

VILLAGE OF SAN LEANNA
AUDITED BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
AND INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

VILLAGE OF SAN LEANNA

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CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report

To the Honorable Mayor and Members of the Village Board of Alderman
Village of San Leanna, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of San Leanna, Texas as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of San Leanna, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of San Leanna, Texas, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT (Continued)

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

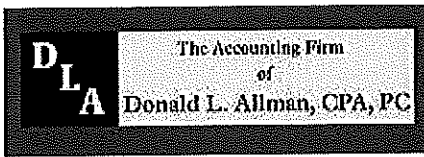
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining,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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4-9 and 26-27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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



CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT (Continued)

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 July 30, 2026 on our consideration of the Village of San Leanna, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of San Leanna, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of San Leanna, Texas' internal control over financial reporting and compliance.

Donald L. Allman, CPA, PC

July 30, 2026
Liberty Hill, Texas

MEMBER TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS & AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

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**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Within this section of the Village of San Leanna's annual financial report, the 's management provides narrative discussion and analysis of the financial activities of the Village for the fiscal year ended September 30, 2025. The Village's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section. The discussion focuses on the Village's primary government, unless otherwise noted.

FINANCIAL HIGHLIGHTS

The Village's assets exceeded its liabilities by \$2,390,468 (net position) for the fiscal year reported. This compares to the previous year when assets exceeded liabilities by \$2,124,722 an increase of \$265,746.

The Village's General Fund reported revenues of \$360,294 and expenses of \$258,667 for a net position increase of \$101,627 before transfers.

The Village's Proprietary Fund reported revenues of \$297,640 and expenses of \$133,521, for a net position increase \$164,119, before transfers.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the Village's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide Financial Statements

The Village's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Village's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the Village-wide statement of financial position presenting information that includes all of the Village's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village as a whole is improving or deteriorating. Evaluation of the overall economic health of the Village

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

would extend to other non-financial factors such as diversification of the taxpayer base or the condition of the Village infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Village's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Village's activities or functions on revenues provided by the Village's taxpayers.

Both government-wide financial statements distinctively report governmental activities of the Village that are principally supported by taxes, and business-type activities that are intended to cover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, and public services. Business-type activities include water utilities.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. The Village has two kinds of funds.

Governmental Funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Village's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provides a reconciliation to the government-wide financial statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the general fund. These statements demonstrate compliance with the Village's adopted and final revised budget.

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Proprietary funds are reported in the fund financial statements and generally report services for which the Village charges customers a fee. There are two kinds of proprietary funds, enterprise funds and internal service funds. The Village uses enterprise funds to account for providing water utility services to customers.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Financial Analysis of the Village as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Village as a whole.

The Village's net position at fiscal year-end is \$2,390,468. This is a increase of \$265,746 over last year's net position of \$2,124,722. The following table provides a summary of the Village's net position at September 30:

**Table 1
Summary of Net Position**

	2025	2024	\$ Change	% Change
Cash and Current Assets	\$ 646,687	\$ 450,734	\$ 195,953	43.5%
Capital Assets	1,743,781	1,673,988	69,793	4.2%
Total Assets	\$ 2,390,468	\$ 2,124,722	\$ 265,746	12.5%
Current Liabilities	\$ -	\$ -	\$ -	
Long-Term Liabilities	-	-	-	
Total Liabilities	\$ -	\$ -	\$ -	

Net Position:

Net Investment in Capital Assets	\$ 1,743,781	\$ 1,673,988	\$ 69,793	4.2%
Restricted	-	-	-	
Unrestricted	646,687	450,734	195,953	43.5%
Total Net Position	\$ 2,390,468	\$ 2,124,722	\$ 265,746	12.5%

The Village reported positive balances in net position for both governmental and business-type activities. Net position increased \$265,746. The Village's overall financial position improved during fiscal year 2025.

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Table 2 compares the 2025 change in net position to the 2024 change in net position.

**Table 2
Summary of Changes in Net Position**

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 132,801	\$ 132,460	\$ 341	0.3%
General Revenues:				
Property Taxes	301,219	272,095	29,124	10.7%
Franchise Fees	13,655	14,795	(1,140)	-7.7%
Building Permits	1,380	2,020	(640)	100.0%
Capital Metro	19,500	44,815	(25,315)	100.0%
Grant income	164,839	18,170	146,669	100.0%
Other	950	112,606	(111,656)	
Interest Income	23,590	14,251	9,339	65.5%
Total Revenues	<u>\$ 657,934</u>	<u>\$ 611,212</u>	<u>\$ 46,722</u>	<u>7.6%</u>
Program Expenses:				
Water Utilities	\$ 133,521	\$ 123,488	\$ 10,033	8.1%
General Government	258,667	300,436	(41,769)	-13.9%
Interest on L/T Debt	-	-	-	
Total Expenses	<u>\$ 392,188</u>	<u>\$ 423,924</u>	<u>\$ (31,736)</u>	<u>-7.5%</u>
Net Position Increase	<u>\$ 265,746</u>	<u>\$ 187,288</u>	<u>\$ 78,458</u>	<u>41.9%</u>
Net Position - Beginning	\$ 2,124,722	\$ 1,937,434		
Net Position- Ending	<u>\$ 2,390,468</u>	<u>\$ 2,124,722</u>		

Financial Analysis of the Village's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$26,962. Of this total, \$(115,513) is unreserved indicating availability for continuing Village service requirements. Reserved fund balances include \$0 for Debt Service, \$70,805 for special projects, \$865 for ARPA, and \$70,805 for Road Funds. The Debt Service Fund reflects the principal and interest payments due over the next fiscal year, plus additional reserve stipulated by the Village Council.

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

Enterprise Water Utility Funds comprise the financing and operations of the Village's water utilities reported within this activity in the government-wide statements. The proprietary funds net position balance at fiscal year-end is \$866,311. Revenues received in the proprietary funds for water utilities services totaled \$297,640 for fiscal year 2025. Proprietary fund expenditures for water utility services totaled \$133,521, resulting in net income of \$164,119.

General Fund Budgetary Highlights

The adopted General Fund budget for fiscal year 2025 was approximately \$256,989. Actual expenditures for fiscal year 2025 were approximately \$451,531, an increase of approximately \$194,542.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of September 30, 2025, was \$1,509,328 and \$234,453, respectively. The overall increase was \$69,793 for the Village as a whole. Depreciation was \$43,030 for the Water Service Project, \$13,521 for Water Utilities, and \$38,495 for General Fixed Assets.

**Capital Assets
Net of Accumulated Depreciation**

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Non-Depreciable Assets:				
Land	\$ 281,452	\$ 281,452	\$ -	0.0%
Water Service Project	99,231	142,261	(43,030)	-30.2%
Depreciable Assets:				
General Fixed Assets	1,128,645	1,167,140	(38,495)	-3.3%
Water Utilities	234,453	83,135	151,318	182.0%
Total	<u>\$ 1,743,781</u>	<u>\$ 1,673,988</u>	<u>\$ 69,793</u>	<u>4.2%</u>

**VILLAGE OF SAN LEANNA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Debt Administration

At the end of June of 2014, the Village refinanced Texas Water System Revenue Bond debt outstanding in the amount of \$485,000. Bond interest coupon rates are 2.89% and are payable on February 15 and August 15 of each year. Refinancing this debt saves the Village \$88,213 over the life of the loan. The Bond was paid off in full in October 2020.

Economic Environment and Next Year's Budgets and Rates

No material changes in the economic environment, Village budget expenditures, and water utilities rates are expected in the next fiscal year.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations, and demonstrate the Village's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Village's should be addressed to the Village of San Leanna, P.O. Box 1107, Manchaca, TX 78652.

Rebecca Howe, Village Administrator
Village of San Leanna, TX

VILLAGE OF SAN LEANNA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	<u>Governmental Activities</u>	<u>Primary Government Business-Type Activities</u>	<u>Total</u>
<u>ASSETS:</u>			
Current Assets:			
Pooled cash and cash equivalents (Texpool Savings)	\$ 26,962	\$ 597,273	\$ 624,235
Non-Pooled Cash (Operating)	-	-	-
Accounts Receivable	7,974	14,478	22,452
Due From General Fund	-	-	-
Total Current Assets	<u>\$ 34,936</u>	<u>\$ 611,751</u>	<u>\$ 646,687</u>
Non-Current Assets:			
Capital Assets:			
Plant Equipment & Roads, Net of Accumulated			
Depreciation	\$ 1,227,876	\$ 234,453	\$ 1,462,329
Land	261,345	20,107	281,452
Total Non-Current Assets	<u>\$ 1,489,221</u>	<u>\$ 254,560</u>	<u>\$ 1,743,781</u>
Total Assets	<u><u>\$ 1,524,157</u></u>	<u><u>\$ 866,311</u></u>	<u><u>\$ 2,390,468</u></u>
<u>LIABILITIES:</u>			
Current Liabilities			
Accounts Payable	\$ -	\$ -	\$ -
Deferred Revenue	-	-	-
Due to Water Fund	-	-	-
Bond Payable, Current	-	-	-
Total Current Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Non Current Liabilities:			
Bond Payable, Non-Current	\$ -	\$ -	\$ -
Total Non-Current Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<u>NET POSITION:</u>			
Net Investment in Capital Assets	\$ 1,489,221	\$ 254,560	\$ 1,743,781
Restricted for: Debt Service	-	-	-
Unrestricted	34,936	611,751	646,687
Total Net Position	<u><u>\$ 1,524,157</u></u>	<u><u>\$ 866,311</u></u>	<u><u>\$ 2,390,468</u></u>

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

VILLAGE OF SAN LEANNA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net (Expense) Revenue</u>
Primary Government			
Governmental Activities:			
General Government	\$ 258,667	\$ -	\$ (258,667)
Interest on Long-Term Debt	-	-	-
Total Governmental Activities	<u>\$ 258,667</u>	<u>\$ -</u>	<u>\$ (258,667)</u>
Business-Type Activities:			
Water Utilities	\$ 133,521	\$ 132,801	\$ (720)
Total Business-Type Activities	<u>\$ 133,521</u>	<u>\$ 132,801</u>	<u>\$ (720)</u>
Total Primary Government	\$ 392,188	\$ 132,801	\$ (259,387)
	<u>Governmental Activities</u>	<u>Primary Government Business-Type Activities</u>	<u>Total</u>
Changes in Net Position:			
Net (Expense) Revenue	\$ (258,667)	\$ (720)	\$ (259,387)
General Revenues:			
Taxes:			
Property Taxes	\$ 301,219	\$ -	\$ 301,219
Franchise Fees	13,655	-	13,655
Interest Income	23,590	-	23,590
Building Permits	1,380	-	1,380
Miscellaneous	950	-	950
Grants	-	164,839	164,839
Capital Metro	19,500	-	19,500
Total General Revenues	<u>\$ 360,294</u>	<u>\$ 164,119</u>	<u>\$ 525,133</u>
Transfers In	-	274,389	
Transfers Out	(274,389)	-	
Changes in Net Position	\$ (172,762)	\$ 438,508	\$ 265,746
Net Position - Beginning	\$ 1,696,919	\$ 427,803	\$ 2,124,722
Net Position - Ending	<u>\$ 1,524,157</u>	<u>\$ 866,311</u>	<u>\$ 2,390,468</u>

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

VILLAGE OF SAN LEANNA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
Assets:			
Pooled Cash and Cash Equivalents	\$ 26,962	\$ -	\$ 26,962
Non-Pooled Cash	-	-	-
Accounts Receivable	7,974	-	7,974
Total Assets	<u>\$ 34,936</u>	<u>\$ -</u>	<u>\$ 34,936</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts Payable	\$ -	\$ -	\$ -
Unearned Revenue	7,974	-	7,974
Total Liabilities	<u>\$ 7,974</u>	<u>\$ -</u>	<u>\$ 7,974</u>
Fund Balances			
Nonspendable	\$ -	\$ -	\$ -
Restricted for Debt Service		-	-
Committed for Capital Projects	70,805	-	70,805
Committed for Road Funds	70,805	-	70,805
Committed for ARPA	865		865
Assigned			-
Unassigned	(115,513)	-	(115,513)
Total Fund Balances	<u>\$ 26,962</u>	<u>\$ -</u>	<u>\$ 26,962</u>
Total Liabilities and Fund Balances	<u>\$ 34,936</u>	<u>\$ -</u>	<u>\$ 34,936</u>

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

Total fund balance – total governmental funds \$ 26,962

Amounts reported for governmental activities in the statement of net assets are different because:

Deferred Revenue, property taxes not attributable to current year 7,974
Capital assets of \$2,994,013 net of accumulated depreciation (of \$1,504,792), are not financial resources, and
therefore, are not reported in the funds. See Note III.A.3. for additional detail. 1,489,221

Long-term liabilities of (0) are not due and payable in the current period and are not reported in the funds. See
Note III.B.2. for detail. 0

Net position of governmental activities \$ 1,524,157

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

VILLAGE OF SAN LEANNA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN BALANCES-
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>			
Property Taxes	\$ 304,517	\$ -	\$ 304,517
Franchise Taxes	13,655	-	13,655
Interest Income	23,590	-	23,590
Building Permits	1,380	-	1,380
Coronavirus grant	-	-	-
Capital Metro	19,500	-	19,500
Miscellaneous	950	-	950
Total General Revenues	<u>\$ 363,592</u>	<u>\$ -</u>	<u>\$ 363,592</u>
<u>Expenditures</u>			
General Government	\$ 177,142	\$ -	\$ 177,142
Debt Service:			-
Principal	-	-	-
Interest & Bond Fee		-	-
Capital Assets	-	-	-
Total Expenditures	<u>\$ 177,142</u>	<u>\$ -</u>	<u>\$ 177,142</u>
Excess (Deficiency) of Revenues & Expenditures	<u>\$ 186,450</u>	<u>\$ -</u>	<u>\$ 186,450</u>
Transfers in	-	-	-
Transfers Out	(274,389)	-	(274,389)
Net Changes in Fund Balances	<u>\$ (87,939)</u>	<u>\$ -</u>	<u>\$ (87,939)</u>
Fund Balances - Beginning	<u>\$ 114,901</u>	<u>\$ -</u>	<u>\$ 114,901</u>
Fund Balances - Ending	<u>\$ 26,962</u>	<u>\$ -</u>	<u>\$ 26,962</u>

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

VILLAGE OF SAN LEANNA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Net change in fund balance – total governmental funds	\$ (87,939)
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Amounts reported for governmental activities in the statement of net assets are different because:

Difference in Property Tax Revenues for Governmental Funds	(3,298)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$0 were less than depreciation of \$81,525 in the current period.

	(81,525)
--	----------

The proceeds of debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the amount of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt payments	0
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Changes in net position of governmental activities	<u>\$ (172,762)</u>
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The accompanying notes are an integral part of the financial statements.

VILLAGE OF SAN LEANNA
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Assets:		
Current Assets:		
Pooled Cash and Cash Equivalents	597,273	597,273
Non-Pooled Cash	-	-
Accounts Receivable	14,478	14,478
Due from General Fund	-	-
Total Current Assets	<u>611,751</u>	<u>611,751</u>
Non-Current Assets:		
Capital Assets:		
Plant Equipment & Roads, Net of Accumulated Depreciation	234,453	234,453
Land	<u>20,107</u>	<u>20,107</u>
Total Non-Current Assets	<u>254,560</u>	<u>254,560</u>
Total Assets	<u><u>866,311</u></u>	<u><u>866,311</u></u>
Liabilities:		
Total Liabilities	<u><u>-</u></u>	<u><u>-</u></u>
Net Position:		
Net Investment in Capital Assets	254,560	254,560
Unrestricted	<u>611,751</u>	<u>611,751</u>
Total Net Position	<u>866,311</u>	<u>866,311</u>
Total Liabilities and Fund Balances	<u><u>866,311</u></u>	<u><u>866,311</u></u>

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

VILLAGE OF SAN LEANNA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2025

	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Operating Revenues		
Charges for Services:		
Water & Wastewater Charges	\$ 131,901	\$ 131,901
Water Tap Fees	-	-
Meter Deposits	900	900
Miscellaneous	-	-
Total Operating Revenues	<u>\$ 132,801</u>	<u>\$ 132,801</u>
Operating Expenses		
Water Operator	\$ 32,725	\$ 32,725
District Fees	5,986	5,986
Repairs & Maintenance	22,753	22,753
Depreciation	13,521	13,521
Electricity	8,853	8,853
Bookkeeper	21,035	21,035
Billing Supplies	1,318	1,318
Meter Reader	3,584	3,584
Meter Refunds	400	400
Miscellaneous	-	-
Assistant water operator	3,850	3,850
City of Austin Water	19,496	19,496
Total Operating Expenses	<u>\$ 133,521</u>	<u>\$ 133,521</u>
Operating Income (Loss)	<u>\$ (720)</u>	<u>\$ (720)</u>
Grant income	164,839	164,839
Transfers Out - Land purchase & Road Improvement	-	-
Transfers In -Texpool	274,389	274,389
Changes in Net Position	<u>\$ 438,508</u>	<u>\$ 438,508</u>
Net Position - Beginning	<u>\$ 427,803</u>	<u>\$ 427,803</u>
Net Position - Ending	<u>\$ 866,311</u>	<u>\$ 866,311</u>

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

VILLAGE OF SAN LEANNA
STATEMENT OF CASH FLOWS INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS-
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
<u>Cash Flows from Operating Activities:</u>		
Cash Received from Customers	\$ 128,301	\$ 128,301
Cash Payments to Suppliers	(82,525)	(82,525)
Cash Payments to Employees and Contractors	(36,575)	(36,575)
Cash Payments for Internal Services	-	-
Net Cash Provided (Used) by Operating Activities	\$ 9,201	\$ 9,201
<u>Cash Flows from Non-Capital Financing Activities</u>	\$ -	\$ -
<u>Cash Flows from Capital and Related Financing</u>		
Transfer from General Fund	\$ 274,389	\$ 274,389
Net Cash Provided (Used) from Capital and Related Financing Activities	\$ 274,389	\$ 274,389
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 283,590	\$ 283,590
Cash and Cash Equivalents at Sept. 30, 2024	\$ 313,683	\$ 313,683
Cash and Cash Equivalents at Sept. 30, 2025	\$ 597,273	\$ 597,273
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
<u>Reconciliation of Operating Income (Loss):</u>	<u>Water Utilities</u>	<u>Total Enterprise Funds</u>
Operating Income (Loss)	\$ (720)	\$ (720)
Depreciation	13,521	13,521
Changes in Assets and Liabilities:		
(Decrease)/Increase in Accounts Payable	-	-
(Decrease)/Increase in Due to/from General Fund	-	-
(Increase) Decrease in Accounts Receivable	(3,600)	(3,600)
Net Cash Provided (Used) by Operating Activities	\$ 9,201	\$ 9,201

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

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. INTRODUCTION

The Village of San Leanna (The Village) was formed on September 5th, 1970 by an election of its inhabitants which voted in favor of incorporation. The Village operates under an election Mayor/Council form of government.

B. FINANCIAL REPORTING ENTITY – BASIS OF PRESENTATION

B. 1. Government-wide financial statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Village as a whole. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and Village general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include charges for services which report fees, fines and forfeitures, and other charges to users of the Village's services. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

B. 2. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The financial statements of the Village are prepared in accordance with generally accepted accounting principles (GAAP). The Village's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Village's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to Village departments. Proprietary fund financial statements report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Village considers revenues to be available if they are collected within 30 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include: property taxes, franchise taxes, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods and services and include administrative expenses and depreciation of capital assets.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as needs. Restricted assets and liabilities payable from restricted assets current in nature are reported with current assets and current liabilities in the financial statements.

B.3. FUND TYPES AND MAJOR FUNDS

Governmental Funds

The Village reports the following major governmental funds:

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General Fund – reports as the primary fund of the Village. This fund is used to account for all financial resources not reported in other funds.

Debt Service Fund – accounts for the accumulation of financial resources for the payment of principal and interest on the Village’s debt.

Proprietary Funds

Water Utilities Fund – accounts for the operating activities of the Village’s water utilities services.

C. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

C.1. Cash and Investments

The Village maintains and controls three major cash and investment accounts in which funds of the primary government share. Each fund’s portion of a pool is displayed on its respective balance sheet or statement of fund net assets as “pooled cash and cash equivalents.” In addition, non-pooled cash and investments are separately held and reflected in respective funds as “non-pooled cash” and investments, some of which are restricted assets. The Village considers highly liquid investments with an original maturity of three months or less to be cash equivalents. Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value.

C.2. Capital Assets and Depreciation

The Village’s property, plant, equipment and infrastructure with useful lives of more than one year are stated at historical cost and reported in the government-wide financial statements. Proprietary capital assets are also reported in their respective fund financial statements. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from their respective accounts, and the resulting gain or loss is recorded in operations. Estimated useful lives for depreciable assets are as follows:

Buildings and road improvements - 50 year life
Water utility assets and infrastructure – 20 year life
Mobile equipment, furniture, machinery, and equipment - 5 year life

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C.3. Long-Term Debt

In the government-wide financial statements, outstanding debt is reported as liabilities.

C.4. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation legally restricted for specified purposes.

D. REVENUES, EXPENDITURES, AND EXPENSES

Revenues are recognized in the accounting period in which they become both available and measurable. Licenses and permits, charges for services, fines and forfeits, and miscellaneous revenues are recorded when received in cash. General property taxes, franchise taxes and investment earnings are recorded when they are both measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. The proprietary fund is accounted for using the accrual basis of accounting. Its revenues are recognized when they are earned, and its expenses recognized when they are incurred.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

B.1. BUDGET POLICY AND PRACTICE

The Budget is presented to the Council for review, and public hearings are held to address priorities and the allocation of resources. Once approved, the Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

B.2. BASIS OF BUDGETING

The budgets for the operating funds and proprietary fund operations are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures are budgeted in the year that the applicable expenses are incurred. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment.

NOTE 3 – DETAILED NOTES ON FUNDS

3.A. ASSETS

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 3 – DETAILED NOTES ON FUNDS (Continued)

3.A.1. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits may not be returned or the Village will not be able to recover collateral securities in the possession of an outside party. The Village's policy requires deposits to be 100% secured by collateral valued at market or par, or covered by FDIC insurance. Deposits of the Village's reporting entity are insured or collateralized with securities held by the Village, its agent, or by the pledging financial institution's trust department or agent in the name of the Village or applicable public trust.

As of September 30, 2025, the Village had the following investments:

<u>Types of Investments</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Average Credit Quality/Rating</u>
Primary Government			
<u>POOLED INVESTMENTS</u>			
Texpool Local Government Investment Pool	\$ 597,273	\$ 597,273	AAA
<u>POOLED INVESTMENTS</u>			
CitiBank Operating Account	\$ 26,962	\$ 26,962	FDIC
Grand Total Deposits and Investments	<u>\$ 624,235</u>	<u>\$ 624,235</u>	

Investment Policies

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with investment policies adopted by the Council complying with State Statutes and the Village charter. Village funds may be invested in (1) direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the government of the United States is pledged, or obligations to the payment of which the full faith and credit of the State of Texas is pledged; (2) collateralized or insured certificates of deposit and other evidences of deposits at banks, savings banks, and credit unions located in the State when secured by appropriate collateral; (3) money market funds regulated by the Securities and Exchange Commission and which investments consist of the authorized investments (domestic securities) with restrictions as specified in state law.

VILLAGE OF SAN LEANNA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 3 – DETAILED NOTES ON FUNDS (Continued)

3.A.2. RECEIVABLES

Receivables consist of revenues earned within the accounting period and not received. Revenues attributable to the year ended September 30, 2025 and received within 30 days after year end consisted of \$22,452.

3.A.3. CAPITAL ASSETS

Changes in Capital Assets

	Land	Fixed Assets	Water Service Project	Water Utility	Totals
Primary Government					
Governmental Activities					
Balance, September 30, 2024	\$ 261,345	\$ 1,828,222	\$ 904,446	\$ -	\$ 2,994,013
Increases	-	-	-	-	\$ -
Decreases	-	-	-	-	\$ -
Balance, September 30, 2025	\$ 261,345	\$ 1,828,222	\$ 904,446	\$ -	\$ 2,994,013
Accumulated Depreciation					
Balance, September 30, 2024	\$ -	\$ 661,082	\$ 762,185	\$ -	\$ 1,423,267
Increases	-	38,495	43,030	-	81,525
Decreases	-	-	-	-	-
Balance, September 30, 2025	\$ -	\$ 699,577	\$ 805,215	\$ -	\$ 1,504,792
Governmental Activities					
Capital Assets, Net	<u>\$ 261,345</u>	<u>\$ 1,128,645</u>	<u>\$ 99,231</u>	<u>\$ -</u>	<u>\$ 1,489,221</u>
Business-Type Activities					
Balance, September 30, 2024	\$ 20,107	\$ -	\$ -	\$ 510,124	\$ 530,231
Increases	-	-	-	164,839	\$ 164,839
Decreases	-	-	-	-	\$ -
Balance, September 30, 2025	\$ 20,107	\$ -	\$ -	\$ 674,963	\$ 695,070
Accumulated Depreciation					
Balance, September 30, 2024	\$ -	\$ -	\$ -	\$ 426,989	\$ 426,989
Increases	-	-	-	13,521	\$ 13,521
Decreases	-	-	-	-	\$ -
Balance, September 30, 2025	\$ -	\$ -	\$ -	\$ 440,510	\$ 440,510
Business-Type Activities					
Capital Assets, Net	<u>\$ 20,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 234,453</u>	<u>\$ 254,560</u>
Primary Government	<u>\$ 281,452</u>	<u>\$ 1,128,645</u>	<u>\$ 99,231</u>	<u>\$ 234,453</u>	<u>\$ 1,743,781</u>

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 3 – DETAILED NOTES ON FUNDS (Continued)

3.B. LIABILITIES

3.B.1. LONG-TERM DEBT

The Village of San Leanna authorized and issued Water System Revenue Refunding Bonds, Series 2014, in the amount of \$485,000 in order to refinance the Water Service Project. The project consists of the construction, acquisition and installation of additions, improvements and extensions to the Village Water System and related services. Each bond shall bear the interest rate of 2.89% per annum, payable semiannually on February 15th and August 15th of each year. The loan term is 25 years, although prepayments toward principal can be made after the initial 10 year period of the bonds.

Water System Revenue Refunding Bonds, Series 2014, in the amount of \$485,000, annual payments of \$26,752 to \$44,104, including interest at 2.89%, matures 08/15/2028	\$ 0
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The debt service requirements on the above long-term debt are as follows:

This loan was paid off in full in October of 2020.

3.C. PROPERTY TAXES

The Appraisal District of Travis County was created by authority of Senate Bill 621 known as the Property Tax Code, of the 66th Legislature of the State of Texas. The District is controlled by a Board of Directors, whose members are elected by the governing bodies of various taxing units within Travis County. Under the Property Tax Code, the Appraisal District is required to appraise all real and personal property in Travis County and may provide other services such as preparation of tax rolls and billings and tax collection services. A taxing unit may assess and collect taxes only from the appraisal roll prepared by the Appraisal District. Taxing units are charged a proportionate amount of the District's budget for services rendered to the taxing unit.

The Village of San Leanna has contracted with the Appraisal District of Travis County, Texas to collect ad valorem taxes on behalf of the Village.

The 2024/2025 adjusted tax base for the Village of San Leanna was \$122,842,753 with an effective tax rate of .2498/\$100, and a proposed tax rate of .2498/\$100, resulting in property taxes of \$306,861.

Property taxes receivable at 9/30/25 consisted of \$7,974, with the current portion \$2,899 and delinquent \$5,075.

VILLAGE OF SAN LEANNA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

3.D. INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivable and payable balances at September 30, 2025 were:

	Due from Other Funds	Due to Other Funds
General Fund	\$ -	\$ -
Water Fund	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>

NOTE 4 – CONTINGENCIES

As of September 30, 2025, the Village of San Leanna did not have any pending litigation or potential non-disclosed liabilities that would have a material effect on these financial statements.

NOTE 5 – SUBSEQUENT EVENTS

No subsequent events of audit significance were noted for the fiscal year ended September 30, 2025.

VILLAGE OF SAN LEANNA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET

AND ACTUAL (NON-GAAP BUDGETARY BASIS) GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Budget
	Original	Final	Actual	Positive (Negative)
Revenues:				
Property Taxes	\$ 295,000	\$ 295,000	\$ 304,517	\$ 9,517
Franchise Taxes	15,000	15,000	13,655	(1,345)
Interest Earnings	10,000	10,000	23,590	13,590
Building Permits	5,000	5,000	1,380	(3,620)
Miscellaneous	100	100	950	850
Capital Metro	-	-	19,500	19,500
Transfers	-	-	-	-
Total Revenues	\$ 325,100	\$ 325,100	\$ 363,592	\$ 38,492
Expenditures:				
Road Maintenance	\$ 47,000	\$ 47,000	\$ 54,403	\$ (7,403)
Secretary	45,413	45,413	42,071	3,342
TML Insurance	5,424	5,424	6,908	(1,484)
Legal	5,000	5,000	845	4,155
Taxes	6,572	6,572	7,083	(511)
Mowing/Trim	32,500	32,500	11,051	21,449
Public Information	800	800	906	(106)
Audit	6,000	6,000	-	6,000
Security Lights	3,200	3,200	2,737	463
Office expenses	6,000	6,000	5,222	778
Org. Membership Dues	1,000	1,000	802	198
Appraisals	1,500	1,500	1,162	338
Building Inspections	5,000	5,000	1,860	3,140
Miscellaneous	1,500	1,500	1,336	164
interest expense	-	-	-	-
Tree Project	13,780	13,780	8,855	4,925
Road Improvements	-	-	-	-
Council expenses	100	100	53	47
Public Affairs	3,500	3,500	2,376	1,124
Community Center	3,000	3,000	2,415	585
Advisor	12,000	12,000	10,975	1,025
Transfers	-	-	274,389	(274,389)
Flood Prevention	50,000	50,000	11,000	39,000
Capital Assets	-	-	-	-
Health Dept. Contract	1,500	1,500	1,500	-
Engineer	1,500	1,500	-	1,500
Public Safety	1,500	1,500	795	705
Employee reimburse	3,200	3,200	2,787	413
Total Expenditures	\$ 256,989	\$ 256,989	\$ 451,531	\$ (194,542)
(Under) Expenditures	\$ 68,111	\$ 68,111	\$ (87,939)	\$ (156,050)
Net Changes in Fund Balances	\$ 68,111	\$ 68,111	\$ (87,939)	
Fund Balances - Beginning	\$ 114,901	\$ 114,901	\$ 114,901	
Fund Balances - Ending	\$ 183,012	\$ 183,012	\$ 26,962	

VILLAGE OF SAN LEANNA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) PROPRIETARY FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
Revenues:				
Water Billings	\$ 125,000	\$ 125,000	\$ 131,901	\$ 6,901
Water Tap Fees	9,600	9,600	-	(9,600)
Meter Dep/Connect Fees	1,000	1,000	900	(100)
Miscellaneous	100	100	-	(100)
Grant revenues			164,839	
Transfer from Reserve	24,728	24,728	-	(24,728)
Total Revenues	\$ 160,428	\$ 160,428	\$ 297,640	\$ (27,627)
Expenditures:				
Current:				
Water Operator	\$ 35,700	\$ 35,700	\$ 32,725	\$ 2,975
District Fees	6,200	6,200	5,986	214
Maintenance/Repair	45,000	45,000	22,753	22,247
Electricity	9,000	9,000	8,853	147
Bookkeeper	22,928	22,928	21,035	1,893
Billing Supplies	1,900	1,900	1,318	582
Meter Reader	4,200	4,200	3,584	616
Meter Refunds	1,000	1,000	400	600
Miscellaneous	100	100	-	100
City of Austin Contract	5,200	5,200	3,850	1,350
City of Austin Water	25,000	25,000	19,496	5,504
Assistant water operator	4,200	4,200	-	4,200
Depreciation	-	-	13,521	(13,521)
Total Expenditures	\$ 160,428	\$ 160,428	\$ 133,521	\$ 26,907
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ 164,119	\$ 164,119
Net Changes in Fund Balances	\$ -	\$ -	\$ 164,119	
Transfers			274,389	
Fund Balances - Beginning	\$ 427,803	\$ 427,803	\$ 427,803	
Fund Balances - Ending	\$ 427,803	\$ 427,803	\$ 866,311	



CERTIFIED PUBLIC ACCOUNTANT

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with Government Auditing Standards
To the Honorable Mayor and Members of the Village Council
Village of San Leanna, Texas**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Village of San Leanna, Texas, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Village of San Leanna, Texas' basic financial statements, and have issued our report thereon dated July 30, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of San Leanna, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of San Leanna, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Village of San Leanna, Texas' internal control. A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Donald L. Allman, CPA, PC
Liberty Hill, TX
July 30, 2026