CALHOUN COUNTY, TEXAS

ANNUAL
FINANCIAL REPORT

FISCAL YEAR ENDED
DECEMBER 31, 2025

DEPARTMENT ISSUING REPORT

Calhoun County Auditor’s Office
Lucy Dio, County Auditor

THE STATE OF TEXAS

COUNTY OF CALHOUN

CALHOUN COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

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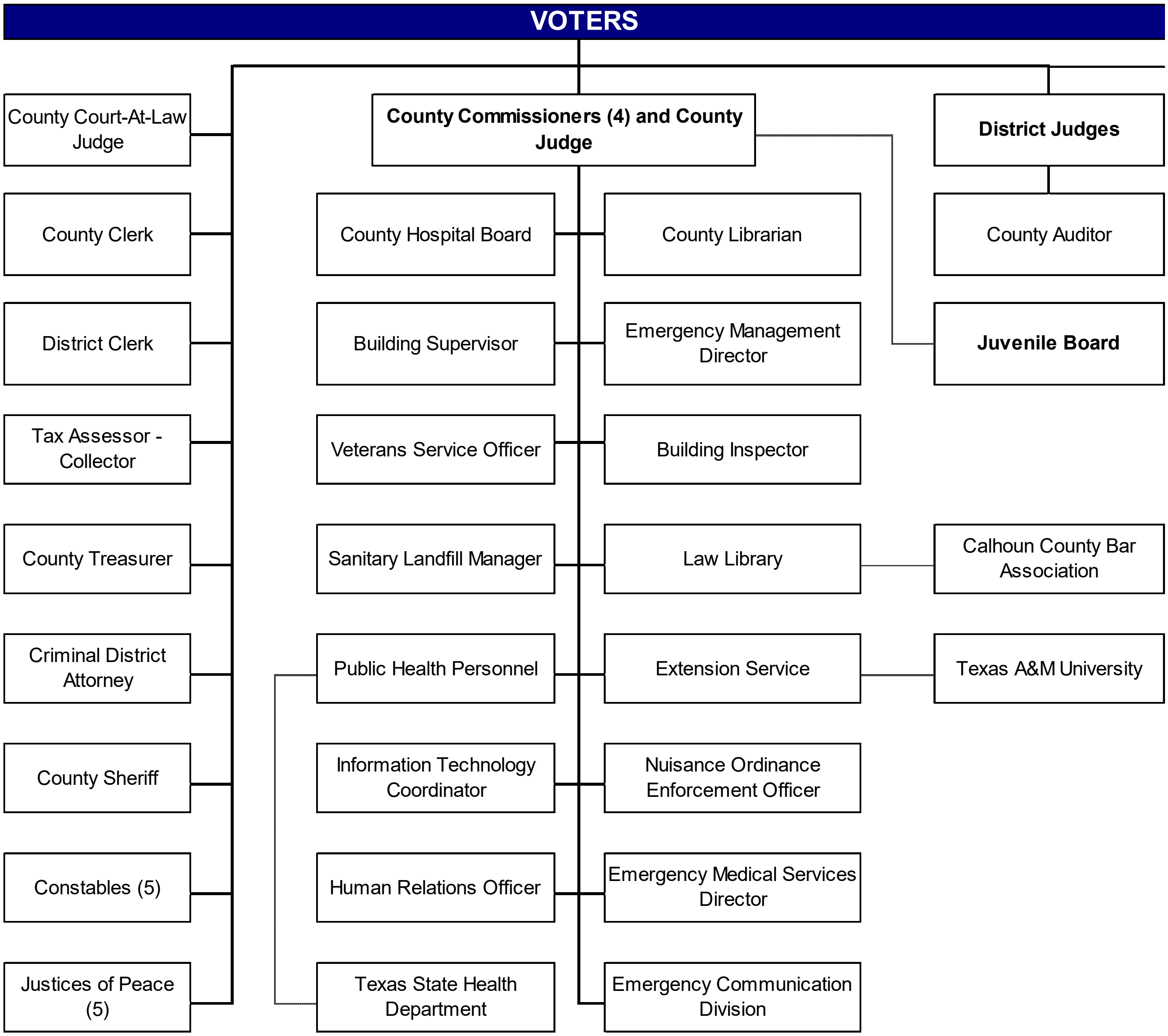
PRINCIPAL OFFICIALS

COUNTY JUDGE	VERNON LYSSY
COMMISSIONER, PRECINCT 1	JOHN MARTINEZ
COMMISSIONER, PRECINCT 2	RONALD BEST
COMMISSIONER, PRECINCT 3	JOEL BEHRENS
COMMISSIONER, PRECINCT 4	GARY REESE
COUNTY AUDITOR	LUCY DIO
COUNTY TREASURER	RHONDA KOKENA
ASSESSOR-COLLECTOR OF TAXES	AZALIA BONUZ
COUNTY CLERK	ANNA GOODMAN
DISTRICT CLERK	TERESA GARCIA
SHERIFF	BOBBIE VICKERY
DISTRICT ATTORNEY	SARA RODRIGUEZ
COUNTY COURT-AT-LAW JUDGE	JAMES BEELER

OFFICIAL ISSUING REPORT

COUNTY AUDITOR

CALHOUN COUNTY ORGANIZATIONAL CHART



Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and
Members of the Commissioner's Court
Calhoun County, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of Calhoun County, as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise Calhoun County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely present component unit and the aggregate remaining fund information, of Calhoun County, as of December 31, 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.

We did not audit the financial statements of Memorial Medical Center (MMC), which represent 100%, of assets, liabilities and net position and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it related to the amounts included for MMC, is based solely on the report of the other auditors.

Basis for Opinions

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. The financial statements of MMC were not audited in accordance with *Government Auditing Standards*.

We are required to be independent of Calhoun County 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.

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Responsibilities of Management for the Financial Statements

Calhoun County's 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 Calhoun County'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 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 GAAS and GAGAS 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 GAGAS, 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 Calhoun County'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 Calhoun County'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison information, schedules of changes – net pension liability (asset) and related ratios, and the schedule of County Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 management's discussion and analysis, budgetary comparison information and schedules of changes - net pension liability (asset) and related ratios, and the schedule of County Contributions because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Calhoun County's basic financial statements. The comparative statements and combining non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The comparative financial statements and combining non-major fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 comparative financial statements and combining non-major fund financial statements, in all material respects, in relation to the basic financial statements as a whole are fairly stated.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a separate report dated August 19, 2026 on our consideration of Calhoun County'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 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 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 Calhoun County's internal control over financial reporting and compliance.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.
August 19, 2026

As management of Calhoun County, Texas (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

The government-wide financial statements report financial information about the County as a whole using the economic resources measurement focus and accrual basis of accounting.

- The total government-wide assets and deferred outflows of resources of the County exceeded the liabilities and deferred inflows of resources at December 31, 2025 by $120.7 million (net position), an increase from the previous year of 10%.

- The total assets and deferred outflows of resources of Medical Memorial Center exceeded the liabilities and deferred inflows of resources at December 31, 2025 by $10.8 million (net position), a decrease from the previous year of 29.4%.

- During the year, the County's expenses were $37.5 million, which was $10.9 million less than the $48.4 million generated in taxes and other revenues for governmental activities.

- Total revenue from all sources was $48.4 million. The primary revenue sources for governmental activities were property (ad valorem) taxes ($25.8 million), sales tax ($4.3 million), capital and operating grants and contributions ($9.2 million), and charges for services ($4.2 million). These four revenue sources accounted for 53.4%, 8.9%, 18.9%, and 8.7% respectively, or 89.9% of total governmental activities revenues.

- Total expenses for governmental activities were $37.5 million. The 6 largest functional expenses were public safety ($9.6 million), public facilities ($6.5 million), health & welfare ($4.9 million), and culture & recreation ($3.7 million).

Highlights for Fund Financial Statements

The fund financial statements report financial information about the County's major, or most significant funds, using the current financial resources measurement focus and modified accrual basis of accounting.

Fund Balance

- The County's General Fund reported a fund balance of $32.8 million, a decrease of $171 thousand from December 31, 2024.

- Of the total fund balance for General Fund ($32.8 million), the unassigned fund balance of $27.5 million equals 83.9% of the fiscal year 2025 total general fund balance.

- The County's Hospital Construction Fund reported a fund balance of $19.4 million, all of which is restricted. This is a one of two major funds supporting the improvements to the Hospital

- The County also issued 2025 Tax Notes to support the Hospital Construction Fund, this is a new major fund in the CY. It reported an ending fund balance of $43 thousand, with $4.2 million in expenditures.

- At December 31, 2025, the County's nonmajor funds reported a fund balance of $13.1 million, an increase of $1.4 million from December 31, 2024.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the County:

The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the County's overall financial status.

- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the County's operations in more detail than the government-wide statements.

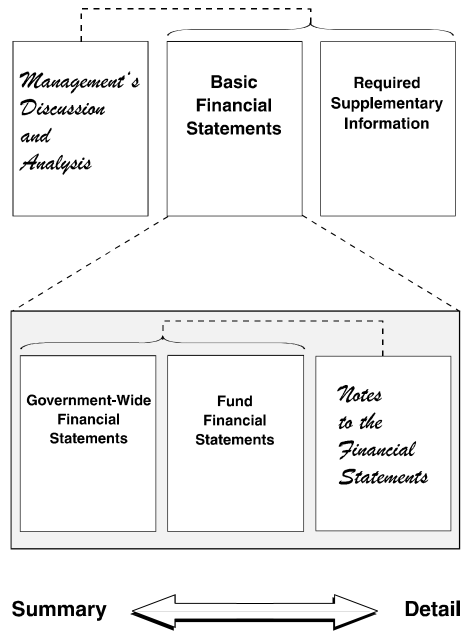
- *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.

- *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses*, such as self-funded employee medical insurance.

Fiduciary fund statements provide information about the financial relationships in which the County acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1, Required Components of the County's Annual Financial Report



Government-wide Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. They present the financial picture of the County from an economic resource measurement focus using the accrual basis of accounting. These statements include all assets of the County and all liabilities. Additionally, certain adjustments have occurred to eliminate interfund transactions.

The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the County's net position and how they have changed. Net assets—the difference between the County's assets and liabilities—is one way to measure the County's financial health or *position*.

- Over time, increases or decreases in the County's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the County, one needs to consider additional nonfinancial factors such as changes in the County's tax base.

The government-wide financial statements of the County include the *Governmental activities*. Most of the County's basic services are included here, such as general government, judicial, public safety, infrastructure, etc. Property taxes and charges for services finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant *funds*—not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

- The County establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The County has the following kinds of funds:

- *Governmental funds*—Most of the County's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

- *Fiduciary funds*—The County is the trustee, or *fiduciary*, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Position

The County's combined net position was $131.5 million at December 31, 2025. (See Table A-1).

Table A-1
Calhoun County's Net Position

	Governmental Activities			Discretely Presented Component Unit		
	2025	2024	% Change	2025	2024	% Change
ASSETS						
Cash and Cash Equivalents	$ 47,136,529	$ 43,019,640	9.6%	$ 4,925,743	$ 8,539,607	-42.32%
Receivables (Net of Allowance)	22,966,663	16,593,172	38.4%	10,577,843	24,223,289	-56.33%
Due from Others	3,870,007	2,127,254	81.9%	-	-	0.0%
Inventories	692,651	673,170	2.9%	-	-	0.0%
Prepaid Items and Other Current Assets	585,523	476,632	22.8%	2,742,354	4,019,388	-31.77%
Notes Receivable - Component Unit	4,000,000	4,000,000	0.0%	-	-	0.0%
Restricted Cash and Cash Equivalents	38,925,569	47,954,942	-18.8%	-	-	0.0%
Capital Assets (Net of Accumulated Depreciation)	83,147,569	59,377,912	40.0%	6,293,248	6,034,685	4.28%
Net Pension Asset	3,175,746	864,125	267.51%	1,052,529	-	100.0%
TOTAL ASSETS	204,500,257	175,086,847	15.5%	25,591,717	42,816,969	-40.23%
DEFERRED OUTFLOWS OF RESOURCES	1,734,064	1,779,958	-2.6%	1,430,099	1,823,986	-21.59%
LIABILITIES						
Accounts Payable	8,556,887	1,168,556	632.3%	6,730,674	20,207,430	-66.69%
Accrued and Other Liabilities	489,311	662,152	-26.1%	2,070,022	2,365,301	-12.48%
Due to Others	2,069,629	2,001,782	3.4%	-	-	0.0%
Interest Payable	562,379	338,158	66.3%	-	-	0.0%
Unearned Revenue	24,110	143,397	-83.19%	680,143	1,660,727	-59.05%
Lease Liabilitiy Due in One Year	-	-	0.00%	151,487	4,644	3161.99%
Lease Liability Due in More Than One Year	-	-	0.00%	-	46,788	-100.00%
Due Within One Year	1,278,956	241,730	429.1%	4,000,000	4,000,000	0.00%
Due in More Than One Year	34,088,699	30,668,995	11.2%	1,871,159	-	100.0%
Net Pension Liability	-	-	100.0%	-	933,623	-100.00%
TOTAL LIABILITIES	47,069,971	35,224,770	33.6%	15,503,485	29,218,513	-46.94%
DEFERRED INFLOWS OF RESOURCES	38,499,400	31,925,280	20.6%	681,986	71,407	855.07%
NET POSITION:						
Net Investment in Capital Assets	48,522,495	28,764,966	68.7%	5,637,935	5,983,253	-5.77%
Restricted Net Position	37,282,916	43,556,736	-14.4%	1,052,529	-	100.0%
Unrestricted Net Position	34,859,539	37,395,053	-6.8%	4,145,881	9,367,782	-55.7%
TOTAL NET POSITION	$ 120,664,950	$ 109,716,755	10.0%	$ 10,836,345	$ 15,351,035	-29.4%

The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $120.7 million at the close of the current fiscal year. Of this amount, $48.5 million represents the portion the County has invested in capital assets (e.g. land, buildings, machinery, and equipment), net of accumulated depreciation less any outstanding debt used too construct or acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these funds are not available for future spending.

Statement of Activities

Table A-2 indicates changes in net position for governmental activities. (Note: The County does not have any business-type activities.)

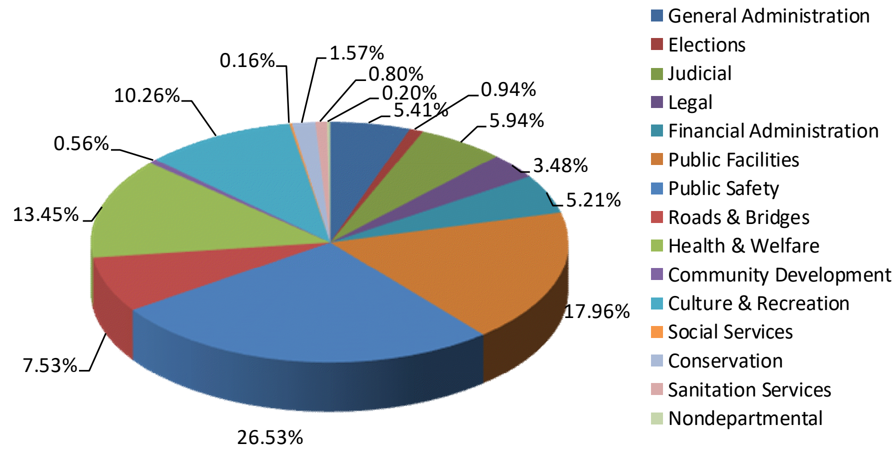
Table A-2

Changes in Calhoun County's Net Position

	Governmental Activities			Discretely Presented Component Unit		
	2025	2024	% Change	2025	2024	% Change
Revenues						
Program Revenues:						
Charges for Services	$ 4,235,593	$ 4,633,210	-8.6%	$ 65,491,764	$ 114,498,928	-42.8%
Operating Grants and Contributions	5,808,621	3,558,971	63.2%	1,162,548	-	100.0%
Capital Grants and Contributions	3,353,453	2,846,778	17.8%	-	237,847	-100.0%
General Revenues:						
Property Taxes	25,839,947	26,121,918	-1.1%	-	-	0.0%
Sales Tax and Other Tax	4,307,438	2,710,949	58.9%	-	-	0.0%
Other Taxes	55,543	67,776	-18.0%	-	-	0.0%
Investment Earnings	4,165,376	465,552	794.7%	194,231	231,633	-16.15%
Miscellaneous Revenues	670,011	379,482	76.6%	-	-	0.0%
Total Revenues	48,435,982	40,784,636	18.8%	66,848,543	114,968,408	-41.9%
Expenses:						
General Administration	1,958,948	1,506,692	30.0%	-	-	0.0%
Elections	342,270	339,143	0.9%	-	-	0.0%
Judicial	2,152,543	2,045,122	5.3%	-	-	0.0%
Legal	1,259,639	1,217,621	3.5%	-	-	0.0%
Financial Administration	1,889,326	1,688,612	11.9%	-	-	0.0%
Public Facilities	6,510,278	4,432,427	46.9%	-	-	0.0%
Public Safety	9,617,012	8,976,474	7.1%	-	-	0.0%
Roads & Bridges	2,729,795	3,603,066	-24.2%	-	-	0.0%
Health & Welfare	4,873,219	4,233,572	15.1%	-	-	0.0%
Community Development	202,515	234,602	-13.7%	-	-	0.0%
Culture & Recreation	3,716,933	2,752,680	35.0%	-	-	0.0%
Social Services	56,467	56,778	-0.5%	-	-	0.0%
Conservation	569,953	512,776	11.2%	-	-	0.0%
Sanitation Services	291,437	609,812	-52.2%	-	-	0.0%
Nondepartmental	72,676	35,814	100.0%	-	-	0.0%
Interest & Fiscal Charges	1,244,776	687,167	81.1%	-	-	0.0%
Memorial Medical Center	-	-	0.0%	71,363,233	116,398,668	-38.7%
Total Expenses	37,487,787	32,932,358	13.8%	71,363,233	116,398,668	-38.7%
Increase (Decrease) in Net Position	10,948,195	7,852,278	39.4%	(4,514,690)	(1,430,260)	215.7%
Net Position, Beginning of Year	109,716,755	101,864,477	7.7%	15,351,035	16,781,295	-8.5%
Net Position, End of Year	$ 120,664,950	$ 109,716,755	10.0%	$ 10,836,345	$ 15,351,035	-29.4%

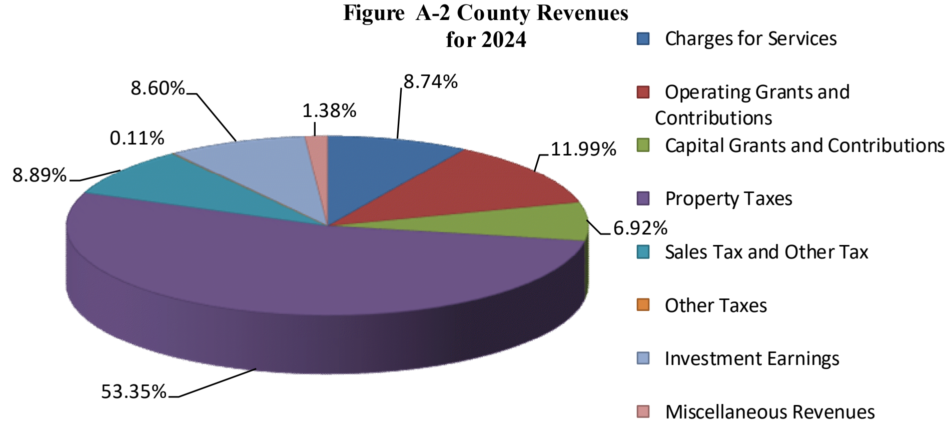
Expenses. The total cost of all programs and services was $37.5 million (see Figure A-3).

Figure A-1 County Expenses for 2023



- General Administration includes County Judge, Commissioners Court, County Clerk, Information Technology and Human Resources.
- Financial Services includes County Auditor, Treasurer, and Tax Office.
- Judicial includes County Court at Law, District Courts, District Clerk, Justice of the Peace, and Juvenile Court.
- Roads and Bridges are for the construction, repair and maintenance of the roads and bridges.
- Health and Welfare includes Emergency Medical Services and Indigent Health
- Culture and Recreation includes Museum, Library and Parks.
- Public Safety includes Constables, Sheriff, Jail Operations, Fire Protection and Juvenile Probation.
- Public Facilities includes Building Maintenance, Airport and Port O'Connor Community Center.

Figure A-2 County Revenues for 2024



Revenues. The County's total revenues were $48.4 million. A significant portion, 62.4%, of the County's revenue comes from taxes, including primarily property tax and sales tax. (See Figure A-4.) Other revenue sources include 8.7% from charges for services, with 12.0% from operating grants and contributions, 6.9% from capital grants and contributions, and 8.6% from investment earnings.

Changes in Net Position. Table A-3 presents the cost of each of the County's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all *governmental* activities this year was $37.5 million.
- However, the amount that our taxpayers paid for these activities through property taxes was $25.8 million and $4.3 million through sales tax.
- The cost paid by those who directly benefited from the programs was $4.2 million or 11.3%.
- The total received by the County for operating grants and contributions and capital grants and contributions was $9.2 million.

Table A-3

Net Cost of Selected County Functions

	Total Cost of Services		Net Cost of Services	
	2025	2024	2025	2024
General Administration	$ 1,958,948	$ 1,506,692	$ (601,016)	$ (167,445)
Elections	342,270	339,143	(314,824)	(313,491)
Judicial	2,152,543	2,045,122	(1,607,048)	(1,366,358)
Legal	1,259,639	1,217,621	(1,042,790)	(1,007,441)
Financial Administration	1,889,326	1,688,612	(1,499,005)	(1,244,389)
Public Facilities	6,510,278	4,432,427	(3,988,960)	(1,812,753)
Public Safety	9,617,012	8,976,474	(7,228,484)	(6,904,173)
Roads & Bridges	2,729,795	3,603,066	(994,125)	(2,774,027)
Health & Welfare	4,873,219	4,233,572	(3,250,794)	(1,962,590)
Community Development	202,515	234,602	(202,515)	(234,602)
Culture & Recreation	3,716,933	2,752,680	(2,590,993)	(2,433,719)
Social Services	56,467	56,778	(56,467)	(56,778)
Conservation	569,953	512,776	846,914	(328,845)
Sanitation Services	291,437	609,812	(242,561)	(563,807)
Nondepartmental	72,676	35,814	(72,676)	(35,814)

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds. The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. This information is useful in assessing the County's financing requirements. Specifically, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the County's governmental funds reported combined ending fund balance of $65.4 million, a decrease of $9.5 million in comparison with the prior year. The decrease can be attributed to the increased expenditures for capital projects, mainly for Hospital Improvements and Construction.

The County's major governmental funds are the General Fund, Tax Note 2025 Project Fund, and Hospital Improvement Fund.

General Fund - The General Fund is the chief operating fund of the County. The total fund balance for general fund was $32.8 million a decrease of $171 thousand, mainly due to increases in Public Safety expenditures.

Tax Note 2025 Project Fund – The fund is a capital project fund to account for the spending of the 2025 Tax Note proceeds, which was issued in the current fiscal year. Expenditures did not exceed proceeds, resulting in a Fund Balance of $43 thousand.

Hospital Improvement Fund – The fund is a capital project fund for the maintenance and improvement of the Memorial Medical Center. The total fund balance was $19.4 million, a decrease of $10.9 million as hospital improvement projects continued.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balances to total general fund expenditures. Unassigned fund balance for fiscal year 2025 represents 64.7% of total General Fund actual expenditures. This significant fund balance to total expenditure ratio indicates a healthy financial position.

Expenditures in the General Fund increased by approximately $4.9 million or about 15.6% over the prior year. This was caused by increased across the board, but mainly public facilities ($845 thousand), public safety ($892 thousand), roads & bridges ($1.4 million), and health & welfare ($727 thousand).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2025, the County had invested $89.1 million in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.) This amount represents a net increase (including additions and deductions) of $23.8 million or 40.0% percent more than last year.

Table A-4

County's Capital Assets

	Governmental Activities		Discretely Presented Component Unit	
	2025	2024	2025	2024
Land	$ 9,585,744	$ 8,870,194	$ 461,793	$ 461,793
Infrastructure	25,813,160	24,764,591	-	-
Buildings and Improvements	28,506,055	24,885,756	13,870,930	13,859,480
Improvements Other Than Buildings	18,529,477	17,358,927	-	-
Furniture, Fixtures, and Equipment	32,565,540	30,740,620	12,532,667	12,109,808
Construction In Progress	27,760,015	9,834,441	98,088	98,088
Lease Assets	-	-	979,169	188,742
Totals at Historical Cost	142,759,991	116,454,529	27,942,647	26,717,911
Total Accumulate Depreciation	(59,612,422)	(57,076,617)	(21,649,399)	(20,683,226)
Net Capital Assets	$ 83,147,569	$ 59,377,912	$ 6,293,248	$ 6,034,685

Note: More detailed information on capital assets can be found in the notes to the financial statements (NOTE G – CAPITAL ASSETS).

Long Term Debt

At year-end the County had $31.7 million in bonds and notes outstanding as shown in Table A-5.

Note: More detailed information on long term debt can be found in the notes to the financial statements (NOTE H – LONG-TERM DEBT).

Table A-5
County's Long Term Debt

	Governmental Activities		Discretely Presented Component Unit	
	2025	2024	2025	2024
Tax Note, 2025	$ 3,340,000	$ -	$ -	$ -
Certificate of Obligation, Series 2024	27,280,000	27,280,000	-	-
Non-Interest Bearing Note Payable	-	-	4,000,000	4,000,000
Finance Purchase Agreements	-	-	-	46,788
Lease Liabilities	-	-	655,313	4,644
Notes Payable	1,114,876	290,633	-	-
Total Outstanding Debt	$ 31,734,876	$ 27,570,633	$ 4,655,313	$ 4,051,432

Bond Ratings

The County's bonds presently carry "AAA" ratings with underlying ratings as follows: Moody's Investor Services "Aa3" and Standard & Poors "AA".

Budgetary Highlights

The County revised its original budget for the general fund several times to adjust for changes resulting in an overall increase of $203.4 thousand in revenues and increase of $995 thousand in expenditures. As part of the budget revisions, increases were made to miscellaneous revenues and increases were made to various expenditures as priorities shifted. Overall, the County saw a decrease in fund balance due to higher than budgeted transfers out.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The annual budget is developed to provide efficient, effective, and economic uses of the County's resources, as well as a means to accomplish the highest priority objectives. Through the budget, the Commissioners Court sets the direction of the county, allocates its resources, and establishes its priorities.

The 2025 property tax rate adopted by the Commissioners Court, $.6222 per hundred dollar valuation, which is not an increase from the 2024 tax rate. The total tax levy for the 2026 fiscal year was $31.3 million. Before the adjustment for newly added property, the tax rate adjusts to only allow the county to receive the same tax levy as the previous year. Therefore, additional property tax revenue is generated from new property and tax rate increases in accordance with the State of Texas' Truth-In Taxation laws.

The general operating fund spending increased in the 2026 budget to $44.1 million from $38.8 million in the 2025 budget. This is an 13.5% increase. The largest increases are to employee salaries.

In order to help fund current increases, the County adopted a general operating fund budget with the intent that there would be a net decrease in estimated fund balance between budgeted revenues and budgeted expenditures. Even with the use of current fund balance, the County estimated the remaining fund balance will be above 25% of the budgeted expenditures at year end.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Auditor's Office at:

Calhoun County, Texas
Office of County Auditor
202 S. Ann Street, Suite B
Port Lavaca, Texas 77979
(361) 553-4610

For additional information on the Memorial Medical Center please contact:

Memorial Medical Center
815 N. Virginia Street
Port Lavaca, TX 77979
(361) 552-6713

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government – Wide financial statements
- Fund financial statements:
    - Governmental funds
    - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government	Component Unit
	Governmental Activities	Memorial Medical Center
ASSETS		
Cash and Cash Equivalents	$ 47,136,529	$ 4,925,743
Receivables (Net of Allowance for Uncollectibles)	22,966,663	10,577,843
Due from Others	3,870,007	-
Inventories	692,651	-
Prepaid Items and Other Current Assets	585,523	2,742,354
Notes Receivable - Component Unit	4,000,000	-
Restricted Assets:		
Cash and Cash Equivalents	38,925,569	-
Capital Assets (Net of Accumulated Depreciation)		
Land	9,585,744	461,793
Construction in Progress	27,760,015	98,088
Buildings	15,991,727	2,747,798
Improvements Other than Buildings	8,560,359	-
Furniture, Fixtures and Equipment	12,656,860	2,344,404
Infrastructure	8,592,864	-
Lease Assets	-	641,165
Net Pension Asset	3,175,746	1,052,529
TOTAL ASSETS	204,500,257	25,591,717
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension Related	1,734,064	1,430,099
TOTAL DEFERRED OUTFLOWS OF RESOURCES	$ 1,734,064	$ 1,430,099

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2025

	Government	Unit
	Governmental Activities	Memorial Medical Center
LIABILITIES		
Accounts Payable	$ 8,556,887	$ 6,730,674
Accrued and Other Liabilities	489,311	2,070,022
Due to Others	2,069,629	-
Interest Payable	562,379	-
Unearned Revenue and Refundable Advances	24,110	680,143
Noncurrent Liabilities:		
Lease Liabilitiy Due in One Year	-	151,487
Lease Liability Due in More Than One Year	-	-
Due in One Year	1,278,956	4,000,000
Due in More Than One Year	34,088,699	1,871,159
TOTAL LIABILITIES	47,069,971	15,503,485
DEFERRED INFLOWS OF RESOURCES		
Property Taxes Levied For Future Periods	37,528,616	-
Deferred Inflows - Pension Related	970,784	681,986
TOTAL DEFERRED INFLOWS OF RESOURCES	38,499,400	681,986
NET POSITION:		
Net Investment in Capital Assets	48,522,495	5,637,935
Restricted For:		
Debt Service	2,041,011	-
Special Revenues	7,013,552	-
Pension	3,175,746	1,052,529
Capital Projects	25,052,607	-
Unrestricted	34,859,539	4,145,881
TOTAL NET POSITION	$ 120,664,950	$ 10,836,345

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

		Program Revenues		
Functions and Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Administration	$ (1,958,948)	$ 279,825	$ 1,070,928	$ 7,179
Elections	(342,270)	27,446	-	-
Judicial	(2,152,543)	439,617	105,878	-
Legal	(1,259,639)	20,380	196,469	-
Financial Administration	(1,889,326)	390,321	-	-
Public Facilities	(6,510,278)	75,259	139,559	2,306,500
Public Safety	(9,617,012)	448,323	1,868,789	71,416
Roads & Bridges	(2,729,795)	251,290	893,122	591,258
Health & Welfare	(4,873,219)	1,518,732	103,693	-
Community Development	(202,515)	-	-	-
Culture & Recreation	(3,716,933)	735,524	13,316	377,100
Social Services	(56,467)	-	-	-
Conservation	(569,953)	-	1,416,867	-
Sanitation Services	(291,437)	48,876	-	-
Nondepartmental	(72,676)	-	-	-
Interest & Fiscal Charges	(1,244,776)	-	-	-
Total Governmental Activities	$ (37,487,787)	$ 4,235,593	$ 5,808,621	$ 3,353,453
Component Unit:				
Memorial Medical Center	$ (71,363,233)	$ 65,491,764	$ 1,162,548	$ -
General Revenues:				
Taxes				
General Property Taxes				
Sales Taxes				
Other Taxes				
Interest and Investment Earnings				
Miscellaneous				
Total General Revenues				
Change in Net Position				
Net Position at Beginning of Year				
Net Position at End of Year				

See accompanying notes to basic financial statements.

Net (Expense) Revenues and Changes in Net Assets	
Primary Government	Component Unit
Governmental Activities	Memorial Medical Center
$ (601,016)	
(314,824)	
(1,607,048)	
(1,042,790)	
(1,499,005)	
(3,988,960)	
(7,228,484)	
(994,125)	
(3,250,794)	
(202,515)	
(2,590,993)	
(56,467)	
846,914	
(242,561)	
(72,676)	
(1,244,776)	
(24,090,120)	
	$ (4,708,921)
25,839,947	-
4,307,438	-
55,543	-
4,165,376	194,231
670,011	-
35,038,315	194,231
10,948,195	(4,514,690)
109,716,755	15,351,035
$ 120,664,950	$ 10,836,345

CALHOUN COUNTY, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Tax Note 2025 Project Fund	Hospital Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 32,040,588	$ -	$ -	$ 15,095,941	$ 47,136,529
Receivables (Net of Allowance for Uncollectibles):					
Taxes	16,544,289	-	-	972,886	17,517,175
Accounts	5,089,040	-	-	360,448	5,449,488
Due from Others	3,036,983	-	-	833,024	3,870,007
Due from Other Funds	2,002,630	-	-	658,309	2,660,939
Notes Receivable - Component Unit	4,000,000	-	-	-	4,000,000
Inventories	692,651	-	-	-	692,651
Prepaid Items and Other Current Assets	584,319	-	-	1,204	585,523
Restricted Assets:					
Cash and Cash Equivalents	17,448,180	43,097	20,235,553	1,198,739	38,925,569
TOTAL ASSETS	$ 81,438,680	$ 43,097	$ 20,235,553	$ 19,120,551	$ 120,837,881
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities:					
Accounts Payable	$ 6,717,658	$ -	$ 797,532	$ 1,041,697	$ 8,556,887
Accrued and Other Liabilities	477,080	-	-	12,231	489,311
Unearned Revenue	-	-	-	24,110	24,110
Due to Other Funds	390,469	-	-	2,270,470	2,660,939
Due to Others	1,983,565	-	-	86,064	2,069,629
Total Liabilities	9,568,772	-	797,532	3,434,572	13,800,876
Deferred Inflows of Resources					
Deferred Revenues	39,057,625	-	-	2,609,702	41,667,327
Total Deferred Inflows of Resources	39,057,625	-	-	2,609,702	41,667,327
Fund Balances:					
Non-spendable	5,276,970	-	-	1,204	5,278,174
Restricted	-	43,097	19,438,021	12,238,376	31,719,494
Committed	-	-	-	236,702	236,702
Assigned	-	-	-	599,995	599,995
Unassigned Fund Balance	27,535,313	-	-	-	27,535,313
Total Fund Balances	32,812,283	43,097	19,438,021	13,076,277	65,369,678
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 81,438,680	$ 43,097	$ 20,235,553	$ 19,120,551	$ 120,837,881

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		$ 65,369,678
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		83,147,569
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		4,138,711
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, not reported in the funds.		
Accrued Compensated Absences	(742,581)	
Bonds, Notes Payable and Premium Payable	(34,625,074)	(35,367,655)
The governmental funds report pension contributions to employee pensions as expenditures when paid. However, in the Statement of Activities the differences between pension plan contributions and actuarially determined costs for the year are reported as an asset or obligation.		
Net Pension Asset	3,175,746	
Deferred Inflows - Pension Related	(970,784)	
Deferred Outflows - Pension Related	1,734,064	3,939,026
Accrued interest payable on long-term-bonds is not due and payable in the current period and, therefore, not reported in the funds.		(562,379)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		$ 120,664,950

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Tax Note 2025 Project Fund	Hospital Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Ad Valorem Taxes	$24,010,061	$ -	$ -	$ 1,778,356	$ 25,788,417
Sales Taxes	4,307,438	-	-	-	4,307,438
Other Taxes	55,543	-	-	-	55,543
Intergovernmental	772,248	-	-	6,233,972	7,006,220
Charges for Service	2,833,853	-	-	427,442	3,261,295
Permits & Licenses	19,782	-	-	273,098	292,880
Fines & Forfeitures	191,820	-	-	75,522	267,342
Interest	2,888,631	40,949	1,159,815	75,984	4,165,379
Gifts & Contributions	820,856	-	-	1,230,783	2,051,639
Lease Income	33,449	-	-	29,000	62,449
Miscellaneous	308,936	-	-	936,883	1,245,819
TOTAL REVENUES	36,242,617	40,949	1,159,815	11,061,040	48,504,421
EXPENDITURES					
Current:					
General Administration	3,256,555	-	-	59,620	3,316,175
Elections	309,447	-	-	26,654	336,101
Judicial	2,381,020	-	-	63,890	2,444,910
Legal	1,279,550	-	-	52,062	1,331,612
Financial Administration	1,974,465	-	-	-	1,974,465
Public Facilities	2,153,372	-	-	741,988	2,895,360
Public Safety	9,271,531	-	-	737,681	10,009,212
Roads & Bridges	8,467,182	-	-	976,150	9,443,332
Health & Welfare	5,304,374	4,211,270	12,019,108	413,494	21,948,246
Community Development	255,225	-	-	-	255,225
Culture and Recreation	801,740	-	-	1,917,885	2,719,625
Social Services	58,996	-	-	-	58,996
Conservation	7,750	-	-	1,546,523	1,554,273
Sanitation Services	169,816	-	-	-	169,816
Nondepartmental	119,223	-	-	2,765,647	2,884,870
Debt Service:					
Principal	545,459	-	-	930,000	1,475,459
Interest and Fiscal Charges	29,944	56,582	-	1,142,727	1,229,253
TOTAL EXPENDITURES	36,385,649	4,267,852	12,019,108	11,374,321	64,046,930
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (143,032)	$ (4,226,903)	$(10,859,293)	$ (313,281)	$(15,542,509)

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Tax Note 2025 Project Fund	Hospital Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Transfers In	$ 600,000	$ -	$ -	$ 2,734,746	$ 3,334,746
Transfers Out (Uses)	(2,353,422)	-	-	(981,324)	(3,334,746)
Insurance Proceeds	49,530	-	-	-	49,530
Proceed from Bond Issuance	1,369,702	4,270,000	-	-	5,639,702
Proceeds from Sale of Capital Assets	306,219	-	-	-	306,219
TOTAL OTHER FINANCING SOURCES (USES)	(27,971)	4,270,000	-	1,753,422	5,995,451
Net Change in Fund Balance	(171,003)	43,097	(10,859,293)	1,440,141	(9,547,058)
Fund Balances at Beginning of Year	32,983,286	-	30,297,314	11,636,136	74,916,736
Fund Balances at End of Year	$32,812,283	$ 43,097	$ 19,438,021	$13,076,277	$ 65,369,678

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS		$ (9,547,058)
Amounts reported for governmental activities in the Statement of Activities are different because:		
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.		
Current Year Additions	28,108,894	
Current Period Depreciation	(4,000,026)	24,108,868
The statement of activities reports gains arising from the disposal of capital assets as the difference between the proceeds from disposal and the net book value of the assets. The governmental funds report only the proceeds from disposal. This amount represents the net book value of capital assets disposed during the year.		(339,211)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		
Accrued District and County Court Fines Receivable	58,895	
EMS Receivables	(511,830)	
Change in Property Taxes Receivable Not Collected within 60 Days of Year End	51,494	(401,441)
The issuance of long-term-debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.		
Principal Repayments	1,475,459	
Amortization of Bond Premium	152,116	
Proceeds from Bond Issuance	(5,639,702)	(4,012,127)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated Absences	(444,802)	
Accrued Interest on Bond	(224,221)	(669,023)
Governmental funds report required contributions to employee pensions as expenditures. However, in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that the actuarially determined contributions exceeded pension expense.		1,808,187
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES		$ 10,948,195

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2025

		Custodial Funds
ASSETS		
Cash and Investments	$	1,513,698
Receivables (Net of Allowances for Uncollectibles):		
Accounts		534
Accounts Receivable - County		9,012
Prepaid Expenditures		2,250
Due from Others		3,653
TOTAL ASSETS	$	1,529,147
LIABILITIES		
Accounts Payable	$	74,743
Accounts Payable - County		104,089
Due to Other Governments		169,312
Due to Others		992,129
TOTAL LIABILITIES	$	1,340,273
FUND BALANCE		
Restricted for:		
Individuals, Organizations and Other Governments		188,874
TOTAL LIABILITIES & FUND BALANCE	$	1,529,147

See accompanying notes to basic financial statements.

CALHOUN COUNTY, TEXAS
STATEMENT OF ADDITIONS AND DEDUCTIONS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Custodial Funds
ADDITIONS	
Court Deposits Held for Others	$ 166,260
Property Seizures	11,501
Property Tax Collections for Other Governments	14,547,888
Commissions for Commisary Sales for the Benefit of Inmates	21,158
Deposits held on Behalf of Inmates	169,144
HOT Check Payments and Prosecutor Fees	58,048
Other Additions	98,985
TOTAL ADDITIONS	15,072,984
DEDUCTIONS	
Court Related Distributions	296,970
Property Tax Distributions to Other Governments	14,468,713
Jail Commissary Purchases for the Benefit of Inmates	159,919
Inmate Purchases	43,394
Property Seizure Refunds and Forfeitures	36,399
Other Distributions	52,588
TOTAL DEDUCTIONS	15,057,983
Net Increase in Fiduciary Net Position	15,001
BEGINNING NET POSITION	173,873
ENDING NET POSITION	$ 188,874

See accompanying notes to basic financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The more significant of the County's accounting policies are described below:

1. REPORTING ENTITY

Primary Government

Calhoun County (the County) is a public corporation and political subdivision of the State of Texas. The Commissioners Court, which is made up of four commissioners and the County Judge, is the general governing body of the County in accordance with Article 5, Paragraph 18 of the Texas Constitution. The County provides the following services as authorized by the statutes of the State of Texas: general government (e.g. administration, judicial & legal, elections administration, and financial administration), public safety (fire protection, law enforcement and corrections), infrastructure (road and bridge maintenance and construction), social services, conservation and sanitation services.

In evaluating how to define the government, for financial purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units.* The definition of the reporting entity is based primarily on the concept of financial accountability. The primary government is deemed to be financially responsible if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government. Additionally, the primary government may be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government or a jointly appointed board.

Included in the Governmental Wide Statements for the Reporting Entity:

Discretely presented component unit – The relationship between the following component unit and the County is such that they meet the criteria, as set for in GASB Statement No. 14, for inclusion as discretely presented component units in the reporting entity:

Memorial Medical Center ("MMC") operates a primary critical care hospital. MMC is committed to providing to all citizens of Calhoun County accessibility to the highest quality of healthcare in a caring, dignified, and cost-effective manner. The County Commissioners' Court appoints MMC's board, approves its annual budget, regularly scheduled payment of bills, and major capital additions. MMC is reported as a discretely presented component unit because its services are provided entirely to the public and is governed by a legally separate board. Separate financial statements are available from hospital management at Memorial Medical Center, 815 North Virginia, Port Lavaca, Texas, 77979.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. REPORTING ENTITY (Continued)

The **government-wide financial statements** include the statement of net assets and the statement of activities. Government-wide statements report information on all of the activities of the County (except for County fiduciary activity). The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and charges for services.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate **fund financial statements** are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund and Hospital Improvement Fund meet the criteria as a ***major governmental fund***. Nonmajor funds include Special Revenue, Debt Service and Capital Projects funds. The combined amounts for these funds are reflected in a single column in the fund statement's Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for nonmajor funds are presented within Combining Fund Statements and Schedules.

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Governmental fund level financial statements are reported using current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. However, sales tax is considered collectible for only 60 days.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured, and payment is due.
The government reports the following major governmental funds:

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

The Tax Note 2025 Project Fund is a capital project fund of the County. The Tax Note 2025 Project Fund is used to account for financial resources restricted for the large scale improvement of the Memorial Medical Center through debt funding. Primary expenditures are for capital outlay.

The Hospital Construction Fund is a capital project fund of the County. The Hospital Construction Fund is used to account for financial resources restricted for the large scale improvement of the Memorial Medical Center through debt funding. Primary expenditures are for capital outlay.

Nonmajor funds include special revenue funds, debt service funds and capital projects funds.

Fiduciary fund level financial statements include fiduciary funds which are classified into private purpose trust and custodial funds. Custodial funds do not involve a formal trust agreement. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private sector guidance for their business type activities subject to this same limitation. The County has elected not to follow subsequent private sector guidance.

4. CASH AND INVESTMENTS

Cash and investments include amounts in demand deposits, money markets and short-term certificates of deposit with a maturity date within three months of the date acquired by the government.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. CASH AND INVESTMENTS (Continued)

The County is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies; (3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas of the United States; (4) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated of not less than “AA” or its equivalent; (5) certificates of deposit issued by state and national banks domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, or secured by obligations mentioned above; and (6) fully collateralized direct repurchase agreements having a defined termination date. In addition, the County is authorized to invest in local government investment pools. The investment pools operate in accordance with appropriate state laws and regulations and have regulatory oversight from the Texas Public Funds Investment Act Sec. 2256.0016. The fair value of the County’s position in each pool is the same as the net asset value of the pool shares

The County reports investments at fair value based on hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quotes priced in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments are stated at fair value (plus accrued interest) except for money market investments and participating interest-earning investment contracts (U.S. Treasuries) that have a remaining maturity at the time of purchase of one year or less. Those investments are stated at amortized cost.

5. ACCOUNTS RECEIVABLE

Property taxes are levied based on taxable value at January 1 and become due October 1st and past due after January 31st. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year’s levy are shown net of an allowance for uncollectible.

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

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred inflows of resources in the fund statements. Receivables are shown net of an allowance for credit losses.

MMC and nursing homes report patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others. The Medical Center provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. The nursing homes provide an allowance for uncollectible accounts based upon a percentage of total revenue based on historical collection information.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund statements. Interfund activity is eliminated on the government-wide statements.

7. INVENTORIES AND PREPAID ITEMS

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent “available spendable resources”.

8. CAPITAL ASSETS

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets, such as equipment, are defined as assets with a cost of $5,000 or more. Infrastructure assets include County-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The Costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Life in years	
Capital Asset Class	County	MMC
Buildings	15 - 50	25 - 40
Improvements Other than Buildings	45	25 - 40
Equipment	5 - 20	5 - 20
Infrastructure	35 - 40	N/A
Leased Assets	N/A	3 - 7

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. DEFERRED INFLOWS/OUTFLOWS

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has the following items that qualify for reporting in this category: deferred pension related costs which will be included in the subsequent actuarial valuation.

Deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified accrual basis of accounting. Unavailable revenues from property tax is deferred and recognized as an inflow of resource in the period the amounts become available.

10. COMPENSATED ABSENCES

The County permits employees to accumulate earned but unused vacation pay benefits up to certain limits. When an employee leaves the service of the county, he or she will be paid for any accrued but unused vacation. The rate of pay will be determined by the salary rate in effect at the time of separation. Unused sick leave may be accumulated to certain limits. In the event of termination, no reimbursement is made for accumulated sick leave.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e. are due for payment). Compensated absences are accrued in the government-wide statements to the extent that they are more likely than not to be taken.

11. UNEARNED REVENUE

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. Grant and reimbursement revenues received in advance of expenses/expenditures are reflected as unearned revenue.

12. INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity is classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

13. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities. On new bond issues, bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

13. LONG-TERM OBLIGATIONS (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

14. PENSIONS

The net pension liability (asset), deferred outflows related to pensions, and pension expense, information about the fiduciary net position of the Texas County and District Retirement System (TCDRS), and additions to and deductions from TCDRS' fiduciary net position have been determined on the same basis as they are reported by TCDRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

15. FUND EQUITY

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – pre-paid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Commissioner's Court – the government's highest level of decision-making authority. The Commissioner's Court is the highest level of decision-making authority for the County that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (by adoption of another resolution) to remove or revise the limitation.

Assigned fund balance. This classification reflects the amounts constrained by the County's "intent" to be used for specific purposes but are neither restricted nor committed. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted nor committed. Assigned fund balances are established by the County Commissioner's through adoption or amendment of the budget as intended for specific purpose (such as the purchase of property and equipment, construction, debt service or other purposes).

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. FUND EQUITY (Continued)

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

16. NET POSITION

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

17. 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.

18. RECLASSIFICATIONS

Certain reclassifications have been made to the 2024 financial statements to conform to the 2025 financial statement presentation. The reclassifications had no effect on the changes in financial position.

19. MMC – NET PATIENT SERVICE REVENUE

MMC has agreements with third-party payers that provide for payments to the Medical Center at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such estimated amounts are revised in future periods as adjustments become known.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

19. MMC – NET PATIENT SERVICE REVENUE (Continued)

The medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates.

Medicare – Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid based on a cost reimbursement methodology. MMC is reimbursed for certain services at tentative rates, with final settlement determined after submission of annual cost reports by MMC and audits thereof by the Medicare administrative contractor.

Medicaid – Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. MMC is reimbursed for cost reimbursable services at tentative rates, with final settlement determined after submission of annual cost reports by MMC and audits thereof by the Medicaid administrative contractor.

Approximately 57% and 58% percent of net patient service revenue is from participation in the Medicare and state sponsored Medicaid programs for the years ended December 31, 2025 and 2024, respectively. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

The MMC has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the MMC under these agreements include prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

20. MMC – NURSING HOME REVENUE

The Medical Center entered into a series of lease and management agreements with nursing facility operators that resulted in the Medical Center becoming the legal license holder and operator of a total of eight nursing homes. On December 1, 2024, the Medical Center transferred the licenses of five nursing homes to another operator. The lease agreements call for annual payments approximating \$2.98 million and \$7.55 million as of December 31, 2025 and 2024, respectively, the payment of which will be solely made from the operations of the nursing homes

The leases expires in August 2026 and are cancelable with a written notice within 60 days of the expiration date. Due to the cancelable terms of the lease agreements, the leases are not subject to accounting under GASB 87.

Under the terms of the management agreements, the third-party managers provide all services necessary to operate the facilities, including personnel and oversight of the actual operations. These managers also provide all accounting functions for the facilities, including the billing and collection services. All patient revenue from the facilities is paid to the Medical Center and recorded as such by the Medical Center. The Medical Center transfers cash from these patient revenues to the manager so the managers can pay all facility related costs on behalf of the Medical Center. In addition, the Medical Center utilizes the nursing home cash receipts to pay a management fee to the manager pursuant to the agreements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

20. MMC – NURSING HOME REVENUE (Continued)

The Medical Center participates in a program developed by Texas Health and Human Services Commission (HHSC) that allows participating providers to receive additional reimbursement if they either reach a national benchmark level or they make quarterly improvements in up to four predetermined quality measures. HHSC received the Centers for Medicare and Medicaid Services approval for this quality program (Quality Improvement Payment Program) that began on September 1, 2017.

At December 31, 2025 and 2024 the MMC recorded prepaid expenses under the program of approximately $422 thousand and $1.75 million, respectively; which represents the prepaid intergovernmental transfers the MMC is required to contribute in advance of receiving any gross proceeds. As of December 31, 2025 and 2024, revenues recognized under this program, net of any IGT and facility operator payments) were approximately $1.67 million and $1.25 million, respectively.

21. SUPPLEMENTAL MEDICAID FUNDING REVENUE

The Texas Medicaid Disproportionate Share Program (DSH Program) was designed to assist facilities, like the Medical Center, serve the majority of indigent patients by providing funds supporting increased access to healthcare within the community. This program allows the Texas Department of Human Services to levy assessments from certain hospitals, use the assessed funds to obtain federal matching funds, and then redistribute the total funds to those facilities serving a disproportionate share of indigent patients in the State of Texas. The medical Center recognized revenue from this program of approximately $1.5 million and $1.9 million for the years ended December 31, 2025 and 2024, respectively. These amounts are recorded as net patient revenue in the statements of revenues, expenses, and changes in net position and before consideration of recoupments of previous program years described below.

On December 12, 2011, the United States Department of Health and Human Services (HHS) approved a new Medicaid Section 115(a) demonstration entitled “Texas Health Transformation and Quality Improvement Program” (Waiver). The Waiver expended existing Medicaid managed care programs and established two funding pools that assist providers with uncompensated care costs (UC Pool) and promotes health system transformation (DSRIP Pool). Payments are based on approved uncompensated costs and DRSIP projects, and payments are generated by intergovernmental transfer payments (IGT) that the MMC makes to the State of Texas. The revenue from the two funding pools is recognized as earned throughout the related demonstration year when management has reasonable assurance that the metrics for revenue recognition have been met. The funding the MMC has received is subject to audit and is not representative of funding to be received in future years.

On April 22, 2022, the Centers for Medicare & Medicaid Services (CMS) approved an extension of the Waiver through September 30, 2030. The extension provides for the continuation of the UC Pool. The DSRIP program ended on September 30, 23021 and was not extended under the Waiver extension. CMS has approved an expansion of the directed payment programs, which transitions participating hospitals away from the DSRIP program, which are discussed more fully below.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

21. SUPPLEMENTAL MEDICAID FUNDING REVENUE (Continued)

UC Pool payments are designed to help offset the costs of uncompensated care provided by the hospital or other providers. Under the Waiver, eligibility to receive UC Pool funds requires participation in a regional healthcare partnership. Within a partnership, participants include governmental entities providing public funds known as intergovernmental transfers (IGT), Medicaid providers, and other stakeholders. Participants develop a regional plan that identifies partners, community needs, the proposed projects to meet those needs, and funding distribution. Each partnership must have one anchoring entity, which acts as a primary point of contact for the Texas Health and Human Services Commission (HHSC) in the region and is responsible for seeking regional stakeholder engagement and coordinating development of a regional plan.

For the years ended December 31, 2025 and 2024, the Medical Center recognized revenue of approximately $252 thousand and $588 thousand, respectively, from the UC Pool. These amounts are recorded as net patient service revenue in the statements of revenues, expenses, and changes in net position and before consideration of recoupments of previous program years described below.

Comprehensive Hospital Increased Reimbursement Program (CHIRP) is a new directed payment program, which adds a quality component to the exists Uniform Hospital Rate Increase Program (UHRIP). Participating hospitals may opt into this second component. Under UHRIP and CHIRP, HHSC directs managed care organizations in a service delivery area to provide a uniform percentage rate increase to all hospitals within a particular class of hospitals. UHRIP transitions on August 31, 2021 an CHIRP began on September 1, 2021. CHIRP requires annual approval by CMS and has been approved through August 31, 2026. Revenue from UHRIP and CHIRP is recognized as a component of net patient service revenue in the statements of revenues, expenses, and changes in net position.

The Medical Center recorded IGT expenses of approximately $367 thousand and $222 thousand in 2025 and 2024, respectively, under CHIRP and UHRIP. The expenses are reflected as a reduction of net patient service revenues in the statements of revenues, expenses, and changes in net position.

Both the Supplemental Medicaid Funding and the Nursing Home Quality Improvement Payment Program are subject to ongoing review by HHSC, CMS, and the State of Texas, and the funding is subject to recoupment based on future audits. The historical funding is not necessarily representative of funding the Medical Center will receive in future years. The programs could be modified or terminated based on new legislation or regulation in future periods. For the years ended December 31, 2025 and 2024, the Medical Center recognized approximately $476 thousand and $0, respectively, of recoupments related to the DSH Program and approximately $463 thousand and $429 thousand, respectively, of recoupments related to the UC Pool. These recoupments are recorded as a reduction of net patient service revenue in the statements of revenues, expenses, and changes in net position. At December 31, 2025 and 2024, the Medical Center recorded liabilities for these recoupments of $1.4 million and $429 thousand, respectively, which is included in estimated amounts due to third-party payors – long term and estimated amounts due to third-party payors – current on the balance sheets.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

22. MMC – GRANTS AND CONTRIBUTIONS

From time to time, MMC receives grants and contributions from individuals and private organization. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts used specifically for operations have been reported in other operating revenue. Amounts restricted to capital acquisitions are reported after non-operating revenues and expenses.

23. MMC – CHARITY CARE

MMC provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Because MMC does not pursue collection of amounts determined to qualify as charity care, these amounts are not reported as net patient service revenue.

24. MMC – INCOME TAXES

As an essential government function of the County, MMC is generally exempt from federal and state income taxes under Section 115 of the Internal Revenue Code and a similar provision of state law. However, MMC is subject to federal income tax on any unrelated business taxable income.

NOTE B – DEPOSITS AND INVESTMENTS

The County's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the County's agent bank approved pledge securities in an amount sufficient to protect County funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

State statutes authorize the County to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d). MMC is included in the County's deposit policy for custodial credit risk which requires compliance with the provisions of state law. As of December 31, 2025, the County and MMC's deposits and investments were as follows:

	County	MMC
Cash	$ 64,522,969	$ 4,925,743
Certificates of Deposit	23,052,827	-
	$ 87,575,796	$ 4,925,743

Investment Rate Risk. The County manages investment rate risk by limiting the weighted average maturity of its investments to less than one year.

NOTE B – DEPOSITS AND INVESTMENTS (Continued)

Credit Risk. The County's investment policy limits investments to obligations of the United States or its instrumentalities; direct obligation of the State of Texas, the principal and interest that are unconditionally guaranteed or insured by this state or state rated as to investment quality of not less than AAA by a nationally recognized investment rating firm.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of December 31, 2025, the government's deposits were fully collateralized.

Custodial Credit Risk - Investment. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2025, the County's investments were held entirely in certificates of deposit at financial institutions.

As of December 31, 2025, the County had $38.9 million in restricted cash and cash equivalents. $18.6 million represents property taxes collected in advance to fund the 2026 budget. The remaining $20.3 million is bond proceeds held for capital projects at the Memorial Medical Center.

NOTE C – RECEIVABLES

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

	General	Nonmajor Funds	Total Primary Government	Component Unit
Receivables:				
Property Tax Receivables	$ 17,415,041	$ 1,024,091	$ 18,439,132	$ -
Less: Allowance for Credit Losses	(870,752)	(51,205)	(921,957)	-
Court Fines and Receivables	5,621,021	843,521	6,464,542	-
Less: Allowance for Credit Losses	(1,940,003)	(483,073)	(2,423,076)	-
EMS Receivables	7,907,402	-	7,907,402	-
Less: Allowance for Credit Losses	(6,619,858)	-	(6,619,858)	-
Patient Accounts	-	-	-	12,095,489
Less: Allowance for Credit Losses	-	-	-	(7,382,000)
Nursing Home Residents	-	-	-	3,472,277
Less: Allowance for Credit Losses	-	-	-	(223,643)
Other Receivables	120,478	-	120,478	2,615,720
Due From Others	3,036,983	833,024	3,870,007	-
Net Total Receivables	$ 24,670,312	$ 2,166,358	$ 26,836,670	$ 10,577,843

NOTE D – DEFERRED INFLOWS OF RESOURCES

Governmental funds report unavailable revenue in connection with receivables for revenue that is not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current year, unavailable revenue reported in the governmental funds was as follows:

	General	Nonmajor Funds	Total Primary Government
Property Taxes Levied for Future Periods	$ 19,012,862	$ 2,040,284	$ 21,053,146
Delinquent Property Taxes	16,567,672	13,521	16,581,193
Court Fines	1,916,198	360,448	2,276,646
EMS Charges	1,287,545	-	1,287,545
Other Revenues	273,348	195,449	468,797
	$ 39,057,625	$ 2,609,702	$ 41,667,327

NOTE E – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables at December 31, 2025 consisted of the following:

Due From	Due To	Amount	Purpose
NonMajor Funds	General Fund	$ 1,567,332	*To Support Capital Projects*
NonMajor Funds	General Fund	435,298	*To Support General Operations*
NonMajor Funds	NonMajor Funds	267,840	*To Support Capital Projects*
General Fund	NonMajor Funds	10,605	*To Support General Operations*
General Fund	NonMajor Funds	339,352	*To Support Debt Service*
General Fund	NonMajor Funds	40,512	*To Support Capital Projects*
		$ 2,660,939	

Interfund transfers at December 31, 2025 consisted of the following:

Transfers In	Transfers Out	Amount	Purpose
General Fund	NonMajor Funds	$ 600,000	*To Support Road & Bridge Operations*
NonMajor Funds	General Fund	1,885,465	*To Support Capital Projects*
NonMajor Funds	General Fund	339,352	*To Support Debt Service*
NonMajor Funds	NonMajor Funds	21,204	*To Support Capital Projects*
NonMajor Funds	General Fund	128,605	*To Support General Operations*
NonMajor Funds	NonMajor Funds	360,120	*To Support Capital Projects*
		$ 3,334,746	

NOTE F - PROPERTY TAX CALENDAR

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1, to fund the following fiscal year beginning January 1, and are payable in full by the following January 31. The County bills and collects its own property taxes and also the taxes for several other taxing agencies. The County acts only as an intermediary in the collection and distribution of property taxes to other entities. Tax collections deposited for the County are distributed as collected to the General and Debt Service Funds of the County. The distribution is based upon the tax rate established for each fund by Commissioner's Court for the tax year for which the collections are made.

NOTE F - PROPERTY TAX CALENDAR (Continued)

The County is authorized by the tax laws for the State of Texas to levy taxes up to .80 per $100 of the assessed valuation for general government invoices and the payment of principal and interest on certain permanent improvement long-term debt. Taxes may be levied in unlimited amounts for the payment of principal and interest on road bond long-term debt issued under article 3, Section 52 of the Texas Constitution. Net taxes receivable at the end of the fiscal year are treated as deferred outflows of resources.

The combined tax rate assessed on the 2024 tax roll to finance operations and debt service for the fiscal year ended December 31, 2025, was $.6222 per $100 assessed valuation. The total tax levy for the fiscal year 2025 was $31.3 million of which $241 thousand remained outstanding in delinquent taxes as of December 31, 2025.

NOTE G – CAPITAL ASSETS

The County's capital asset activity for the year ended December 31, 2025, was as follows:

Governmental Activities	Balance 1/1/25	Additions	Disposals/ Transfers	Balance 12/31/25
Capital Assets Not Depreciated:				
Land	$ 8,870,194	$ 715,550	$ -	$ 9,585,744
Construction in Progress	9,834,441	23,098,571	(5,172,997)	27,760,015
Total Capital Assets Not Depreciated	18,704,635	23,814,121	(5,172,997)	37,345,759
Capital Assets Being Depreciated:				
Buildings	24,885,756	94,459	3,525,840	28,506,055
Improvements Other Than Buildings	17,358,927	136,423	1,034,127	18,529,477
Furniture, Fixtures, and Equipment	30,740,620	3,430,133	(1,605,213)	32,565,540
Infrastructure	24,764,591	633,758	414,811	25,813,160
Total Capital Assets Depreciated	97,749,894	4,294,773	3,369,565	105,414,232
Totals at Historical Cost	116,454,529	28,108,894	(1,803,432)	142,759,991
Less Accumulated Depreciation:				
Buildings	(11,870,995)	(643,333)	-	(12,514,328)
Improvements Other Than Buildings	(9,353,600)	(628,620)	13,102	(9,969,118)
Furniture, Fixtures, and Equipment	(18,904,475)	(2,438,877)	1,434,672	(19,908,680)
Infrastructure	(16,947,547)	(289,196)	16,447	(17,220,296)
Total Accumulated Depreciation	(57,076,617)	(4,000,026)	1,464,221	(59,612,422)
Governmental Capital Assets, Net	$ 59,377,912	$ 24,108,868	$ (339,211)	$ 83,147,569

NOTE G – CAPITAL ASSETS (Continued)

Depreciation was charged to the governmental functions as follows:

General Administrations	$ 398,739
Judicial	20,252
Legal	16,362
Financial Administration	25,310
Public Facilities	260,000
Public Safety	1,300,744
Roads And Bridges	1,173,556
Health And Welfare	372,522
Community Development	16,747
Culture Recreation	389,488
Sanitation Services	26,306
Total Depreciation Expense - Governmental Activities	$ 4,000,026

MMC's capital Asset activity for the year ended December 31, 2025, was as follows:

Governmental Activities	Balance 1/1/25	Additions	Disposals/ Transfers	Balance 12/31/25
Capital Assets Not Depreciated:				
Land	$ 461,793	$ -	$ -	$ 461,793
Construction in Progress	98,088	-	-	98,088
Total Capital Assets Not Depreciated	559,881	-	-	559,881
Capital Assets Being Depreciated:				
Buildings and Improvements	13,859,480	11,450	-	13,870,930
Equipment, Machinery and Furniture	12,109,808	422,859	-	12,532,667
Leased Assets	188,742	790,427	-	979,169
Total Capital Assets Depreciated	26,158,030	1,224,736	-	27,382,766
Totals at Historical Cost	26,717,911	1,224,736	-	27,942,647
Less Accumulated Depreciation:				
Buildings and Improvements	(10,818,928)	(304,204)	-	(11,123,132)
Equipment	(9,683,106)	(505,157)	-	(10,188,263)
Leased Assets	(181,192)	(156,812)	-	(338,004)
Total Accumulated Depreciation	(20,683,226)	(966,173)	-	(21,649,399)
Governmental Capital Assets, Net	$ 6,034,685	$ 258,563	$ -	$ 6,293,248

NOTE H - LONG-TERM DEBT

The County had the following changes in long-term debt outstanding for the year ended December 31, 2025:

	Balance Outstanding 1/1/25	Added During Year	Retired During Year	**Balance Outstanding 12/31/25**	Due Within One Year
Governmental Activities:					
Tax Note, 2025	$ -	$ 4,270,000	$ (930,000)	**$ 3,340,000**	$ 610,000
Certificates of Obligation, Series 2024	27,280,000	-	-	**27,280,000**	-
Premium	3,042,314	-	(152,116)	**2,890,198**	152,116
Notes Payable	290,633	1,369,702	(545,459)	**1,114,876**	516,840
Subtotal	2,597,638	5,639,702	(1,627,575)	**34,625,074**	1,278,956
Compensated Absences	297,779	-	444,802	**742,581**	-
Total Governmental Activities	$ 2,853,615	$ 5,639,702	$ (1,182,773)	**$ 35,367,655**	$ 1,278,956
Discrete Component Unit					
Note Payable	$ 4,000,000	$ -	$ -	**$ 4,000,000**	$ 4,000,000
Finance Purchase Agreements	46,788	-	(46,788)	**-**	-
Lease Liabilities	4,644	790,427	(139,758)	**655,313**	151,487
Total Discrete Component Unit	$ 4,051,432	$ 790,427	$ (186,546)	**$ 4,655,313**	$ 4,151,487

No debt was acquired by private placement or direct borrowings.

NOTE H - LONG-TERM DEBT (Continued)

The annual requirements for principal and interest on the County's outstanding certificates obligation and tax notes are as follows:

Certificates of Obligation Payable	Balance at 12/31/2025	Due Within One Year
Certificates of Obligation, Series 2024 Original issue amount of $27,280,000, interest rate varies from 5% to 7% With final maturity date of February 15, 2044	$ 27,280,000	$ -
TOTAL CERTIFICATES OF OBLIGATION PAYABLE	$ 27,280,000	$ -

Tax Notes Payable	Balance at 12/31/2025	Due Within One Year
Tax Note 2025 Original issue amount of $4,270,000, interest rate at 4.57% With final maturity date of August 15, 2030	$ 3,340,000	$ 610,000
TOTAL CERTIFICATES OF OBLIGATION PAYABLE	$ 3,386,022	$ 610,000

Year Ending December 31,	Principal	Interest	Annual Requirements
2026	$ 610,000	$ 1,516,638	$ 2,126,638
2027	640,000	1,488,761	2,128,761
2028	665,000	1,459,513	2,124,513
2029	695,000	1,429,123	2,124,123
2030	730,000	1,397,361	2,127,361
2031-2035	7,645,000	5,902,625	13,547,625
2036-2040	9,810,000	3,732,000	13,542,000
2041-2044	9,825,000	1,013,375	10,838,375
TOTAL	$ 30,620,000	$ 17,939,396	$48,559,396

NOTE H - LONG-TERM DEBT (Continued)

The annual requirements for principal and interest on the County's outstanding notes payable are as follows:

Notes Payable	Balance at 12/31/25	Due Within One Year
Welch State Bank: Notes Payable for a 2022 John Deere Tractor, at a fixed rate of 5.81%, collateralized by equipment with a cost of $175,161 and accumulated depreciation of $87,581.	$ 92,276	$ 44,693
Welch State Bank: Notes Payable for an excavator, at a fixed rate of 5.88%, collateralized by equipment with a cost of $250,259 and accumulated depreciation of $33,368.	56,006	49,898
Welch State Bank: Notes Payable for a dump truck, at a fixed rate of 5.47%, collateralized by equipment with a cost of $121,607 and accumulated depreciation of $7,432.	37,903	37,903
Welch State Bank: Notes Payable for a dump truck, at a fixed rate of 5.47%, collateralized by equipment with a cost of $121,607 and accumulated depreciation of $7,432.	37,903	37,903
Welch State Bank: Notes Payable for a backhoe, at a fixed rate of 5.47%, collateralized by equipment with a cost of $145,817 and accumulated depreciation of $7,445.	145,817	35,142
Welch State Bank: Notes Payable for a backhoe, at a fixed rate of 5.47%, collateralized by equipment with a cost of $145,817 and accumulated depreciation of $7,445.	145,817	35,142
Stryker Financial Notes Payable for lifepaks, at a zero percent interest, collateralized by equipment with a cost of $707,101 and accumulated depreciation of $11,785.	471,400	235,700
Welch State Bank: Notes Payable for a tractor, at a fixed rate of 5.16%, collateralized by equipment with a cost of $127,754 and accumulated depreciation of $3,549.	127,754	40,459
TOTAL NOTES PAYABLE	$ 1,114,876	$ 516,840

NOTE H - LONG-TERM DEBT (Continued)

Year Ending December 31,	Principal	Interest	Annual Requirements
2026	$ 513,745	$ 41,992	$ 555,737
2027	402,811	22,881	425,692
2028	119,473	10,757	130,230
2029	78,847	4,320	83,167
TOTAL	$ 1,114,876	$ 79,949	$ 1,194,825

The Medical Center leases equipment, with lease terms expiring through 2030.

The annual requirements for principal and interest on the Medical Center's leases are as follows:

Year Ending December 31,	Principal	Interest	Annual Requirements
2026	$ 151,487	$ 25,281	$ 176,768
2027	158,336	18,973	177,309
2028	165,495	11,814	177,309
2029	156,692	4,583	161,275
2030	23,303	395	23,698
TOTAL	$ 655,313	$ 60,651	$ 692,661

NOTE I - LINE OF CREDIT

MMC has a noninterest-bearing line of credit payable on demand with the County in the amount of $4,000,000 for the purpose of business improvements until state funding is received. As of December 31, 2025, $4 million has been drawn on this line of credit, and with no remaining balance available to be drawn.

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NOTE J - EMPLOYEES' RETIREMENT SYSTEM

Texas County and District Retirement System

Plan Description

The County and MMC participate as two of over 900 plans in the nontraditional, defined benefit pension plan in the statewide Texas County and District Retirement System (TCDRS). TCDRS is an agency created by the state of Texas and administered in accordance with the TCDRS Act as an agent multiple-employer retirement system for County and District employees in the State of Texas. The Board of Trustees of TCDRS is responsible for the administration and management of the system. TCDRS in the aggregate issues an annual comprehensive financial report (ACFR) on a calendar year basis. The ACFR is available upon written request from the TCDRS Board of Trustees at PO Box 2034, Austin, Texas 78768-2034.

The plan provisions are adopted by the governing body of the County and MMC, within the options available in the state statutes governing TCDRS. Members can retire at age 60 and above with 8 or more years of service or with 30 years regardless of age or when the sum of their age and years of service equals 75 or more. A member is vested after 8 years but must leave his accumulated contributions in the plan. Members who withdraw their personal contributions in a partial lump sum are entitled to any amounts contributed by the employer.

Benefit amounts are determined by the sum of the employee's contributions to the plan, with interest, and employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the County within the actuarial constraints imposed by the TCDRS Act so the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute.

At retirement, death or disability, the benefit is calculated by converting the sum of the employee's accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Contributions

The County and MMC have elected the annually determined contribution rate plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the County is actuarially determined annually. The County contributed using the actuarially determined rate of 11.40% for the months of the accounting year 2024, and 11.27% for the months of the accounting year in 2025. MMC contributed using the actuarially determined rate of 7.00% for the months of the account year 2024 and 7.00% for the months of the accounting year 2025.

The contribution rate payable by the employee members for 2024 and 2025 is the rate of 7% as adopted by the governing body of the County. The employee deposit rate and the employer contribution rate may be changed by the governing body of the employer within the options available in the TCDRS Act.

NOTE J - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Benefits Provided

TCDRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the County, within the options available in the state statutes governing TCDRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the District-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

	County	MMC
Inactive Employees Receiving Benefits	171	144
Inactive Employees	169	521
Active Employees	218	243
	558	908

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

	County	MMC
Inactive Employees Receiving Benefits	157	134
Inactive Employees	172	513
Active Employees	221	256
	550	903

Net pension liability (asset)

The County and MMC's net pension liability (asset) (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

NOTE J - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Actuarial Assumptions

The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Overall Payroll Growth	3.25% to 8.41%
Investment Rate of Return	7.60%

Assumptions are reviewed annually. No additional changes were made for the 2024 valuation. All other actuarial assumptions that determined the total pension liability as of December 31, 2024 were based on the results of an actuarial experience study for the period January 1, 2013 – December 31, 2016, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.6%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the TCDRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TCDRS.

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2023 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a 30-year time horizon; the most recent analysis was performed in 2023. See Milliman's TCDRS Investigation of Experience report for the period January 1, 2013 – December 31, 2016, for more details.

NOTE J - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Actuarial Assumptions (Continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Real Rate of Return (Geometric)
U.S. Equities	13.00%	5.35%
Global Equities	4.00%	5.15%
International Equities - Developed	6.00%	4.75%
International Equities - Emerging	0.00%	4.75%
Investment-Grade Bonds	3.00%	2.55%
Strategic Credit	9.00%	3.70%
Direct Lending	16.00%	6.85%
Distressed Debt	4.00%	6.80%
REIT Equities	2.00%	3.95%
Master Limited Partnerships	2.00%	4.95%
Commodities	2.00%	1.00%
Private Real Estate Partnerships	6.00%	5.75%
Private Equity	25.00%	8.15%
Hedge Funds	6.00%	3.60%
Cash Equivalents	2.00%	1.10%
	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Discount Rate Sensitivity Analysis

The following presents the net pension liability (asset) of the County and MMC, calculated using the discount rate of 7.6%, as well as what the County's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.6%) or 1-percentage point higher (8.6%) than the current rate:

NOTE J - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Discount Rate Sensitivity Analysis (Continued)

Calhoun County, Texas

	Discount Rate 6.60%	Discount Rate 7.60%	Discount Rate 8.60%
Net Pension Liability / (Asset)	$ 6,065,462	$ (3,175,746)	$ (10,904,917)

Memorial Medical Center

	Discount Rate 6.60%	Discount Rate 7.60%	Discount Rate 8.60%
Net Pension Liability / (Asset)	$ 9,105,681	$ (1,052,529)	$ (94,222,421)

Changes in Net pension liability (asset)

The below schedule presents the changes in the Net pension liability (asset) as of December 31, 2024:

Calhoun County, Texas

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at December 31, 2023	$ 69,508,055	$ 70,372,180	$ (864,125)
Changes for the year:			
Service Cost	1,825,831	-	1,825,831
Interest on total pension liability	5,288,045	-	5,288,045
Change of Benefit Terms	-	-	-
Economic/Demographic Gains or Losses	113,676	-	113,676
Changes of Assumptions	-	-	-
Refund of Contributions	(306,433)	(306,433)	-
Benefit Payments	(3,267,705)	(3,267,705)	-
Administrative Expense	-	(41,555)	41,555
Member Contributions	-	939,966	(939,966)
Net Investment Income	-	7,149,851	(7,149,851)
Employer Contributions	-	1,530,801	(1,530,801)
Other	-	(39,890)	39,890
Net Changes	3,653,414	5,965,035	(2,311,621)
Balance at December 31, 2024	$ 73,161,469	$ 76,337,215	$ (3,175,746)

NOTE J - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Changes in Net pension liability (asset) (Continued)

Memorial Medical Center

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at December 31, 2023	$ 63,895,816	$ 62,962,193	$ 933,623
Changes for the year:			
Service Cost	1,830,936	-	1,830,936
Interest on total pension liability	4,893,271	-	4,893,271
Economic/Demographic Gains or Losses	48,149	-	48,149
Changes of Assumptions	-	-	-
Refund of Contributions	(201,766)	(201,766)	-
Benefit Payments	(2,531,489)	(2,531,489)	-
Administrative Expense	-	(37,559)	37,559
Member Contributions	-	981,812	(981,812)
Net Investment Income	-	6,410,726	(6,410,726)
Employer Contributions	-	1,412,468	(1,412,468)
Other Changes	-	(8,939)	8,939
Net Changes	4,039,101	6,025,253	(1,986,152)
Balance at December 31, 2024	$ 67,934,917	$ 68,987,446	$ (1,052,529)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issues TCDRS financial report. That report may be obtained at www.tcdrs.com.

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

For the year ended December 31, 2025, the County recognized pension income of $159,380 and the MMC recognized pension expense of $416,738. For the year December 31, 2024, the County and MMC recognized pension expense of $435,032 and $177,810, respectively.

NOTE J - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Texas County and District Retirement System (Continued)

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Also, as of December 31, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions form the following sources:

Calhoun County, Texas

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 85,257	$ 217,923
Changes in Actuarial Assumptions	-	752,861
Differences Between Projected and Actual Investment Earnings	-	-
Contributions Subsequent to the Measurement Date	1,648,807	-
	$ 1,734,064	$ 970,784

Memorial Medical Center

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	$ 32,099	$ 35,703
Changes in Actuarial Assumptions	-	646,283
Differences Between Projected and Actual Investment Earnings	-	-
Contributions Subsequent to the Measurement Date	1,398,000	-
	$ 1,430,099	$ 681,986

Deferred inflows of resources in the amount of $1,648,807 and $1,398,00 for the County and MMC, respectively, are related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability (asset) for the plan year ending December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Fiscal Year ended December 31,	County	MMC
2026	$ (755,599)	$ (534,911)
2027	1,021,509	924,900
2028	(782,285)	(711,945)
2029	(369,152)	(327,931)
	$ (885,527)	$ (649,887)

NOTE K - GROUP TERM LIFE FUND

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); this insurance is for active employees who are making deposits into the TCDRS system or have made the last deposit within the past two years.

The County's contributions to the TCDRS group term life fund for the years ended December 2025, 2024, and 2023 were $24,873, $21,487, and $18,896 respectively, which equaled the required contributions each year.

NOTE L - FUND BALANCES

Fund balances by classification as of December 31, 2025 pursuant to GASB No. 54 are as follows:

	General	Hospital Construction Fund	Hospital Construction Fund	Nonmajor Funds
Fund Balances:				
Non-spendable:				
Inventory	$ 692,651	$ -	$ -	$ -
Prepaid Items	584,319	-	-	1,204
Notes Receivable	4,000,000	-	-	-
Restricted for:				
Airport Operations	-	-	-	57,943
Capital Projects	-	43,097	19,438,021	5,014,591
Culture and Recreation	-	-	-	40,704
Debt Service	-	-	-	210,233
Justice Administration	-	-	-	636,136
Legal Administration	-	-	-	971,267
Preservation	-	-	-	3,098,332
Public Safety	-	-	-	219,701
Road & Bridge Maintenance	-	-	-	1,738,816
Other Purposes	-	-	-	250,653
Committed for:				
Culture & Recreation	-	-	-	236,702
Assigned to:				
Capital Projects	-	-	-	599,995
Unassigned:	27,535,313	-	-	-
Total Fund Balances	$ 32,812,283	$ 43,097	$ 19,438,021	$ 13,076,277

NOTE M - COMMITMENTS AND CONTINGENCIES

Litigation

The County is the subject of various claims and litigation that have arisen in the course of its operations. Management is of the opinion that the County's liability in these cases, if decided adversely to the County, will not have a material effect on the County's financial position.

Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County carries commercial insurance for all such risks. During the year ended December 31, 2025, settled claims resulting from these risks did not exceed commercial insurance coverage.

NOTE N - TAX ABATEMENT DISCLOSURES

Calhoun County negotiates property tax abatement agreements on an individual basis. The agreements freeze property tax revenues received from the paying entity at current levels and deprives the County of a percentage of future increases in ad valorem property tax revenues that otherwise would have resulted from increases in assessed valuation in such areas until the tax increment financing obligations issued are repaid or the tax abatement period terminates. As of December 31, 2025, the County has tax abatement agreements with four entities. The gross amount of property tax abated during 2025 was $10,880,391.

Formosa Plastics Corporation - A tax abatement agreement was entered into on August 14, 2014, with Formosa for the construction of its (1) Olefins III Unit, (2) Propane Dehydrogenation Unit, (3) Polyethylene Resin Unit and (4) Power Generation Unit, valued at an estimated $2,000,000,000. The effective date of the agreement began on January 1, 2016 and will expire on December 31, 2025. Per the terms of the agreement, Formosa made a $2,000,000 contribution to the construction of the Memorial Medical Center Rural Health Clinic prior to December 31, 2014. The agreement was amended September 19, 2018, to remove all units except Olefins III by reducing the abated value to an estimated $1,000,000,000. The total amount of property tax abated during 2025 per the agreement was $6,067,383.

A tax abatement agreement was entered into on February 13, 2017, with Formosa for the expansion of their current plastic treatment plant valued at an estimated $5,000,000,000, the improvement of the City of Point Comfort water treatment facility valued at an estimated $3,000,000, and the purchase of fire trucks and safety equipment valued at an estimated $1,500,000. The effective date of the agreement shall commence on January 1, 2018 and expires on December 31, 2027. On June 8, 2017, Formosa assigned all of its rights and obligations under the Tax Abatement Agreement to Nan Ya Plastics Corporation. The total amount of property tax abated during 2025 per the agreement was $1,972,126.

NOTE N - TAX ABATEMENT (Continued)

A tax abatement agreement with Formosa was entered into on December 30, 2019, and amended June 9, 2021, for the construction of its Polypropylene III (PP3) Unit valued an estimated $200,000,000. The effective date of the agreement shall commence on January 1, 2022 and will expire December 31, 2031. The minimum taxable value shall be $160,000,000 for tax year 2031. The property tax abated during 2025 per the agreement is $1,219,512.

A tax abatement agreement was entered into on October 21, 2020, with Formosa for replacement and upgrade of a VCM/EDC unit valued at an estimated $120,000,000. The effective date of the agreement shall commence on January 1, 2021, and shall expire on December 31, 2030, with a minimum taxable value of $119,500,000. Beginning January 1, 2021, through January 1, 2024, Formosa shall make four annual donations of $250,000 to the county. The property tax abated during 2025 per the agreement is $721,568.

<u>Union Carbide Corporation</u> - A tax abatement agreement was entered into on May 10, 2023, with Union Carbide Corporation for (1) construction of its Alkoxylation Plant (2) Infrastructure and Upstream Units Expansion (3) Site Infrastructure and Expansion Improvements including storage and railcar loading valued at an estimated cost of $235,000,000. The effective date of the agreement shall commence on January 1, 2024, and will expire on December 31, 2033. The property tax abated during 2025 per the agreement was $899,802.

<u>The DOW Chemical Company</u> - A tax abatement agreement was entered into on May 10, 2023, with DOW Chemical Company for construction of four (4) advance nuclear small modular reactors valued at an estimated cost of $650,000,000. The effective date of the agreement shall commence tentatively on January 1, 2026, and will expire on December 31, 2036, unless the project commencement is delayed. The property tax abated during 2025 per the agreement was $0.

These agreements were negotiated under the Property Tax Abatement Act of the State of Texas, which allows cities, counties and special districts to attract new industries and to encourage the retention and development of existing businesses through property tax exemptions or reductions. Each abatement is a local agreement between a taxpayer and a taxing unit that exempts all or part of the increase in the value of the real property and/or tangible personal property from taxation for a period not to exceed 10 years. The state law provides for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement.

The County has not made any commitments as part of the agreements other than to reduce property taxes. The County is not subject to any tax abatement agreements entered into by other governmental entities.

NOTE O – TAX ABATEMENT REFUND

In fiscal year 2025, ad valorem taxes were not properly abated on Formosa Plastics Corporation in the amount of $6,067,383, because of this, taxes are due back to the Corporation in that amount. The County intends to pay this back during the 2026 fiscal year, these amounts are disclosed as Accounts Payable on the face of the financials.

NOTE P - DISCLOSURES SPECIFIC TO MEDICAL MEMORIAL CENTER

Charity Care

The costs of charity care provided under the MMC's charity care policy were approximately $2.7 million and $3.2 million for 2025 and 2024, respectively. In addition, the costs related to the provisions for doubtful accounts were $2.7 million and $1.7 million for 2025 and 2024, respectively. The costs of charity care and provision for doubtful accounts are estimated by applying the ratio of cost to gross charges to the gross uncompensated charges.

Medical Malpractice Claims

Memorial Medical Center (MMC) is a unit of government covered by the Texas Tort Claims Acts which, by statute, limits its liability to $100,000 per individual and $300,000 in the aggregate. These limits coincide with the malpractice insurance coverage which is purchased by the MMC under a claims-made policy on a fixed premium basis. Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its chare of malpractice claims costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probably ultimate costs of the incidents. Of potential improper professional service occurring during the year by estimating the probably ultimate costs of the incidents. Based upon MMC's claims experience, no such accrual has been made. It is reasonable possible that this estimate could change materially in the near term.

Contingencies

In the normal course of business, MMC is, from time to time, is subject to allegations that may or do result in litigation. Some of these allegations are in the areas that may or do result in litigation. Some of these allegations are in the areas not covered by commercial insurance, for example, allegations regarding employment practices of performance of contract. The Medical Center evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

Related Party

The Medical Center from time to time conducts business transactions with the individuals or companies that members of the Board have a direct or indirect relationship. Specifically, a physician performing medical services for the Medical Center also served on the Board during 2024 and 2023

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules – General Fund
- Notes to Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
- Net pension liability (asset) and Related Ratios
- Schedule of Contributions and Related Notes

CALHOUN COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance With Final Budget -
	Original	Final	**Actual Amounts**	Positive (Negative)
REVENUES				
Taxes:				
Ad Valorem Taxes	$ 28,225,000	$ 28,255,000	**$ 24,010,061**	$ (4,244,939)
Sales Taxes	3,200,000	3,200,000	**4,307,438**	1,107,438
Other Taxes	30,000	30,000	**55,543**	25,543
Intergovernmental	1,001,404	1,023,668	**772,248**	(251,420)
Charges for Service	1,788,997	1,790,997	**2,833,853**	1,042,856
Permits & Licenses	11,510	11,510	**19,782**	8,272
Fines & Forfeitures	168,502	168,502	**191,820**	23,318
Interest	150,000	150,000	**2,888,631**	2,738,631
Gifts & Contributions	962,831	962,831	**820,856**	(141,975)
Rents & Leases	37,101	37,101	**33,449**	(3,652)
Miscellaneous	74,729	223,816	**308,936**	85,120
TOTAL REVENUES	35,650,074	35,853,425	**36,242,617**	389,192
EXPENDITURES				
Current:				
General Administration	3,822,067	3,625,386	**3,256,555**	368,831
Elections	356,575	340,002	**309,447**	30,555
Judicial	2,563,417	2,656,718	**2,381,020**	275,698
Legal	1,217,738	1,245,549	**1,279,550**	(34,001)
Financial Administration	1,853,075	2,023,884	**1,974,465**	49,419
Public Facilities	2,458,159	2,792,693	**2,153,372**	639,321
Public Safety	10,547,713	10,140,692	**9,271,531**	869,161
Roads & Bridges	7,653,965	8,499,662	**8,467,182**	32,480
Health & Welfare	5,568,347	5,483,161	**5,304,374**	178,787
Community Development	286,648	288,052	**255,225**	32,827
Culture & Recreation	955,862	963,650	**801,740**	161,910
Social Services	94,377	94,377	**58,996**	35,381
Conservation	7,750	7,750	**7,750**	-
Sanitation Services	200,332	200,334	**169,816**	30,518
Nondepartmental	92,473	130,306	**119,223**	11,083
Debt Service:				
Principal	136,612	309,917	**545,459**	(235,542)
Interest and Fiscal Charges	21,518	29,786	**29,944**	(158)
TOTAL EXPENDITURES	$ 37,836,628	$ 38,831,919	**$ 36,385,649**	$ 2,446,270

CALHOUN COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts			Variance With Final Budget -
	Original	Final	**Actual Amounts**	Positive (Negative)
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (2,186,554)	$ (2,978,494)	**$ (143,032)**	$ 2,835,462
OTHER FINANCING SOURCES (USES)				
Transfers In	600,011	600,011	**600,000**	(11)
Transfers Out	(1,437,550)	(1,633,917)	**(2,353,422)**	(719,505)
Insurance Proceeds	1,001	50,782	**49,530**	(1,252)
Proceeds From Notes Payable	1	662,603	**1,369,702**	707,099
Proceeds From Sale of Capital Assets	1,000	147,651	**306,219**	158,568
TOTAL OTHER FINANCING SOURCES (USES)	(835,537)	(172,870)	**(27,971)**	144,899
Net Change in Fund Balance	(3,022,091)	(3,151,364)	**(171,003)**	2,980,361
Fund Balance, January 1	32,983,286	32,983,286	**32,983,286**	-
Fund Balance, December 31	$ 29,961,195	$ 29,831,922	**$ 32,812,283**	$ 2,980,361

General Fund Budget

The original expenditure category (appropriation only) budgets for the General Fund are adopted by the Commissioners' Court and filed with the Calhoun County Clerk. During a regular term of the Commissioners' Court, the budget is adopted through the passage of an order. A separate order is provided in the budget. The total budget for the General Fund cannot be increased once the budget is adopted unless the County Auditor certifies a new revenue source not considered during the setting of the original budget. Amendments to the budget to transfer budgeted amounts from one budget classification to another may be made by the Commissioners' Court at its discretion.

State law does not allow actual expenditures to exceed budgeted appropriations at the expense summary classification level. In the current year the legally adopted budget was not exceeded. For the General Fund, an expenditure category is considered to be an activity (e.g., personnel, operations and capital outlay etc.).

CALHOUN COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN PLAN YEARS

Calhoun County, Texas

	Total Pension Liability			
	2015	2016	2017	2018
Service Cost	$ 1,290,719	$ 1,379,555	$ 1,341,482	$ 1,421,203
Interest (on the Total Pension Liability)	3,165,609	3,378,480	3,630,084	3,894,664
Changes of Benefit Terms	(156,017)	-	-	-
Difference between Expected and Actual Experience	(449,230)	(460,522)	47,930	(493,435)
Change of Assumptions	476,786	-	280,869	-
Benefit Payments, Including Refunds of Employee Contributions	(1,533,490)	(1,640,853)	(2,080,546)	(2,148,122)
Net Change in Total Pension Liability	2,794,377	2,656,660	3,219,819	2,674,310
Total Pension Liability - Beginning	39,043,358	41,837,735	44,494,395	47,714,214
Total Pension Liability - Ending	$ 41,837,735	$ 44,494,395	$ 47,714,214	$ 50,388,524

	Plan Fiduciary Net Position			
	2015	2016	2017	2018
Contributions - Employer	$ 1,039,019	$ 1,017,384	$ 1,098,527	$ 1,154,903
Contributions - Employee	658,802	679,388	723,392	740,075
Net Investment Income	(211,871)	2,826,439	5,980,295	(872,580)
Benefit Payments, Including Refunds of Employee Contributions	(1,533,490)	(1,640,853)	(2,080,546)	(2,148,122)
Administrative Expense	(27,584)	(30,836)	(31,048)	(36,563)
Other	75,798	(178,916)	(3,758)	(2,852)
Net Change in Plan Fiduciary Net Position	674	2,672,606	5,686,862	(1,165,139)
Plan Fiduciary Net Position - Beginning	38,325,939	38,326,613	40,999,219	46,686,081
Plan Fiduciary Net Position - Ending	$ 38,326,613	$ 40,999,219	$ 46,686,081	$ 45,520,942
Net Pension Liability (Asset) - Ending	$ 3,511,122	$ 3,495,176	$ 1,028,133	$ 4,867,582
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.61%	92.14%	97.85%	90.34%
Covered Payroll	$ 9,411,452	$ 9,705,546	$ 10,334,174	$ 10,572,496
Net Pension Liability (Asset) as a Percentage of Covered Payroll	37.31%	36.01%	9.95%	46.04%

	Total Pension Liability					
	2019	2020	2021	2022	2023	2024
	$ 1,420,860	$ 1,463,967	$ 1,685,001	$ 1,753,517	$ 1,772,348	$ 1,825,831
	4,105,154	4,356,015	4,592,680	4,818,149	5,037,421	5,288,045
	-	-	-	-	-	-
	(12,664)	15,880	(189,539)	(567,001)	(152,346)	113,676
	-	3,314,549	(272,404)	-	-	-
	(2,301,752)	(2,623,318)	(2,816,002)	(3,022,895)	(3,258,090)	(3,574,138)
	3,211,598	6,527,093	2,999,736	2,981,770	3,399,333	3,653,414
	50,388,524	53,600,122	60,127,215	63,126,951	66,108,721	69,508,054
	$ 53,600,122	$ 60,127,215	$ 63,126,951	$ 66,108,721	$ 69,508,054	$ 73,161,468

	Plan Fiduciary Net Position					
	2019	2020	2021	2022	2023	2024
	$ 1,149,457	$ 1,223,089	$ 1,286,652	$ 1,503,614	$ 1,443,594	$ 1,530,801
	749,876	777,619	813,600	846,764	881,776	939,966
	7,475,855	5,427,275	12,503,079	(3,990,027)	7,057,986	7,149,851
	(2,301,752)	(2,623,318)	(2,816,002)	(3,022,895)	(3,258,090)	(3,574,138)
	(40,043)	(41,925)	(37,353)	(37,684)	(36,746)	(41,555)
	(6,458)	(13,561)	(4,498)	(36,987)	(21,660)	(39,890)
	7,026,935	4,749,179	11,745,478	(4,737,215)	6,066,860	5,965,035
	45,520,942	52,547,877	57,297,056	69,042,534	64,305,319	70,372,179
	$ 52,547,877	$ 57,297,056	$ 69,042,534	$ 64,305,319	$ 70,372,179	$ 76,337,214
	$ 1,052,245	$ 2,830,159	$ (5,915,583)	$ 1,803,402	$ (864,125)	$ (3,175,746)
	98.04%	95.29%	109.37%	97.27%	101.24%	104.34%
	$ 10,712,521	$ 11,108,842	$ 11,622,859	$ 12,096,632	$ 12,596,796	$ 13,428,088
	9.82%	25.48%	-50.90%	14.91%	-6.86%	-23.65%

CALHOUN COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
NET PENSION LIABILITY (ASSET) AND RELATED RATIOS (CONTINUED)
LAST TEN PLAN YEARS

Memorial Medical Center

	Total Pension Liability			
	2015	2016	2017	2018
Service Cost	$ 1,172,884	$ 1,364,536	$ 1,309,712	$ 1,201,855
Interest (on the Total Pension Liability)	2,690,911	2,890,913	3,133,594	3,370,152
Changes of Benefit Terms	(276,726)	-	-	-
Difference between Expected and Actual Experience	(205,707)	(362,120)	(85,948)	31,811
Change of Assumptions	512,424	-	434,538	-
Benefit Payments, Including Refunds of Employee Contributions	(1,328,724)	(1,480,285)	(1,598,016)	(1,935,693)
Net Change in Total Pension Liability	2,565,062	2,413,044	3,193,880	2,668,125
Total Pension Liability - Beginning	33,181,974	35,747,036	38,160,080	41,353,960
Total Pension Liability - Ending	$ 35,747,036	$ 38,160,080	$ 41,353,960	$ 44,022,085

	Plan Fiduciary Net Position			
	2015	2016	2017	2018
Contributions - Employer	$ 783,080	$ 803,931	$ 793,282	$ 853,588
Contributions - Employee	683,488	715,252	690,434	712,748
Net Investment Income	(138,800)	2,433,062	5,169,706	(757,827)
Benefit Payments, Including Refunds of Employee Contributions	(1,328,724)	(1,480,285)	(1,598,016)	(1,935,693)
Administrative Expense	(23,738)	(26,488)	(26,905)	(31,559)
Other	(77,927)	40,524	(1,784)	(7,042)
Net Change in Plan Fiduciary Net Position	(102,621)	2,485,996	5,026,717	(1,165,785)
Plan Fiduciary Net Position - Beginning	33,046,630	32,944,009	35,430,005	40,456,722
Plan Fiduciary Net Position - Ending	$ 32,944,009	$ 35,430,005	$ 40,456,722	$ 39,290,937
Net Pension Liability (Asset) - Ending	$ 2,803,027	$ 2,730,075	$ 897,238	$ 4,731,148
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.16%	92.85%	97.83%	89.25%
Covered Payroll	$ 9,764,116	$ 10,217,883	$ 9,863,336	$ 10,182,115
Net Pension Liability (Asset) as a Percentage of Covered Payroll	28.71%	26.72%	9.10%	46.47%

Total Pension Liability					
2019	2020	2021	2022	2023	2024
$ 1,355,217	$ 1,414,873	$ 1,524,907	$ 1,492,870	$ 1,789,814	$ 1,830,936
3,595,273	3,824,453	4,047,220	4,290,351	4,605,802	4,893,271
-	-	-	-	-	-
(79,470)	(271,817)	90,911	445,763	(107,111)	48,149
-	3,206,562	(86,753)	-	-	-
(2,021,786)	(2,183,978)	(2,309,134)	(2,382,529)	(2,367,707)	(2,733,255)
2,849,234	5,990,093	3,267,151	3,846,455	3,920,798	4,039,101
44,022,085	46,871,320	52,861,413	56,128,564	59,975,019	63,895,817
$ 46,871,319	$ 52,861,413	$ 56,128,564	$ 59,975,019	$ 63,895,817	$ 67,934,918

Plan Fiduciary Net Position					
2019	2020	2021	2022	2023	2024
$ 1,005,687	$ 1,050,026	$ 1,048,306	$ 1,429,394	$ 1,448,103	$ 1,412,468
794,101	800,723	813,244	934,247	980,377	981,812
6,452,581	4,698,270	10,887,623	(3,528,071)	6,229,667	6,410,726
(2,021,786)	(2,183,978)	(2,309,134)	(2,382,529)	(2,367,707)	(2,733,255)
(34,662)	(36,440)	(32,575)	(33,215)	(32,877)	(37,559)
(1,276)	(12,927)	2,650	47,659	25,777	(8,939)
6,194,645	4,315,674	10,410,114	(3,532,515)	6,283,340	6,025,253
39,290,937	45,485,581	49,801,255	60,211,369	56,678,854	62,962,194
$ 45,485,582	$ 49,801,255	$ 60,211,369	$ 56,678,854	$ 62,962,194	$ 68,987,447
$ 1,385,737	$ 3,060,158	$ (4,082,805)	$ 3,296,165	$ 933,623	$ (1,052,529)
97.04%	94.21%	107.27%	94.50%	98.54%	101.55%
$ 11,344,298	$ 11,438,895	$ 11,617,767	$ 13,346,382	$ 14,005,387	$ 14,025,882
12.22%	26.75%	-35.14%	24.70%	6.67%	-7.50%

CALHOUN COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS AND RELATED NOTES
LAST TEN CALENDAR YEARS

Calhoun County, Texas

Fiscal Year Ending December 31,	Actuarially Determined Contribution (ADC)	Contributions in Relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 1,017,381	$ 1,017,381	$ -	$ 9,705,546	10.5%
2017	1,098,527	1,098,527	-	10,334,038	10.6%
2018	1,148,579	1,148,579	-	10,572,496	10.9%
2019	1,149,123	1,149,123	-	10,712,521	10.7%
2020	1,223,089	1,223,089	-	11,108,848	11.0%
2021	1,286,652	1,286,652	-	11,622,859	11.1%
2022	1,503,614	1,503,614	-	12,096,653	12.4%
2023	1,443,594	1,443,594	-	12,596,810	11.5%
2024	1,530,801	1,530,801	-	13,428,081	11.4%
2025	1,648,806	1,648,806	-	14,630,049	11.3%

Notes to Schedule of Contributions

Valuation Timing:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16.0 years (based on contribution rate calculated in 12/31/2024 valuation)
Asset Valuation Method	5 Year Smoothed Market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.5%, net of administrative and investments expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of Pub-2010 General Reitrees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. No changes in plan provisions were reflected in the schedule.

CALHOUN COUNTY, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS AND RELATED NOTES (CONTINUED)
LAST TEN CALENDAR YEARS

Memorial Medical Center

Fiscal Year Ending December 31,	Actuarially Determined Contribution (ADC)	Contributions in Relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	$ 689,451	$ 689,451	$ -	$ 9,849,300	7.0%
2017	630,510	630,510	-	9,007,280	7.0%
2018	853,588	853,588	-	10,182,115	8.4%
2019	1,001,315	1,001,315	-	11,345,028	8.8%
2020	1,054,999	1,054,999	-	11,431,376	9.2%
2021	1,000,390	1,000,390	-	11,103,108	9.0%
2022	1,448,883	1,448,883	-	11,617,767	12.5%
2023	1,429,394	1,429,394	-	13,346,382	10.7%
2024	1,448,103	1,448,103	-	14,005,387	10.3%
2025	1,412,468	1,412,468	-	14,025,882	10.1%

Notes to Schedule of Contributions

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16.0 years (based on contribution rate calculated in 12/31/2024 valuation)
Asset Valuation Method	5 Year Smoothed Market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation.
Investment Rate of Return	7.5%, net of administrative and investments expenses, including inflation.
Retirement Age	Members who are eligible for service retirement are assumed to commence receiving benefit payments based on age. The average age at service retirement for recent retirees is 61.
Mortality	135% of Pub-2010 General Reitrees Table for males and 120% of the Pub-2010 General Retirees Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010
Changes in Assumptions and Methods Reflected in the Schedule of Employer Contributions	2015: New inflation, mortality and other assumptions were reflected. 2017: New mortality assumptions were reflected. 2019: New inflation, mortality and other assumptions were reflected. 2022: New investment return and inflation assumptions were reflected.
Changes in Plan Provisions Reflected in the Schedule of Employer Contributions	2017: New Annuity Purchase Rates were reflected for benefits earned after 2017. No changes in plan provisions were reflected in the schedule.

THE STATE OF TEXAS

COUNTY OF CALHOUN

SUPPLEMENTARY INFORMATION

Supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedule include:

- Combining Statement – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Comparative Financial Statements – Component Unit – Memorial Medical Center

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources which are legally restricted to expenditures for specified current operating purposes, or to the acquisition of furniture, fixtures, machinery, equipment, or other relatively minor or comparatively short – lived fixed assets. The Special Revenue Funds used by the County are as follows:

Airport Fund – To account for fees and expenditures related to operating and maintaining the public-use Calhoun County Airport.

Appellate Judicial System Fund – To account for court fees collected in the county court, probate court, or district court in the county to be used for expenditures by the courts of appeals for the court of appeals district courts.

Coastal Protection Fund – To account for fees and expenditures related to coastal preservation within the County.

County & District Court Technology Fund – To account for the fees collected from a defendant convicted of a misdemeanor office in the District or County Courts. The funds may be used to purchase technological enhancements for the District and County Courts.

County Child Abuse Prevention Fund – Fees and expenses related to child abuse prevention.

County Child Welfare Board Fund – To account for fees and expenses related to supporting the Calhoun County Child Welfare Board.

County Jury Fund – To account for collected Jury Funds.

Courthouse Security Fund – A special revenue fund to account for the fees collected by the County Clerk and District Clerk. These funds must be spent in accordance with the Code of Criminal Procedures, Section 102.017.

Court Initiated Guardianship Fund – To account for fee revenues and expenditures related to the appointment of guardians for minors in Probate cases.

Court Records Preservation Fund – To account for the fee collected on the filing of all vital statistic records, including birth, death, marriage, divorce, and annulment records and for the preservation of those records.

Court Reporter Service – To account for the fee collected for the enhancement of the Court Reporting.

County Clerk Record Archives – To account for the fee collected for the archival of documents by the County Clerk.

County Specialty Courts – To account for the collection of fees and expenses from the County Specialty Courts.

District Attorney Forfeiture Fund – To account for federal and state forfeitures restricted to expenditures for the District Attorney's office.

DA Hot Check Fund – To account for fees collected for administration of the collection of "hot checks."

SPECIAL REVENUE FUNDS (CONTINUED)

Donations Fund – To account for third party donations accepted by the Commissioners Court and related expenditures for designated purposes and programs.

Drug/DWI Court Program Fund – To account for fee revenue and expenditures related to operations of mandated programs for monitoring and rehabilitation violators of State drug and alcohol abuse laws.

Juvenile Case Manager Fund – To account for fee revenue and expenditures related to juvenile social workers in the Justices of the Peace offices.

Family Protection Fund – To account for fee revenue imposed by the State on petitions for divorce to fund services to prevent family violence or child abuse.

Juvenile Delinquency Prevention Fund – To account for fee revenue and expenditures related to graffiti eradication.

Grants Fund – To account for expenditures of funds received as grants-in-aid from various non-governmental sources and from Federal and State agencies for specific programs.

Justice Court Technology Fund – To account for the fees collected from a defendant convicted of a misdemeanor office in Justice Court. The funds may be used to purchase technological enhancements for the Justice Courts.

Justice Court Building Security Fund – To account for the fees collected from a defendant convicted of a misdemeanor offense in Justice Court. The funds may be used to purchase building security maintenance and enhancements for the Justice Courts.

Lateral Road Fund Precinct #1 Fund – To account for the allocation of gas tax from the state for Precinct #1.

Lateral Road Fund Precinct #2 Fund – To account for the allocation of gas tax from the state for Precinct #2.

Lateral Road Fund Precinct #3 Fund – To account for the allocation of gas tax from the state for Precinct #3.

Lateral Road Fund Precinct #4 Fund – To account for the allocation of gas tax from the state for Precinct #4.

Pretrial Services Fund – To account for the fees collected and expenditures related to preparing cases for trial in court.

Local Truancy Prevention/Diversion Funds – To account for fees collected on local truancy.

Law Library Fund – To account for fees collected on civil cases filed in the county courts. These funds must be used to enhance the law library.

LEOSE Education Fund – To account for education expenditures in the offices of the Constables and Sheriff.

SPECIAL REVENUE FUNDS (CONTINUED)

Port O'Connor Community Center Fund – To account for revenues and expenditures used for operating and maintaining County owned community center.

Records Management & Preservation District Clerk Fund – To account for the fees collected by the District Clerk. These funds must be spent on records management and preservation in line with Local Government Code Section 118.0216 and 118.0546.

County Clerk Records Management Fund – To account for fee revenue and expenditures related to recording documents in the County Clerk's Office. These funds must be spent on records management and preservation in line with Local Government Code Section 118.0216 and 118.0546.

Records Management & Preservation Fund – To account for monies resulting from fees assessed for County and District Court records, including civil, probate and criminal court actions. Monies are to be used for the records management and preservation services performed by the County.

Road and Bridge General Fund – To account for revenues and expenditures used for operating and maintaining County owned roads and bridges.

Sheriff Forfeited Property Fund – To account for federal and state forfeitures restricted to expenditures for law enforcement.

Sheriff Jail Division Fund – To account for revenues and expenditures used for operating and maintaining the County detention facility.

6 Mile Pier/Boat Ramp Insur/Maint (Alcoa) Fund – To account for revenues and expenditures used for operating and maintaining County owned pier.

Election Services Contract Fund – A special revenue fund to account for direct costs associated with Contracted Elections, fees and surpluses from the elections and can be used only to defray expenses in the County Election Office.

Juror Donations – Veteran's Support Fund – To account for donations and expenditures for Veteran's Support.

Library Gift Memorial Fund – To account for library donations received for future memorial projects.

Juror Donations – County Humane Society Fund – To account for donations and expenditures for the County Humane Society.

Language Access Fund – To account for court civil fee collections and expenditures in accordance with Local Government Code Chapter 135 to provide language access services for individuals appearing before the court.

Court Facility Fee Fund – To account for court facility fee collections and expenditures in accordance with Local Government Code Chapter 135 to provide court facilities.

Justice Court Support Fund – To account for justice court civil fee collections and expenditures in accordance with Local Government Code Chapter135 to defray costs of services provided by a justice court.

SPECIAL REVENUE FUNDS (CONTINUED)

Opioid Settlement Fund – To account for distributions from the state opioid abatement trust fund for opioid treatment and recovery support.

County Dispute Resolution Fund – To account for court civil fees collected pursuant to Local Government Code Chapter135 to be expended only for a dispute resolution system established by the County in accordance with Civil Practice and Remedies Code Chapter 152.

Senate Bill 22 Fund – To account for Senate Bill 22 appropriations and the associated expenditures related to Sheriff and Prosecutor fees, among other items funded by Senate Bill 22.

DEBT SERVICE FUNDS

Debt Service Refunding 2010 Fund – To account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on the Refunding Bond, Series 2010.

Debt Service Refunding 2012 Fund – To account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on the Refunding Bond, Series 2012.

Debt Service Certificates 2024 Fund – To account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on the Certificates of Obligation, 2024.

Debt Service Tax Note 2025 Fund – To account for the accumulation of resources and the subsequent disbursement of such resources to pay principal and interest on the Tax Note, 2025.

CAPITAL PROJECTS FUNDS

Boggy Bayou Nature Park – To account for monies received for the maintenance and improvements of the Boggy Bayou Nature Park.

CDBG Disaster Infrastructure – To account for monies received for the repairs and improvements of the CDBG disaster infrastructure grant.

Chocolate Bayou Boat Ramp – To account for monies received for the maintenance and improvements of the Chocolate Bayou Boat Ramp.

Road and Bridge Infrastructure – To account for monies received for the maintenance and improvements of county owned roads and bridges.

Airport Runway Improvements – To account for construction and improvements to the County owned Airport.

Magnolia Beach Erosion – To account for monies received for the maintenance and improvements of Magnolia Beach.

Event Center – To account for monies received for the construction of a County Event Center.

Fire Trucks & Safety Equipment – To account for monies received for the purchase of new fire safety equipment and vehicles.

CAPITAL PROJECTS FUNDS (Continued)

Green Lake Park – To account for monies received for the improvement of Green Lake Park and the related expenditures.

Magnolia Indianola Beach Pavilions – To account for monies related to project funding for the beach pavilion.

Local Assistance/Tribal Consistency – To account for monies related to local housing assistance through housing projects.

Haterius Park Improvements – To account for monies received for the improvement of Olivia Haterius Park/Harbor and the related expenditures.

Brighton Road Bridge – To account for monies received for Brighton Road Bridge repairs and improvements.

Airport Improvements III – To account for monies received for improvements to the Airport.

King Fisher Pier – To account for monies received to restore and improve King Fisher Pier.

Mag Beach Restoration – To account for monies received to restore and conserve Magnolia beach.

EMS Training Building – To account for monies received to construct and furnish a new emergency medical services training center.

Youth Services – To account for monies received to construct and furnish a new youth services center.

Jail Roof – To account for monies received to replace and repair the roof of the County Jail.

Swan Point Bulkhead Improvements – To account for monies received for maintenance and improvements to Swan Point Bulkhead.

Recycling Center – To account for monies received to construct and furnish a new recycling center.

Hospital Improvement Fund – To account for monies received for the maintenance and improvement of the hospital.

American Rescue Plan Grant – To account for monies received for the infrastructure projects and expenses of the American Rescue Plan Act grant.

King Fisher Beach Park – To account for monies received for the maintenance and improvements of the King Fisher Beach Park.

County Energy TRZ No.1 – To account for monies received for maintenance and improvement of county owned roads.

CDBG Mitigation Infrastructure – To account for monies received and expenditures of a United States Department of HUD federal grant passed through Texas General Land Office for drainage improvement to Heron Slough.

CAPITAL PROJECTS FUNDS (Continued)

CDBG Mitigation Infrastructure 2 – To account for monies received and expenditures of a United States Department of HUD federal grant passed through Texas General Land Office for drainage improvement to Westside Subdivision and the construction of a Magnolia Beach Fire Station.

Matagorda Bay Mitigation Trust – To account for monies received and expenditures of capital projects fund by Matagorda Bay Mitigation trust.

Hog Bayou Improvements – To account for monies related to project funding awarded by the Matagorda Bay Mitigation Trust for bulkhead improvements.

Swan Point Shoreline Restoration – To account for monies related to the state grant for coastal erosion planning and response for the shoreline in Swan Point.

Little Chocolate Bayou Park – To account for monies related to improvements and maintenance of Little Chocolate Bayou Park.

Bill Sanders Park Improvements – To account for monies related to the improvement and maintenance of Bill Sanders Park.

CALHOUN COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 8,176,120	$ -	$ 6,919,821	$ 15,095,941
Receivables (Net of Allowances for Uncollectibles:)				
Accounts	360,448	-	-	360,448
Taxes	-	972,886	-	972,886
Due from Others	127,745	92,413	612,866	833,024
Due from Other Funds	10,605	339,352	308,352	658,309
Prepaid Items and Other Current Assets	1,039	-	165	1,204
Restricted Assets:				
Cash and Cash Equivalents	-	1,198,739	-	1,198,739
TOTAL ASSETS	$ 8,675,957	$ 2,603,390	$ 7,841,204	$ 19,120,551
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ 60,889	$ 339,352	$ 641,456	$ 1,041,697
Accrued and Other Liabilities	12,231	-	-	12,231
Unearned Revenue	6,445	-	17,665	24,110
Due to Other Funds	703,138	-	1,567,332	2,270,470
Due to Others	86,064	-	-	86,064
Total Liabilities	868,767		2,226,453	3,434,572
Deferred Inflows of Resources	555,897	2,053,805	-	2,609,702
Fund Balances:				
Non-spendable	1,039	-	165	1,204
Restricted	7,013,552	210,233	5,014,591	12,238,376
Committed	236,702	-	-	236,702
Assigned	-	-	599,995	599,995
Total Fund Balances	7,251,293	210,233	5,614,751	13,076,277
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,675,957	$ 2,603,390	$ 7,841,204	$ 19,120,551

CALHOUN COUNTY, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Ad Valorem Taxes	$ -	$ 1,778,356	$ -	$ 1,778,356
Intergovernmental	1,362,415	-	4,871,557	6,233,972
Charges for Services	427,442	-	-	427,442
Permits & Licenses	273,098	-	-	273,098
Fines & Forfeitures	75,522	-	-	75,522
Interest	37,292	38,692	-	75,984
Gifts & Contributions	590,910	-	639,873	1,230,783
Leases	29,000	-	-	29,000
Miscellaneous	116,384	-	820,499	936,883
TOTAL REVENUES	2,912,063	1,817,048	6,331,929	11,061,040
EXPENDITURES:				
Current:				
General Administration	59,620	-	-	59,620
Elections	26,654	-	-	26,654
Judicial	63,890	-	-	63,890
Legal	52,062	-	-	52,062
Public Facilities	557,164	-	184,824	741,988
Public Safety	518,135	-	219,546	737,681
Roads & Bridges	17,613	-	958,537	976,150
Health & Welfare	29	-	413,465	413,494
Culture & Recreation	48,537	-	1,869,348	1,917,885
Conservation	421,991	-	1,124,532	1,546,523
Nondepartmental	-	-	2,765,647	2,765,647
Debt Service:				
Principal	-	930,000	-	930,000
Interest & Fiscal Charges	-	1,142,727	-	1,142,727
TOTAL EXPENDITURES	1,765,695	2,072,727	7,535,899	11,374,321
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,146,368	(255,679)	(1,203,970)	(313,281)
OTHER FINANCING SOURCES (USES)				
Transfers In	149,809	339,352	2,245,585	2,734,746
Transfers Out	(960,120)	-	(21,204)	(981,324)
TOTAL OTHER FINANCING SOURCES (USES)	(810,311)	339,352	2,224,381	1,753,422
Net Change in Fund Balance	336,057	83,673	1,020,411	1,440,141
Fund Balance, January 1	6,915,236	126,560	4,594,340	11,636,136
Fund Balance, December 31	$ 7,251,293	$ 210,233	$ 5,614,751	$ 13,076,277

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	2610	2620	2660	2663
	Airport	Appellate Judicial System	Coastal Protection	County & District Court Technology
ASSETS				
Cash and Cash Equivalents	$ 66,999	$ 1,559	$ 3,366,112	$ 11,085
Receivables (Net of Allowances for Uncollectibles):				
Accounts	-	3,868	-	231
Due From Others	-	125	-	29
Due from Other Funds	-	-	-	-
Prepaid Items and Other Current Assets	-	-	-	-
TOTAL ASSETS	$ 66,999	$ 5,552	$ 3,366,112	$ 11,345
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ 9,056	$ -	$ -	$ -
Accrued and Other Liabilities	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	267,780	-
Due to Others	-	-	-	-
Total Liabilities	9,056	-	267,780	-
Deferred Inflows of Resources	-	3,868	-	231
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	57,943	1,684	3,098,332	11,114
Committed	-	-	-	-
Total Fund Balance	57,943	1,684	3,098,332	11,114
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND AND FUND BALANCE	$ 66,999	$ 5,552	$ 3,366,112	$ 11,345

	2667	2668	2669	2670	2672	2673
	County Child Abuse Prevention	County Child Welfare Board	County Jury Fund	Court House Security Fund	Court Initiated Guardianship	Court Records Preservation
	$ 1,286	$ 2,679	$ 6,687	$ 268,261	$ 22,750	$ 43,150
	2,000	-	-	21,445	-	17,617
	-	-	156	1,058	240	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	$ 3,286	$ 2,679	$ 6,843	$ 290,764	$ 22,990	$ 60,767
	$ -	$ -	$ -	$ -	$ -	$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	2,000	-	-	21,445	-	17,617
	-	-	-	-	-	-
	1,286	2,679	6,843	269,319	22,990	43,150
	-	-	-	-	-	-
	1,286	2,679	6,843	269,319	22,990	43,150
	$ 3,286	$ 2,679	$ 6,843	$ 290,764	$ 22,990	$ 60,767

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	2674	2675	2676	2690
	Court Reporter Sevice	County Clerk Records Archive	County Specialty Courts	District Attorney Forfeiture
ASSETS				
Cash and Cash Equivalents	$ 1,864	$ 348,975	$ 19,154	$ 38,184
Receivables (Net of Allowances for Uncollectibles):				
Accounts	-	-	-	-
Due From Others	10	3,550	164	-
Due from Other Funds	-	-	-	-
Prepaid Items and Other Current Assets	-	-	-	-
TOTAL ASSETS	$ 1,874	$ 352,525	$ 19,318	$ 38,184
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ -	$ -	$ -	$ -
Accrued and Other Liabilities	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Others	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources	-	-	-	-
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	1,874	352,525	19,318	38,184
Committed	-	-	-	-
Total Fund Balance	1,874	352,525	19,318	38,184
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 1,874	$ 352,525	$ 19,318	$ 38,184

2695	2697	2698	2699	2706	2715
DA Hot Check	Donations	Drug/DWI Court Program	Juvenile Case Manager	Family Protection	Juvenile Delinquency Prevention
$ 4,338	$ 157,291	$ 27,413	$ 4,610	$ 14,740	$ 9,433
-	-	119	5,782	223	-
-	-	-	91	-	-
-	-	-	-	-	-
-	-	-	31	-	-
$ 4,338	$ 157,291	$ 27,532	$ 10,514	$ 14,963	$ 9,433
$ -	$ 743	$ -	$ 1	$ -	$ -
-	107	-	389	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	850	-	390	-	-
-	-	119	5,782	223	-
-	-	-	31	-	-
4,338	156,441	27,413	4,311	14,740	9,433
-	-	-	-	-	-
4,338	156,441	27,413	4,342	14,740	9,433
$ 4,338	$ 157,291	$ 27,532	$ 10,514	$ 14,963	$ 9,433

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	2716	2719	2720	2721
	Grants	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1
ASSETS				
Cash and Cash Equivalents	$ 577,528	$ 100,340	$ 3,919	$ 3,708
Receivables (Net of Allowances for Uncollectibles):				
Accounts	-	15,683	2,166	-
Due From Others	107,218	422	16	-
Due from Other Funds	-	-	-	-
Prepaid Items and Other Current Assets	-	-	-	-
TOTAL ASSETS	$ 684,746	$ 116,445	$ 6,101	$ 3,708
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ 28,766	$ -	$ -	$ -
Accrued and Other Liabilities	117	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	435,358	-	-	-
Due to Others	-	-	-	-
Total Liabilities	464,241	-	-	-
Deferred Inflows of Resources	195,449	15,683	2,166	-
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	25,056	100,762	3,935	3,708
Committed	-	-	-	-
Total Fund Balance	25,056	100,762	3,935	3,708
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 684,746	$ 116,445	$ 6,101	$ 3,708

2722 Lateral Road Fund Precinct #2	2723 Lateral Road Fund Precinct #3	2724 Lateral Road Fund Precinct #4	2729 Pretrial Services	2730 Local Truancy Prevention/ Diversion	2731 Law Library Fund
$ 3,708	$ 3,708	$ 3,708	$ 91,154	$ 42,323	$ 197,436
-	-	-	195	-	15,722
-	-	-	-	446	874
-	-	-	-	-	-
-	-	-	-	-	-
$ 3,708	$ 3,708	$ 3,708	$ 91,349	$ 42,769	$ 214,032
$ -	$ -	$ -	$ -	$ -	$ 2,687
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,687
-	-	-	195	-	15,722
-	-	-	-	-	-
3,708	3,708	3,708	91,154	42,769	195,623
-	-	-	-	-	-
3,708	3,708	3,708	91,154	42,769	195,623
$ 3,708	$ 3,708	$ 3,708	$ 91,349	$ 42,769	$ 214,032

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	2733 LEOSE Education	2736 Port O'Connor Community Center	2737 Records Management & Preservation District Clerk	2738 County Clerk Records Management
ASSETS				
Cash and Cash Equivalents	$ 87,540	$ 49,354	$ 323	$ 265,779
Receivables (Net of Allowances for Uncollectibles):				
Accounts	-	-	4,065	230
Due From Others	-	-	-	3,735
Due from Other Funds	-	-	-	-
Prepaid Items and Other Current Assets	-	12	-	-
TOTAL ASSETS	$ 87,540	$ 49,366	$ 4,388	$ 269,744
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ -	$ 1,528	$ -	$ -
Accrued and Other Liabilities	-	677	-	-
Unearned Revenue	-	6,445	-	-
Due to Other Funds	-	-	-	-
Due to Others	-	-	-	-
Total Liabilities	-	8,650	-	-
Deferred Inflows of Resources	-	-	4,065	230
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	12	-	-
Restricted Fund Balance	87,540	40,704	323	269,514
Committed	-	-	-	-
Total Fund Balance	87,540	40,716	323	269,514
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 87,540	$ 49,366	$ 4,388	$ 269,744

2739 Records Management & Preservation	2740 Road and Bridge General Fund	2860 Sheriff Forfeited Property	2865 Sheriff Jail Division	2870 6 Mile Pier/Boat Ramp Insur/ Maint (Alcoa)	7400 Election Services Contract
$ 86,072	$ 1,717,322	$ 157,567	$ 60,658	$ -	$ 69,351
2,182	268,920	-	-	-	-
943	6,662	-	-	-	-
-	-	-	-	660	-
$ 89,197	$ 1,992,904	$ 157,567	$ 60,658	$ 660	$ 69,351
$ 14,893	$ -	$ -	$ -	$ -	$ 195
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	86,064	-	-	-
14,893	-	86,064	-	-	195
2,182	268,920	-	-	-	-
-	-	-	-	660	-
72,122	1,723,984	71,503	60,658	-	69,156
-	-	-	-	-	-
72,122	1,723,984	71,503	60,658	660	69,156
$ 89,197	$ 1,992,904	$ 157,567	$ 60,658	$ 660	$ 69,351

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	2727 Juror Donations Veteran's Support Fund	7730 Library Gift Memorial	2726 Juror Donations County Humane Society	2725 Language Access Fund
ASSETS				
Cash and Cash Equivalents	$ 1,831	$ 49,067	$ 4,835	$ 8,110
Receivables (Net of Allowances for Uncollectibles):				
Accounts	-	-	-	-
Due From Others	-	-	-	171
Due from Other Funds	-	-	-	-
Prepaid Items and Other Current Assets	-	-	-	-
TOTAL ASSETS	$ 1,831	$ 49,067	$ 4,835	$ 8,281
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ -	$ -	$ -	$ -
Accrued and Other Liabilities	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Others	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources	-	-	-	-
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	-	-	-	-
Committed	1,831	49,067	4,835	8,281
Total Fund Balance	1,831	49,067	4,835	8,281
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 1,831	$ 49,067	$ 4,835	$ 8,281

2648 Court Facility Fee Fund	2728 Justice Court Support	2757 Opioid Settlement Fund	2677 County Dispute Resolution	2758 Senate Bill 22 Fund	Total Nonmajor Special Revenue Funds
$ 25,640	$ 35,534	$ 86,678	$ 26,357	$ -	$ 8,176,120
-	-	-	-	-	360,448
500	800	-	535	-	127,745
-	-	-	-	10,605	10,605
-	-	-	-	336	1,039
$ 26,140	$ 36,334	$ 86,678	$ 26,892	$ 10,941	$ 8,675,957
$ -	$ -	$ -	$ 3,020	$ -	$ 60,889
-	-	-	-	10,941	12,231
-	-	-	-	-	6,445
-	-	-	-	-	703,138
-	-	-	-	-	86,064
-	-	-	3,020	10,941	868,767
-	-	-	-	-	555,897
-	-	-	-	336	1,039
-	-	-	-	-	7,013,552
26,140	36,334	86,678	23,872	(336)	236,702
26,140	36,334	86,678	23,872	-	7,251,293
$ 26,140	$ 36,334	$ 86,678	$ 26,892	$ 10,941	$ 8,675,957

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	2610	2620	2660	2663
	Airport	Appellate Judicial System	Coastal Protection	County & District Court Technology
REVENUES				
Intergovernmental	$ -	$ -	$ 1,033,866	$ -
Charges for Services	-	1,584	-	593
Permits and Licenses	-	-	-	-
Fines and Forfeitures	-	-	-	-
Interest	172	2	7,821	25
Gifts and Contributions	-	-	-	-
Leases	1,000	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	1,172	1,586	1,041,687	618
EXPENDITURES				
Current:				
General Administration	-	-	-	-
Elections	-	-	-	-
Judicial	-	1,630	-	-
Legal	-	-	-	-
Public Facilities	127,914	-	-	-
Public Safety	-	-	-	-
Roads and Bridges	-	-	-	-
Conservation	-	-	421,991	-
Culture and Recreation	-	-	-	-
TOTAL EXPENDITURES	127,914	1,630	421,991	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(126,742)	(44)	619,696	618
OTHER FINANCING SOURCES (USES)				
Transfers In	88,000	-	-	-
Transfers Out	-	-	(360,120)	-
TOTAL OTHER FINANCING SOURCES (USES)	88,000	-	(360,120)	-
Net Change in Fund Balance	(38,742)	(44)	259,576	618
Fund Balance, January 1	96,685	1,728	2,838,756	10,496
Fund Balance, December 31	$ 57,943	$ 1,684	$ 3,098,332	$ 11,114

2667 County Child Abuse Prevention	2668 County Child Welfare Board	2669 County Jury Fund	2670 Courthouse Security Fund	2672 Court Initiated Guardianship	2673 Court Records Preservation
$ -	$ -	$ -	$ -	$ -	$ -
223	-	1,506	14,457	2,430	75
-	-	-	-	-	-
-	-	-	-	-	-
2	6	13	600	48	98
-	-	-	-	-	-
-	-	-	-	-	-
-	500	-	-	-	-
225	506	1,519	15,057	2,478	173
-	-	-	6,999	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,999	-	-
225	506	1,519	8,058	2,478	173
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
225	506	1,519	8,058	2,478	173
1,061	2,173	5,324	261,261	20,512	42,977
$ 1,286	$ 2,679	$ 6,843	$ 269,319	$ 22,990	$ 43,150

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

	2674 Court Reporter Service	2675 County Clerk Records Archive	2676 County Specialty Courts	2690 District Attorney Forfeiture
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for Services	254	39,970	3,234	-
Permits and Licenses	-	-	-	-
Fines and Forfeitures	-	-	-	2,493
Interest	3	806	40	583
Gifts and Contributions	-	-	-	-
Leases	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	257	40,776	3,274	3,076
EXPENDITURES				
Current:				
General Administration	-	-	-	-
Elections	-	-	-	-
Judicial	-	53,007	-	-
Legal	-	-	-	22,660
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Roads and Bridges	-	-	-	-
Conservation	-	-	-	-
Culture and Recreation	-	-	-	-
TOTAL EXPENDITURES	-	53,007	-	22,660
Excess (Deficiency) of Revenues Over (Under) Expenditures	257	(12,231)	3,274	(19,584)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	257	(12,231)	3,274	(19,584)
Fund Balance, January 1	1,617	364,756	16,044	57,768
Fund Balance, December 31	$ 1,874	$ 352,525	$ 19,318	$ 38,184

2695	2697	2698	2699	2706	2715
DA Hot Check	Donations	Drug/DWI Court Program	Juvenile Case Manager	Family Protection	Juvenile Delinquency Prevention
$ -	$ -	$ -	$ -	$ -	$ -
-	-	30	616	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	359	62	4	33	22
-	421,838	-	7,000	-	-
-	-	-	-	-	-
512	1,499	20	-	-	-
512	423,696	112	7,620	33	22
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	5,853	-	-
-	-	-	-	-	-
-	247,054	-	-	-	-
-	154,929	-	-	-	-
-	2,745	-	-	-	-
-	-	-	-	-	-
-	23,239	-	-	-	-
-	427,996	-	5,853	-	-
512	(4,300)	112	1,767	33	22
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
512	(4,300)	112	1,767	33	22
3,826	160,741	27,301	2,575	14,707	9,411
$ 4,338	$ 156,441	$ 27,413	$ 4,342	$ 14,740	$ 9,433

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

	2716	2719	2720	2721
	Grants	Justice Court Technology	Justice Court Building Security	Lateral Road Fund Precinct #1
REVENUES				
Intergovernmental	$ 285,914	$ -	$ -	$ 3,704
Charges for Services	-	5,767	-	-
Permits and Licenses	-	-	-	-
Fines and Forfeitures	-	-	144	-
Interest	107	226	9	9
Gifts and Contributions	15,973	-	-	-
Leases	-	-	-	-
Miscellaneous	25,000	-	-	-
TOTAL REVENUES	326,994	5,993	153	3,713
EXPENDITURES				
Current:				
General Administration	-	-	-	-
Elections	-	-	-	-
Judicial	-	2,500	900	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	326,118	-	-	-
Roads and Bridges	-	-	-	3,717
Conservation	-	-	-	-
Culture and Recreation	25,298	-	-	-
TOTAL EXPENDITURES	351,416	2,500	900	3,717
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,422)	3,493	(747)	(4)
OTHER FINANCING SOURCES (USES)				
Transfers In	21,204	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	21,204	-	-	-
Net Change in Fund Balance	(3,218)	3,493	(747)	(4)
Fund Balance, January 1	28,274	97,269	4,682	3,712
Fund Balance, December 31	$ 25,056	$ 100,762	$ 3,935	$ 3,708

	2722	2723	2724	2729	2730	2731
	Lateral Road Fund Precinct #2	Lateral Road Fund Precinct #3	Lateral Road Fund Precinct #4	Pretrial Services	Local Truancy Prevention/ Diversion	Law Library Fund
	$ 3,704	$ 3,704	$ 3,705	$ -	$ -	$ -
	-	-	-	500	6,495	11,085
	-	-	-	-	-	-
	-	-	-	-	-	-
	9	9	8	206	88	456
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	3,713	3,713	3,713	706	6,583	11,541
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	18,797
	-	-	-	-	-	-
	-	-	-	-	-	-
	3,717	3,717	3,717	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	3,717	3,717	3,717	-	-	18,797
	(4)	(4)	(4)	706	6,583	(7,256)
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	(4)	(4)	(4)	706	6,583	(7,256)
	3,712	3,712	3,712	90,448	36,186	202,879
	$ 3,708	$ 3,708	$ 3,708	$ 91,154	$ 42,769	$ 195,623

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

	2733 LEOSE Education	2736 Port O'Connor Community Center	2737 Records Management/ Preservation District Clerk	2738 County Clerk Records Management
REVENUES				
Intergovernmental	$ 1,462	$ -	$ -	$ -
Charges for Services	-	-	53	40,530
Permits and Licenses	-	-	-	-
Fines and Forfeitures	-	-	-	-
Interest	19,298	126	1	568
Gifts and Contributions	-	139,559	-	-
Leases	-	28,000	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	20,760	167,685	54	41,098
EXPENDITURES				
Current:				
General Administration	-	-	-	34,534
Elections	-	-	-	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public Facilities	-	182,196	-	-
Public Safety	3,078	-	-	-
Roads and Bridges	-	-	-	-
Conservation	-	-	-	-
Culture and Recreation	-	-	-	-
TOTAL EXPENDITURES	3,078	182,196	-	34,534
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,682	(14,511)	54	6,564
OTHER FINANCING SOURCES (USES)				
Transfers In	-	30,000	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	30,000	-	-
Net Change in Fund Balance	17,682	15,489	54	6,564
Fund Balance, January 1	69,858	25,227	269	262,950
Fund Balance, December 31	$ 87,540	$ 40,716	$ 323	$ 269,514

2739	2740	2860	2865	2870	7400
Records Management & Preservation	Road and Bridge Fund General	Sheriff Forfeited Property	Sheriff Jail Division	6 Mile Pier/Boat Ramp Insur/ Maint (Alcoa)	Election Services Contract
$ -	$ 26,356	$ -	$ -	$ -	$ -
13,253	255,510	-	-	-	22,948
-	273,098	-	-	-	-
-	49,241	2,813	-	-	-
179	3,504	1,157	-	3	167
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,768	-	-	-
13,432	607,709	6,738	-	3	23,115
15,540	-	-	-	2,547	-
-	-	-	-	-	26,654
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	11,773	22,237	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,540	-	11,773	22,237	2,547	26,654
(2,108)	607,709	(5,035)	(22,237)	(2,544)	(3,539)
-	-	-	-	-	-
-	(600,000)	-	-	-	-
-	(600,000)	-	-	-	-
(2,108)	7,709	(5,035)	(22,237)	(2,544)	(3,539)
74,230	1,716,275	76,538	82,895	3,204	72,695
$ 72,122	$ 1,723,984	$ 71,503	$ 60,658	$ 660	$ 69,156

CALHOUN COUNTY, TEXAS
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

	2727 Juror Donations Veteran's Service Office	7730 Library Gift Memorial	2726 Juror Donations County Humane Society	2725 Language Access Fund
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
Charges for Services	-	-	-	-
Permits and Licenses	-	-	-	-
Fines and Forfeitures	-	-	-	2,323
Interest	4	104	10	15
Gifts and Contributions	140	5,860	540	-
Leases	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	144	5,964	550	2,338
EXPENDITURES				
Current:				
General Administration	-	-	-	-
Elections	-	-	-	-
Judicial	-	-	-	-
Legal	-	-	-	-
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Roads and Bridges	-	-	-	-
Conservation	-	-	-	-
Culture and Recreation	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	144	5,964	550	2,338
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
Net Change in Fund Balance	144	5,964	550	2,338
Fund Balance, January 1	1,687	43,103	4,285	5,943
Fund Balance, December 31	$ 1,831	$ 49,067	$ 4,835	$ 8,281

2648	2728	2757	2677	2758	
Court Facility Fee Fund	Justice Court Support	Opioid Settlement Fund	County Dispute Resolution	Senate Bill 22 Fund	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ 1,362,415
6,329	-	-	-	-	427,442
-	-	-	-	-	273,098
-	11,451	-	7,057	-	75,522
50	66	163	51	-	37,292
-	-	-	-	-	590,910
-	-	-	-	-	29,000
-	-	86,085	-	-	116,384
6,379	11,517	86,248	7,108	-	2,912,063
-	-	-	-	-	59,620
-	-	-	-	-	26,654
-	-	-	-	-	63,890
-	-	-	-	10,605	52,062
-	-	-	-	-	557,164
-	-	-	-	-	518,135
-	-	-	-	-	17,613
-	-	-	-	-	421,991
-	-	-	-	-	48,537
-	-	-	-	10,605	1,765,695
6,379	11,517	86,248	7,108	(10,605)	1,146,368
-	-	-	-	10,605	149,809
-	-	-	-	-	(960,120)
-	-	-	-	10,605	(810,311)
6,379	11,517	86,248	7,108	-	336,057
19,761	24,817	430	16,764	-	6,915,236
$ 26,140	$ 36,334	$ 86,678	$ 23,872	$ -	$ 7,251,293

CALHOUN COUNTY, TEXAS
AIRPORT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 1	$ -	$ (1)
Interest	300	172	(128)
Leases	1,200	1,000	(200)
TOTAL REVENUES	1,501	1,172	(329)
EXPENDITURES			
Current:			
Public Facilities	55,796	127,914	(72,118)
Capital Outlay	20,000	-	20,000
TOTAL EXPENDITURES	55,796	127,914	(72,118)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(54,295)	(126,742)	(72,447)
OTHER FINANCING SOURCES (USES)			
Transfers In	88,001	88,000	(1)
TOTAL OTHER FINANCING SOURCES (USES)	88,001	88,000	(1)
Net Change in Fund Balance	33,706	(38,742)	(72,448)
Fund Balance, January 1	96,685	96,685	-
Fund Balance, December 31	$ 130,391	$ 57,943	$ (72,448)

CALHOUN COUNTY, TEXAS
APPELLATE JUDICAL SYSTEM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 1,600	$ 1,584	$ (16)
Interest	12	2	(10)
TOTAL REVENUES	1,612	1,586	(26)
EXPENDITURES			
Current:			
Judicial	-	1,630	(1,630)
TOTAL EXPENDITURES	-	1,630	(1,630)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,612	(44)	(1,656)
Fund Balance, January 1	1,728	1,728	-
Fund Balance, December 31	$ 3,340	$ 1,684	$ (1,656)

CALHOUN COUNTY, TEXAS
COASTAL PROTECTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 500,000	$ 1,033,866	$ 533,866
Interest	10,000	7,821	(2,179)
TOTAL REVENUES	510,000	1,041,687	531,687
EXPENDITURES			
Current:			
Conservation	259,359	421,991	(162,632)
TOTAL EXPENDITURES	259,359	421,991	(162,632)
Excess (Deficiency) of Revenues Over (Under) Expenditures	250,641	619,696	369,055
OTHER FINANCING SOURCES (USES)			
Transfers Out	(360,126)	(360,120)	6
TOTAL OTHER FINANCING SOURCES (USES)	(360,126)	(360,120)	6
Net Change in Fund Balance	(109,485)	259,576	369,061
Fund Balance, January 1	2,838,756	2,838,756	-
Fund Balance, December 31	$ 2,729,271	$ 3,098,332	$ 369,061

CALHOUN COUNTY, TEXAS
COUNTY & DISTRICT COURT TECHNOLOGY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 700	$ 593	$ (107)
Interest	20	25	5
TOTAL REVENUES	720	618	(102)
Net Change in Fund Balance	720	618	(102)
Fund Balance, January 1	10,496	10,496	-
Fund Balance, December 31	$ 11,216	$ 11,114	$ (102)

CALHOUN COUNTY, TEXAS
COUNTY CHILD ABUSE PREVENTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 10	$ 223	$ 213
Interest	1	2	1
TOTAL REVENUES	11	225	214
Net Change in Fund Balance	11	225	214
Fund Balance, January 1	1,061	1,061	-
Fund Balance, December 31	$ 1,072	$ 1,286	$ 214

CALHOUN COUNTY, TEXAS
COUNTY CHILD WELFARE BOARD
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	$ 10	$ 6	$ (4)
Miscellaneous	500	500	-
TOTAL REVENUES	510	506	(4)
Net Change in Fund Balance	510	506	(4)
Fund Balance, January 1	2,173	2,173	-
Fund Balance, December 31	$ 2,683	$ 2,679	$ (4)

CALHOUN COUNTY, TEXAS
COUNTY JURY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 10	$ 1,506	$ 1,496
Interest	500	13	(487)
TOTAL REVENUES	510	1,519	1,009
Net Change in Fund Balance	510	1,519	1,009
Fund Balance, January 1	5,324	5,324	-
Fund Balance, December 31	$ 5,834	$ 6,843	$ 1,009

CALHOUN COUNTY, TEXAS
COURT HOUSE SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 8,600	$ 14,457	$ 5,857
Interest	700	600	(100)
TOTAL REVENUES	9,300	15,057	5,757
EXPENDITURES			
Current:			
General Administration	130,500	6,999	123,501
TOTAL EXPENDITURES	130,500	6,999	123,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(121,200)	8,058	129,258
Fund Balance, January 1	261,261	261,261	-
Fund Balance, December 31	$ 140,061	$ 269,319	$ 129,258

CALHOUN COUNTY, TEXAS
COURT INITIATED GUARDIANSHIP
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 1,000	$ 2,430	$ 1,430
Interest	70	48	(22)
TOTAL REVENUES	1,070	2,478	1,408
Net Change in Fund Balance	1,070	2,478	1,408
Fund Balance, January 1	20,512	20,512	-
Fund Balance, December 31	$ 21,582	$ 22,990	$ 1,408

CALHOUN COUNTY, TEXAS
COURT RECORDS PRESERVATION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 250	$ 75	$ (175)
Interest	200	98	(102)
TOTAL REVENUES	450	173	(277)
Net Change in Fund Balance	450	173	(277)
Fund Balance, January 1	42,977	42,977	-
Fund Balance, December 31	$ 43,427	$ 43,150	$ (277)

CALHOUN COUNTY, TEXAS
COURT REPORTER SERVICE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 200	$ 254	$ 54
Interest	10	3	(7)
TOTAL REVENUES	210	257	47
Net Change in Fund Balance	210	257	47
Fund Balance, January 1	1,617	1,617	-
Fund Balance, December 31	$ 1,827	$ 1,874	$ 47

CALHOUN COUNTY, TEXAS
COUNTY CLERK RECORDS ARCHIVE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 40,000	$ 39,970	$ (30)
Interest	1,500	806	(694)
TOTAL REVENUES	41,500	40,776	(724)
EXPENDITURES			
Current:			
Judicial	-	53,007	(53,007)
TOTAL EXPENDITURES	-	53,007	(53,007)
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,500	(12,231)	(53,731)
Fund Balance, January 1	364,756	364,756	-
Fund Balance, December 31	$ 406,256	$ 352,525	$ (53,731)

CALHOUN COUNTY, TEXAS
COUNTY SPECIALTY COURT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 3,200	$ 3,234	$ 34
Interest	10	40	30
TOTAL REVENUES	3,210	3,274	64
Net Change in Fund Balance	3,210	3,274	64
Fund Balance, January 1	16,044	16,044	-
Fund Balance, December 31	$ 19,254	$ 19,318	$ 64

CALHOUN COUNTY, TEXAS
DISTRICT ATTORNEY FORFEITURE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 1	$ 2,493	$ 2,492
Interest	30	583	553
TOTAL REVENUES	31	3,076	3,045
EXPENDITURES			
Current:			
Legal	2	22,660	(22,658)
TOTAL EXPENDITURES	2	22,660	(22,658)
Excess (Deficiency) of Revenues Over (Under) Expenditures	29	(19,584)	(19,613)
Fund Balance, January 1	57,768	57,768	-
Fund Balance, December 31	$ 57,797	$ 38,184	$ (19,613)

CALHOUN COUNTY, TEXAS
DRUG/DWI COURT PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 521	$ 30	$ (491)
Interest	100	62	(38)
TOTAL REVENUES	621	112	(509)
EXPENDITURES			
Current:			
Judicial	10	-	10
TOTAL EXPENDITURES	10	-	10
Excess (Deficiency) of Revenues Over (Under) Expenditures	611	112	(499)
Fund Balance, January 1	27,301	27,301	-
Fund Balance, December 31	$ 27,912	$ 27,413	$ (499)

CALHOUN COUNTY, TEXAS
JUVENILE CASE MANAGER
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 6	$ 616	$ 610
Gifts & Contributions	7,000	7,000	-
Interest	1	4	3
TOTAL REVENUES	7,007	7,620	613
EXPENDITURES			
Current:			
Judicial	-	5,853	(5,853)
TOTAL EXPENDITURES	-	5,853	(5,853)
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,007	1,767	(5,240)
Fund Balance, January 1	2,575	2,575	-
Fund Balance, December 31	$ 9,582	$ 4,342	$ (5,240)

CALHOUN COUNTY, TEXAS
FAMILY PROTECTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	$ 20	$ 33	$ 13
TOTAL REVENUES	20	33	13
Net Change in Fund Balance	20	33	13
Fund Balance, January 1	14,707	14,707	-
Fund Balance, December 31	$ 14,727	$ 14,740	$ 13

CALHOUN COUNTY, TEXAS
JUVENILE DELINQUENCY PREVENTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	$ 15	$ 22	$ 7
TOTAL REVENUES	15	22	7
Net Change in Fund Balance	15	22	7
Fund Balance, January 1	9,411	9,411	-
Fund Balance, December 31	$ 9,426	$ 9,433	$ 7

CALHOUN COUNTY, TEXAS
JUSTICE COURT TECHNOLOGY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 5,818	$ 5,767	$ (51)
Interest	227	226	(1)
TOTAL REVENUES	6,045	5,993	(52)
EXPENDITURES			
Current:			
Judicial	102,843	2,500	100,343
TOTAL EXPENDITURES	102,843	2,500	100,343
Excess (Deficiency) of Revenues Over (Under) Expenditures	(96,798)	3,493	100,291
Fund Balance, January 1	97,269	97,269	-
Fund Balance, December 31	$ 471	$ 100,762	$ 100,291

CALHOUN COUNTY, TEXAS
JUSTICE COURT BUILDING SECURITY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 210	$ 144	$ (66)
Interest	15	9	(6)
TOTAL REVENUES	225	153	(72)
EXPENDITURES			
Current:			
Judicial	3,984	900	3,084
TOTAL EXPENDITURES	3,984	900	3,084
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,759)	(747)	3,012
Fund Balance, January 1	4,682	4,682	-
Fund Balance, December 31	$ 923	$ 3,935	$ 3,012

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #1
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 4,410	$ 3,704	$ (706)
Interest	15	9	(6)
TOTAL REVENUES	4,425	3,713	(712)
EXPENDITURES			
Current:			
Roads and Bridges	-	3,717	(3,717)
TOTAL EXPENDITURES	-	3,717	(3,717)
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,425	(4)	(4,429)
Fund Balance, January 1	3,712	3,712	-
Fund Balance, December 31	$ 8,137	$ 3,708	$ (4,429)

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #2
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 4,410	$ 3,704	$ (706)
Interest	15	9	(6)
TOTAL REVENUES	4,425	3,713	(712)
EXPENDITURES			
Current:			
Roads and Bridges	-	3,717	(3,717)
TOTAL EXPENDITURES	-	3,717	(3,717)
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,425	(4)	(4,429)
Fund Balance, January 1	3,712	3,712	-
Fund Balance, December 31	$ 8,137	$ 3,708	$ (4,429)

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 4,410	$ 3,704	$ (706)
Interest	15	9	(6)
TOTAL REVENUES	4,425	3,713	(712)
EXPENDITURES			
Current:			
Roads and Bridges	-	3,717	(3,717)
TOTAL EXPENDITURES	-	3,717	(3,717)
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,425	(4)	(4,429)
Fund Balance, January 1	3,712	3,712	-
Fund Balance, December 31	$ 8,137	$ 3,708	$ (4,429)

CALHOUN COUNTY, TEXAS
LATERAL ROAD FUND PRECINCT #4
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 4,410	$ 3,705	$ (705)
Interest	15	8	(7)
TOTAL REVENUES	4,425	3,713	(712)
EXPENDITURES			
Current:			
Roads and Bridges	-	3,717	(3,717)
TOTAL EXPENDITURES	-	3,717	(3,717)
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,425	(4)	(4,429)
Fund Balance, January 1	3,712	3,712	-
Fund Balance, December 31	$ 8,137	$ 3,708	$ (4,429)

CALHOUN COUNTY, TEXAS
PRETRIAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 500	$ 500	$ -
Interest	200	206	6
TOTAL REVENUES	700	706	6
Net Change in Fund Balance	700	706	6
Fund Balance, January 1	90,448	90,448	-
Fund Balance, December 31	$ 91,148	$ 91,154	$ 6

CALHOUN COUNTY, TEXAS
LOCAL TRUANCY PREVENTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 4,650	$ 6,495	$ 1,845
Interest	101	88	(13)
TOTAL REVENUES	4,751	6,583	1,832
Net Change in Fund Balance	4,749	6,583	1,834
Fund Balance, January 1	36,186	36,186	-
Fund Balance, December 31	$ 40,935	$ 42,769	$ 1,834

CALHOUN COUNTY, TEXAS
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 9,000	$ 11,085	$ 2,085
Interest	600	456	(144)
TOTAL REVENUES	9,600	11,541	1,941
EXPENDITURES			
Current:			
Legal	25,600	18,797	6,803
TOTAL EXPENDITURES	25,600	18,797	6,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,000)	(7,256)	8,744
Fund Balance, January 1	202,879	202,879	-
Fund Balance, December 31	$ 186,879	$ 195,623	$ 8,744

CALHOUN COUNTY, TEXAS
PORT O'CONNOR COMMUNITY CENTER
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	$ 100	$ 126	$ 26
Gifts and Contributions	139,561	139,559	(2)
Leases	17,000	28,000	11,000
TOTAL REVENUES	156,661	167,685	11,024
EXPENDITURES			
Current:			
Public Facilities	139,560	182,196	(42,636)
TOTAL EXPENDITURES	139,560	182,196	(42,636)
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,101	(14,511)	(31,612)
OTHER FINANCING SOURCES (USES)			
Transfers In	30,000	30,000	-
TOTAL OTHER FINANCING SOURCES (USES)	30,000	30,000	-
Net Change in Fund Balance	47,101	15,489	(31,612)
Fund Balance, January 1	25,227	25,227	-
Fund Balance, December 31	$ 72,328	$ 40,716	$ (31,612)

CALHOUN COUNTY, TEXAS
RECORD MANAGEMENT/PRESERVATION DISTRICT CLERK
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 225	$ 53	$ (172)
Interest	1	1	-
TOTAL REVENUES	226	54	(172)
Net Change in Fund Balance	226	54	(172)
Fund Balance, January 1	269	269	-
Fund Balance, December 31	$ 495	$ 323	$ (172)

CALHOUN COUNTY, TEXAS
COUNTY CLERK RECORDS MANAGEMENT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 35,000	$ 40,530	$ 5,530
Interest	600	568	(32)
TOTAL REVENUES	35,600	41,098	5,498
EXPENDITURES			
Current:			
General Administration	11,500	34,534	(23,034)
TOTAL EXPENDITURES	11,500	34,534	(23,034)
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,100	6,564	(17,536)
Fund Balance, January 1	262,950	262,950	-
Fund Balance, December 31	$ 287,050	$ 269,514	$ (17,536)

CALHOUN COUNTY, TEXAS
RECORDS MANAGEMENT AND PREVENTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 4,000	$ 13,253	$ 9,253
Interest	300	179	(121)
TOTAL REVENUES	4,300	13,432	9,132
EXPENDITURES			
Current:			
General Administration	-	15,540	(15,540)
TOTAL EXPENDITURES	-	15,540	(15,540)
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,300	(2,108)	(6,408)
Fund Balance, January 1	74,230	74,230	-
Fund Balance, December 31	$ 78,530	$ 72,122	$ (6,408)

CALHOUN COUNTY, TEXAS
ROAD AND BRIDGE FUND GENERAL
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 15,000	$ 26,356	$ 11,356
Charges for Services	200,000	255,510	55,510
Permits and Licenses	265,000	273,098	8,098
Fines and Forfeitures	37,100	49,241	12,141
Interest	6,001	3,504	(2,497)
TOTAL REVENUES	523,101	607,709	84,608
OTHER FINANCING SOURCES (USES)			
Transfers Out	(600,000)	(600,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(600,000)	(600,000)	-
Net Change in Fund Balance	(76,899)	7,709	84,608
Fund Balance, January 1	1,716,275	1,716,275	-
Fund Balance, December 31	$ 1,639,376	$ 1,723,984	$ 84,608

CALHOUN COUNTY, TEXAS
SHERIFF FORFEITED PROPERTY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 500	$ 2,813	$ 2,313
Interest	50	1,157	1,107
Miscellaneous	2	2,768	2,766
TOTAL REVENUES	552	6,738	6,186
EXPENDITURES			
Current:			
Public Safety	1,711	11,773	(10,062)
TOTAL EXPENDITURES	1,711	11,773	(10,062)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,159)	(5,035)	(3,876)
Fund Balance, January 1	76,538	76,538	-
Fund Balance, December 31	$ 75,379	$ 71,503	$ (3,876)

CALHOUN COUNTY, TEXAS
6 MILE PIER/BOAT RAMP INSURANCE/MAINENTANCE (ALCOA)
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	$ 1	$ 3	$ 2
Miscellaneous	1	-	(1)
TOTAL REVENUES	1	3	2
EXPENDITURES			
Current:			
General Administration	-	2,547	(2,547)
TOTAL EXPENDITURES	-	2,547	(2,547)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1	(2,544)	(2,545)
Fund Balance, January 1	3,204	3,204	-
Fund Balance, December 31	$ 3,205	$ 660	$ (2,545)

CALHOUN COUNTY, TEXAS
JUROR DONATIONS – VETERAN'S SERVICE OFFICE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	$ 1	$ 4	$ 3
Gifts and Contributions	320	140	(180)
TOTAL REVENUES	321	144	(177)
Net Change in Fund Balance	321	144	(177)
Fund Balance, January 1	1,687	1,687	-
Fund Balance, December 31	$ 2,008	$ 1,831	$ (177)

CALHOUN COUNTY, TEXAS
JUROR DONATIONS – COUNTY HUMANE SOCIETY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Gifts and Contributions	$ 500	$ 540	$ 40
Miscellaneous/Interest	1	10	9
TOTAL REVENUES	501	550	49
Net Change in Fund Balance	501	550	49
Fund Balance, January 1	4,285	4,285	-
Fund Balance, December 31	$ 4,786	$ 4,835	$ 49

CALHOUN COUNTY, TEXAS
LANGUAGE ACCESS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 1,230	$ 2,323	$ 1,093
Interest	1	15	14
TOTAL REVENUES	1,231	2,338	1,107
Net Change in Fund Balance	1,231	2,338	1,107
Fund Balance, January 1	5,943	5,943	-
Fund Balance, December 31	$ 7,174	$ 8,281	$ 1,107

CALHOUN COUNTY, TEXAS
COURT FACILITY FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for Services	$ 6,400	$ 6,329	$ (71)
Interest	-	50	50
TOTAL REVENUES	6,400	6,379	(21)
Net Change in Fund Balance	6,400	6,379	(21)
Fund Balance, January 1	19,761	19,761	-
Fund Balance, December 31	$ 26,161	$ 26,140	$ (21)

CALHOUN COUNTY, TEXAS
JUSTICE COURT SUPPORT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 2,900	$ 11,451	$ 8,551
Interest	1	66	65
TOTAL REVENUES	2,901	11,517	8,616
Net Change in Fund Balance	2,901	11,517	8,616
Fund Balance, January 1	24,817	24,817	-
Fund Balance, December 31	$ 27,718	$ 36,334	$ 8,616

CALHOUN COUNTY, TEXAS
COUNTY DISPUTE RESOLUTION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines and Forfeitures	$ 3,460	$ 7,057	$ 3,597
Interest	10	51	41
TOTAL REVENUES	3,470	7,108	3,638
Net Change in Fund Balance	3,470	550	3,638
Fund Balance, January 1	16,764	16,764	-
Fund Balance, December 31	$ 20,234	$ 23,872	$ 3,638

CALHOUN COUNTY, TEXAS
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	4165 Debt Service Refunding 2010	4170 Debt Service Refunding 2012	4175 Debt Service Certificates 2024	4180 Debt Service Tax Note 2025	Total Nonmajor Debt Service Funds
ASSETS					
Receivables (Net of Allowances for Uncollectibles:)					
Taxes	$ 6,714	$ 5,078	$ 612,547	$ 348,547	$ 972,886
Due from Other Funds	-	-	339,352	-	339,352
Due From Others	-	-	59,296	33,117	92,413
Restricted Assets:					
Cash and Cash Equivalents	64,171	33,110	729,446	372,012	1,198,739
TOTAL ASSETS	$ 70,885	$ 38,188	$ 1,740,641	$ 753,676	$ 2,603,390
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities:					
Accounts Payable	$ -	$ -	339,352	$ -	$ 339,352
Total Liabilities	-	-	339,352	-	339,352
Deferred Inflows of Resources	7,198	6,074	1,288,502	752,031	2,053,805
Fund Balance:					
Restricted	63,687	32,114	112,787	1,645	210,233
Total Fund Balance	63,687	32,114	112,787	1,645	210,233
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 70,885	$ 38,188	$ 1,740,641	$ 753,676	$ 2,603,390

CALHOUN COUNTY, TEXAS
NONMAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	4165 Debt Service Refunding 2010	4170 Debt Service Refunding 2012	4175 Debt Service Certificates 2024	4180 Debt Service Tax Note 2025	Total Nonmajor Debt Service Funds
REVENUES					
Ad Valorem Taxes	$ 7,411	$ -	$ 1,770,557	$ 388	$ 1,778,356
Interest	909	494	35,956	1,333	38,692
TOTAL REVENUES	8,320	494	1,806,513	1,721	1,817,048
EXPENDITURES					
Debt Service:					
Principal	-	-	930,000	-	930,000
Interest and Fiscal Charges	-	-	1,142,651	76	1,142,727
TOTAL EXPENDITURES	-	-	2,072,651	76	2,072,727
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,320	494	(266,138)	1,645	(255,679)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	34,124	305,228	-	339,352
TOTAL OTHER FINANCING SOURCES (USES)	-	34,124	305,228	-	339,352
Net Change in Fund Balance	8,320	34,618	39,090	1,645	83,673
Fund Balance, January 1	55,367	(2,504)	73,697	-	126,560
Fund Balance, December 31	$ 63,687	$ 32,114	$ 112,787	$ 1,645	$ 210,233

CALHOUN COUNTY, TEXAS
DEBT SERVICE REFUNDING 2010 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Ad Valorem Taxes	$ 1	$ 7,411	$ 7,410
Interest	-	909	909
TOTAL REVENUES	1	8,320	8,319
Net Change in Fund Balance	1	8,320	8,319
Fund Balance, January 1	55,367	55,367	-
Fund Balance, December 31	$ 55,368	$ 63,687	$ 8,319

CALHOUN COUNTY, TEXAS
DEBT SERVICE CERTIFICATES 2024 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Ad Valorem Taxes	$ 2,083,733	$ 1,770,557	$ (313,176)
Interest	-	35,956	35,956
TOTAL REVENUES	2,083,733	1,806,513	(277,220)
EXPENDITURES			
Debt Service:			
Principal	-	930,000	(930,000)
Interest and Fiscal Charges	-	1,142,651	(1,142,651)
TOTAL EXPENDITURES	-	2,072,651	(2,072,651)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,083,733	(266,138)	(2,349,871)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	305,228	305,228
TOTAL OTHER FINANCING SOURCES (USES)	-	305,228	305,228
Net Change in Fund Balance	2,083,733	39,090	(2,044,643)
Fund Balance, January 1	73,697	73,697	-
Fund Balance, December 31	$ 2,157,430	$ 112,787	$ (2,044,643)

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	5101 Boggy Bayou Nature Park	5111 CDBG Disaster Infrastructure	5117 Chocolate Bayou Boat Ramp	5150 Road and Bridge Infrastructure
ASSETS				
Cash and Cash Equivalents	$ 83,264	$ 905,213	$ 169,595	$ 224,245
Due From Others	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	$ 83,264	$ 905,213	$ 169,595	$ 224,245
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ -	$ -	$ -	$ -
Unearned Revenues	-	-	-	-
Due to Other Funds	49,000	905,213	148,500	-
Total Liabilities	49,000	905,213	148,500	-
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	34,264	-	21,095	224,245
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	34,264	-	21,095	224,245
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 83,264	$ 905,213	$ 169,595	$ 224,245

5172	5178	5192	5195	5225	5104
Airport Runway Improvements	Magnolia Beach Erosion	Event Center	Fire Trucks & Safety Equipment	Green Lake Park	Magonolia Indianola Beach Pavilions
$ 77,461	$ 70,000	$ 79,927	$ 6,449	$ 6,973	$ 167,167
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	165	-
$ 77,461	$ 70,000	$ 79,927	$ 6,449	$ 7,138	$ 167,167
$ -	$ -	$ -	$ -	$ 1,437	$ -
-	-	-	-	-	-
-	-	-	-	-	157,000
-	-	-	-	1,437	157,000
-	-	-	-	165	-
77,461	70,000	79,927	6,449	5,536	10,167
-	-	-	-	-	-
-	-	-	-	-	-
77,461	70,000	79,927	6,449	5,701	10,167
$ 77,461	$ 70,000	$ 79,927	$ 6,449	$ 7,138	$ 167,167

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	5119	5149	5161	5173
	Local Assistance Tribal Consistency	Haterius Park Improvements	Brighton Road Bridge	Airport Improvements III
ASSETS				
Cash and Cash Equivalents	$ 17,665	$ 85,223	$ 90,332	$ 18,420
Due From Others	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	$ 17,665	$ 85,223	$ 90,332	$ 18,420
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ -	$ -	$ -	$ 18,420
Unearned Revenues	17,665	-	-	-
Due to Other Funds	-	72,000	-	-
Total Liabilities	17,665	72,000	-	18,420
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	-	13,223	90,332	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	-	13,223	90,332	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 17,665	$ 85,223	$ 90,332	$ 18,420

5176	5186	5189	5297	5146	5266	5295
King Fisher Pier	Mag Beach Restoration	EMS Training Building	Youth Services	Jail Roof	Swan Point Bulkhead Improvements	Recycling Center
$ -	$ -	$ 750	$ 814,547	$ 1,000,000	$ 14,942	$ -
-	-	-	-	-	-	-
-	40,512	-	-	-	267,780	60
-	-	-	-	-	-	-
$ -	$ 40,512	$ 750	$ 814,547	$ 1,000,000	$ 282,722	$ 60
$ -	$ 40,512	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	40,512	-	-	-	-	-
-	-	-	-	-	-	-
-	-	750	814,547	1,000,000	282,722	60
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	750	814,547	1,000,000	282,722	60
$ -	$ 40,512	$ 750	$ 814,547	$ 1,000,000	$ 282,722	$ 60

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	5280 Hospital Improvements	5102 American Rescue Plan Act	5103 King Fisher Beach Park	5152 County Energy TRZ No. 1
ASSETS				
Cash and Cash Equivalents	$ 2,119,402	$ -	$ 48,615	$ 200,902
Due From Others	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	$ 2,119,402	$ -	$ 48,615	$ 200,902
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities:				
Accounts Payable	$ -	$ -	$ -	$ -
Unearned Revenues	-	-	-	-
Due to Other Funds	-	-	36,000	199,619
Total Liabilities	-	-	36,000	199,619
Fund Balance:				
Non-Spendable				
Prepaid Expenses	-	-	-	-
Restricted Fund Balance	2,119,402	-	12,615	1,283
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balance	2,119,402	-	12,615	1,283
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 2,119,402	$ -	$ 48,615	$ 200,902

5112	5114	5133	5231	5251
CDBG Mitigation Infrastructure	CDBG Mitigation 2 Infrastructure	Matagorda Bay Mitigation Trust	Hog Bayou Improvements	Swan Point Shoreline Restoration
$ 166,533	$ 401,683	$ -	$ 6,277	$ -
580,507	32,359	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 747,040	$ 434,042	$ -	$ 6,277	$ -
$ 581,087	$ -	$ -	$ -	$ -
-	-	-	-	-
-	-	-	-	-
581,087	-	-	-	-
-	-	-	-	-
-	-	-	6,277	-
165,953	434,042	-	-	-
-	-	-	-	-
165,953	434,042	-	6,277	-
$ 747,040	$ 434,042	$ -	$ 6,277	$ -

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2025

	5177 Little Chocolate Bayou Park	5183 Bill Sanders Park Improvements	Total Nonmajor Capital Projects Funds
ASSETS			
Cash and Cash Equivalents	$ -	$ 144,236	$ 6,919,821
Due From Others	-	-	612,866
Due from Other Funds	-	-	308,352
Prepaid Expenses	-	-	165
TOTAL ASSETS	$ -	$ 144,236	$ 7,841,204
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE			
Liabilities:			
Accounts Payable	$ -	$ -	$ 641,456
Unearned Revenues	-	-	17,665
Due to Other Funds	-	-	1,567,332
Total Liabilities	-	-	2,226,453
Fund Balance:			
Non-Spendable			
Prepaid Expenses	-	-	165
Restricted Fund Balance	-	144,236	5,014,591
Assigned	-	-	599,995
Unassigned	-	-	-
Total Fund Balance	-	144,236	5,614,751
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ -	$ 144,236	$ 7,841,204

THE STATE OF TEXAS

COUNTY OF CALHOUN

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	5101 Boggy Bayou Nature Park	5111 CDBG Disaster Infrastructure	5117 Chocolate Bayou Boat Ramp	5150 Road and Bridge Infrastructure
REVENUES				
Intergovernmental	$ 77,295	$ 878,302	$ -	$ 2,259
Gifts and Contributions	-	-	-	-
Miscellaneous Revenue	-	-	-	-
TOTAL REVENUES	77,295	878,302	-	2,259
EXPENDITURES				
Capital:				
Public Facilities	-	-	-	-
Public Safety	-	-	-	-
Roads and Bridges	-	118,011	-	2,259
Health and Welfare	-	97,298	-	-
Culture and Recreation	350,652	662,993	-	-
Conservation	-	-	-	-
Nondepartmental	-	-	-	-
TOTAL EXPENDITURES	350,652	878,302	-	2,259
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,357)	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	86,280	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	86,280	-	-	-
Net Change in Fund Balance	(187,077)	-	-	-
Fund Balance, January 1	221,341	-	21,095	224,245
Fund Balance, December 31	$ 34,264	$ -	$ 21,095	$ 224,245

5172 Airport Runway Improvements	5178 Magnolia Beach Erosion	5192 Event Center	5195 Fire Truck & Safety Equipment	5225 Green Lake Park	5104 Magonolia Indianola Beach Pavilions
$ -	$ 33,304	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	820,499	-
-	33,304	-	-	820,499	-
-	33,304	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	823,783	-
-	-	-	-	-	-
-	-	-	-	-	-
-	33,304	-	-	823,783	-
-	-	-	-	(3,284)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(3,284)	-
77,461	70,000	79,927	6,449	8,985	10,167
$ 77,461	$ 70,000	$ 79,927	$ 6,449	$ 5,701	$ 10,167

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2025

	5119	5149	5161	5173	5176
	Local Assistance Tribal Consistency	Haterius Park Improvements	Brighton Road Bridge	Airport Improvements III	King Fisher Pier
REVENUES					
Intergovernmental	$ -	$ 21,148	$ -	$ -	$ 33,000
Gifts and Contributions	-	-	-	-	-
Miscellaneous Revenue	-	-	-	-	-
TOTAL REVENUES	-	21,148	-	-	33,000
EXPENDITURES					
Capital:					
Public Facilities	-	-	-	-	-
Public Safety	-	-	-	-	-
Roads and Bridges	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	31,920	-	-	-
Conservation	-	-	-	-	33,000
Nondepartmental	-	-	-	125,100	-
TOTAL EXPENDITURES	-	31,920	-	125,100	33,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(10,772)	-	(125,100)	-
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	125,100	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	125,100	-
Net Change in Fund Balance	-	(10,772)	-	-	-
Fund Balance, January 1	-	23,995	90,332	-	-
Fund Balance, December 31	$ -	$ 13,223	$ 90,332	$ -	$ -

5186	5189	5297	5146	5266	5295
Mag Beach Restoration	EMS Training Building	Youth Services	Jail Roof	Swan Point Bulkhead Improvements	Recycling Center
$ -	$ -	$ -	$ -	$ -	$ -
111,325	71,416	-	-	457,132	-
-	-	-	-	-	-
111,325	71,416	-	-	457,132	-
-	-	-	-	-	151,520
-	-	-	-	-	-
-	-	-	-	-	-
-	145,966	-	-	-	-
-	-	-	-	-	-
151,837	-	-	-	314,110	-
-	-	-	-	-	-
151,837	145,966	-	-	314,110	151,520
(40,512)	(74,550)	-	-	143,022	(151,520)
40,512	75,300	-	500,000	139,700	36,766
-	-	-	-	-	(21,204)
40,512	75,300	-	500,000	139,700	15,562
-	750	-	500,000	282,722	(135,958)
-	-	814,547	500,000	-	136,018
$ -	$ 750	$ 814,547	$ 1,000,000	$ 282,722	$ 60

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2025

	5280 Hospital Improvements	5102 American Rescue Plan Act	5103 King Fisher Beach Park	5152 County Energy TRZ No. 1
REVENUES				
Intergovernmental	$ -	$ -	$ 480,000	$ -
Gifts and Contributions	-	-	-	-
Miscellaneous Revenue	-	-	-	-
TOTAL REVENUES	-	-	480,000	-
EXPENDITURES				
Capital:				
Public Facilities	-	-	-	-
Public Safety	-	150	-	-
Roads and Bridges	-	-	480,000	-
Health and Welfare	170,201	-	-	-
Culture and Recreation	-	-	-	-
Conservation	-	-	-	-
Nondepartmental	-	-	-	-
TOTAL EXPENDITURES	170,201	150	480,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,201)	(150)	-	-
OTHER FINANCING SOURCES (USES)				
Transfers In	-	150	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	150	-	-
Net Change in Fund Balance	(170,201)	-	-	-
Fund Balance, January 1	2,289,603	-	12,615	1,283
Fund Balance, December 31	$ 2,119,402	$ -	$ 12,615	$ 1,283

	5112	5114	5133	5231	5251
	CDBG Mitigation Infrastructure	CDBG Mitigation 2 Infrastructure	Matagorda Bay Mitigation Trust	Hog Bayou Improvements	Swan Point Shoreline Restoration
	$ 2,306,500	$ 363,396	$ 64,335	$ -	$ 148,309
	-	-	-	-	-
	-	-	-	-	-
	2,306,500	363,396	64,335	-	148,309
	-	-	-	-	-
	-	219,396	-	-	-
	-	209,958	-	-	148,309
	-	-	-	-	-
	-	-	-	-	-
	-	-	64,335	-	-
	2,640,547	-	-	-	-
	2,640,547	429,354	64,335	-	148,309
	(334,047)	(65,958)	-	-	-
	500,000	500,000	-	-	-
	-	-	-	-	-
	500,000	500,000	-	-	-
	165,953	434,042	-	-	-
	-	-	-	6,277	-
	$ 165,953	$ 434,042	$ -	$ 6,277	$ -

CALHOUN COUNTY, TEXAS
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2025

	5177 Little Chocolate Bayou Park	5183 Bill Sanders Park Improvements	Total Nonmajor Capital Projects Funds
REVENUES			
Intergovernmental	$ 249,926	$ 213,783	$ 4,871,557
Gifts and Contributions	-	-	639,873
Miscellaneous Revenue	-	-	820,499
TOTAL REVENUES	249,926	213,783	6,331,929
EXPENDITURES			
Capital:			
Public Facilities	-	-	184,824
Public Safety	-	-	219,546
Roads and Bridges	-	-	958,537
Health and Welfare	-	-	413,465
Culture and Recreation	-	-	1,869,348
Conservation	271,283	289,967	1,124,532
Nondepartmental	-	-	2,765,647
TOTAL EXPENDITURES	271,283	289,967	7,535,899
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,357)	(76,184)	(1,203,970)
OTHER FINANCING SOURCES (USES)			
Transfers In	21,357	220,420	2,245,585
Transfers Out	-	-	(21,204)
TOTAL OTHER FINANCING SOURCES (USES)	21,357	220,420	2,224,381
Net Change in Fund Balance	-	144,236	1,020,411
Fund Balance, January 1	-	-	4,594,340
Fund Balance, December 31	$ -	$ 144,236	$ 5,614,751

CALHOUN COUNTY, TEXAS
DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Discretely Presented Component Unit	
	Memorial Medical Center	
	2025	2024
ASSETS		
Cash and Cash Equivalents	$ 4,925,743	$ 8,539,607
Receivables (Net of Allowance for Uncollectibles)	10,577,843	24,223,289
Prepaid Items and Other Current Assets	2,742,354	4,019,388
Net Pension Assets	1,052,529	-
Capital Assets (Net of Accumulated Depreciation)	6,293,248	6,034,685
TOTAL ASSETS	25,591,717	42,816,969
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension Related	1,430,099	1,823,986
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,430,099	1,823,986
LIABILITIES		
Accounts Payable	$ 6,730,674	$ 20,207,430
Accrued and Other Liabilities	2,070,022	2,365,301
Unearned Revenue	680,143	1,660,727
Noncurrent Liabilities:		
Lease Liabilitiy Due in One Year	151,487	4,644
Lease Liabilitiy Due in more than One Year	503,826	-
Finance Purchase Agreements Due in One Year	-	46,788
Estimated Amounts Due to Third-Party Payors - Long Term	1,367,333	-
Due in One Year	4,000,000	4,000,000
Net Pension Liability	-	933,623
TOTAL LIABILITIES	15,503,485	29,218,513
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Inflows - Pension Related	681,986	71,407
TOTAL DEFERRED OUTFLOWS OF RESOURCES	681,986	71,407
NET POSITION:		
Net Investment in Capital Assets	5,637,935	5,983,253
Restricted - Expended for Pension	1,052,529	-
Unrestricted	4,145,881	9,367,782
TOTAL NET POSITION	$ 10,836,345	$ 15,351,035

CALHOUN COUNTY, TEXAS
DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
DECEMBER 31, 2025

	Discretely Presented Component Unit	
	Memorial Medical Center	
	2025	2024
OPERATING REVENUES:		
Patient Service Revenues	$ 27,816,631	$ 29,404,711
Nursing Home Resident Revenue	35,070,835	82,125,350
Other Operating Revenues	2,604,298	2,968,867
TOTAL OPERATING REVENUES	65,491,764	114,498,928
OPERATING EXPENSES:		
Salaries and Wages	14,286,230	14,373,298
Employee Benefits	3,659,520	2,573,623
Purchased Services and Professional Fees	10,674,191	9,353,640
Insurance	141,373	147,916
Supplies	8,200,040	8,143,410
Nursing Home Expenses	33,399,886	80,877,337
Depreciation and Amortization	966,173	925,161
TOTAL OPERATING EXPENSES	71,327,413	116,394,385
Operating Income (Loss)	(5,835,649)	(1,895,457)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	194,231	231,633
Interest Expense	(35,820)	(4,283)
Non-Captial Grants and Gifts	1,162,548	-
TOTAL NONOPERATING REVENUES (EXPENSES)	1,320,959	227,350
Excess of Revenues Over Expenses Before Grants for Property and Equipment	(4,514,690)	(1,668,107)
GRANTS FOR PROPERTY AND EQUIPMENT	-	237,847
Change in Net Position	(4,514,690)	(1,430,260)
Net Position at Beginning of Year	15,351,035	16,781,295
Net Position at End of Year	$ 10,836,345	$ 15,351,035

CALHOUN COUNTY, TEXAS
DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF CASH FLOWS
DECEMBER 31, 2025

	Discretely Presented Component Unit	
	Memorial Medical Center	
	2025	2024
Cash Flows From Operating Activities		
Receipts from On-behalf Patients	$ 76,477,681	$ 112,607,418
Payments to Suppliers and Contractors	(64,615,212)	(93,051,609)
Payments to Employees	(18,725,275)	(21,813,140)
Other Receipts, Net	2,548,838	2,798,957
Net Cash Provided (Used) By Operating Activities	(4,313,968)	541,626
Cash Flows From Noncapital Financing Activities		
Proceeds from Issuance of Note Payable	-	1,900,000
Non-Captial Grants and Gifts	1,162,548	-
Net Cash Provided (Used) By Noncapital Financing Activities	1,162,548	1,900,000
Cash Flows From Capital and Related Financing Activities		
Principal Paid on Finance Purchase Agreements	(46,788)	(54,085)
Interest Paid on Finance Purchase Agreements	(8,155)	(1,948)
Principal Paid on Leases Payable	(139,758)	(53,775)
Interest Paid on Leases Payable	(27,665)	(2,335)
Purchase of Capital Assets	(434,309)	(346,262)
Net Cash Provided (Used) for Capital And Related Financing Activities	(656,675)	(458,405)
Cash Flows From Investing Activities		
Interest on Investments	194,231	231,633
Net Cash Provided (Used) for Investing Activities	194,231	231,633
Net Increase (Decrease) in Cash And Cash Equivalents	(3,613,864)	2,214,854
Cash and Cash Equivalents, Beginning of Year	8,539,607	6,324,753
Cash and Cash Equivalents, End of Year	$ 4,925,743	$ 8,539,607

CALHOUN COUNTY, TEXAS
DISCRETELY PRESENTED COMPONENT UNIT
STATEMENT OF CASH FLOWS (CONTINUED)
DECEMBER 31, 2025

	Discretely Presented Component Unit	
	Memorial Medical Center	
	2025	2024
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided by Operative Activities		
Operating Loss	$ (5,835,649)	$ (1,895,457)
Depreciation and Amortization	966,173	925,161
Provision for Uncollectible Accounts	7,557,000	5,897,000
Changes in Operating Assets and Liabilities:		
Patient Accounts Receivables, Net	4,570,581	(7,757,923)
Estimated Amounts Due From and To Third-Party Payers	2,387,758	1,361,701
Accounts Payable and Accrued Expenses	(13,274,595)	1,035,203
Deferred Outflows of Resources - Pensions	393,887	1,095,523
Deferred Inflows of Resources - Pensions	610,579	42,490
Net Pension Liability	(1,986,152)	(2,362,542)
Other Assets and Liabilities	296,450	2,200,470
Net Cash Provided (Used) By Operating Activities	$ (4,313,968)	$ 541,626
Supplemental Cash Flows Information		
Lease Obligations incurred for Lease Assets	$ 790,427	$ -

COMPLIANCE SECTION

Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

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*

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and Members of Commissioners' Court
Calhoun County, 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, each major fund, and the aggregate remaining fund information of Calhoun County as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Calhoun County's basic financial statements, and have issued our report thereon dated August 19, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Calhoun County'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Calhoun County's internal control. Accordingly, we do not express an opinion on the effectiveness of Calhoun County'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Calhoun County'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*

We noted certain matters that we have reported to management of Calhoun County, Texas in a separate letter dated August 19, 2026.

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.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.
August 19, 2026

THE STATE OF TEXAS

COUNTY OF CALHOUN

CALHOUN COUNTY TEXAS

COMPLIANCE

FEDERAL AND STATE AWARDS

For the Year Ended

December 31, 2025

THE STATE OF TEXAS

COUNTY OF CALHOUN

CALHOUN COUNTY, TEXAS
FEDERAL AND STATE SINGLE AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2025

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Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

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*

INDEPENDENT AUDITOR'S REPORT

The Honorable Judge and Members of Commissioners' Court
Calhoun County, 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, each major fund, and the aggregate remaining fund information of Calhoun County, Texas, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Calhoun County, Texas, basic financial statements and have issued our report thereon dated August 19, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Calhoun County, 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 the Calhoun County, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the Calhoun County, 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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Calhoun County's financial statements are free of 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 the 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*.

We noted certain matters that we have reported to management of the Calhoun County, Texas in a separate letter dated August 19, 2026.

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.

Armstrong, Vaughan & Associates, P.C.

Armstrong, Vaughan & Associates, P.C.
August 19, 2026

Armstrong, Vaughan & Associates, P. C.
Certified Public Accountants

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

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the Commissioners' Court
Calhoun County, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Calhoun County'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 Calhoun County's major federal program for the year ended December 31, 2025. Calhoun County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Calhoun County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program 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; 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 Calhoun County 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 Calhoun County'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 Calhoun County's federal programs.

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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 Calhoun County'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 the 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 Calhoun County'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 the 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 Calhoun County'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 Calhoun County'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 Calhoun County'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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Calhoun County as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise Calhoun County's basic financial statements. We issued our report thereon dated August 19, 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 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* (the Uniform Guidance) 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. 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 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 awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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.

Respectfully,

Armstrong, Vaughan & Associates, P.C.
August 19, 2026

CALHOUN COUNTY, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2025

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
One or more material weaknesses identified	____ Yes	_X_ No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	_X_ None Reported
Noncompliance material to financial Statements noted?	____ Yes	_X_ No

2. Federal Awards

Internal control over major programs:		
One or more material weaknesses identified	____ Yes	_X_ No
One or more significant deficiencies identified that are not considered to be material weaknesses?	____ Yes	_X_ 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 CFR Part 200 of the Uniform Guidance?	____ Yes	_X_ No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
14.228	Community Development Block Grant

Dollar threshold used to distinguish between Type A and type B Programs:	$1,000,000	
Auditee qualified as low-risk auditee?	___Yes	_X_ No

B. Financial Statement Findings

NONE

C. Federal Award Findings and Questioned Costs

NONE

CALHOUN COUNTY, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2025

Explanation Finding/Recommendation	Current Status	Management's Explanation If Not Implemented
Not Applicable		

CALHOUN COUNTY, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

FEDERAL AWARDS	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Federal Grantor/Pass-through Grantor/Program Title			
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION			
Passed Through Texas General Land Office			
Olivia Haterius Park	11.419	24-022-010-E019	$ 31,920
New Amenities at Bill Sanders Park	11.419	25-003-009-E702	32,557
TOTAL NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION			64,477
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through Texas Office of the Governor			
Homeland Security Grant Program	97.067	5183101	82,094
Homeland Security Grant Program	97.067	5183102	33,069
Homeland Security Grant Program	97.067	3192809	32,514
Homeland Security Grant Program	97.067	3192810	86,168
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			233,845
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through Texas General Land Office			
Community Development Block Grant	14.228	20-065-064-C182	878,304
Community Development Block Grant	14.228	22-085-014-D245	2,640,547
Community Development Block Grant	14.228	24-065-152-F011	429,354
Community Development Block Grant	14.228	22-130-019-D846	71,250
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			4,019,455
U.S. DEPARTMENT OF INTERIOR			
GoMESA	15.435	N/A	782,111
TOTAL U.S. DEPARTMENT OF THE INTERIOR			782,111
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ 5,099,888

* Indicates clustered Medicaid program under OMB Compliance Supplement

CALHOUN COUNTY, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2025

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Calhoun County, Texas and is presented on the modified accrual basis of accounting. The information in the schedule is presented in accordance with requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ in amounts presented in, or used in the preparation of, the financial statements.

Currently, the County has elected not to use the 10% de Minimis indirect cost rate.

THE STATE OF TEXAS

COUNTY OF CALHOUN