,290</u>	<u>5,347,544</u>	<u>11,043,352</u>	<u>50,510,949</u>
<u>175,695</u>	<u>(72,219)</u>	<u>302,124</u>	<u>751,909</u>
-	71,763	74,732	300,526
-	-	(2,050)	(300,526)
<u>-</u>	<u>71,763</u>	<u>72,682</u>	<u>-</u>
175,695	(456)	374,806	751,909
<u>411,395</u>	<u>3,676</u>	<u>895,250</u>	<u>6,234,554</u>
<u>\$ 587,090</u>	<u>\$ 3,220</u>	<u>\$ 1,270,056</u>	<u>\$ 6,986,463</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED DECEMBER 31, 2019

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

Net change in fund balances - total governmental funds \$ 751,909

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay 1,714,695
Depreciation expense (814,280)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences (34,960)
Pension cost, net (490,450)

Change in net position of governmental activities \$ 1,126,914

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ALAMO AREA COUNCIL OF GOVERNMENTS

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

The accompanying financial statements present the Council and its component units, entities for which the Council is considered to be financially accountable. Blended components are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the Council. The following organization has been included within the Council's reporting entity.

Discretely Presented Component Unit

During 1995, the Council formed a nonprofit organization, Alamo Area Development Corporation (AADC). AADC is governed by a board of seven and must reside within the jurisdictional boundaries of the following counties: Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina and Wilson. AADC is reported as a component unit because the Council appoints its governing body and can remove its members at will. The Council also guarantees AADC's debt obligations. There was no debt outstanding as of December 31, 2019. The separately issued financial statements of AADC can be obtained by contacting the Council's accounting department at 8700 Tesoro Drive, Suite 160, San Antonio, Texas 78217.

Description of Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported primarily by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from its legally separate component unit for which the primary government is financially accountable.

Basis of Presentation – Government-Wide Financial Statements

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

As discussed earlier, the Council has one discretely presented component unit. AADC is shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent in value to the interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Basis of Presentation – Fund Financial Statements

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

The Council reports the following major governmental funds:

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

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

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

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

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

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

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

Measurement Focus and Basis of Accounting

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

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

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

Charges for services and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Council.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Investments

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

Accounts Receivable - Grantors

This represents amounts due from federal and state grantor agencies for various programs administered by the Council. The receivables include amounts due on programs closed-out and those in progress as of December 31, 2019.

Interfund Receivables and Payables

During the course of operations, transactions occur between individual funds for specified purposes. These receivables and payables are, for the most part, eliminated from the government-wide Statement of Net Position and are classified as "due from other funds" or "due to other funds" in the fund financial statements. There are also transactions between the primary government and the discretely presented component unit; these are classified as due from component unit and due to primary government.

Prepaid Items

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

Capital Assets

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

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

<u>Capital asset classes</u>	<u>Useful life (years)</u>
Equipment	3
Furniture and fixtures	7 - 10
Software	5
Vehicles	5 - 10
Buildings and improvements	3.5 - 25

Deferred outflows/inflows of resources

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

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

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

- Difference in expected and actual pension experience – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.

Unearned Revenue

Unearned revenue primarily consists of amounts received from grantors in excess of expenditures for programs in progress as of December 31, 2019.

Compensated Absences

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

<u>Years of Employment</u>	<u>PTO Accrual</u>
1-2 years	10 days
2-5 years	15 days
5-7 years	20 days
7-10 years	22 days
10+ years	25 days

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

Pensions

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

Net Position Flow Assumption

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

Fund Balance Flow Assumption

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

Fund Balance Policies

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

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

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

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

Intergovernmental Revenue

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

Matching Funds

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

Member Government Dues

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

Indirect Costs and Fringe Benefit and Leave Pool Allocations

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

Deficit Fund Balance

The Texas Department of Housing and Community Affairs fund had a deficit fund balance of \$9,846 as of December 31, 2019. If funding from outside sources does not become available to cover the deficit fund balance, the Council plans to transfer funds from the General Fund to cover the deficit.

3. CASH AND INVESTMENTS

The Public Funds Investment Act (Government Code Chapter 2256) (the "Act") contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the Council to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the Council to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings account, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the Council to have independent auditors perform test procedures related to investment practices by the Act. The Council is in substantial compliance with the requirements of the Act and with local policies.

At December 31, 2019, the Council's cash and investments consist of the following:

Demand deposits	\$	355,981
Money market accounts		2,542
TexPool		273,031
Lone Star		851,760
Certificates of deposit		<u>5,195,957</u>
Total	\$	<u>6,679,271</u>

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government Securities or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of deposits. As of December 31, 2019, the Council's deposit value was fully collateralized with securities held by the pledging financial institutions.

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

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

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

Public Funds Investment Pools. Public fund investment pools in Texas (“Pools”) are established under the authority of the Interlocal Cooperation Act Chapter 79 of the Texas Government Code and are subject to the provisions of the Public Funds Investment Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one-half of one percent of the value of its shares.

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

At December 31, 2019, the Council’s investment portfolio consists of the following:

Investment Type	Net Asset Value	Weighted Average Maturity (Days)	Rating
TexPool	\$ 273,031	8	AAAm
Lone Star Corporate Overnight Fund	<u>851,760</u>	29	AAAm
Total	<u>\$ 1,124,791</u>		
Portfolio weighted average maturity		37	

4. CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 127,000	\$ -	\$ -	\$ 127,000
Capital assets, being depreciated				
Equipment	4,164,246	-	-	4,164,246
Furniture and fixtures	154,890	-	-	154,890
Software	1,620,571	187,941	-	1,808,512
Vehicles	6,724,896	1,526,754	(497,861)	7,753,789
Buildings and improvements	<u>2,290,040</u>	<u>-</u>	<u>-</u>	<u>2,290,040</u>
	<u>14,954,643</u>	<u>1,714,695</u>	<u>(497,861)</u>	<u>16,171,477</u>
Less accumulated depreciation				
Equipment	(3,499,136)	(244,069)	-	(3,743,205)
Furniture and fixtures	(151,647)	(1,081)	-	(152,728)
Software	(1,141,376)	(35,300)	-	(1,176,676)
Vehicles	(4,991,806)	(365,019)	497,861	(4,858,964)
Building and improvements	<u>(1,065,278)</u>	<u>(168,811)</u>	<u>-</u>	<u>(1,234,089)</u>
Total accumulated depreciation	<u>(10,849,243)</u>	<u>(814,280)</u>	<u>497,861</u>	<u>(11,165,662)</u>
Total capital assets being depreciated, net	<u>4,105,400</u>	<u>900,415</u>	<u>-</u>	<u>5,005,815</u>
Governmental activities capital assets, net	<u>\$ 4,232,400</u>	<u>\$ 900,415</u>	<u>\$ -</u>	<u>\$ 5,132,815</u>

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

Governmental activities:		
General government	\$	32,566
Aging		1,313
Emergency communications		4,796
Environmental quality		17,126
Community affairs		15,125
Transportation		436,523
Criminal justice		289,949
Health & Welfare		<u>16,882</u>
Total depreciation expense - governmental activities	\$	<u>814,280</u>

5. INTERFUND BALANCES AND TRANSFERS

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

The composition of interfund balances as of December 31, 2019 is as follows:

Receivable Fund	Payable Fund	Amount
General	Bexar Area Agency on Aging	\$ 382,041
General	IDDS	207,647
General	Alamo Area Agency on Aging	292,683
General	Nonmajor governmental	280,400
General	TxDOT	394,816
Nonmajor governmental	TxDOT	<u>825,207</u>
Total		<u>\$ 2,382,794</u>

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

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

The following is a summary of interfund transfers for the year ended December 31, 2019:

Transfer In	Transfer Out	Amount
Bexar Area Agency on Aging	General	\$ 154,031
Nonmajor governmental	TxDOT	52,716
Alamo Area Agency on Aging	General	71,763
Nonmajor governmental	General	19,966
Nonmajor governmental	Nonmajor governmental	<u>2,050</u>
Total		<u>\$ 300,526</u>

Amounts transferred between funds relate to matching requirements for grants.

6. LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 473,461	\$ 689,289	\$ 654,329	\$ 508,421	\$ 127,105
Total	\$ 473,461	\$ 689,289	\$ 654,329	\$ 508,421	\$ 127,105

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

The Council also has an unused line of credit in the amount of \$2,000,000.

7. COMMITMENTS AND CONTINGENCIES

Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council maintains workers' compensation and other risks of loss coverage through commercial insurance carriers. The Council's management believes such coverage is sufficient to preclude any significant uninsured loss to the Council. There were no significant reductions in insurance coverage from covered in the prior year. There were no insurance settlements that exceeded insurance coverage in any of the past three years.

Contingencies

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

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

Litigation

The Council is periodically involved in legal proceedings arising from providing various services. As of December 31, 2019, none of these proceedings have been determined to result in probable loss to the Council. Accordingly, no related loss contingencies have been recorded in the accompanying financial statements.

Operating Lease

The Council leases office space in San Antonio, Texas under an agreement classified as an operating lease. Rent expenditures totaled \$933,025 for the year ended December 31, 2019. Future minimum lease payments under this agreement are as follows:

<u>Year Ending December 31,</u>	
2020	\$ 1,025,074

8. DEFINED BENEFIT PENSION PLAN

Plan Description

The Council participates in a nontraditional defined benefit pension plan in the statewide Texas County and District Retirement System ("TCDRS"). The Board of Trustees of TCDRS is responsible for the administration of the statewide agent, multiple-employer, public employee retirement system consisting of nontraditional defined benefit pension plans. TCDRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.tcdrs.org.

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

Benefits Provided

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

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

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employees covered by benefit terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	95
Inactive employees entitled to but not yet receiving benefits	384
Active employees	<u>297</u>
Total	<u><u>776</u></u>

Contributions

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

Employees for the Council were required to contribute 6% of their annual gross earnings during the fiscal year. The required contribution rates for the Council were 8% in calendar years 2018 and 2019. The Council's contributions to TCDRS for the year ended December 31, 2019 were \$1,043,897, which exceeded the required contribution.

Net Pension Liability (Asset)

The Council's Net Pension Liability (Asset) was measured as of December 31, 2018, and the Total Pension Liability used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75% per year
Overall payroll growth	2.00% per year
Investment rate of return	8.00%, net of administrative and investment expenses, including inflation

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

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

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

The actuarial assumptions that determined the total pension liability (asset) as of December 31, 2018, were based on the results of an actuarial experience study for the period January 1, 2013 through December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 8.0%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees.

The long-term expected rate of return on TCDRS is determined by adding inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information below are based on January 2019 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a 30-year time horizon; the most recent analysis was performed in 2017. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	10.50%	5.40%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽³⁾	18.00%	8.40%
Global Equities	MSCI World (net) Index	2.50%	5.70%
International Equities - Developed Markets	MSCI World Ex USA (net) Index	10.00%	5.40%
International Equities - Emerging Markets	MSCI EM (net) Index	7.00%	5.90%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	1.60%
Strategic Credit	FTSE High-Yield Cash-Pay Capped Index	12.00%	4.39%
Direct Lending	S&P/LSTA Leveraged Loan Index	11.00%	7.95%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽⁴⁾	2.00%	7.20%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	3.00%	5.35%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁵⁾	6.00%	6.30%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	13.00%	3.90%

⁽¹⁾ Target asset allocation adopted at the April 2019 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 1.70%, per Cliffwater's 2019 capital market assumptions.

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

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

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

Discount Rate

The discount rate used to measure the Total Pension Liability was 8.1%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balance at 12/31/2017	\$ 29,949,198	\$ 30,927,142	\$(977,944)
Changes for the year:			
Service cost	1,413,355	-	1,413,355
Interest on total pension liability ⁽¹⁾	2,488,455	-	2,488,455
Effect of plan changes ⁽²⁾	73,306	-	73,306
Effect of economic/demographic gains or losses	465,649	-	465,649
Refund of contributions	(150,409)	(150,409)	-
Benefit payments	(1,156,809)	(1,156,809)	-
Administrative expenses	-	(24,734)	24,734
Member contributions	-	751,537	(751,537)
Net investment income	-	(571,181)	571,181
Employer contributions	-	1,002,049	(1,002,049)
Other ⁽³⁾	-	16,405	(16,405)
Balance at 12/31/2018	<u>\$ 33,082,745</u>	<u>\$ 30,794,000</u>	<u>\$ 2,288,745</u>

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

⁽²⁾ Reflects plan changes adopted effective in 2019.

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

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

Sensitivity Analysis

The following presents the net pension asset of the Council, calculated using the discount rate of 8.1%, as well as what the Council's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (7.1%) or 1-percentage-higher (9.1%) than the current rate:

	1% Decrease 7.1%	Current Discount Rate 8.1%	1% Increase 9.1%
	Total pension liability	\$ 37,462,832	\$ 33,082,745
Fiduciary net position	<u>30,794,000</u>	<u>30,794,000</u>	<u>30,794,000</u>
Net pension liability/(asset)	<u>\$ 6,668,832</u>	<u>\$ 2,288,745</u>	<u>\$(1,344,168)</u>

Pension Plan Fiduciary Net Position

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

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

For the year ended December 31, 2019, the Council recognized pension expense of \$1,547,070.

At December 31, 2019, the Council reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 155,112	\$ 432,615
Changes in actuarial assumptions	-	146,111
Difference between projected and actual investment earnings	-	2,008,446
Contributions subsequent to the measurement date	<u>-</u>	<u>1,043,897</u>
Total	<u>\$ 155,112</u>	<u>\$ 3,631,069</u>

\$1,043,897 reported as deferred outflows of resources related to pensions resulted from contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	
<u> </u>	
2020	\$ 933,062
2021	604,052
2022	276,211
2023	618,735

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**REQUIRED SUPPLEMENTARY
INFORMATION**

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ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS

FOR THE YEAR ENDED DECEMBER 31, 2019

Measurement Year Ended December 31	<u>2018</u>	<u>2017</u>
Total Pension Liability		
Service Cost	\$ 1,413,355	\$ 1,462,580
Interest total pension liability	2,488,455	2,244,632
Effect of plan changes	73,306	151,525
Effect of assumption changes or inputs	-	292,223
Effect of economic/demographic (gains) or losses	465,649	244,364
Benefit payments/refunds of contributions	<u>(1,307,218)</u>	<u>(1,363,548)</u>
Net change in total pension liability	3,133,547	3,031,776
Total pension liability - beginning	<u>29,949,198</u>	<u>26,917,422</u>
Total pension liability - ending (a)	\$ <u>33,082,745</u>	\$ <u>29,949,198</u>
Plan Fiduciary Net Position		
Employer contributions	\$ 1,002,049	\$ 1,125,912
Member contributions	751,537	754,434
Investment income net of investment expenses	<u>(571,181)</u>	3,882,475
Benefit payments, including refunds of contributions	<u>(1,307,218)</u>	<u>(1,363,548)</u>
Administrative expenses	<u>(24,734)</u>	<u>(20,568)</u>
Other	<u>16,405</u>	<u>6,733</u>
Net change in plan fiduciary net position	<u>(133,142)</u>	4,385,438
Plan fiduciary net position - beginning	<u>30,927,142</u>	<u>26,541,704</u>
Plan fiduciary net position - ending (b)	\$ <u>30,794,000</u>	\$ <u>30,927,142</u>
Net pension liability/(asset) - ending (a) - (b)	\$ <u>2,288,745</u>	\$ <u>(977,944)</u>
Fiduciary net position as a percentage of total pension liability	93.1%	103.3%
Pensionable covered payroll	\$ 12,525,614	\$ 12,458,425
Net pension liability/(asset) as a percentage of covered payroll	18.3%	(7.85%)

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

<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 1,573,957	\$ 1,383,125	\$ 1,428,588
2,045,000	1,931,965	1,813,929
-	(236,658)	-
-	329,757	-
(620,447)	(1,004,313)	(792,235)
(1,091,432)	(1,022,508)	(1,010,526)
1,907,078	1,381,368	1,439,756
<u>25,010,345</u>	<u>23,628,977</u>	<u>22,189,221</u>
\$ <u>26,917,423</u>	\$ <u>25,010,345</u>	\$ <u>23,628,977</u>
\$ 993,791	\$ 1,176,341	\$ 999,897
745,343	732,256	730,043
1,779,491	(463,983)	1,410,886
(1,091,431)	(1,022,508)	(1,010,526)
(19,341)	(17,140)	(17,336)
<u>191,638</u>	<u>37,139</u>	<u>12,720</u>
2,599,491	442,105	2,125,684
<u>23,942,215</u>	<u>23,500,110</u>	<u>21,374,426</u>
\$ <u>26,541,706</u>	\$ <u>23,942,215</u>	\$ <u>23,500,110</u>
\$ <u>375,717</u>	\$ <u>1,068,130</u>	\$ <u>128,867</u>
98.6%	95.7%	99.5%
\$ 12,431,363	\$ 12,204,268	\$ 11,561,208
3.0%	8.8%	1.1%

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF EMPLOYER CONTRIBUTIONS -
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

LAST TEN FISCAL YEARS

Fiscal Year Ended December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2010	\$ 929,042	\$ 1,004,042	\$(75,000)	\$ 10,981,582	9.1%
2011	984,997	1,034,997	(50,000)	11,698,302	8.8%
2012	940,304	990,304	(50,000)	11,709,893	8.5%
2013	946,392	1,111,392	(165,000)	11,712,772	9.5%
2014	919,116	999,897	(80,781)	11,561,208	8.6%
2015	892,132	1,176,341	(284,209)	12,204,268	9.6%
2016	804,309	993,791	(189,482)	12,431,363	8.0%
2017	788,618	1,125,912	(337,294)	12,458,425	9.0%
2018	764,062	1,002,049	(237,987)	12,525,614	8.0%
2019	765,959	1,043,897	(277,938)	13,048,707	8.0%

(1) TCDRS calculates actuarially determine contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report employer contribution amounts on a fiscal year basis. If additional assistance is needed, please contact TCDRS.

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

ALAMO AREA COUNCIL OF GOVERNMENTS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2019

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

Methods and assumptions used to determine contribution rates

Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	6.2 years (based on contribution rate calculated in 12/31/2018 valuation)
Asset Valuation Method	5-year smoothed fair value
Inflation	2.75%
Salary Increases	Varies by age and service. 4.9% average over career including inflation.
Investment Rate of Return	8.00%, net of investment expenses, including inflation
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	130% of the RP-2014 Healthy Annuitant Mortality Table for males and 110% of the RP-2014 Healthy Annuitant Mortality Table for females, both projected with 110% for the MP-2014 Ultimate scale after 2014.
Changes in Assumptions and Methods Reflected in this Schedule*	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. 2018: Employer contributions reflect that a 2% flat COLA was adopted.

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

**SUPPLEMENTARY
INFORMATION**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

Veterans Assistance – This fund is used to account for grants awarded by the Texas Veterans Commission and the Department of Veterans Affairs.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ALAMO AREA COUNCIL OF GOVERNMENTS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2019

	Special Revenue Funds			
	Texas Commission on Environmental Quality	VIA Metropolitan Transit	Veterans Assistance	Economic Development Administration
ASSETS				
Cash and investments	\$ 76,523	\$ -	\$ 205,005	\$ -
Accounts receivable:				
Grantors	5,564	115,429	681,765	5,143
Due from other funds	26,342	-	202,733	7,467
Deposits	-	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 108,429	\$ 115,429	\$ 1,089,503	\$ 12,610
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 3,114	\$ 43,669	\$ 590,508	\$ 3,693
Due to other funds	-	71,683	-	-
Unearned revenue	104,389	77	78,956	2,607
Total liabilities	107,503	115,429	669,464	6,300
Fund balance:				
Nonspendable:				
Prepaid items	-	-	-	-
Restricted:				
Grants	926	-	420,039	6,310
Unassigned	-	-	-	-
Total fund balance	926	-	420,039	6,310
Total liabilities and fund balance	\$ 108,429	\$ 115,429	\$ 1,089,503	\$ 12,610

Special Revenue Funds

Metropolitan Planning Organization	Texas Department of Agriculture	U. S. Department of Homeland Security	Capital Area Council of Governments	Texas Department Of Housing and Community Affairs
\$ -	\$ -	\$ -	\$ -	\$ -
36,383	16,480	47,072	-	241,151
-	-	32,947	19,557	-
-	-	-	-	-
<u>\$ 36,383</u>	<u>\$ 16,480</u>	<u>\$ 80,019</u>	<u>\$ 19,557</u>	<u>\$ 241,151</u>
\$ 2,285	\$ 813	\$ 25,186	\$ -	\$ 194,679
34,098	15,667	-	-	36,609
-	-	-	-	19,709
<u>36,383</u>	<u>16,480</u>	<u>25,186</u>	<u>-</u>	<u>250,997</u>
-	-	-	-	-
-	-	54,833	19,557	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,846)</u>
<u>-</u>	<u>-</u>	<u>54,833</u>	<u>19,557</u>	<u>(9,846)</u>
<u>\$ 36,383</u>	<u>\$ 16,480</u>	<u>\$ 80,019</u>	<u>\$ 19,557</u>	<u>\$ 241,151</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

DECEMBER 31, 2019

	Special Revenue Funds			
	Commission on State Emergency Communications	Office of the Governor	City of San Antonio	Local Projects
ASSETS				
Cash and investments	\$ 151,036	\$ 199,733	\$ -	\$ -
Accounts receivable:				
Grantors	118,319	97,833	-	50,930
Due from other funds	-	48,483	103,151	313,791
Deposits	-	13,904	-	-
Prepaid items	5,863	27,885	-	-
Total assets	\$ 275,218	\$ 387,838	\$ 103,151	\$ 364,721
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 134,125	\$ 40,230	\$ 6	\$ 19,410
Due to other funds	68,494	-	-	-
Unearned revenue	72,599	-	56	17,771
Total liabilities	275,218	40,230	62	37,181
Fund balance:				
Nonspendable:				
Prepaid items	5,863	27,885	-	-
Restricted:				
Grants	-	319,723	103,089	327,540
Unassigned	(5,863)	-	-	-
Total fund balance	-	347,608	103,089	327,540
Total liabilities and fund balance	\$ 275,218	\$ 387,838	\$ 103,151	\$ 364,721

Special Revenue Funds

Department of Defense	Corporation for National and Community Service	National Council on Aging	Texas Workforce Commission	Texas Council for Developmental Disabilities
\$ -	\$ -	\$ -	\$ -	\$ -
46,703	10,133	-	-	15,243
-	-	70,736	-	-
-	-	-	-	-
<u>\$ 46,703</u>	<u>\$ 10,133</u>	<u>\$ 70,736</u>	<u>\$ -</u>	<u>\$ 15,243</u>
\$ 8,520	\$ 4,339	\$ 491	\$ -	\$ 6,993
38,182	5,767	-	-	8,250
1	27	70,245	-	-
<u>46,703</u>	<u>10,133</u>	<u>70,736</u>	<u>-</u>	<u>15,243</u>
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 46,703</u>	<u>\$ 10,133</u>	<u>\$ 70,736</u>	<u>\$ -</u>	<u>\$ 15,243</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

DECEMBER 31, 2019

	<u>Special Revenue Funds</u>	
	U.S. Department of Agriculture	<u>Totals</u>
ASSETS		
Cash and investments	\$ -	\$ 632,297
Accounts receivable:		
Grantors	1,902	1,490,050
Due from other funds	-	825,207
Deposits	-	13,904
Prepaid items	-	33,748
Total assets	<u>\$ 1,902</u>	<u>\$ 2,995,206</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 252	\$ 1,078,313
Due to other funds	1,650	280,400
Unearned revenue	-	366,437
Total liabilities	<u>1,902</u>	<u>1,725,150</u>
Fund balance:		
Nonspendable:		
Prepaid items	-	33,748
Restricted:		
Grants	-	1,252,017
Unassigned	-	(15,709)
Total fund balance	<u>-</u>	<u>1,270,056</u>
Total liabilities and fund balance	<u>\$ 1,902</u>	<u>\$ 2,995,206</u>

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ALAMO AREA COUNCIL OF GOVERNMENTS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue Funds			
	Texas Commission on Environmental Quality	VIA Metropolitan Transit	Veterans Assistance	Economic Development Administration
REVENUES				
Intergovernmental	\$ 400,480	\$ 298,542	\$ 2,660,500	\$ 105,680
Matching funds	-	171,030	-	-
Local	-	-	198,369	11,902
Program income	-	-	-	-
Investment income	1,342	-	4,435	-
Total revenues	<u>401,822</u>	<u>469,572</u>	<u>2,863,304</u>	<u>117,582</u>
EXPENDITURES				
Current:				
Workforce development	-	-	2,574,202	-
Aging	-	-	-	-
Health and welfare	-	-	-	-
Emergency communications	-	-	-	-
Economic development	-	-	-	135,354
Environmental quality	401,416	-	-	-
Community affairs	-	-	-	-
Homeland security	-	-	-	-
Transportation	-	519,467	161,351	-
Criminal justice	-	-	-	-
Total expenditures	<u>401,416</u>	<u>519,467</u>	<u>2,735,553</u>	<u>135,354</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>406</u>	<u>(49,895)</u>	<u>127,751</u>	<u>(17,772)</u>
OTHER FINANCING SOURCES AND USES				
Transfers in	-	49,895	-	17,499
Transfers out	-	-	(2,050)	-
Total other financing sources and uses	<u>-</u>	<u>49,895</u>	<u>(2,050)</u>	<u>17,499</u>
NET CHANGE IN FUND BALANCES	406	-	125,701	(273)
FUND BALANCES, BEGINNING	<u>520</u>	<u>-</u>	<u>294,338</u>	<u>6,583</u>
FUND BALANCES, ENDING	<u>\$ 926</u>	<u>\$ -</u>	<u>\$ 420,039</u>	<u>\$ 6,310</u>

Special Revenue Funds

Metropolitan Planning Organization	Texas Department of Agriculture	U. S. Department of Homeland Security	Capital Area Council of Governments	Texas Department of Housing and Community Affairs
\$ 122,949	\$ 27,452	\$ 393,245	\$ -	\$ 2,825,969
-	-	-	734	520
-	-	-	-	-
-	-	-	-	23
<u>122,949</u>	<u>27,452</u>	<u>393,245</u>	<u>734</u>	<u>2,826,512</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	27,452	-	-	2,833,579
-	-	384,571	-	-
125,770	-	-	-	-
<u>125,770</u>	<u>27,452</u>	<u>384,571</u>	<u>-</u>	<u>2,833,579</u>
(2,821)	-	8,674	734	(7,067)
2,821	-	-	-	-
-	-	-	-	-
<u>2,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	8,674	734	(7,067)
-	-	46,159	18,823	(2,779)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,833</u>	<u>\$ 19,557</u>	<u>\$ (9,846)</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS
(Continued)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue Funds			
	Commission on State Emergency Communications	Office of the Governor	City of San Antonio	Local Projects
REVENUES				
Intergovernmental	\$ 1,646,456	\$ 935,432	\$ -	\$ 81,255
Matching funds	-	-	-	-
Local	-	-	131,596	187,490
Program income	-	405,077	-	-
Investment income	819	4,321	-	-
Total revenues	<u>1,647,275</u>	<u>1,344,830</u>	<u>131,596</u>	<u>268,745</u>
EXPENDITURES				
Current:				
Workforce development	-	-	-	-
Aging	-	-	-	91,137
Health and welfare	-	-	-	-
Emergency communications	1,647,275	-	-	-
Economic development	-	-	-	-
Environmental quality	-	-	58,701	-
Community affairs	-	-	-	84,420
Homeland security	-	-	-	-
Transportation	-	-	-	-
Criminal justice	-	1,220,214	-	44,068
Total expenditures	<u>1,647,275</u>	<u>1,220,214</u>	<u>58,701</u>	<u>219,625</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>124,616</u>	<u>72,895</u>	<u>49,120</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	124,616	72,895	49,120
FUND BALANCES, BEGINNING	<u>-</u>	<u>222,992</u>	<u>30,194</u>	<u>278,420</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 347,608</u>	<u>\$ 103,089</u>	<u>\$ 327,540</u>

Special Revenue Funds

Department of Defense	Corporation for National and Community Service	National Council on Aging	Texas Workforce Commission	Texas Council for Developmental Disabilities
\$ 185,725	\$ 100,432	\$ 34,756	\$ 220,934	\$ 80,366
105,743	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>291,468</u>	<u>100,432</u>	<u>34,756</u>	<u>220,934</u>	<u>80,366</u>
-	-	-	220,934	-
-	102,482	34,756	-	-
-	-	-	-	80,366
293,935	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>293,935</u>	<u>102,482</u>	<u>34,756</u>	<u>220,934</u>	<u>80,366</u>
(2,467)	(2,050)	-	-	-
2,467	2,050	-	-	-
-	-	-	-	-
<u>2,467</u>	<u>2,050</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

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ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF INDIRECT COSTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Personnel services	\$ 1,756,105
Employee benefits	538,900
Other contract services	613,434
Rent	939,307
Equipment rental	190,680
Communications	174,986
Equipment	67,765
Depreciation	102,004
Repairs and maintenance	100,132
Meetings	43,129
Professional dues	46,917
Postage	36,796
Supplies	43,620
Travel	47,160
Insurance and bonding	28,895
Printing and reproduction	11,773
Training in region	22,149
Public notices	4,359
Publications	2,042
Tuition staff	5,646
Fuel/oil	1,110
Auto operating	<u>1,000</u>
Total indirect costs	4,777,909
Less: administration cost received (rent, communications, postage, copies directly charged to program)	<u>(1,968,445)</u>
NET INDIRECT COSTS	2,809,464
ACTUAL INDIRECT COSTS RECOVERED	(2,950,359)
OVER-RECOVERY OF INDIRECT COSTS CARRIED FORWARD FROM PRIOR YEAR	<u>(126,651)</u>
ACCUMULATED COST OVER-RECOVERY	<u>\$(267,546)</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF EMPLOYEE BENEFITS (FRINGE AND RELEASE TIME)

FOR THE YEAR ENDED DECEMBER 31, 2019

Benefits:	
FICA	\$ 998,202
Health insurance	1,665,966
Retirement	1,144,130
Release time	1,321,243
Other insurance	108,943
Workers' compensation	<u>94,597</u>
Total employee benefits	5,333,081
ACTUAL EMPLOYEE BENEFITS RECOVERED	(5,398,344)
OVER-RECOVERY OF EMPLOYEE BENEFITS CARRIED FORWARD FROM PRIOR YEAR	(<u>238,104</u>)
ACCUMULATED OVER-RECOVERY	\$(<u>303,367</u>)

OTHER SUPPLEMENTARY INFORMATION

Intellectual and Developmental Disabilities Services Schedules (Unaudited)

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

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ALAMO AREA COUNCIL OF GOVERNMENTS

RECONCILIATION OF TOTAL EXPENDITURES
TO FOURTH QUARTER FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

	CARE *			Audited
	Report III	Additions**	Deletions***	Financial
				Statements
EXPENDITURES				
Salaries	\$ 5,706,797	\$ 8,039,353	\$ 2,012,567	\$ 11,733,583
Employee benefits	1,680,648	2,431,877	593,572	3,518,953
Professional consulting services	2,711,720	23,459,014	909,521	25,261,213
Training/travel	85,965	309,405	27,158	368,212
Capital outlay	181,808	1,532,887	-	1,714,695
Non-capital equipment	-	34,493	512	33,981
Other operating expenditures	<u>1,670,389</u>	<u>7,032,245</u>	<u>822,322</u>	<u>7,880,312</u>
 Total expenditures	 <u>\$ 12,037,327</u>	 <u>\$ 42,839,274</u>	 <u>\$ 4,365,652</u>	 <u>\$ 50,510,949</u>

* CARE Report III Fiscal Year Ending 8/31/19

** Other Agency Programs and September - December 2019 IDD Expenditures

*** September - December 2018 IDD Expenditures

ALAMO AREA COUNCIL OF GOVERNMENTS

RECONCILIATION OF TOTAL REVENUE
TO FOURTH QUARTER FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

	CARE *			Audited
	Report III	Additions**	Deletions***	Financial
				Statements
LOCAL AND EARNED REVENUES:				
Medicaid	\$ 5,684,971	\$ 2,889,141	\$ 2,108,508	\$ 6,465,604
Membership dues	-	343,057	-	343,057
Local	39,196	1,597,469	5,377	1,631,288
Contributions	307,076	272,860	172,662	407,274
Delegate agency match	-	7,457,274	-	7,457,274
Interest	23,656	102,552	3,681	122,527
Other	-	1,195,262	490	1,194,772
Total local and earned revenues	<u>6,054,899</u>	<u>13,857,615</u>	<u>2,290,718</u>	<u>17,621,796</u>
STATE PROGRAM REVENUES				
General Revenue	3,411,959	6,521,485	1,099,494	8,833,950
Permanency Planning	69,178	14,121	18,545	64,754
Community Living Options Information Process (CLOIP)	208,531	31,404	45,979	193,956
Crisis Behavioral Supports	198,324	10,550	37,368	171,506
Crisis Behavioral Respite	352,361	194,806	152,533	394,634
Nursing Facilities (NF) Preadmission Screening and Resident Review (PASRR)	401,928	-	282,567	119,361
NF PASRR Special Services	<u>1,419,870</u>	<u>818,173</u>	<u>609,739</u>	<u>1,628,304</u>
Total state program revenues	<u>6,062,151</u>	<u>7,590,539</u>	<u>2,246,225</u>	<u>11,406,465</u>
FEDERAL PROGRAM REVENUES				
Federal revenue	201,416	21,124,563	48,384	21,277,595
Medicaid administrative claiming	<u>993,911</u>	<u>245,184</u>	<u>282,093</u>	<u>957,002</u>
Total federal program revenues	<u>1,195,327</u>	<u>21,369,747</u>	<u>330,477</u>	<u>22,234,597</u>
Total revenues	<u>\$ 13,312,377</u>	<u>\$ 42,817,901</u>	<u>\$ 4,867,420</u>	<u>\$ 51,262,858</u>
Fund Balance Used per CARE Report III	\$ -			
Equals CARE Report III Fiscal Year 2019	\$ 13,312,377			

* CARE Report III Fiscal Year 2019

** Other Agency Programs and September - December 2019 IDD Revenues

*** September - December 2018 IDD Revenues

ALAMO AREA COUNCIL OF GOVERNMENTS

RECONCILIATION OF TOTAL REVENUE
TO FIRST QUARTER FY 2020 FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

	1st Qtr * CARE Report III	**Additions	***All other Agency	Audited Financial Statements
LOCAL AND EARNED REVENUES				
Medicaid	\$ 1,454,280	\$ 464,642	\$ 4,546,682	\$ 6,465,604
Membership dues	-	-	343,057	343,057
Local	4,212	21	1,627,054	1,631,288
Contributions	54,443	118,219	234,612	407,274
Delegate agency match	-	-	7,457,274	7,457,274
Interest	2,135	1,546	118,846	122,527
Other	889	-	1,193,884	1,194,773
Total local and earned revenues	<u>1,515,959</u>	<u>584,428</u>	<u>15,521,409</u>	<u>17,621,796</u>
STATE PROGRAM REVENUES				
General Revenue	863,947	235,548	7,734,455	8,833,950
Permanency Planning	14,883	3,662	46,209	64,754
Community Living Options Information Process (CLOIP)	33,249	12,731	147,976	193,956
Crisis Behavioral Supports	28,023	9,345	134,138	171,506
Crisis Behavioral Respite	86,631	65,902	242,101	394,634
Nursing Facilities (NF) Preadmission Screening and Resident Review (PASRR)	-	-	119,361	119,361
NF PASRR Special Services	439,588	170,151	1,018,565	1,628,304
Total state program revenues	<u>1,466,321</u>	<u>497,339</u>	<u>9,442,805</u>	<u>11,406,465</u>
FEDERAL PROGRAM REVENUES				
Federal revenue	27,078	21,306	21,229,211	21,277,595
Medicaid administrative claiming	241,122	40,971	674,909	957,002
Total federal program revenues	<u>268,200</u>	<u>62,277</u>	<u>21,904,120</u>	<u>22,234,597</u>
Total revenues	<u>\$ 3,250,480</u>	<u>\$ 1,144,044</u>	<u>\$ 46,868,334</u>	<u>\$ 51,262,858</u>

* 1st quarter Fiscal Year 20 (September - November 2019) IDD Revenues

** December 2019 IDD Revenues

*** Other Agency Programs and January - August 2019 IDD Revenues

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF REVENUES AND EXPENDITURES BY SOURCE OF FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Fund Sources	Total Revenue	FY2019 Jan - Aug Alamo Local Authority Expenditures	FY2019 Sept - Dec Alamo Local Authority Expenditures	All Other Program Expenditures
Objects of expense:				
Personnel	\$ 10,991,726	\$ 5,503,214	\$ 1,782,243	\$ 3,706,269
Employee benefits	3,295,794	1,620,917	523,557	1,151,320
Capital outlay	1,714,695	177,431	-	1,537,264
Other operating expense	33,131,257	5,049,135	1,644,057	26,438,065
Allocation of general administration to strategies	608,956	400,474	208,482	-
Allocation of authority administration to strategies	<u>768,521</u>	<u>561,206</u>	<u>207,315</u>	<u>-</u>
Total expenditures	<u>50,510,949</u>	<u>13,312,377</u>	<u>4,365,654</u>	<u>32,832,918</u>
Method of finance:				
General revenue / IDD	8,833,950	2,415,003	1,099,495	5,319,452
Permanency planning	64,754	46,209	18,545	-
CLOIP	193,956	147,976	45,980	-
Crisis Behavioral Supports	171,506	134,138	37,368	-
Crisis Respite	394,634	242,101	152,533	-
NF PASRR SC	119,361	119,361	-	-
NF PASRR Special Services	1,628,304	1,018,565	609,739	-
Earned income	122,527	8,383	2,588	111,556
Additional local funds	17,499,269	4,253,396	2,081,679	11,164,194
Other services revenues	<u>22,234,597</u>	<u>762,973</u>	<u>367,386</u>	<u>21,104,238</u>
Total expended sources	<u>\$ 51,262,858</u>	<u>\$ 9,148,105</u>	<u>\$ 4,415,313</u>	<u>\$ 37,699,440</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

ALAMO LOCAL AUTHORITY
SCHEDULE OF INDIRECT COSTS

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

	<u>Total Costs</u>	<u>Nonallowable Costs</u>	<u>Depreciation</u>	<u>Total Adjusted Costs</u>	<u>Direct Costs</u>	<u>Indirect Costs</u>
Personnel	\$ 11,733,583	\$ -	\$ -	\$ 11,733,583	\$ 9,977,478	\$ 1,756,105
Fringe benefits	3,518,953	-	-	3,518,953	2,980,053	538,900
Capital outlay	1,748,676	1,748,676	-	-	-	-
Depreciation	-	-	814,280	814,280	712,276	102,004
Other operating	<u>33,509,737</u>	<u>-</u>	<u>-</u>	<u>33,509,737</u>	<u>33,097,282</u>	<u>412,455</u>
Total expenditures	\$ <u>50,510,949</u>	\$ <u>1,748,676</u>	\$ <u>814,280</u>	\$ <u>49,576,553</u>	\$ <u>46,767,089</u>	\$ <u>2,809,464</u>
Indirect costs						\$ 2,809,464
Direct costs						46,767,089
Indirect cost rate						6.01%

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ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF INSURANCE IN EFFECT

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	Workers' Compensation	Statutory
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	Automobile Liability	
			Per Occurrence Limit	\$ 5,000,000
			Deductible	2,500
			Annual Aggregate	-
			Medical Payments per person	25,000
			Deductible	-
	10/01/19	10/01/20	Automobile Physical Damage	
			Per Occurrence Limit	10,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	General Liability	
			Per Occurrence Limit	10,000,000
			Deductible	-
			Sudden Events Each Occurrence	2,000,000
			Annual Aggregate	10,000,000
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	Law Enforcement Liability	
			Per Occurrence Limit	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	Errors and Omissions Liability	
			Each Wrongful Act	2,000,000
			Annual Aggregate	4,000,000
			Deductible	1,000

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF INSURANCE IN EFFECT
(Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Insurer	Policy Period		Coverage	Amount
	Begins	Ends		
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	All Risk Property Coverage	
			Coverage Basis	
			Building : Replacement Cost Valuation	\$ 6,146,439
			Deductible	250
			Transit Limit	1,000,000
			Valuable Papers and EDP Media	10,000
			Accounts Receivable	10,000
			Loss of Revenue Extra Expense and Rev	50,000
			Personal Property of Employees and Officials	5,000
			Leasehold Interest	5,000
			Outdoor Trees and Shrubs	10,000
			Newly Acquired Property FMV up to	1,000,000
			Pollutant Cleanup and Removal Each Premise	20,000
			Flood & Earthquake	
Deductible	25,000			
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	Boiler & Machinery	
			Per Accident Limit	100,000
			Deductible	250
Texas Municipal League Risk Management Fund	10/01/19	10/01/20	Public Employee Dishonesty	
			Limit of Coverage	500,000
			Deductible	5,000
Coverage Includes Faithful Performance of Duty				
WS&P Walthall Sachse & Pipes, Inc	7/1/2019	7/1/2020	Pollution Coverage	
			General Aggregate Limit	1,000,000
			Each "Pollution Condition" Limit	1,000,000
			Deductible	5,000
WS&P Walthall Sachse & Pipes, Inc	2/13/2019	2/13/2020	Volunteers	
			Accidental Death and Dismemberment	
			Benefit	5,000
			Covered Person principal sum/amount	10,000
			Total Max Accident Medical and Dental	10,000
			Deductible	-

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES
DECEMBER 31, 2019
(UNAUDITED)

<u>Name</u>	<u>City</u>	<u>Type of Service</u>	<u>Amount</u>
January - August 2019			
ABA & Behavioral Svc	SAN ANTONIO	6230-Community Supports	\$ 4,743
ABA & Behavioral Svc	SAN ANTONIO	6230-Community Supports	104,375
ABA & Behavioral Svc	SAN ANTONIO	6260-Behaviorial Support	26,629
ABA & Behavioral Svc	SAN ANTONIO	6260-Behaviorial Support	395,783
ABA & Behavioral Svc	SAN ANTONIO	6380-Applied Behavioral Analysis	2,448
ABA Center for Exc.	SAN ANTONIO	6217-Crisis Supervision	5,527
ABA Center for Excel	SAN ANTONIO	6230-Community Supports	22,882
ABA Center for Excel	SAN ANTONIO	6260-Behaviorial Support	37,705
ABA Center for Excel	SAN ANTONIO	6380-Applied Behavioral Analysis	2,652
ABA Ctr for Excellen	SAN ANTONIO	6215-Crisis Respite Hourly In Home	63,906
Angel Care Center of	SAN ANTONIO	6213-Respite Hourly In Home	15
Angel Care Center of	SAN ANTONIO	6220-Day Habilitaion	251
Angel Care Ctr of SA	SAN ANTONIO	6220-Day Habilitation	165,673
Angel Care of Ctr of	SAN ANTONIO	6230-Community Supports	168,587
ARC	SAN ANTONIO	6220-Day Habilitaion	60,247
CAMP	SAN ANTONIO	6211-Respite Daily Out of Home	600
CAMP	SAN ANTONIO	6270-Respite Camp Weeklong	52,000
Estrella De Mar Inc.	SAN ANTONIO	6220-Day Habilitation	4,207
Eva's Heroes	SAN ANTONIO	6370-Day Hab Summer Camp	2,807
Every Moment Matters	SAN ANTONIO	6213-Respite Hourly In Home	570
Every Moment Matters	SAN ANTONIO	6230-Community Supports	5,959
Every Moment Matters	SAN ANTONIO	6240-Employment Assistance	643
Home Life & Communit	SAN ANTONIO	6210-Respite Hourly Out of Home	1,320
Home Life & Communit	SAN ANTONIO	6213-Respite Hourly In Home	38,329
Home Life & Communit	SAN ANTONIO	6214-Respite Daily In Home	3,450
Home Life & Communit	SAN ANTONIO	6220-Day Habilitaion	2,778
Home Life & Communit	SAN ANTONIO	6230-Community Supports	8,730
Home Life & Communit	SAN ANTONIO	6230-Community Supports	43,588
Jennifer Garrett	SAN ANTONIO	6260-Behaviorial Support	16,203
Jennifer Garrett	SAN ANTONIO	6260-Behaviorial Support	28,512
Jennifer Garrett	SAN ANTONIO	6380-Applied Behavioral Analysis	3,953
Kidz Treehouse Peds.	SAN ANTONIO	6385-Speech & Language Services	5,670
Lifeline Care & Serv	SAN ANTONIO	6211-Respite Daily Out of Home	3,300
Lifeline Care & Serv	SAN ANTONIO	6213-Respite Hourly In Home	13,826
Lifeline Care & Serv	SAN ANTONIO	6214-Respite Daily In Home	150
Lifeline Care & Serv	SAN ANTONIO	6215-Crisis Respite Hourly In Home	3,225

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES
 DECEMBER 31, 2019
 (UNAUDITED)

<u>Name</u>	<u>City</u>	<u>Type of Service</u>	<u>Amount</u>
January - August 2019			
Lifeline Care & Serv	SAN ANTONIO	6230-Community Supports	\$ 123,063
Lifeline Care & Serv	SAN ANTONIO	6230-Community Supports	53,566
LIFELINE CARE SRV-RE CK5	SAN ANTONIO	6230-Community Supports	(595)
Lifetime Living Inc	SAN ANTONIO	6210-Respite Hourly Out of Home	390
Lifetime Living Inc	SAN ANTONIO	6211-Respite Daily Out of Home	450
Lifetime Living Inc	SAN ANTONIO	6230-Community Supports	6,197
Lifetime Living Inc	SAN ANTONIO	6230-Community Supports	51,291
Lifetime Living Inc.	SAN ANTONIO	6220-Day Habilitaion	12,014
Lifetime Living, Inc	SAN ANTONIO	6213-Respite Hourly In Home	2,145
Mission Road - Unico	SAN ANTONIO	6225-Head Start	720
Mission Road - Unico	SAN ANTONIO	6240-Employment Assistance	1,095
Mission Road - Unico	SAN ANTONIO	6250-Supported Employment	2,773
Mission Road Develop	SAN ANTONIO	6220-Day Habilitaion	48,009
Mission Road Develop	SAN ANTONIO	6370-Day Hab Summer Camp	5,683
Reaching for Max Ind	SAN ANTONIO	6220-Day Habilitaion	4,201
Reaching for Max Ind	SAN ANTONIO	6225-Head Start	1,000
Reaching for Max Ind	SAN ANTONIO	6240-Employment Assistance	1,790
Reaching for Max Ind	SAN ANTONIO	6250-Supported Employment	2,933
SA Life Academy	SAN ANTONIO	6220-Day Habilitaion	9,528
SAFIRE	SAN ANTONIO	6220-Day Habilitaion	5,174
So Texas Behavioral	SAN ANTONIO	6260-Behaviorial Support	2,644
So Texas Behavioral	SAN ANTONIO	6380-Applied Behavioral Analysis	7,229
So TX Behavioral Ins	SAN ANTONIO	6215-Crisis Respite Hourly In Home	9,125
So TX Behavioral Ins	SAN ANTONIO	6217-Crisis Supervision	1,900
So TX Behavioral Ins	SAN ANTONIO	6260-Behaviorial Support	2,009
TWG Investments dba	SAN ANTONIO	6280-Safety Net	225,530
Univ. United Methodi	SAN ANTONIO	6220-Day Habilitaion	<u>8,657</u>
			<u>\$ 1,889,762</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES
DECEMBER 31, 2019
(UNAUDITED)

<u>Name</u>	<u>City</u>	<u>Type of Service</u>	<u>Amount</u>
September - December 2019			
ABA & Behavioral Svc	SAN ANTONIO	6230-Community Supports	\$ 1,792
ABA & Behavioral Svc	SAN ANTONIO	6230-Community Supports	56,192
ABA & Behavioral Svc	SAN ANTONIO	6260-Behaviorial Support	19,187
ABA & Behavioral Svc	SAN ANTONIO	6260-Behaviorial Support	189,713
ABA Center for Excel	SAN ANTONIO	6260-Behaviorial Support	21,406
ABA Center for Excel	SAN ANTONIO	6380 Applied Behavioral Analysis ABA	816
ABA Ctr for Excellen	SAN ANTONIO	6215-Crisis Respite Hourly In Home	15,406
ABA Ctr for Excellen	SAN ANTONIO	6217-Crisis Supervision	102
Angel Care Center of SA	SAN ANTONIO	6213-Respite Hourly In Home	555
Angel Care Center of SA	SAN ANTONIO	6220-Day Habilitaion	11,378
Angel Care Center of SA	SAN ANTONIO	6230-Community Supports	198,353
ARC	SAN ANTONIO	6220-Day Habilitaion	26,913
CAMP	SAN ANTONIO	6211-Respite Daily Out of Home	300
CAMP	SAN ANTONIO	6270-Respite Camp Weeklong	2,600
Estrella De Mar Inc	SAN ANTONIO	6220-Day Habilitaion	2,133
Eva's Heroes	SAN ANTONIO	6370-Day Hab Summer Camp	60
Every Moment Matters	SAN ANTONIO	6213-Respite Hourly In Home	30
Every Moment Matters	SAN ANTONIO	6230-Community Supports	1,624
Home Life & Community Service	SAN ANTONIO	6210-Respite Hourly Out of Home	2,066
Home Life & Community Service	SAN ANTONIO	6211-Respite Daily Out of Home	1,050
Home Life & Community Service	SAN ANTONIO	6213-Respite Hourly In Home	28,271
Home Life & Community Service	SAN ANTONIO	6214-Respite Daily In Home	450
Home Life & Community Service	SAN ANTONIO	6220-Day Habilitaion	755
Home Life & Community Service	SAN ANTONIO	6230-Community Supports	3,674
Home Life & Community Service	SAN ANTONIO	6230-Community Supports	9,007
Jennifer Garrett	SAN ANTONIO	6260-Behaviorial Support	17,367
Jennifer Garrett	SAN ANTONIO	6380 Applied Behavioral Analysis ABA	2,168
Jennifer Garrett	SAN ANTONIO	6260-Behaviorial Support	10,502
Kidz Treehouse Pedia	SAN ANTONIO	6385-Speech & Language Services	2,460
Lifeline Care & Svcs	SAN ANTONIO	6210-Respite Hourly Out of Home	2,839
Lifeline Care & Svcs	SAN ANTONIO	6211-Respite Daily Out of Home	1,500
Lifeline Care & Svcs	SAN ANTONIO	6213-Respite Hourly In Home	11,194
Lifeline Care & Svcs	SAN ANTONIO	6214-Respite Daily In Home	750
Lifeline Care & Svcs	SAN ANTONIO	6230-Community Supports	33,981

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF PROFESSIONAL AND CONSULTING SERVICES
 DECEMBER 31, 2019
 (UNAUDITED)

<u>Name</u>	<u>City</u>	<u>Type of Service</u>	<u>Amount</u>
September - December 2019			
Lifeline Care & Svcs	SAN ANTONIO	6230-Community Supports	\$ 13,528
Lifetime Living Inc	SAN ANTONIO	6210-Respite Hourly Out of Home	1,493
Lifetime Living Inc	SAN ANTONIO	6211-Respite Daily Out of Home	450
Lifetime Living Inc	SAN ANTONIO	6213-Respite Hourly In Home	1,785
Lifetime Living Inc	CONVERSE	6214-Respite Daily In Home	2,850
Lifetime Living Inc	CONVERSE	6220-Day Habilitaion	5,599
Lifetime Living Inc	CONVERSE	6230-Community Supports	224
Lifetime Living Inc	CONVERSE	6230-Community Supports	26,126
Mission Road Development	CONVERSE	6220-Day Habilitaion	25,966
Mission Road Development	CONVERSE	6225-Head Start	240
Mission Road Development	CONVERSE	6240-Employment Assistance	708
Mission Road Development	CONVERSE	6250-Supported Employment	3,183
Mission Road Development	CONVERSE	6370-Day Hab Summer Camp	168
Reaching for Maximum	CONVERSE	6220-Day Habilitaion	2,309
Reaching for Maximum	CONVERSE	6225-Head Start	3,830
Reaching for Maximum	CONVERSE	6240-Employment Assistance	190
Reaching for Maximum	CONVERSE	6250-Supported Employment	1,458
SA Life Academy	CONVERSE	6220-Day Habilitaion	4,393
SAFIRE	SAN ANTONIO	6220-Day Habilitaion	2,833
So TX Behavioral Ins	SAN ANTONIO	6260-Behavorial Support	134
So TX Behavioral Ins	SAN ANTONIO	6260-Behavorial Support	359
So TX Behavioral Ins	SAN ANTONIO	6380 Applied Behavioral Analysis ABA	1,530
TWG Investments dba	SAN ANTONIO	6280-Safety Net	128,750
University United Me	SAN ANTONIO	6220-Day Habilitaion	<u>4,822</u>
			<u>\$ 909,521</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF LEGAL SERVICES

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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

ALAMO AREA COUNCIL OF GOVERNMENTS

ALAMO LOCAL AUTHORITY
SCHEDULE OF LEASE AND RENTAL COMMITMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF SPACE OCCUPIED IN A STATE-OWNED FACILITY

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF BONDED EMPLOYEES

FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

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

STATISTICAL SECTION

(Unaudited)

This part of the Council's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Council's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the Council's financial performance and well-being have changed over time.</i>	65 – 72
Revenue Capacity <i>These schedules contain information to help the reader assess the Council's most significant local revenue sources.</i>	73 – 74
Demographic and Economic Information <i>These schedules present information to help the reader understand the environment within which the Council's financial activities take place.</i>	75 – 77
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Council's financial report relates to the services the Council provides and the activities it performs.</i>	78 – 82

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ALAMO AREA COUNCIL OF GOVERNMENTS

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities:				
Net investment in				
capital assets	\$ 4,880,861	\$ 4,536,725	\$ 3,971,524	\$ 3,566,228
Restricted	5,197,743	6,043,430	5,213,505	6,003,304
Unrestricted	<u>1,449,642</u>	<u>1,561,072</u>	<u>1,603,840</u>	<u>1,436,790</u>
Total governmental				
activities net position	<u>\$ 11,528,246</u>	<u>\$ 12,141,227</u>	<u>\$ 10,788,869</u>	<u>\$ 11,006,322</u>

TABLE 1

Fiscal Year					
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 3,320,177	\$ 4,626,797	\$ 3,857,627	\$ 3,158,888	\$ 4,232,400	\$ 5,132,815
5,468,590	4,435,713	3,783,220	3,832,310	3,813,652	4,145,115
<u>1,149,419</u>	<u>2,248,303</u>	<u>2,467,162</u>	<u>3,199,304</u>	<u>3,625,103</u>	<u>3,520,139</u>
<u>\$ 9,938,186</u>	<u>\$ 11,310,813</u>	<u>\$ 10,108,009</u>	<u>\$ 10,190,502</u>	<u>\$ 11,671,155</u>	<u>\$ 12,798,069</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
EXPENSES				
Governmental activities:				
General government	\$ 69,513	\$ 72,342	\$ 160,091	\$ 325,364
Workforce development	806,808	3,044,434	3,127,544	3,172,384
Housing and urban development	410,923	421,823	610,889	733,103
Emergency communications	1,192,131	1,581,207	1,152,930	1,375,736
Economic development	62,214	77,645	121,919	89,988
Environmental quality	937,377	2,012,505	781,122	891,270
Community affairs	7,542,429	8,716,080	3,065,124	1,636,268
Health and welfare	8,764,685	8,746,243	8,485,624	8,361,714
Homeland security	1,183,264	1,648,922	625,480	438,462
Aging	17,658,462	15,690,963	15,566,223	16,118,847
Criminal justice	1,535,149	1,138,372	901,854	1,494,340
Transportation	5,478,533	6,084,768	5,685,078	6,011,223
Interest	-	-	-	-
Total governmental activities expenses	<u>45,641,488</u>	<u>49,235,304</u>	<u>40,283,878</u>	<u>40,648,699</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	15,837	5,380	65	-
Health and welfare	-	5,201	655,495	-
Aging	548,464	654,957	480,924	456,079
Criminal justice	237,353	251,715	173,504	253,983
Transportation	72,631	132,599	-	118,191
Community affairs	-	-	-	-
Operating grants and contributions	45,007,470	48,505,521	37,322,513	39,733,453
Capital grants and contributions	-	-	-	-
Total governmental activities program revenues	<u>45,881,755</u>	<u>49,555,373</u>	<u>38,632,501</u>	<u>40,561,706</u>
NET (EXPENSE) REVENUES				
Governmental activities	<u>240,267</u>	<u>320,069</u>	<u>(1,651,377)</u>	<u>(86,993)</u>
Total	<u>240,267</u>	<u>320,069</u>	<u>(1,651,377)</u>	<u>(86,993)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Unrestricted investment earnings	4,718	9,067	3,291	3,911
Miscellaneous	15,075	(6,394)	92	183
Member dues	246,078	290,239	295,636	300,352
Gain on sale of capital assets	-	-	-	-
Total governmental activities	<u>265,871</u>	<u>292,912</u>	<u>299,019</u>	<u>304,446</u>
CHANGE IN NET POSITION				
Governmental activities	<u>506,138</u>	<u>612,981</u>	<u>(1,352,358)</u>	<u>217,453</u>
Total	<u>\$ 506,138</u>	<u>\$ 612,981</u>	<u>\$ (1,352,358)</u>	<u>\$ 217,453</u>

Notes:

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

TABLE 2

Fiscal Year						
2014	2015	2016	2017 ⁽¹⁾	2018	2019	
\$ 253,731	\$ 106,379	\$ 229,932	\$ 130,920	\$ 61,036	\$ 32,566	
1,231,591	985,649	334,846	426,572	2,443,360	2,823,796	
654,225	623,478	30,372	17,445	-	-	
1,302,969	1,637,738	1,544,150	1,812,052	1,413,105	1,670,714	
109,023	52,784	853,881	4,431,081	647,838	433,744	
661,454	908,372	949,942	992,880	704,083	483,930	
1,862,836	1,856,575	1,625,004	2,078,269	2,475,773	2,991,145	
9,441,812	11,628,909	11,866,163	11,600,496	12,446,756	13,612,174	
615,464	303,317	411,654	281,861	287,900	388,563	
16,618,027	16,878,439	17,093,970	18,732,002	17,018,023	20,076,977	
1,133,784	1,468,424	1,508,118	1,417,596	1,536,841	1,567,352	
6,059,606	5,296,213	5,122,713	5,904,299	5,250,931	6,054,983	
-	-	-	18,580	4,707	-	
<u>39,944,522</u>	<u>41,746,277</u>	<u>41,570,745</u>	<u>47,844,053</u>	<u>44,290,353</u>	<u>50,135,944</u>	
-	-	-	-	-	-	
3,198	-	-	-	-	-	
556,521	242,780	403,393	421,338	242,894	349,274	
227,511	246,663	281,673	436,947	423,974	405,077	
-	-	-	-	-	-	
-	-	-	-	-	520	
37,769,447	39,870,358	39,344,336	46,719,605	43,172,279	48,563,380	
-	2,241,447	-	-	1,515,394	1,526,754	
<u>38,556,677</u>	<u>42,601,248</u>	<u>40,029,402</u>	<u>47,577,890</u>	<u>45,354,541</u>	<u>50,845,005</u>	
(1,387,845)	854,971	(1,541,343)	(266,163)	1,064,188	709,061	
<u>(1,387,845)</u>	<u>854,971</u>	<u>(1,541,343)</u>	<u>(266,163)</u>	<u>1,064,188</u>	<u>709,061</u>	
1,523	8,729	8,160	6,276	32,950	40,142	
-	-	-	-	-	-	
318,186	323,933	330,379	332,780	342,501	343,057	
-	-	-	9,600	41,014	34,654	
<u>319,709</u>	<u>332,662</u>	<u>338,539</u>	<u>348,656</u>	<u>416,465</u>	<u>417,853</u>	
(1,068,136)	1,187,633	(1,202,804)	82,493	1,480,653	1,126,914	
<u>\$(1,068,136)</u>	<u>\$ 1,187,633</u>	<u>\$(1,202,804)</u>	<u>\$ 82,493</u>	<u>\$ 1,480,653</u>	<u>\$ 1,126,914</u>	

ALAMO AREA COUNCIL OF GOVERNMENTS

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
General fund:				
Reserved	\$ 38,864	\$ -	\$ -	\$ -
Unreserved	1,828,890	-	-	-
Restricted	-	43,423	11,080	6,121
Nonspendable	-	-	-	-
Unassigned	-	1,907,605	1,932,797	1,865,034
Total general fund	<u>1,867,754</u>	<u>1,951,028</u>	<u>1,943,877</u>	<u>1,871,155</u>
Special revenue funds:				
Reserved	5,054,802	-	-	-
Nonspendable	-	-	-	-
Restricted	-	5,847,078	5,209,858	5,997,002
Unassigned	-	-	-	-
Total special revenue funds	<u>\$ 5,054,802</u>	<u>\$ 5,847,078</u>	<u>\$ 5,209,858</u>	<u>\$ 5,997,002</u>

Note: The Council implemented GASB Statement 54 in fiscal year 2011. Prior year balances have not been restated to conform to GASB Statement 54.

TABLE 3

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
6,032	-	274,372	-	-	-
-	-	-	313,604	412,199	269,977
<u>1,577,911</u>	<u>1,937,288</u>	<u>1,638,063</u>	<u>1,851,426</u>	<u>2,011,899</u>	<u>2,581,217</u>
<u>1,583,943</u>	<u>1,937,288</u>	<u>1,912,435</u>	<u>2,165,030</u>	<u>2,424,098</u>	<u>2,851,194</u>
-	-	-	-	-	-
-	-	-	2,000	149,167	187,673
5,420,274	4,440,389	3,508,481	3,832,310	3,664,068	3,963,305
<u>-</u>	<u>-</u>	<u>-</u>	<u>(45)</u>	<u>(2,779)</u>	<u>(15,709)</u>
<u>\$ 5,420,274</u>	<u>\$ 4,440,389</u>	<u>\$ 3,508,481</u>	<u>\$ 3,834,265</u>	<u>\$ 3,810,456</u>	<u>\$ 4,135,269</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
REVENUES				
Intergovernmental	\$ 35,976,093	\$ 35,222,106	\$ 25,840,605	\$ 25,480,440
Matching funds	4,277,678	5,900,469	5,112,138	6,999,166
Local	4,871,443	7,300,517	6,903,919	7,253,847
Program income	874,285	1,049,852	874,083	828,253
Membership dues	246,078	290,239	295,636	300,352
Investment income	7,407	9,672	6,659	3,911
Miscellaneous	35,177	22,018	24,119	183
Total revenues	<u>46,288,161</u>	<u>49,794,873</u>	<u>39,057,159</u>	<u>40,866,152</u>
EXPENDITURES				
Current:				
General government	15,892	131,010	141,977	229,820
Aging	17,675,940	15,688,474	15,542,184	16,115,223
Health and welfare	8,764,095	8,749,883	8,482,000	8,361,714
Transportation	5,130,791	6,040,947	5,401,948	5,837,168
Workforce development	772,595	3,016,967	3,093,331	3,140,769
Environmental quality	935,381	2,010,290	779,773	889,921
Community affairs	7,542,429	8,426,311	3,065,124	1,636,268
Criminal justice	1,671,244	1,071,510	846,294	1,442,256
Emergency communications	1,158,935	1,558,195	1,117,882	1,340,688
Homeland security	784,843	1,648,922	518,225	354,828
Housing	431,393	499,169	590,873	713,087
Economic development	62,214	77,645	121,919	89,988
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>44,945,752</u>	<u>48,919,323</u>	<u>39,701,530</u>	<u>40,151,730</u>
NET CHANGE IN FUND BALANCES	<u>1,342,409</u>	<u>875,550</u>	<u>(644,371)</u>	<u>714,422</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	227,634	240,268	212,120	188,859
Transfers out	<u>(227,634)</u>	<u>(240,268)</u>	<u>(212,120)</u>	<u>(188,859)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 1,342,409</u>	<u>\$ 875,550</u>	<u>\$(644,371)</u>	<u>\$ 714,422</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>- %</u>	<u>- %</u>	<u>- %</u>	<u>- %</u>

Notes:

- ¹ The Patient Protection and Affordable Care Act (ACA) was signed into law in March 2010, providing for expansion of the medicaid program beginning in fiscal year 2010.
- ² Membership dues are comprised of eligible governmental units and various associate members within the 13-county Alamo Area planning region. Dues are used as local funds in matching federal and state planning grants.
- ³ Economic Development expenditures increased drastically in 2017 due to a one-time grant, the Defense Economic Adjustment Assistance Grant.

TABLE 4

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 24,742,773	\$ 25,610,714	\$ 25,285,580	\$ 30,077,011	\$ 28,892,676	\$ 33,641,062	
6,225,094	6,855,548	7,006,685	8,182,400	7,240,447	7,457,274	
6,801,580	7,446,925	7,025,515	8,450,713	8,566,888	8,944,587	
787,230	494,210	700,857	859,472	666,868	754,351	
318,186	323,933	330,379	332,780	342,501	343,057	
1,523	8,729	18,925	24,170	32,950	122,527	
-	-	-	-	-	-	
<u>38,876,386</u>	<u>40,740,059</u>	<u>40,367,941</u>	<u>47,926,546</u>	<u>45,742,330</u>	<u>51,262,858</u>	
378,365	43,036	178,991	76,643	10,438	-	
16,614,403	17,108,033	17,312,612	18,812,366	17,081,492	19,869,451	
9,441,812	11,782,323	12,016,644	11,646,967	12,768,090	13,641,656	
5,900,644	4,675,167	4,691,292	5,638,199	6,342,407	7,071,819	
1,201,275	966,961	323,068	426,330	2,452,707	2,795,136	
660,105	924,944	1,007,720	986,047	730,549	462,019	
1,862,836	1,881,830	1,645,789	2,087,229	2,514,757	2,945,451	
1,088,328	1,339,882	1,235,837	1,125,083	1,249,501	1,264,282	
1,276,220	1,690,501	1,643,255	1,814,118	1,413,665	1,647,275	
572,678	282,103	391,600	266,337	288,995	384,571	
634,637	618,317	13,091	-	-	-	
109,023	53,502	864,803	4,450,187	649,756	429,289	
-	-	-	18,661	4,714	-	
<u>39,740,326</u>	<u>41,366,599</u>	<u>41,324,702</u>	<u>47,348,167</u>	<u>45,507,071</u>	<u>50,510,949</u>	
<u>(863,940)</u>	<u>(626,540)</u>	<u>(956,761)</u>	<u>578,379</u>	<u>235,259</u>	<u>751,909</u>	
230,755	268,314	274,414	225,780	324,288	300,526	
<u>(230,755)</u>	<u>(268,314)</u>	<u>(274,414)</u>	<u>(225,780)</u>	<u>(324,288)</u>	<u>(300,526)</u>	
-	-	-	-	-	-	
<u>\$(863,940)</u>	<u>\$(626,540)</u>	<u>\$(956,761)</u>	<u>\$ 578,379</u>	<u>\$ 235,259</u>	<u>\$ 751,909</u>	
- %	- %	- %	0.04%	0.01%	- %	

ALAMO AREA COUNCIL OF GOVERNMENTS

PRINCIPAL SOURCES OF REVENUES
(Modified Accrual Basis of Accounting)
LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
EARNED REVENUES:				
Medicaid ⁽¹⁾	\$ 1,970,756	\$ 4,232,551	\$ 3,446,086	\$ 4,624,276
Membership dues	246,078	290,239	295,636	300,352
Local	2,517,219	3,115,139	3,143,070	2,406,722
Contributions	-	-	-	291,105
Matching funds	4,819,574	6,553,093	5,649,545	7,455,245
Investment income	7,407	9,672	6,659	3,911
Other	367,460	22,018	16,164	184
Total local and earned revenues	<u>9,928,494</u>	<u>14,222,712</u>	<u>12,557,160</u>	<u>15,081,795</u>
STATE PROGRAM REVENUES:				
General Revenue	9,212,416	9,756,518	6,883,615	8,589,808
Permanency Planning	89,806	76,037	87,394	67,115
Community Living Options Information Process (CLOIP)	255,662	223,370	213,963	215,697
Crisis Behavioral Supports	-	-	-	-
In-home and Family Support ⁽²⁾	718,648	536,618	-	-
Nursing Facilities Preadmission Screening and Resident Review	-	-	-	-
Omnibus Reconciliation Reform (OBRA) Funds	19,572	12,853	7,268	10,089
Other state	828,817	14,400	-	-
Total state program revenues	<u>11,124,921</u>	<u>10,619,796</u>	<u>7,192,240</u>	<u>8,882,709</u>
FEDERAL PROGRAM REVENUES:				
Federal	24,851,172	24,602,310	18,648,366	16,596,676
Medicaid Administrative Claiming	383,574	350,054	659,393	328,457
Total federal program revenues	<u>25,234,746</u>	<u>24,952,364</u>	<u>19,307,759</u>	<u>16,925,133</u>
Total revenues	<u>\$ 46,288,161</u>	<u>\$ 49,794,872</u>	<u>\$ 39,057,159</u>	<u>\$ 40,889,637</u>

Notes:

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

⁽²⁾ The In-home and Family Support program ended in fiscal year 2011.

⁽³⁾ OBRA funds ended in fiscal year 2016.

TABLE 5

		Fiscal Year									
		2014	2015	2016 ⁽³⁾	2017	2018	2019				
\$	5,663,959	\$	5,793,701	\$	5,745,153	\$	6,403,262	\$	6,599,793	\$	6,465,604
	318,186		323,933		330,379		332,780		342,501		343,057
	1,045,675		1,598,246		786,163		1,212,943		1,419,462		1,631,288
	332,666		307,076		269,165		383,878		334,754		407,274
	6,781,614		7,097,649		7,392,976		8,489,710		7,240,447		7,457,274
	1,523		8,729		18,867		24,170		32,950		122,527
	-		11		539,658		1,002,792		879,747		1,194,772
	<u>14,143,623</u>		<u>15,129,345</u>		<u>15,082,361</u>		<u>17,849,535</u>		<u>16,849,654</u>		<u>17,621,796</u>
	7,581,588		9,665,357		9,231,702		13,151,436		9,516,097		10,856,888
	53,307		95,608		88,772		61,061		78,895		64,754
	260,452		218,801		270,079		209,271		206,799		193,956
	-		-		327,407		639,699		204,516		171,506
	-		-		-		-		-		-
	-		-		-		638,745		512,829		119,361
	18,518		9,894		338,271		-		-		-
	-		-		-		-		-		-
	<u>7,913,865</u>		<u>9,989,660</u>		<u>10,256,231</u>		<u>14,700,212</u>		<u>10,519,136</u>		<u>11,406,465</u>
	16,541,640		14,661,683		13,859,576		14,440,342		17,378,962		21,277,595
	287,268		959,372		1,169,773		936,458		994,578		957,002
	<u>16,828,908</u>		<u>15,621,055</u>		<u>15,029,349</u>		<u>15,376,800</u>		<u>18,373,540</u>		<u>22,234,597</u>
\$	<u>38,886,396</u>	\$	<u>40,740,060</u>	\$	<u>40,367,941</u>	\$	<u>47,926,547</u>	\$	<u>45,742,330</u>	\$	<u>51,262,858</u>

ALAMO AREA COUNCIL OF GOVERNMENTS

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

Calendar Year	Population ¹	Personal Income (\$000) ¹	Avg. Per Capita Personal Income	Gross Sales ²
2010	2,249,718	\$ 53,829,695	\$ 23,927	\$ 116,649,999,959
2011	2,301,404	56,575,238	24,583	146,766,312,458
2012	2,344,719	58,370,156	24,894	147,649,885,895
2013	2,388,823	61,381,726	25,695	148,276,549,442
2014	2,438,711	66,101,449	27,105	165,977,429,158
2015	2,491,102	67,090,551	26,932	147,242,121,274
2016	2,539,276	69,792,782	27,485	133,579,582,935
2017	2,587,905	75,199,941	29,058	103,523,685,063
2018	2,633,460	78,972,198	29,988	168,662,115,611
2019	2,704,996	N/A ⁴	N/A ⁴	126,539,556,437

Notes:

- ¹ Population and Personal Income Derived from U.S. Bureau of Economic Analysis CA1-3 Report.
- ² Gross Sales, State Tax, and Avg. Outlets Derived from Texas Comptroller of Public Accounts Quarterly Sales tax Report for all industries year 2019. Only available for first 3 quarters of 2019.
- ³ Total Employment reflects Civilian Labor Force as of December 2019.
- ⁴ Per the Texas Demographic Center, Selected Economics Characteristics for 2019 have not been released for Texas as of April 2020.

TABLE 6

	Taxable Sales	Average Outlets ²	Total Employment ³	Unemployment Rate
\$	22,967,227,594	4,186	969,279	6.2%
	25,201,601,239	4,407	986,129	6.5%
	27,731,875,590	4,500	1,089,921	6.3%
	29,576,635,365	4,568	1,024,314	6.5%
	31,591,846,755	4,589	1,049,445	6.9%
	33,102,882,603	4,860	1,074,794	3.7%
	33,546,158,475	5,057	1,104,774	3.9%
	24,811,767,292	4,435	1,132,763	3.4%
	36,417,332,369	5,015	1,079,726	3.0%
	27,858,669,585	4,678	N/A ⁴	N/A ⁴

ALAMO AREA COUNCIL OF GOVERNMENTS

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2019			2010		
	Employees	Rank	Percentage of Employment ¹	Employees	Rank	Percentage Of Employment ²
Joint Base San Antonio - Lackland, Fort Sam & Randolph ³	80,000	1	7.56%	75,052	1, 2, 6	9.21%
H-E-B	22,000	2	2.08%	17,664	3	2.17%
USAA	19,000	3	1.80%	14,589	4	1.79%
Northside Independent School District	13,977	4	1.32%	12,597	5	1.55%
City of San Antonio	13,881	5	1.31%	11,017	7	1.35%
Methodist Health Care System	9,851	6	0.93%	7,154	10	0.88%
North East Independent School District	9,001	7	0.85%	10,223	8	1.25%
San Antonio Independent School District	7,677	8	0.73%	<u>7,714</u>	9	<u>0.95%</u>
Baptist Health System	6,371	9	0.60%			
JP Morgan Chase & Co.	<u>5,000</u>	10	<u>0.47%</u>			
Total	<u>186,758</u>		<u>17.65%</u>	<u>156,010</u>		<u>19.15%</u>

Source: Economic Development Division, 2019 Books of Lists - San Antonio Business Journal, and Bureau of Labor Statistics.

¹ Percent based on an Employment Estimate of 1,058,300 Non-Farm Jobs in the San Antonio- New Braunfels, TX Metropolitan Statistical Area as of December 2019. Figure provided by the Bureau of Labor Statistics.

² Percent based on an Employment Estimate of 814,900 Non-Farm Jobs in the San Antonio- New Braunfels, TX Metropolitan Statistical Area as of December 2010. Figure provided by the Bureau of Labor Statistics.

³ In fiscal year 2012, Lackland, Fort Sam, and Randolph military operations were consolidated into Joint Base San Antonio. In Fiscal year 2010, the employee counts were 35,026, 28,082, and 11,944, respectively.

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ALAMO AREA COUNCIL OF GOVERNMENTS

OPERATING INDICATORS BY FUNCTION

LAST TEN FISCAL YEARS

Function/Program	Fiscal Year			
	2010	2011	2012	2013
Alamo Area Agency on Aging:				
Home delivered meals	137,977	144,338	140,707	131,296
Congregate meals	92,944	85,148	78,607	67,378
Transportation trips	10,774	11,650	11,049	6,069
Bexar Area Agency on Aging:				
Home delivered meals	343,683	338,062	302,558	280,766
Congregate meals	559,124	507,881	417,457	346,857
Transportation trips	23,482	22,795	25,902	20,102
Hours of legal and guardianship services	2,312	2,519	2,678	5,248
Alamo Local Authority:				
Individuals enrolled in HCS program	472	354	126	132
Criminal Justice:				
Full time basic peace officer courses completed	3	3	3	3
Basic peace officer graduates	36	81	49	71
Housing/Weatherization:				
LIHEAP units created	900	703	206	207
LIHEAP expenditures	\$ 1,502,427	\$ 1,410,140	\$ 1,135,285	\$ 1,204,771
DOE units created	27	119	44	56
DOE expenditures	\$ 117,350	\$ 517,211	\$ 166,433	\$ 430,301
Natural resources:				
Ozone monitors completed	6	6	6	6
Commute Solutions:				
Outreach events completed	1	3	5	6
Clean Cities:				
Alternative fuel workshops completed	7	9	7	4
9-1-1/Technical Assistance:				
AACOG match rates	-	-	-	-
Resource Recovery:				
Pass-through dollars for annual projects	\$ 606,237	\$ 713,763	\$ 819,653	\$ 179,551
Alamo Regional Transit:				
Ridership	144,000	157,981	139,086	114,370
Workforce:				
Rural job seekers assisted	1,990	3,759	1,086	3,809
Provided employment services	15,757	18,795	7,240	5,234

TABLE 8

Fiscal Year						
2014	2015	2016	2017	2018	2019	
136,506	130,932	143,731	133,233	130,568	161,152	
68,457	70,619	72,386	64,258	67,124	65,264	
6,083	6,531	492	1,090	1,356	2,535	
305,358	320,524	316,252	317,000	785,821	790,416	
350,128	403,832	382,750	355,000	263,598	605,052	
15,631	12,210	12,695	12,642	11,061	14,139	
4,953	5,494	5,212	4,954	3,648	4,310	
144	409	115	103	89	79	
3	4	3	3	3	3	
81	71	81	88	76	72	
161	242	177	180	228	280	
\$ 824,344	\$ 1,506,166	\$ 1,297,925	\$ 1,504,234	\$ 1,858,132	\$ 2,207,642	
29	47	47	37	37	36	
\$ 211,201	\$ 375,522	\$ 380,014	\$ 341,899	\$ 363,252	\$ 442,640	
6	6	6	6	6	7	
7	11	12	12	12	6	
4	4	4	-	4	10	
69%	82%	92%	98%	99%	98%	
\$ 153,542	\$ 113,300	\$ 158,213	\$ 161,888	\$ 158,573	\$ 106,715	
113,161	111,145	89,037	101,394	117,378	137,635	
N/A	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	N/A	

ALAMO AREA COUNCIL OF GOVERNMENTS

FULL-TIME EQUIVALENT EMPLOYEES
BY PROGRAM/DEPARTMENT
LAST TEN FISCAL YEARS

Program/Department	Fiscal Year			
	2010	2011	2012	2013
IDD	73	82	89	90
Area Agency on Aging	35	31	38	38
Transportation	77	75	44	44
Administrative	26	23	32	33
Public Safety	15	14	12	12
Weatherization	13	15	13	13
Natural Resources	11	9	9	10
Regional Services	1	1	1	1
Resource Recovery	2	2	2	2
Workforce / Childcare	57	43	44	44
Total	310	295	284	287
	Year-to-Year Percentage Increases			
IDD	46%	12%	9%	1%
Area Agency on Aging	21%	(11%)	23%	-
Transportation	40%	(3%)	(41%)	-
Administrative	18%	(12%)	39%	3%
Public Safety	(6%)	(7%)	(14%)	-
Weatherization	63%	15%	(13%)	-
Natural Resources	(15%)	(18%)	-	11%
Regional Services	-	-	-	-
Resource Recovery	-	-	-	-
Workforce / Childcare	19%	(25%)	2%	-
Total	9%	(5%)	(4%)	1%

TABLE 9

Fiscal Year						
2014	2015	2016	2017	2018	2019	
111	130	133	135	133	138	
36	40	53	53	52	55	
52	47	34	34	36	38	
29	35	28	26	24	29	
13	12	11	12	12	11	
14	12	7	8	8	7	
10	7	8	5	2	2	
1	1	1	4	2	2	
2	2	2	2	2	-	
<u>10</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>278</u>	<u>295</u>	<u>277</u>	<u>279</u>	<u>271</u>	<u>282</u>	
Year-to-Year Percentage Increases						
23%	17%	2%	2%	(1%)	4%	
(5%)	11%	33%	-	(2%)	(6%)	
18%	(10%)	(28%)	-	6%	(6%)	
(12%)	21%	(20%)	(7%)	(8%)	(21%)	
8%	(8%)	(8%)	9%	-	8%	
8%	(14%)	(42%)	14%	-	13%	
-	(30%)	14%	(38%)	(60%)	-	
-	-	-	300%	(50%)	-	
-	-	-	-	-	(100%)	
(77%)	(10%)	(100%)	-	-	-	
(3%)	6%	(6%)	1%	(3%)	4%	

ALAMO AREA COUNCIL OF GOVERNMENTS

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>General Government</u>										
Vehicles	1	-	1	1	-	-	-	-	-	-
Equipment	5	5	5	5	4	3	2	-	-	-
Software	3	1	-	-	-	-	-	-	-	-
Furniture & Fixtures	1	1	-	-	-	-	-	-	-	-
<u>Aging</u>										
Equipment	2	2	-	-	-	-	-	-	-	1
Furniture & Fixtures	-	-	-	-	-	1	1	1	-	-
<u>IDD</u>										
Equipment	1	2	2	2	2	2	2	2	2	2
Furniture & Fixtures	-	-	-	-	-	1	1	1	-	-
<u>Alamo Regional Transit</u>										
Vehicles	71	78	78	71	79	80	67	43	45	56
Equipment	1	2	2	2	2	2	2	2	-	2
Software	3	4	4	2	3	2	2	1	2	2
<u>Public Safety</u>										
Vehicles	10	10	8	7	5	6	1	1	2	1
Equipment	7	8	5	5	4	15	14	13	13	13
Software	2	2	-	1	2	2	2	2	1	1
<u>9-1-1</u>										
Equipment	1	4	2	2	2	4	4	4	3	3
<u>Homeland Security</u>										
Vehicles	8	8	8	8	-	-	-	-	-	-
Equipment	10	10	7	7	5	1	1	1	-	-
<u>Housing</u>										
Vehicles	3	7	6	6	6	4	5	5	9	4
<u>Workforce Development</u>										
Vehicles	3	3	3	3	3	3	3	-	-	-
Furniture & Fixtures	1	1	1	1	-	-	-	-	-	-
<u>Natural Resources</u>										
Equipment	2	2	-	-	-	1	6	6	6	6
<u>Resource Recovery</u>										
Equipment	-	1	1	2	2	2	2	2	2	2

Notes: Assets in excess of \$5,000

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

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

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SINGLE AUDIT SECTION

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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
GOVERNMENT AUDITING STANDARDS**

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

Members of the Board:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Alamo Area Council of Governments (the "Council") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated June 23, 2020.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Council'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 that testing, and not to provide an opinion on the effectiveness of the Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
June 23, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE *UNIFORM GUIDANCE* AND THE STATE OF TEXAS *UNIFORM GRANT MANAGEMENT STANDARDS*

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

Report on Compliance for Each Major Federal and State Program

We have audited Alamo Area Council of Governments' (the "Council") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the State of Texas *Uniform Grant Management Standards* ("UGMS"), issued by the Texas Comptroller of Public Accounts, that could have a direct and material effect on each of the Council's major federal and state programs for the year ended December 31, 2019. The Council's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Council's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and UGMS. Those standards, the *Uniform Guidance*, and UGMS require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Council's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2019.

Report on Internal Control over Compliance

Management of the Council is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Council's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the *Uniform Guidance* and *UGMS*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

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

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

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

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
June 23, 2020

ALAMO AREA COUNCIL OF GOVERNMENTS

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019**

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS				
<u>U. S. Department of Agriculture</u>				
Direct:				
Solid Waste Management Grants	10.762	N/A	\$ 1,902	\$ -
Total U. S. Department of Agriculture			<u>1,902</u>	<u>-</u>
<u>U. S. Department of Commerce/Economic Development Administration</u>				
Direct:				
Economic Development - Support for Planning Organizations	11.302	ED18AUS3020001	58,073	-
Economic Adjustment Assistance - Title II, Section 209	11.307	08-79-05233	<u>47,607</u>	<u>-</u>
Subtotal Economic Development Cluster			<u>47,607</u>	<u>-</u>
Total U. S. Department of Commerce/Economic Development Administration			<u>105,680</u>	<u>-</u>
<u>U.S. Department of Defense/Office of Economic Adjustment</u>				
Direct:				
Joint Land Use Studies	12.610	EN1544-17-02	54,413	-
Joint Land Use Studies	12.610	NC2019-1437	<u>131,312</u>	<u>-</u>
Total U.S. Department of Defense/Office of Economic Adjustment			<u>185,725</u>	<u>-</u>
<u>U. S. Department of Housing and Urban Development</u>				
Passed through the Texas Department of Agriculture:				
Community Development Block Grant	14.228	C717221	<u>10,972</u>	<u>-</u>
Total Texas Department of Agriculture			<u>10,972</u>	<u>-</u>
Passed through the Texas General Land Office:				
Community Development Block Grant - Disaster Recovery Program	14.228	18-497-002-B229	(3,533)	-
Total Texas General Land Office			(3,533)	-
Passed through Texas Association of Regional Councils:				
Hurricane Harvey Technical Assistance Grant	14.228	DR - 001	(1,610)	-
Total Texas Association of Regional Councils			(1,610)	-
Total U. S. Department of Housing and Urban Development			<u>5,829</u>	<u>-</u>
<u>U. S. Department of Justice</u>				
Passed through the Office of the Governor, Criminal Justice Division:				
Violence Against Women Formula Grant	16.588	2610707	44,883	-
Violence Against Women Formula Grant	16.588	2610708	<u>16,093</u>	<u>-</u>
Total Office of the Governor, Criminal Justice Division			<u>60,976</u>	<u>-</u>
Total U. S. Department of Justice			<u>60,976</u>	<u>-</u>
<u>U. S. Department of Labor</u>				
Passed through Texas Workforce Commission:				
Spirit Project	17.207	2018WPB001	<u>220,934</u>	<u>-</u>
Subtotal Texas Workforce Commission			<u>220,934</u>	<u>-</u>
Subtotal Employment Service Cluster			<u>220,934</u>	<u>-</u>
Total U. S. Department of Labor			<u>220,934</u>	<u>-</u>
<u>U. S. Department of Transportation</u>				
Passed through the Metropolitan Planning Organization:				
Highway Planning and Construction	20.205	2019-2020	<u>122,949</u>	<u>-</u>
Subtotal Metropolitan Planning Organization			<u>122,949</u>	<u>-</u>
Passed through Texas Department of Transportation:				
Highway Planning and Construction - Commute Solutions	20.205	15-4XXF7001	<u>68,550</u>	<u>-</u>
Subtotal Texas Department of Transportation			<u>68,550</u>	<u>-</u>
Subtotal Highway Planning and Construction Cluster			<u>191,499</u>	<u>-</u>
Passed through the VIA Metropolitan Transit:				
Federal Transit Formula Grants	20.507	TX-2018-073-00	318,845	-
Federal Transit Formula Grants	20.507	TX-2019-062-00	<u>163,642</u>	<u>-</u>
Subtotal VIA Metropolitan Transit			<u>482,487</u>	<u>-</u>
Passed through Texas Department of Transportation:				
Bus and Bus Facilities Formula Program	20.526	51003F11519	<u>1,425,878</u>	<u>-</u>
Subtotal Texas Department of Transportation			<u>1,425,878</u>	<u>-</u>
Subtotal Federal Transit Cluster			<u>1,908,365</u>	<u>-</u>

The accompanying notes are an integral part of this schedule.

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (Continued)				
Passed through the VIA Metropolitan Transit:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	TX-16-081-00	\$ 203,999	\$ -
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	TX-2019-070	104,071	-
Travel Program	20.521	17-045	(6,944)	-
New Freedom	20.521	TX-57-X032	(2,584)	-
Subtotal Transit Services Programs Cluster			<u>298,542</u>	<u>-</u>
Subtotal VIA Metropolitan Transit			<u>298,542</u>	<u>-</u>
Passed through Texas Department of Transportation:				
Formula Grants for Rural Areas	20.509	51018011518	736,219	-
Formula Grants for Rural Areas	20.509	51018011519	627,392	-
Subtotal			<u>1,363,611</u>	<u>-</u>
State Planning and Research	20.505	REG 1601 (15)	40,120	-
State Planning and Research	20.505	REG 1801 (15) 073	35,592	-
Subtotal			<u>75,712</u>	<u>-</u>
Subtotal Texas Department of Transportation			<u>1,439,323</u>	<u>-</u>
Total U. S. Department of Transportation			<u>3,837,729</u>	<u>-</u>
<u>U. S. Department of Veterans Affairs</u>				
Direct:				
Veterans Home Based Primary Care	64.022	PA-VDHC 671-0001	2,197,814	-
Total U. S. Department of Veterans Affairs			<u>2,197,814</u>	<u>-</u>
<u>U. S. Department of Energy</u>				
Direct:				
Conservation Research and Development	81.086	DE-EE0007451	86,398	-
Total Direct Programs			<u>86,398</u>	<u>-</u>
Passed through Texas Department of Housing and Community Affairs:				
Weatherization Assistance for Low-Income Persons	81.042	56180002946	229,534	-
Weatherization Assistance for Low-Income Persons	81.042	56190003117	209,489	-
Total Texas Department of Housing and Community Affairs			<u>439,023</u>	<u>-</u>
Total U. S. Department of Energy			<u>525,421</u>	<u>-</u>
<u>U. S. Department of Health and Human Services</u>				
Passed through Texas Health and Human Services Commission:				
Title VII-EAP - Bexar AAA	93.041	539-16-0020-00001	19,659	-
Title VII-EAP - Alamo AAA	93.041	539-16-0021-00001	7,269	-
Subtotal			<u>26,928</u>	<u>-</u>
Title VII-OAG - Bexar AAA	93.042	539-16-0020-00001	62,988	-
Title VII-OAG - Alamo AAA	93.042	539-16-0021-00001	27,889	-
Subtotal			<u>90,877</u>	<u>-</u>

The accompanying notes are an integral part of this schedule.

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (Continued)				
Texas Health and Human Services Commission (continued)				
Title III-D - Bexar AAA	93.043	539-16-0020-00001	\$ 110,210	\$ -
Title III-D - Alamo AAA	93.043	539-16-0021-00001	53,511	-
Subtotal			<u>163,721</u>	<u>-</u>
Title III-B - Bexar AAA	93.044	539-16-0020-00001	1,733,122	181,432
Title III-B - Alamo AAA	93.044	539-16-0021-00001	851,918	-
Title III-C- Bexar AAA	93.045	539-16-0020-00001	3,744,924	3,066,094
Title III-C - Alamo AAA	93.045	539-16-0021-00001	1,723,811	-
Nutrition Services Incentive Program - Bexar AAA	93.053	539-16-0020-00001	1,101,428	1,101,428
Nutrition Services Incentive Program - Alamo AAA	93.053	539-16-0021-00001	83,664	-
Subtotal Aging Cluster			<u>9,238,867</u>	<u>4,348,954</u>
Title III-E - Bexar AAA	93.052	539-16-0020-00001	916,005	-
Title III-E - Alamo AAA	93.052	539-16-0021-00001	274,047	-
Subtotal			<u>1,190,052</u>	<u>-</u>
Medicare Enrollment Assistance Program (MIPPA -2) - ADRC	93.071	539-16-0031-00001	18,591	-
Medicare Enrollment Assistance Program (MIPPA -2) - ADRC	93.071	HHS000541100001	5,457	-
Medicare Enrollment Assistance Program (MIPPA -2) - Bexar AAA	93.071	539-16-0020-00001	21,146	-
Medicare Enrollment Assistance Program (MIPPA -2) - Alamo AAA	93.071	539-16-0021-00001	15,711	-
Subtotal			<u>60,905</u>	<u>-</u>
State Health Insurance Assistance Program - Bexar AAA	93.324	539-16-0020-00001	145,935	-
State Health Insurance Assistance Program - Alamo AAA	93.324	539-16-0021-00001	88,075	-
Subtotal			<u>234,010</u>	<u>-</u>
Medicaid Administrative Claiming (MAC)	93.778	529-09-0032-00065	957,002	-
Subtotal Medicaid Cluster			<u>957,002</u>	<u>-</u>
Money Follows the Person Rebalancing Demonstration - ADRC	93.791	539-16-0031-0001	61,025	-
Money Follows the Person Rebalancing Demonstration - ADRC	93.791	HHS000541100001	23,050	-
Money Follows the Person Rebalancing Demonstration - Alamo AAA	93.791	539-16-0021-00001	16,730	-
Money Follows the Person Rebalancing Demonstration - ECC-IDD	93.791	529-18-0017-0001	88,064	-
Money Follows the Person Rebalancing Demonstration - ECC-IDD	93.791	HHS000612000001	48,384	-
Subtotal			<u>237,253</u>	<u>-</u>
Total Texas Health and Human Services Commission			<u>12,199,615</u>	<u>4,348,954</u>
Passed through National Council on Aging:				
Benefits Enrollment Center	93.071	1414	34,756	-
Total National Council on Aging			<u>34,756</u>	<u>-</u>
Passed through Texas Department of Housing and Community Affairs:				
Low-Income Home Energy Assistance Program	93.568	81180002876	441,501	-
Low-Income Home Energy Assistance Program	93.568	81190003006	1,842,672	-
Total Texas Department of Housing and Community Affairs			<u>2,284,173</u>	<u>-</u>
Passed through Texas Council for Developmental Disabilities:				
Older Adults with Developmental Disabilities and their Caregivers	93.630	19114	80,366	-
Total Texas Council for Developmental Disabilities			<u>80,366</u>	<u>-</u>
Total U. S. Department of Health and Human Services			<u>14,598,910</u>	<u>4,348,954</u>

The accompanying notes are an integral part of this schedule.

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Passed Through to Subrecipients
FEDERAL AWARDS (Continued)				
<u>Corporation for National and Community Service</u>				
Direct:				
Senior Demonstration Program	94.017	18SDWTX002	\$ 100,432	\$ -
Total Corporation for National and Community Service			<u>100,432</u>	<u>-</u>
<u>U. S. Department of Homeland Security</u>				
Passed through Office of the Governor, Division of Emergency Management				
Homeland Security Grant Program	97.067	30090230	43,333	-
Homeland Security Grant Program	97.067	30001930	21,667	-
Homeland Security Grant Program	97.067	2964004	173,598	-
Homeland Security Grant Program	97.067	2964005	63,897	-
Regional Emergency Notification System	97.067	3661401	90,750	-
Total Office of the Governor, Division of Emergency Management			<u>393,245</u>	<u>-</u>
Total U. S. Department of Homeland Security			<u>393,245</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 22,234,597</u>	<u>\$ 4,348,954</u>

ALAMO AREA COUNCIL OF GOVERNMENTS
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
(Continued)
FOR THE YEAR ENDED DECEMBER 31, 2019

State Grantor/Program Title	Grant Number	Expenditures	Passed Through to Subrecipients
STATE AWARDS			
<u>Texas Health and Human Services Commission</u>			
State General Revenue	529-18-0017-00001	\$ 2,415,002	\$ -
Permanency Planning	529-18-0017-00001	46,209	-
Community Living Options Information Process (CLOIP)	529-18-0017-00001	147,977	-
IDD Crisis Intervention Specialists	529-18-0017-00001	134,138	-
IDD Crisis Respite Services	529-18-0017-00001	242,101	-
Nursing Facility PASRR Service Coordination	529-18-0017-00001	119,361	-
Nursing Facility Specialized Services	529-18-0017-00001	1,018,565	-
Subtotal		<u>4,123,353</u>	<u>-</u>
State General Revenue	HHS000612000001	1,099,496	-
Permanency Planning	HHS000612000001	18,545	-
Community Living Options Information Process (CLOIP)	HHS000612000001	45,979	-
IDD Crisis Intervention Specialists	HHS000612000001	37,368	-
IDD Crisis Respite Services	HHS000612000001	152,533	-
Nursing Facility Specialized Services	HHS000612000001	609,739	-
Subtotal		<u>1,963,660</u>	<u>-</u>
State General Revenue - Bexar AAA	539-16-0020-00001	304,110	151,472
State General Revenue - Alamo AAA	539-16-0021-00001	116,950	-
State General Revenue - ADRC	539-16-0031-00001	259,723	-
State General Revenue - ADRC	HHS000541100001	96,568	-
Total Texas Health and Human Services Commission		<u>6,864,364</u>	<u>151,472</u>
<u>Commission on State Emergency Communications</u>			
911 Emergency Communications	FY 2019	1,259,012	-
911 Emergency Communications	FY 2020	387,444	-
Total Commission on State Emergency Communications		<u>1,646,456</u>	<u>-</u>
<u>Office of the Governor - Criminal Justice Division</u>			
Regional Criminal Justice Coordination	30090205	120,050	-
Regional Criminal Justice Coordination	30001930	60,025	-
Subtotal		<u>180,075</u>	<u>-</u>
Regional Police Training Academy	SF-18-A10-14859-16	487,025	-
Regional Police Training Academy	SF-20-A10-14859-17	207,356	-
Subtotal		<u>694,381</u>	<u>-</u>
Total Office of the Governor - Criminal Justice Division		<u>874,456</u>	<u>-</u>
<u>Texas Department of Agriculture</u>			
Consumer Protection Project	TDA-19-ARED-03	16,480	-
Total Texas Department of Agriculture		<u>16,480</u>	<u>-</u>
<u>Texas Commission on Environmental Quality</u>			
Solid Waste Resource Recovery	582-18-80528	354,556	-
Solid Waste Resource Recovery	582-20-10203	45,924	-
Total Texas Commission on Environmental Quality		<u>400,480</u>	<u>-</u>
<u>Texas Department of Housing and Community Affairs</u>			
Amy Young Barrier Removal Program	1002772	102,773	-
Total Texas Department of Housing and Community Affairs		<u>102,773</u>	<u>-</u>
<u>Texas Department of Transportation</u>			
Rural Public Transportation	51218011519	686,470	-
Rural Public Transportation	51218011520	352,300	-
Total Texas Department of Transportation		<u>1,038,770</u>	<u>-</u>
<u>Texas Veterans Commission</u>			
Housing 4 Texas Heroes	HTX_18_0548	170,566	-
Housing 4 Texas Heroes	GT-HTX19-020	138,558	-
Subtotal		<u>309,124</u>	<u>-</u>
Rides 4 Vets	FVA_18_0496	153,562	-
Total Texas Veterans Commission		<u>462,686</u>	<u>-</u>
Total State Expenditures		<u>\$ 11,406,465</u>	<u>\$ 151,472</u>
Total Expenditures of Federal and State Awards		<u>\$ 33,641,062</u>	<u>\$ 4,500,426</u>

The accompanying notes are an integral part of this schedule.

ALAMO AREA COUNCIL OF GOVERNMENTS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

FOR THE YEAR ENDED DECEMBER 31, 2019

1. GENERAL

The Schedule of Expenditures of Federal and State Awards presents the activity of all applicable federal and state awards programs of the reporting entity. The Council's reporting entity is defined in Note 1 of the basic financial statements. Federal and state awards received directly from federal and state agencies, as well as awards passed through other government agencies, are included on the Schedule of Expenditures of Federal and State Awards.

2. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal and State Awards is presented using the modified accrual basis of accounting. The modified accrual basis of accounting is described in Note 1 of the basic financial statements.

3. NEGATIVE BALANCES

Due to a revision in the allocation of certain costs, certain granting agencies have retroactively reallocated certain grant expenditures. As a result of this, the effected grants reflect a negative balance on the current Schedule of Expenditures of Federal and State Awards at the request of the granting agency.

4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Grant expenditure reports as of December 31, 2019, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are often prepared at different dates and sometimes reflect refined estimates of year-end accruals. The reports will agree at termination of the grant, as the discrepancies noted are timing differences.

5. INDIRECT COSTS

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

6. SUBAWARDS FROM DISCRETELY PRESENTED COMPONENT UNIT TO PRIMARY GOVERNMENT

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

ALAMO AREA COUNCIL OF GOVERNMENTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2019

Section I: Summary of Auditors' Results

Financial Statements

Type of report on financial statements	Unmodified
Internal control over financial reporting:	
Are material weakness(es) identified?	No
Are any significant deficiencies identified?	None reported
Is any noncompliance material to the financial statements noted?	No

Federal and State Awards

Internal control over major federal and state programs:	
Any material weakness(es) identified?	No
Are any significant deficiencies identified?	None reported
Type of report on compliance with major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with <i>2 CFR 200.516(a)</i> or the State of Texas <i>Uniform Grant Management Standards</i> ?	No

Identification of Major Programs:

<u>Federal:</u>	<u>CFDA #</u>
Federal Transit Cluster	20.507, 20.526
Formula Grants for Rural Areas	20.509
Aging Cluster	93.044, 93.045, 93.053
Medicaid Cluster	93.778
<u>State:</u>	<u>State Grant Number</u>
General Revenue:	529-18-0017-00001 & HHS000612000001
State General Revenue	
Permanency Planning	
Community Living Options Information Process	
IDD Crisis Intervention Specialists	
IDD Respite Services	
Nursing Facility PASRR Service Coordination	
Nursing Facility Specialized Services	
911 Emergency Communications	FY 2019 & FY 2020
Rural Public Transportation	51218011519 & 51218011520
Dollar threshold considered between Type A and Type B federal programs	\$750,000
Dollar threshold considered between Type A and Type B state programs	\$342,194
Low risk auditee	Yes

Section II - GAGAS Findings

None

Section III - Federal and State Award Findings

None



ALAMO AREA COUNCIL OF GOVERNMENTS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

None

Board of Directors

- Robert L. Hurley, Chairman**
County Judge, Atascosa County
- Suzanne de Leon, Vice Chair**
Mayor, City Balcones Heights
- Luana Buckner**
Board Chair, Edwards Aquifer Authority
- Tommy Calvert**
Commissioner, Bexar County
- James Danner**
Mayor, City of Hondo
- Cris Eugster**
Chief Operating Officer, CPS Energy
- Richard A. Evans**
County Judge, Bandera County
- Dr. Adriana Rocha Garcia**
Councilwoman, City of San Antonio
- Robert W. Gregory**
Mayor, City of La Vernia
- Tim Handren**
Mayor, City of Boerne
- James C. Hasslocher**
Board Member, University Health System
- Wade Hedtke**
County Judge, Karnes County
- Richard L. Jackson**
County Judge, Wilson County
- Rob Kelly**
County judge, Kerr County
- Sherman Krause**
County Judge, Comal County
- Arnulfo Luna**
County Judge, Frio County
- Darrel L. Lux**
County Judge, Kendall County
- Justin Meadows**
Councilman, New Braunfels
- Jose Menendez**
Senator, State of Texas, District 26
- Andrew Murr**
State Representative, District 53
- Clayton Perry**
Councilman, City of San Antonio
- Katie N. Reed**
Trustee, Northside ISD
- Sergio "Chico" Rodriguez**
Commissioner, Bexar County
- Thomas A. Schoolcraft**
Mayor, City of Helotes
- Chris Schuchart**
County Judge, Medina County
- Mark Stroehrer**
County Judge, Gillespie County
- James E. Teal**
County Judge, McMullen County
- Roberto C. Trevino**
Councilman, City of San Antonio
- John Williams**
Mayor, City of Universal City
- Kevin A. Wolff**
Commissioner, Bexar County
- Jim O. Wolverton**
Commissioner, Guadalupe County
- Kyle Biedermann (Ex-Officio)**
State Representative, District 73
- Ryan Guillen (Ex-Officio)**
State Representative, District 31
- John Kuempel (Ex-Officio)**
State Representative, District 44
- COL. Peter Velesky (Ex-Officio)**
Joint Base San Antonio
- Judith Zaffirini (Ex-Officio)**
State Senator, District 21