

Financial Statements

And

Independent Auditor's Report

For the Years Ended December 31, 2025 and 2024

Blanco River Regional Recovery Team
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For the Years Ended December 31, 2025 and 2024

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Independent Auditor's Report

To the Board of Directors and Management of
Blanco River Regional Recovery Team
San Marcos, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Blanco River Regional Recovery Team, which comprise the statements of financial position as of December 31, 2025, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Blanco River Regional Recovery Team as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Blanco River Regional Recovery Team 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 opinion.

Other Matter

The financial statements of Blanco River Regional Recovery Team for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on August 20, 2025.

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 Blanco River Regional Recovery Team's ability to continue as a going concern for one year after the date that the financial statements are issued.

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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.

In performing an audit in accordance with GAAS 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 Blanco River Regional Recovery Team'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 Blanco River Regional Recovery Team'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2026, on our consideration of Blanco River Regional Recovery Team'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 Blanco River Regional Recovery Team'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 Blanco River Regional Recovery Team's internal control over financial reporting and compliance.

Ryan A. Sawyer, CPA, PLLC

Colleyville, TX
August 11, 2026

Blanco River Regional Recovery Team
Statements of Financial Position
As of December 31, 2025 and 2024

	December 31, 2025	December 31, 2024
ASSETS		
Current assets		
Unrestricted cash and cash equivalents	$ 180,712	$ 131,857
Restricted cash and cash equivalents	785	785
Grants receivable	61,599	132,906
Prepaid expenses	2,716	2,716
Total current assets	245,812	268,264
Total assets	$ 245,812	$ 268,264
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	9,958	66,039
Accrued expenses	1,710	3,557
Total liabilities	11,668	69,596
Net assets		
With donor restrictions	-	799
Without donor restrictions	234,144	197,869
Total net assets	234,144	198,668
Total Liabilities and Net Assets	$ 245,812	$ 268,264

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

Blanco River Regional Recovery Team
Statements of Activities
For the Years Ended December 31, 2025 and 2024

	December 31, 2025		December 31, 2024
	Without Donor Restrictions	Total	Total
Support and Revenue			
Government grants	$ 1,313,621	$ 1,313,621	$ 1,734,527
Contributions	40,662	40,662	36,364
Donations	2,298	2,298	-
Other Income	-	-	200
Total support and revenue	1,356,581	1,356,581	1,771,091
Expenses			
Program services	1,283,936	1,283,936	1,688,159
Supporting services	37,169	37,169	36,063
Total expenses	1,321,105	1,321,105	1,724,222
Change in net assets	35,476	35,476	46,869
Net Assets, Beginning of Year	198,668	198,668	151,799
Net Assets, End of Year	$ 234,144	$ 234,144	$ 198,668

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

Blanco River Regional Recovery Team
Statements of Functional Expenses
For the Years Ended December 31, 2025 and 2024

	December 31, 2025			December 31, 2024
	Program Services	Supporting Services	Total Expenses	Total
Advertising/Promotional	$ -	$ 32	$ 32	$ 172
Contract services	92,278	18,272	110,550	163,469
Direct program expenses	904,429	-	904,429	1,280,527
Facilities & equipment	24,050	-	24,050	27,000
General administrative	3,496	4,677	8,173	19,772
Information Technology	854	697	1,551	1,909
Insurance	125	1,316	1,441	3,356
Other expenses	691	-	691	1,858
Payroll expenses	256,812	11,975	268,787	225,007
Payroll Processing	1,201	200	1,401	1,152
Total Expenses	**$ 1,283,936**	**$ 37,169**	**1,321,105**	**$ 1,724,222**

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

Blanco River Regional Recovery Team
Statements of Cash Flows
For the Years Ended December 31, 2025 and 2024

	December 31, 2025	December 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 35,476	$ 46,869
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Change in Operating Assets and Liabilities		
Grants and contracts receivable	71,307	14,946
Accounts Payable	(56,081)	9,682
Accrued Expenses	(1,847)	(17,690)
Net cash provided by operating activities	48,855	53,807
Net Change in Cash	48,855	53,807
CASH AT BEGINNING OF YEAR	132,642	78,835
CASH AT END OF YEAR	**$ 181,497**	**$ 132,642**

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

NOTE 1 – NATURE OF ACTIVITIES

Nature of Activities

BR3T ("The Organization") is a Texas 501(c)(3) non-profit corporation organized in September 2015 to facilitate long-term recovery for victims of the Memorial Day Weekend, All Saints, and other disasters in the counties of Blanco, Caldwell, Guadalupe, and Hays in Texas. BR3T's primary funding sources are grants and contributions to offer assistance and home repair services to victims of disasters.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

BR3T is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors are reported as net assets without donor restrictions, board-designated.

Net Assets With Donor Restrictions – Net assets subject to donor restrictions that may or will be met either by actions of BR3T and/or the passage of time. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

Cash & Cash Equivalents

The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents. The Organization deposits funds with financial institutions which may at times be in excess of the U.S. Federal Deposit Insurance Corporation's ("FDIC") insured limits. The Organization has not experienced any losses related to amounts in excess of FDIC limits.

Grants Receivable

The grants receivable primarily represent amounts due from government agencies for reimbursement of allowable costs according to grant agreements. Revenue is recognized as expenses which are reimbursable under grants or contracts, are incurred. Management uses the allowance method and evaluates the adequacy of the allowance for doubtful accounts based on a periodic review of individual accounts. Blanco River Regional Recovery Team has not recorded an allowance for uncollectible accounts on the government contracts based on historical experience and the credit worthiness of the government entities. All grants and contracts receivable at December 31, 2025 and 2024, respectively, are collectible in one year or less.

Unconditional Promises to Give

Contributions are recognized as support at their fair value in the period in which unconditional promises to give are received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than monetary assets are recorded at their estimated fair value. The Organization uses the previously described allowance method to determine uncollectible promises receivable, and no allowance for doubtful accounts is considered necessary by management as of December 31, 2025 and 2024. For the periods ended December 31, 2025 and 2024, all promises to give are primarily short-term in nature and therefore no valuation allowance has been recorded.

Revenue Recognition

Contributions and donations are recognized when they are received. Blanco River Regional Recovery Team also receives reimbursement grants. These grants are not recorded until acceptable expenditures under the grant terms have been made and claimed for reimbursement. Deferred revenue represents amounts received for fundraising events to be held in the subsequent year. Such amounts would be returned to the donor if the event was cancelled.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Certain costs benefit multiple functional areas, and, as such, have been allocated across functions based on time attributable to program and supporting services recorded on employee time sheets and an analysis of full-time employee equivalent employees by location and the related roles of such employees.

Fair Value

The requirements of Fair Value Measurements and Disclosures of the Accounting Standards Codification apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is a market-based measurement, not an entity-specific measurement. The fair value of Blanco River Regional Recovery Team's current assets and current liabilities approximate the carrying amounts of such instruments due to their short maturity.

Income Taxes

Blanco River Regional Recovery Team is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, Blanco River Regional Recovery Team has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. There was no unrelated business income for the periods ended December 31, 2025 and 2024. Blanco River Regional Recovery Team's IRS Form 990 Return for an Exempt Organization is open for review by the IRS for a period of three years from the date filed.

NOTE 3 – CONCENTRATION OF RISK

Blanco River Regional Recovery Team received 97% and 98% of its revenues from federal grants for the periods ended December 31, 2025 and 2024, respectively.

The grant amounts are appropriated each year at the federal level. If significant budget cuts are made at the federal level, the amount of funds Blanco River Regional Recovery Team receives could be reduced significantly and have an adverse impact on its operations.

NOTE 4– GRANTOR AUDITS

Blanco River Regional Recovery Team is funded by grants and contracts that are subject to review and audit by the grantor agencies. These grants and contracts have certain compliance requirements and, should audits by the grantor agencies disclose any areas of substantial noncompliance, Blanco River Regional Recovery Team may be required to refund any disallowed costs. Management does not know of any noncompliance which would require refunds.

NOTE 5 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

As of December 31, 2025 and 2024, Blanco River Regional Recovery Team had $243,096 and $264,749 of current financial assets, respectively:

	December 31, 2025	December 31, 2024
Cash and cash equivalents	181,497	$ 132,642
Receivables	61,599	132,906
Total Current Financial Assets	243,096	265,548
Less: Current financial assets unavailable for general expenditures due to donor/board restrictions	-	(799)
Current financial assets available for general expenditures	$ 243,096	$ 264,749

The Organization on average spends $110,067 in monthly expenditures that are disbursed from current financial assets available for general expenditures. This means the Organization had financial assets available to cover 2.2 months of expenses as of December 31, 2025.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions of $799 were available for an emergency shelter as of December 31, 2024. There are no restricted net assets as of December 31, 2025.

NOTE 7 – LEASES

Blanco River Regional Recovery Team leased two office spaces under month-to-month operating leases in 2024 and 2025. Rent expense amounted to $24,050 and $27,000 for the years ended December 31, 2025 and 2024, respectively.

NOTE 8 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of the Independent Auditor's Report, the date these financial statements were available to be issued.

SINGLE AUDIT SECTION

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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 Board of Directors and Management of
Blanco River Regional Recovery Team
San Marcos, 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 Blanco River Regional Recovery Team, which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated August 11, 2026.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Blanco River Regional Recovery Team's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Blanco River Regional Recovery Team's internal control. Accordingly, we do not express an opinion on the effectiveness of Blanco River Regional Recovery Team's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Blanco River Regional Recovery Team'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 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 result 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.

Ryan A. Sawyer, CPA, PLLC

Colleyville, TX
August 11, 2026

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH UNIFORM GUIDANCE

To the Board of Directors and Management of
Blanco River Regional Recovery Team
San Marcos, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Blanco River Regional Recovery Team's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Blanco River Regional Recovery Team's major federal programs for the year ended December 31, 2025. Blanco River Regional Recovery Team's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Blanco River Regional Recovery Team complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Blanco River Regional Recovery Team'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*, and Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Blanco River Regional Recovery Team's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Blanco River Regional Recovery Team'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 Blanco River Regional Recovery Team's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Blanco River Regional Recovery Team's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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



Colleyville, TX
August 11, 2026

Blanco River Regional Recovery Team
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

Federal Grantor/Pass-through Agency/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. Department of the Treasury			
Pass-Through Texas Department of Housing and Community Affairs			
Emergency Rental Assistance Program	21.023	20220000010	$ 1,039,533
Pass-Through County of Hays			
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRF5259	55,220
Pass-Through City of San Marcos			
America Rescue Plan Act Rent and Utility Program 2024	21.027	2024 24OR BR3T Rental, Utility Assistance	203,497
Total U.S. Department of the Treasury			1,298,250
U.S. Department of Housing and Urban Development			
Pass-Through City of San Marcos			
Community Development Block Grant Program for Entitlement Communities-Rent and Utility Relief Program	14.218	CDBG-CV-B-20-MW-48-0513	15,371
Total U.S. Department of Housing and Urban Development			15,371
Total Expenditures of Federal Awards			**$ 1,313,621**

See accompanying notes to schedule of expenditures of federal awards.

Blanco River Regional Recovery Team
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2025

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Blanco River Regional Recovery Team under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Blanco River Regional Recovery Team, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Blanco River Regional Recovery Team.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 - INDIRECT COST RATE

Blanco River Regional Recovery Team has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Blanco River Regional Recovery Team
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2025

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting	
• Material weakness(es) identified?	__ Yes X No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Noncompliance material to financial statements noted?	__ Yes X No

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	__ Yes X No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	__ Yes X No

Identification of major programs:

ALN	Name of Federal Program
21.023	Emergency Rental Assistance Program

Dollar threshold used to distinguish between Type A and Type B programs:	$1,000,000
Auditee qualified as low-risk auditee?	X Yes __ No

II. Findings – Financial Statement Audit

NONE

III. Findings and Questioned Costs – Major Federal Award Programs Audit

NONE