

# STERLING COUNTY APPRAISAL DISTRICT

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## FINANCIAL STATEMENTS

DECEMBER 31, 2024



RICHARD A. BOWMAN

*Certified Public Accountant*

**STERLING COUNTY APPRAISAL DISTRICT  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2024**

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## INDEPENDENT AUDITOR'S REPORT

April 23, 2025

To the Sterling County Appraisal District  
Sterling City, Texas

### Opinions

I have audited the accompanying financial statements of the governmental activities and each major fund of the Sterling County Appraisal District as of December 31, 2024, and the related notes to the financial statements, which collectively comprise the Sterling County Appraisal District's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above presents fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Sterling County Appraisal District, as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Sterling County Appraisal District and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### 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 Sterling County Appraisal District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. 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*, issued by the Comptroller General of the United States 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States I:

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

I am 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 I 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 3 to 5 and 22 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. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance



Richard A. Bowman  
*Certified Public Accountant*

STERLING COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024

In this section of the Annual Financial and Compliance Report, I, the manager of the Sterling County Appraisal District (the "District"), discuss and analyze the District's financial performance for the fiscal year ended December 31, 2024. Please read it in conjunction with the independent auditor's report on page 1, and the District's Basic Financial Statements which begin on page 7.

### **FINANCIAL HIGHLIGHTS**

- The District's Net Position increased by \$23,323 as a result of this year's operations.
- The General Fund ended the year with a fund balance of \$102,129.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 7 and 8). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 9) report the District's operations in a more short-term, as well as what resources remain for future spending.

The notes to the financial statements (starting on page 13) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

### **Reporting the District as a Whole**

#### ***The Statement of Net Position and the Statement of Activities***

The analysis of the District's overall financial condition and operations begins on page 7. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets and liabilities at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting which is the basis used by private sector companies.

These two statements report the District's Net Position and changes in them. The District's Net Position (the difference between assets and liabilities) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's Net Position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well.

### **Reporting the District's Most Significant Funds**

#### ***Fund Financial Statements***

The fund financial statements begin on page 9 and provide detailed information about the most significant funds—not the District as a whole.

Governmental funds – The District's basic services are reported in governmental fund. This fund uses the modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

STERLING COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024

**THE DISTRICT AS A WHOLE**

The District's combined net position increased from a year ago – from \$106,794 to \$130,117 a total of \$23,323 compared to last year's increase of \$27,517. Looking at the net position and net expenses of governmental and business-type activities separately can give valuable information. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental and business-type activities.

**Table 1 – Net Position**

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Current and Other Assets	\$ 200,702	\$ 170,826
Capital Assets	-	-
Deferred Outflows	27,652	39,749
Total assets and deferred outflows	<u>228,354</u>	<u>210,575</u>
Deferred Inflows	3,994	403
Other Liabilities	94,243	103,378
Total liabilities and deferred inflows	<u>98,237</u>	<u>103,781</u>
Net position:		
Invested in capital assets, net of debt	-	-
Unrestricted	130,117	106,794
Total net position	<u>\$ 130,117</u>	<u>\$ 106,794</u>

**Table 2 – Changes in Net Position**

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Revenues		
General Revenues:		
Revenue from Taxing Entities	\$ 376,339	\$ 333,926
Miscellaneous	-	-
Total Revenues	<u>376,339</u>	<u>333,926</u>
Expenses:		
Governmental activities	<u>353,016</u>	<u>306,409</u>
Increase (decrease) in net position	<u>23,323</u>	<u>27,517</u>
Net position – beginning	106,794	79,277
Net position – ending	<u>\$ 130,117</u>	<u>\$ 106,794</u>

**CAPITAL ASSET ADMINISTRATION**

**Capital Assets**

At the end of December 31, 2024, the District did not have any capital assets.

**Capital Assets at Year-end**

**(Net of Depreciation)**

	Governmental Activities	
	<u>2024</u>	<u>2023</u>
Capital Assets	\$ -	\$ -

STERLING COUNTY APPRAISAL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2024

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Budgeted expenditures are expected to be \$373,030. Revenues are also budgeted at \$376,339, with the jurisdictions served by the District billed their proportionate share of this budget.

If these estimates are realized, the District's budgetary general fund balance is expected to remain unchanged at the end of fiscal year 2025.

**CONTACTING THE APPRAISAL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Sterling County Appraisal District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the Office of the Sterling County Appraisal District, P.O. Box 28, Sterling City, Texas, 76951.

## **Financial Section**



STERLING COUNTY APPRAISAL DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2024

	Primary Government Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 195,554
Prepaid Insurance	818
Net Pension Asset	4,330
Total Assets	<u>200,702</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflow Related to Pension Plan	27,652
Total Deferred Outflows of Resources	<u>27,652</u>
<b>LIABILITIES</b>	
Accounts payable	985
Unearned revenue	93,258
Payroll liabilities	-
Refund payable to entities	-
Total Liabilities	<u>94,243</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflow Related to Pension Plan	3,994
Total Deferred Inflows of Resources	<u>3,994</u>
<b>NET POSITION</b>	
Net investment in capital assets	-
Unrestricted	130,117
Total Net Position	<u>\$ 130,117</u>

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

STERLING COUNTY APPRAISAL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2024

		Program Revenues		Net (Expense) Revenue & Changes in Net Position
	Expenses	Charges for Services	Operating Grants & Contributions	Primary Gov. Governmental Activities
<b>GOVERNMENTAL ACTIVITIES:</b>				
General government	\$ 353,016	\$ 376,339	\$ -	\$ 23,323
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 353,016</b>	<b>\$ 376,339</b>	<b>\$ -</b>	<b>\$ 23,323</b>
<b>General Revenues:</b>				
Other Income				-
Total General Revenues & Special Items				-
Change in net position before transfers				23,323
Refund to Entities				-
Change in Net Position				23,323
Net Position - Beginning				106,794
Net Position - Ending				<u>\$ 130,117</u>

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

STERLING COUNTY APPRAISAL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2024

	General Fund
<b>ASSETS</b>	
Cash and cash equivalents	\$ 195,554
Prepaid Insurance	818
Total Assets	<u>\$ 196,372</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 985
Unearned revenue	93,258
Payroll liabilities	-
Refund payable to entities	-
Total Liabilities	<u>94,243</u>
<b>FUND BALANCE</b>	
Assigned for Central Appraisal District	2,390
Committed for Legal Fees	56,502
Unassigned Fund Balance	43,237
Total Fund Balance	<u>102,129</u>
Total Liabilities and Fund Balance	<u>\$ 196,372</u>

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

STERLING COUNTY APPRAISAL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2024

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<b>Total Fund Balances - Governmental Funds</b>	\$ 102,129
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<p>The implementation of GASB 68 requires recording information for the TCDRS Pension plan. This fiscal year required that the District report their net pension asset in the Government Wide Statement of Net Position. The items reported as a result of this implementation included a net pension asset of \$4,330, a Deferred Resource Outflow of \$27,652, and a Deferred Inflow of \$3,994. The net effect of these was to increase the ending net position by \$27,988.</p>	27,988
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<b>Net Position of Governmental Activities</b>	<hr style="border: 0; border-top: 1px solid black; margin-bottom: 2px;"/> \$ 130,117
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STERLING COUNTY APPRAISAL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2024

	General Fund
REVENUES:	
Charges for Services	\$ 376,339
Other Income	-
Total Revenues	<u>376,339</u>
EXPENDITURES:	
Auto Expense	3,375
Continuing Education	625
Dues, Fees, & Subscriptions	1,820
Legal Publications	1,129
Insurance	4,840
Office Expense	5,392
Rent	9,600
Interim Chief Appraiser	38,700
Salaries	75,396
Medical Insurance	10,504
Payroll Taxes	5,768
Retirement	12,262
ARB Compensation	700
Accounting & Audit	8,686
Legal Fees	5,549
Computer Software	47,523
Mapping Services	3,743
Mineral Services	67,149
Notice of Appraised Value	1,800
Real Estate Appraisal	34,800
PC Services	-
Pritchard & Abbott-Services	99
Travel, Hotel, & Meals	4,830
Website	-
Utilities & Internet	4,584
Total Expenditures	<u>348,872</u>
Excess of Revenues Over Expenditures	<u>27,467</u>
Other Financing Sources (Uses):	
Transfers to Supporting Entities	-
Net Change in Fund Balance	<u>27,467</u>
Fund Balance - January 1 (Beginning)	<u>74,662</u>
Fund Balance - December 31 (Ending)	<u><u>\$ 102,129</u></u>

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

STERLING COUNTY APPRAISAL DISTRICT  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2024

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$ 27,467
Net Pension Liability and related Deferred Outflows and Inflows are not reported in the funds.	(4,144)
<b>Change in Net Position of Governmental Activities</b>	<u><u>\$ 23,323</u></u>

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

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The Sterling County Appraisal District (the “District”) operates under a Board-manager form of government and provides the following services: appraisal services for taxing entities.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units except for establishing an allowance for uncollectible receivables. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government accounting policies are described below.

**A. Financial Reporting Entity**

The District’s basic financial statements include the accounts of all District operations.

**B. Basis of Presentation**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the District.

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

**General Fund -**

General Fund is the main operating fund of the District. This fund is used to account for all financial resources not accounted for in other funds. All general revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund.

**Net position flow assumption:**

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

**Fund balance flow assumptions:**

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

As of these financial statements, the District has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

**Nonspendable**—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

**Restricted**—Amounts that can be spent only for specific purposes because of the District Charter, District Code, state or federal laws, or externally imposed conditions by grantors or creditors.

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Committed**—Amounts that can be used only for specific purposes determined by a formal action by District Board ordinance or resolution. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

**Assigned**—Amounts that are designated by the Chief Appraiser for a specific purpose but are not spendable until a budget ordinance is passed by District Board.

**Unassigned**—All amounts not included in other spendable classifications.

The details of the fund balances are included in the Governmental Funds Balance Sheet (page 9). Assigned funds are reduced to the extent that expenditure authority has been budgeted by Board or the assignment has been changed by the Chief Appraiser. Decreases to fund balance first reduce unassigned fund balance; in the event that unassigned fund balance becomes zero, then assigned and committed fund balances are used in that order.

**General Fund**

The General Fund has a committed fund balance of \$56,502. The Directors of the Sterling County Appraisal District have elected to commit \$56,502 of the retained fund balance for the payment of legal fees that may be incurred for the potential litigation of a taxpayer refund claim.

The General Fund has an assigned fund balance of \$2,390. The District assigns for District use the amount earned from special collections. These funds are used at the direction of the Directors and the Chief Appraiser.

The General Fund has an unassigned fund balance of \$43,237.

**C. Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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 government 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.

**D. Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on-hand, demand deposits, and short-term investments with original maturities of six months or less from the date of acquisition.

**E. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:



**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

Buildings	20 years
Water and Sewer System	30-50 years
Infrastructure	20-35 years
Machinery, Equipment, & Vehicles	5-15 years
Improvements	10-40 years

**F. Net Position**

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

**G. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas County & District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. 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.

**H. 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

**I. Budgetary Control**

As set forth in the District charter, the District Board adopts an annual budget for the General Fund. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund. Amendments are made to these budgets as needed throughout the year.

**NOTE 2. CASH AND CASH EQUIVALENTS:**

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

The District's deposits, were fully insured or collateralized as required by the state statutes at December 31, 2024. At year-end the carrying amount of the District's deposits was a balance of \$195,554 and the respective bank balances totaled \$108,999. Of the total bank balance, the Federal Depository Insurance Corporations (FDIC) covered \$250,000.

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

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

Investments – At December 31, 2024, the District held no investments.

*Custodial Credit Risk – Deposits:* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. In compliance with the District's Investment Policy, as of December 31, 2024, the District was not exposed to custodial credit risk because its deposits were all covered by depository insurance.

**NOTE 3. CAPITAL ASSETS:**

Capital asset activity for the year ended December 31, 2024, was as follows:

**Primary Government**

Governmental-type activities:

	<u>Balance</u> <u>1/1/2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/2024</u>
Capital assets, being depreciated:				
Transportation Equipment	\$ -	\$ -	\$ -	\$ -
Total Capital Assets				
being depreciated	\$ -	\$ -	\$ -	\$ -
Less: Accumulated Depreciation for:				
Transportation Equipment	\$ -	\$ -	\$ -	\$ -
Total Accumulated Depreciation	\$ -	\$ -	\$ -	\$ -
Capital Assets, Net	<u>\$ -</u>			<u>\$ -</u>

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

Governmental-type activities:

Transportation Equipment \$ -

**NOTE 4. UNEARNED REVENUE:**

There is unearned revenue of \$93,258. This represents prepayments from the taxing entities for the year of 2024. This unearned revenue will be recorded as earned revenues in the 2025 year.

**NOTE 5. ACCUMULATED SICK LEAVE**

The District has adopted a policy to pay employees at regular pay rates for accrued sick leave after the employee has banked 30 days of leave. The maximum entitlement is 10 days per year. The District's liability for accrued sick leave at December 31, 2024 is \$-0-.

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 6. HEALTH CARE COVERAGE**

During the year ended December 31, 2024, employees of the District were covered by a health insurance plan (the Plan). Employees, at their option, authorized payroll withholdings to pay contributions or premiums for dependents. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The total cost to the District for providing health care coverage for the years ended December 31, 2024 and 2023, was \$10,504 and \$8,999.

**NOTE 7. EMPLOYEE RETIREMENT SYSTEM:**

**A. Plan Description**

- a. Sterling County Appraisal District participates in the Texas County & District Retirement System (TCDRS), which is a statewide, agent multiple-employer, public employee retirement system.
- b. A brief description of benefit terms:
  - 1) All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.
  - 2) The plan provides retirement, disability, and survivor benefits.
  - 3) TCDRS is a savings-based plan. For the District's plan, 7% of each employee's pay is deposited into his or her TCDRS account. By law, employee accounts earn 7% interest on beginning of year balances annually. At retirement, the account is matched at an employer set percentage (current match is 250%) and is then converted to an annuity.
  - 4) There are no automatic COLAs. Each year, the District may elect an ad hoc Cost of Living Adjustment (COLA) for its retirees (if any). There are two COLA types, each limited by actual inflation.
  - 5) Benefit terms are established under the TCDRS Act. They may be amended as of January 1 each year but must remain in conformity with the Act.
- c. Membership information is shown in the chart below.
- d. The District's contribution rate is calculated annually on an actuarial basis, although the employer may elect to contribute at a higher rate. The Sterling County Appraisal District contribution rate is based on the TCDRS funding policy adopted by the TCDRS Board of Trustees and must conform with the TCDRS Act. The employee contribution rates are set by the District and are currently 7%. Contributions to the pension plan from the District for 2023 are shown in the Schedule of Employer Contributions.
- e. The most recent comprehensive annual financial report for TCDRS can be found at the following site: [www.tcdrs.org/employer](http://www.tcdrs.org/employer).

**Membership Information**

Members	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2023</u>
Number of inactive employees entitled to but not yet receiving benefits:	0	0
Number of active employees:	3	3
Average monthly salary:	\$2,451	\$2,172
Average age:	51.12	46.40
Average length of service in years:	10.14	6.22
Number of benefit recipients:	1	1
Average monthly benefit:	\$ 608	\$ 608

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**B. Contributions**

The contribution rates for employees in TCDRS are 7.00% of employee gross earnings. Under the state law governing TCDRS, the contribution rate for each District is determined annually 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.

The District's contributions to TCDRS for the year ended December 31, 2024, were \$11,996, and were equal to the required contributions.

**C. Net Pension Liability**

The District'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	2.50% per year
Overall payroll growth	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.5%, net of pension plan investment expense, including inflation

The long-term expected rate of return on pension plan investments is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2024 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed in detail at a minimum of every four years, and is set based on a long-term horizon. The TCDRS Board of Trustees adopted the current assumption at their March 2021 meeting. The assumption for the long-term expected return is reviewed annually for continued compliance with the relevant actuarial standards of practice. Milliman relies on the expertise of Cliffwater in this assessment.

<b>Asset Class</b>	<b>Benchmark</b>	<b>Target Allocation</b>	<b>Geometric Real Rate of Return</b>
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.75%
Global Equity	MSCI World (net) Index	2.50%	4.75%
Int'l Equity Developed	MSCI World Ex USA (net) Index	5.00%	4.75%
Int'l Equity Emerging	MSCI Emerging Markets (net) Index	6.00%	4.75%
Investment Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.35%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.65%
Direct Lending	Morningstar LSTA US Leveraged Loan Index	16.00%	7.25%
Distressed Debt	Cambridge Associated Distressed Securities Index	4.00%	6.90%
REIT Equities	67% FTSE NAREIT All Equity REITs Index +33% S&P Global REIT (net) Index	2.00%	4.10%
Master Ltd Partnerships	Alerian MLP Index	2.00%	5.20%
Private RE Partnerships	Cambridge Associates Real Estate Index	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index	25.00%	7.75%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.25%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.60%
Total		100.0%	

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.60%. 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 employee. 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.

**Changes in the Net Pension Liability**

	<b>Total Pension Liability (a)</b>	<b>Increase (Decrease) Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balance at 12/31/2022	\$ 102,850	\$ 95,636	\$ 7,214
Changes for the year:			
Service Cost	19,393		19,393
Interest	9,018		9,018
Effect of plan changes			
Effect of economic/demographic gains or losses	(4,436)		(4,436)
Effect of assumptions changes or inputs			
Refund of Contributions			
Benefit payments	(7,293)	(7,293)	
Administrative expense		(65)	65
Member contributions		5,493	(5,493)
Net investment income		10,676	(10,676)
Employer contributions		18,536	(18,536)
Other changes		879	(876)
Balance at 12/31/2023	<u>\$ 119,532</u>	<u>\$ 123,862</u>	<u>\$ (4,330)</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the District, calculated using the discount rate of 7.60%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.60%) or 1-percentage-point higher (8.60%) than the current rate:

	1% Decrease in Discount Rate (6.60%)	Current Discount Rate (7.60%)	1% Increase in Discount Rate (8.60%)
District's net pension liability	\$132,657	\$ 119,532	\$ 108,275
Fiduciary net position	<u>123,862</u>	<u>123,862</u>	<u>123,862</u>
Net pension liability / (asset)	\$ 8,795	\$ (4,330)	\$ (15,587)

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. That report may be obtained on the internet at [www.TCDRS.com](http://www.TCDRS.com).

**D. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension**

For the year ended December 31, 2024, the District recognized pension expense of \$12,262. At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**STERLING COUNTY APPRAISAL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,848	\$ 3,994
Changes of assumptions		
Net difference between projected and actual earnings	1,808	
Contributions made subsequent to measurement date	<u>11,996</u>	<u>-</u>
Total	<u>\$ 27,652</u>	<u>\$ 3,994</u>

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

Year ended December 31:	
2024	\$ 1,337
2025	1,468
2026	3,413
2027	738
2028	1,287
Thereafter	3,419

**NOTE 8. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through April 23, 2025, the date which the financial statements were available to be issued.

### Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

STERLING COUNTY APPRAISAL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2024

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts (GAAP Basis)	Final Budget Positive or (Negative)
REVENUES:				
Charges for Services	\$ 376,339	\$ 376,339	\$ 376,339	\$ 0
Other Income	-	-	-	-
Total Revenues	<u>376,339</u>	<u>376,339</u>	<u>376,339</u>	<u>0</u>
EXPENDITURES:				
Auto Expense	600	600	3,375	(2,775)
Continuing Education	10,000	10,000	625	9,375
Dues, Fees, & Subscriptions	2,700	2,700	1,820	880
Legal Publications	1,200	1,200	1,129	71
Insurance	2,800	2,800	4,840	(2,040)
Office Expense	10,400	10,400	5,392	5,008
Rent	10,000	10,000	9,600	400
Interim Chief Appraiser	34,698	34,698	38,700	(4,002)
Salaries	93,100	93,100	75,396	17,704
Medical Insurance	9,000	9,000	10,504	(1,504)
Payroll Taxes	8,650	8,650	5,768	2,882
Retirement	22,000	22,000	12,262	9,738
ARB Compensation	2,000	2,000	700	1,300
Accounting & Audit	6,500	6,500	8,686	(2,186)
Legal Fees	3,500	3,500	5,549	(2,049)
Computer Software	21,500	21,500	47,523	(26,023)
Mapping Services	7,491	7,491	3,743	3,748
Mineral Services	125,000	125,000	67,149	57,851
Notice of Appraised Value	-	-	1,800	(1,800)
Real Estate Appraisal	-	-	34,800	(34,800)
PC Services	-	-	-	-
Pritchard & Abbott-Services	-	-	99	(99)
Travel, Hotel, & Meals	-	-	4,830	(4,830)
Website	-	-	-	-
Utilities & Internet	5,200	5,200	4,584	616
Contingencies	-	-	-	-
Total Expenditures	<u>376,339</u>	<u>376,339</u>	<u>348,872</u>	<u>27,467</u>
Excess (Deficiency) of Revenues Over Expenditures	-	(0)	27,467	27,467
Other Financing Sources (Uses):				
Transfers to Supporting Entities	-	-	-	-
Net Change in Fund Balance	-	(0)	27,467	27,467
Fund Balance - January 1 (Beginning)	<u>74,662</u>	<u>74,662</u>	<u>74,662</u>	<u>-</u>
Fund Balance - December 31 (Ending)	<u>\$ 74,662</u>	<u>\$ 74,662</u>	<u>\$ 102,129</u>	<u>\$ 27,467</u>

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



STERLING COUNTY APPRAISAL DISTRICT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM  
FOR THE YEAR ENDED DECEMBER 31, 2024

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
	Plan Year 2023	Plan Year 2022	Plan Year 2021	Plan Year 2020	Plan Year 2019	Plan Year 2018	Plan Year 2017	Plan Year 2016	Plan Year 2015	Plan Year 2014
<b>A. Total Pension Liability</b>										
Service cost	\$ 19,393	\$ 2,591	\$ 7,945	\$ 7,328	\$ 7,103	\$ 7,155	\$ 4,204	\$ 4,371	\$ 3,349	\$ 3,298
Interest on the total pension liability	9,018	6,304	5,905	4,961	3,922	2,982	1,654	1,059	759	438
Effect of plan changes	-	-	1,541	-	-	-	6,316	-	(55)	-
Effect of assumption, changes or inputs	-	-	(886)	1,234	1,582	1,519	640	(140)	(946)	170
Effect of economic/demographic (gains) or losses	(4,436)	17,310	(323)	2,312	-	-	623	-	124	-
Benefit payments/refunds	(7,293)	(7,293)	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	\$ 16,682	\$ 18,912	\$ 14,182	\$ 15,835	\$ 12,607	\$ 11,656	\$ 13,437	\$ 5,290	\$ 3,231	\$ 3,906
Total Pension Liability - Beginning	102,850	83,938	69,756	53,921	41,314	29,658	16,221	10,931	7,700	3,794
Total Pension Liability - Ending	\$ 119,532	\$ 102,850	\$ 83,938	\$ 69,756	\$ 53,921	\$ 41,314	\$ 29,658	\$ 16,221	\$ 10,931	\$ 7,700
<b>B. Total Fiduciary Net Position</b>										
Contributions - Employer	\$ 18,536	\$ 13,661	\$ 5,667	\$ 5,977	\$ 5,714	\$ 5,125	\$ 2,635	\$ 2,390	\$ 2,277	\$ 2,020
Contributions - Employee	5,493	6,178	4,288	4,543	4,400	4,260	2,173	1,800	1,800	1,600
Net investment income	10,676	(6,200)	14,859	4,856	5,121	(303)	2,239	728	(121)	142
Benefit payments/refunds	(7,293)	(7,293)	-	-	-	-	-	-	-	-
Administrative expense	(65)	(56)	(47)	(47)	(36)	(25)	(15)	(8)	(6)	(3)
Other	879	1,840	299	316	353	282	64	360	(1)	-
Net Change in Plan Fiduciary Net Position	\$ 28,226	\$ 8,130	\$ 25,066	\$ 15,645	\$ 15,552	\$ 9,339	\$ 7,096	\$ 5,270	\$ 3,949	\$ 3,759
Plan Fiduciary Net Position - Beginning	95,636	87,506	62,440	46,795	31,243	21,904	14,808	9,538	5,589	1,830
Plan Fiduciary Net Position - Ending	\$ 123,862	\$ 95,636	\$ 87,506	\$ 62,440	\$ 46,795	\$ 31,243	\$ 21,904	\$ 14,808	\$ 9,538	\$ 5,589
<b>C. Net Pension Liability (Asset)</b>	\$ (4,330)	\$ 7,214	\$ (3,568)	\$ 7,316	\$ 7,126	\$ 10,071	\$ 7,754	\$ 1,413	\$ 1,393	\$ 2,111
<b>D. Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	103.62%	92.99%	104.25%	89.51%	86.78%	75.62%	73.86%	91.29%	87.24%	72.57%
<b>E. Covered Payroll</b>	\$ 78,478	\$ 88,252	\$ 61,264	\$ 64,897	\$ 62,860	\$ 60,864	\$ 54,325	\$ 45,000	\$ 45,000	\$ 39,999
<b>F. Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	-5.52%	8.17%	-5.82%	11.27%	11.34%	16.55%	14.27%	3.14%	3.10%	5.28%

Note: GASB Codification, Vol. 2, P20.146 requires that the data in this schedule be presented for the time period covered by the measurement date rather than the governmental entity's current fiscal year.

STERLING COUNTY APPRAISAL DISTRICT  
SCHEDULE OF CONTRIBUTIONS  
TEXAS COUNTY & DISTRICT RETIREMENT SYSTEM  
FOR THE FISCAL YEAR 2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 18,536	\$ 13,661	\$ 5,667	\$ 5,977	\$ 5,714	\$ 5,125	\$ 2,635	\$ 2,390	\$ 2,277	\$ 2,020
Contributions in Relation to the Actuarially Determined Contributions	18,536	13,661	5,667	5,977	5,714	5,125	2,635	2,390	2,277	2,020
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 78,478	\$ 88,252	\$ 61,264	\$ 64,897	\$ 62,860	\$ 60,864	\$ 54,325	\$ 45,000	\$ 45,000	\$ 39,999
Contributions as a Percentage of Covered Employee Payroll	23.62%	15.48%	9.25%	9.21%	9.09%	8.42%	4.85%	5.31%	5.06%	5.30%

Note: GASB Codification, Vol. 2, P20.146 requires that the data in this schedule be presented as of the governmental entity's respective fiscal years, as opposed to the time periods covered by the measurement dates ending December 31 for the respective fiscal years.

STERLING COUNTY APPRAISAL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2024

**NOTE I BUDGETS AND BUDGETARY ACCOUNTING**

The Board adopts an annual budget no later than the meeting of September of each year for the fiscal year commencing the following January 1. The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. During August of each year, the Chief Appraiser submits to the Board a proposed operating budget for the next following fiscal year. The operating budget includes proposed revenues and expenditures.
2. After a review by the Board, a public hearing is conducted and further comment is received from the Board and the general public.
3. Upon completion of the hearings and modifications, if any, to the proposed budget, it is adopted by the Board through passage of an appropriate resolution.
4. Generally, the budget is amended in the middle of the year and at the end of the year. All approved additional appropriations are added to the adopted budget and an amended budget is presented to the Board, which adopts it after due review.
5. The Chief Appraiser is authorized to transfer from time to time budget amounts of operational expenditure categories within departments as deemed necessary in order to meet the District's needs.
6. Board approval is required for all fund-to-fund transfers, department to department transfers, fund reserve to appropriations transfers, for new revenue sources with offsetting appropriations, and for transfer to/from the capital expenditure category.

**NOTE II NOTE TO SCHEDULE OF CONTRIBUTIONS**

**Valuation Date:**

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

**Methods and assumptions used to determine contribution rates:**

Actuarial Cost Method:	Entry Age (level percentage of pay)
Amortization Method:	Level Percentage of Payroll, Closed
Remaining Amortization Period:	17.2 years (based on contribution rate calculated in 12/31/2023 valuation)
Asset Valuation Method:	5-Year smoothed market
Inflation:	2.5%
Salary Increases:	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return:	7.50%, net of administrative and investment expenses, including inflation.
Retirement Age:	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality:	135% of the Pub-2010 General Retirees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions*	2019: No changes in plan provisions were reflected in the Schedule. 2020: No changes in plan provisions were reflected in the Schedule. 2021: No changes in plan provisions were reflected in the Schedule. 2022: Employer contributions reflect that the current service matching rate was increased to 250% for future benefits. 2023: No changes in plan provisions were reflected in the Schedule.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions*	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: New Annuity Purchase Rates were reflected for benefits earned after 2017.

2018: Employer contributions reflect that the member contribution rate was increased to 7%.

2019: No changes in plan provisions were reflected in the Schedule.

2020: No changes in plan provisions were reflected in the Schedule.

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

2022: Employer contributions reflect that the current service matching rate was increased to 250% for future benefits.

2023: No changes in plan provisions were reflected in the Schedule.

*\*Only changes that affect the benefit amount and that are effective 2015 and later are shown in the Notes to Schedule.*