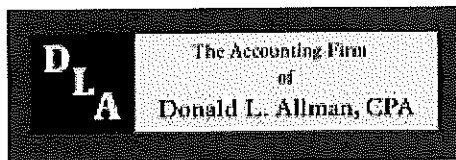


CITY OF CAMERON, TEXAS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AND INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

City of Cameron, Texas

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CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor & Members of the City Council
City of Cameron, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cameron, Texas as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Cameron, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cameron, Texas, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

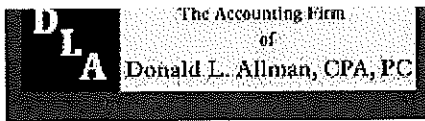
Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT (Continued)

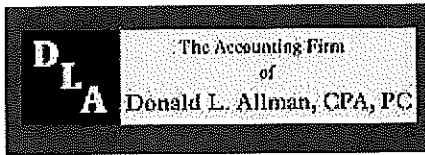
In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Cameron, Texas' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Cameron, Texas' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-9 and 45-46 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



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CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT (Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cameron, Texas' basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or 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 and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2025 on our consideration of the City of Cameron, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Cameron, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Cameron, Texas' internal control over financial reporting and compliance.

Donald L. Allman, CPA, PC

Georgetown, TX
June 9, 2025

Management's Discussion and Analysis

The management of the City of Cameron (the City) offers the following overview and analysis of the financial statements and financial activities for the fiscal year ended September 30, 2024 for the City.

Financial Highlights

- The assets of the City exceeded liabilities at the close of the most recent fiscal year by \$15,325,747. Of this amount, \$4,880,333 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the 2024 fiscal year, the City's governmental funds reported combined ending fund balances of \$1,592,012, a decrease of \$(97,621) in comparison with the prior year.
- At the end of the 2024 fiscal year, the general fund had a net increase of \$690,406 in net position before transfers, and the proprietary fund had a net increase of \$39,103 in net position, before transfers.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

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

The *statement of net position* presents information on all of the city's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets 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 flow*. Thus, revenues and expenses are reported in this statement of some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by property, sales and franchise taxes (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, highways and streets, public aviation, culture and recreation, economic development, and welfare and health. The business-type activities of the City include water distribution operations and sewer services.

The government-wide financial statements can be found on pages 9 - 11 of this report.

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

Governmental Funds. *Governmental funds* are used to account for essentially the functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The basic governmental fund financial statements can be found on pages 12 through 16 of this report.

Proprietary Funds. The city maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water distribution operations and sewer services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements include information for the water and sewer fund, which is considered to be a major fund of the City.

The basic proprietary fund financial statements can be found on pages 17 through 19 of this report.

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 on pages 22 through 40 of 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. In the case of the City, assets exceed liabilities by \$15,325,747 at the close of the most recent fiscal year.

The largest portion of the City's net position (56%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses the capital assets to provide services to citizens; consequently, this net position is *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Cameron Net Position September 30, 2024

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 1,946,166	\$ 2,013,244	\$ 8,235,322	\$ 9,732,017	\$ 10,181,488	\$ 11,745,261
Capital assets	3,542,107	3,597,322	21,188,830	20,070,510	24,730,937	23,667,832
Total assets	5,488,273	5,610,566	29,424,152	29,802,527	34,912,425	35,413,093
Deferred Outflows of Resources	534,163	654,603	196,245	238,972	730,408	893,575
Current liabilities	346,211	399,711	1,183,330	1,535,474	1,529,541	1,935,185
Net OPEB Liability	113,329	102,807	38,420	34,853	151,749	137,660
Net Pension Liability	872,775	1,105,478	301,347	383,107	1,174,122	1,488,585
Long-term liabilities	361,751	523,027	14,927,000	15,764,000	15,288,751	16,287,027
Total liabilities	1,694,066	2,131,023	16,450,097	17,717,434	18,144,163	19,848,457
Deferred Inflows of Resources	1,622,975	1,392,642	549,948	469,331	2,172,923	1,861,973
Net Position:						
Net Investment in Capital Assets	3,023,508	2,877,551	5,541,363	4,783,493	8,564,871	7,661,044
Restricted	507,525	465,191	1,373,018	2,791,043	1,880,543	3,256,234
Unrestricted	(825,638)	(601,238)	5,705,971	4,280,198	4,880,333	3,678,960
Total Net Position	\$ 2,705,395	\$ 2,741,504	\$ 12,620,352	\$ 11,854,734	\$ 15,325,747	\$ 14,596,238

An additional portion of the City's net position of \$1,880,543 represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* of \$4,880,333 may be used to meet the government's ongoing obligations to citizens and creditors. Restricted net position consists of funds restricted for debt service, construction, or reserved for special revenue purposes.

At the end of the 2024 fiscal year, the City is able to report positive balances in all three categories of the net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

**City of Cameron Changes in Net Position
September 30, 2024**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program Revenues:						
Charges for services, fines & fees	\$ 721,823	\$ 604,332	\$ 3,059,796	\$ 3,249,359	\$ 3,781,619	\$ 3,853,691
Donations	-	9,158	-	-	-	9,158
Grant revenues	254,538	18,601	246,471	987,023	501,009	1,005,624
General revenues:						
Ad Valorem Taxes	2,459,087	2,056,738			2,459,087	2,056,738
Sales Taxes	1,633,009	1,248,136	-	-	1,633,009	1,248,136
Franchise Fees	725,503	719,146			725,503	719,146
Interest income	191,574	148,052	73,512		265,086	148,052
Miscellaneous and other general revenues	19,052	257,322	-	149,276	19,052	406,598
Total revenues and transfers	6,004,586	5,061,485	3,379,779	4,385,658	9,384,365	9,447,143
Expenses:						
Total Pension Expense	127,143	406,338	44,672	140,818	171,815	547,156
Total OPEB Expense	1,438	523	490	177	1,928	700
General government	1,347,293	1,051,193	-	-	1,347,293	1,051,193
Public safety	771,633	491,293	-	-	771,633	491,293
Police, Court, Animal Control	1,428,585	1,303,779	-	-	1,428,585	1,303,779
Highways and streets	976,103	915,179			976,103	915,179
Public aviation	268,710	179,508			268,710	179,508
Culture and recreation	382,121	355,883	-	-	382,121	355,883
Grant expenditures	-	-	-	-	-	-
Bond Interest	11,154	32,208	205,559	203,565	216,713	235,773
Water and sewer	-	-	3,089,955	2,743,334	3,089,955	2,743,334
Total expenses	5,314,180	4,735,904	3,340,676	3,087,894	8,654,856	7,823,798
Increase (decrease) in net position	690,406	325,581	39,103	1,297,764	729,509	1,623,345
Transfers	(726,515)	-	726,515	-		
Net Position, beginning of the year	2,741,504	2,415,923	11,854,734	10,556,970	14,596,238	12,972,893
Prior Period Adjustment	-	-	-	-	-	-
Net Position, ending of the year	2,705,395	2,741,504	12,620,352	11,854,734	15,325,747	14,596,238

The government's total net position increased by \$729,509 during the current fiscal year. Net position of business-type activities increased by \$39,103 with the general fund resulting in an increase of \$690,406.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of available resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may be a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the 2024 fiscal year, the governmental funds, which include the general fund, reported an ending fund balance of \$1,592,012, a decrease of \$(97,621) in comparison with the prior year. Of this amount, 68% constitutes *unreserved fund balance*, which is available for spending at the government's discretion.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise fund at the end of the year amounted to \$5,705,971. Net position for the enterprise fund increased by \$39,103 before transfers during 2024.

General fund Budgetary Highlights

There were no differences between the original budget and the final amended budget. During the year, revenues were more than budgetary estimates by \$939,689 and expenditures were more than budgetary estimates by \$200,187.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024 amounts to \$24,730,937 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, streets and roads, and water and sewer system infrastructure. The City chose not to report general infrastructure assets retroactively, as permitted by GASB No. 34 for smaller governments. The City will prospectively report newly acquired or constructed general infrastructure assets in the statement of net position in the period they acquire or construct those assets.

Additional information on the city's capital assets can be found in Note 6 on pages 28 through 32 of this report.

Long-term Debt. At the end of the 2024 fiscal year, the City of Cameron had total bonded debt outstanding of \$16,282,599. The business-type activities accounted for \$15,764,000 of this amount.

**City of Cameron Outstanding Debt
Revenue Bonds and Note Payable
September 30, 2024**

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Leases payable	\$ 174,599	\$ 363,771	\$ -	\$ 28,297	\$ 174,599	\$ 392,068
Combinations tax & revenue bonds and certificates of deposit	344,000	356,000	15,565,000	16,570,000	15,909,000	16,926,000
Revenue bonds	-	-	199,000	216,000	199,000	216,000
Notes & Loans payable	-	-			-	
Total liabilities	\$ 518,599	\$ 719,771	\$ 15,764,000	\$ 16,814,297	\$ 16,282,599	\$ 17,534,068

Additional information on the City's long-term debt can be found in Note 7 on pages 33 through 36 of this report.

Economic Factors and Next Year's Budget

The ad valorem tax rate for 2024 was a combined rate of \$0.659373 per \$100 of assessed valuation. The 2023-2024 Budget calls for \$8,395,942 in revenues and \$8,506,550 in expenses.

Requests for Information

This financial report is designed to provide a general overview of the City of Cameron finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the City of Cameron, Attention: City Secretary, P.O. Box 833, Cameron, Texas 76520.

CITY OF CAMERON
STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Primary Government			Component Unit	Component Unit
	Governmental Activities	Business Type Activities	Total	Cameron Education Corporation	Cameron EDC
ASSETS					
Cash and Cash Equivalents	\$ 293,423	\$ 2,152,652	\$ 2,446,075	\$ 12,616	837,075
Restricted Cash and Cash Equivalents	507,525	4,791,288	5,298,813	-	102,067
Investments - CDs	-	45,000	45,000	-	-
Receivables (net of allowance for uncollectibles)	1,142,890	1,183,291	2,326,181	-	23,190
Due from Primary Government	-	-	-	-	-
Inventories	2,328	63,091	65,419	-	-
Capital Assets:		-			
Land	458,869	64,522	523,391	-	978,865
Infrastructure, net	564,311	-	564,311	-	408,483
Buildings, Systems and Improvements, net	1,928,272	17,642,587	19,570,859	-	2,547,309
Machinery and Equipment, net	590,655	481,932	1,072,587	-	20,009
Construction in Progress	-	2,999,789	2,999,789	-	-
Other Assets					8,151
Total Assets	5,488,273	29,424,152	34,912,425	12,616	4,925,149
Deferred Outflows of Resources-Pension	534,163	196,245	730,408	-	-
LIABILITIES					
Accounts Payable and Other Current Liabilities	189,363	158,725	348,088	-	3,728
Due to Component Unit	-	-	-	-	-
Security Deposits payable	-	187,605	187,605	-	-
Noncurrent Liabilities	-	-	-	-	-
Net Pension Liability	872,775	301,347	1,174,122	-	-
Net OPEB Liability	113,329	38,420	151,749	-	-
Due Within One Year	156,848	837,000	993,848	-	80,000
Due in More Than One Year	361,751	14,927,000	15,288,751	-	625,000
Total Liabilities	1,694,066	16,450,097	18,144,163	-	708,728
Deferred Inflows of Resources	1,622,975	549,948	2,172,923		
NET POSITION					
Net Investment in Capital Assets	3,023,508	5,541,363	8,564,871	-	3,257,817
Restricted for Debt Service	201,300	1,256,485	1,457,785	-	102,067
Restricted for Cemetery Care	49,955		49,955		
Restricted for Court Security	66,620		66,620		
Restricted for Child Safety	6,789		6,789		
Restricted for Court Technology & other court accts	123,789		123,789		
Restricted for Reserve//Capital Projects	59,072	116,533	59,072		
Unrestricted Net Position	(825,638)	5,705,971	4,880,333	12,616	856,537
Total Net Position	2,705,395	12,620,352	15,325,747	12,616	4,216,421

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
General Government	\$ 1,347,293	\$ 193,412	\$ 165,011
Public Safety	771,633	98,435	-
Police & Court	1,428,585	121,379	-
Highways and Streets	976,103	-	-
Public Aviation	268,710	288,710	88,053
Culture and Recreation	382,121	19,887	1,474
Total Pension Expense	171,815	-	-
Total OPEB Expense	1,928	-	-
Bond Interest	216,713	-	-
Total Governmental Activities:	<u>5,564,901</u>	<u>721,823</u>	<u>254,538</u>
BUSINESS-TYPE ACTIVITIES:			
Water and Sewer	<u>3,089,955</u>	<u>3,059,796</u>	<u>246,471</u>
Total Business-Type Activities:	<u>3,089,955</u>	<u>3,059,796</u>	<u>246,471</u>
TOTAL PRIMARY GOVERNMENT:	<u>\$ 8,654,856</u>	<u>\$ 3,781,619</u>	<u>\$ 501,009</u>
Component Unit:			
Cameron Economic Development Corporation	\$ 570,196		
Cameron Education Corporation	-	-	-
TOTAL COMPONENT UNITS:	<u>\$ 570,196</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property Taxes

Sales Tax & Hotel/Motel Tax

Franchise Fees

Miscellaneous Revenue

Investment Earnings

Transfers In (Out)

Total General Revenues and Transfers

Net Position Increase (Decrease)

Net Position -- Beginning

Net Position -- Ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and changes in Net Position					
Primary Government			Component Unit	Component Unit	
Governmental Activities	Business-type Activities	Total	Cameron Education Corporaton	Cameron EDC	
\$ (988,870)	\$ -	\$ (988,870)	\$ -		
(673,198)	-	(673,198)	-		
(1,307,206)	-	(1,307,206)	-		
(976,103)	-	(976,103)	-		
108,053	-	108,053	-		
(360,760)	-	(360,760)	-		
(127,143)	(44,672)	(171,815)	-		
(1,438)	(490)	(1,928)			

(11,154)	(205,559)	\$ (216,713)	
(4,337,819)	(250,721)	(4,588,540)	-

-	216,312	216,312	-
(4,337,819)	(34,409)	(4,372,228)	-
-	-	-	- (570,196)
-	-	-	-
-	-	-	- (570,196)

2,459,087	-	2,459,087	-	
1,633,009	-	1,633,009	-	460,121
725,503	-	725,503	-	
19,052	-	19,052	-	438,851
191,574	73,512	265,086	597	15,875
-	-	-	-	
5,028,225	73,512	5,101,737	597	914,847
690,406	39,103	729,509	597	344,651
2,741,504	11,854,734	14,596,238	12,019	3,871,770
(726,515)	726,515	-		
\$2,705,395	12,620,352	\$15,325,747	12,616	4,216,421

The accompanying notes are an integral part of the financial statements.

**CITY OF CAMERON
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	General Fund	Other Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 293,423	\$ 507,525	\$ 800,948
Receivables (net of allowance for uncollectibles)	978,099	-	978,099
Inventories	2,328	-	2,328
Property taxes receivable	164,791	-	164,791
Total Assets	\$ 1,438,641	\$ 507,525	\$ 1,946,166
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	189,363	-	189,363
Due to Component Unit	-	-	-
Unearned Revenues	164,791	-	164,791
Other Current Liabilities	-	-	-
Total Liabilities	354,154	-	354,154
Fund Balances:			
Nonspendable	2,328		2,328
Restricted for Debt Service		201,300	201,300
Committed for Special Revenue Funds		306,225	306,225
Assigned	-	-	-
Unassigned	1,082,159	-	1,082,159
Total Fund Balances	1,084,487	507,525	1,592,012
Total Liabilities and Fund Balances	\$ 1,438,641	\$ 507,525	\$ 1,946,166

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds	\$ 1,592,012
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	3,542,107
Deferred outflows of resources are not assets recognized and available in the current period	534,163
Difference in current and prior year receivables and accounting & timing differences	164,791
Deferred Inflows of Resources are not recognized in governmental funds	(1,622,975)
Some long-term liabilities are not due and payable in the current period and therefore are not reported in these funds. Those liabilities consist of:	4,428
Bonds payable	(523,027)
Net Pension Liability	(872,775)
Net OPEB Liability	(113,329)
Net Position of Governmental Activities	<u>\$ 2,705,395</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Other Funds	Total Governmental Funds
REVENUES:			
Taxes:			
Property Taxes	\$ 2,414,940	\$ -	\$ 2,414,940
General Sales And Use Taxes, Hotel Taxes	1,400,064	232,945	1,633,009
Franchise Fees	725,503	-	725,503
Licenses and Permits	26,171	-	26,171
Charges for Services	258,758	328,868	587,626
Fines	108,026	-	108,026
Investment Earnings	171,731	19,843	191,574
Grants and donations	166,485	88,053	254,538
Other Revenue	19,052	-	19,052
Total Revenues	<u>5,290,730</u>	<u>669,709</u>	<u>5,960,439</u>
EXPENDITURES:			
Current:			
General Government	743,478	-	743,478
Public Safety	655,256	-	655,256
Police & Court	1,341,117	12,341	1,353,458
Public Works			
Highways	941,004	-	941,004
Public Aviation	-	268,710	268,710
Culture and Recreation	323,419	18,077	341,496
Cameron Tourism and Advisory Board	-	-	-
Sales Tax to CEDC	460,121	-	460,121
Debt Service:			
Bond Principal	-	216,671	216,671
Bond Interest	-	11,154	11,154
Capital Outlay:			
Capital Outlay	340,197	-	340,197
Total Expenditures	<u>4,804,592</u>	<u>526,953</u>	<u>5,331,545</u>
Excess (Deficiency) of Revenues Over (Under)	486,138	142,756	628,894
Expenditures	486,138	142,756	628,894
OTHER FINANCING SOURCES (USES):			
Loan proceeds	-	-	-
Transfers In	100,422	-	100,422
Transfers (Out)	(726,515)	(100,422)	(826,937)
Total Other Financing Sources (Uses)	<u>(626,093)</u>	<u>(100,422)</u>	<u>(726,515)</u>
Net Change in Fund Balances	(139,955)	42,334	(97,621)
Fund Balance - October 1 (Beginning)	1,224,442	465,191	1,689,633
Fund Balance - September 30 (Ending)	<u>\$ 1,084,487</u>	<u>\$ 507,525</u>	<u>\$ 1,592,012</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF
ACTIVITIES
SEPTEMBER 30, 2024

Total Net Change in Fund Balances - Governmental Funds	\$ (97,621)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>	
Capital outlay expenditures \$340,197	
Depreciation expense (-396,312)	(56,115)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property taxes not collected \$164,791	44,147
Less: Prior year (120,644)	
Changes in Pension and OPEB liability are not changes for governmental funds	243,225
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	-
Total OPEB Expense is not recognized in governmental funds	(1,438)
Total Pension expense is not recognized in governmental funds	(127,143)
Change in Deferred Outflows of Resources are not recognized in governmental funds	120,440
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing deferred revenue as revenue, eliminating interfund transactions, reclassifying the proceeds of bond sale as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase (decrease) net assets. Principal payments \$216,671	117,907
Change in Deferred Inflows of Resources not recognized in governmental funds	216,671
	230,333
	<u>\$ 690,406</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities Water and Sewer
ASSETS	
Current Assets:	
Cash and Cash Equivalents	2,152,652
Restricted Cash and Cash Equivalents	4,791,288
Investments - CD	45,000
Accounts Receivable - Net of Allowance	1,183,291
Inventories	63,091
Total Current Assets	<u>8,235,322</u>
Noncurrent Assets:	
Capital Assets:	-
Land	64,522
Buildings, Systems and Improvements	28,640,553
Machinery and Equipment	1,606,100
Construction in Progress	2,999,789
Less Accumulated Depreciation	(12,122,134)
Other Assets	
Total Noncurrent Assets	<u>21,188,830</u>
Total Assets	<u>29,424,152</u>
Deferred Outflows of Resources	196,245
LIABILITIES	
Current Liabilities:	
Accounts Payable	158,725
Payroll Taxes Payable & Insurance Payable	-
Customer Deposits Payable	187,605
General Obligation Bonds Payable-current	-
TWDB 2012 Bonds Payable-current	45,000
Revenue Bonds Payable-current	17,000
Lease payable current	-
2016 ACombination Tax & Revenue Certificates of Obligation-current	335,000
2016 BCombination Tax & Revenue Certificates of Obligation-current	440,000
Total Current Liabilities	<u>1,183,330</u>
Noncurrent Liabilities:	
Net Pension Liability	301,347
General Obligation Bonds Payable	-
Net OPEB Liability	38,420
TWDB 2012 Bonds Payable	350,000
Revenue Bonds Payable	182,000
Leases payable	-
2016B Combination Tax & Revenue Certificates of Obligation	6,325,000
2016B Combination Tax & Revenue Certificates of Obligation	8,070,000
Total Noncurrent Liabilities	<u>15,266,767</u>
Total Liabilities	<u>16,450,097</u>
Deferred Inflows of Resources	549,948
NET POSITION:	
Net Investment in Capital Assets	5,541,363
Restricted for Debt Service	1,256,485
Restricted for Construction	116,533
Unrestricted Net Position	5,705,971
Total Net Position	<u>12,620,352</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Water and Sewer
OPERATING REVENUES:	
Charges for Sales and Services	3,059,518
Water and Sewer Tap Fees	-
Grant Revenue	246,471
Miscellaneous income	-
Total Operating Revenues	<u>3,305,989</u>
OPERATING EXPENSES:	
Cost of Service	1,625,041
Administration	790,447
Depreciation	719,351
Total Operating Expenses	<u>3,134,839</u>
Operating Income	<u>171,150</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest Income	73,512
Interest Expense and Fiscal Charges	205,559
Total Non-operating Revenue (Expenses)	<u>(132,047)</u>
Income Before Contributions & Transfers	39,103
Capital Contributions	
Non-Operating Transfer In	726,515
Transfers Out	-
Change in Net Position	<u>765,618</u>
Total Net Position - October 1 (Beginning)	<u>11,854,734</u>
Total Net Position - September 30 (Ending)	<u>\$ 12,620,352</u>

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Water and Sewer
Cash Flows from Operating Activities:	
Receipts from Customers and Users	\$ 3,292,445
Payments to Suppliers	(1,750,213)
Payments to Employees	(747,324)
Net Cash Provided by Operating Activities	<u>794,908</u>
Cash Flows from Noncapital Financing Activities:	
Transfers to Other Funds	-
Transfers from Other Funds	726,515
Net Cash used in Noncapital Financing Activities	<u>726,515</u>
Cash Flows from Capital and Related Financing Activities:	
Loan proceeds	-
Capital outlay	(1,837,671)
Principal Paid on Capital Debt	(1,050,297)
Interest and Fiscal Charges Paid on Capital Debt	(205,559)
Differences in Net Pension Position not involving cash	45,151
Net Cash Provided by Capital and Related Financing Activities	<u>(3,048,376)</u>
Cash Flows from Investing Activities:	
Transfer to (from) Restricted Cash funds	314,274
Interest Received	73,512
Net Cash Provided by Investing Activities	<u>387,786</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,139,167)
Cash and Cash Equivalents, Beginning of Year	<u>3,291,819</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 2,152,652</u></u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities	-
Operating Income	\$ 171,150
Adjustments to reconcile operating income to	
Net Cash Provided by Operating Activities:	
Depreciation	719,351
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	43,254
Decrease in interest receivable	-
(Increase) Decrease in Inventories	-
(Increase) Decrease in deferred charges	-
(Decrease) Increase in Accounts & Wages Payable	(142,167)
(Decrease) Increase in Customer Deposits & other liabilities	3,320
(Decrease) Increase in accrued interest payable	-
Net Cash Provided by Operating Activities	<u><u>\$ 794,908</u></u>

The accompanying notes are an integral part of the financial statements.

City of Cameron, Texas
Notes to Financial Statements
September 30, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

The City of Cameron, Texas (the City) was incorporated under the provisions of the laws of the State of Texas. The city is a council-manager municipal corporation and provides the following services: public safety, highways and streets, public aviation, culture and recreation, economic development, and general administrative services. The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable, except as noted below. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize it is legally separate from the government.

Discretely presented component units – The Cameron Economic Development corporation (the Economic Development Corporation) is an economic development corporation authorized to act on behalf of the City to promote and develop commercial, industrial and manufacturing enterprises. The members of the governing board of the Economic Development Corporation are appointed by the City Council and the Economic Development Corporation's operational budget is reviewed and approved by the City Council. The Economic Development Corporation is fiscally dependent on the revenues provided from a portion of the sales tax levied by the City.

The accompanying financial statements do include a second component unit of the City, the City of Cameron Education Corporation (the Education Corporation). The members of the governing board of the Education Corporation are appointed by the City Council and the Education Corporation's operational budget is reviewed and approved by the City Council.

Additional financial information for the Cameron Economic Development Corporation may be obtained at the city's administrative office.

City of Cameron, Texas

Notes to Financial Statements (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) 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 non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (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. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(c) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. 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.

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 City 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 claims and judgments, are recorded only when payment is due. Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue is considered to be measurable and available only when cash is received by the City.

City of Cameron, Texas

Notes to Financial Statements (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Measurement focus, basis of accounting and financial statement presentation (continued)

The City reports the following major governmental funds:

General Fund – The general fund is the city's primary operating fund. It is used to account for all financial resources of the general government except those required to be accounted for in another fund.

Water and Sewer Fund – the water and sewer fund accounts for the activities of the water distribution system, the sewage treatment and collection systems.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type and enterprise funds, subject to this same limitation. The city has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, all general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the city's policy to use restricted resources first, then unrestricted resources as they are needed.

City of Cameron, Texas

Notes to Financial Statements (continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Cash equivalents

For purposes of the statement of cash flows, the City's proprietary fund type considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

(f) Interfund activity

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (current portion) or "advances to/from other funds" (non-current portion). All other outstanding balances between funds are reported as "due to/from other funds."

The City makes payments from the water and sewer fund to the general fund in lieu of taxes that are reported as transfers.

(g) Restricted assets

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

(h) Capital assets

Capital assets, which include buildings, systems and improvements, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The City chose not to report any general infrastructure assets constructed or acquired prior to October 1, 2003, as permitted by GASB No. 34 for smaller governments. The City will prospectively report all newly acquired or constructed general infrastructure assets in the statement of net assets in the period they acquire or construct those assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

City of Cameron, Texas
Notes to Financial Statements
(continued)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Capital assets (continued)

Capital assets of the City are depreciated using the straight-line method over the following estimates of useful lives:

<u>Assets</u>	<u>Years</u>
Buildings, systems and improvements	10-50
Machinery and equipment	3-20
Infrastructure	20-30

(i) Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(j) Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

City of Cameron, Texas
Notes to Financial Statements
(continued)

2. BUDGETARY INFORMATION

Prior to the beginning of each fiscal year, the City Manager submits to the City Council a proposed budget for the fiscal year beginning on the following October 1. Formal budgetary integration is employed for the general fund. The budget includes proposed expenditures and the means of financing those expenditures.

Public hearings are conducted at which all interested persons' comments concerning the budget are heard.

The budget is legally enacted by the City Council. Budgetary control is maintained at the fund level. Budget revisions are made during the year. All annual appropriations lapse at fiscal year-end.

3. DEPOSITS AND INVESTMENTS

At year end, the City's carrying amount of deposits was \$7,757,504 and the bank balance of deposits is \$7,757,504 and the component unit's carrying amount of deposits was \$939,142. All bank balances were entirely covered by federal depository insurance coverage or by collateral held by the City's custodial bank and pledged in the City's name.

The City's investment policy authorizes the City to invest excess cash in (a) obligations of the United States Government, its agencies and instrumentalities, (b) fully insured or collateralized certificates of deposits from a bank doing business in the State of Texas (c) commercial paper, (d) repurchase and reverse repurchase agreements as defined by the Public Funds Investment act, (e) registered money market funds, and (f) constant dollar Texas Local Government Investment

Pools as defined by the Public funds Investment Act.

The City is also required to follow specific investment practices prescribed by the Public funds Investment Act (the Act) related to establishment of appropriate investment policies and management reports. The City is in compliance with all such significant provisions of the Act.

4. PROPERTY TAXES

The City's property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. The net assessed value upon which the fiscal 2023-2024 levy was based was \$365,424,123. The tax rate for the fiscal 2024 levy was \$.659373 per \$100 valuation (\$.487673 per \$100 valuation for maintenance and operations, and \$.1717 per \$100 valuation for debt service). The property tax levy was \$2,409,508 with property taxes receivable of \$164,791, with \$79,429 current and \$85,362 delinquent.

Taxes are due by January 31 following the October 1 levy date. Current tax collections for the year ended September 30, 2024 were 98% of the tax levy.

City of Cameron, Texas
Notes to Financial Statements
(continued)

5. RECEIVABLES

Receivables as of year-end for the city's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Water and Sewer	Other Governmental Funds	Total
Receivables:				
Accounts	\$ 884,548	\$ 1,228,291	\$ -	\$ 2,112,839
Property Tax	164,791	-	-	164,791
Sales Tax	113,695			113,695
Gross receivables	1,163,034	1,228,291	-	2,277,630
Less: allowance for uncollectibles	20,144	45,000	-	65,144
Net Total Receivables	\$ 1,142,890	\$ 1,183,291	\$ -	\$ 2,212,486

Governmental funds report deferred revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

6. CAPITAL ASSETS

Primary Government

	Balance October 1, 2023	Increases	Decreases	Balance September 30, 2024
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 458,869	\$ -	\$ -	\$ 458,869
Construction in process	-	-	-	-
Total capital assets, not being depreciated	\$ 458,869	\$ -	\$ -	\$ 458,869

City of Cameron, Texas
Notes to Financial Statements
(continued)

6. CAPITAL ASSETS (continued)

	Balance			Balance
	October 1, 2023	Increases	Decreases	September 30, 2024
Governmental activities:				
Capital assets, being depreciated:				
Building, systems and improvements	\$ 4,016,574	\$ -	\$ -	\$ 4,016,574
Infrastructure	1,203,483	11,038	-	1,214,521
Machinery, equipment & vehicles	4,397,089	329,159	-	4,726,248
total capital assets, being depreciated	<u>\$ 9,617,146</u>	<u>\$ 340,197</u>	<u>\$ -</u>	<u>\$ 9,957,343</u>
Less accumulated depreciation for:				
Buildings, systems and improvements	(2,016,407)	(71,895)	-	(2,088,302)
Infrastructure	(617,556)	(32,654)	-	(650,210)
Machinery & equipment	<u>(3,843,830)</u>	<u>(291,763)</u>	<u>-</u>	<u>(4,135,593)</u>
Total accumulated depreciation	<u>(6,477,793)</u>	<u>(396,312)</u>	<u>-</u>	<u>(6,874,105)</u>
Total capital assets being depreciated, net	<u>3,139,353</u>	<u>(56,115)</u>	<u>-</u>	<u>3,083,238</u>
Governmental activities capital assets, net	<u>\$ 3,598,222</u>	<u>\$ (56,115)</u>	<u>\$ -</u>	<u>\$ 3,542,107</u>

City of Cameron, Texas
Notes to Financial Statements
(continued)

6. CAPITAL ASSETS (continued)

Primary Government

	Balance			Balance
	October 1, 2023	Increases	Decreases	September 30, 2024
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 64,522	\$ -	\$ -	\$ 64,522
Construction in process	5,182,397	1,443,452	(3,626,060)	2,999,789
Total capital assets, not being depreciated	5,246,919	1,443,452	(3,626,060)	3,064,311
Capital assets, being depreciated:				
Buildings, systems and improvements	24,620,274	4,020,279	-	28,640,553
Machinery & equipment	1,606,100	-	-	1,606,100
Total capital assets, being depreciated	26,226,374	4,020,279	-	30,246,653
Less accumulated depreciation for:				
Buildings, systems and improvements	(10,373,676)	(624,290)	-	(10,997,966)
Machinery & equipment	(1,029,107)	(95,061)	-	(1,124,168)
Total accumulated depreciation	(11,402,783)	(719,351)	-	(12,122,134)
Business-type activities, capital assets, net	\$ 20,070,510	\$ 4,744,380	\$ (3,626,060)	\$ 21,188,830

City of Cameron, Texas

Notes to Financial Statements (continued)

6. CAPITAL ASSETS (continued)

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

Governmental activities	
General government	\$ 129,085
Public Safety	116,377
Highways and streets	35,099
Culture and recreation	40,625
Police	75,127
	<hr/>
	\$ 396,313
	<hr/>
Business-type activities:	
Water and sewer facilities	<hr/> 719,351

Pensions

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when 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. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

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 City has the following items that qualify for reporting in this category.

City of Cameron, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Pension contributions after measurement date – these contributions are deferred and recognized in the following fiscal year.
- 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 statements element, deferred inflows or 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 City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, this item is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and municipal court fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position

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

City of Cameron, Texas
Notes to Financial Statements
(continued)

7. LONG-TERM DEBT

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital assets. General obligation bonds have been issued for both the governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City also issues revenue bonds where the City pledges income derived from the acquired constructed assets to pay the debt service.

Long-term debt activity for the year ended September 30, 2024 was as follows:

	Balance October 1, 2023	Additions	Reductions	Balance September 30, 2024	Due Within One Year
Governmental activities:					
Equipment Leases	363,771	-	189,172	174,599	144,848
2015 Tax Note	-	-	-	-	-
2008 Cert.of Obligation	-	-	-	-	-
2003 Cert.of Obligation A	285,000	-	10,000	275,000	10,000
2003 Cert.of Obligation B	71,000	-	2,000	69,000	2,000
Certificates of obligation	-	-	-	-	-
	<u>\$ 719,771</u>	<u>\$ -</u>	<u>\$ 201,172</u>	<u>\$ 518,599</u>	<u>\$ 156,848</u>
Business-type activities:					
Revenue bonds	216,000	-	17,000	199,000	17,000
Certificates of obligation	-	-	-	-	-
2003 Cert.of Obligation	50,000	-	50,000	-	-
2004 Cert. of Obligation	135,000	-	135,000	-	-
2012 TWDB Bonds	440,000	-	45,000	395,000	45,000
Sewer Jetter lease	28,297	-	28,297	-	-
2022 SIB Equip Lease	-	-	-	-	-
Certificates of Obligation	-	-	-	-	-
2016A Comb.Tax Rev CO	6,995,000	-	335,000	6,660,000	335,000
2016B Comb.Tax Rev CO	8,950,000	-	440,000	8,510,000	440,000
	<u>\$ 16,814,297</u>	<u>\$ -</u>	<u>\$ 1,050,297</u>	<u>\$ 15,764,000</u>	<u>\$ 837,000</u>

The Texas Water Development Board also issued two Combination Tax & Revenue Certificates of Obligation for Water System Improvements, 2016A for \$9,305,000 and 2016B for \$12,000,000.

City of Cameron, Texas

Notes to Financial Statements (continued)

LONG-TERM DEBT (continued)

Debt for governmental activities at September 30, 2024 (continued):

Equipment Loans for Firetruck, Road Grader and Tractor, due in payments from \$2607 to \$26,808, various interest rates and terms.	174,599
\$240,000 Limited Tax Note Series 2015 due in annual installments of \$39,042 through December 10, 2022; interest at 3.4%.	-
\$406,000 - 2003A Tax and revenue certificates of obligation due in annual installments of \$4,000 to \$22,000 through March 2042; interest at 4.75%	275,000
\$100,000 - 2003B Tax and revenue certificates of obligation due in annual installments of \$1,000 to \$5,000 through March 2042; interest at 4.5%	69,000
\$850,000 - 2008 combination tax and revenue certificates of obligation due in annual installments of \$15,000 to \$80,000 through February 15, 2023; interest of 4.41%.	-
	<hr/>
	\$ 518,599

Annual debt service requirements to maturity for governmental activities are as follows:

Year ended September 30:	Principal	Interest
2025	192,889	8,411
2026	171,427	15,579
2027	154,283	4,857
	<hr/>	<hr/>
	\$ 518,599	\$ 28,847

City of Cameron, Texas
Notes to Financial Statements
(continued)

LONG-TERM DEBT (continued)

Debt for business-type activities at September 30, 2024 is comprised of the following issues:

\$9,305,000 Combination Tax & Surplus Revenue Certificates of Obligation, Series 2016A, due in annual installments of \$414,009 to \$420,245, begins March 01, 2017 through March 1, 2042, interest rate 1.13%	\$ 6,660,000
\$12,000,000 Combination Tax & Surplus Revenue Certificates of Obligation, Series 2016B, due in annual installments of \$515,651 to \$523,733, begins March 01, 2017 through March 1, 2042, interest rate 1.13%	\$ 8,510,000
\$450,000 - 1994 Waterworks and sewer revenue bonds due in annual installments of \$6,000 to \$25,000 through February 2033; interest at 4.5%	\$ 199,000
 \$710,000 - 2003A Tax and revenue certificates of obligation due in annual installments of \$25,000 to \$50,000 beginning February 2005 through February 2024; interest at .65% to 4.0%	 \$ -
\$1,800,000 - 2004 Tax and revenue certificates of obligation due in annual installments of \$70,000 to \$135,000 beginning February 2006 through February 2024; interest at .75% to 3.5%	-
 \$860,000 - 2012 Tax and Revenue Certificates of Obligation due in annual installments between \$35,000 to \$55,000 beginning March 1, 2013, with variable interest rates going up to .0324	 395,000
 \$275,000 - 2022 SIB Loan due in annual installments of \$29,485, interest rate of 1.45% Loan expires May, 24, 2032.	 -
 \$132,640 Loan for Sewer Jetter, financed by Government Capital Corporation Payments of \$29,407, interest rate of 2.8% and loan expires 2023.	 -
	 <u>\$ 15,764,000</u>

City of Cameron, Texas
Notes to Financial Statements
(continued)

7. LONG -TERM DEBT (continued)

Annual debt service requirements to maturity for business-type activities are as follows:

Year Ended September 30,	Principal	Interest
2025	1,069,778	186,707
2026	1,076,659	179,826
2027	1,084,545	171,940
2028	1,094,595	161,890
2029	1,102,502	153,983
Thereafter	10,335,921	1,422,629
Total	<u>15,764,000</u>	<u>2,276,975</u>

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of moneys through various restricted accounts, and minimum amounts to be maintained in various sinking funds. Sinking funds are required to be maintained adequate to fund interest and principal as such payments become due.

There is no specific maximum debt limit established by law for the City; therefore, the limit is governed by the City's ability to levy and collect taxes to service the debt.

City of Cameron, Texas
Notes to Financial Statements
(continued)

8. EMPLOYEE BENEFIT PLAN

1. Texas Municipal Retirement Systems

Plan Description

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

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

B. Benefits Provided

TMRS provides retirement, disability and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Employees covered by benefit terms.

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

Inactive employees or beneficiaries currently receiving benefits	38
Inactive employees entitled to but not yet receiving benefits	46
Active employees	43
Total	127

C. Contributions

The contribution rate for the employees in TMRS 5% of employee gross earnings, and the City matching percentages are 200%, both as adopted by the governing body of the City. For employees that were employed before TMRS retirement was in place the rate is 10.21% to allow them to catch up. Under the state law governing TMRS, the contribution rate for each city is annually determined by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Cameron were required to contribute 5% of their annual gross earnings during the fiscal year. Employees who were employed before TMRS contribute 10.21% in order to catch up. The contribution rates for the City of Cameron were 5% and 5% in calendar years 2024 and 2023 respectively. The city's contributions to TMRS for the year ended September 30, 2024 were \$236,741 and were equal to of the required contributions.

NOTE 8 – PENSION PLANS (continued)D. Net Pension Liability

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

Actuarial assumptions:

The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Inflation 2.5% per year

Overall payroll growth 3.0% to 10.5% per year

Investment Rate of Return 6.75% net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Disabled Retiree Mortality Table is used, with slight adjustments.

Actuarial assumptions used in the December 31, 2023, valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period January 1, 2010 through December 31, 2004, first used in the December 31, 2018 valuation. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2016 valuation.

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

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

NOTE 8 – PENSION PLANS (continued)

Asset class	Target allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.80%
International Equity	17.5%	6.05%
Core Fixed Income	30.0%	1.50%
Non-Core Fixed Income	10.0%	3.50%
Real Return	5.0%	1.75%
Real Estate	10.0%	5.25%
Absolute Return	5.0%	4.25%
Private Equity	5.0%	8.50%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed 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 periods of projected benefit payments to determine the Total Pension Liability.

City of Cameron
Schedule of Changes in Net Pension Liability and Related Ratios Current Period
September 30, 2024

A.	Total pension liability	
	1. Service Cost	\$ 265,354
	2. Interest (on the Total Pension Liability)	468,499
	3. Changes of benefit terms	-
	4. Difference between expected and actual experience	18,202
	5. Changes of assumptions	(94,932)
	6. Benefit payments, including refunds of employee contributions	(304,189)
	7. Net change in total pension liability	\$ 352,934
	8. Total pension liability - beginning	6,960,149
	9. Total pension liability - ending	<u>\$ 7,313,083</u>
B.	Plan fiduciary net position	
	1. Contributions - employer	\$ 236,741
	2. Contributions - employee	105,972
	3. Net investment income	632,930
	4. Benefit payments, including refunds of employee contributions	(304,189)
	5. Administrative Expense	(4,029)
	6. Other	(28)
	7. Net change in plan fiduciary net position	\$ 667,397
	8. Plan fiduciary net position - beginning	5,471,563
	9. Plan fiduciary net position - ending	<u>\$ 6,138,960</u>
C.	Net pension liability [A.9-B.9]	<u>\$ 1,174,123</u>
D.	Plan fiduciary net position as a percentage of the total pension liability [B.9 / A.9]	83.94%
E.	Covered-employee payroll	\$ 2,119,443
F.	Net pension liability as a percentage of covered employee payroll [C / E]	55.40%

CITY OF CAMERON
SCHEDULE OF PENSION EXPENSE
SEPTEMBER 30, 2024

1. Total Service Cost	\$ 265,354
2. Interest on the Total Pension Liability	468,499
3. Current Period Benefit Changes	-
4. Employee Contributions (Reduction of Expense)	(105,972)
5. Projected Earnings on Plan Investments (Reduction of Expense)	(369,331)
6. Administrative Expense	4,029
7. Other Changes in Fiduciary Net Position	28
8. Recognition of Current Year Outflow (Inflow) of Resources - Liabilities	(26,829)
9. Recognition of Current Year Outflow (Inflow) of Resources - Assets	(52,720)
10. Amortization of Prior Year Outflows (Inflows) of Resources - Liabilities	(28,024)
11. Amortization of Prior Year Outflows (Inflows) of Resources - Assets	16,781
12. Total Pension Expense	<u>\$ 171,815</u>

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

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)		1% Increase in Discount Rate (7.75%)
City's net pension liability	\$2,116,315	\$1,174,123	\$ 395,312

Pension Plan Fiduciary Net Position

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

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

CITY OF CAMERON
SCHEDULE OF OUTFLOWS AND INFLOWS - CURRENT AND FUTURE EXPENSE
SEPTEMBER 30, 2024

	Recognition Period (or amortization yrs)	Total (Inflow) or Outflow of Resources	2023 Recognized in current pension expense	Deferred (Inflow) Outflow in future expense
<u>Due to Liabilities:</u>				
Difference in expected and actual experience [actuarial (gains) or losses]	2.9000	\$ (49,349)	\$ (17,017)	\$ (32,332)
Difference in assumption changes [actuarial (gains) or losses]	2.9000	\$ -	\$ -	\$ -
			<u>\$ (17,017)</u>	<u>\$ (32,332)</u>
<u>Due to Assets:</u>				
Difference in projected and actual earnings	5.0000	\$ 829,632	\$ 165,927	\$ 663,705
on pension plan investments [actuarial (gains) or losses]			<u>\$ 165,927</u>	<u>\$ 663,705</u>
<u>Total:</u>				<u>\$ 631,373</u>

Deferred Outflows and Deferred Inflows of Resources, by year, to be recognized in future pension expense as follows:

	Net deferred outflows (inflows) of resources
2023	\$ (11,243)
2024	74,953
2025	100,071
2026	165,924
2027	-
Thereafter	-
Total	<u>\$ 329,705</u>

NOTE 9 – SUPPLEMENTAL DEATH BENEFITS PLAN

The City also participates in the cost-sharing multiple-employer defined benefit group term life insurance plan operated by the Texas Municipal Retirement System (TMRS); known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is on "other postemployment benefit," or OPEB.

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

The City's contributions to the TMRS SDBF for the years ended 2024, 2023, and 2022 were \$0.29, \$0.32, and \$0.26 respectively, which equaled the required contributions each year.

TMRS records indicate the following percentages contributed by the City (as employer contributions) for the following fiscal years ending:

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2020	0.28%	0.28%	100%
2021	0.26%	0.26%	100%
2022	0.26%	0.26%	100%
2023	0.32%	(city to provide)	(city to provide)
2024	0.29%	(city to provide)	(city to provide)

Net Other Post Employment Benefits Liability.
Actuarial Assumptions

Actuarial assumptions were developed from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. These assumptions were adopted in 2015 and first used in the December 31, 2015 valuation.

All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

NOTE 9 – SUPPLEMENTAL DEATH BENEFITS PLAN

The Mortality Experience Investigation Study covering 2009 through 2011 is used as the basis for the post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs). Mortality Rates for service employees uses the RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis with scale BB to account for future mortality improvements subject to the 3% floor.

Inflation	2.50% per year
Overall payroll growth	3.50 to 11.5% per year including inflation
Discount rate	2.75%

Changes in the Net Other Post Employment Benefits Liability

	Increase (Decrease) Total OPEB Liability
Balance at 12/31/22	\$137,660
Changes for the year	
Service Cost	5,511
Interest on Total OPEB liability	5,614
Changes of benefit terms	0
Differences between expected and actual experience	(789)
Changes in assumption or other inputs	7,356
Benefit payments	(3,603)
Net changes	14,089
Total OPEB Liability – end of year	\$151,749
Total OPEB Liability as a Percentage of Covered Payroll	7.16%

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the current discount rate of 2.75% as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.75%) or -1 percentage point higher (3.75%) than the current rate. Because the SDBF is considered an unfunded trust, the relevant discount rate to calculate the total OPEB liability is based on the Fidelity Index's 20 year Municipal GO AA Index.

	1% Decrease in Discount Rate (1.75%)	Discount Rate (2.75%)	1% Increase in Discount Rate (3.75%)
Total OPEB liability	\$178,954	\$151,749	\$129,951

NOTE 9 – SUPPLEMENTAL DEATH BENEFITS PLAN
CITY OF CAMERON
SCHEDULE OF OPEB EXPENSE
SEPTEMBER 30, 2024

1. Total Service Cost	\$ 5,511
2. Interest on the Total OPEB Liability	5,614
3. Changes in Benefit terms	-
4. Employer administrative costs	-
5. Recognition of deferred outflows/inflows of resources	
6. Difference between expected and actual experience	(8,107)
7. Changes in assumptions or other inputs	(1,090)
8. Total OPEB Expense	<u>\$ 1,928</u>

CITY OF CAMERON
SCHEDULE OF OPEB OUTFLOWS AND INFLOWS - CURRENT AND FUTURE EXPENSE
SEPTEMBER 30, 2024

	Recognition Period (or amortization yrs)	Total (Inflow) or Outflow of Resources	2023 Recognized in current OPEB expense	Deferred (Inflow) Outflow in future expense
<u>Due to Liabilities:</u>				
Difference in expected and actual experience [actuarial (gains) or losses]	4.7100	(789)	(168)	(621)
Difference in assumption changes [actuarial (gains) or losses]	4.7100	7,356	1,562	5,794
Difference in projected and actual earnings on pension plan investments [actuarial(gains) or losses]		-	-	-
Contributions made subsequent to measurement date		Provided by City	Provided by City	Provided by City
			<u>-</u>	<u>5,173</u>

Deferred Outflows and Deferred Inflows of Resources, by year, to be recognized in future pension expense as follows:

	Net deferred outflows (inflows) of resources
2024	\$ (13,374)
2025	(15,068)
2026	(10,881)
2027	991
2028	-
Thereafter	-
Total	<u>\$ (38,332)</u>

NOTE 9 – SUPPLEMENTAL DEATH BENEFITS PLAN

Other Information

Due to the SDBF being considered an unfunded OPEB plan, benefit payments are treated as being equal to the employer's yearly contributions for retirees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. In order to determine the retiree portion of the City's Supplemental Death Benefit Plan contributions (that which is considered OPEB), the City should perform the following calculation:
Total covered payroll * retiree Portion of SDB Contribution (Rate)

10. RISK MANAGEMENT

The City 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 City purchases commercial insurance coverage for these risks of loss.

11. CONTINGENCIES

According to the City Attorney there is no pending litigation that would have a material affect on the financial statements as of September 30, 2024.

Required
Supplementary
Information

CITY OF CAMERON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With
	Original	Final	(GAAP BASIS)	Final Budget Positive or (Negative)
REVENUES:				
Taxes:				
Property Taxes	\$ 2,360,000	\$ 2,360,000	\$ 2,414,940	\$ 54,940
General Sales and Use Taxes	1,002,000	1,002,000	1,633,009	631,009
Franchise Fees	729,000	729,000	725,503	(3,497)
Licenses and Permits	32,000	32,000	26,171	(5,829)
Charges for Services	269,700	269,700	298,916	29,216
Fines	205,000	205,000	108,026	(96,974)
Investment Earnings	77,000	77,000	191,574	114,574
Rents and Royalties Aviation	195,000	195,000	288,710	93,710
Grants, Donations, Misc Revenue	151,050	151,050	273,590	122,540
Total Revenues	5,020,750	5,020,750	5,960,439	939,689
EXPENDITURES:				
Current:				
General Government	882,450	882,450	743,478	138,972
Public Safety	431,519	431,519	655,256	(223,737)
Police & Court	1,519,725	1,519,725	1,353,458	166,267
Public Works	-	-	-	-
Highways and Streets	1,096,700	1,096,700	941,004	155,696
Public Aviation	72,200	72,200	268,710	(196,510)
Culture and Recreation	277,215	277,215	341,496	(64,281)
Cameron Tourism & Advisory Board	-	-	-	-
Sales Tax to CEDC	334,000	334,000	460,121	(126,121)
Debt Service:	-	-	-	-
Bond Principal	517,549	517,549	216,671	300,878
Bond Interest	-	-	11,154	(11,154)
Capital Outlay	-	-	340,197	(340,197)
Total Expenditures	5,131,358	5,131,358	5,331,545	(200,187)
Excess (Deficiency) of Revenues Over (Under)	(110,608)	(110,608)	628,894	739,502
OTHER FINANCING SOURCES (USES):				
Loan Proceeds	-	-	-	-
Transfers In	233,408	233,408	-	-
Transfers Out (Use)	-	-	(726,515)	726,515
Total Other Financing Sources (Uses)	233,408	233,408	(726,515)	(726,515)
Net Change in Fund Balances	122,800	122,800	(97,621)	12,987
Fund Balance - October 1 (Beginning)	1,689,633	1,689,633	1,689,633	1,689,633
Fund Balance - September 30 (Ending)	\$ 1,812,433	\$ 1,812,433	\$ 1,592,012	\$ 1,702,620

The accompanying notes are an integral part of the financial statements.

CITY OF CAMERON
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive or (Negative)
	Original	Final	(GAAP BASIS)	
REVENUES:				
Water Revenue	1,956,800	1,956,800	1,884,087	(72,713)
Sewer Revenue	1,080,000	1,080,000	1,066,288	(13,712)
Late payment penalties	60,000	60,000	68,741	8,741
Water & Sewer taps, water billing	7,000	7,000	8,137	1,137
Reconnects and fees	28,000	28,000	32,265	4,265
Miscellaneous	50	50	168	118
Grant revenues	-	0	246,471	246,471
Investment Earnings	5,500	5,500	73,512	68,012
Transfers	237,842	237,842	-	(237,842)
Total Revenues	3,375,192	3,375,192	3,379,669	77,190
EXPENDITURES:				
Current:				
Water & Sewer Maintenance	829,890	829,890	887,524	(57,634)
Water Treatment & Pump	428,617	428,617	449,454	(20,837)
Sewer Treatment & Disc	331,443	331,443	288,231	43,212
Water & Sewer Administration	878,360	878,360	790,447	87,913
Grant expenditures	-	-	-	-
Bond Principal	906,882	906,882	1,050,297	(143,415)
Bond Interest	-	-	205,559	(205,559)
Depreciation	-	-	719,351	(719,351)
Capital Outlay	-	-	1,837,671	(1,837,671)
Total Expenditures	3,375,192	3,375,192	6,228,534	(2,853,342)
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	-	(2,848,865)	(2,776,152)
OTHER FINANCING SOURCES (USES):				
Add back Bond Principal & Capital Outlay per GAAP			2,887,968	2,887,968
Prior Period Adjustment OPEB			-	-
Transfers Out (Use)	-	-	726,515	(726,515)
Total Other Financing Sources (Uses)	-	-	3,614,483	3,614,483
Net Change in Fund Balances	-	-	765,618	838,331
Fund Balance - October 1 (Beginning)	11,854,734	11,854,734	11,854,734	11,854,734
Fund Balance - September 30 (Ending)	\$ 11,854,734	\$ 11,854,734	\$ 12,620,352	\$ 12,693,065

The accompanying notes are an integral part of the financial statements.

City of Cameron

Schedule of Changes in Net Pension Liability and Related Ratios

in years (will ultimately be displayed)

Total pension liability	2015	2016	2017	2018	2019	2020	2021	2022	2023
1. Service Cost	165,699	175,333	169,160	174,366	188,823	197,059	202,235	240,362	265,5
2. Interest (on the Total Pensio	326,317	336,870	354,227	369,319	379,903	402,065	399,260	444,635	468,4
3. Changes of benefit terms	-	-	-	-	-	-	-	385,961	
4. Difference between expect	23,232	(15,828)	(10,405)	(68,921)	61,881	(315,535)	(34,561)	(49,349)	18,2
5. Changes of assumptions	25,565	-	-	-	25,480	-	-	-	(94,9
6. Benefit payments	(217,291)	(215,960)	(256,351)	(327,651)	(322,731)	(341,010)	(314,458)	(285,014)	(304,1
7. Net change in total pension	323,522	280,415	256,631	147,113	333,356	(57,421)	252,476	736,595	352,9
8. Total pension liability - beg	4,687,462	5,010,984	5,291,399	5,548,030	5,695,143	6,028,499	5,971,078	6,223,554	6,960,1
9. Total pension liability - end	5,010,984	5,291,399	5,548,030	5,695,143	6,028,499	5,971,078	6,223,554	6,960,149	7,313,0
Plan fiduciary net position									
1. Contributions - employer	181,296	174,375	172,821	169,372	183,371	195,538	201,449	178,111	236,7
2. Contributions - employee	81,465	85,863	83,248	85,057	90,868	95,014	\$ 98,172	101,762	105,9
3. Net investment income	5,364	248,616	550,069	(135,261)	665,903	373,487	683,115	(430,916)	632,9
4. Benefit payments	(217,291)	(215,960)	(256,351)	(327,651)	(322,731)	(341,010)	(314,458)	(285,014)	(304,1
5. Administrative Expense	(3,267)	(2,810)	(2,853)	(2,616)	(3,763)	(2,417)	(3,162)	(3,731)	(4,0
6. Other	(162)	(151)	(145)	(138)	(113)	(94)	22	4,452	
7. Net change in plan fiduciary	47,405	289,933	546,789	(211,237)	613,535	320,518	665,138	(435,336)	667,3
8. Plan fiduciary net position - l	3,634,817	3,682,222	3,972,155	4,518,945	4,307,708	4,921,242	5,241,760	5,906,898	5,471,5
9. Plan fiduciary net position - c	3,682,222	3,972,155	4,518,944	4,307,708	4,921,243	5,241,760	5,906,898	5,471,562	6,138,9
Net pension liability [A.9-B.9]	1,328,762	1,319,244	1,029,086	1,387,435	1,107,256	729,318	316,656	1,488,587	1,174,1
Plan fiduciary net position as a percentage of the total pension liability [B	73.48%	75.07%	81.45%	75.64%	81.63%	87.79%	94.91%	78.61%	83.9
Covered-employee payroll	\$ 1,629,292	1,717,269	1,664,960	1,701,133	1,817,354	1,900,281	1,963,449	2,035,241	2,119,4
Net pension liability as a percentage of covered employee payroll [C	81.55%	76.82%	61.81%	81.56%	60.93%	38.38%	16.13%	73.14%	55.4

City of Cameron
Schedule of Contributions
Last 10 Fiscal Years (will ultimately be displayed)
September 30, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actually Determined Contributions	262,761	260,238	256,069	254,429	274,239	290,552	299,621	279,873	342,711
Contributions in relation to the determined contribution	<u>262,761</u>	<u>260,238</u>	<u>256,069</u>	<u>254,429</u>	<u>274,239</u>	<u>290,552</u>	<u>299,621</u>	<u>279,873</u>	<u>342,711</u>
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Covered employee payroll	1,629,292	1,717,269	1,664,960	1,701,133	1,817,354	1,900,281	1,963,449	2,035,241	2,119,441
Contributions as a percentage of employee payroll	16.13%	15.15%	15.38%	14.96%	15.09%	15.29%	15.26%	13.75%	16.17%

Notes to Schedule

Valuation Date determined 12/31/2023

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 and become effective

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	28 Years
Asset Valuation Method	10 Year Smoothed Market 15% Soft Corridor
Inflation	2.5%
Salary Increases	3.50% to 10.5% Including Inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB

Other Information:

Notes There were no benefit changes during the year.

SINGLE AUDIT ACT REQUIREMENTS

**CITY OF CAMERON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Federal Grantor Pass Through Grantor Program Title	Federal AL Number	Project Number	Disbursements
U.S. Economic Development Administration Community Development Texas Governor's Office of Economic Development & Tourism	11.307	08-01-05488	\$ 184,285
U.S. Department of Housing & Urban Development Community Development Texas Water Development Board FIF Flood Grant	14.228	40013	\$ 138,340
U.S. Department of Housing & Urban Development Community Development Texas General Land Office Flood and Drainage Improvements	14.228	22-085-056-D313	\$ 298,663
U.S. Department of Housing & Urban Development Community Development Subtotal			\$ 437,003
2021 Coronavirus Local Fiscal Recovery Fund American Recovery Plan Act	21.027	2021CLFRF	<u>\$ 822,164</u>
TOTAL FEDERAL AWARDS			\$1,443,452

CITY OF CAMERON
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2024

NOTE A BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of City of Cameron (the "City") under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE B SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

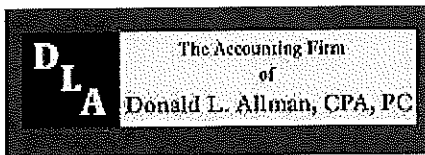
Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE C INDIRECT COST RATE

The City has elected not to use 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D FEDERAL AWARDS PASSED THROUGH TO SUBRECIPIENTS

Federal awards are passed through to subrecipients through the State of Texas and then to the City of Cameron.



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CERTIFIED PUBLIC ACCOUNTANT

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 City Council
City of Cameron, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Cameron, Texas, as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise City of Cameron, Texas's basic financial statements, and have issued our report thereon dated June 9, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

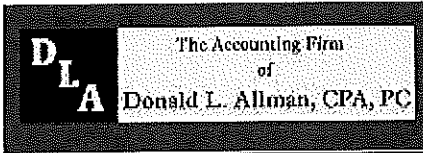
As part of obtaining reasonable assurance about whether City of Cameron, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Donald L. Allman, CPA, PC

Georgetown, Texas
June 9, 2025



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CERTIFIED PUBLIC ACCOUNTANT

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

To the City Council
City of Cameron, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

In our opinion, City of Cameron, Texas 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 programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).¹ Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Cameron, Texas's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Cameron, Texas's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Cameron, Texas's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Cameron, Texas's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Donald L. Allman, CPA, PC



Georgetown TX
June 9, 2025

CITY OF CAMERON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

I. SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified? No

Significant deficiencies identified not considered
to be material weaknesses? • None Reported

Noncompliance material to the financial statements noted? No

Federal Awards

Internal control over major programs:

• Material weakness(es) identified? No

Significant deficiencies identified not considered
to be material weaknesses? • None Reported

Type of auditors' report issued on compliance for major programs:
Unmodified

Any audit findings disclosed that are required to be reported in
accordance with 2 CFR 200.516(a)?
No

Identification of major programs:

AL # Federal Program Title - U.S. Department of Housing & Urban
Development

11.30 Texas Governor's Office of Economic Development & Tourism.
Federal Program Title - U.S. Economic Development
Administration

14.228 Texas Water Development Board - FIF Flood Grant
Federal Program Title - U.S. Department of Housing & Urban
Development

14.228 Texas General Land Office - Flood and Drainage Improvements

21.027 U.S. Department of Housing & Urban Development
2021 Coronavirus Local Fiscal Recovery Fund
American Recovery Plan Act

Dollar Threshold to identify Type A and Type B programs? \$750,000

Auditee qualified as low-risk auditee? Yes

CITY OF CAMERON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED FOR THE YEAR ENDED
SEPTEMBER 30, 2024

II. Financial Statement Findings	None
III. Findings Related to Federal Awards	None

**CITY OF CAMERON
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

No prior year audit findings.

**CITY OF CAMERON
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

No findings and no questioned costs so no corrective action plan.