NEW ISSUE - BOOK-ENTRY-ONLY | **Rating: "AA" (AG Insured)** / **"A+" (Underlying)**

(See "OTHER PERTINENT INFORMATION - Rating", "CERTIFICATE INSURANCE," AND "BOND INSURANCE GENERAL RISKS")

OFFICIAL STATEMENT
August 11, 2025

In the opinion of Bond Counsel, interest on the Certificates will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings and court decisions existing on the date thereof, subject to the matters described under "TAX MATTERS" herein, including the alternative minimum tax on certain corporations.

The Issuer has designated the Certificates as "Qualified Tax-Exempt Obligations" for financial institutions.

$9,635,000
UVALDE COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025

Dated Date: August 1, 2025 | **Due: August 1, as shown on inside cover**

Uvalde County, Texas (the "County" or the "Issuer") $9,635,000 Combination Tax and Revenue Certificates of Obligation, Series 2025 (the "Certificates") are being issued pursuant to the Constitution and laws of the State of Texas (the "State"), including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Chapter 363, Texas Health and Safety Code, as amended, and an order (the "Order") adopted on August 11, 2025, by the Commissioners Court. (See "THE CERTIFICATES - Authority for Issuance" herein.)

The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and are additionally payable from a lien on and limited pledge of the net revenues (the "Net Revenues") derived from the operation of the County's solid waste management system (the "System"); such pledge being limited to $1,000. (See "THE CERTIFICATES - Security for Payment" herein.)

Interest on the Certificates will accrue from August 1, 2025 (the "Dated Date") as shown above and will be payable on February 1 and August 1 of each year, commencing February 1, 2026, until the earlier of stated maturity or prior redemption, and will be calculated on the basis of a 360-day year of twelve 30-day months. The definitive Certificates will be issued as fully registered obligations in book-entry form only and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository. Book-entry interests in the Certificates will be made available for purchase in the principal amount of $5,000 or any integral multiple thereof. Purchasers of the Certificates ("Beneficial Owners") will not receive physical delivery of certificates representing their interest in the Certificates purchased. So long as DTC or its nominee is the registered owner of the Certificates, the principal of and interest on the Certificates will be payable by BOKF, NA, Dallas, Texas, as Paying Agent Registrar to the securities depository, which will in turn remit such principal and interest to its participants, which will in turn remit such principal and interest to the Beneficial Owners of the Certificates. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Proceeds from the sale of the Certificates will be used for the purpose of paying all or a portion of the County's contractual obligations incurred for the purpose of (1) designing, acquiring, constructing, renovating, improving, and equipping various County roads, bridges, parking structures, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation necessary or incidental thereto, (2) constructing, acquiring, designing, purchasing, renovating, enlarging, equipping, and improving various County-owned facilities, including improvements to the existing (a) County Fairplex (owned and operated by the County or by an entity created to act on behalf of the County), (b) the County Sherriff's Office, (c) the County Tax Assessor Office, (d) the County's judicial facilities, and (e) the County Jail; (3) acquiring and installing new technology hardware and software to support County operations, including new security systems, radios, and emergency response communications system infrastructure; (4) acquiring, owning, operating, and contracting for the operation of a water or sewer utility system to serve an unincorporated area of the County; (5) the purchase of materials, supplies, vehicles, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (6) the payment of professional services related to the acquisition, design, construction, project management, and financing fees in connection with such projects. (See "THE CERTIFICATES – Use of Certificate Proceeds" herein.)

ASSURED GUARANTY

The scheduled payment of principal of and interest on the Certificates when due will be guaranteed under a municipal bond insurance policy to be issued by ASSURED GUARANTY INC. ("AG").

SEE FOLLOWING PAGE FOR STATED MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL YIELDS, CUSIP NUMBERS, AND REDEMPTION PROVISIONS FOR THE CERTIFICATES

The Certificates are offered for delivery, when, as and if issued and received by the initial purchaser thereof at a competitive sale (the "Purchaser") and subject to the approving opinion of the Attorney General of the State of Texas and the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., San Antonio, Texas, Bond Counsel. The legal opinion of Bond Counsel will be printed on, or attached to, the Certificates. (See "LEGAL MATTERS - Legal Opinions and No-Litigation Certificate" and "APPENDIX C – Form of Legal Opinion of Bond Counsel" herein). It is expected that the Certificates will be available for initial delivery through DTC on or about August 28, 2025.

$9,635,000
UVALDE COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025

MATURITY SCHEDULE

CUSIP Prefix No. 918103 [(1)]

Stated Maturity 8/1	Principal Amount	Interest Rate	Initial Yield	CUSIP No. Suffix [(1)]	Stated Maturity 8/1	Principal Amount	Interest Rate	Initial Yield	CUSIP No. Suffix [(1)]
2026	$ 340,000	6.000%	2.700%	BX9	2036	$ 485,000	4.000%	3.700% [(2)]	CH3
2027	305,000	6.000%	2.700%	BY7	2037	505,000	4.000%	3.800% [(2)]	CJ9
2028	325,000	6.000%	2.750%	BZ4	2038	525,000	4.000%	3.900% [(2)]	CK6
2029	340,000	6.000%	2.750%	CA8	2039	545,000	4.000%	3.950% [(2)]	CL4
2030	365,000	6.000%	2.850%	CB6	2040	570,000	4.000%	4.000%	CM2
2031	385,000	5.000%	2.958%	CC4	2041	590,000	4.000%	4.100%	CN0
2032	405,000	5.000%	3.100%	CD2	2042	615,000	4.125%	4.200%	CP5
2033	425,000	5.000%	3.250%	CE0	2043	640,000	4.250%	4.250%	CQ3
2034	445,000	5.000%	3.400%	CF7	2044	665,000	4.250%	4.300%	CR1
2035	465,000	4.000%	3.600% [(2)]	CG5	2045	695,000	4.250%	4.350%	CS9

(Interest to accrue from Dated Date)

The Issuer reserves the right to redeem the Certificates maturing on or after August 1, 2035, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof on August 1, 2034, or any date thereafter, at the redemption price of par plus accrued interest as further described herein. (See "THE CERTIFICATES – Redemption Provisions of the Certificates" herein.)

Assured Guaranty Inc. ("AG") makes no representation regarding the Certificates or the advisability of investing in the Certificates. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "CERTIFICATE INSURANCE" and "Appendix E - Specimen Municipal Bond Insurance Policy".

[(1)] CUSIP numbers are included solely for the convenience of the owner of the Certificates. CUSIP is a registered trademark of The American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of The American Bankers Association by FactSet Research Systems Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. None of the County, the Financial Advisor, or the Purchaser is responsible for the selection or correctness of the CUSIP numbers set forth herein.

[(2)] Yield calculated based on the assumption that the Certificates denoted and sold at premium will be redeemed on August 1, 2034, the earliest date of redemption for the Certificates, at a price of par plus accrued interest to the date of redemption.

UVALDE COUNTY, TEXAS
100 N. Getty
Uvalde, Texas 78801
Telephone: (830) 278-3216

ELECTED OFFICIALS

Name	Years Served	Term Expires (December)
William R. Mitchell County Judge	42	2026
John Yeackle, Commissioner, Precinct 1	4	2028
Mariano Pargas, Jr. Commissioner, Precinct 2	14	2026
Roy M. Kothmann Commissioner, Precinct 3	6 months	2028
Ronald Garza Commissioner, Precinct 4	6	2026

ADMINISTRATION

Name	Position	Length of Service (Years)
Alice Chapman	County Auditor	34
Laura M. Perales	First Assistant Auditor	11
M'Liss G. Braker	Assistant Auditor	7
Donna M. Williams	County Clerk	2
Joni Deorsam	County Treasurer	48
John Dodson	County Attorney	23

CONSULTANTS AND ADVISORS

Bond Counsel .... McCall, Parkhurst & Horton L.L.P.
San Antonio, Texas

Certified Public Accountants .... .Ede & Company
Uvalde, Texas

Financial Advisor .... SAMCO Capital Markets, Inc.
San Antonio, Texas

For Additional Information Please Contact:

William R. Mitchell
County Judge
Uvalde County
#3 Courthouse Square
Uvalde, Texas 78801
Telephone: (830) 278-3216
wrmcj@uvaldecounty.gov

Alice Chapman
County Auditor
Uvalde County
#4 Courthouse Square
Uvalde, Texas 78801
Telephone: (830) 591-0181
Alice.chapman@uvaldecounty.gov

Mr. Mark M. McLiney
Senior Managing Director
Mr. Andrew T. Friedman
Senior Managing Director
SAMCO Capital Markets, Inc.
1020 Northeast Loop 410, Suite 640
San Antonio, Texas 78209
Telephone: (210) 832-9760
mmcliney@samcocapital.com
afriedman@samcocapital.com

USE OF INFORMATION IN THE OFFICIAL STATEMENT

No dealer, broker, salesman, or other person has been authorized to give any information, or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer. This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. Any information or expression of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create an implication that there has been no change in the affairs of the Issuer or other matters described herein since the date hereof.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with its responsibilities to the Issuer and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

THE CERTIFICATES ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE CERTIFICATES IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THE CERTIFICATES HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

NONE OF THE COUNTY, ITS FINANCIAL ADVISOR, OR THE PURCHASER MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY OR ITS BOOK-ENTRY-ONLY SYSTEM OR THE MUNICIPAL BOND INSURANCE AS SUCH INFORMATION IS PROVIDED BY DTC AND THE BOND INSURER, RESPECTIVELY.

The agreements of the County and others related to the Certificates are contained solely in the contracts described herein. Neither this Official Statement nor any other statement made in connection with the offer or sale of the Certificates is to be construed as constituting an agreement with the Purchaser of the Certificates. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

TABLE OF CONTENTS

The cover page, subsequent pages hereof, and appendices attached hereto, are part of this Official Statement.

SELECTED DATA FROM THE OFFICIAL STATEMENT

The selected data is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Certificates to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this page from this Official Statement or to otherwise use it without the entire Official Statement.

The Issuer	Uvalde County, Texas (the "County" or "Issuer"), is a political subdivision of the State of Texas. The County seat is the City of Uvalde, Texas. The County covers 1,560 square miles and is located 80 miles west of San Antonio and 54 miles east of the Mexico-US border. The governing body is the Commissioners' Court consisting of five members: County Judge and the Commissioner from each of the four precincts. Uvalde County provides many varied services for its citizens including judicial, detention facilities, public safety, county roads, emergency medical service, health and limited social services, public improvements, libraries and general administrative services. (See "APPENDIX B - General Information Regarding Uvalde County, Texas and the City of Uvalde, Texas" herein.)
The Certificates	The Certificates are being issued pursuant to the Constitution and laws of the State of Texas (the "State"), including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Chapter 363, Texas Health and Safety Code, as amended, and an order (the "Order") adopted by the Commissioners Court on August 11, 2025. (See "THE CERTIFICATES - Authority for Issuance" herein.)
Paying Agent/Registrar	The initial Paying Agent/Registrar is BOKF, NA, Dallas, Texas.
Security	The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and are additionally payable from a lien on and limited pledge of the Net Revenues derived from the operation of the County's solid waste management system. (See "THE CERTIFICATES - Security for Payment" herein.
Qualified Tax-Exempt Obligations	The Issuer has designated the Certificates as "Qualified Tax-Exempt Obligations" for financial institutions. (See "TAX MATTERS - Qualified Tax-Exempt Obligations" herein.)
Redemption Provisions of the Certificates	The Issuer reserves the right, at its sole option, to redeem Certificates stated to mature on or after August 1, 2035, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, on August 1, 2034, or any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption. (See "THE CERTIFICATES - Redemption Provisions of the Certificates" herein.)
Tax Matters	In the opinion of McCall, Parkhurst & Horton L.L.P., San Antonio, Texas, as Bond Counsel to the County, interest on the Certificates will be excludable from gross income for federal income tax purposes under statutes, regulations, published rulings, and court decisions existing on the date thereof, including the alternative minimum tax on certain corporations. (See "TAX MATTERS" and "APPENDIX C - Form of Opinion of Bond Counsel" herein).
Use of Certificate Proceeds	Proceeds from the sale of the Certificates will be used for the purpose of paying all or a portion of the County's contractual obligations incurred for the purpose (1) designing, acquiring, constructing, renovating, improving, and equipping various County roads, bridges, parking structures, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation necessary or incidental thereto, (2) constructing, acquiring, designing, purchasing, renovating, enlarging, equipping, and improving various County-owned facilities, including improvements to the existing (a) County Fairplex (owned and operated by the County or by an entity created to act on behalf of the County), (b) the County Sherriff's Office, (c) the County Tax Assessor Office, (d) the County's judicial facilities, and (e) the County Jail; (3) acquiring and installing new technology hardware and software to support County operations, including new security systems, radios, and emergency response communications system infrastructure; (4) acquiring, owning, operating, and contracting for the operation of a water or sewer utility system to serve an unincorporated area of the County; (5) the purchase of materials, supplies, vehicles, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (6) the payment of professional services related to the acquisition, design, construction, project management, and financing fees in connection with such projects. (See "THE CERTIFICATES – Use of Certificate Proceeds" herein.)

Rating	The Certificates have been assigned a rating of "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), by virtue of a municipal bond insurance policy to be issued by Assured Guaranty Inc. ("AG"). S&P has assigned an underlying, unenhanced rating of "A+" to the Certificates without regard to credit enhancement. An explanation of the significance of such ratings may be obtained from S&P. (See "OTHER PERTINENT INFORMATION - Ratings" herein.)
Bond Insurance	The scheduled payment of principal of and interest on the Certificates when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Certificates by Assured Guaranty Inc. ("AG"). (See "CERTIFICATE INSURANCE" and "BOND INSURANCE GENERAL RISKS" herein.)
Payment Record	The County has never defaulted on the payment of its general obligation or revenue indebtedness.
Future Debt Issues	The Issuer does not anticipate the issuance of any additional ad valorem tax debt in 2025.
Delivery	When issued, anticipated on or about August 28, 2025.
Legality	Delivery of the Certificates is subject to the approval by the Attorney General of the State of Texas and the approval of certain legal matters by McCall, Parkhurst & Horton L.L.P., San Antonio, Texas, Bond Counsel.

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OFFICIAL STATEMENT
relating to

$9,635,000
UVALDE COUNTY, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025

INTRODUCTORY STATEMENT

This Official Statement provides certain information in connection with the issuance by Uvalde County, Texas (the "County" or the "Issuer") of its $9,635,000 Combination Tax and Revenue Certificates of Obligation, Series 2025 (the "Certificates") identified on the cover page.

The Issuer is a political subdivision of the State of Texas (the "State") and a municipal corporation organized and existing under the Constitution and laws of the State of Texas. Unless otherwise indicated, capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Order (defined below). Included in this Official Statement are descriptions of the Certificates and certain information about the Issuer and its finances. ***ALL DESCRIPTIONS OF DOCUMENTS CONTAINED HEREIN ARE SUMMARIES ONLY AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO EACH SUCH DOCUMENT***. Copies of such documents may be obtained upon request from the Issuer or its Financial Advisor, SAMCO Capital Markets, Inc., 1020 Northeast Loop 410, Suite 640, San Antonio, Texas 78209, via electronic mail or upon payment of reasonable copying, handling, and delivery charges.

All financial and other information presented in this Official Statement has been provided by the County from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in financial position or other affairs of the County. No representation is made that past experience, as is shown by financial and other information, will necessarily continue or be repeated in the future.

This Official Statement speaks only as to its date, and the information contained herein is subject to change. A copy of the Final Official Statement pertaining to the Certificates will be deposited with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access ("EMMA") system. See "CONTINUING DISCLOSURE OF INFORMATION" herein for a description of the County's undertaking to provide certain information on a continuing basis.

THE CERTIFICATES

General Description of the Certificates

The Certificates are dated August 1, 2025 (the "Dated Date"), will mature on the dates and in the principal amounts and will bear interest at the rates set forth on page 2 of this Official Statement. The Certificates will be registered and issued in denominations of $5,000 or any integral multiple thereof. The Certificates will bear interest from the Dated Date, or from the most recent date to which interest has been paid or duly provided for, and will be paid semiannually on February 1 and August 1 of each year, commencing February 1, 2026, until stated maturity or prior redemption. Principal of and interest on the Certificates are payable in the manner described herein under "BOOK-ENTRY-ONLY SYSTEM". In the event the Book-Entry-Only System is discontinued, the interest on the Certificates payable on an interest payment date will be payable to the registered owner as shown on the security register maintained by BOKF, NA, Dallas, Texas as the initial Paying Agent/Registrar, as of the Record Date (defined below), by check, mailed first-class, postage prepaid, to the address of such person on the security register or by such other method acceptable to the Paying Agent/Registrar requested by and at the risk and expense of the registered owner. In the event the Book-Entry-Only System is discontinued, principal of the Certificates will be payable at stated maturity or prior redemption upon presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar.

If the date for the payment of the principal of or interest on the Certificates is a Saturday, Sunday, a legal holiday or a day when banking institutions in the County where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment will be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized to close; and payment on such date will have the same force and effect as if made on the original date payment was due.

Authority for Issuance

The Certificates are being issued pursuant to the Constitution and general laws of the State, including particularly Texas Local Government Code, Subchapter C, Chapter 271, as amended, Chapter 363, Texas Health and Safety Code, as amended, and an order (the "Order") adopted by the Commissioners Court on August 11, 2025.

Security for Payment

The Certificates constitute direct obligations of the Issuer payable from an annual ad valorem tax levied against all taxable property in the County, within the limits prescribed by law and are additionally payable from a lien on and limited pledge of the Net Revenues derived from the operation of the County's solid waste management system. (See "COUNTY APPLICATION OF THE PROPERTY TAX CODE" herein.)

Perfection of Security Interest

Chapter 1208, as amended, Texas Government Code, applies to the issuance of the Certificates, and such security pledges are, therefore, valid, effective, and perfected. Should State law be amended at any time while the Certificates are outstanding and unpaid, the result of such amendment being that the pledge of the ad valorem taxes and revenues are to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, as amended, in order to preserve to the registered owners of the Certificates a perfected security interest in such pledges the County agrees to take such measures as it determines are reasonable and necessary to maintain a perfected security interest in said pledge or pledges.

Redemption Provisions of the Certificates

The Issuer reserves the right, at its sole option, to redeem Certificates stated to mature, on or after August 1, 2035, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof on August 1, 2034, or any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. If less than all of the Certificates within a stated maturity are to be redeemed, the particular Certificates to be redeemed shall be selected by lot or by other customary random method by the Paying Agent/Registrar.

Notice of Redemption

At least 30 days prior to the date fixed for any redemption of any Certificates or portions thereof prior to stated maturity, the Issuer shall cause notice of such redemption to be sent by United States mail, first-class postage prepaid, to the registered owner of each Certificate or a portion thereof to be redeemed at its address as it appeared on the registration books of the Paying Agent/Registrar on the day such notice of redemption is mailed. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof which are to be so redeemed. If such notice of redemption is given and if due provision for such payment is made, all as provided above, the Certificates or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment.

ANY NOTICE OF REDEMPTION SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN IRRESPECTIVE OF WHETHER RECEIVED BY THE CERTIFICATEHOLDER, AND, PROVIDED THAT PROVISION FOR PAYMENT OF THE REDEMPTION PRICE IS MADE AND ANY OTHER CONDITIONS TO REDEMPTION ARE SATISFIED, INTEREST ON THE REDEEMED CERTIFICATES SHALL CEASE TO ACCRUE FROM AND AFTER SUCH REDEMPTION DATE NOTWITHSTANDING THAT A CERTIFICATE HAS NOT BEEN PRESENTED FOR PAYMENT.

The Paying Agent/Registrar and the Issuer, so long as a Book-Entry-Only System is used for the Certificates, will send any notice of redemption, notice of proposed amendment to the Order or other notices with respect to the Certificates only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the Beneficial Owner, will not affect the validity of the redemption of the Certificates called for redemption or any other action premised on any such notice. Redemption of portions of the Certificates by the Issuer will reduce the outstanding principal amount of such Certificates held by DTC. In such event, DTC may implement, through its Book-Entry-Only System, a redemption of such Certificates held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Certificates from the Beneficial Owners. Any such selection of Certificates to be redeemed will not be governed by the Order and will not be conducted by the Issuer or the Paying Agent/Registrar. Neither the Issuer nor the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on the Certificates or the providing of notice to DTC participants, indirect participants, or Beneficial Owners of the selection of portions of the Certificates for redemption. (See "BOOK-ENTRY-ONLY SYSTEM" herein.)

Selection of Certificates to be Redeemed

The Certificates of a denomination larger than $5,000 may be redeemed in part (in increments of $5,000 or any integral multiple thereof). The Certificates to be partially redeemed must be surrendered in exchange for one or more new Certificates for the unredeemed portion of the principal. If less than all of the Certificates are to be redeemed, the Issuer will determine the amounts to be redeemed and will direct the Paying Agent/Registrar (or DTC while the Certificates are in Book-Entry-Only form) to select, at random and by lot, the particular Certificates, or portion thereof, to be redeemed. If a Certificate (or any portion of the principal sum thereof) will have been called for redemption and notice or such redemption will have been given, such Certificate (or the principal amount thereof to be redeemed), will become due and payable on such redemption date and interest thereon will cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

Use of Certificate Proceeds

Proceeds from the sale of the Certificates will be used for the purpose of paying all or a portion of the County's contractual obligations incurred for the purpose of (1) designing, acquiring, constructing, renovating, improving, and equipping various County roads, bridges, parking structures, drainage, and sidewalk improvements, including necessary capital maintenance, utilities relocation, landscaping, wayfinding, and monumentation necessary or incidental thereto, (2) constructing, acquiring, designing, purchasing, renovating, enlarging, equipping, and improving various County-owned facilities, including improvements to the existing (a) County Fairplex (owned and operated by the County or by an entity created to act on behalf of the County), (b) the County Sherriff's Office, (c) the County Tax Assessor Office, (d) the County's judicial facilities, and (e) the County Jail; (3) acquiring and installing new technology hardware and software to support County operations, including new security systems, radios, and emergency response communications system infrastructure; (4) acquiring, owning, operating, and contracting for the operation of a water or sewer utility system to serve an unincorporated area of the County; (5) the purchase of materials, supplies, vehicles, equipment, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; and (6) the payment of professional services related to the acquisition, design, construction, project management, and financing fees in connection with such projects.

Sources and Uses

Sources	
Par Amount of the Certificates	$ 9,635,000.00
Accrued Interest on the Certificates	33,095.16
Net Reoffering Premium	360,324.25
Total Sources of Funds	$ 10,028,419.41
Uses	
Project Fund Deposit	$ 9,750,000.00
Purchaser's Discount (including bond insurance premium)	130,686.12
Interest and Sinking Fund Deposit	33,095.16
Costs of Issuance	114,638.13
Total Uses	$ 10,028,419.41

Payment Record

The Issuer has never defaulted on the payment of its ad valorem tax-backed or revenue indebtedness.

Amendments

The Issuer may amend the Order without the consent of or notice to any registered owners in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the Issuer may, with the written consent of the holders of a majority in aggregate principal amount of the Certificates then outstanding affected thereby, amend, add to, or rescind any of the provisions of the Order; except that, without the consent of the registered owners of all of the Certificates affected, no such amendment, addition, or rescission may (1) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, or interest on the Certificates, (2) give any preference to any Certificate over any other Certificate, or (3) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

Defeasance

The Order provides for the defeasance of the Certificates when payment of the principal amount of the Certificates plus interest accrued on the Certificates to their due date (whether such due date be by reason of stated maturity, redemption, or otherwise), is provided by irrevocably depositing with a paying agent, or other authorized escrow agent, in trust (1) money in an amount sufficient to make such payment, and/or (2) Government Securities (defined below), to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Certificates. The foregoing deposits shall be certified as to sufficiency by an independent accounting firm, the County's Financial Advisor, the Paying Agent/Registrar, or such other qualified financial institution (as provided in the Order). The County has additionally reserved the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the County moneys in excess of the amount required for such defeasance. The Order provides that "Government Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Certificates. Current State law permits defeasance with the following types of securities: (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that on the date the governing body of the County adopts or approves the proceedings authorizing the financial arrangements have been refunded and are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (d) any additional securities and obligations hereafter authorized by State law as eligible for use to accomplish the discharge of obligations such as the Certificates. There is no assurance that the ratings for U.S. Treasury securities acquired to defease any Certificates, or those for any other Government Securities, will be maintained at any particular rating category. Further, there is no assurance that current State law will not be amended in a manner that expands or contracts the list of permissible defeasance securities (such list consisting of these securities identified in clauses (a) through (c) above), or any rating requirement thereon, that may be purchased with defeasance proceeds relating to the Certificates ("Defeasance Proceeds"), though the County has reserved the right to utilize any additional securities for such purpose in the event the aforementioned list is expanded. Because the Order does not contractually limit such permissible defeasance securities and expressly recognizes the ability of the County to use lawfully available Defeasance Proceeds to defease all or any portion of the Certificates, registered owners of Certificates are deemed to have consented to the use of Defeasance Proceeds to purchase such other defeasance securities, notwithstanding the fact that such defeasance securities may not be of the same investment quality as those currently identified under State law as permissible defeasance securities.

Upon such deposit as described above, such Certificates shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment of the Certificates have been made as described above, all rights of the County to initiate proceedings to call the Certificates for redemption or take any other action amending the terms of the Certificates are extinguished; provided, however, the County has the option, to be exercised at the time of the defeasance of the Certificates, to call for redemption at an earlier date those Certificates which have been defeased to their maturity date, if the County (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Certificates for redemption, (ii) gives notice of the reservation of that right to the owners of the Certificates immediately following the making of the firm banking and financial arrangements, and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Default and Remedies

If the County defaults in the payment of principal, interest, or redemption price on the Certificates when due, or if it fails to make payments into any fund or funds created in the Order, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Order, the registered owners may seek a writ of mandamus to compel County officials to carry out their legally imposed duties with respect to the Certificates, if there is no other available remedy at law to compel performance of the Certificates or the Order and the County's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Certificates in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Order does not provide for the appointment of a trustee to represent the interest of the bondholders upon any failure of the County to perform in accordance with the terms of the Order, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. The Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006) that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language.

Furthermore, Tooke, and subsequent jurisprudence, held that a municipality is not immune from suit for torts committed in the performance of its proprietary functions, as it is for torts committed in the performance of its governmental functions (the "Proprietary-Governmental Dichotomy"). Governmental functions are those that are enjoined on a municipality by law and are given by the State as a part of the State's sovereignty, to be exercised by the municipality in the interest of the general public, while proprietary functions are those that a municipality may, in its discretion, perform in the interest of the inhabitants of municipality.

In *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) ("Wasson") the Texas Supreme Court (the "Court") addressed whether the distinction between governmental and proprietary acts (as found in tort-based causes of action) applies to breach of contract claims against municipalities. The Court analyzed the rationale behind the Proprietary-Governmental Dichotomy to determine that "a city's proprietary functions are not done pursuant to the 'will of the people'" and protecting such municipalities "via the [S]tate's immunity is not an efficient way to ensure efficient allocation of [S]tate resources". While the Court recognized that the distinction between government and proprietary functions is not clear, the Wasson opinion held that Proprietary-Governmental Dichotomy applies in contract-claims context. The Court reviewed Wasson again in June 2018 and clarified that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of alleged breach. Therefore, in regard to municipal contract cases (as in tort claims), it is incumbent on the courts to determine whether a function was proprietary or governmental based upon the statutory guidance and definitions found in the Texas Civil Practice and Remedies Code.

Notwithstanding the foregoing case law issued by the Court, such sovereign immunity issues have not been adjudicated in relation to bond matters (specifically, in regard to the issuance of municipal debt). Each situation will be prospectively evaluated based on the facts and circumstances surrounding the contract in question to determine if a suit, and subsequently, a judgment, is justiciable against a municipality.

If a judgment against the County could be obtained, it could not be enforced by direct levy and execution against the County's property. Further, the registered owners cannot themselves foreclose on property within the County or sell property within the County to enforce the tax lien on taxable property to pay the principal of and interest on the Certificates. As noted above, the Order provides that Certificate holders may exercise the remedy of mandamus to enforce the obligations of the County under the Order. Neither the remedy of mandamus nor any other type of injunctive relief was at issue in *Tooke*, and it is unclear whether Tooke will be construed to have any effect with respect to the exercise of mandamus, as such remedy has been interpreted by Texas courts. In general, Texas courts have held that a writ of mandamus may be issued to require public officials to perform ministerial acts that clearly pertain to their duties. Texas courts have held that a ministerial act is defined as a legal duty that is prescribed and defined with a precision and certainty that leaves nothing to the exercise of discretion or judgment, though mandamus is not available to enforce purely contractual duties. However, mandamus may be used to require a public officer to perform legally imposed ministerial duties necessary for the performance of a valid contract to which the State or a political subdivision of the State is a party (including the payment of monies due under a contract). Furthermore, the County is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondholders of an entity which has sought protection under Chapter 9. Therefore, should the County avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Order and the Certificates are qualified with respect to the customary rights of debtors relative to their creditors and general principles of equity that permit the exercise of judicial discretion.

2025 Legislative Session

The regular session of the 89th Texas Legislature (the "Legislature") commenced on January 14, 2025 and concluded on June 2, 2025. The Legislature meets in regular session in odd numbered years for 140 days. When the Legislature is not in session, the Governor may call one or more special sessions, at the Governor's discretion, each lasting no more than 30 days, and for which the Governor sets the agenda. The first special session began on July 21, 2025, and the second session began on August 15, 2025.

The County is still in the process of reviewing legislation passed during the 89th Regular Session. At this time, the County cannot make any representations as to the full impact of such legislation. Further, the County can make no representations or predictions regarding the scope of legislation that may be considered in the first called special session (or any other special session) or the potential impact of such legislation at this time, but it intends to monitor applicable legislation related thereto.

REGISTRATION, TRANSFER AND EXCHANGE

Paying Agent/Registrar

The initial Paying Agent/Registrar is BOKF, NA, Dallas, Texas. In the Order, the Issuer retains the right to replace the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the Issuer, the new Paying Agent/Registrar shall accept the previous Paying Agent/Registrar's records and act in the same capacity as the previous Paying Agent/Registrar. Any successor Paying Agent/Registrar, selected at the sole discretion of the Issuer, shall be a national or state banking association or corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers, shall be subject to supervision or examination by federal or state authority, and registered as a transfer agent with the United States Securities and Exchange Commission. Upon a change in the Paying Agent/Registrar for the Certificates, the Issuer agrees to promptly cause written notice thereof to be sent to each registered owner of the Certificates affected by the change by United States mail, first-class, postage prepaid.

The Certificates will be issued in fully registered form in multiples of $5,000 for any one stated maturity, and principal and semiannual interest will be paid by the Paying Agent/Registrar. Interest will be paid by check or draft mailed on each interest payment date by the Paying Agent/Registrar to the registered owner at the last known address as it appears on the Paying Agent/Registrar's books or by such other method, acceptable to the Paying Agent/Registrar, requested by and at the risk and expense of the registered owner. Principal will be paid to the registered owner at stated maturity or prior redemption upon presentation to the Paying Agent/Registrar; provided however, that so long as DTC's Book-Entry-Only System is used, all payments will be made as described under "BOOK-ENTRY-ONLY SYSTEM" herein. If the date for the payment of the principal of or interest on the Certificates shall be a Saturday, Sunday, a legal holiday or a day when banking institutions in the city where the Paying Agent/ Registrar is located are authorized to close, then the date for such payment shall be the next succeeding day which is not such a day, and payment on such date shall have the same force and effect as if made on the date payment was due.

Record Date

The record date ("Record Date") for determining the party to whom interest is payable on a Certificate on any interest payment date means the fifteenth (15th) day of the month next preceding each interest payment date. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment will be established by the Paying Agent/Registrar. (See "REGISTRATION, TRANSFER, AND EXCHANGE – Special Record Date for Interest Payment" herein.)

Special Record Date for Interest Payment

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of a Certificate appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Future Registration

In the event the Certificates are not in the Book-Entry-Only System, the Certificates may be transferred, registered, and assigned on the registration books of the Paying Agent/Registrar only upon presentation and surrender thereof to the Paying Agent/Registrar, and such registration and transfer shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration and transfer. A Certificate may be assigned by the execution of an assignment form on the Certificate or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. A new Certificate or Certificates will be delivered by the Paying Agent/Registrar in lieu of the Certificates being transferred or exchanged at the corporate trust office of the Paying Agent/Registrar, or sent by United States registered mail to the new registered owner at the registered owner's request, risk and expense. New Certificates issued in an exchange or transfer of Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three (3) business days after the receipt of the Certificates to be canceled in the exchange or transfer and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Certificates registered and delivered in an exchange or transfer shall be in denominations of $5,000 for any one stated maturity or any integral multiple thereof and for a like aggregate principal amount and rate of interest as the Certificate or Certificates surrendered for exchange or transfer. (See "BOOK-ENTRY-ONLY SYSTEM" herein for a description of the system to be utilized in regard to ownership and transferability of the Certificates.)

Limitation on Transfer of Certificates

Neither the Issuer nor the Paying Agent/Registrar shall be required to make any such transfer, conversion or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date or (ii) with respect to any Certificate or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, that such limitation shall not apply to uncalled portions of a Certificate redeemed in part.

Replacement Certificates

The Issuer has agreed to replace mutilated, destroyed, lost, or stolen Certificates upon surrender of the mutilated Certificates to the Paying Agent/Registrar, or receipt of satisfactory evidence of such destruction, loss, or theft, and receipt by the Issuer and Paying Agent/Registrar of security or indemnity as may be required by either of them to hold them harmless. The Issuer may require payment of taxes, governmental charges, and other expenses in connection with any such replacement. The person requesting the authentication of and delivery of a replacement Certificate must comply with such other reasonable regulations as the Paying Agent/Registrar may prescribe and pay such expenses as the Paying Agent/Registrar may incur in connection therewith.

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Certificates is to be transferred and how the principal of, premium, if any, and interest on the Certificates are to be paid to and credited by The Depository Trust Company ("DTC"), New York, New York, while the Certificates are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The County, the Financial Advisor, and the Purchaser believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The County cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Certificates, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Certificates), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for the Certificates, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the United States Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive physical certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in Beneficial Ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Certificates within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal, and interest payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to Issuer or Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered. The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, physical certificates will be printed and delivered to the holder of such Certificates and will be subject to transfer, exchange and registration provisions as set forth in the Order and summarized under "REGISTRATION, TRANSFER AND EXCHANGE" hereinabove.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County, the Financial Advisor, and the Purchaser believe to be reliable, but none of the County, the Financial Advisor, or the Purchaser take responsibility for the accuracy thereof.

So long as Cede & Co. is the registered owner of the Certificates, the Issuer will have no obligation or responsibility to the DTC. Participants or Indirect Participants, or the persons for which they act as nominees, with respect to payment to or providing of notice to such Participants, or the persons for which they act as nominees.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, payment or notices that are to be given to registered owners under the Order will be given only to DTC.

Effect of Termination of Book-Entry-Only System

In the event that the Book-Entry-Only System is discontinued by DTC or the use of the Book-Entry-Only System is discontinued by the County, printed certificates representing the Certificates will be issued to the holders and the Certificates will be subject to transfer, exchange and registration provisions as set forth in the Order and summarized under "REGISTRATION, TRANSFER AND EXCHANGE – Future Registration."

CERTIFICATE INSURANCE

Certificate Insurance Policy

Concurrently with the issuance of the Certificates, Assured Guaranty Inc. ("AG") will issue its Municipal Bond Insurance Policy (the "Policy") for the Certificates. The Policy guarantees the scheduled payment of principal of and interest on the Certificates when due as set forth in the form of the Policy included in Appendix E to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On August 4, 2025, KBRA announced that it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On June 30, 2025, S&P announced that it had affirmed AG's financial strength rating of "AA" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At June 30, 2025:

- The policyholders' surplus of AG was approximately $3,514 million.

- The contingency reserve of AG was approximately $1,453 million.

- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately $2,437 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (filed by AGL with the SEC on February 28, 2025);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (filed by AGL with the SEC on May 9, 2025); and

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 (filed by AGL with the SEC on August 8, 2025).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Certificates shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "CERTIFICATE INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Certificates or the advisability of investing in the Certificates. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "CERTIFICATE INSURANCE".

BOND INSURANCE GENERAL RISKS

The following are risk factors relating to bond insurance.

In the event of default on the payment of principal or interest with respect to the Certificates when all or some becomes due, any owner of the Certificates shall have a claim under the Policy for such payments. The payment of principal and interest in connection with mandatory or optional prepayment of the Certificates by the County which is recovered by the County from the Certificate owner as a voidable preference under applicable bankruptcy law may be covered by the Policy, however, such payments will be made by the Bond Insurer at such time and in such amounts as would have been due absent such prepayment by the County unless the Bond Insurer chooses to pay such amounts at an earlier date.

Payment of principal and interest is not subject to acceleration, but other legal remedies upon the occurrence of non-payment do exist. See "THE CERTIFICATES – Default and Remedies". The Bond Insurer may direct and must consent to any remedies that the Paying Agent/Registrar exercises and the Bond Insurer's consent may be required in connection with amendments to any applicable Certificate documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Certificates are payable solely from moneys pledged pursuant to the Order. In the event the Bond Insurer becomes obligated to make payments with respect to the Certificates, no assurance is given that such event will not adversely affect the market price of the Certificates or the marketability (liquidity) for the Certificates.

If a Policy is acquired, the long-term ratings on the Certificates are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Certificates insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Certificates or the marketability (liquidity) for the Certificates. See "OTHER PERTINENT INFORMATION - Ratings" herein.

The obligations of the Bond Insurer are general obligations of the Bond Insurer and in an event of default by the Bond Insurer, the remedies available to the Paying Agent/Registrar may be limited by applicable bankruptcy law or other similar laws related to insolvency of insurance companies.

None of the County, the Financial Advisor, or the Purchaser have made independent investigation into the claims-paying ability of any potential Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of any potential Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the County to pay principal and interest on the Certificates and the claims-paying ability of the Bond Insurer, particularly over the life of the Certificates.

Claims-Paying Ability and Financial Strength of Municipal Bond Insurers

Moody's Investor Services, Inc., S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business, and Fitch Ratings, Inc. have downgraded and/or placed on negative watch the claims-paying ability and financial strength of most providers of municipal bond insurance. Additional downgrades or negative changes in the rating outlook for all bond insurers is possible.

In addition, past events in the credit markets have had substantial negative effects on the bond insurance business. These developments could be viewed as having a material adverse effect on the claims-paying ability of such bond insurers, including any bond insurer of the Certificates. Thus, when making an investment decision, potential investors should carefully consider the ability of any such bond insurer to pay principal and interest on the Certificates and the claims-paying ability of the Bond Insurer, particularly over the life of the Certificates.

INVESTMENT POLICIES

The County invests its investable funds in investments authorized by State law and in accordance with investment policies approved and reviewed annually by the Commissioners Court of the County. Both State law and the County's investment policies are subject to change.

Legal Investments

Under State law and subject to certain limitations, the County is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations issued and secured by a federal agency or instrumentality of the United States; (4) other obligations unconditionally guaranteed or insured by the State of Texas or the United States or their respective agencies and instrumentalities; (5) "A" or better rated obligations of states, agencies, counties, cities, and other political subdivisions of any state; (6) bonds issued, assumed, or guaranteed by the State of Israel; (7) federally insured interest-bearing bank deposits, brokered pools of such deposits, and collateralized certificates of deposit and share certificates; (8) fully collateralized United States government securities repurchase agreements; (9) one-year or shorter securities lending agreements secured by obligations described in clauses (1) through (7) above or (11) through (14) below or an irrevocable letter of credit issued by an "A" or better rated state or national bank; (10) 270-day or shorter bankers' acceptances, if the short-term obligations of the accepting bank or its holding company are rated at least "A-1" or "P-1"; (11) commercial paper rated at least "A-1" or "P-1"; (12) SEC-registered no-load money market mutual funds that are subject to SEC Rule 2a-7; (13) SEC-registered no-load mutual funds that have an average weighted maturity of less than two years; (14) "AAA" or "AAAm"-rated investment pools that invest solely in investments described above; and (15) in the case of bond proceeds, guaranteed investment contracts that are secured by obligations described in clauses (1) through (7) above and, except for debt service funds and reserves, have a term of 5 years or less.

The County may not, however, invest in (1) interest only obligations, or non-interest bearing principal obligations, stripped from mortgage-backed securities; (2) collateralized mortgage obligations that have a remaining term that exceeds 10 years; and (3) collateralized mortgage obligations that bear interest at an index rate that adjusts opposite to the changes in a market index. In addition, the County may not invest more than 15% of its monthly average fund balance (excluding bond proceeds and debt service funds and reserves) in mutual funds described in clause (13) above or make an investment in any mutual fund that exceeds 10% of the fund's total assets.

Except as stated above or inconsistent with its investment policy, the County may invest in obligations of any duration without regard to their credit rating, if any. If an obligation ceases to qualify as an eligible investment after it has been purchased, the County is not required to liquidate the investment unless it no longer carries a required rating, in which case the County is required to take prudent measures to liquidate the investment that are consistent with its investment policy.

No representation is made that the Certificates will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes. The County has made no investigation of other laws, rules, regulations or investment criteria which might apply to any such persons or entities, or which might otherwise limit the suitability of the Certificates for any of the foregoing purposes or limit the authority of such persons or entities to purchase or invest in the Certificates for such purposes.

Additionally, with respect to the Certificates, Section 271.051 of the Texas Local Government Code, as amended, expressly provides that certificates of obligation approved by the Attorney General of Texas are legal authorized investments for banks, savings banks, trust companies, and savings and loan associations, insurance companies, fiduciaries, trustees, and guardians, and sinking funds of municipalities, counties, school districts, or other political corporations or subdivisions of the State.

Current Investments (1) **TABLE 1**

As of June 18, 2025, the County held investments as follows (unaudited):

Type of Security	Market Value	Percentage of Total
Cash and Money Market	$9,778,357	100%

As of such date, the market value of such investments (as determined by the Issuer by reference to published quotations, dealer bids, and comparable information) was approximately 100% of their book value. No funds of the Issuer are invested in derivative securities, *i.e.*, securities whose rate of return is determined by reference to some other instrument, index, or commodity.

____
(1) Unaudited.

AD VALOREM PROPERTY TAXATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors *are encouraged to review Title I of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.*

Valuation of Taxable Property

The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the County is the responsibility of the Uvalde County Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property. Unless extended by the Legislature, through December 31, 2026 an appraisal district is prohibited from increasing the appraised value of real property during the 2024 tax year on certain non-homestead properties (the "Subjected Property") whose appraised values are not more than $5 million dollars (the "maximum property value") to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property. The maximum property value may be increased or decreased by the product of the preceding state fiscal year's increase or decrease in the consumer price index, as applicable, to the maximum property value. For the 2025 tax year, the maximum property value was increased to $5,160,000.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the County, in establishing their tax rolls and tax rates (see "AD VALOREM PROPERTY TAXATION – County and Taxpayer Remedies").

State Mandated Homestead Exemptions

State law grants, with respect to each taxing unit in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

Local Option Homestead Exemptions

The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than $5,000) and (2) an additional exemption of at least $3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may also be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit. Cities, counties and school districts are prohibited from repealing or reducing an optional homestead exemption that was granted in tax year 2022 through December 31, 2027.

Local Option Freeze for the Elderly and Disabled

The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

Personal Property

Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property. Subject to voter approval at a Statewide election to be held on November 4, 2025, legislation passed by the State legislature and signed by the Governor during the Legislature (as defined herein) would provide a person with an exemption from taxation by a taxing unit of $125,000 of the appraised value of tangible personal property the person owns that is held or used for the production of income and has taxable situs at the same location in the taxing unit (or, if the person leases such property, regardless of where the property is located in the taxing unit).

Freeport and Goods-In-Transit Exemptions

Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods, that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days ("Goods-in-Transit"), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action, after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer's motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

Other Exempt Property

Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property. Beginning with the 2026 tax year, all intangible personal property is exempt from State taxation.

Temporary Exemption for Qualified Property Damaged by a Disaster

The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes located in an area declared by the governor to be a disaster area following a disaster and is at least 15 percent physically damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. Except in situations where the territory is declared a disaster on or after the date the taxing unit adopts a tax rate for the year in which the disaster declaration is issued, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Property Tax Code. Section 11.35 of the Tax Code was enacted during 2019 legislative session, and there is no judicial precedent for how the statute will be applied. Texas Attorney General Opinion KP-0299, issued on April 13, 2020, concluded a court would likely find the Texas Legislature intended to limit the temporary tax exemption to apply to property physically harmed as a result of a declared disaster.

Tax Increment Reinvestment Zones

A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones ("TIRZ") within its boundaries, and other overlapping taxing units may agree to contribute taxes levied against the "Incremental Value" in the TIRZ to finance or pay for project costs, as defined in Chapter 311, Texas Government Code, generally located within the TIRZ. At the time of the creation of the TIRZ, a "base value" for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the "Incremental Value", and during the existence of the TIRZ, all or a portion of the taxes levied by each participating taxing unit against the Incremental Value in the TIRZ are restricted to paying project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

Chapter 381 Agreements

The County is authorized, pursuant to Chapter 381, Texas Local Government Code, as amended ("Chapter 381"), to establish programs to promote state or local economic development and to stimulate business and commercial activity in the County. In accordance with a program established pursuant to Chapter 381, the County may make loans or grants of public funds for economic development purposes, however no obligations secured by ad valorem taxes may be issued for such purposes unless approved by voters of the County. The County may contract with the federal government, the State, another political subdivision, a nonprofit organization or any other entity, including private entities, for the administration of such a program.

Tax Abatement Agreements

Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

County and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the County, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the County may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with taxable value in excess of the current year "minimum eligibility amount", as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount is set at $61,349,201 for the 2025 tax year and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the County and provides for taxpayer referenda that could result in the repeal of certain increases (see "AD VALOREM PROPERTY TAXAATION – Publich Hearing and Maintenance and Operations Tax Rate Limitations"). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

Levy and Collection of Taxes

The County is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the County. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the County may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

County's Rights in the Event of Tax Delinquencies

Taxes levied by the County are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the County, having power to tax the property. The County's tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the County is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the County may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the County must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer's debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

Public Hearing and Maintenance and Operations Tax Rate Limitations

The following terms as used in this section have the meanings provided below:

"adjusted" means lost values are not included in the calculation of the prior year's taxes and new values are not included in the current year's taxable values.

"de minimis rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted), plus the rate that produces an additional $500,000 in tax revenue when applied to the current year's taxable value, plus the debt service tax rate.

"foregone revenue amount" means the greater of zero or the amount expressed in dollars calculated according to the formula: the voter-approval tax rate in the applicable preceding tax year less the unused increment rate for that preceding tax yer,less the actual tax rate then multiplied by the tax units current total value in the applicable preceding tax year.

"no-new-revenue tax rate" means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year's total tax levy (adjusted) from the current year's total taxable values (adjusted).

"special taxing unit" means a county for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per $100 of taxable value.

"unused increment rate" means the greater of (i) zero; or (ii) the sum of the forgone revenue amount for each of the tax years 2022 through 2024 divided by the current value.

"voter-approval tax rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the "unused increment rate".

A county must annually calculate its voter-approval tax rate and no-new-revenue tax rate in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable property within the city and the county tax assessor-collector. A county must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a county fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the county for the preceding tax year.

As described below, the Property Tax Code provides that if a county adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its de minimis rate, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A county may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until the county appraisal district has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the county has held a public hearing on the proposed tax increase.

If a county's adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the county must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a county does not qualify as a special taxing unit, if a county's adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the county's voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the county would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any county located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such county's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the County's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the County's tax-supported debt obligations, including the Certificates.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

Debt Tax Rate Limitations

All taxable property within the County is subject to the assessment, levy and collection by the County of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax-supported debt within the limits prescribed by law. Article VIII, Section 9, of the Texas Constitution imposes a limit of $0.80 per $100 assessed valuation for all purposes of a county's General Fund, Permanent Improvement Fund, Road and Bridge Fund and Jury Fund, including debt service on bonds or other debt issued against such funds. Administratively, the Attorney General of the State of Texas will not approve limited tax obligations in an amount which produces debt service requirements exceeding that which can be paid from $0.40 of the foregoing $0.80 maximum tax rate, as calculated at the time of issuance. The Certificates are limited tax-supported debt obligations payable from the $0.80 constitutional tax.

The Property Tax Code as Applied to the County

The County has not granted an additional exemption of 20% of the market value of residence homesteads; minimum exemption of $5,000.

The County has adopted the tax freeze for citizens who are disabled or are 65 years of age or older.

Ad valorem taxes are not levied by the County against the exempt value of residence homesteads for the payment of debt.

The County does not tax nonbusiness personal property; and Uvalde County Appraisal District does collect taxes for the County.

The County does not tax freeport property.

The County has adopted a tax abatement policy:

AP SunRay LLC, (the "AP SunRay") is allowed to operate and maintain a solar electric power generating facility in Texas. AP SunRay's agreement will remain in effect for ten (10) years. There will be a 100% property tax abatement on the Improvements constructed, expanded or acquired on the property until its expiration.

ABEI Energy and Infrastructure ("ABEI") is allowed to operate and maintain a solar energy facility. ABEI's agreement will remain in effect for ten (10) years.

The County has voted to participate in a TIRZ with the City of Uvalde and payments from future M&O tax.

WEATHER EVENTS

The County is located in areas that include rivers that be susceptible to flooding and high water. If a future weather event significantly damaged all or part of the properties comprising the tax base within the County, the assessed value of property within the County could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase the County's tax rate. Texas law allows the County to increase property tax rates without voter approval upon the occurrence of certain disasters such as floods and upon a gubernatorial or presidential declaration of disaster. There can be no assurance that a casualty loss to taxable property within the County will be covered by insurance (or that property owners will even carry flood or other casualty insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the County or be sufficient for such purposes. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the County could be adversely affected**.**

TAX MATTERS

Opinion

On the date of initial delivery of the Certificates, McCall, Parkhurst & Horton L.L.P., San Antonio, Texas, Bond Counsel, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof ("Existing Law"), (i) interest on the Certificates for federal income tax purposes will be excludable from the "gross income" of the holders thereof, and (ii) the Certificates will not be treated as "specified private activity bonds", the interest on which would be included as an alternative minimum tax preference item under Section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). Except as stated above, Bond Counsel will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Certificates (see "APPENDIX C - Form of Opinion of Bond Counsel").

In rendering its opinion, Bond Counsel will rely upon (a) the County's federal tax certificate, and (b) covenants of the County with respect to arbitrage, the application of the proceeds to be received from the issuance and sale of the Certificates and certain other matters.
Failure by the County to observe the aforementioned representations or covenants, could cause the interest on the Certificates to become taxable retroactively to the date of issuance.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Certificates in order for interest on the Certificates to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Certificates to be included in gross income retroactively to the date of the issuance of the Certificates. The opinion of Bond Counsel is conditioned on compliance by the County with the covenants and the requirements described in the preceding paragraph, and Bond Counsel to the County has not been retained to monitor compliance with these requirements subsequent to the issuance of the Certificates.

Bond Counsel's opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations, and covenants. Bond Counsel's opinion is not a guarantee of a result. The Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that such Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Certificates.

A ruling was not sought from the Internal Revenue Service by the County with respect to the Certificates or the property financed with the proceeds of the Certificates. No assurances can be given as to whether or not the Internal Revenue Service will commence an audit of the Certificates, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the County as the taxpayer and the Certificateholders may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

The initial public offering price to be paid for one or more maturities of the Certificates (the "Original Issue Discount Certificates") may be less than the principal amount thereof or one or more periods for the payment of interest on the Certificates may not be equal to the accrual period or be in excess of one year. In such event, the difference between (i) the "stated redemption price at maturity" of each Original Issue Discount Certificate, and (ii) the initial offering price to the public of such Original Issue Discount Certificate would constitute original issue discount. The "stated redemption price at maturity" means the sum of all payments to be made on the Certificates less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Certificate in the initial public offering is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Certificate equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see the discussion set forth below. In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Certificate prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Certificate in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Certificate was held by such initial owner) is includable in gross income.

Under Existing Law, the original issue discount on each Original Issue Discount Certificate is accrued daily to the stated maturity thereof (in amounts calculated as described below for each accrual period and ratably within each such accrual period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Certificate for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Certificate.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Certificates which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Certificates should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Certificates and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Certificates.

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Certificates. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE CERTIFICATES.

Interest on the Certificates may be includable in certain corporations' "adjusted financial statement income" determined under section 56A of the Code to calculate the alternative minimum tax imposed by section 55 of the Code.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Certificates, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Certificates, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such Certificates, although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e., the issue price plus accrued original issue discount). The "accrued market discount" is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Certificates under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Certificates will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under Section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of foreign investors, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Certificates under federal or state law and could affect the market price or marketability of the Certificates. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Certificates should consult their own tax advisors regarding the foregoing matters.

Qualified Tax-Exempt Obligations for Financial Institutions

Section 265(a) of the Code provides, in pertinent part, that interest paid or incurred by a taxpayer, including a "financial institution," on indebtedness incurred or continued to purchase or carry tax-exempt obligations is not deductible in determining the taxpayer's taxable income. Section 265(b) of the Code provides an exception to the disallowance of such deduction for any interest expense paid or incurred on indebtedness of a taxpayer that is a "financial institution" allocable to tax-exempt obligations, other than "private activity bonds," that are designated by a "qualified small issuer" as "qualified tax-exempt obligations." A "qualified small issuer" is any governmental issuer (together with any "on-behalf of" and "subordinate" issuers) who issues no more than $10,000,000 of tax-exempt obligations during the calendar year. Section 265(b)(5) of the Code defines the term "financial institution" as any "bank" described in section 585(a)(2) of the Code, or any person accepting deposits from the public in the ordinary course of such person's trade or business that is subject to federal or state supervision as a financial institution. Notwithstanding the exception to the disallowance of the deduction of interest on indebtedness related to "qualified tax-exempt obligations" provided by section 265(b) of the Code, section 291 of the Code provides that the allowable deduction to a "bank," as defined in section 585(a)(2) of the Code, for interest on indebtedness incurred or continued to purchase "qualified tax-exempt obligations" shall be reduced by twenty-percent (20%) as a "financial institution preference item."

The Certificates have been designated, as "qualified tax-exempt obligations" within the meaning of section 265(b) of the Code. In furtherance of that designation, the County covenanted to take such action that would assure, or to refrain from such action that would adversely affect, the treatment of the Certificates as "qualified tax-exempt obligations." Potential purchasers should be aware that if the issue price to the public exceeds $10,000,000, there is a reasonable basis to conclude that the payment of a de minimis amount of premium in excess of $10,000,000 is disregarded; however, the Internal Revenue Service could take a contrary view. If the Internal Revenue Service takes the position that the amount of such premium is not disregarded, then such obligations might fail to satisfy the $10,000,000 limitation and the Certificates would not be "qualified tax-exempt obligations."

CONTINUING DISCLOSURE OF INFORMATION

The County in the Order has made the following agreement for the benefit of the holders and beneficial owners of the Certificates. The County is required to observe the agreement for so long as it remains obligated to advance funds to pay the Certificates. Under the agreement, the County will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board ("MSRB"). This information will be available to the public free of charge from the MSRB via the Electronic Municipal Market Access ("EMMA") system at www.emma.msrb.org, as further described below under "Availability of Information".

Annual Reports

Under Texas law, including, but not limited to, Chapter 103, as amended, Texas Local Government Code, the Issuer must keep its fiscal records in accordance with generally accepted accounting principles, must have its financial accounts and records audited by a certified public accountant and must file each audit report within 180 days after the close of the Issuer's fiscal year. The Issuer's fiscal records and audit reports are available for public inspection during the regular business hours, and the Issuer is required to provide a copy of the Issuer's audit reports to any bondholder or other member of the public within a reasonable time on request upon payment of charges prescribed by the Texas General Services Commission.

The County will file certain updated financial information and operating data with the MSRB annually. The information to be updated includes all quantitative financial information and operating data with respect to the County of the general type included in this Official Statement in Table 1 hereof, Tables 1 through 10 of Appendix A to this Official Statement, and in Appendix D. The Issuer will update and provide this information within six months after the end of each fiscal year of the County beginning in the year 2025. The County will provide the updated information to the MSRB in an electronic format, which will be available through EMMA to the general public without charge.

The Issuer may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements for the Issuer, if the Issuer commissions an audit and it is completed by the required time. If audited financial statements are not available by that time, the Issuer will provide by the required time unaudited financial statements for the applicable fiscal year to the MSRB with the financial information and operating data and will file the annual audit report when and if the same becomes available. Any such financial statements will be prepared in accordance with the accounting principles described in the Issuer's annual financial statements or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

The Issuer's current fiscal year end is September 30. Accordingly, it must provide updated information by the end of March in each year following end of its fiscal year, unless the Issuer changes its fiscal year. If the Issuer changes its fiscal year, it will notify the MSRB through EMMA of the change.

Notice of Certain Events

The County will also provide timely notices of certain events to the MSRB. The County will provide notice of any of the following events with respect to the Certificates to the MSRB in a timely manner (but not in excess of ten business days after the occurrence of the event): (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates, as the case may be; (7) modifications to rights of holders of the Certificates, if material; (8) Certificate calls, if material, and tender offers; (9) defeasances;(10) release, substitution, or sale of property securing repayment of the Certificates, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership, or similar event of the County, which shall occur as described below; (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material (15) incurrence of a Financial Obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of any such Financial Obligation of the County, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any such Financial Obligation of the County, any of which reflect financial difficulties. In the Order, the County adopted policies and procedures to ensure timely compliance of its continuing disclosure undertakings. In addition, the County will provide timely notice of any failure by the County to provide annual financial information in accordance with their agreement described above under “Annual Reports.” Neither the Certificates nor the Order make provision for liquidity enhancement, or debt service reserves.

For these purposes, (a) any event described in clause (12) in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the County in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County, and (b) the County intends the words used in the immediately preceding clauses (15) and (16) and in the definition of Financial Obligation above to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018.

Availability of Information

All information and documentation filing required to be made by the County in accordance with its undertaking made for the Certificates will be made with the MSRB in electronic format in accordance with MSRB guidelines. Access to such filings will be provided, without charge to the general public, by the MSRB.

Limitations and Amendments

The County has agreed to update information and to provide notices of certain specified events only as described above. The County has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The County makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Certificates at any future date. The County disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its agreement or from any statement made pursuant to its agreement, although holders or Beneficial Owners of Certificates may seek a writ of mandamus to compel the County to comply with its agreement.

The County may amend its continuing disclosure agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, if the agreement, as amended, would have permitted an underwriter to purchase or sell Certificates in the offering described herein in compliance with the Rule and either the holders of a majority in aggregate principal amount of the outstanding Certificates consent or any person unaffiliated with the County (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders or beneficial owners of the Certificates. If the County amends its agreement, it must include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of information and data provided. The County may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent any Purchasers from lawfully purchasing or selling Certificates, respectively, in the primary offering of the Certificates.

Compliance with Prior Agreements

During the past five years, the County has complied in all material respects with its previous continuing disclosure agreements made in accordance with the Rule.

LEGAL MATTERS

Legal Opinions and No-Litigation Certificate

The Issuer will furnish the Purchaser with a complete transcript of proceedings incident to the authorization and issuance of the Certificates, including the unqualified approving legal opinion of the Attorney General of the State of Texas to the effect that the Initial Certificate is a valid and legally binding obligation of the Issuer, and based upon examination of such transcript of proceedings, the approval of certain legal matters by Bond Counsel, to the effect that the Certificates, issued in compliance with the provisions of the Order, are valid and legally binding obligations of the Issuer and, subject to the qualifications set forth herein under "TAX MATTERS", the interest on the Certificates is exempt from federal income taxation under existing statutes, published rulings, regulations, and court decisions. Though it represents the Financial Advisor from time to time in matters unrelated to the issuance of the Certificates, Bond Counsel was engaged by, and only represents, the County in connection with the issuance of the Certificates. In its capacity as Bond Counsel, McCall, Parkhurst & Horton L.L.P., San Antonio, Texas has reviewed (except for numerical, statistical or technical data) the information under the captions "THE CERTIFICATES" (except under the subcaptions "Use of Certificate Proceeds", "Sources and Uses" "Payment Record", and "Default and Remedies", as to which no opinion is expressed), "REGISTRATION, TRANSFER AND EXCHANGE", "TAX MATTERS", "CONTINUING DISCLOSURE OF INFORMATION" (except under the subheading "Compliance with Prior Undertakings" as to which no opinion is expressed), "LEGAL MATTERS—Legal Investments and Eligibility to Secure Public Funds in Texas", and "OTHER PERTINENT INFORMATION—Registration and Qualification of Certificates for Sale" in the Official Statement and such firm is of the opinion that the information relating to the Certificates and the Order contained under such captions is a fair and accurate summary of the information purported to be shown and that the information and descriptions contained under such captions relating to the provisions of applicable state and federal laws are correct as to matters of law. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Certificates or which would affect the provision made for their payment or security, or in any manner questioning the validity of the Certificates will also be furnished. The legal fees to be paid Bond Counsel for services rendered in connection with the issuance of Certificates are contingent on the sale and initial delivery of the Certificates. The legal opinion of Bond Counsel will accompany the Certificates deposited with DTC or will be printed on the definitive Certificates in the event of the discontinuance of the Book-Entry-Only System.

The various legal opinions to be delivered concurrently with the delivery of the Certificates express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Litigation

In the opinion of various officials of the Issuer, there is no litigation or other proceeding pending against or, to their knowledge, threatened against the Issuer in any court, agency, or administrative body (either state or federal) wherein an adverse decision would materially adversely affect the financial condition of the Issuer.

At the time of the initial delivery of the Certificates, the County will provide the Purchaser with a certificate to the effect that no litigation of any nature has been filed or is then pending challenging the issuance of the Certificates or that affects the payment and security of the Certificates or in any other manner questioning the issuance, sale, or delivery of the Certificates.

Legal Investments and Eligibility to Secure Public Funds in Texas

Section 1201.041 of the Public Securities Procedures Act (Chapter 1201, Texas Government Code) and Section 271.051, as amended, Texas Local Government Code, each, provide that the Certificates are negotiable instruments governed by Chapter 8, as amended, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. For political subdivisions in Texas which have adopted investment policies and guidelines in accordance with the Public Funds Investment Act, Chapter 2256, as amended, Texas Government Code, the Certificates must have to be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency before such obligations are eligible investments for sinking funds and other public funds. (See "OTHER PERTINENT INFORMATION – Rating" herein.) In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Certificates are legal investments for state banks, savings banks, trust companies with at least $1 million of capital, and savings and loan associations.

The County has made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Certificates for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Certificates for such purposes. The County has made no review of laws in other states to determine whether the Certificates are legal investments for various institutions in those states.

FORWARD LOOKING STATEMENTS

The statements contained in this Official Statement, and in any other information provided by the County, that are not purely historical, are forward-looking statements, including statements regarding the County's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the County on the date hereof, and the County assumes no obligation to update any such forward-looking statements. It is important to note that the County's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the County. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

OTHER PERTINENT INFORMATION

Registration and Qualification of Certificates for Sale

The sale of the Certificates has not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions provided in such Act; the Certificates have not been qualified under the Securities Act of Texas in reliance upon exemptions contained therein; nor have the Certificates been qualified under the securities acts of any other jurisdiction. The Issuer assumes no responsibility for qualification of the Certificates under the securities laws of any jurisdiction in which they may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Certificates shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions.

It is the obligation of the Purchaser to register or qualify the sale of the Certificates under the securities laws of any jurisdiction which so requires. The County agrees to cooperate, at the Purchaser's written request and sole expense, in registering or qualifying the Certificates or in obtaining an exemption from registration or qualification in any state where such action is necessary; provided, however, that the County shall not be required to qualify as a foreign corporation or to execute a general consent to service of process in any jurisdiction.

Rating

S&P Global Inc. ("S&P") assigned a rating of "AA" (stable outlook) to the Certificates based solely upon the municipal bond insurance policy to be issued by the Bond Insurer on the date of initial delivery of the Certificates and an underlying rating of "A+" to the Certificates without regard to credit enhancement. An explanation of the significance of such a rating may be obtained from S&P. The rating of the Certificates by S&P reflects only the view of S&P at the time the rating is given, and the Issuer makes no representations as to the appropriateness of the rating. There is no assurance that the rating will continue for any given period of time, or that the rating will not be revised downward or withdrawn entirely by S&P, if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Certificates.

Periodically, rating agencies will evaluate and, on occasion as a result of these evaluations revise, their rating methodologies and criteria for municipal issuers such as the County. A revision in a rating agency's rating methodology could result in a positive or negative change in a rating assigned by that agency, even if the rated entity has experienced no material change in financial condition or operation. Any of the rating agencies at any time while the Certificates remain outstanding could undertake such an evaluation process.

Authenticity of Financial Information

The financial data and other information contained herein have been obtained from the Issuer's records, audited financial statements and other sources which are believed to be reliable. All of the summaries of the statutes, documents and Orders contained in this Official Statement are made subject to all of the provisions of such statutes, documents and Orders. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. All information contained in this Official Statement is subject, in all respects, to the complete body of information contained in the original sources thereof and no guaranty, warranty or other representation is made concerning the accuracy or completeness of the information herein. In particular, no opinion or representation is rendered as to whether any projection will approximate actual results, and all opinions, estimates and assumptions, whether or not expressly identified as such, should not be considered statements of fact.

Financial Advisor

SAMCO Capital Markets, Inc. is employed as a Financial Advisor to the Issuer in connection with the issuance of the Certificates. In this capacity, the Financial Advisor has compiled certain data relating to the Certificates and has drafted this Official Statement. The Financial Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the Issuer to determine the accuracy or completeness of this Official Statement. Because of its limited participation, the Financial Advisor assumes no responsibility for the accuracy or completeness of any of the information contained herein. The fees for the Financial Advisor are contingent upon the issuance, sale and initial delivery of the Certificates.

The Financial Advisor has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with its responsibilities to the County and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

Winning Bidder

After requesting competitive bids for the Certificates, the County accepted the bid of BOK Financial Securities, Inc. (previously defined as the "Purchaser" or the "Initial Purchaser") to purchase the Certificates at the interest rates shown on the page 2 of this Official Statement at a price of par, plus a net reoffering premium of $360,324.25, less a Purchaser's discount of $ 130,686.12, plus accrued interest on the Certificates from their Dated Date to their date of initial delivery. The County can give no assurance that any trading market will be developed for the County after their sale by the County to the Purchaser. The County has no control over the price at which the Certificates are subsequently sold and the initial yield at which the Certificates will be priced and reoffered will be established by and will be the responsibility of the Purchaser.

Certification of the Official Statement

At the time of payment for and delivery of the Initial Certificates, the Purchaser will be furnished a certificate, executed by proper officials of the County, acting in their official capacities, to the effect that to the best of their knowledge and belief: (a) the descriptions and statements of or pertaining to the County contained in its Official Statement, and any addenda, supplement or amendment thereto, for the Certificates, on the date of such Official Statement, on the date of sale of said Certificates and the acceptance of the best bid therefor, and on the date of the delivery thereof, were and are true and correct in all material respects; (b) insofar as the County and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (c) insofar as the descriptions and statements including financial data, of or pertaining to entities, other than the County, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the County believes to be reliable and the County has no reason to believe that they are untrue in any material respect, and (d) there has been no material adverse change in the financial condition of the County, since September 30, 2024, the date of the last financial statements of the County appearing in the Official Statement.

Information from External Sources

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12.

Concluding Statement

No person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer of solicitation.

The information set forth herein has been obtained from the County's records, audited financial statements and other sources which the County considers to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will ever be realized. All of the summaries of the statutes, documents and the Order contained in this Official Statement are made subject to all of the provisions of such statutes, documents, and the Order. These summaries do not purport to be complete statements of such provisions and reference is made to such summarized documents for further information. Reference is made to official documents in all respects.

The Order authorizing the issuance of the Certificates approved the form and content of this Official Statement and any addenda, supplement or amendment thereto authorized its further use in the re-offering of the Certificates by the Purchaser.

This Official Statement was approved by the Commissioners Court for distribution in accordance with the provisions of the SEC's rule codified at 17 C.F.R. Section 240.15c2-12, as amended.

UVALDE COUNTY, TEXAS

/s/William R. Mitchell
County Judge
Uvalde County, Texas

ATTEST:

/s/ Donna M. Williams
County Clerk
Uvalde County, Texas

APPENDIX A

FINANCIAL INFORMATION RELATING TO
UVALDE COUNTY, TEXAS

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FINANCIAL INFORMATION OF THE ISSUER

ASSESSED VALUATION **TABLE 1**

2025 Actual Certified Market Value of Taxable Property (100% of Market Value)	$	7,453,168,893
Less Exemptions:		
Optional Over-65 or Disabled Homestead	$	75,319,563
Veterans Exemptions		33,311,414
Open-Space Land and Timberland		3,650,192,400
Abatements		206,957,444
Pollution Control		322,771
Loss to 10% HO Cap		218,413,749
TOTAL EXEMPTIONS		4,184,517,341
2025 Assessed Value of Taxable Property	$	3,268,651,552

Source: Uvalde Central Appraisal District.

GENERAL OBLIGATION BONDED DEBT

(as of August 1, 2025)

General Obligation Debt Principal Outstanding

General Obligation Refunding Bonds, Series 2017	$	3,950,000
General Obligation Refunding Bonds, Series 2021		7,955,000
Combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2021		2,860,000
Combination Tax and Revenue Certificates of Obligation, Series 2025 (the "Certificates")		9,635,000
Total Gross General Obligation Debt	$	24,400,000

2025 Net Assessed Valuation	$	3,268,651,552
Ratio of Gross General Obligation Debt Principal to Certified Net Taxable Assessed Valuation		0.75%

Population: 2005 - 26,848; 2015 - 26,949; est. 2025 - 24,564
Per Capita Certified Net Taxable Assessed Valuation - $133,066.75
Per Capita Gross General Obligation Debt Principal - $993.32

DEBT OBLIGATIONS - CAPITAL LEASE AND NOTES PAYABLE **TABLE 2**

The future minimum lease payments for these leases are as follows:

Year Ending September 30,	Principal	Interest	Total Requirements
2025	$ 78,791	$ 6,874	$ 85,665
2026	76,621	4,237	80,858
2027	31,236	2,271	33,507
2028	29,086	1,008	30,094
2029	10,662	718	11,380
Total	226,396	$ 15,108	$ 241,504

Source: The Issuer's 2024 Comprehensive Annual Financial Report.

TAXABLE ASSESSED VALUATION FOR TAX YEARS 2016-2025 **TABLE 3**

	Net Taxable	Change From Preceding Year	
Year	Assessed Valuation	Amount ($)	Percent
2016	1,832,733,716	370,661,014	25.35%
2017	1,757,504,042	(75,229,674)	-4.10%
2018	1,828,405,485	70,901,443	4.03%
2019	1,936,187,360	107,781,875	5.89%
2020	1,997,997,584	61,810,224	3.19%
2021	2,150,106,760	152,109,176	7.61%
2022	2,524,225,742	374,118,982	17.40%
2023	2,919,219,718	394,993,976	15.65%
2024	3,068,505,867	149,286,149	5.11%
2025	3,268,651,552	200,145,685	6.52%

GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year Ending (9/30)	Current Total Outstanding Debt	The Certificates Principal	The Certificates Interest	The Certificates Total	Total Debt Service
2025	$ 1,605,235	-	-	-	1,605,235
2026	1,604,760	$ 340,000	$ 441,269	$ 781,269	2,386,028
2027	1,603,719	305,000	420,869	725,869	2,329,588
2028	1,606,947	325,000	402,569	727,569	2,334,516
2029	1,601,431	340,000	383,069	723,069	2,324,500
2030	1,598,810	365,000	362,669	727,669	2,326,478
2031	1,601,285	385,000	340,769	725,769	2,327,054
2032	1,597,346	405,000	321,519	726,519	2,323,865
2033	1,597,815	425,000	301,269	726,269	2,324,084
2034	1,597,592	445,000	280,019	725,019	2,322,611
2035	1,087,105	465,000	257,769	722,769	1,809,874
2036	1,090,962	485,000	239,169	724,169	1,815,131
2037	-	505,000	219,769	724,769	724,769
2038	-	525,000	199,569	724,569	724,569
2039	-	545,000	178,569	723,569	723,569
2040	-	570,000	156,769	726,769	726,769
2041	-	590,000	133,969	723,969	723,969
2042	-	615,000	110,369	725,369	725,369
2043	-	640,000	85,000	725,000	725,000
2044	-	665,000	57,800	722,800	722,800
2045	-	695,000	29,538	724,538	724,538
Total	$ 18,193,006	$ 9,635,000	$ 4,922,306	$ 14,557,306	$ 32,750,312

TAX ADEQUACY

2025 Certified Adjusted Net Taxable Assessed Valuation	$ 3,268,651,552	
Maximum Annual Debt Service Requirements (Fiscal Year Ending 9/30-2026)	2,386,028	*
Anticipated required I&S Fund Tax Rate at 98% Collections to produce Maximum Debt Service requirements	$ 0.07449	*

* *Includes the Certificates.*

Note: Above computations are exclusive of investment earnings, delinquent tax collections and penalties and interest on delinquent tax collections.

INTEREST AND SINKING FUND MANAGEMENT INDEX

Interest and Sinking Fund Balance, Fiscal Year Ended 9/30/2024	$	295,261
2025 Anticipated Interest and Sinking Fund Tax Levy at 95% Collections Produce [1]		1,831,414
Total Available for General Obligation Debt	$	2,126,675
Less: General Obligation Debt Service Requirements, Fiscal Year Ending 9/30/2025		1,605,235
Estimated Surplus at Fiscal Year Ending 9/30/2025[1]	$	521,440

[1] Does not include delinquent tax collections, penalties and interest on delinquent tax collections or investment earnings.

GENERAL OBLIGATION PRINCIPAL REPAYMENT SCHEDULE

(As of August 1, 2025)

	Principal Repayment Schedule			Principal	Percent of
Fiscal Year Ending 12/31	**Currently Outstanding**	**The Certificates**	**Total**	**Unpaid at End of Year**	**Principal Retired (%)**
2026	$ 1,260,000	$ 340,000	$ 1,600,000	$ 22,800,000	6.6%
2027	1,290,000	305,000	1,595,000	21,205,000	13.1%
2028	1,325,000	325,000	1,650,000	19,555,000	19.9%
2029	1,360,000	340,000	1,700,000	17,855,000	26.8%
2030	1,410,000	365,000	1,775,000	16,080,000	34.1%
2031	1,455,000	385,000	1,840,000	14,240,000	41.6%
2032	1,480,000	405,000	1,885,000	12,355,000	49.4%
2033	1,510,000	425,000	1,935,000	10,420,000	57.3%
2034	1,540,000	445,000	1,985,000	8,435,000	65.4%
2035	1,055,000	465,000	1,520,000	6,915,000	71.7%
2036	1,080,000	485,000	1,565,000	5,350,000	78.1%
2037	-	505,000	505,000	4,845,000	80.1%
2038	-	525,000	525,000	4,320,000	82.3%
2039	-	545,000	545,000	3,775,000	84.5%
2040	-	570,000	570,000	3,205,000	86.9%
2041	-	590,000	590,000	2,615,000	89.3%
2042	-	615,000	615,000	2,000,000	91.8%
2043	-	640,000	640,000	1,360,000	94.4%
2044	-	665,000	665,000	4,685,000	97.2%
2045	-	695,000	695,000	3,990,000	100.0%
Total	$ 14,765,000	$ 9,635,000	$ 24,400,000		

CLASSIFICATION OF ASSESSED VALUATION **TABLE 4**

	2025	% of Total	2024	% of Total	2023	% of Total
Real, Residential, Single-Family	$ 1,624,308,761	21.79%	$ 1,562,586,980	21.50%	$ 1,390,285,955	22.99%
Real, Residential, Multi-Family	61,413,283	0.82%	56,222,777	0.77%	50,407,992	0.83%
Real, Vacant Lots/Tracts	153,616,395	2.06%	150,539,142	2.07%	137,242,525	2.27%
Real, Acreage (Land Only)	3,769,028,009	50.57%	3,721,206,218	51.20%	3,058,610,351	50.59%
Non-Qualified Agricultural Land	563,921,944	7.57%	539,186,270	7.42%	472,439,219	7.81%
Real, Farm and Ranch Improvements		0.00%		0.00%	-	0.00%
Real Commercial	612,434,636	8.22%	600,198,563	8.26%	508,482,862	8.41%
Real Industrical	3,264,021	0.04%	2,854,477	0.04%	2,668,831	0.04%
Oil and Gas		0.00%		0.00%	-	0.00%
Real & Tangible, Personal Utilities	203,416,080	2.73%	192,893,719	2.65%	171,515,439	2.84%
Tangible Personal, Commercial	100,934,018	1.35%	105,261,080	1.45%	101,705,551	1.68%
Tangible Personal, Industrial	313,542,098	4.21%	287,891,930	3.96%	106,606,420	1.76%
Tangible Personal, Mobile Homes	35,146,481	0.47%	34,928,446	0.48%	33,944,338	0.56%
Real Property, Inventory	6,412,907	0.09%	6,935,953	0.10%	5,988,446	0.10%
Real Property, Special Inventory	5,730,260	0.08%	6,621,128	0.09%	6,530,811	0.11%
Total Appraised Value	$ 7,453,168,893	100.00%	$ 7,267,326,683	100.00%	$ 6,046,428,740	100.00%
Less:						
Optional Over-65 or Disabled Homestead	$ 75,319,563		$ 73,021,791		$ 26,524,814	
Veterans Exemptions	33,311,414		23,869,419		3,058,290	
Open-Space Land and Timberland	3,650,192,400		3,603,538,167		2,943,618,631	
Abatements	206,957,444		208,360,000		-	
Pollution Control	322,771		702,657		667,350	
Loss to 10% HO Cap	218,413,749		289,328,782		153,339,937	
Net Taxable Assessed Valuation	$ 3,268,651,552		$ 3,068,505,867		$ 2,919,219,718	

Note: The above figures were taken from the State Property Tax Board City Report of Property Value or Report of the Property Tax Division of the State Comptroller's Office which is compiled during the initial phase of the tax year. Actual value of taxable property and assessed valuation figures shown elsewhere in this Official Statement represent final year-end figures.

TAX DATA **TABLE 5**

Taxes are due October 1 and become delinquent after January 31. No split payments or discounts are allowed. Penalties and interest: (a) a delinquent tax incurs a penalty of six percent of the amount of the tax for the fist calendar month it is delinquent plus one percent for each additional month or portion of a month the tax remains unpaid prior to Juy 1 of the year in which it becomes delinquent. However, a tax delinquent on July 1 incurs a total penalty of twelve percent of the amount of the delinquent tax without regard to the number of months the tax has been delinquent; (b) a delinquent tax accrues interest at a rate of one percent for each month or portion of a month the tax remains unpaid; and an additional penalty up to a maximum of 20% of taxes, penalty and interest may be imposed to defray costs of collection for taxes delinquent after July 1. All percentage of collections set forth below exclude penalties and interest.

Tax Year	Net Taxable Assessed Valuation	Tax Rate	Tax Levy	% of Collections Current	Total	Year Ended
2016	$ 1,832,733,716	$ 0.705200	$ 12,924,438	98.54	101.47	9/30/2017
2017	1,757,504,042	0.740900	12,012,637	100.00	102.44	9/30/2018
2018	1,828,405,485	0.750800	12,679,519	96.29	99.79	9/30/2019
2019	1,936,187,360	0.750800	13,847,925	97.12	99.82	9/30/2020
2020	1,997,997,584	0.740000	14,020,222	98.28	101.59	9/30/2021
2021	2,150,106,760	0.740000	14,742,166	99.76	103.81	9/30/2022
2022	2,524,225,742	0.691500	15,884,936	100.00	103.00	9/30/2023
2023	2,919,219,718	0.587200	15,291,992	98.81	101.60	9/30/2024
2024	3,068,505,867	0.574100	16,964,020	94.48	96.71	9/30/2025*

*Collections as of June 10, 2025.

TAX RATE DISTRIBUTION **TABLE 6**

	2024	2023	2022	2021	2020
General Fund	$ 0.413900	$ 0.419400	$ 0.481200	$ 0.530000	$ 0.520000
I&S Fund	0.056700	0.063000	0.075300	0.070000	0.090000
Road & Bridge	0.103500	0.104800	0.135000	0.140000	0.130000
Total Tax Rate	$ 0.574100	$ 0.587200	$ 0.691500	$ 0.740000	$ 0.740000

Source: Uvalde Central Appraisal District.

PRINCIPAL TAXPAYERS 2024* **TABLE 7**

Name	Type of Business/Property	2024 Net Taxable Assessed Valuation	% of Total 2024 Assessed Valuation(1)
AEP Texas Inc	Utility	$ 62,423,480	1.91%
Union Pacific Railroad Co	Railroad	56,346,630	1.72%
Walmart Realty Estate Busines Trust	Real Estate	19,444,128	0.59%
AEP Electric Transmission	Utility	19,401,950	0.59%
LCRA Transmission Srvcs Corp	Non-Profit Public Utility	18,946,600	0.58%
CED Alamao 5 LLC	Solar Farm	39,169,034	1.20%
Vulcan Construction Materials	Construction Aggregates	11,149,480	0.34%
Brownstone Apartments LLC	Apartments	10,765,098	0.33%
Briscoe Ranch Inc	Ranching Operation	238,641,801	7.30%
Union Pacific Railroad Co	Railroad	10,227,400	0.31%
		$ 486,515,601	14.88%

Source: Uvalde Central Appraisal District.

(1) As shown in the table above, the total combined top ten taxpayers in the County currently account for over 14% of the County's tax base, thereby creating a concentration risk for the County. Any adverse development related to the taxpayers and their ability to continue to conduct business at their respective locations within the County's boundaries may result in significantly less local tax revenue, thereby severely affecting the County's finances and its ability to repay its outstanding indebtedness. Accordingly, the County makes no representation regarding the continued valuation of a any of the property listed in the above table or the generation of future tax revenues therefrom.

*2025 Principal Taxpayers not available as of the date of this Official Statement.

MUNICIPAL SALES TAX COLLECTIONS **TABLE 8**

The Issuer has adopted the provisions of Chapter 323, as amended, Texas Tax Code, which allows the Issuer to levy and collect an additional sales and use tax of 1/2 of one percent sales tax for peroperty tax relief. The Issuer also levies an additional sales and use tax of 1/2 of one percent for county health services. Net collections on calendar year basis are as follows:

Calendar Year	Total Collected	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate
2016	1,551,773	12.01%	0.085
2017	1,616,042	13.45%	0.092
2018	1,856,363	14.64%	0.102
2019	1,888,623	13.64%	0.098
2020	1,903,478	13.58%	0.095
2021	2,132,307	14.46%	0.099
2022	2,290,180	14.42%	0.091
2023	2,405,407	15.73%	0.082
2024	2,533,345	14.93%	0.083
2025	1,645,330	(As of August 2025)	

Source: State Comptroller's Office of the State of Texas.

OVERLAPPING DEBT INFORMATION

(As of August 1, 2025)

The following table indicates the indebtedness, defined as outstanding bonds payable from ad valorem taxes, of governmental entities overlapping the City and the estimated percentages and amounts of such indebtedness attributable to property within the City. Expenditures of the various taxing bodies overlapping the territory of the Issuer are paid out of ad valorem taxes levied by these taxing bodies on properties overlapping the Issuer. These political taxing bodies are independent of the Issuer and may incur borrowings to finance their expenditures. The following statements of direct and estimated overlapping ad valorem tax bonds was developed from information contained in the "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the Issuer, the Issuer has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have authorized or issued additional bonds since the date stated below, and such entities may have programs requiring the authorization and/or issuance of substantial amounts of additional bonds, the amount of which cannot be determined.

Taxing Body	Gross Debt (As of 8/1/2025)	% Overlapping	Amount Overlapping	
Knippa ISD	$ 2,270,000	100.00%	$ 2,270,000	
Leakey ISD	3,555,000	8.55%	303,953	
Nueces Canyon CISD	-	100.00%	-	
Sabinal ISD	6,555,000	100.00%	6,555,000	
Sabinal, City of	30,000	100.00%	30,000	
Utopia ISD	-	72.99%	-	
Uvalde CISD	8,673,000	91.37%	7,924,520	
Uvalde, City of	14,868,000	100.00%	14,868,000	
Total Gross Overlapping Debt			$ 31,951,473	
Uvalde County			$ 24,400,000	*
Total Gross Direct and Overlapping Debt			$ 56,351,473	*
Ratio of Gross Direct Debt and Overlapping Debt			1.72%	*
Per Capita Gross Direct Debt and Overlapping Debt			$2,294.07	
Total Net Direct and Overlapping Debt			$ 56,351,473	

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas

** Includes the Certificates.*

GENERAL FUND COMPARATIVE STATEMENT OF REVENUES AND EXPENDITURES **TABLE 9**

The following statements set forth in condensed form reflect the historical operations of the Issuer. Such summary has been prepared for inclusion herein based upon information obtained from the Issuer's audited financial statements and records. Reference is made to such statements for further and complete information.

	Fiscal Year Ended				
	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Fund Balance - Beginning of Year	$ 5,600,784	$ 4,016,266	$ 3,787,845	$ 3,839,086	$ 3,387,874
Revenues	21,643,931	20,423,626	20,607,203	19,168,347	18,141,081
Expenditures	22,191,761	18,673,530	19,371,602	18,549,116	17,186,647
Excess (Deficit) of Revenues Over Expenditures	$ (547,830)	$ 1,750,096	$ 1,235,601	$ 619,231	$ 954,434
Other Financing Sources (Uses):					
Sale of Real and Personal Property	$ -	$ -	$ -	$ -	$ -
Loans Issued	-	-	208,300	-	-
Capital Lease Proceeds	-	40,702	-	-	-
Operating Transfers In	197,983	7,334	5,975	114,112	-
Other Resources	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-
Operating Transfers Out	(855,112)	(213,614)	(1,221,455)	(784,584)	(503,222)
Loan Issuance Costs	79,282	-	-	-	-
Total Other Financing Sources (Uses):	$ (577,847)	$ (165,578)	$ (1,007,180)	$ (670,472)	$ (503,222)
Net Changes in Fund Balances					$ -
Fund Balance - End of Year	$ 4,475,107	$ 5,600,784	$ 4,016,266	$ 3,787,845	$ 3,839,086

Source: The Issuer's Comprehensive Annual Financial Reports and information provided by the Issuer.

The County anticipates an unaudited General Fund Balance of approximately $3,575,000 for the fiscal year ended September 30, 2025. The reduction in fund balance in fiscal year 2024 is due to lower revenues generated by housing federal inmates. Revenues generated by the US Marshalls to house federal inmates declined by approximately $1,500,000 in 2024 vs. 2023.

SOLID WASTE SYSTEM REVENUES

	September 30,				
	2025	2024	2023	2022	2021
Revenues	$ 38,055	$ 49,855	$ 52,090	$ 74,190	$ 75,970

ASSESSED VALUATION AND TAX RATE OF OVERLAPPING ISSUERS

Governmental Subdivision	2024 Assessed Valuation	% of Actual	2024 Tax Rate
Knippa ISD	$ 309,023,767	100%	$ 0.912000
Leakey ISD	615,462,031	100%	0.827000
Nueces Canyon CISD	403,058,966	100%	0.755000
Sabinal ISD	637,327,799	100%	-
Sabinal, City of	79,191,347	100%	-
Southwest Texas JCD	6,118,747,736	100%	-
Utopia ISD	367,637,354	100%	0.667000
Uvalde CISD	1,694,692,688	100%	0.698000
Uvalde, City of	1,110,132,582	100%	0.536000

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas.

AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS OF DIRECT AND OVERLAPPING GOVERNMENTAL SUBDIVISIONS

Issuer	Date of Authorization	Amount Authorized	Amount Issued to Date	Amount Unissued
Knippa ISD	None	-	-	-
Leakey ISD	None	-	-	-
Nueces Canyon CISD	None	-	-	-
Sabinal ISD	None	-	-	-
Sabinal, City of	None	-	-	-
Southwest Texas JCD	None	-	-	-
Utopia ISD	None	-	-	-
Uvalde CISD	None	-	-	-
Uvalde City of	None	-	-	-

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas.

EMPLOYEE'S PENSION PLAN AND OTHER POST-EMPLOYMENT BENEFITS **TABLE 10**

The County's pension plan can be found in the notes section of the Issuer's 2024 Comprehensive Annual Financial Report.

Source: The Issuer's Comprehensive Annual Financial Reports and information provided by the Issuer.

APPENDIX B

GENERAL INFORMATION REGARDING UVALDE COUNTY, TEXAS

GENERAL INFORMATION REGARDING UVALDE COUNTY, TEXAS

Uvalde County (the "County") and was formed in 1850 from Bexar County. Its county seat is the City of Uvalde. The County is in the southwest part of the State of Texas with tourism and agriculture as the major industries. Uvalde County is about 80 miles west of downtown San Antonio on U.S. Highway 90 and the County covers 1,557 square miles.

Five (5) rivers flow through Uvalde County; Nueces, Leona, Sabinal, Dry Frio and Frio rivers. Old wagon tracks are visible in the rock of the Frio River bed and fossils and footprints of prehistoric animals can be seen in the limestone near the Sabinal River. Frio River is home to a cave that houses 10 million bats. Garner State Pak is one the most visited state parks in Texas. Garner State Park offers hiking trails and swimming in the Frio, Nueces or Sabinal River. With it's crystal-clear waterways the Lost Maples State Natural area also offers birdwatching, fishing and unforgettable experiences at every turn.

Education

Uvalde Consolidated Independent School District has several schools in the County and surrounding areas, which include elementary and secondary campuses. Southwest Texas Junior College and Sul Ross State University are the two higher education schools located in the county.

Economy

Uvalde County's economy is largely driven by agriculture, mostly ranching and farming. Also, mining, oil and gas extraction are contributors to the County's economy.

2024 Principal Employers

Employer	No. of Employees	% of Total County Employment
Uvalde CISD	760	3.04%
Uvalde Memorial Hospital	594	2.38%
Southwest Texas Junior College	367	1.47%
County of Uvalde	211	0.85%
City of Uvalde	174	0.70%
Walmart	163	0.65%
Amistad Nursing Home	101	0.40%
HEB	92	0.37%
ATDS	77	0.31%
Cont. Tire Proving Grounds	72	0.29%
Total	2,611	10.46%

Labor Force Statistics (1)

	2025 (2)	2024 (3)	2023 (3)	2022 (3)
Civilian Labor Force	10,918	10,710	10,630	10,592
Total Employed	10,436	10,261	10,186	10,122
Total Unemployed	482	449	444	470
% Unemployment	4.4%	4.2%	4.2%	4.4%
Texas Unemployment	4.2%	4.1%	4.0%	3.9%

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(1) Source: Texas Workforce Commission.
(2) As of July 2025.
(3) Average Annual Statistics.

APPENDIX C

FORM OF LEGAL OPINION OF BOND COUNSEL

August 28, 2025

**UVALDE COUNTY, TEXAS
COMBINATION TAX AND REVENUE
CERTIFICATES OF OBLIGATION, SERIES 2025
DATED AS OF AUGUST 1, 2025
IN THE AGGREGATE PRINCIPAL AMOUNT OF $9,635,000**

AS BOND COUNSEL FOR THE COUNTY OF UVALDE, TEXAS (the *County*) in connection with the issuance of the certificates of obligation described above (the *Certificates*), we have examined into the legality and validity of the Certificates, which bear interest from the dates specified in the text of the Certificates until maturity or prior redemption at the rates and payable on the dates as stated in the text of the Certificates, and which are subject to redemption, all in accordance with the terms and conditions stated in the text of the Certificates.

WE HAVE EXAMINED the applicable and pertinent provisions of the Constitution and general laws of the State of Texas and a transcript of certified proceedings of the County, and other pertinent instruments authorizing and relating to the issuance of the Certificates including (i) the ordinance authorizing the issuance of the Certificates (the *Ordinance*), (ii) one of the executed Certificates (*Certificate No. T-1*), and (iii) the County's Federal Tax Certificate of even date herewith.

BASED ON SAID EXAMINATION, IT IS OUR OPINION that the Certificates have been authorized, issued and delivered in accordance with law; that the Certificates constitute valid and legally binding general obligations of the County in accordance with their terms except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation, and other similar laws now or hereafter enacted relating to creditors' rights generally or by general principles of equity which permit the exercise of judicial discretion; that the County has the legal authority to issue the Certificates and to repay the Certificates; that ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificates, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the County, and have been pledged for such payment, within the limits prescribed by law; and that "Pledged Revenues" (as such term is defined and described in the Ordinance) received by the County from the ownership and operation of the County's System have been pledged to further secure the payment of the Certificates in the manner set forth in the Ordinance.

IT IS FURTHER OUR OPINION, except as discussed below, that the interest on the Certificates is excludable from the gross income of the owners for federal income tax purposes under the statutes, regulations, published rulings and court decisions existing on the date of this opinion. We are further of the opinion that the Certificates are not "specified private activity bonds" and that, accordingly, interest on the Certificates will not be included as an individual alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986. In expressing the aforementioned opinions, we have relied on certain representations of the County, the accuracy of which we have not independently verified, and have assumed compliance by the County with certain covenants regarding the use and investment of the proceeds of the Certificates and the use of the property financed therewith. We call your attention to the fact that if such representations are determined to be inaccurate or if the County fails to comply with such covenants, interest on the Certificates may become includable in gross income retroactively to the date of issuance of the Certificates.

EXCEPT AS STATED ABOVE, we express no opinion as to any other federal, state, or local tax consequences of acquiring, carrying, owning or disposing of the Certificates, including the amount, accrual or receipt of interest on, the Certificates. Owners of the Certificates should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the Certificates.

WE CALL YOUR ATTENTION TO THE FACT that the interest on tax-exempt obligations, such as the Certificates, may be includable in a corporation's adjusted financial statement income for purposes of determining the alternative minimum tax imposed on certain corporations by section 55 of the Code.

WE EXPRESS NO OPINION as to any insurance policies issue with respect to the payments due for the principal and interest on the Certificates, nor as to any such insurance policies issued in the future.

OUR OPINIONS ARE BASED ON EXISTING LAW, which is subject to change. Such opinions are further given, and are based on our knowledge of facts, as of the date hereof. We assume no duty or obligation to update or supplement our opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the *Service*); rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Certificates. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the County as the taxpayer. We observe that the County has covenanted not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Certificates as includable in gross income for federal income tax purposes.

OUR SOLE ENGAGEMENT in connection with the issuance of the Certificates is as Bond Counsel for the County, and, in that capacity, we have been engaged by the County for the sole purpose of rendering an opinion with respect to the legality and validity of the Certificates under the Constitution and general laws of the State of Texas, and with respect to the exclusion from gross income of the interest on the Certificates for federal income tax purposes, and for no other reason or purpose. The foregoing opinions represent our legal judgment based upon a review of existing legal authorities that we deem relevant to render such opinions and are not a guarantee of a result. We have not been requested to investigate or verify, and have not independently investigated or verified, any records, data, or other material relating to the financial condition or capabilities of the City, or the disclosure thereof in connection with the sale of the Certificates, and have not assumed any responsibility with respect thereto. We express no opinion and make no comment with respect to the marketability of the Certificates and we have relied solely on certificates executed by officials of the County as to the current outstanding indebtedness of, and assessed valuation of taxable property within, the County. Our role in connection with the County's Official Statement prepared for use in connection with the sale of the Certificates has been limited as described therein.

Respectfully,

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APPENDIX D

FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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EDE CERTIFIED PUBLIC ACCOUNTANTS

Eric Ede, CPA
Donna Ede Jones, CPA
Kevin Ede, CPA

INDEPENDENT AUDITOR'S REPORT

County Commissioners
Uvalde County, Texas
Courthouse Square
Box 4
Uvalde, Tx 78801

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Uvalde County, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Uvalde County, Texas's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Uvalde County, 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 Uvalde County, Texas's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 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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In performing an audit in accordance with generally accepted 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 Uvalde County, Texas's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Uvalde County, Texas's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, Schedule of the County's Proportionate Share of the Net Pension Liability and the Schedule of the County's Contributions for Pensions, as listed in the table of contents 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 Government 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 an assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Uvalde County, Texas's basic financial statements. The accompanying combining and individual fund Information, other supplementary information, 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 fund information, other supplementary information schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2025, on our consideration of the Uvalde County, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Uvalde County, Texas's 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 Uvalde County, Texas's internal control over financial reporting and compliance.

Ede & Company, LLC

Ede & Company. LLC
Certified Public Accountants
Uvalde, Texas

April 24, 2025

UVALDE COUNTY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS
Primary Governmental Activities

This management's discussion and analysis (MD&A) of Uvalde County (County) financial performance provide an overview of the County's financial activities for the fiscal year ended September 30, 2024. The MD&A should be read in conjunction with the basic financial statements and the accompanying notes to those financial statements. *All amounts, unless otherwise indicated, are expressed in thousands of dollars.* The MD&A includes comparative data for the prior year.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- The government-wide total net position increased $604.3 Thousand from current year operations. Total net position is comprised of:
  - 12.08 % - restricted by external regulators
  - 1.43 % - restricted for construction
  - 0.62 % - restricted for debt
  - 31.75 % - unrestricted deficit funds that may be used to meet ongoing obligations to citizens and creditors.
  - 54.11 % - net investment in capital assets

Governmental Funds Financial Statements

- The County's governmental funds reported combined fund balances of $8,183; compared to $8,225 in the prior year. The components of fund balance are:
  - 31.70% - restricted to nonmajor governmental funds
  - 3.61% - restricted to debt service
  - 8.38% - restricted road and bridge
  - 54.69 - unassigned general fund
  - 0.03% - restricted to construction
- At the end of the current fiscal year, the unassigned fund balance for the general fund was $4,475 or 20.16% of general fund expenditures and represents a $1,125.7 decrease compared to the prior fiscal period

- Tax revenues realized during the period decrease. FY24 taxable values increased 16. % compared to FY23, however increased taxable values were offset by a decrease in the County's tax rate from .6915 in FY23 to .5872 in FY24.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other required 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 County's finances in a manner similar to private sector business. They present the financial picture of the County from an economic resources measurement focus using full accrual basis of accounting. These statements include all assets of the County (including infrastructure), as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred in regard to inter-fund activity, payables, and receivables.

The *Statement of Net Position* presents information on the assets, deferred outflows of resources, liabilities, and deferred inflows of resources for the County and its component unit. Components of net position exclude fiduciary accounts. Increases or decreases in net position contrasted with budgetary decisions serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the County include general government, public safety, highways and streets, public welfare, health, judicial, and education.

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. Unlike government-wide financial statements, however, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. In particular, unrestricted, unassigned, assigned, and committed fund balances may be useful in evaluating the County's near-term financing requirements.

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

The County maintains individual governmental funds (excluding fiduciary funds) special revenue funds, and the following major funds: General Fund, Road & Bridge, American Rescue Plan, Debt Service, Major Grants, and County Building Improvements, Information is presented separately in the governmental fund balance sheet and governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road & Bridge, American Rescue Plan, Debt Service, Major Grants, and County Building Improvements, which are classified as major funds. Data from the other nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this Annual Comprehensive Financial Report.

Proprietary funds. *Proprietary funds* provide the same type of information as government-wide financial statements, only in more detail. The Internal Service Fund (a type of proprietary fund) is used to report activities that provide supplies and services for other programs and activities – such as the County's self insurance program (including workers' compensation) and employee benefits. Because these services predominantly benefit governmental rather than business-type functions, the Internal Service Fund is reported with *governmental activities* in the government-wide financial statements.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The County's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. These activities are excluded from the County's other financial statements since the County cannot use these assets to finance its operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning pension benefits for the County, and General Fund budgetary schedules.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's net position on September 30, 2024, and 2023 are summarized as follows:

Uvalde County, Texas
Net Position

	Governmental Activities		
	2024	2023	% Change 2024-2023
Current & Other Assets	$11,180	$ 13,811	-19.1%
Resticted Assets	295	180	63.6%
Pension Asset	-	-	0.0%
Capital Assets	32,567	33,389	-2.5%
Total Assets	44,042	47,381	-7.0%
Deferred Outflows of Resources			
Deferred Loss on bond Refunding	683	759	-10.0%
Deferred Outflow - Pensions	1,406	2,817	-50.1%
Total Deferred Outflows of Resources	2,089	3,576	-41.6%
Current Liablities	88	177	-50.4%
Long-Term Liabilities	18,249	21,573	-15.4%
Total Liabilities	18,337	21,750	-15.7%
Deferred Inflows of Resources			
Deferred Inflow - Pensions	-	208	-100.0%
Total Deferred Outflows of Resources	-	208	-100.0%
Net Position			
Net Investment in			
Capital Assets	16,284	15,692	3.8%
Restricted	3,708	4,099	-9.5%
Unrestricted	7,802	9,207	-15.3%
Total net position	27,794	28,998	-4.2%

The financial reporting model focuses on net position and serves as a useful indicator of a government's financial position. Categories of net position are unrestricted, restricted (subject to external restrictions as to how it may be used), or net investment in capital assets. Pension and deferred inflows decreased due to a large increase in net differences between projected pension and actual earnings and changes in actuarial assumptions. Current and other liabilities decreased slightly between FY24 and FY23.

Additionally, long-term liabilities decreased slightly between FY24 and FY23, due to the county's debt repayment plan.

The largest portion of net position reflects investments in capital assets (e.g., land, buildings, machinery, and equipment), less outstanding debt used to acquire those assets. Current activity for capital assets reflects increases in construction in progress for major building improvements, purchases of machinery and equipment, and execution of a lease. Capital assets are used to provide services to citizens; consequently, these assets are *not* available for future spending. Although investments in capital assets are reported net of related debt the County's philosophy is "pay-as-you-go." Resources needed to repay any necessary debt must be provided from other sources; capital assets are not expected to be used to liquidate these liabilities.

A portion of Net Position represents resources subject to external restrictions such as statutory requirements, bond covenants, or grantor conditions, which limit use.

Governmental activities. Program revenues and expenses are presented net of interfund eliminations. Key elements for the years ended September 30, 2024, and 2023 are as follows:

Table A-2
Uvalde County, Texas
Change in Net Position

	Governmental Activities		
	2024	2023	% Change 2024-2023
Revenues:			
Program Revenues:			
Charges for Services	$ 4,072	$ 4,933	-17.5%
Operating Grants and Contributions	7,330	3,620	102.5%
Capital Grants and Contributions	1,182	1,314	-10.0%
General Revenue			
Property Taxes	15,997	17,292	-7.5%
Sales Taxes	5,484	2,753	99.2%
Other Taxes	909	1,010	-10.0%
Investment Earnings	257	209	22.8%
Miscellaneous	624	1,435	-56.5%
Total Revenue	35,855	32,566	10.1%
Expenses:			
General Administration	4,881	4,693	4.0%
Legal	980	841	16.6%
Judicial	2,453	2,752	-10.9%
Financial Administration	602	602	-0.1%
Public Facilities	2,145	1,896	13.2%
Public Safety	12,282	11,033	11.3%
Public Transportation	3,171	3,225	-1.7%
Environmental Protection	362	207	75.1%
Cultural and Recreation	1,455	1,562	-6.8%
Health and Welfare	6,367	2,626	142.4%
Conservation - Agriculture	137	128	6.8%
Interest	415	440	-5.5%
Total Expense	35,251	30,005	17.5%
Increase (Decrease) in Net Position	604	2,561	-76.4%
Net Position- Beginning	27,189	26,053	4.4%
Prior Period Adjustment	-	385	100.0%
Net Position - Ending	27,794	28,998	-4.2%

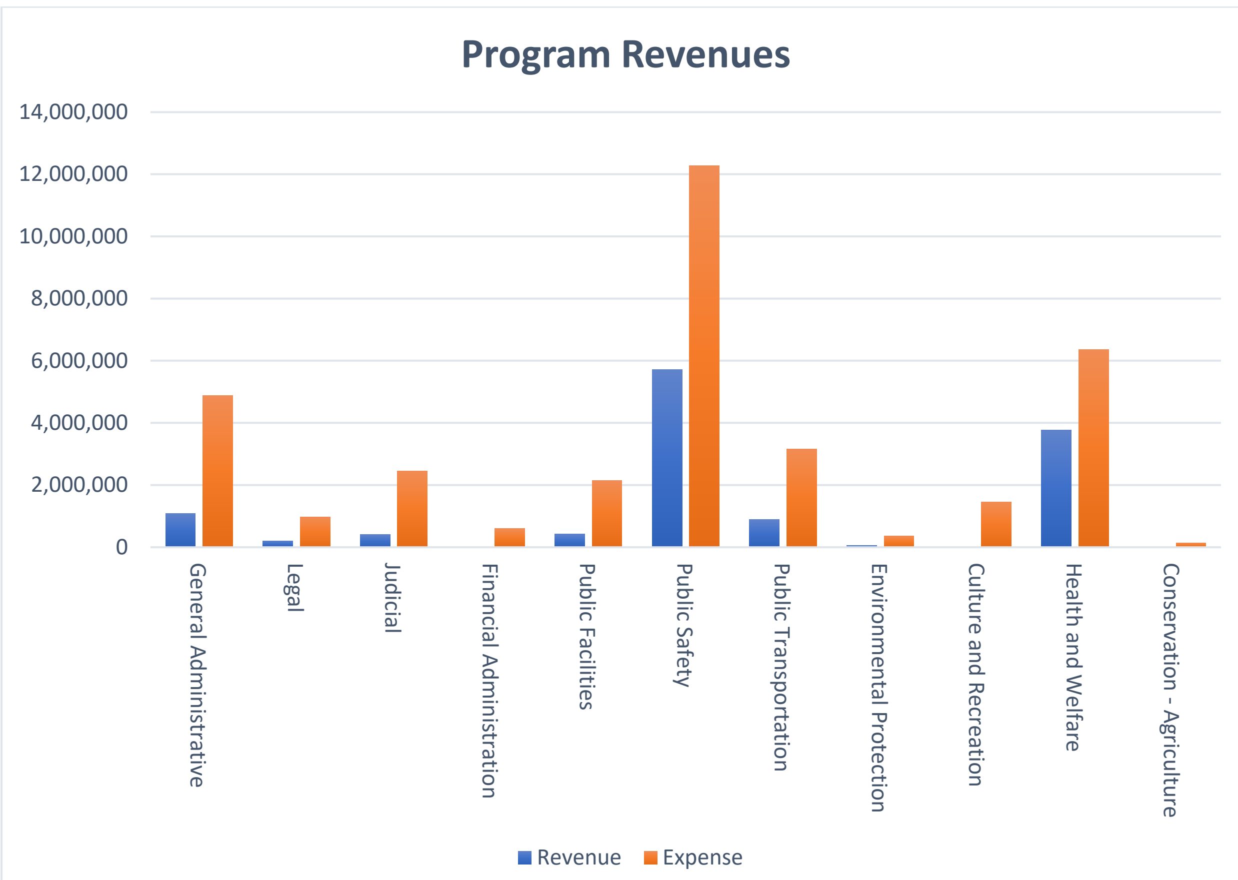
General Revenues and Program Revenues

General Revenue

General revenues are not assigned to support a specific function but are available to provide financial resources as necessary. Included in general revenues are ad valorem taxes, other tax-related revenues, interest earned from investments, and miscellaneous income. General revenues increased significantly due increase in property tax revenue as the result of increases in property valuations:

Program Revenue

Program revenues increased between FY24 and FY23.



Program revenues of $12,584 Thousand less expenses of $35,251 Thousand for FY24 resulted in a net expense of $20,138 Thousand. Program revenue less expenses was a net expense of $22,666 Thousand in 2024. Changes between FY24 and FY23 of Governmental Activities, while minor, the following impacted Governmental Activities:

- The Pension liability increased in FY23 from the amount in FY24. This was due to lower net investment gains and changes in assumptions in FY24 as compared to FY23.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As noted, the County uses *fund accounting* to ensure and demonstrate compliance with financial and related legal requirements. Fund accounting budget controls and fiscal responsibility are the frameworks of the County's strong fiscal management and accountability.

Governmental funds. The general government functions are reported in the General, Special Revenue, Debt Service, and Capital Project Funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's annual financing and budgeting requirements. In particular, *unrestricted, unassigned, assigned, restricted, and committed fund balances* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The County's aggregate governmental fund balance decreased $41.6 Thousand in the current fiscal year to $8,183.1 Thousand.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $4,475.1 in contrast to $5,600.8 in the prior year. Decreases in tax revenue accounted for the majority of the unassigned fund balance decrease.

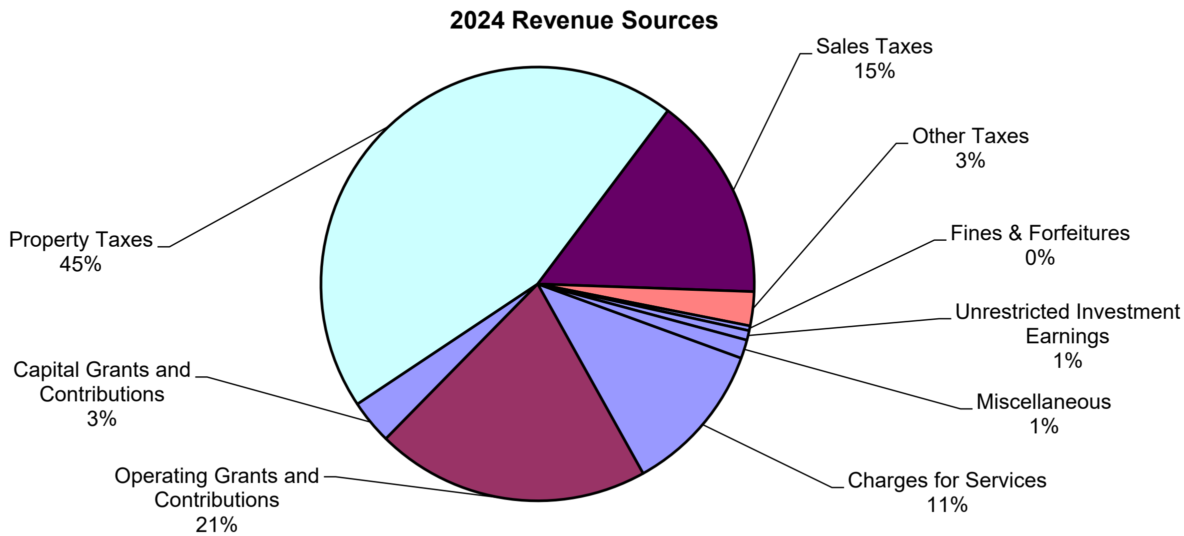
Major Grants Fund includes several federal and state grant programs governed by rules and regulations of the grantor agencies.

The following table presents the amount of revenues from various sources, as well as increases or decreases from the prior year.

Governmental Funds- (Revenues Classified by Source)

	2024	2023	Increase (Decrease)	Percent Change
Property Taxes	15,997	16,678	681.58	4.09%
Sales Taxes	5,484	2,753	(2,731.34)	-99.22%
Other Taxes	909	1,010	100.54	9.96%
Unrestricted Investment Earnings	257	205	(51.38)	-25.03%
Miscellaneous	493	1,073	579.12	53.99%
Total	23,140	21,719	$ (1,421.48)	

Revenues Classified by Source – Governmental Activities – FY24



The following table presents expenditures by function compared to prior year amounts.

Expenditures by Function-
Governmental Funds (in thousands)

Expenses:	2024	2023	% Change
General Administration	5,004	4,734	5.7%
Legal	909	904	0.5%
Judicial	2,385	2,657	-10.3%
Financial Administration	652	621	5.0%
Public Facilities	1,950	1,793	8.8%
Public Safety	11,714	12,181	-3.8%
Public Transportation	2,957	3,535	-16.3%
Environmental Protection	378	208	81.8%
Culture and Recreation	1,177	1,409	-16.5%
Health & Welfare	5,698	2,845	100.3%
Conservation - Agriculture	128	119	7.9%
Capital Outlay	1,319	1,590	-17.0%
Interest on long term debt	409	433	-5.6%
Principal on long term debt	1,200	1,257	-4.5%
Total Expense	35,881	34,287	4.7%

GENERAL FUND BUDGETARY HIGHLIGHTS

Highlights from Uvalde County FY24 Budget include the following:

- The tax rate was set at .5741 which decreased from a tax rate in effect from the previous year of .5872.

General Fund

Budgeted revenues totaled $22,824.62 Thousand and actuals totaled $21,643.93 Thousand. Budgeted revenues compared to actual revenues, was a $1,180.69 Thousand negative variance.

Budgeted expenditure totaled $22,490.24 Thousand and actuals totaled $22,191.76 Thousand. Budgeted revenues compared to actual revenues, was a $1,298.48 Thousand positive variance.

DEBT ADMINISTRATION AND CAPITAL ASSETS

Debt. At the end of the current fiscal year, Uvalde County, Texas had total bonded debt outstanding of $15,995 Thousand Of this amount, $15,995 Thousand comprises debt backed by the full faith and credit of Uvalde County, Texas. More detail information regarding debt may be found in the notes to the financial statements.

Capital assets. The capital assets of the County are those assets (land, buildings, improvements, and machinery and equipment (M&E)) that are used in the performance of the County's functions. Capital assets also include infrastructure assets – roads and bridges. On September 30, 2024, net capital assets of the governmental activities totaled $32,566.89, reflecting a net decrease of $821.83 Thousand. Depreciation and amortization of capital assets (except for infrastructure assets, which are reported under the Modified Approach basis) is recognized in the government-wide financial statements. FY24 depreciation and amortization for buildings, improvements, and M&E totaled $2,136.70 Thousand. More detail information regarding capital assets may be found in the notes to the financial statements.

Table A-4

Uvalde County's Capital Assets

	Governmental Activities		
	2024	2023	% Change 2023-2022
Land	$ 1,404	$ 1,404	0.0%
Construction in Progress	2,346	1,952	0.0%
Infrastructure	6,367	6,367	0.0%
Building and Improvements	31,795	31,773	0.1%
Machinery & Equipment	10,273	9,465	8.5%
Right to Use Assets	429	338	27.0%
Totals at historical cost	52,613	51,299	2.6%
Total Accumulated Depreciatior	(20,047)	(17,910)	11.9%
Net Capital Assets	$ 32,567	$ 33,389	-2.5%

ECONOMIC FACTORS AND NEXT YEAR'S GENERAL FUND BUDGET

The Uvalde County General Fund budget is developed annually and intended to provide efficient, effective, and controlled usage of the County's resources, as well as a means, to accomplish the highest priorities of the Uvalde County Commissioners. Through the budget, the County Commissioners set the direction of the County, allocate its resources, and establish its priorities.

Highlights from Uvalde County FY2025 Budget include the following:

- The overall tax rate decreased from $0.5872 per $100 in 2024 to $0.5741 per $100 in the 2025 tax year.
- Taxable values increased from 2024 to 2025.
- General fund budgeted revenues are $24.640,208 and general fund budgeted expenses are $24,640,208.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County's business office, at Uvalde County, Texas, Courthouse Plaza #3, Uvalde, Texas 78801

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

UVALDE COUNTY, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and Cash Equivalents	$ 5,780,240	$ 5,780,240
Receivable (net of allowances for uncollectible)	5,399,656	5,399,656
Restricted Assets		
Cash and Cash Equivalents	295,261	295,261
Capital Assets		
Land	1,404,101	1,404,101
Construction in Progress	2,345,803	2,345,803
Infrastructure (Net)	3,268,342	3,268,342
Buildings (Net)	22,913,806	22,913,806
Right to Use Assets (Net)	247,138	247,138
Machinery and Equipment (Net)	2,387,695	2,387,695
Total Assets	44,042,042	44,042,042
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension	1,405,933	1,405,933
Deferred Loss on Bond Refunding	682,954	682,954
Total Deferred Outflow of Resources	2,088,887	2,088,887
LIABILITIES		
Accounts Payable	$ 87,728	$ 87,728
Noncurrent Liabilities		
Net Pension	1,002,740	1,002,740
Compensated Absences	327,907	327,907
Due Within One Year	15,609,949	15,609,949
Due in More than One Year	1,308,791	1,308,791
Total Liabilities	18,337,115	18,337,115
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows - Pension	-	-
Total Deferred Inflow of Resources	-	-
NET POSITION		
Net Investment in Capital Assets	16,283,803	16,283,803
Restricted for:		
Archives	343,029	343,029
Construction	2,543	2,543
Debt Service	295,261	295,261
Elections	55,140	55,140
Health	669,583	669,583
Judicial	279,311	279,311
Legal	105,929	105,929
Public Safety	1,258,060	1,258,060
Public Transportation	685,720	685,720
Culture and Recreation	13,456	13,456
Unrestricted	7,801,979	7,801,979
Total Net Position	$ 27,793,814	$ 27,793,814

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
					Primary Government
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
GOVERNMENTAL ACTIVITIES:					
General Government					
General Administration	4,881,227	449,081	642,668	-	(3,789,478)
Legal	979,956	164,487	48,228	-	(767,241)
Judicial	2,452,656	105,529	302,385	-	(2,044,742)
Financial Administration	601,779	-	-	-	(601,779)
Public Facilities	2,144,825	425,270	-	-	(1,719,555)
Public Safety	12,282,113	1,910,461	3,798,815	-	(6,572,837)
Public Transportation	3,171,103	893,903	-	-	(2,277,200)
Environmental Protection	362,168	67,486	-	-	(294,682)
Culture and Recreation	1,455,491	3,500	-	-	(1,451,991)
Health and Welfare	6,366,936	52,345	2,538,016	1,182,441	(2,594,134)
Conservation-Agriculture	137,154	-	-	-	(137,154)
Interest and Fiscal Charges	415,351	-	-	-	(415,351)
Total primary governmental activities	35,250,759	4,072,062	7,330,112	1,182,441	(22,666,144)

General revenues:	
Taxes:	
Property Taxes, Levied for General Purposes	15,996,588
Sales Tax	5,484,262
Other Taxes	909,149
Fines & Forfeitures	130,317
Unrestricted Investment earnings	256,688
Miscellaneous Revenue	493,482
Total general revenues, and transfers	23,270,486
Change in net position	604,342
Net position—beginning	27,189,472
Net position—ending	$ 27,793,814

The accompanying notes are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

UVALDE COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Road and Bridge Funds	American Rescue Plan	Interest & Sinking Fund
ASSETS				
Cash and Cash Equivalents	$ 4,160,950	$ 675,833	$ 130,464	$ -
Taxes Receivable	1,066,916	233,013	-	-
Allowance for Uncollectible Taxes (Credit)	(62,569)	(13,792)	-	-
Receivables (Net)	351,869	9,950	-	-
Restricted Assets:	-	-	-	-
Cash and Cash Equivalents	-	-	-	295,261
Total Assets	$ 5,517,166	$ 905,004	$ 130,464	$ 295,261
LIABILITIES				
Accounts Payable	$ 37,711	$ 63	$ -	$ -
Bank Overdraft	-	-	-	-
Total Liabilities	37,711	63	-	-
DEFERRED INFLOW OF RESOURCES				
Unavailable Revenue- Property Taxes	1,004,348	219,221	-	-
Total Deferred Inflows of Resources	1,004,348	219,221	-	-
FUND BALANCE				
Restricted For:				
Archives	-	-	-	-
Construction	-	-	-	-
Debt Service	-	-	-	295,261
Elections	-	-	-	-
Health	-		130,464	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public Safety	-	-	-	-
Public Transportation	-	685,720	-	-
Committed				
Culture and Recreation	-	-	-	-
Unassigned	4,475,107	-	-	-
Total Fund Balances	4,475,107	685,720	130,464	295,261
Total Liabilities Deferred Inflows and Fund Balances	$ 5,517,166	$ 905,004	$ 130,464	$ 295,261

The accompanying notes are an integral part of this statement.

Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
$ 2,543	$ 2,125,812	$ 7,095,602
-	-	1,299,929
-	-	(76,361)
-	1,857,942	2,219,761
-	-	-
-	-	295,261
$ 2,543	$ 3,983,754	$ 10,834,192
$ -	$ 49,954	$ 87,728
-	1,339,756	1,339,756
-	1,389,710	1,427,484
-	-	1,223,569
-	-	1,223,569
-	343,029	343,029
2,543	-	2,543
-	-	295,261
-	55,140	55,140
-	539,119	669,583
-	279,311	279,311
-	105,929	105,929
-	1,258,060	1,258,060
-		685,720
-	13,456	13,456
-	-	4,475,107
2,543	2,594,044	8,183,139
$ 2,543	$ 3,983,754	$ 10,834,192

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UVALDE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Total Fund Balances - Governmental Funds	$	8,183,138
The County uses internal service funds to charge the cost of self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	$	24,394
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$51,298,638 and accumulate depreciation was \$17,909,926. In addition, long-term liabilities including compensated absences are not due and payable in the current period, and therefore are not reported as liabilities in the funds. The long term debt was \$17,695,134. The net effect of including the beginning balances for the capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position.		15,693,578
Current year capital outlays and long-term debt principal payments are expended in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2024 capital outlays and debt principal payments is to increase net position.		2,456,411
Included in the items related to debt is the recognition of the District's net pension liability required by GASB 68 in the amount of \$1,002,740 Deferred Resources Inflows of \$0, and Deferred Resource Outflow of \$1,405,933 This resulted in a Decrease in Net Position in the amount of \$403,193		403,193
The 2024 depreciation expense increased accumulate Depreciation. The net effect on the current year's depreciation is to decrease net position.		(2,140,648)
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, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.		3,173,748
Net Position of Governmental Activities	$	27,793,814

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Road and Bridge Funds	American Rescue Plan
REVENUES:			
Taxes			
Property Taxes	$ 11,380,414	$ 2,829,222	$ -
Sales Tax	5,484,262	-	-
Other	899,913	-	-
Intergovernmental	207,447	-	-
Licenses & Permits	-	-	-
Charges for services	2,646,553	727,048	-
Fines & Forfeitures	348,521	-	-
Interest	225,638	14,051	-
Miscellaneous	451,183	-	-
Total Revenue	21,643,931	3,570,321	-
EXPENDITURES:			
Current:			
General Government			
General Administration	4,276,431	-	485,219
Legal	853,365	-	-
Judicial	2,039,309	44,175	-
Financial Administration	652,224	-	-
Public Facilities	961,598	-	-
Public Safety	8,769,848	38,289	-
Public Transportation	66,535	2,890,770	-
Environmental Protection	100,262	277,238	-
Culture and Recreation	1,157,283	19,514	-
Health and Welfare	2,913,307	7,246	-
Conservation-Agriculture	128,292	-	-
Capital Outlay	273,307	242,783	-
Debt Service:			
Debt Service - Principal on long-term debt	-	-	-
Debt Service - Interest on long-term debt	-	-	
Total Expenditures	22,191,761	3,520,015	485,219
Excess (Deficiency) Revenues Over Expenditures	(547,830)	50,306	(485,219)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	197,983	613,633	-
Operating Transfers Out	(855,112)	(905,000)	(398,633)
Issuance of Debt - Leases	79,282	-	-
Total Other Financing Sources (Uses)	(577,847)	(291,367)	(398,633)
Net Change in Fund Balances	(1,125,677)	(241,061)	(883,852)
Fund Balance - October 1 (Beginning)	5,600,784	926,781	1,014,316
Fund Balance - September 30 (Ending)	$ 4,475,107	$ 685,720	$ 130,464

The accompanying notes are an integral part of this statement.

Interest & Sinking Fund	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
$ 1,720,335	$ -	$ -	$ 15,929,971
-	-	-	5,484,262
-	-	9,236	909,149
-	-	8,308,606	8,516,053
-	-	-	-
-	-	586,257	3,959,858
-	-	-	348,521
3,647	-	9,837	253,173
-	-	42,300	493,483
1,723,982	-	8,956,235	35,894,469
-	-	242,667	5,004,317
-	-	55,445	908,810
-	-	301,349	2,384,833
-	-	-	652,224
-	-	988,660	1,950,258
-	-	2,906,317	11,714,454
-	-	-	2,957,305
-	-	-	377,500
		-	1,176,797
-	-	2,777,812	5,698,365
-	-	-	128,292
-	177,709	625,021	1,318,820
1,200,000	-	-	1,200,000
409,202	-	-	409,202
1,609,202	177,709	7,897,272	35,881,178
114,780	(177,709)	1,058,964	13,292
-	-	1,496,551	2,308,167
-	-	(299,421)	(2,458,166)
-	-	15,856	95,138
-	-	1,212,987	(54,860)
114,780	(177,709)	2,271,950	(41,569)
180,481	180,252	322,094	8,224,708
$ 295,261	$ 2,543	$ 2,594,044	$ 8,183,139

UVALDE COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Total Net Change in Fund Balances - Governmental Funds	$ (41,570)
The County uses internal service funds to charge the cost of certain activities, such as self insurance, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase the change in net position.	(532,704)
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2024 capital outlays and debt principal payments is to increase net position.	2,456,411
Current year changes due to GASB 68 required credits to expenses in the amount of $911,886 resulting in a increase in net position.	911,886
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect on the current year's depreciation is to decrease net position.	(2,140,648)
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, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease net position.	(49,033)
Change in Net Position of Governmental Activities	$ 604,342

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	$ 24,394
Receivables (net of allowance for uncollectable)	-
Total Current Assets	24,394
Total Assets	24,394
LIABILITIES	
Current Liabilities	
Accounts Payable	-
Total Current Liabilities	-
Total Liabilities	-
NET POSITION	
Unrestricted Net Position	24,394
Total Net Position	$ 24,394

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Internal Service Funds
OPERATING REVENUE:	
Charges for Services	4,352,595
Total Operating Revenues	4,352,595
OPERATING EXPENSES:	
Other Services and Charges	5,038,814
Total Operating Expenses	5,038,814
Total Operating Income (Loss)	(686,219)
NONOPERATING REVENUES (EXPENSES)	
Interest Income	3,515
Total Non Operating Revenue	3,515
OTHER FINANCING SOURCES (USES):	
Operating Transfers In	150,000
Total Other Financing Sources (Uses)	150,000
Change in Net Position	(532,704)
Total Net Position - Beginning	557,098
Total Net Position - Ending	$ 24,394

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Internal Service Funds
Cash Flows from Operating Activities:	
Cash Received from Users Charges	$ 4,557,622
Cash Payments for Insurance Claims & Premiums	(5,038,814)
Cash Payments for Other Operating Expenses	-
Net Cash Provided by (Used For) Operating Activities	(481,192)
Cash Flows from Noncapital Financing Activities:	
Transfers In	150,000
Net Cash Provided by (Used For) Noncapital Financing Activities	150,000
Cash Flows from Investing Activities:	
Interest Received	3,515
Net Cash Provided by (Used For) Operating Activities	3,515
Net Increase (Decrease) in Cash and Cash Equivalents:	(327,677)
Cash and Cash Equivalents at Beginning of the Year	352,070
Cash and Cash Equivalents at the End of the Year:	$ 24,394
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:	
Operating Income (Loss)	$ (686,219)
Effects of Increases and Decreases in Current Assets and Liabilities	
Decrease (Increase) in Receivables	205,027
Increase (Decrease) in Accounts Payable	-
Net Cash Provided by (Used for) Operating Activities	$ (481,192)

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF CUSTODIAL NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2024

	Total Custodial Funds
ASSETS:	
Current Assets	
Cash & Cash Equivalents	$ 3,001,386
Receivables	-
Total Assets	$ 3,001,386
LIABILITIES	
Accounts Payable	$ -
Due to Others	-
Total Liabilities	$ -
NET POSITION	
Restricted for Organizations and Other Governments	$ 3,001,386
Total Net Position	$ 3,001,386

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
STATEMENT OF CHANGE IN CUSTODIAL NET POSITION
CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Total Custodial Funds
ADDITIONS:	
Collections From Other Governments and Others	$ 8,797,062
Interest	1,202
Total Additions	8,798,264
DEDUCTIONS:	
Distributions To Other Governments and Others	8,769,434
Total Deductions	8,769,434
Changes in Fiduciary Net Positions	28,829
Total Net Position - October 1 (Beginning)	2,972,556
Prior Period Adjustment	-
Total Net Position - September 30 (Ending)	$ 3,001,386

The accompanying notes are an integral part of this statement.

I. SUMMARY OF SIGNIGICANT ACCOUNTING POLICIES

The accounting and reporting policies of Uvalde County (County) reflected in the accompanying financial statements conform to generally accepted accounting principles (GAAP) in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB). The most significant accounting and reporting policies of the County are described in the following notes to the basic financial statements.

A. Reporting Entity

The County is a public corporation and political subdivision of the State of Texas (State). The Commissioner's Court is composed of four commissioners and the County Judge is the general governing body of the County in accordance with Article 5, Section 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of Texas: general government (e.g., tax collection, funds investment, etc.), judicial (courts, juries, district attorney, etc.), public safety (sheriff, jail, homeland security, etc.), highways and streets, health, education, and public welfare (e.g., juvenile services and assistance to indigents).

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the Statement of Net Position and Statement of Activities. Government-wide statements report, except for County fiduciary funds financial activity, information on all of the County activities. The effect of inter-fund transfers has been removed from the government-wide financial statements but continues to be reported in the fund financial statements. However, inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities are supported mainly by taxes, intergovernmental revenues, and charges for services.

The Statement of Activities presents a comparison between expenses and program revenues for each function of the County's governmental activities of the County. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include a) fees, fines and charges paid by the recipients of goods or services offered by the programs and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. General, Road & Bridge, Debt Service, American Rescue Plan, Major Grant and County Building Improvements Funds are reported as *major governmental funds*. Each major fund is reported in a separate column in the fund financial statements. Other nonmajor funds include Special Revenue and Capital Project Funds. The combined amounts for these funds are reflected in a single column 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 accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues net of allowances are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, include district clerk and county clerk fees, justice of the peace fees, revenue from investments, intergovernmental revenue, and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as program revenues and general revenues. Program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants, and contributions not restricted to specific programs, investment earnings, and donations of assets.

Governmental fund-level financial statements are reported using current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized only when they become susceptible to accrual (measurable and available). Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Unavailable means not available to finance expenditures for the current fiscal period. Unearned refers to funds received before the earnings process is completed. Except for grants, measurable and available revenues include revenues expected to be received within 60 days after the fiscal year's end. Grants policy includes recognition of revenues, so long as such amounts are collectible within 120 days or soon enough afterward to be used to pay liabilities for the current period, and where grant eligibility requirements have been met. Property taxes levied prior to September 30, 2023, and became due October 1, 2024, have been assessed to finance the budget of the fiscal year beginning October 1, 2024, and, accordingly, have been reflected as unavailable revenue and property taxes receivable in the governmental fund financial statements. Receivables and deferred inflows associated with these property taxes are included in the government-wide statements on September 30, 2024.

Expenditures generally are recorded when a fund liability is due and payable; however, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when the liability has matured and payment is due.

All proprietary funds, and fiduciary funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when they are incurred. Claims incurred but not reported are included in payables and expenses. These funds are accounted for using an economic resources measurement focus. This means that all assets and liabilities (whether current or non-current) associated with their activity are included in the funds statement of net position.

The County reports the following major governmental funds:

General Fund is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Significant revenue sources include property taxes, charges for services, intergovernmental revenues, and investment income of idle funds. Primary expenditures are for general government, public safety, judicial, public welfare, health services, and capital acquisition.

Road and Bridge Fund – The Road and Bridge Fund is a special revenue fund which accounts for the collection and expenditure of those monies designated to be spent for acquisition, construction, and maintenance of county roads and bridges. This constitutional fund is primarily financed with fees associated with vehicle registration.

Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The revenue source is primarily property taxes levied specifically for debt service.

American Rescue Plan is used to account for funds received from the U.S. Department of Treasury to be used for the response efforts relating to local fiscal recovery from the COVID-19 pandemic pursuant to the American Rescue Plan Act.

Capital Projects Fund This fund is used to administer bond funds for various projects and equipment purchases.

Other fund types include proprietary and fiduciary funds:

Proprietary Fund financial statements are similar to those often found in the private sector. The measurement focus is based on the determination of net income, financial position, and economic resources. The County's only Proprietary Fund is the Internal Service Fund used to account for the County's medical insurance premiums. Expenses are for claims and administrative expenses.

The Proprietary Fund is accounted for using accrual basis of accounting as follows:

1. Revenues are recognized when earned, and expenses are recognized when liabilities are incurred.
2. Current-year contributions, administrative expenses, and benefit payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from nonoperating. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations (e.g., insurance claims and workers' compensation payments).

Fiduciary Funds financial statements include custodial funds used to account for assets held by the County as agents for individuals, private organizations, and other governments and cannot be used to support the County's own programs. Custodial funds do not involve a formal trust agreement.

Custodial funds are used to account for resources that the County has custody of, but is not the County's own-source revenue, and does not control the use of revenues. They include the State Comptroller fund for fees collected due to the state, Community Supervision and Corrections fund for activities of a state agency with funds in the County depository and Other Custodial fund for funds collected and held for others.

D. Assets, Liabilities, and Net Position

1. Cash, Cash Equivalents, and Investments

The government's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Government and the County to invest in obligations of the U.S. Treasury. Investments for the Government are reported at fair value. For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

2. Receivables and Payables

Property taxes are levied prior to September 30 based on taxable values as of January 1 and become due October 1 and past due after January 31. Accordingly, receivables and revenues for property taxes are reflected in the government-wide financial statements based on the accrual method of accounting. Property tax receivables are shown net of an allowance for uncollectible accounts. Property taxes owed for a future period are deferred and recognized as revenue in the periods they were earned.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when earned in the government-wide financial statements. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectible accounts. Borrowing between funds is recorded as an amount either “Due to” or “Due from.” Due to and due from amounts are eliminated in the government-wide financial statements.

3. Inventories and Prepayments

Inventories of materials and supplies held by the General Fund are considered immaterial and thus are not accounted for in the Balance Sheet. In the General Fund, disbursements for supplies and materials are expenditures at the time of purchase. There were no inventory items at September 30, 20243.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items are recorded as expenditures when consumed rather than when purchased. In the fund financial statements, advances and prepayments are denoted as a non spendable fund balance.

4. Restricted Assets/Funds

The following accounts reflect restricted status by third party or statutory obligations for specific purposes:

- Debt Service Fund balance (amount restricted for future debt service expenditures according to debt covenants);

- Major Grants, American Rescue Plan, and the grant funds, which are included with Nonmajor Governmental Funds (amounts restricted for future grant expenditures according to award restrictions);

- Capital Projects Funds: (Amount restricted for expenditures of projects funded by debt obligation issued in FY2021.)

- Other Nonmajor Governmental Fund balances (amounts restricted for other specific purposes according to Texas statutes).

  The following accounts reflect committed status by action of the governing body for specific purposes:

- Included in Other Nonmajor Governmental Funds: Historical Commission (committed by the governing body for future nonmajor historical building improvements and related expenditures).

5. Capital Assets

Capital assets, including land, construction in progress, historical treasures, buildings, machinery and equipment, and infrastructure (e.g., roads and bridges) are reported in the government-wide financial statements. Capital assets (except for grant assets with lower thresholds) are defined as assets where the County bears risks and benefits of ownership with a cost of $5,000 or more and with a useful life in excess of two years. Infrastructure assets include County owned roads and bridges. Capital assets are recorded at historical cost if purchased or constructed. Donations of capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset life is not capitalized. Additionally, County capital expenditures include amounts incurred to improve infrastructure assets owned by other governmental entities within Uvalde County. Accordingly, these amounts are not capitalized. Capital assets, except infrastructure, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50
Building Improvements	20
Public Domain Infrastructure	50
System Infrastructure	3
Vehicles	5
Office Equipment	5
Computer Equipment	5

The County uses the modified approach to report infrastructure assets in the government-wide Statement of Net Position. Infrastructure assets are recorded at historical cost but not depreciated. Under the modified approach, the County reports annual expenses for maintaining County roads and bridges including estimated costs for preservation at specified levels.

The County evaluates capital assets regularly for impairment. If circumstances suggest that assets may be impaired, an assessment of recoverability is performed prior to any write down of assets. An impairment charge is recorded on those assets for which the estimated fair value is below its carrying amount.

6. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation, comp. absence, and sick pay benefits.

There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government.

All vacation and comp. absences are accrued when incurred in the government- wide financial statements. A liability for these amounts is reported in government- wide financial statements.

7. 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 assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County's deferred outflows of resources consist of differences between expected and actual actuarial experience (pension), changes in actuarial assumptions (pension), change in proportion and differences between employer's contributions and the proportionate share of contributions (pension), and contributions paid to TC&DRS subsequent to the measurement date (pension).

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Uncollected property taxes which are assumed collectible are reported in this category on the balance sheet for governmental funds. They are not reported in this category on the government wide statement of net position. In the government wide financial statements, the County has two items that qualify for this reporting. The County reports a deferred inflow of resources for differences between expected and actual actuarial experience (pension), changes in actuarial assumptions (pension), differences between projected and actual investment earnings (pension), and changes in proportion and differences between employer's contributions and the proportionate share of contributions (pension). The County also reports a Deferred Loss on Bond Refunding.

8. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the term of the bonds. Bonds payable are reported net of unamortized premiums or discounts.

In the fund financial statements, governmental fund types recognize bond premiums or discounts, and issuance costs in the period in which bonds are issued. The principal of bonds issued is reported as another financing source. Premiums received on debt issuances are reported as another financing source while discounts are reported as another financing use.

Long-term obligations, except long-term debt, and net pension obligations are liquidated from the General Fund. Long-term debt is liquidated from the Debt Service Fund. Net pension obligations are liquidated through a trust managed by Texas County and District Retirement System.

9. Leases

Leases are defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. The lease term is defined as the period during which a lessee has a noncancelable right to use an underlying asset, plus any applicable periods covered by any renewal options that are reasonably certain to be exercised, or options to terminate that are not reasonably certain to be exercised. Contracts that transfer ownership of the underlying asset are recognized as financed purchases in the financial statements. Leases that have a maximum term of less than 12 months are considered short-term leases. Short-term lease payments are recognized in the period of payment.

As a lessee, the County recognizes a lease payable and an intangible right-to-use lease asset. At the commencement of a lease, the lease payable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the County's incremental borrowing rate at lease inception. The right-to-use leased asset is initially recorded at the amount of the lease liability plus any prepayments less lease incentives received prior to lease commencement. The right-to-use leased asset is amortized on a straight-line basis over the term of the lease or the asset's useful life for leases where the County is reasonably certain that the bargain purchase option will be exercised.

10. Fund Balances

Fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. These classifications are defined as:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted — This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements.

Committed — This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Commissioners' Court. These amounts cannot be used for any other purpose unless the Commissioners' Court removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

Unassigned — All other spendable amounts. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

As of September 30, 2024, fund balances are composed of the following:

Fund Balances:	
Restricted	
Archives	$ 343,029
Construction	2,543
Debt Service	295,261
Elections	55,140
Health	669,583
Judicial	279,311
Legal	105,929
Public Safety	1,258,060
Public Transportation	685,720
Committed.	
Cultural and Recreation	13,456
Unassigned	4,475,107
Total Fund Balance	$ 8,183,139

When both restricted and unrestricted amounts are available for use, County policy as approved by the governing body is to use restricted amounts first, with unrestricted resources utilized as needed. In the case of unrestricted resources, the policy is to use committed amounts first consistent with the formal action of the governing body, followed by assigned amounts, then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be incurred.

11. Net Position

In the government-wide financial statements, net position is categorized into three categories. The first is net investment in capital assets, which is gross capital asset balances reduced by accumulated depreciation and any outstanding debt incurred to acquire, construct or improve those assets excluding unexpended bond proceeds. The second category is restricted, which represents assets restricted by requirement of bond covenants, grantor regulations, other externally imposed constraints, or by legislation, in excess of the related liabilities payable from restricted assets. The third category, unrestricted portion of net position, consists of net position that does not meet the definition of either of the other two categories of net position.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

13. Budgets

The original budget is adopted by the Commissioners' Court and filed with the County Clerk. Amendments are made during the year on approval by the Commissioners' Court.

The final amended budget is used in this report.

The budget should not be exceeded in any expenditure category under State law. Unused appropriations lapse at the end of each year.

The County Judge is, by statute, the Budget Officer of the County. He usually requests and relies on the assistance of the County Auditor to prepare the annual budget. After being furnished budget guidelines by the Commissioners' Court, the County Auditor prepares an estimate of revenues and a compilation of requested departmental expenditures and submits this data to the Commissioners' Court.

The Commissioners' Court invites various department heads to appear for a hearing concerning the departments' budget requests. Before determining the final budget, the Commissioners' Court may increase or decrease the amounts requested by the various departments. Amounts finally budgeted may not exceed the County Auditor's estimate of revenues and available cash.

The final budget can be legally amended by the Commissioners' Court to whatever extent the Court desires if the amended figures do not exceed the County Auditor's estimate of revenues and available cash.

When the Budget has been adopted by the Commissioners' Court, the County Auditor is responsible for monitoring the expenditures of the various departments of the County to prevent expenditures from exceeding budgeted appropriations and for keeping the members of the Commissioners' Court advised of the condition of the various funds and accounts. The level of control for each legally adopted annual operating budget is the fund.

II. DEPOSITS, INVESTMENTS AND INVESTMENT POLICIES

Legal and Contractual Provisions Governing Deposits and Investments:

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 County 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, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the County 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) banker's acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the County to have independent auditors perform test procedures related to investment practices as provided by the Act. The County follows the requirements of the Act and with local policies.

Policies Governing Deposits and Investments:

The County had no investments at September 30, 2024.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. In compliance with the Public Funds Investment Act, the County has adopted a deposit and investment policy. That policy and Chapter 2257 of the Texas Government Code, also known as the Public Funds Collateral Act, provides guidelines for the amount of collateral that is required to secure the deposit of public funds. It requires that the deposit of public funds be collateralized in an amount not less than the total deposit, reduced by the amount of Federal Depository insurance (FDIC) available.

As of September 30, 2024, the government's bank balance of $12,469,258 was not exposed to custodial credit risk because it was fully insured and collateralized with securities held by the pledging financial institution's trust department or agent, in the government's name. The fair market value of the securities pledged is $26,266,194.03 and the FDIC coverage is $250,000.

III. PROPERTY TAXES AND OTHER RECEIVABLES

A. Property Taxes

Property taxes are levied by October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature which affects the methods of property assessment and tax collection in the County. This legislation, with certain exceptions, exempts intangible personal property, household goods and family-owned automobiles from taxation. In addition, this legislation creates a "Property Tax Code" and provides, among other things, for the establishment of county-wide appraisal districts and for the State Property Tax Board which commenced operation in January, 1980.

As of October 1, 1981, the appraisal of property within the County was the responsibility of the county-wide appraisal district. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. Beginning January 1, 1984, the value of property within the Appraisal District must be reappraised every three years. The County may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the County continues to set tax rates on County property.

However, if the effective tax rates for bonds and other contractual obligations and adjustments for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the County may petition for an election to determine whether to limit the tax rate to no more than 8% above the effective tax rate of the previous year. The Appraisal District is governed by a Board of Directors elected by the governing bodies of the taxing entities within the District. The Board of Directors appoints a Chief Appraiser to act as Chief Administrator of the Appraisal District and an Appraisal Review Board to equalize appraised values.

The County's taxes on Uvalde County property are a lien against such property until paid. The County may foreclose Uvalde County property upon which it has a lien for unpaid taxes. Although the County makes little effort to collect delinquent taxes through foreclosure proceedings, delinquent taxes on property not otherwise collected are generally paid when there is a sale or transfer of the title on property.

Property tax revenues are recognized in the accounting period in which they become both measurable and available. Property tax revenues are considered measurable at the time of levy and are recognized as deferred revenue and taxes receivable, net of an allowance for estimated uncollectible taxes, at that time. Property tax revenues are considered available if collected within 60 days subsequent to year end.

B. Receivables

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

	General Fund	Road and Bridge Fund	Other Governmental Funds	Total
Property Taxes	$ 1,066,916	$ 233,013	$ -	$ 1,299,929
Sales Taxes	-	-	-	-
Fines	1,956,328	-	-	1,956,328
Other	351,869	9,950	1,857,941	2,219,760
Gross Receivables	3,375,113	242,963	1,857,941	5,476,017
Less: Allowance for Uncollectables	62,569	13,792	-	76,361
Net Total Receivables	$ 3,312,545	$ 229,171	$ 1,857,941	$ 5,399,657

IV. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 1,404,101	$ -	$ -	$ 1,404,101
Construction in Progress	1,952,182	393,621	-	2,345,803
Total capital assets not being depreciated	3,356,283	393,621	-	3,749,904
Capital assets being depreciated:				
Buildings and Improvements	31,772,747	21,862	-	31,794,609
Machinery, Equipment and Vehicles	9,465,048	808,199	-	10,273,247
Infrastructure	6,366,944	-	-	6,366,944
Right to Use Assets:				
Leased Equipment	337,616	95,139	3,878	428,877
Total capital assets being depreciated	47,942,355	925,200	3,878	48,863,677
Less accumulated depreciation for:				
Buildings and Improvements	8,178,504	702,299	-	8,880,803
Machinery, Equipment and Vehicles	6,710,974	1,174,578	-	7,885,552
Infrastructure	2,920,945	177,657	-	3,098,602
Right to Use Assets:				
Leased Equipment	99,503	86,114	3,878	181,739
Total accumulated depreciation	17,909,926	2,140,648	3,878	20,046,696
Total capital assets being depreciated, net	30,032,429	(1,215,448)	-	28,816,981
Governmental activities capital assets, net	$ 33,388,712	$ (821,827)	$ -	$ 32,566,885

Depreciation was charged to functions as follows:

Governmental Activities:	
General Administration	$ 40,995
Judicial	212,405
Environmental	3,250
Financial Adminstration	16,527
Public Facilities	243,105
Public Safety	959,536
Public Transportation	283,310
Culture and Recreation	278,694
Health and Welfare	22,684
Legal	69,114
Conservation - Agriculture	11,029
	$ 2,140,649

V. LONG-TERM LIABILITIES

Long-Term Debt

The following are Certificates of Obligation outstanding on September 30, 2024.

	Date of Issue	Interest Rates	Maturity	Amount Original Issue	Outstanding 09/30/2024	Due Within One Year
General Obligation Refunding Bond Series 2017	2017	2.375%	2/1/2029	9,905,000	5,090,000	1,140,000
General Obligation Refunding Bond Series 2021	2021	.75% -2.65%	2/1/2034	8,105,000	8,000,000	45,000
Combination Tax and Limited Pledge Revenue Certifiate of Obligation s Series 2021	2021	1.57%-3.0%	2/1/2036	3,000,000	2,905,000	45,000
					15,995,000	1,230,000

This debt is to be serviced by the Debt Service Fund.

Changes in Long-Term Liabilities

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended September 30, 2024, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Bonds Payable	$ 17,195,000	$ -	$ 1,200,000	$ 15,995,000	$ 1,230,000
Bond Premium	767,078	-	69,734	697,344	
Right to Use Lease Liability	211,282	95,138	80,024	226,396	78,791
Net Pension Liability	3,117,523	1,002,740	3,117,523	1,002,740	
Compensated Absences	290,612	327,907	290,612	327,907	218,386
Total	$ 21,583,430	$ 1,425,785	$ 4,757,893	$ 18,249,387	$ 1,527,177

Debt Service Requirements

Debt service requirements on Certificate of Obligation at September 30, 2024 are as follows:

Year Ending September 30	Principal	Interest
2025	1,230,000	375,235
2026	1,260,000	344,760
2027	1,290,000	313,719
2028	1,325,000	281,947
2029	1,360,000	241,431
2030-2034	7,395,000	597,838
2035-2036	2,135,000	43,067
Totals	$ 15,995,000	$ 2,197,996

Right to Uses Lease Liability

The County has entered into various leases as a lessee. These leases vary in nature, substance, terms, and conditions dependent upon the asset being leased. Examples of assets leased include postage machines, copiers, and vehicles. Beginning FY 2022, leases are presented in the financial statements and accompanying footnotes in accordance with GASB 87. GASB 87 requires leases to be categorized as either short-term (12 months or less in length, including renewal options) or long-term. In determining future minimum lease payments and receipts, the County includes the right to extend option terms in the noncancelable lease term. Short-term lease transactions are reflected in the government-wide and fund financial statements.

Future principal and interest payments due to maturity as of the end of the fiscal year are as follows:

Year Ending August 31	Principal	Interest	Total Requirements
2025	78,791	6,874	85,666
2026	76,621	4,237	80,858
2027	31,236	2,271	33,506
2028	29,086	1,008	30,094
2029	10,662	718	11,380
Totals	$ 226,397	$ 15,108	$ 241,505

VI. INTERFUND RECEIVABLES AND PAYABLE BALANCES AND TRANSFERS

There were no interfund receivables and payables as of September 30, 2024.

	Transfer In:					
Transfer Out:	General	Road & Bridge	Proprietary Fund	American Rescue Plan	Other Nonmajor Funds	Total
General Fund	$ -	$ 230,000	$ 150,000	$ -	$ 475,112	$ 855,112
Road & Bridge Fund	-	-	-	-	905,000	905,000
American Rescue Plan					398,633	398,633
Other Nonmajor Funds	197,983	383,633	-	-	(282,194)	299,422
Total	$ 197,983	$ 613,633	$ 150,000	$ -	$ 1,496,551	$ 2,458,167

The general fund transferred $150,000 to the County Employee Insurance fund, $230,000 to the road and bridge fund, and $475,112 to various other non-major funds, for operating capital. The road and bridge fund transferred $550,000 to various other non-major funds, for operating capital. All the above transfers are non-recurring.

VII. DEFINED BENEFIT PENSION PLAN

Plan Description.

Uvalde County, Texas provides retirement, disability, and death benefits for all of its full-time employees through a nontraditional agent multiemployer defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiemployer public employee retirement system consisting of more than 870 nontraditional defined benefit pension plans. TCDRS in the aggregate issues an annual comprehensive financial report on a calendar year basis, which is available online at www.tcdrs.org or upon written request from the Board of Trustees at P.O. Box 2034, Austin, TX 78768-2034.

Benefits Provided

The plan provisions are adopted by Commissioners Court of the County, within the options available in the state statutes governing TCDRS ("TCDRS Act"). Members can retire at ages 60 and above with eight or more years of service, with 30 years of service regardless of age, when the sum of their age and years of service equals 80 or more, or if they become disabled. Members are vested after combined 10 years of employment with any organization(s) with an accredited plan (not just the County) but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by the County. Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest and employer-financed monetary credits. The level of these monetary credits is adopted by Commissioners Court of the County, within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. By law, employee accounts earn 7% interest. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act. The County's current match is 200%

Employees Covered by Benefit Terms

At the measurement date, the following employees were covered by the benefit terms of the Uvalde County, Texas plan:

Membership Information

Members	Dec.31,2022	Dec.31,2023
Number of inactive employees entitled to but not yet receiving benefits:	279	277
Number of active employees:	244	266
Average monthly salary*:	$ 3,804	$ 3,916
Average age*:	46.28	46.37
Average length of service in years*:	9.97	9.67
Inactive Employees (or their Beneficiaries) Receiving Benefits		
Number of benefit recipients:	156	153
Average monthly benefit:	$1,217	$1,262

*Averages reported for all active and inactive employees.

Contributions

The County has elected the annually determined contribution rate (variable-rate) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The employer contributed using the actuarially determined rate of 10.86% for the months of the accounting year in 2023 and 10.79% for the months of the accounting year in 2024. The deposit rate payable by the employee members for accounting year 2023 and 2024 is the rate of 7.0% as adopted by the governing body of the employer. The employee contribution rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

Actuarial assumptions:

For the County's fiscal year ending September 30, 2024 the net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

TCDRS system-wide economic assumptions:

Real rate of return	5.0% per year
Inflation	2.50% per year
Long-term investment return	7.5%

Employer-specific economic assumptions:

Growth in membership	0.00%
Payroll growth for funding calculations	3.00%

The payroll growth assumption is for the aggregate covered payroll of an employer.

The long-term expected rate of return on TCDRS assets 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 and are re-assessed at a minimum of every four years, and is set based on a long-term time horizon; the most recent analysis was performed in 2021 and reviewed annually for continued compliance with relevant standards of practice. The following target asset allocation was adopted by the TCDRS board in March 2024.

Asset Class	Benchmark	Target Allocation(1)	Geometric Real Rate of Return(2)
U.S. Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.75%
Global Equities	MSCI World (net) Index	2.50%	4.75%
Int'l Equities - Developed Markets	MSCI World Ex USA (net) Index	5.00%	4.75%
Int'l Equities - Emerging Markets	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 Leveraged Loan TR USD Index	16.00%	7.25%
Distressed Debt	Cambridge Associates Distressed Securities Index(3)	4.00%	6.90%
REIT Equities	67% FTSE NAREIT Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.10%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.20%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index(4)	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity Venture Capital Index(5)	25.00%	7.75%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds	6.00%	3.25%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.60%

(1) Target asset allocation adopted at the March 2024 TCDRS Board meeting.

(2) Geometric Real rates of return equal the expected return minus the assumed inflation rate of 2.2%, per Cliffwater's 2024 capital market assumptions.

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

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

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

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 contributions will be made at the current contribution rate and that County contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, 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.

Discount rate (1)	7.60%
Long-term expected rate of return, net of investment expense (1)	7.60%
Municipal bond rate (2)	Does not apply

[1] This rate reflects the long-term rate of return funding valuation assumption of 7.50%, plus a 0.10% adjustment to be gross of administrative expenses as required by GASB 68.

[2] *The Plan's fiduciary net position is projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return and the municipal bond rate does not apply.*

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances as of December 31, 2022	$ 55,010,183	$ 51,892,660	$ 3,117,523
Changes for the year:			
Service cost	1,514,687	-	1,514,687
Interest on total pension liability	4,202,153	-	4,202,153
Effect of plan changes	-	-	-
Effect of economic/demographic gains or los	56,707	-	56,707
Effect of assumptions changes or inputs	-	-	-
Refund of Contributions	(248,197)	(248,197)	-
Benefit payments	(2,264,578)	(2,264,578)	-
Administrative expenses		(29,903)	29,903
Member contributions		867,107	(867,107)
Net investment income		5,700,086	(5,700,086)
Employer contributions		1,345,265	(1,345,265)
Other	-	5,775	(5,775)
Balances as of December 31, 2023	$ 58,270,955	$ 57,268,215	$ 1,002,740

Sensitivity Analysis

The following presents the net pension liability of the County, calculated using the discount rate of 7.60%, as well as what the County 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 (8.6%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	6.60%	7.60%	8.60%
Total pension liability	$ 65,677,105	$ 58,270,955	$ 52,084,148
Fiduciary net position	57,268,215	57,268,215	57,268,215
Net pension liability/(Asset)	$ 8,408,890	$ 1,002,740	$ (5,184,067)

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.org.

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

For the current year, the County recognized pension expense of $225,054.50.

As of September 30, 2024 the deferred inflows and outflows of resources are as follows:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	$ -	$ 101,363
Changes in assumptions	-	-
Net difference between projected and actual earnings	-	229,041
Contributions made subsequent to measurement date	N/A	1,075,529
Total	$ -	$ 1,405,933

Amounts currently reported deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

Year ended December 31:	
2024	(285,440)
2025	(162,310)
2026	1,131,824
2027	(353,670)
2027	0
Thereafter	0

VIII. RISK MANAGEMENT

The government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no instances where settlements exceeded insurance coverage in any of the three previous years.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and number of pay- outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claim's liability estimate.

	Year ended 09/30/24	Year ended. 09/30/23
Unpaid Claims, Beginning of Fiscal Year	$ -0-	$ -0-
Incurred Claims (including IBNRs)		
Claim Paid	$ -0-	$ -0-
Unpaid Claims, End of Fiscal Year	$ -0-	$ -0-

1. General Liability Insurance

   The County is insured for general, police officers and automobile liability.

   The County pays an annual premium to the Texas Association of Counties Risk Management Plan for auto vehicle insurance coverage.

   The County continues to carry commercial fidelity bonds for elected officials and for management.

2. Property and Casualty Insurance

   Property, casualty, mobile equipment insurance is provided by Texas Association of Counties Risk Management Plan.

3. Workers' Compensation Insurance

   The County insures against workers' compensation claims through Texas Association of Counties.

4. Group Health and Life Insurance

Uvalde County maintains a self-funded stop/loss health insurance plan for active employees and their eligible dependents. The stop/loss amounts for the year 2024 were $45,000 per individual and $3,654,172 aggregate. The stop/loss amounts for the year 2022 are $45,000 per individual and $3,233,188 aggregate. Costs are recorded in the fund from which the employees' compensation is paid.

5. Unemployment Compensation Insurance

The County insures for unemployment compensation claims through an agreement with the Texas Workforce Commission (TWC).

IX. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial. The County was not a defendant in any lawsuit on September 30, 2024.

X. TAX ABATEMENTS

Uvalde County executed an agreement with OCI ALAMO 5 LLC (a Solar Farm) to provide a 70% tax abatement for business Property and Improvements constructed, expanded, or acquired for a period of ten years provided the Improvements once constructed, shall constitute fixtures and shall remain in place and operational, to the extent commercially reasonable until at least twenty (20) years after the date the Certificate for such Improvements is provided by the Company. The incentive period began in the year ended September 30, 2014. The abatement amounted to $590,332 for the fiscal year ended September 30, 2019.

OCI Solar shall install or shall cause to be installed the Project, and operate and maintain the Project, upon the Site for sale of generated solar energy.

OCI Solar is investing an amount up to approximately two hundred eighty- three million and zero one hundredths dollar ($283,000,000.00).

This Agreement is authorized by Chapter 312 of the Texas Tax Code, as amended, and by the "Uvalde County Guidelines and Criteria for Tax Abatement.

The County finds that the terms of the abatement are within its Guidelines & Criteria, subject to any exceptions approved by the Commissioners Court, and that the approval of this Agreement will not have any substantial, long-term, adverse effect upon the provision of County's services or its tax base. The Commissioners Court also finds that OCI Solar's planned use of the Site inside the Reinvestment Zone does not constitute a hazard to public safety, health, or morals.

The occurrence of any of the following events during the Term of Agreement shall be deemed a default: failure to comply with the agreement, failure to pay ad valorem taxes, or cessation of operations. Upon default, the County is entitled to recapture one hundred percent (100%) of taxes already actually abated under this Agreement.

On October 26, 2020, the County approved a tax abatement of all county property taxes for years 1-10 of operation to be replaced by a payment in lieu of taxes of $73,000.00 for OCI SunRay, LLC. The approved amount was increased to $87,600.00 on January 11, 2021.

XII. NEGATIVE FUND BALANCES

At the end of the year the county had negative fund balances in the following fund:

84	Border Crimes Prosecution	$(431)
126	Ballistic Sheilds	(3,978)

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REQUIRED SUPPLEMENTARY INFORMATION

UVALDE COUNTY , TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final	GAAP Basis	Positive (Negative)
REVENUES:				
Taxes				
Property Taxes	$ 10,860,153	$ 11,380,414	$ 11,380,414	$ -
Sales Tax	$ 4,390,000	$ 5,502,422	5,484,262	(18,160)
Other	1,200,000	1,200,000	899,913	(300,087)
Intergovernmental	254,937	229,989	207,447	(22,542)
Licenses & Permits	-	-	-	-
Charges for services	3,228,885	3,314,013	2,646,553	(667,460)
Fines & Forfeitures	422,975	442,389	348,521	(93,868)
Interest	100,000	225,638	225,638	-
Miscellaneous	288,925	529,756	451,183	(78,573)
Total Revenue	20,745,875	22,824,622	21,643,931	(1,180,691)
EXPENDITURES:				
Current:				
General Government				
General Administration	4,594,683	4,491,837	4,276,431	215,406
Legal	988,155	967,660	853,365	114,295
Judicial	2,264,300	2,243,093	2,039,309	203,784
Financial Administration	671,442	675,942	652,224	23,718
Public Facilities	1,200,355	1,132,638	961,598	171,040
Public Safety	8,270,946	9,065,419	8,769,848	295,571
Public Transportation	34,000	69,000	66,535	2,465
Environmental Protection	100,092	102,690	100,262	2,428
Culture and Recreation	1,417,500	1,433,679	1,157,283	276,396
Health and Welfare	2,678,945	2,957,422	2,913,307	44,115
Conservation-Agriculture	142,577	142,577	128,292	14,285
Capital Outlay	250,000	208,286	273,307	(65,021)
Debt Service:				
Debt Service - Principal on long-term debt	-	-	-	-
Debt Service - Interest on long-term debt	-	-	-	-
Total Expenditures	22,612,995	23,490,244	22,191,761	1,298,483
Excess (Deficiency) Revenues Over Expenditures	(1,867,120)	(665,622)	(547,830)	117,792
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	-	197,983	197,983	-
Operating Transfers Out	(564,275)	(961,447)	(855,112)	106,335
Issuance of Debt - Leases	-	-	79,282	79,282
Total Other Financing Sources (Uses)	(564,275)	(763,464)	(577,847)	185,617
Net Change in Fund Balances	(2,431,395)	(1,429,086)	(1,125,677)	303,409
Fund Balance - October 1 (Beginning)	5,600,784	5,600,784	5,600,784	-
Fund Balance - September 30 (Ending)	$ 3,169,389	$ 4,171,698	$ 4,475,107	$ 303,409

The accompanying notes are an integral part of this statement.

UVALDE COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2024

	Year Ended December 31									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 1,514,687	1,387,036	1,418,640	1,383,010	1,344,316	1,261,703	1,276,448	1,250,557	1,104,937	1,058,002
Interest on total pension liability	4,202,153	3,962,227	3,781,506	3,584,119	3,350,532	3,128,399	289,635	2,672,417	2,501,430	2,338,210
Effect of plan changes	-	-	-	-	-	-	-	-	(173,311)	-
Effect of assumption changes or input	-	-	(198,470)	2,722,156	-	-	207,731	-	357,564	-
Effect of economic gains or losses	56,707	190,674	(260,211)	(221,366)	(37,620)	(24,915)	112,397	(410,538)	(296,600)	(226,963)
Benefit payments/refund of contributions	(2,512,775)	(2,508,636)	(2,161,620)	(1,832,825)	(1,792,232)	(1,621,923)	(1,507,889)	(1,408,140)	(1,321,783)	(1,215,361)
Net change in total pension liability	3,260,772	3,031,301	2,579,845	5,635,094	2,864,996	2,743,264	2,981,322	2,104,296	2,172,237	1,953,888
Total pension liability, beginning	55,010,183	51,978,882	49,399,037	43,763,943	40,898,947	38,155,683	35,174,361	33,070,064	30,897,827	28,943,939
Total pension liability, ending	$ 58,270,955	55,010,183	51,978,882	49,399,037	43,763,943	40,898,947	38,155,683	35,174,360	33,070,064	30,897,827
Fiduciary Net Position										
Employer contributions	$ 1,345,265	1,346,729	1,025,742	1,055,136	985,572	947,705	926,498	899,467	856,047	810,648
Member contributions	867,107	803,677	710,910	724,821	706,143	688,943	685,945	656,481	607,541	598,882
Investment income net of investment expenses	5,700,086	(3,223,465)	10,038,510	4,307,840	5,900,519	(682,098)	4,655,770	2,203,508	(204,906)	1,878,789
Benefit payments/refunds of contributions	(2,512,775)	(2,508,636)	(2,161,620)	(1,832,825)	(1,792,232)	(1,621,723)	(1,507,889)	(1,408,140)	(1,321,783)	(1,215,361)
Administrative expenses	(29,903)	(30,410)	(30,031)	(33,604)	(31,777)	(28,859)	(24,355)	(23,933)	(21,377)	(22,138)
Other	5,776	(3,853)	608	2,568	2,368	4,117	1,172	(197,256)	178,746	(200,195)
Net change in fiduciary net position	5,375,556	(3,615,958)	9,584,119	4,223,936	5,770,593	(691,915)	4,737,141	2,130,127	94,268	1,850,625
Fiduciary net position, beginning	51,892,660	55,508,618	45,924,499	41,700,563	35,929,970	36,622,084	31,884,943	29,754,815	29,660,547	27,809,922
Fiduciary net position, ending	$ 57,268,216	51,892,660	55,508,618	45,924,499	41,700,563	35,930,169	36,622,084	31,884,942	29,754,815	29,660,547
Net pension liability/asset	$ 1,002,739	3,117,523	(3,529,736)	3,474,538	2,063,380	4,968,778	1,533,599	3,289,418	3,315,249	1,237,280
Fiduciary net position as a % of total pension liability	98.28%	94.33%	106.79%	92.97%	95.29%	87.85%	95.98%	90.65%	89.98%	96.00%
Pension covered payroll	$ 12,387,237	11,481,097	10,155,849	10,354,592	10,087,761	9,842,046	9,694,913	9,378,300	8,679,159	8,082,030
Net pension liability as a % of covered payroll	8.09%	27.15%	-34.76%	33.56%	20.45%	50.49%	15.82%	35.07%	38.20%	15.31%

UVALDE COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
SEPTEMBER 30, 2024

Year Ending December 31	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pension Covered Payroll (1)	Actual Contribution as a % of Covered Payroll
2014	$ 810,648	$ 810,648	-	$ 8,082,030	10.0%
2015	855,765	856,047	(282)	8,679,159	9.9%
2016	899,379	899,467	(88)	9,378,300	9.6%
2017	925,864	926,498	(634)	9,694,913	9.6%
2018	947,705	947,705	-	9,842,046	9.6%
2019	985,572	985,572	-	10,087,761	9.8%
2020	1,055,136	1,055,136	-	10,354,592	10.2%
2021	1,025,742	1,025,742	-	10,155,859	10.1%
2022	1,346,729	1,346,729	-	11,481,097	11.7%
2023	1,345,265	1,345,265	-	12,387,237	10.9%

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

APPENDIX E

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No.: -N

BONDS: $ in aggregate principal amount of Effective Date:

Premium: $

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By ______________________________
Authorized Officer

Financial Advisory Services
Provided By:

SAMCO Capital