

City of Waco, Texas

Single Audit Report

For the Fiscal Year Ended September 30, 2025



City of Waco, Texas
Single Audit Report
For the Fiscal Year Ended September 30, 2025
Table of Contents

Page

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance for Each Major Federal and State Program, Report on Internal Control over Compliance, and Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the Texas Grant Management Standards	3
Schedule of Expenditures of Federal and State Awards.....	6
Notes to Schedule of Expenditures of Federal and State Awards	10
Schedule of Findings and Questioned Costs	11

**Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

To the Honorable Mayor and Members of the City Council of the
City of Waco, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waco, Texas (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 9, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

The Honorable Mayor and Members of the City Council of the
City of Waco, Texas

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
March 9, 2026

**Independent Auditor's Report on Compliance for Each Major
Federal and State Program, Report on Internal Control over Compliance,
and Report on Schedule of Expenditures of Federal
and State Awards Required by the Uniform Guidance and the
Texas Grant Management Standards**

To the Honorable Mayor and Members of the City Council of the
City of Waco, Texas

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the City of Waco, Texas (the City)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the Texas Grant Management Standards that could have a direct and material effect on each of the City's major federal and state programs for the year ended September 30, 2025. The City's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Texas Grant Management Standards (TxGMS) issued by the Texas Governor's Office of Budget and Planning. Our responsibilities under those standards, the Uniform Guidance, and TxGMS are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and TxGMS, we:

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

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

Report on Internal Control Over Compliance

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

The Honorable Mayor and Members of the City Council of the
City of Waco, Texas

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

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

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

Report on Schedule of Expenditures of Federal and State Awards Required by the Uniform Guidance and the Texas Grant Management Standards

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Waco, Texas as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon, dated March 9, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by the Uniform Guidance and Texas Grant Management Standards and is 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 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 schedule of expenditures of federal and state awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
March 9, 2026

City of Waco, Texas

Schedule of Expenditures of Federal and State Awards For the Fiscal Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE				
Passed through Texas Health and Human Services Commission:				
Supplemental Food Program for Women, Infants and Children Administration	10.557	HHS000807600001	\$ 1,247,481	\$ -
Peer for Women, Infants and Children	10.557	HHS000807600001	92,064	-
Extra for Women, Infants and Children	10.557	HHS000807600001	49,207	-
Registered Dietitian for Women, Infants and Children	10.557	HHS000807600001	63,068	-
Lactation for Women, Infants, and Children	10.557	HHS000807600001	23,617	-
Total Assistance Listing Number 10.557*			1,475,437	-
SNAP Cluster:				
Snap for Women, Infants and Children	10.561	HHS000807600001	40,729	-
Total passed through Texas Health and Human Services Commission			1,516,166	-
Passed through the Texas Department of State Health Services:				
Obesity Prevention Program	10.561	HHS001432000009	105,780	-
Obesity Prevention Program	10.561	HHS001432000009 yr 2	5,188	-
Total passed through the Texas Department of State Health Services			110,968	-
Total SNAP Cluster			151,697	-
Total U.S. Department of Agriculture			1,627,134	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
CDBG Entitlement Grants Cluster:				
COVID-19 Community Development Block Grant - CARES Act	14.218	B20MW480029	152,188	72,250
Community Development Block Grant	14.218	B-20,21,22,23,24-MC-48-0029	1,797,207	696,678
Total CDBG Entitlement Grants Cluster			1,949,395	768,928
Continuum of Care	14.267	TX0240L6T042214	4,660	4,460
COMMUNITY PROJECT FUNDING - STEM	14.251	B-24-CP-TX-2163	466,451	-
HOME Investment Partnerships Program	14.239	M-16,18,19,20,21,22-MC-48-0202	514,133	439,733
COVID-19 - HOME Investment Partnerships Program	14.239	M21-MP480202	523,058	495,000
HOME Investment Partnerships Program	14.239	loan program - non cash assistance	1,843,177	-
Total Assistance Listing Number 14.239			2,880,368	934,733
Passed through Heart of Texas Homeless Coalition:				
Continuum of Care	14.267	TX0598L6T042200	58,405	-
Total passed through Heart of Texas Homeless Coalition			58,405	-
Passed through Brazos Valley Council of Governments:				
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	5613/1-553-01	91,303	-
Housing Opportunities for Persons with AIDS (HOPWA)	14.241	5635/25-26/553/01	6,698	-
Total Assistance Listing Number 14.241			98,001	-
Total passed through Brazos Valley Council of Governments			98,001	-
Total U.S. Department of Housing and Urban Development			5,457,280	1,708,121
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
FY21 COPS Hiring Program	16.710	15JCOPS-21-GG-03455-UHPX	487,353	-
JAG 2024	16.738	15PBJA-24-GG-05148-JAGX	65,670	29,551
Total Direct Programs			553,023	29,551
Passed through the State Governor's Office - Criminal Justice Division:				
Waco Family violence Unit Detectives & Coordinator/2023-2024	16.588	2868011	15,284	-
Waco Family Violence Unit Detectives & Coordinator/2022-2023	16.588	2868010	127,063	-
Total Assistance Listing Number 16.588			142,347	-
Total passed through the State Governor's Office - Criminal Justice Division			142,347	-
Total U.S. Department of Justice			695,370	29,551

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Waco, Texas

Schedule of Expenditures of Federal and State Awards – Continued For the Fiscal Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Airport Improvement Program (FAA)	20.106	3-48-0220-049-2023	265,159	-
Airport Improvement Program (FAA)	20.106	3-48-0220-053-2025	164,323	-
Airport Improvement Program (FAA)	20.106	3-48-0220-051-2024	951,712	-
Bipartisan Infrastructure Law (FAA)	20.106	3-48-0220-052-2024	1,912,517	-
Total Assistance Listing Number 20.106			3,293,711	-
Federal Transit Cluster:				
COVID-19 Federal Transit Urbanized Area Formula Grant Cluster	20.507	TX-2020-174-00	573,813	-
Federal Transit Urbanized Area Formula Grant	20.507	TX-2023-092-00	1,648,685	-
Federal Transit Urbanized Area Formula Grant	20.507	TX-2025-119-00	2,705,415	-
Bus and Bus Facility Grant	20.526	TX-2025-117-00	1,005,711	-
Total Federal Transit Cluster			5,933,624	-
Federal Highway Admin - Office of Secretary - SMART	20.941	69A3552541033	21,957	-
Federal Highway Admin - RAISE	20.933	693J32440700	63,480	-
Federal Highway Administration - Office of Safety - SS4A	20.939	693JJ32440575	511,822	-
Bridge Investment Planning Grant	20.205	693JJ32440110	800,000	-
Total Federal Highway			1,397,259	-
Total Direct Programs			10,624,594	-
Passed through Texas Department of Transportation:				
Metropolitan Planning Grant	20.205	50-25XF0007	408,947	-
TPP's State Planning Research (SPR)	20.205	TPP SPR	38,268	-
MKT East Rails to Trails Connection Phase II	20.205	CSJ#0055-15-076	154,271	-
Cedar Ridge Sidewalks	20.205	CSJ#0909-22-191	811,034	-
Ritchie Road	20.205	0909-22-203	114,308	-
Indian Springs	20.205	0909-22-194	863,789	-
JH Hines	20.205	0909-22-185	102,830	-
Total Assistance Listing Number 20.205			2,493,447	-
Metropolitan Planning Grant - FTA Section 5303	20.505	50-24XF0007	119,266	-
Highway Safety Cluster:				
Selective Traffic Enforcement Program	20.600	2024-WACOPD-S-1YG-00020	108,061	-
Total Highway Safety Cluster			108,061	-
Transit Services Program Cluster:				
Enhanced Mobility of Seniors Individuals with Disabilities	20.513	ED 2402(18)049_22	160,592	-
Enhanced Mobility of Seniors Individuals with Disabilities	20.513	ED 2601(18)108_24	18,141	-
Total Assistance Listing Number 20.513			178,733	-
Total Transit Services Program Cluster:			178,733	-
Total Passed through Texas Department of Transportation			2,899,507	-
Total U.S. Department of Transportation			13,524,101	-
U.S. DEPARTMENT OF TREASURY				
Passed through Baylor University:				
COVID-19 State and Local Government Fiscal Recovery Fund	21.027	SLFRP3218	9,822,832	-
Total U.S. Department of Treasury*			9,822,832	-
NATIONAL SCIENCE FOUNDATION				
Passed through Harris County Texas:				
Computer and Information Science and Engineering	47.070	1001596-01	26,787	-
Total National Science Foundation			26,787	-
ENVIRONMENTAL PROTECTION AGENCY				
Direct Programs:				
Texas Solar for All Procekt Zero Emissions	66.959	84087701	27,955	-
Passed through Mission Waco Mission World:				
Environmental and Climate Justice Block	66.616	02F76501	11,268	-
Total Environmental Protection Agency			39,223	-

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Waco, Texas

Schedule of Expenditures of Federal and State Awards – Continued For the Fiscal Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through the Texas Department of State Health Services:				
CPS Hazards	93.069	HHS001439500044	128,304	-
CPS Hazards	93.069	HHS001439500044	26,185	-
Total Assistance Listing Number 93.069			154,489	-
Tuberculosis Prevention and Control - Federal	93.116	HHS001437400028	2,062	-
Tuberculosis Prevention and Control - Combined	93.116	HHS001437400028	25,738	-
Total Assistance Listing Number 93.116			27,800	-
Immunization Branch - Locals	93.268	HHS001331300017	23,853	-
Immunization Branch - Locals	93.268	HHS001331300017 Amendment 1	124,177	-
COVID Vaccine Capacity Grant	93.268	HHS001019500031	208,619	-
Total Assistance Listing Number 93.268			356,649	-
IDCU/SUR under the Covid-19 Grant	93.323	HHS000812700033	33,667	-
COVID Health Disparities	93.391	HHS001057600045	40,480	-
Public Health Infrastructure	93.967	HHS001310800001	298,764	-
Texas Healthy Communities	93.991	HHS001456500001	75,078	-
Healthy Babies	93.994	HHS001130300009 Amendment 2	20,762	-
Medical Reserve Corps	93.008	HHS001409300009	33,366	-
RLSS - LOCAL PUBLIC HEALTH SYSTEM	93.991	HHS001324900054	81,654	-
Total passed through the Texas Department of State Health Services			1,122,709	-
Passed through Brazos Valley Council of Governments:				
Ryan White Part B Service Delivery (RWSD)	93.917	5614-553-01	183,372	-
Ryan White Part B Service Delivery (RWSD)	93.917	5611/2-553-01	80,345	-
Total Assistance Listing Number 93.917			263,717	-
Total passed through Brazos Valley Council of Governments			263,717	-
Passed through Texas Health and Human Services Commission:				
Title XIX Medicaid Administrative Claiming (Medicaid Cluster)	93.778	HHS000537900178	119,991	-
Total passed through Texas Health and Human Services Commission			119,991	-
Passed through National Association of County and City Health Officials:				
NACCHO - Community Engagement to Decrease Syphilis	93.421	2023-112906	3,536	-
Total passed through National Association of County and City Health Officials			3,536	-
Passed through the National Environmental Health Association:				
NEHA-FDA	93.945	G-BDEVI-202310-04961	4,705	-
Total passed through the National Environmental Health Association			4,705	-
Total U.S. Department of Health and Human Services			1,514,658	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Texas Division of Emergency Management:				
Disaster Grants - Public Assistance:				
Assistance to Firefighters Grant	97.044	EMW-2023-FG-06835	199,920	-
Total passed through Texas Division of Emergency Management			199,920	-
Passed through Texas Office of the Governor - Homeland Security Grants Division:				
2024 Homeland Security Grant Program	97.067	29554409	22,540	-
Total passed through Texas Office of the Governor - Homeland Security Grants Division			22,540	-
Total U.S. Department of Homeland Security			222,460	-

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Waco, Texas

Schedule of Expenditures of Federal and State Awards – Continued For the Fiscal Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed through Texas A&M Engineering and Extension Service:				
National Urban Search and Rescue Response System	97.025	TF-1-04	4,514	-
National Urban Search and Rescue Response System	97.025	TF-1-05	6,061	-
Total Passed through the Texas A&M Engineering and Extension Service			10,575	-
Passed through the Texas Division of Emergency Management:				
Public Assistance Grant - 4485, Texas COVID-19 Pandemic	97.036	4485 Texas COVID-19 Pandemic	417,393	-
Total Passed through the Texas Division of Emergency Management			417,393	-
Total Institute of Museum and Library Services			650,428	-
TOTAL FEDERAL ASSISTANCE			\$ 33,357,813	\$ 1,737,672

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Waco, Texas

Schedule of Expenditures of Federal and State Awards – Continued For the Fiscal Year Ended September 30, 2025

State Grantor/Pass-Through Grantor Program Title	Grantor or Pass-Through Grantor's Number	Program Award Expenditures	Passed Through to Subrecipients
STATE OF TEXAS COMPTROLLER'S OFFICE			
Police LEOSE Grant	NA	\$ 6,279	\$ -
Texas Opioid Abatement Funds	NA	50,128	
Total State of Texas Comptroller's Office		56,407	-
TEXAS DEPARTMENT OF TRANSPORTATION			
Public Transportation - Urban State Funds	URB2501	645,841	-
Routine Airport Maintenance Program	M2509WACO	99,565	-
Total Texas Department of Transportation		745,406	-
TEXAS DEPARTMENT OF STATE HEALTH SERVICES			
Direct Programs:			
TB State Grant	HHS001437400028	42,086	-
TB State Grant	HHS001437400028	3,293	-
RLSS - Local Public Health System	HHS001324900054	83,556	-
HIV Prevention	HHS000077800025 AMEND#7	62,857	-
IDCU Epi Disease Surveillance	HHS001315700029 yr 3	9,059	-
IDCU Epi Disease Surveillance	HHS001315700029 yr 2	75,377	-
Immunization Branch - Locals	HHS001331300017 Amend 1	180,749	-
Healthy Babies	HHS001130300009 Amendment 2	54,152	-
Healthy Babies	HHS001564500001	6,573	-
Passed through Brazos Valley Council of Governments:			
HIV State Services	5625/25-26/553/01	24,568	-
HIV State Services	5612/2-553-03	262,711	-
Total Texas Department of State Health Services		804,981	-
STATE OF TEXAS OFFICE OF THE GOVERNOR			
Texas Anti-Gang Program	3748207	72,714	
Texas Anti-Gang Program	3742806	670,143	-
Total State of Texas Office of the Governor		742,857	-
TEXAS DIVISION OF EMERGENCY MANAGEMENT			
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	24-0001.01 ST 24-104	59,107	-
26APR Severe Weather	2024 SOC-DDC SUPPORT-O-43	23,883	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	24-0001 ST 24-135	71,164	-
06JUL Tropical Weather	24-0016-O-51	42,160	-
26APR Severe Weather	2024 SOC-DDC SUPPORT-O-49	23,728	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	TFMS--ST24-114	11,316	-
Tropical Weather 2024 Texas Intrastate Fire Mutual Aid	TFMS-ST-24-197	21,887	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	TFMS-ST-24-184	17,274	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	TFMS-ST-24-191	12,996	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	TFMS--ST 24-114	31,329	-
08SEP Tropical Weather	08SEP Tropical Weather-O-7	694	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	TFMS--ST24-145	17,423	-
Tropical Weather 2024 Texas Intrastate Fire Mutual Aid	TFMS--ST 24-167	125,743	-
Wildfire Season 2024 Texas Intrastate Fire Mutual Aid System	TFMS-ST 24-210	16,446	-
Wildfire Season 2025 Texas Intrastate Fire Mutual Aid System	TFMS-ST 25-124	221,546	-
Incident Management Team	EMAC 3156-RSA-14030	70,710	-
Incident Management Team	0-0033 AHIMT	20,360	-
23 APR Severe Weather	TFMS -ST 25-149	84,261	-
Total Texas Division of Emergency Management		872,027	-
TOTAL STATE ASSISTANCE		\$ 3,221,678	\$ -

See accompanying Notes to the Schedule of Expenditures of Federal and State Awards.

City of Waco, Texas

Notes to the Schedule of Expenditures of Federal and State Awards

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal and state awards (the "Schedules") include the federal and state award activity of the City of Waco, Texas (the "City") under programs of federal and state governments for the year ended September 30, 2025. The information in these Schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"), and Texas Grant Management Standards ("TxGMS") of the State of Texas. Because the Schedules present only a selected portion of the operations of the City, they are not intended to and do not present the financial position, changes in net position, or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported in the accompanying Schedules are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, and "frequently asked questions" ("FAQs") and other guidance issued by the U.S. Department of the Treasury and Texas Grant Management Standards of the State of Texas, wherein certain types of expenditures are not allowable or limited as to reimbursement. Grantor and pass-through grantor identifying numbers are presented where available.

Note 3. Indirect Cost Rate

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

Note 4. Federal Loan Program

The federal loan program listed as non-cash assistance on the accompanying schedule of federal awards is administered directly by the City, and balances and transactions relating to this program are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedules. The balance of loans outstanding at September 30, 2025 consists of the following:

<u>Assistance Listing Number</u>	<u>Program Name</u>	<u>Outstanding Balance at September 30, 2025</u>
14.239	HOME Investment Partnership Program	\$ 1,434,905

City of Waco, Texas

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2025

Section 1. Summary of Auditor’s Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? Yes None reported

Noncompliance material to the financial statements noted? Yes No

Federal and State Awards

An unmodified opinion was issued on compliance for the major programs.

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported

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

Identification of major programs:

<u>Federal Assistance Listing/Grant Identification Number</u>	<u>Name of Federal or State Program or Cluster</u>
Major Federal Programs:	
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
Major State Program:	
3748207/3748206	Texas Anti-Gang Program

Dollar threshold used to distinguish between Type A and Type B programs: \$1,000,000

Auditee qualified as low-risk under Uniform Guidance? Yes No

City of Waco, Texas

Schedule of Findings and Questioned Costs – Continued
For the Fiscal Year Ended September 30, 2025

Section 2. Financial Statement Findings

None

Section 3. Federal and State Award Findings and Questioned Costs

None

Section 4. Schedule of Prior Year Findings and Questioned Costs

None