

Montgomery County, Texas Annual Comprehensive Financial Report



For the Fiscal Year Ended September 30, 2025

501 N. THOMPSON SUITE 205 CONROE, TEXAS 77301



Montgomery County, Texas

Annual Comprehensive Financial Report

For the Fiscal Year ended September 30, 2025

Prepared by the
County Auditor's Office

Rakesh Pandey, CPA, County Auditor

Angela Blocker, 1st Assistant County Auditor
Gina Guy, Budget and Financial Reporting Supervisor
Nicholas McRae, Financial Reporting Analyst

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MONTGOMERY COUNTY, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

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INTRODUCTORY SECTION

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Montgomery County, Texas
Office of the County Auditor
501 North Thompson, Suite 205, Conroe, Texas 77301
P. O. Box 539, Conroe, Texas 77305

Rakesh Pandey CPA
County Auditor

Angela H. Blocker
1st Assistant County Auditor

March 20, 2026

The Board of District Judges
The Commissioners' Court
Montgomery County, Texas

Honorable Judges, Commissioners, and citizens of Montgomery County, Texas:

The Annual Comprehensive Financial Report (Annual Report) of Montgomery County, Texas, for the year ended September 30, 2025, is submitted herewith. This report was prepared by the County Auditor in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board, and is in compliance with Chapter 114.025 and Chapter 115.045 of the Local Government Code.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To provide a reasonable basis for making this representation, Montgomery County management has established a comprehensive internal control framework designed both to protect governmental assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Montgomery County's comprehensive framework, because the cost of internal controls should not outweigh their benefits, has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of Montgomery County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activity have been included.

Montgomery County's financial statements have been audited by Pattillo, Brown & Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended September 30, 2025 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the financial statements of Montgomery County for the year ended September 30, 2025 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Montgomery County was a part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government’s internal controls and compliance with legal requirements. Specific emphasis was placed on internal controls and compliance with laws and regulations involving the administration of federal and state awards. This Single Audit Report is available as a separate report from Montgomery County.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Montgomery County’s MD&A can be found immediately following the report of the independent auditors.

Profile of Montgomery County

Montgomery County was created on December 14, 1837 by an act of the Congress of the Republic of Texas. It is bisected by Interstate 45, and located approximately forty miles north of downtown Houston. Montgomery County is officially the birthplace of the Texas flag. The actual design of the Lone Star Flag remained a mystery until the Texas House of Representative passed House Resolution 1123 in 1997 commemorating Montgomery County as the flag's official birthplace. Dr. Charles B. Stewart is credited with creating the inspirational banner of the State of Texas. The County provides a full range of services, including police protection, legal and judicial services, construction and maintenance of roads and bridges, public health service, and facilities for recreational and cultural use. The County operates a full service airport as a reliever to nearby Bush Intercontinental Airport. Three major rail lines intersect in the county seat of Conroe. The Lone Star College System offers both 2- and 4-year degree plans in partnership with several universities throughout the state. Scenic Lake Conroe sits among some 1,090 square miles of rolling hills and grassy meadows to create an atmosphere of rural America nestled securely beside its urban neighbors.

The County operates as specified under the Constitution of the State of Texas, and in accordance with the provisions of the State Statutes of Texas, which provide for a Commissioners’ Court consisting of the County Judge, elected at-large to a four-year term and four Commissioners, each of whom is elected from four geographical precincts to four-year staggered terms. The Commissioners’ Court serves as the governing body of the County.

The U.S. Census Bureau reported the 1990 population for Montgomery County to be 180,394 and the year 2000 population to be 293,768. The most recent census reported the population of Montgomery County to be 620,443. At each census, the County has experienced growth in excess of 50%, with no sign of slowing down. At September 30, 2025, the estimated population was 749,111. The County’s population has continued to grow during the past year and is evident in the increased demand for service at the county level. The main impetus for growth in the past three decades has come from the expansion of nearby metropolitan Houston. Many Montgomery County residents now work in Houston, and the spread of the city’s suburbs into the County has led to a rapid rise in population. The governing body’s active involvement in infrastructure improvements has been instrumental in this explosive growth in population in recent years, Montgomery County has become a recreation destination for many Houston residents. The area, with its abundant lakes and the Sam Houston National Forest, offers numerous opportunities for hunting, boating, fishing, and hiking.

Montgomery County maintains strict budgetary controls to ensure compliance with legal provisions in the annual appropriated budget approved by the governing body. Activities of the General Funds, the Special

Revenue Funds, and the Debt Service Funds are included in the annual appropriated budget. Budget to actual comparisons are provided in this report for all funds for which an annual appropriated budget is adopted. According to the budget laws of the State of Texas, expenditures may not exceed the amount appropriated for each fund. The legal level of budgetary control is at the functional level. The County's budget is prepared and adopted annually as a balanced budget pursuant to Texas law and adhering to a calendar established by the statutes of the State of Texas. In keeping with those statutes, the ad valorem tax levy cannot be established until the budget is adopted. In Montgomery County, the budget is adopted by September 30th of each year. Once adopted, the budget is enforced by the County Auditor, as provided by statute.

Factors Affecting Financial Condition

The information presented in the financial statements of Montgomery County is best understood when it is considered from the broader perspective of the specific environment within which Montgomery County operates.

Local economy – Historically, the County's economy has been based on mineral production (oil, gas, sand, and gravel), agriculture (horses, cattle, and greenhouse nurseries), and lumbering (timber products). Today, the economy has shifted towards an urban-rural mix. In recent years, the largest industries have been energy, education, health and social services, with retail trade and manufacturing following. Investments made in Texas highways recently have assisted in attracting new and diverse businesses to the County. A favorable taxing environment continues to draw many companies to relocate corporate headquarters to Montgomery County. The Woodlands, a planned community in south Montgomery County, is home to energy, biomedical, and technology businesses. This is causing ever-continued growth in the southern part of the County. As Houston and Harris County, directly to the south, run out of developable land, business and residential growth in Montgomery County is expected to continue.

Recent developments that have contributed to the continued upturn in the local economy in Montgomery County include the construction of a nascent medical compound, centered around the busy intersection of Interstate 45 and State Highway 242, anchored by Texas Children's Hospital, St. Luke's and Methodist Hospital. The relocation of ExxonMobil's corporate headquarters to northern Harris County has further driven growth to the southern part of Montgomery County. The recent opening of the Hewlett Packard Enterprise Global Headquarters located in City Place in Spring has brought thousands of jobs to the area. The former Boy Scout camp at Camp Strake was sold to Johnson Development Corporation with the intent of creating a new master planned community, Grand Central Park, on 2,046 acres. Construction began in 2016; the 336 Marketplace located in the community continues to welcome a wide array of tenants.

Three huge storms, Hurricane Harvey, Tropical Storm Imelda, and Hurricane Beryl made landfall in 2017, 2019, and 2024 respectively and have caused widespread damage to the region, resulting in billions of dollars in damage. The County continues to work diligently with the State of Texas and the Federal Emergency Management Agency (FEMA) to make critical repairs to infrastructure and buildings, as the effects from Hurricane Harvey, Tropical Storm Imelda, and Hurricane Beryl are continued to be felt.

In January 2020, a highly contagious and deadly virus, COVID-19, spread from China at a rapid pace; it was declared a pandemic by the World Health Organization in March 2020. The governing body of the County responded with a disaster declaration and is working with federal and state agencies to ensure the health and safety of both its citizens and its employees. The County received almost \$105 million from the Federal Government to assist in the massive undertaking of a changed working environment. Additionally, the County was allocated almost \$118 million as part of the American Rescue Plan Act of 2021 (ARPA). The first half was received in May 2021, and the second half was received in June 2022. ARPA funds were, and are, being utilized for various COVID-19 mitigation efforts and infrastructure improvement projects within the County

Montgomery County has adopted tax abatement guidelines to stimulate continued growth in the County while preserving the values and existing assets that provide quality of life our citizens have come to expect and to enjoy. These guidelines provide incentives for businesses to invest in Montgomery County. Montgomery County intends to be competitive in attracting businesses to locate, relocate and/or consolidate their facilities within the County without detrimentally affecting existing enterprises. These guidelines also assist in increasing employment which in turn enables employees to utilize income earned to obtain housing and procure goods and services and further stimulate economic activities in the long run within Montgomery County.

Long-term financial planning – The Commissioners’ Court continues to be very active in infrastructure development, specifically road improvements, to help ensure economic growth. In the second half of calendar year 2005, the County executed an agreement with the Texas Department of Transportation that is facilitating the improvement of five separate state-owned roads. This Pass-Through Toll Agreement provides for the County to pledge local funds to improve these roads, with a partial reimbursement from highway funds at a later date. The County pledged \$100 million of the Series 2006 \$160 million voter-approved road bonds, as well as an additional \$88 million of future bonds to leverage the federal funds for the projects in the hopes of gaining an estimated \$232 million in improvements for the citizens of Montgomery County. In the same spirit of infrastructure development, voters in the County approved a ballot measure in November 2015 for a series of bond offerings that raised \$280 million for a multitude of road projects throughout Montgomery County. The final bond offerings were issued in May and December 2018 to fund the remaining projects. These projects are expected to alleviate mobility issues in key areas of the County.

As part of this future planning, the Commissioners’ Court created the Montgomery County Toll Road Authority (MCTRA) in August 2006. The MCTRA is charged with the task of collecting tolls from vehicles traveling on the portion of State Highway 242, which connects with Interstate 45 in southern Montgomery County. SH 242 opened to the public in July 2015. In January 2018, the County retired the remainder of the debt associated with the construction of SH 242. In May 2019, the Board agreed to remove the tolls on SH 242. Additionally, revenue bonds for MCTRA were issued in June 2018 to fund construction along State Highway 249 in Montgomery County. Any revenues generated by the authority are anticipated to be used to either retire a portion of the debt related to the construction and/or to fund future improvements, as the need arises.

Additional road projects in each of the 4 precincts were proposed to the Texas Department of Transportation (TXDOT) in the latter portion of 2023. These projects will utilize TXDOT escrow funds totaling roughly \$60 million. Proposed improvements include roads such as FM 1097 to FM 149, FM 2854 to SH 105, and the construction of braided ramps at the intersection of IH-45 and the Hardy Toll Road amongst others. The County is awaiting response from TXDOT regarding the status of the proposed projects.

New developments – As part of the continuing effort in the County to alleviate traffic congestion in the southern part of the County, the Commissioners’ Court awarded a contract to construct an interchange facility and direct connectors from State Highway 242 to Interstate 45. This project, approved by the governing body in February 2013, opened in July of 2015 and has improved the flow of traffic in the heavily congested south county area. The County is continuing in its endeavors to face transportation issues by exploring the expansion of the MCTRA to the western part of the County and specifically the SH 249, Tomball Parkway. Working in conjunction with the Harris County Toll Road Authority (HCTRA), MCTRA has completed the work on widening and improving SH 249 in fiscal year 2021. The SH 249 became fully operational in December 2020 and has shown excellent progress since opening and is now generating more than 1 million transactions per month. The American Public Works Association (APWA) awarded the SH 249 as an APWA Texas Chapter 2021 Award Recipient in the category of Transportation Greater than 75 million and Public Works Project of the Year. Construction work continues on SH 249 in which the Decker Prairie intersection layout enhancements are 100% completed and the Decker Prairie corridor layout enhancements are also 100% completed as of fiscal year 2022.

In October 2024, the Board awarded a contract for civil engineering and surveying services for the East Woodtrace Boulevard and Terra Boulevard between FM 249 and the East Boundary Line of Wood Trace WCID. The purpose of the project is to create a roadway that leads from FM 249 to FM 2978 and alleviate congestion on Hardin Store Rd. As of September 2025, the project is nearly 70% complete with design with intent to begin construction in FY26.

In October 2024, the Board awarded a contract for schematic and environmental design services for FM 149 reconstruction from North Lake to Keenan Cut Off Road. Three separate segments of FM 149 were started in FY24 with similar services. This segment along with the others will add two additional lanes and complete a four lane roadway from SH 105 to FM 1774. As of September 2025, all segments are still in the early stages of design.

On May 3, 2025, Montgomery County voters approved \$480 million in road bond to address multitude of road projects across all four precincts. The first bond offering of \$124.35 million closed in July 2025, and the County is making significant progress in encumbering the funds to alleviate mobility issues in key areas of the County. Commissioners court recently approved the bond order for the second offering in an amount not to exceed \$120 million, which will likely close sometime in the summer of 2026.

Financial Transparency –The County undertook the replacement of its legacy financial system with a modern Enterprise Resource Planning (ERP) financial software system. With the collaboration and support of staff across multiple user departments, the Financial Accounting module successfully went live on July 1, 2020. The Employee Resources, Payroll and Timekeeping modules followed, going live in February 2021. Since implementation, additional modules and system upgrades have been deployed using a staggered approach to ensure operational stability and continuous improvement. Notable ERP enhancements in 2024 and 2025 included a Timekeeping System upgrade and the implementation of the Talent Acquisition module.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Montgomery County for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the thirty-sixth consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of all County departments. I want to express my appreciation to the entire staff of the Office of County Auditor for their continued efforts. I also wish to commend the members of the Commissioners' Court for conducting the financial operations of Montgomery County in a responsible and professional manner, while meeting the increasing demands for public service.

Respectfully submitted,



Rakesh Pandey, CPA Montgomery County Auditor

RP/nbm



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Montgomery County
Texas**

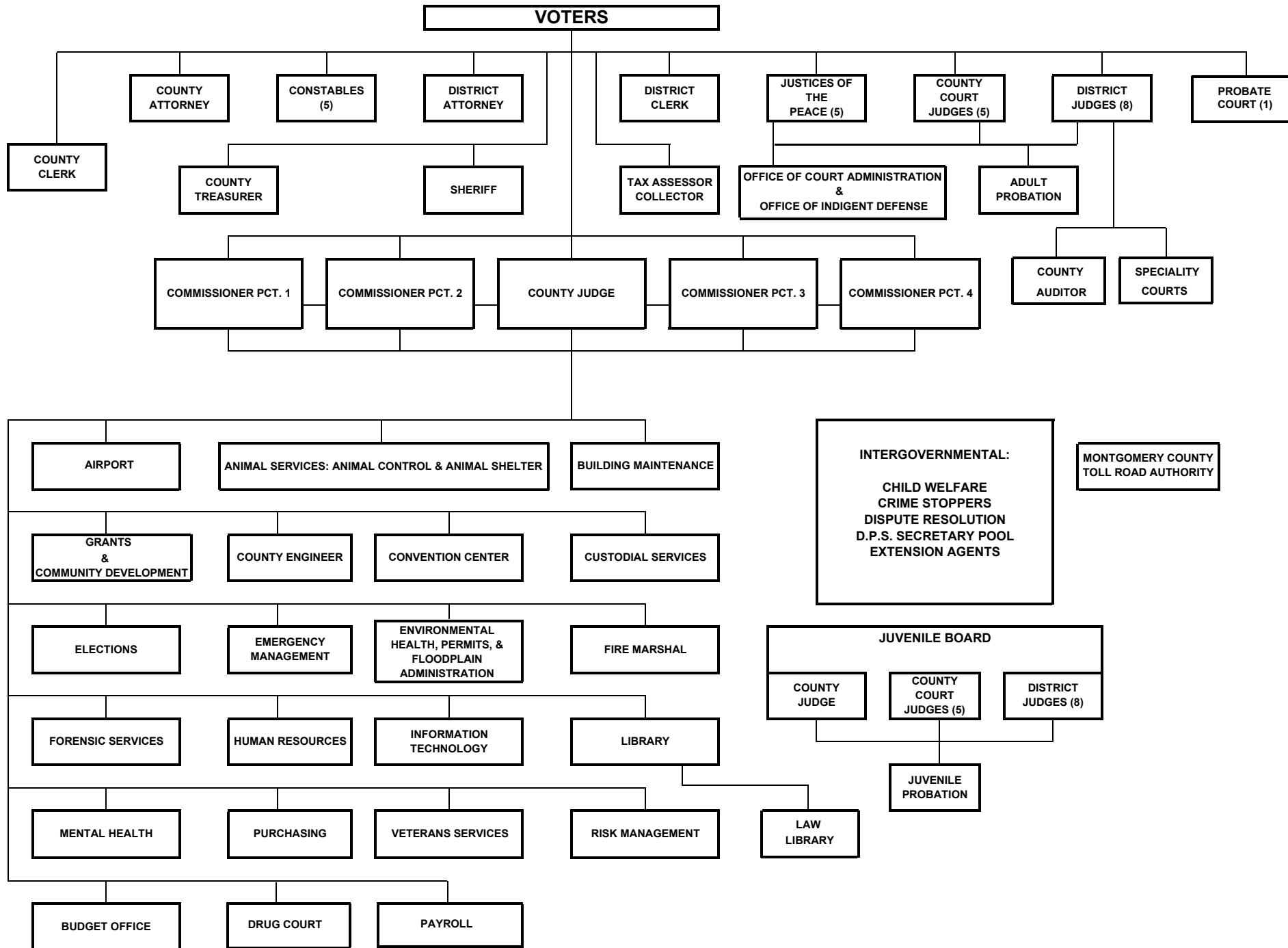
For its Annual Comprehensive
Financial Report
for the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

MONTGOMERY COUNTY, TEXAS ORGANIZATION CHART





MONTGOMERY COUNTY, TEXAS
DIRECTORY OF OFFICIALS
SEPTEMBER 30, 2025

COMMISSIONERS' COURT:

Mark Keough
Robert Walker
Charlie Riley
Ritch Wheeler
Matthew Gray

County Judge
Commissioner, Precinct #1
Commissioner, Precinct #2
Commissioner, Precinct #3
Commissioner, Precinct #4

DISTRICT COURTS:

Phil Grant
Lisa Michalk
Kristin Bays
Kathleen Hamilton
Jennifer Robin
Tracy Gilbert
Patty Maginnis
Vincenzo Santini
Brett Ligon, retired 10/29/25
Mike Holley, appointed 10/29/25
Melisa Miller

Judge, 9th Judicial District
Judge, 221st Judicial District
Judge, 284th Judicial District
Judge, 359th Judicial District
Judge, 410th Judicial District
Judge, 418th Judicial District
Judge, 435th Judicial District
Judge, 457th Judicial District
District Attorney
District Attorney
District Clerk

COUNTY COURTS AT LAW:

John Hafley
Amy Tucker
Echo Hutson
Keith Stewart
Scharlene Valdez
BD Griffin
Brandon Steinmann

Judge, County Court at Law #1
Judge, County Court at Law #3
Judge, County Court at Law #4
Judge, County Court at Law #5
Judge, County Court at Law #6
County Attorney
County Clerk

PROBATE COURTS:

Claudia Laird

Judge, Probate Court #1

JUSTICE COURTS:

Wayne L. Mack
Grady Trey Spikes
Jay Mac Sanders, appointed 1/7/25
Jason Dunn
Matthew Masden

Justice of Peace, Precinct # 1
Justice of Peace, Precinct #2
Justice of Peace, Precinct #3
Justice of Peace, Precinct #4
Justice of Peace, Precinct #5

LAW ENFORCEMENT:

Wesley Doolittle
Phillip Cash
David Eason
Ryan Gable
Kenneth "Rowdy" Hayden
Chris Jones

Sheriff
Constable, Precinct #1
Constable, Precinct #2
Constable, Precinct #3
Constable, Precinct #4
Constable, Precinct #5

FINANCIAL ADMINISTRATION:

Tammy McRae
Melanie Bush
Rakesh Pandey, CPA
Gilbert Jalomo, retired 12/31/25
Kelly Vidal, appointed 1/1/26
Amanda Carter

Tax Assessor-Collector
County Treasurer
County Auditor¹
Purchasing Agent¹
Purchasing Agent¹
Budget Officer¹

¹ Designates appointed official. All others are elected.

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable County Judge and
County Commissioners
Montgomery County, Texas

Report of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note I to the basic financial statements, during the year ended September 30, 2025, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement due date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund, Road and Bridge Fund, and Grants Fund, and pension and OPEB information 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 the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2026, on our consideration of the 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 the County's internal control over financial reporting and compliance.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
March 20, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis provide readers of the financial statements of Montgomery County, Texas (the County) with a narrative overview and analysis of the County's financial activities for the fiscal year ended September 30, 2025. The intent of this discussion and analysis is to evaluate the current activities, resulting changes, and currently known facts of the County as a whole. Readers of this discussion and analysis should consider the information presented here in conjunction with additional information that is furnished in the accompanying letter of transmittal, which can be found on pages i-v of this report. This discussion should also be read in conjunction with the basic financial statements and the notes to those financial statements (which immediately follow this discussion). The discussion and analysis include comparative data from the prior year.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$845,726,153 (net position). Of this amount, \$80,402,005 is restricted for specific purposes. With the presentation of the net investment in capital assets, unrestricted net position becomes (\$31,099,301).
- The County's total net position increased by \$161,753,844 from current operations due to significant decreases in net pension and OPEB-related deferred inflows, in conjunction with increases in property tax revenue resulting from higher appraised values.
- At September 30, 2025, the County's governmental funds reported combined ending fund balances of \$351,680,641, an increase of \$134,865,992 from operations in comparison with the prior year. From the ending fund balances, \$180,198,287 is restricted, \$10,801,455 is committed and \$90,000,000 is assigned. Approximately 20.10% of the ending balances, \$70,680,899 is unassigned and available for spending at the government's discretion. Details on these balances can be found in the chart included in Note 10.
- At September 30, 2025, unassigned fund balance for the General Fund was \$72,718,335, or 20.75% of total General Fund expenditures.
- The County's total bonded debt increased by \$96,780,000, or 18.6%, during the current fiscal year. This increase was largely due to the issuance of general obligation bonds during fiscal year 2025.
- As of fiscal year 2025, the County reported a net pension asset of \$7,674,595, and an OPEB liability of \$208,950,038.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Montgomery County's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains additional supplementary information to the financial statements themselves.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities, the two government-wide financial statements, are designed to provide readers with a broad overview of Montgomery County's finances, similar to the financial statements of a private-sector business. Both of these statements are presented using the full accrual basis of accounting; therefore, revenues are reported when they are earned and expenses are reported when the goods and services are received, regardless of the timing of cash being received or disbursed. These statements include capital assets of the County (including infrastructure added since implementing GASB Statement No. 34 in fiscal year 2003 and the portion of GASB Statement No. 34 as it pertains to retroactive infrastructure reporting) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by GASB Statement No. 34 in regards to interfund activity, payables and receivables.

The Statement of Net Position presents information on all of Montgomery County's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two groups being reported as net position. This statement is similar to that of the balance sheet of a private-sector business (with primary sections in a business balance sheet being assets, liabilities, and equity). The GASB believes that, over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents the County's revenues and expenses for the year, with the difference between the two resulting in the change in net position for the fiscal year ended September 30, 2025. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Because the statement of activities separates program revenue (revenue generated by specific programs through fees, fines, forfeitures, charges for services, or grants received) from general revenue (revenue provided by taxes and other sources not tied to a particular program), it shows to what extent each function has to rely on general revenues for funding. The governmental functions of the County include general government, financial administration, health and human services, culture and recreation, law enforcement and corrections, legal and judicial, transportation, and debt service.

Government-wide financial statements include not only the activities of the County itself (known as the primary government), but also those of a legally separate component unit: the Montgomery County Toll Road Authority. The County Commissioners' Court acts as the Board of Directors for the component unit whose activities are blended with those of the primary government because they function as part of the County government. Montgomery County's government-wide financial statements distinguish functions of the County that are principally supported by tax and intergovernmental revenues (*governmental activities*) from those that are intended to recover all or a significant portion of their costs through fees and charges (*business-type activities*).

The government-wide financial statements can be found immediately following the management's discussion and analysis.

Fund Financial Statements

The fund financial statements focus on the County's most significant funds (major funds) rather than fund types, or the County as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Montgomery County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- 1) Governmental funds are maintained to account for the government's operating and financing activities. The measurement focus is on available resources.
- 2) Proprietary funds are utilized to account for internal service funds and enterprise funds. Internal service funds are an accounting tool used to accumulate and allocate costs amongst the County's functions. Enterprise funds are used to report an activity for which a fee is charged to external users for goods and services.
- 3) Fiduciary funds are used to account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. As mentioned earlier, government-wide financial statements are reported using full accrual accounting; governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as balances of available resources. In other words, revenue is reported when earned, provided it is collectible within the reporting period or soon enough afterward to be used to pay liabilities of the current period. Likewise, liabilities are recognized as expenditures only when payment is due since they must be liquidated with available cash. Such information is useful in comparing a government's near-term financing requirements to near-term resources available.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers should better understand the results and long-term impact of the government's near-term financing decisions. The user is assisted in this comparison between the two bases of accounting by way of a reconciliation statement between the governmental fund balance sheet and the government-wide statement of net position, as well as a reconciliation statement between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

Montgomery County maintained 39 individual governmental funds during the fiscal year ended September 30, 2025. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Road and Bridge Fund, the Debt Service Fund, the Grants Fund, the Pass-through Toll Projects Fund, the Road Bonds 2018B Fund, and the Road Bonds Issue Reimbursement Fund, all of which are considered to be major funds. Data from the remaining governmental funds (i.e., nonmajor funds) is combined into a single, aggregated presentation. Individual fund data for each nonmajor governmental fund is provided in the form of combining schedules, which are included in the Supplementary Information section following the notes to the financial statements.

Montgomery County utilizes and maintains budgetary controls over its operating funds. Budgetary controls are used to ensure compliance with legal provisions required under state statute governing the annual appropriated budget. Budgets for governmental funds are established in accordance with state law and, by County policy, are adopted at the department level for the General Fund, all Special Revenue Funds, and the Debt Service Fund using the primary categories of salaries, benefits, operations, and capital. A budgetary comparison statement is provided in the financial section for the General Fund, the Road and Bridge Special Revenue Fund, and the Grants Special Revenue Fund. The Pass-through Toll Projects fund, Road Bonds 2018B fund, and Road Bonds Issue Reimbursement Fund are capital projects funds with project-length budgets and therefore do not present budgetary comparison schedules. Budgetary comparison schedules for all nonmajor special revenue funds are provided as supplementary information. These budgetary comparisons can be used to demonstrate compliance with the budget both in its original and final forms.

The basic governmental fund financial statements can be found immediately following the governmental fund financial statements.

Proprietary Funds focus on the determination of operating income, changes in net position, financial position, and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds. Internal Service Funds are utilized as an accounting device to accumulate and allocate costs internally among the County's various functions. The County maintains three Internal Service funds to account for its employee health benefits, worker's compensation, and accident and liability. Since the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The County also maintains an Enterprise Fund to account for activity in the Montgomery County Toll Road Authority (MCTRA). The Montgomery County Toll Road is fully functional with ongoing projects for enhancements. These operations are fully supported by user fees. The fund is reported as a business-type activity in the financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service funds are also presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found immediately following the governmental fund financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties other than the County itself. Custodial and investment trust funds are the only fiduciary fund type used by Montgomery County, and they are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs and expenses of the County. The basis of accounting used for fiduciary funds is the full accrual basis, much like that of the government-wide statements.

The basic fiduciary fund financial statements can be found immediately following the proprietary fund financial statements.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. As such, the notes are an integral part of the basic financial statements. They focus on the primary government's governmental activities, major funds, and nonmajor funds in the aggregate.

The notes to the financial statements can be found immediately following the fiduciary fund financial statements.

Required supplementary information provides information on the County's participation in the agent multiple-employer defined benefit pension plan as well as information on other post-employment benefits. This section is also comprised of the comprised of the General Fund, Road and Bridge Fund, and Grants Fund final budget versus actual at the department level.

The required supplementary information can be found immediately following the notes to the financial statements.

Supplementary information also includes combining financial statements for non-major governmental, proprietary and fiduciary funds. These funds are totaled by fund type and presented in a single column in the basic financial statements. They are not reported individually, as with major funds, on the governmental fund financial statements.

Supplementary information can be found immediately following the required supplementary information.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Montgomery County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$845,726,153 at September 30, 2025, as shown in the table below.

MONTGOMERY COUNTY, TEXAS' NET POSITION

	Governmental Activities		Business-type activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 570,198,315	\$ 451,469,145	\$ 35,048,252	\$ 38,069,471	\$ 605,246,567	\$ 489,538,616
Capital assets	1,269,148,249	1,168,174,466	58,610,885	60,860,994	1,327,759,134	1,229,035,460
Net pension asset	<u>7,674,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,674,595</u>	<u>-</u>
Total assets	<u>1,847,021,159</u>	<u>1,619,643,611</u>	<u>93,659,137</u>	<u>98,930,465</u>	<u>1,940,680,296</u>	<u>1,718,574,076</u>
Deferred outflows	<u>80,690,287</u>	<u>106,232,561</u>	<u>-</u>	<u>-</u>	<u>80,690,287</u>	<u>106,232,561</u>
Current liabilities	181,339,515	185,670,467	331,215	2,105,007	181,670,730	187,775,474
Long-term liabilities	<u>808,140,989</u>	<u>769,045,883</u>	<u>90,580,796</u>	<u>92,349,014</u>	<u>898,721,785</u>	<u>861,394,897</u>
Total liabilities	<u>989,480,504</u>	<u>954,716,350</u>	<u>90,912,011</u>	<u>94,454,021</u>	<u>1,080,392,515</u>	<u>1,049,170,371</u>
Deferred inflows	<u>95,251,915</u>	<u>79,966,695</u>	<u>-</u>	<u>-</u>	<u>95,251,915</u>	<u>79,966,695</u>
Net Position:						
Net investment in capital assets	821,113,537	706,163,384	(23,777,864)	(20,301,084)	796,423,449	684,950,076
Restricted	80,402,005	61,839,847	-	-	80,402,005	61,839,847
Unrestricted	<u>(58,536,515)</u>	<u>(76,810,104)</u>	<u>26,524,990</u>	<u>24,777,528</u>	<u>(31,099,301)</u>	<u>(51,120,352)</u>
Total net position	<u>\$ 842,979,027</u>	<u>\$ 691,193,127</u>	<u>\$ 2,747,126</u>	<u>\$ 4,476,444</u>	<u>\$ 845,726,153</u>	<u>\$ 695,669,571</u>

The County's total assets of \$1,940,680,296 are largely comprised of cash and investments of \$434,096,448, or 22.4%, and capital assets net of accumulated depreciation of \$1,269,148,249, or 65.4%. The capital assets of the County include land, buildings, improvements other than buildings, equipment, intangibles, construction in progress, infrastructure (roads, bridges, signs, etc.), and right to use assets. Capital assets are non-liquid assets that provide services to citizens; as a result, these assets cannot be utilized to satisfy County obligations.

As in last year, long-term liabilities of \$898,721,785 comprises the largest portion of the County's total liabilities of \$1,080,392,515 at 83.2%. Of total long-term liabilities, \$49,899,957 is due within one year, with the remainder of \$848,821,828 being due over a period of time greater than one year. A more in-depth discussion of long-term debt can be found in the notes to the financial statements.

The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$845,726,153 (net position) as of September 30, 2025. Roughly 9.5%, or \$80,402,005, of the County's net position represents restricted net position. These resources are subject to external restrictions on how they may be used. Restrictions include statutory requirements, bond covenants, and granting conditions. Of the restricted net position, \$12,756,437 is restricted for debt service, and the remainder is restricted by contract or legislation. The most significant portion, \$796,423,449 of the County's net position reflects its net investment in capital assets.

MONTGOMERY COUNTY, TEXAS' CHANGES IN NET POSITION

	Governmental activities		Business-type activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 144,822,671	\$ 151,116,952	\$ 23,940,964	\$ 20,182,274	\$ 168,763,635	\$ 171,299,226
Operating grants and contributions:	95,468,820	92,318,848	-	-	95,468,820	92,318,848
Capital grants and contributions:	124,761,065	74,201,383	-	-	124,761,065	74,201,383
General revenues:						
Property taxes	364,726,820	330,203,259	-	-	364,726,820	330,203,259
Other taxes	5,791,695	6,419,585	-	-	5,791,695	6,419,585
Investment earnings	16,050,403	25,056,950	1,414,131	2,038,261	17,464,534	27,095,211
Gain on sale of assets	28,935,277	-	-	-	28,935,277	-
Miscellaneous	2,676,930	2,451,606	-	-	2,676,930	2,451,606
Total revenues	<u>783,233,681</u>	<u>681,768,583</u>	<u>\$ 25,355,095</u>	<u>\$ 22,220,535</u>	<u>808,588,776</u>	<u>703,989,118</u>
Expenses:						
General government	66,082,665	48,655,377	-	-	66,082,665	48,655,377
Financial administration	24,733,914	22,723,951	-	-	24,733,914	22,723,951
Health and human services	67,321,712	84,226,843	-	-	67,321,712	84,226,843
Culture and recreation	21,605,360	19,581,087	-	-	21,605,360	19,581,087
Law enforcement and corrections	267,661,249	259,004,431	-	-	267,661,249	259,004,431
Legal and judicial	37,700,008	38,489,122	-	-	37,700,008	38,489,122
Transportation	118,513,559	113,205,717	-	-	118,513,559	113,205,717
Interest and fiscal charges	16,132,052	17,428,574	-	-	16,132,052	17,428,574
Toll road	-	-	27,084,413	22,343,039	27,084,413	22,343,039
Total expenses	<u>619,750,519</u>	<u>603,315,102</u>	<u>27,084,413</u>	<u>22,343,039</u>	<u>646,834,932</u>	<u>625,658,141</u>
Increase (decrease) in net position	163,483,162	78,453,481	(1,729,318)	(122,504)	161,753,844	78,330,977
Net position, beginning	691,193,127	612,739,646	4,476,444	4,598,948	695,669,571	617,338,594
Restatement	<u>(11,697,262)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,697,262)</u>	<u>-</u>
Net position, ending	<u>\$ 842,979,027</u>	<u>\$ 691,193,127</u>	<u>\$ 2,747,126</u>	<u>\$ 4,476,444</u>	<u>\$ 845,726,153</u>	<u>\$ 695,669,571</u>

Note: during the current year, the County adopted new accounting guidance for compensated absences with the adoption of GASB Statement No. 101, Compensated Absences. The information above for 2025 have been restated to reflect this change, but in accordance with GASB pronouncements, 2024 was not adjusted above. See Note 13 to the financial statements for more information.

The County's overall net position increased from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities

During the current fiscal year, net position for governmental activities increased by \$163,483,162 from the prior fiscal year.

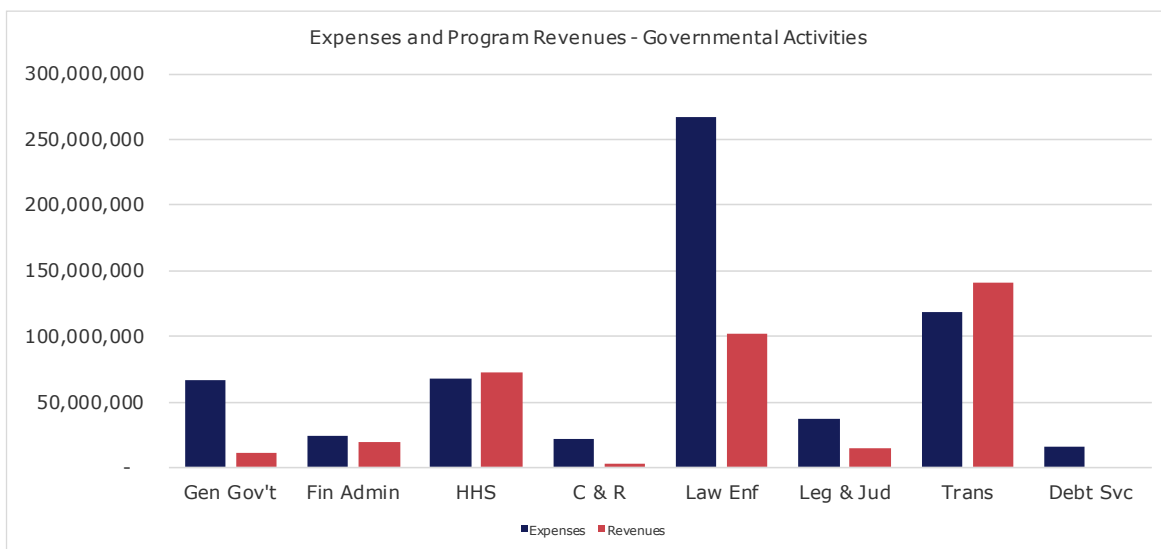
The County's total revenues of \$783,233,681 is an increase from the prior year. Property tax revenue accounts for \$364,726,820, or 46.6%, and is an increase over last year of \$34,523,561. The increase is primarily due to increasing property values as the County continues to see increased population and commercial development, as people continue to relocate to the County. These both contribute greatly to increased appraisal values and subsequent tax collections.

Program revenues of fees, fines, forfeitures, and charges for services comprise \$144,822,671, or 18.5%; and grants and contributions encompass \$220,229,885, or 28.1% of total revenues of governmental activities. Operating Grants and Contributions were \$95,468,820, an increase of \$3,149,972 largely due an increase in use of ARPA funding received in response to the recovery efforts from COVID-19. Capital Grants and Contributions experienced an increase of \$50,559,682 due to more and larger infrastructure contributions.

The County's governmental activities expenses for the year totaled \$619,750,519, an increase of \$16,435,417 from the prior fiscal period. The increase is primarily due to the recognition of pension expense, resulting in an increase to the County's net pension asset of \$7,674,595.

The overall financial position of the County has improved over the last year. As mentioned earlier, there is an increase in the governmental activities net position of \$163,483,162. The reason for this change is an increase in federal and state funding, combined with more property tax receipts due to a growing tax base.

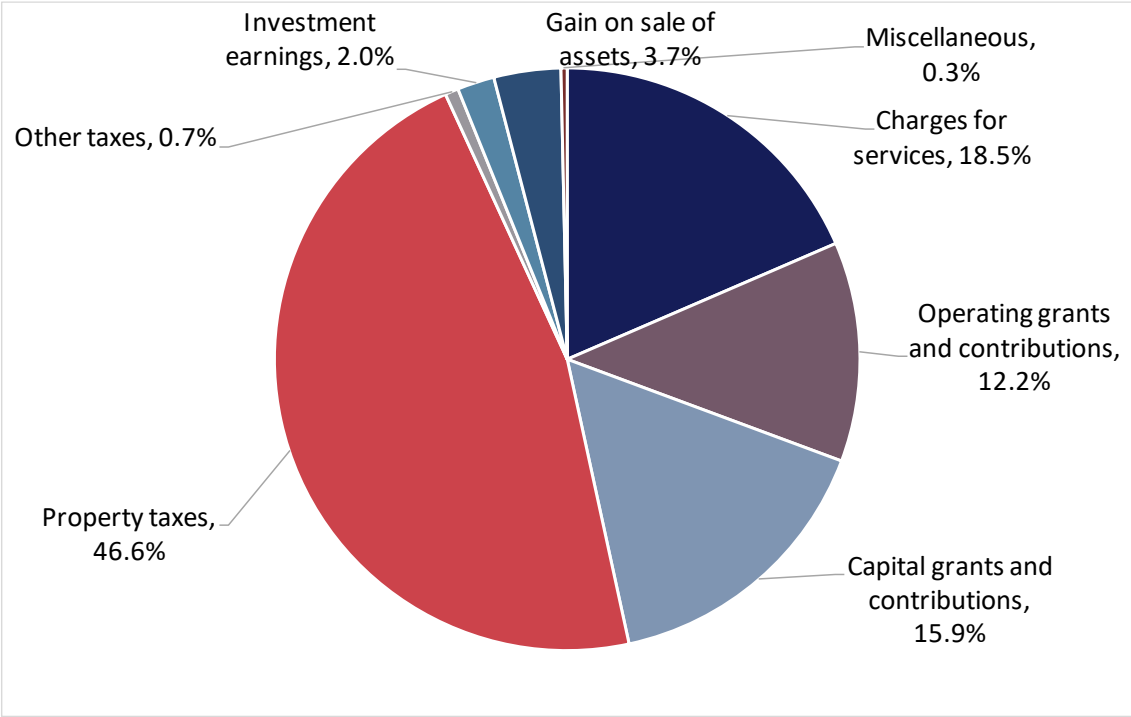
The following chart depicts expenses and program revenues for the fiscal year ending September 30, 2025, for governmental activities.



Key elements of the analysis of government-wide program revenues and expenses as they relate to each function reflect the following:

- Program revenues of \$365,052,556 are comprised in large part (20.0%) of Health & Human Services' revenues of \$73,088,387 and Public Transportation's revenues of \$141,461,310 (38.8%). The Law Enforcement and Corrections function comprises 28.1% of program revenues with \$102,586,677, General Government makes up 3.1% of program revenues with \$11,150,462, and Financial Administration covers 5.2% of program revenues with \$18,988,051. The expenses of these functions account for 10.9%, 19.1%, 43.2%, 10.7%, and 4.0%, respectively. As expected, general revenues provided the required support and coverage in areas where expenses exceeded revenues.
- The Health and Human Services function experienced a decrease in expenses of \$16,905,131 and an increase in revenues of \$8,378,558 while the law enforcement and corrections function experienced an increase in expenses of \$8,656,818 and an increase in revenues of \$4,575,937.

The following chart depicts revenues from the governmental activities for the fiscal year ended September 30, 2025.



Business-type Activities

For the County’s business-type activities, the results for the current year were positive in that overall net position was \$2,747,126. Fees and Charges for Services of \$23,940,964 comprised 94.4% of total revenues for business-type activities. This amount represents the toll revenue receipts from the SH 249 Tollway. Toll Road expenses increased to \$27,084,413, an increase of \$4,741,374 primarily due to various road projects the Toll Road is embarking to improve connectivity and mobility on and around SH 249. Construction on three separate segments of FM149 was begun in order to add two additional lanes and complete a four-lane roadway from SH105 to FM1774.

GOVERNMENTAL FUND FINANCIAL ANALYSIS

Montgomery County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds are a means of providing information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Montgomery County’s financing requirements. In particular, fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of September 30, 2025, the County’s governmental funds reported combined ending unassigned fund balances of \$70,680,899 that are available for spending at the County’s discretion. The remainder of fund balances are categorized as restricted \$180,198,287, committed \$10,801,455 or assigned \$90,000,000 to reflect the varying levels of liquidity.

Total assets in the General Fund amounted to \$303,403,847, accounting for 51.9% of total governmental fund assets. The total assets of other major funds, which include Road and Bridge Special Revenue Fund (\$36,214,902) the Debt Service Fund (\$12,756,437), the Grants Fund (\$11,652,195), the Pass-through Toll Projects Fund (\$64,341,892), the Road Bonds 2018B Fund (\$1,366,114), and the Road Bonds Issue Reimbursement Fund (\$3,430,910). Together, all major funds account for \$557,015,577 (95.2%) of the County’s \$584,797,476 in total assets.

The County's General Fund balance increased by \$7,851,342 during the current fiscal year. Key factors in this increase are as follows:

- Increase in tax collections, caused by a growing tax base.
- Increase in fees and charges for services.

As part of long-range planning, management has pledged to continue maintaining the level of the General Fund's unassigned fund balance at an amount between 10 and 15 percent of annual operating expenditures.

The Road and Bridge Special Revenue Fund has a total fund balance of \$26,572,964 which is reported as \$764,422 as committed and \$25,808,542 as restricted. The fund balance increased by \$4,209,152 during the current year due to increases in Road and Bridge expenses.

The fund balance of \$11,407,805 in the Debt Service Fund is presented as fund balance restricted for debt service. The fund balance decreased due to regularly scheduled principal payments on outstanding bond, combined with the lack of new bond issuances.

The Grants Fund has a total fund balance of \$8,354,686 which is reported as unassigned. Fund balance increased due to an increase in federal and state funding.

The Pass-through Toll Projects fund has a total fund balance of \$0. The fund had no activity during the fiscal year.

The Road Bonds 2018B fund balance decreased by \$209,740 to an ending balance of \$1,365,784. This decrease was caused by the spending down of bond funds issued in prior years.

The Road Bonds Issue Reimbursement fund has a total fund balance of which is reported as restricted. Fund balance increased \$4,234,905 due to a large transfer from the Road Bonds 2018B fund.

The Road Bonds 2025 fund has a total fund balance of \$111,332,231, which is reported as restricted. This is a new fund in fiscal year 2025, established from road bonds issued during the fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The published budget of Montgomery County for fiscal year 2025 was prepared on a modified accrual basis, and includes all elements required by Texas Local Government Code Section 111.063, applicable to counties of population more than 125,000 that have an appointed County Budget Officer. The original adopted budget of the General Fund includes revenues of \$324,460,241 and expenditures of \$317,363,939. The General Fund's final budget, as amended, contains revenues and other financing sources of \$356,378,439 and expenditures and other financing uses of \$360,150,171.

The following table presents the changes between the original adopted budget and the final budget for the General Fund as of September 30, 2025.

GENERAL FUND
BUDGET VARIANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Variance with Original Budget Positive (Negative)
REVENUES			
Taxes	\$ 284,018,060	\$ 287,318,060	\$ 3,300,000
Fees	18,831,430	19,680,385	848,955
Intergovernmental	504,000	1,104,724	600,724
Licenses and permits	2,122,840	2,271,972	149,132
Contract reimbursements	16,617,911	39,644,641	23,026,730
Investment earnings	1,500,000	1,500,206	206
Fines and forfeitures	460,000	460,000	-
Commissions	-	301,209	301,209
Miscellaneous	406,000	1,586,521	1,180,521
Total revenues	<u>324,460,241</u>	<u>353,867,718</u>	<u>29,407,477</u>
EXPENDITURES			
Current:			
General government	63,851,939	60,468,610	3,383,329
Financial administration	25,660,593	25,606,784	53,809
Health and human services	15,486,205	15,497,874	(11,669)
Culture and recreation	13,879,542	13,647,398	232,144
Law enforcement and corrections	159,867,485	196,839,976	(36,972,491)
Legal and judicial	37,227,682	37,174,552	53,130
Transportation	1,390,493	1,392,158	(1,665)
Debt service:			
Principal retirement	-	2,816,807	(2,816,807)
Interest and fiscal charges	-	162,145	(162,145)
Total expenditures	<u>317,363,939</u>	<u>353,606,304</u>	<u>(36,242,365)</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	7,096,302	261,414	(6,834,888)
OTHER FINANCING SOURCES/(USES)			
Sale of capital assets	200,000	274,242	74,242
Insurance settlement	-	-	-
Issuance of leases	-	560,473	560,473
Issuance of SBITA	-	2,473,586	2,473,586
Transfers in	-	2,510,721	2,510,721
Transfers out	-	(6,543,867)	(6,543,867)
Total other financing sources/(uses)	<u>200,000</u>	<u>(724,845)</u>	<u>(924,845)</u>
NET CHANGE IN FUND BALANCES	7,296,302	(463,431)	(7,759,733)
FUND BALANCES, BEGINNING	<u>158,424,465</u>	<u>158,424,465</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 165,720,767</u>	<u>\$ 157,961,034</u>	<u>\$ (7,759,733)</u>

Final budgeted revenues were higher than originally planned by \$29,407,477. The final budget for contract reimbursements was \$23,026,730 more than the original budget. During the original budget process, Commissioners' Court does not budget for funds that are not at the discretion of the County to spend. Additionally, during the course of the fiscal year, the County entered into several contracts for law enforcement services with local agencies. These contracts were also contributing factors to the increase in the budget for contract reimbursements.

The originally unanticipated revenue partially offsets the expenditure differences of \$36,242,365 between the original budget and the final amended budget.

Funds that were originally scheduled in prior fiscal years were not included in the original budget for fiscal year 2025. This practice reflects the County's policy of letting encumbrances lapse at year-end and re-appropriating them in the current year. This policy created increases in the amended budget for carryovers from the prior year in the Health and Human Services, Law Enforcement and Corrections, Legal and Judicial, and Transportation functions.

The following table presents the differences between the final amended budget and actual revenues and expenditures for the General Fund as of September 30, 2025.

GENERAL FUND
BUDGET VARIANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 287,318,060	\$ 287,554,078	\$ 236,018
Fees	19,680,385	23,245,730	3,565,345
Intergovernmental	1,104,724	1,618,643	513,919
Licenses and permits	2,271,972	2,092,811	(179,161)
Contract reimbursements	39,644,641	35,148,185	(4,496,456)
Investment earnings	1,500,206	12,007,782	10,507,576
Fines and forfeitures	460,000	537,728	77,728
Commissions	301,209	304,341	3,132
Miscellaneous	<u>1,586,521</u>	<u>1,993,666</u>	<u>407,145</u>
Total revenues	<u>353,867,718</u>	<u>364,502,964</u>	<u>10,635,246</u>
EXPENDITURES			
Current:			
General government	60,468,610	58,571,650	1,896,960
Financial administration	25,606,784	25,467,863	138,921
Health and human services	15,497,874	15,306,726	191,148
Culture and recreation	13,647,398	13,639,896	7,502
Law enforcement and corrections	196,839,976	196,242,482	597,494
Legal and judicial	37,174,552	36,984,174	190,378
Transportation	1,392,158	1,214,599	177,559
Debt service:			
Principal retirement	2,816,807	2,816,807	-
Interest and fiscal charges	<u>162,145</u>	<u>162,145</u>	<u>-</u>
Total expenditures	<u>353,606,304</u>	<u>350,406,342</u>	<u>3,199,962</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	261,414	14,096,622	13,835,208
OTHER FINANCING SOURCES/(USES)			
Sale of capital assets	274,242	199,827	(74,415)
Insurance settlement	-	3,980	3,980
Issuance of lease	560,473	560,473	-
Issuance of SBITA	2,473,586	2,473,586	-
Transfers in	2,510,721	2,510,721	-
Transfers out	<u>(6,543,867)</u>	<u>(11,993,867)</u>	<u>(5,450,000)</u>
Total other financing sources/(uses)	<u>(724,845)</u>	<u>(6,245,280)</u>	<u>(5,520,435)</u>
NET CHANGE IN FUND BALANCES	(463,431)	7,851,342	8,314,773
FUND BALANCES, BEGINNING	<u>158,424,465</u>	<u>158,424,465</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 157,961,034</u>	<u>\$ 166,275,807</u>	<u>\$ 8,314,773</u>

Actual revenues exceeded budgeted revenues by \$10,635,246. An increase in fees and charges for services and investment earnings helped cover the budget shortfall of \$4,496,456 in contract reimbursements.

Actual expenditures were \$3,199,962 lower than final budgeted expenditures. All functions showed actual expenditures lower than budgeted expenditures.

The majority of departments in the Legal and Judicial function of the General Fund expended less than was approved in the final amended budget by \$190,378.

The actual net change in fund balance was \$8,314,773 more than anticipated with the final budget. This is primarily the result of the General Fund receiving more interest earnings from investments than anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Montgomery County's investment in capital assets for its governmental and business-type activities as of September 30, 2025 amounted to \$1,327,759,134 (net of accumulated depreciation). This investment in capital assets includes land and easements, buildings, improvements, equipment, intangibles, infrastructure that was purchased, completed or donated since the fiscal year 1981, right to use assets, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Montgomery County continues to grow; it is continually ranked in the top 100 fastest growing counties in the nation. This brisk growth brings with it a need for vast improvements to a rural infrastructure system that must also cope with an influx of traffic. Development frequently comes with donations in the form of roads. Infrastructure donations for the year totaled \$124,761,065.
- A variety of projects for both new infrastructure construction and for expansion or updating of existing infrastructure were ongoing during the year.
- Expenditures of \$33,276,292 were incurred for construction that was in progress throughout the year. Projects that were completed from ongoing construction throughout the year totaled \$15,309,415.
- Vehicles and other various equipment items were acquired at a cost of \$20,783,955.
- Increases in assets for governmental and business-type activities were offset by depreciation expense of \$84,761,508 and \$4,163,954 respectively.

Montgomery County, Texas
Capital Assets (net of depreciation)
SEPTEMBER 30, 2025
with Comparative Totals for September 30, 2024

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 208,331,681	\$ 196,984,047	\$ -	\$ -	\$ 208,331,681	\$ 196,984,047
Buildings	176,487,498	148,424,544	-	-	176,487,498	148,424,544
Improvements	5,750,045	5,837,672	-	-	5,750,045	5,837,672
Equipment	67,472,746	63,828,132	286,151	87,647	67,758,897	63,915,779
Infrastructure	776,980,896	736,735,461	56,735,364	59,715,684	833,716,260	796,451,145
Right to use equipment	173,380	2,297,522	-	-	173,380	2,297,522
Right to use building	325,766	443,297	-	-	325,766	443,297
Right to use software	6,196,415	4,160,846	-	-	6,196,415	4,160,846
Construction in progress	27,429,822	9,462,945	1,589,370	1,057,663	29,019,192	10,520,608
Total	<u>\$ 1,269,148,249</u>	<u>\$ 1,168,174,466</u>	<u>\$ 58,610,885</u>	<u>\$ 60,860,994</u>	<u>\$ 1,327,759,134</u>	<u>\$ 1,229,035,460</u>

More information on the County's capital assets can be found in Note 6 starting on page 43 of this report.

Long-Term Liabilities

At September 30, 2025, Montgomery County governmental activities had total bonded debt outstanding of \$600,940,000. Commissioners' Court keeps maturity dates confined to no more than 30 years. The County has maintained an underlying rating by Standard & Poor's of "AA+" and an underlying rating by Moody's of "Aaa". The County issues three types of debt; general obligation bonds are approved by the voters of the County while revenue bonds and certificates of obligation are approved by Commissioners' Court. Of the County's total debt, \$496,090,000 corresponds to general obligation debt, \$84,680,000 is in the form of revenue bonds and \$20,170,000 represents certificates of obligation.

Outstanding bonded debt for governmental activities increased by \$98,280,000. This due to issuance of general obligation bonds in fiscal year 2025.

Outstanding bonded debt for the business-type activities, the Montgomery County Toll Road Authority decreased due to premium amortization, and a principal payment of \$1,500,000 made in September 2025.

The following table represents the entire long-term liabilities of the County at September 30, 2025, on a comparative basis.

Montgomery County, Texas
Outstanding Long-Term Liabilities

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 496,090,000	\$ 396,705,000	\$ -	\$ -	\$ 496,090,000	\$ 396,705,000
Revenue bonds	-	-	84,680,000	86,180,000	84,680,000	86,180,000
Certificates of obligation	20,170,000	21,275,000	-	-	20,170,000	21,275,000
Leases	2,338,158	2,915,337	-	-	2,338,158	2,915,337
SBITA's	4,421,688	4,113,544	-	-	4,421,688	4,113,544
Financed purchases	5,859,368	8,559,719	-	-	5,859,368	8,559,719
Premiums, net of discounts	32,483,055	31,834,967	5,900,796	6,169,014	38,383,851	38,003,981
Compensated absences	28,015,901	15,504,620	-	-	28,015,901	15,504,620
Property casualty obligation	764,335	1,688,881	-	-	764,335	1,688,881
Medical obligation	4,802,050	6,846,686	-	-	4,802,050	6,846,686
Worker's comp obligation	4,246,396	5,128,429	-	-	4,246,396	5,128,429
Net pension liability	-	16,316,801	-	-	-	16,316,801
OPEB liability	208,950,038	258,156,899	-	-	208,950,038	258,156,899
Total	<u>\$ 808,140,989</u>	<u>\$ 769,045,883</u>	<u>\$ 90,580,796</u>	<u>\$ 92,349,014</u>	<u>\$ 898,721,785</u>	<u>\$ 861,394,897</u>

Note that the above table reflects the County's implementation of GASB Statement No. 101, Compensated Absences, for 2025 and 2024. The liability now includes the estimated portion of accumulated sick leave that will be paid in future years. The other portion of compensated absences related to vacation payable was not significantly affected by GASB 101 because all vacation leave vests and is paid upon termination; thus, those amounts were already reported under existing standards.

The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to rate on bonds issued pursuant to such constitutional provision. However, the amount of bonds that may be issued is limited to 25% of the assessed valuation of real property in the County. The current debt limitation for the County is \$23,901,839,750, which is significantly greater than the County's outstanding debt obligation.

Additional information on Montgomery County's long-term debt can be found in Note 8 beginning on page 45-48 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The unemployment rate for the County is currently 4.2%, which is consistent with the rate reported in the previous fiscal year. This equals the State's average unemployment rate, and slightly lower than the national average rate of 4.3%.
- The estimated debt service obligation increased by \$1,851,538 in fiscal year 2025 to \$48,788,079.
- In fiscal year 2016, the County began budgeting for various capital improvements through the annual budget process rather than relying on the issuance of debt. To continue this effort, contained within the fiscal year 2025 budget is funding in the amount of \$13,524,267 for this endeavor.
- For fiscal year 2025, the County adopted the effective tax rate of \$0.3790/\$100 valuation.

All of these factors were considered in preparing the Adopted Budget of Montgomery County, Texas for the fiscal year ending September 30, 2025.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Montgomery County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Montgomery County Auditor, P. O. Box 539, Conroe, Texas 77305-0539.

BASIC FINANCIAL STATEMENTS

MONTGOMERY COUNTY, TEXAS

EXHIBIT I

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Cash	\$ 368,633,088	\$ 3,922,964	\$ 372,556,052
Investments	28,694,656	32,845,740	61,540,396
Receivables:			
Taxes (net)	13,311,269	-	13,311,269
Accounts (net)	19,292,936	1,953,793	21,246,729
Interest	105,212	-	105,212
Due from other governments	135,933,776	-	135,933,776
Internal balances	3,674,245	(3,674,245)	-
Prepaid items	553,133	-	553,133
Capital assets, net of accumulated depreciation			
Nondepreciable	235,761,503	-	235,761,503
Depreciable	1,033,386,746	58,610,885	1,091,997,631
Net pension asset	7,674,595	-	7,674,595
Total assets	<u>1,847,021,159</u>	<u>93,659,137</u>	<u>1,940,680,296</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows from pensions	25,803,912	-	25,803,912
Deferred outflows from OPEB	51,310,338	-	51,310,338
Deferred charge on refunding	3,576,037	-	3,576,037
Total deferred outflows of resources	<u>80,690,287</u>	<u>-</u>	<u>80,690,287</u>
LIABILITIES			
Accounts payable	27,714,923	-	27,714,923
Retainage payable	721,911	-	721,911
Accrued liabilities	28,284,180	154,798	28,438,978
Accrued interest payable	1,627,091	176,417	1,803,508
Due to other governments	27,295	-	27,295
Unearned revenue	122,714,115	-	122,714,115
Litigation payable	250,000	-	250,000
Noncurrent liabilities:			
Due within one year:			
Long-term debt	37,360,603	2,045,000	39,405,603
Claims payable	2,453,196	-	2,453,196
Total OPEB liability	8,041,158	-	8,041,158
Due in more than one year:			
Long-term debt	552,017,567	88,535,796	640,553,363
Claims payable	7,359,585	-	7,359,585
Total OPEB liability	<u>200,908,880</u>	<u>-</u>	<u>200,908,880</u>
Total liabilities	<u>989,480,504</u>	<u>90,912,011</u>	<u>1,080,392,515</u>

The accompanying notes are an integral part of this financial statement.

MONTGOMERY COUNTY, TEXAS

EXHIBIT I

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows from leases	\$ 6,401,864	\$ -	\$ 6,401,864
Deferred inflows from pensions	7,873,544	-	7,873,544
Deferred inflows from OPEB	80,312,471	-	80,312,471
Deferred charge on refunding	664,036	-	664,036
Total Deferred Inflows of Resources	<u>95,251,915</u>	<u>-</u>	<u>95,251,915</u>
NET POSITION			
Net investment in capital assets	821,113,537	(23,777,864)	796,423,449
Restricted for:			
General government	9,569,526	-	9,569,526
Financial administration	8,354,686	-	8,354,686
Law enforcement and corrections	9,512,980	-	9,512,980
Legal and judicial	2,994,425	-	2,994,425
Debt service	12,756,437	-	12,756,437
Capital projects	166,107	-	166,107
Road and bridge	29,373,249	-	29,373,249
Net pension asset	7,674,595	-	7,674,595
Unrestricted	<u>(58,536,515)</u>	<u>26,524,990</u>	<u>(31,099,301)</u>
Total net position	<u>\$ 842,979,027</u>	<u>\$ 2,747,126</u>	<u>\$ 845,726,153</u>

Note: The County has issued bonds to acquire capital assets that were previously reported in business-type activities. However, in a prior year, capital assets in the amount of \$912,224 were contributed from the business-type activities to the governmental activities. Accordingly, the capital asset and related borrowing are reported in different activity columns but within the same primary government total column. As a result, the amount of net investment in capital assets and unrestricted net position do not crossfoot.

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MONTGOMERY COUNTY, TEXAS

EXHIBIT II

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Fees, Fines, Forfeitures, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 66,082,665	\$ 10,511,170	\$ 639,292	\$ -	\$ (54,932,203)	\$ -	\$ (54,932,203)
Financial administration	24,733,914	18,988,051	-	-	(5,745,863)	-	(5,745,863)
Health and human services	67,321,712	2,507,691	70,580,696	-	5,766,675	-	5,766,675
Culture and recreation	21,605,360	1,809,470	733,323	-	(19,062,567)	-	(19,062,567)
Law enforcement and corrections	267,661,249	81,017,438	21,569,239	-	(165,074,572)	-	(165,074,572)
Legal and judicial	37,700,008	13,872,677	1,362,199	-	(22,465,132)	-	(22,465,132)
Transportation	118,513,559	16,116,174	584,071	124,761,065	22,947,751	-	22,947,751
Interest and fiscal charges	16,132,052	-	-	-	(16,132,052)	-	(16,132,052)
Total governmental activities	<u>619,750,519</u>	<u>144,822,671</u>	<u>95,468,820</u>	<u>124,761,065</u>	<u>(254,697,963)</u>	<u>-</u>	<u>(254,697,963)</u>
Business-type activities:							
Toll road	<u>27,084,413</u>	<u>23,940,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,143,449)</u>	<u>(3,143,449)</u>
Total business-type activities	<u>27,084,413</u>	<u>23,940,964</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,143,449)</u>	<u>(3,143,449)</u>
Total primary government	<u>\$ 646,834,932</u>	<u>\$ 168,763,635</u>	<u>\$ 95,468,820</u>	<u>\$ 124,761,065</u>	<u>(254,697,963)</u>	<u>(3,143,449)</u>	<u>(257,841,412)</u>
General revenues and transfers:							
Property taxes					364,726,820	-	364,726,820
Other taxes					5,791,695	-	5,791,695
Investment earnings					16,050,403	1,414,131	17,464,534
Gain on sale of assets					28,935,277	-	28,935,277
Miscellaneous					<u>2,676,930</u>	<u>-</u>	<u>2,676,930</u>
Total general revenues and transfers					<u>418,181,125</u>	<u>1,414,131</u>	<u>419,595,256</u>
Change in net position					163,483,162	(1,729,318)	161,753,844
Net position - beginning, as previously reported					691,193,127	4,476,444	695,669,571
Restatement - change in accounting principle					(11,697,262)	-	(11,697,262)
Net position - beginning, restated					<u>679,495,865</u>	<u>-</u>	<u>683,972,309</u>
Net position - ending					<u>\$ 842,979,027</u>	<u>\$ 2,747,126</u>	<u>\$ 845,726,153</u>

The accompanying notes are an integral part of this financial statement.

MONTGOMERY COUNTY, TEXAS

BALANCE SHEET GOVERNMENTAL FUNDS

SEPTEMBER 30, 2025

	General	Road and Bridge	Debt Service	Grants
ASSETS				
Cash	\$ 182,772,621	\$ 34,296,660	\$ 9,482,093	\$ 309
Investments	22,826,521	376,383	724,388	692,280
Receivables:				
Taxes (net)	10,206,478	1,541,859	1,562,932	-
Accounts (net)	14,990,274	-	-	476,196
Interest	105,212	-	-	-
Prepaid	-	-	-	88,001
Due from other funds	3,707,034	-	987,024	10,287,933
Due from other governments	68,795,707	-	-	107,476
Total assets	<u>303,403,847</u>	<u>36,214,902</u>	<u>12,756,437</u>	<u>11,652,195</u>
LIABILITIES				
Accounts payable	27,694,182	107	-	-
Retainage payable	721,911	-	-	-
Accrued liabilities	28,284,180	-	-	-
Due to other funds	2,871,546	8,311,381	-	-
Due to other governments	27,295	-	-	-
Unearned revenue	58,372,223	-	-	-
Total liabilities	<u>117,971,337</u>	<u>8,311,488</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue: property taxes	8,807,030	1,330,450	1,348,632	-
Unavailable revenue: court fines	4,323,840	-	-	-
Unavailable revenue: grant funds	-	-	-	2,921,478
Lease-related	6,025,833	-	-	376,031
Total deferred inflows of resources	<u>19,156,703</u>	<u>1,330,450</u>	<u>1,348,632</u>	<u>3,297,509</u>
FUND BALANCES				
Restricted	-	25,808,542	11,407,805	8,354,686
Committed	3,557,472	764,422	-	-
Assigned	90,000,000	-	-	-
Unassigned	72,718,335	-	-	-
Total fund balances	<u>166,275,807</u>	<u>26,572,964</u>	<u>11,407,805</u>	<u>8,354,686</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 303,403,847</u>	 <u>\$ 36,214,902</u>	 <u>\$ 12,756,437</u>	 <u>\$ 11,652,195</u>

The accompanying notes are an integral part of this financial statement.

EXHIBIT III

Pass-through Toll Projects	Road Bonds 2018B	Road Bonds 2025	Road Bonds Issue Reimbursement	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 1,366,114	\$ 121,615,023	\$ 3,430,910	\$ 8,464,191	\$ 361,427,921
-	-	-	-	4,075,084	28,694,656
-	-	-	-	-	13,311,269
-	-	-	-	3,508	15,469,978
-	-	-	-	-	105,212
-	-	-	-	-	88,001
-	-	-	-	14,784,672	29,766,663
<u>64,341,892</u>	<u>-</u>	<u>2,234,257</u>	<u>-</u>	<u>454,444</u>	<u>135,933,776</u>
<u>64,341,892</u>	<u>1,366,114</u>	<u>123,849,280</u>	<u>3,430,910</u>	<u>27,781,899</u>	<u>584,797,476</u>
-	-	-	-	20,634	27,714,923
-	-	-	-	-	721,911
-	-	-	-	-	28,284,180
-	330	10,282,792	706,200	4,114,611	26,286,860
-	-	-	-	-	27,295
<u>64,341,892</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122,714,115</u>
<u>64,341,892</u>	<u>330</u>	<u>10,282,792</u>	<u>706,200</u>	<u>4,135,245</u>	<u>205,749,284</u>
-	-	-	-	-	11,486,112
-	-	-	-	-	4,323,840
-	-	2,234,257	-	-	5,155,735
-	-	-	-	-	6,401,864
<u>-</u>	<u>-</u>	<u>2,234,257</u>	<u>-</u>	<u>-</u>	<u>27,367,551</u>
-	1,365,784	111,332,231	2,607,679	19,321,560	180,198,287
-	-	-	117,031	6,362,530	10,801,455
-	-	-	-	-	90,000,000
-	-	-	-	(2,037,436)	70,680,899
<u>-</u>	<u>1,365,784</u>	<u>111,332,231</u>	<u>2,724,710</u>	<u>23,646,654</u>	<u>351,680,641</u>
<u>\$ 64,341,892</u>	<u>\$ 1,366,114</u>	<u>\$ 123,849,280</u>	<u>\$ 3,430,910</u>	<u>\$ 27,781,899</u>	<u>\$ 584,797,476</u>

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MONTGOMERY COUNTY, TEXAS

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

SEPTEMBER 30, 2025

Total fund balances, governmental funds \$ 351,680,641

Amounts reported for governmental activities in the Statement of Net Position are different because:

Net pension asset 7,674,595

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position. 1,268,480,247

Deferred losses on refundings are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position. 3,576,037

Deferred gains on refundings are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position. (664,036)

Deferred outflows of resources for pension-related activities are not included in the fund financial statements, but are included in the Statement of Net Position. 25,803,912

Deferred outflows of resources for OPEB-related activities are not included in the fund financial statements, but are included in the Statement of Net Position. 51,310,338

Internal Service funds are used by the County's management to charge the costs of health insurance, workers' compensation insurance, and property and casualty insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position. 2,292,920

Some liabilities, such as long-term bonds payable, financed purchases, leases payable, and compensated absences, are not due and payable in the current period and are not included in the fund financial statements, but are reported in the Statement of Net Position.

Bonds payable	(548,743,055)
Financed purchases	(5,859,368)
Subscriptions payable	(4,421,688)
Leases payable	(2,338,158)
Compensated absences	(28,015,901)
Total OPEB liability	(208,950,038)
Interest on long-term debt	(1,627,091)

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.

Property taxes	11,486,112
Court fines	4,323,840
Grants	5,155,735

Deferred inflows of resources for pension-related activities are not included in the fund financial statements, but are included in the Statement of Net Position. (7,873,544)

Deferred inflows of resources for OPEB-related activities are not included in the fund financial statements, but are included in the Statement of Net Position. (80,312,471)

Net position of governmental activities \$ 842,979,027

The accompanying notes are an integral part of this financial statement.

MONTGOMERY COUNTY, TEXAS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General	Road and Bridge	Debt Service	Grants
REVENUES				
Taxes	\$ 287,554,078	\$ 43,955,764	\$ 43,258,598	\$ -
Fees and charges for services	23,245,730	1,784,614	-	-
Intergovernmental	1,618,643	162,912	367,840	105,837,335
Licenses and permits	2,092,811	10,847,411	-	-
Contract reimbursements	35,148,185	973,212	-	-
Inmate housing	-	-	-	-
Investment earnings	12,007,782	1,587,733	514,392	12,552
Fines and forfeitures	537,728	1,405,136	-	-
Commissions	304,341	-	-	-
Miscellaneous	1,993,666	188,193	2,784	372,369
Total revenues	<u>364,502,964</u>	<u>60,904,975</u>	<u>44,143,614</u>	<u>106,222,256</u>
EXPENDITURES				
Current:				
General government	58,571,650	-	-	643,923
Financial administration	25,467,863	-	-	97,111
Health and human services	15,306,726	2,520,393	-	50,880,281
Culture and recreation	13,639,896	7,929,889	-	671,787
Law enforcement and corrections	196,242,482	306,021	-	25,159,585
Legal and judicial	36,984,174	-	-	747,273
Transportation	1,214,599	43,261,137	-	12,619,903
Capital projects	-	-	-	-
Debt service:				
Principal retirement	2,816,807	52,049	26,070,000	364,720
Interest and fiscal charges	162,145	5,701	18,813,963	30,536
Issuance costs	-	-	24,632	-
Total expenditures	<u>350,406,342</u>	<u>54,075,190</u>	<u>44,908,595</u>	<u>91,215,119</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	14,096,622	6,829,785	(764,981)	15,007,137
OTHER FINANCING SOURCES/(USES)				
Sale of capital assets	199,827	173,623	-	-
Insurance settlement	3,980	-	-	-
Transfers in	2,510,721	751,210	733,678	1,019,683
Transfers out	(11,993,867)	(3,545,466)	-	(733,678)
Issuance of bonds	-	-	-	-
Premium on issuance of bonds	-	-	-	-
Issuance of leases	560,473	-	-	-
Issuance of subscriptions	2,473,586	-	-	-
Total other financing sources and uses	<u>(6,245,280)</u>	<u>(2,620,633)</u>	<u>733,678</u>	<u>286,005</u>
NET CHANGE IN FUND BALANCES	7,851,342	4,209,152	(31,303)	15,293,142
FUND BALANCES, BEGINNING	<u>158,424,465</u>	<u>22,363,812</u>	<u>11,439,108</u>	<u>(6,938,456)</u>
FUND BALANCES, ENDING	<u>\$ 166,275,807</u>	<u>\$ 26,572,964</u>	<u>\$ 11,407,805</u>	<u>\$ 8,354,686</u>

The accompanying notes are an integral part of this financial statement.

EXHIBIT IV

Pass-through Toll Projects	Road Bonds 2018B	Road Bonds 2025	Road Bonds Issue Reimbursement	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 374,768,440
-	-	-	-	8,436,126	33,466,470
-	-	-	277,110	20,149	108,283,989
-	-	-	-	-	12,940,222
-	-	-	-	2,670,867	38,792,264
-	-	-	-	43,194,467	43,194,467
-	158,203	1,111,289	377,695	508,811	16,278,457
-	-	-	-	1,118,976	3,061,840
-	-	-	-	-	304,341
-	-	-	-	44,022	2,601,034
-	158,203	1,111,289	654,805	55,993,418	633,691,524
-	-	-	-	3,200,046	62,415,619
-	-	-	-	-	25,564,974
-	-	-	-	-	68,707,400
-	-	-	-	-	22,241,572
-	-	-	-	48,189,152	269,897,240
-	-	-	-	1,641,672	39,373,119
-	-	-	-	-	57,095,639
-	367,943	17,779,058	4,889,710	8,325,565	31,362,276
-	-	-	-	69,518	29,373,094
-	-	-	-	4,819	19,017,164
-	-	1,054,593	-	-	1,079,225
-	367,943	18,833,651	4,889,710	61,430,772	626,127,322
-	(209,740)	(17,722,362)	(4,234,905)	(5,437,354)	7,564,202
-	-	-	-	-	373,450
-	-	-	-	-	3,980
-	-	-	-	7,020,519	12,035,811
-	-	-	-	(927,092)	(17,200,103)
-	-	124,350,000	-	-	124,350,000
-	-	4,704,593	-	-	4,704,593
-	-	-	-	-	560,473
-	-	-	-	-	2,473,586
-	-	129,054,593	-	6,093,427	127,301,790
-	(209,740)	111,332,231	(4,234,905)	656,073	134,865,992
-	1,575,524	-	6,959,615	22,990,581	216,814,649
\$ -	\$ 1,365,784	\$ 111,332,231	\$ 2,724,710	\$ 23,646,654	\$ 351,680,641

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MONTGOMERY 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 SEPTEMBER 30, 2025

Net change in fund balances - governmental funds balance sheet	\$ 134,865,992
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

Capital outlay	192,767,606
Depreciation	(84,736,344)
Disposal of capital assets	(7,032,316)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.

Property taxes	2,669,852
Court fines	(911,895)
Grants	(10,580,912)

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

Issuance of debt	(132,088,652)
Principal repayment	32,073,445
Amortization of premiums	3,803,951

Internal Service funds are used by the County's management to charge the costs of health insurance, workers' compensation insurance, and property and casualty insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.

710,667

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in the governmental funds:

Interest	160,386
Pension income	7,656,905
Other postemployment benefits cost	24,938,496
Compensated absences	(814,019)

Change in net position of governmental activities	<u>\$ 163,483,162</u>
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MONTGOMERY COUNTY, TEXAS

EXHIBIT VI

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2025

	Enterprise Fund Toll Road Authority	Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,922,964	\$ 7,205,167
Prepaid items	-	465,132
Investments	24,299,293	-
Accounts receivable	1,953,793	3,822,958
Due from other funds	-	2,032,875
Total current assets	<u>30,176,050</u>	<u>13,526,132</u>
Noncurrent assets:		
Restricted investments	8,546,447	-
Capital assets:		
Buildings	-	951,264
Improvements	-	2,394
Equipment	424,630	88,535
Infrastructure	80,938,709	-
Construction in progress	1,589,370	-
Less: accumulated depreciation	<u>(24,341,824)</u>	<u>(374,191)</u>
Total noncurrent assets	<u>67,157,332</u>	<u>668,002</u>
Total assets	<u>97,333,382</u>	<u>14,194,134</u>
LIABILITIES		
Current liabilities:		
Accrued interest payable	176,417	-
Due to other funds	3,674,245	1,838,433
Accrued liabilities	154,798	-
Claims payable	-	2,453,196
Litigation payable	-	250,000
Long-term debt	<u>2,045,000</u>	<u>-</u>
Total current liabilities	<u>6,050,460</u>	<u>4,541,629</u>
Noncurrent liabilities:		
Claims payable	-	7,359,585
Long-term debt	<u>88,535,796</u>	<u>-</u>
Total noncurrent liabilities	<u>88,535,796</u>	<u>7,359,585</u>
Total liabilities	<u>94,586,256</u>	<u>11,901,214</u>
NET POSITION		
Net investment in capital assets	(23,777,864)	668,002
Unrestricted	<u>26,524,990</u>	<u>1,624,918</u>
Total net position	<u>\$ 2,747,126</u>	<u>\$ 2,292,920</u>

The accompanying notes are an integral part of this financial statement.

MONTGOMERY COUNTY, TEXAS

EXHIBIT VII

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

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Enterprise Fund</u> <u>Toll Road</u> <u>Authority</u>	<u>Internal Service</u> <u>Funds</u>
OPERATING REVENUES		
Fees and charges for service	\$ 23,940,964	\$ 66,726,215
Miscellaneous	<u>-</u>	<u>371,801</u>
Total operating revenues	<u>23,940,964</u>	<u>67,098,016</u>
OPERATING EXPENSES		
Maintenance and operations	508,828	-
Claims	-	59,374,469
Administrative	2,548,635	11,781,274
Project enhancement	15,661,656	-
Miscellaneous	-	370,734
Depreciation and amortization	<u>4,163,954</u>	<u>25,164</u>
Total operating expenses	<u>22,883,073</u>	<u>71,551,641</u>
OPERATING INCOME (LOSS)	1,057,891	(4,453,625)
NON-OPERATING REVENUES AND (EXPENSES)		
Investment earnings	1,414,131	-
Interest and fiscal charges	(4,037,657)	-
Loss on disposal of capital assets	<u>(163,683)</u>	<u>-</u>
Total non-operating revenues and (expenses)	<u>(2,787,209)</u>	<u>-</u>
Income (loss) before transfers	(1,729,318)	(4,453,625)
TRANSFERS IN (OUT)		
Transfer in	-	5,200,000
Transfer out	<u>-</u>	<u>(35,708)</u>
Total transfers in (out)	<u>-</u>	<u>5,164,292</u>
CHANGE IN NET POSITION	<u>(1,729,318)</u>	<u>710,667</u>
TOTAL NET POSITION, BEGINNING	<u>4,476,444</u>	<u>1,582,253</u>
TOTAL NET POSITION, ENDING	\$ <u>2,747,126</u>	\$ <u>2,292,920</u>

The accompanying notes are an integral part of this financial statement.

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MONTGOMERY COUNTY, TEXAS

EXHIBIT VIII

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Enterprise Fund</u> <u>Toll Road</u> <u>Authority</u>	<u>Internal Service</u> <u>Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 23,726,487	\$ 66,750,865
Miscellaneous receipts	-	371,801
Payments to vendors	(17,389,591)	(13,256,705)
Benefits Paid	-	(62,299,421)
Net cash provided (used) by operating activities	<u>6,336,896</u>	<u>(8,433,460)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from other funds	-	13,163,090
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>13,163,090</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(2,077,528)	-
Principal paid on capital debt	(1,500,000)	-
Interest paid on capital debt	(4,309,000)	-
Net cash provided (used) by capital financing activities	<u>(7,886,528)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	2,539,192	-
Interest received	1,414,131	-
Net cash provided (used) by investing activities	<u>3,953,323</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,403,691	4,729,630
CASH AND CASH EQUIVALENTS - BEGINNING	<u>1,519,273</u>	<u>2,475,537</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 3,922,964</u>	<u>\$ 7,205,167</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES		
Operating income (loss)	\$ 1,057,891	\$ (4,453,625)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense and amortization	4,163,954	25,164
(Increase) decrease in prepaid item	-	181,566
(Increase) decrease in accounts receivable	(214,477)	24,650
Increase (decrease) in accounts payable	-	-
Increase (decrease) in accrued liabilities	(1,770,667)	-
Increase (decrease) in due to other funds	3,100,195	-
Increase (decrease) in litigation payable	-	(360,000)
Increase (decrease) in claims payable	-	(3,851,215)
Total adjustments	<u>5,279,005</u>	<u>(3,979,835)</u>
Net cash provided (used) by operating activities	<u>\$ 6,336,896</u>	<u>\$ (8,433,460)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES		
Accrual of capital-related payables	\$ 354,400	\$ -
Capital contributions	(163,683)	-
Total noncash investing, capital, and financing activities	<u>\$ 190,717</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

MONTGOMERY COUNTY, TEXAS**EXHIBIT IX**STATEMENT OF NET POSITION
FIDUCIARY FUNDS

SEPTEMBER 30, 2025

	Investment Trust	Custodial
ASSETS		
Cash	\$ 10,913,166	\$ 21,255,650
Taxes receivable	-	360
Total assets	<u>10,913,166</u>	<u>21,256,010</u>
LIABILITIES		
Accounts payable	-	3,443,536
Due to other entities	-	9,690
Total liabilities	<u>-</u>	<u>3,453,226</u>
NET POSITION		
Restricted for:		
Pool participants	10,913,166	-
Individuals and organizations	-	17,802,784
Total net position	<u>\$ 10,913,166</u>	<u>\$ 17,802,784</u>

MONTGOMERY COUNTY, TEXAS

EXHIBIT X

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Investment Trust</u>	<u>Custodial</u>
ADDITIONS		
Fees	\$ -	\$ 872,884,156
Deposits held	22,224,727	40,592,259
Insurance Reimbursement	-	13,726
Taxes collected		
on behalf of taxing entities	-	1,750,885,340
Commissions	-	41,976
Interest income	-	2,245,379
Cash Receipts - PID	-	20,258,230
Transfers in - PID	-	19,762,568
Dividends - PID	-	320,515
Total additions	<u>22,224,727</u>	<u>2,707,004,149</u>
DEDUCTIONS		
Bonds refunded	26,488	37,817,394
Collections distributed	307,819	333,778,525
Taxes remitted to		
taxing entities		1,716,240,569
Deposits returned	-	1,333
Disbursements to beneficiaries	34,285,023	-
Security purchases - PID	-	576,855,384
Other disbursements - PID	-	7,448,483
Transfers Out - PID	-	27,781,555
Operational expenses	-	310,527
Total deductions	<u>34,619,330</u>	<u>2,700,233,770</u>
Net increase (decrease) in fiduciary net position	(12,394,603)	6,770,379
Net position - beginning	<u>23,307,769</u>	<u>11,032,405</u>
Net position - ending	\$ <u>10,913,166</u>	\$ <u>17,802,784</u>

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**NOTES TO THE
FINANCIAL STATEMENTS**

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MONTGOMERY COUNTY, TEXAS

Notes to the Financial Statements

September 30, 2025

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Montgomery County, Texas have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to local government units in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

A) REPORTING ENTITY:

Montgomery County, Texas (the County) was created in 1837. The County is a political subdivision of the State of Texas. The Commissioners' Court, composed of the County Judge and four Commissioners, governs the County. The following services are provided for the citizens: public safety, road and bridge construction and maintenance, health and social services, culture and recreation, public improvements, environmental protection, and administrative services.

Per GASB codification, the discussion that follows sets forth the guidelines for an entity's inclusion in the County's financial statements.

The definition of the reporting entity is based primarily on the notion of financial accountability. The elected officials governing Montgomery County are accountable to their constituents for their public policy decisions, regardless of whether those decisions are carried out directly through the operations of the County or by their appointees through the operations of a separate entity. Therefore, the County is not only financially accountable for the organizations that make up its legal entity but is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either, it is able to impose its will on that organization or, there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County.

Depending upon the significance of the County's financial and operational relationships with various separate entities, the organizations are classified as blended or discrete component units, related organizations, joint ventures, or jointly governed organizations, and the financial disclosure is treated accordingly.

Blended Component Units - Legally separate entities that either a) have substantially the same governing body as the governing body of the primary government or b) provide services entirely, or almost entirely, to the primary government must be reported in the financial statements of the primary government as blended component units.

Montgomery County Toll Road Authority:

The Montgomery County Toll Road Authority was created by the Commissioners' Court of the County in August 2006. The Toll Road Authority serves all citizens of the County and is governed by the members of Commissioners' Court and is funded by a combination of debt proceeds and toll revenue. The Toll Road Authority was incorporated under the provisions of Texas Transportation Code Act, Chapter 431 with the purpose to aid in the planning, design, improvement and financing of transportation projects throughout Montgomery County. The Authority is reported as an enterprise fund and does issue separate financial statements, which are available at on the County's website.

Related Organizations - Where the Commissioners' Court is responsible for appointing a majority of the members of a board of another organization, but the County's accountability does not extend beyond making such appointments, disclosure is made in the form of the relation between the County and such organization.

Montgomery County Emergency Service Districts No. 1-14:

The emergency service districts are organized under the statutes of the State of Texas as political subdivisions of the State to provide protection from fire for life and property. Commissioners' Court appoints a five-member board for each district, and must approve the issuance of any long-term debt for each. Individual boards retain authority to levy taxes and approve or modify annual appropriation budgets. Inasmuch as each district is required by state law to have audited financial statements prepared, and because the exercise of authority by Commissioners' Court is of a compliant nature rather than substantive, these entities are not included in the County's financial statements.

Montgomery County Housing Authority:

The Montgomery County Housing Authority is organized as a public corporation pursuant to Chapter 392 of the Statutes of the State of Texas, Local Government Code. Its stated mission is the development, acquisition, leasing and administration of federally assisted housing programs under the direction of the U.S. Department of Housing and Urban Development. Commissioners' Court appoints a five-member board for the corporation, but may not remove a member at-will. There is also no financial interdependence between the corporation and the County. The corporation issues a separate financial report, which may be obtained from its offices at 521 N. Thompson Street, Conroe, Texas, 77301.

B) IMPLEMENTATION OF NEW STANDARD:

The County implemented GASB Statement No. 101, *Compensated Absences* during the fiscal year. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

C) FINANCIAL STATEMENT PRESENTATION, MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:

Government-wide Statements

Government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information on all of the non-fiduciary activities of the primary government and its blended component unit. The effect of inter-fund transfers has been removed from these statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are 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. Taxes and other items not properly included in program revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 district and county clerk fees, justice of the peace fines, revenue from investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements are met.

Fund-level Statements

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements. Non-major funds are aggregated into a single column in the fund financial statements. Detailed statements for non-major funds are presented within the Combining and Individual Fund Statements and Schedules.

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. Property taxes levied prior to September 30 that were due October 1 have been assessed to finance the budget of the fiscal year ending September 30, 2025. Property taxes and interest earned as of September 30 and received within 60 days of year end are accrued as income in the current period. Expenditures generally are recorded when a liability is incurred; however, debt service expenditures, claims and judgments, and compensated absences are recorded only when payment is made.

Proprietary fund level financial statements include funds which are classified into enterprise and internal service funds. The County has both enterprise and internal service funds. The County's internal service funds are used to accumulate and allocate costs internally among the various functions. Montgomery County's internal service funds predominantly benefit governmental rather than business-type functions; therefore they have been included within governmental activities in the government-wide financial statements. The County's enterprise fund is used to account for the costs of the Montgomery County Toll Road Authority.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position reports increases and decreases in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary fund level financial statements include assets that are held in a trustee or agent capacity and are therefore not available to support County programs; these funds are not included in the government-wide statements. The County has two types of fiduciary funds. The ***Custodial Funds*** is used to account for assets held by the County in a custodial capacity for individuals, private organizations, and other governments. Custodial funds do not involve a formal trust agreement and use the economic resources measurement focus. The ***Investment Trust Funds*** are used to report activities from the external portion of individual investment accounts that are held in a trust.

The County 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, and intergovernmental revenues. Primary expenditures are for general and financial administration, public safety, judicial operations, health and welfare, and capital acquisition.

The Road and Bridge Special Revenue Fund is used to account for rehabilitation, repair and maintenance of the County's roadways and bridges. The Road and Bridge Fund is financed by a designated part of the annual property tax levy, as well as certain statutory fees.

Debt Service Fund is used to account for the receipt and disbursement of funds to retire debt resulting from the issuance of general obligation bonds, certificates of obligation and lease revenue bonds. Financing is provided by a specific annual property tax levy and the investment interest earned thereon.

Grants Fund is used to account for the receipt and expenditure of federal, state, and local grant funds received by the County.

Pass Through Toll Projects is used to account for the specific road improvement projects associated with a Pass-Through Toll Agreement between the County and Texas Department of Transportation.

Road Bonds Series 2018B is used to account the County's issuance of \$89,010,000 in bonds that are being used to finance road improvements throughout the County.

Road Bonds Issue Reimbursement is used to account for TXDOT reimbursements received for various road projects that were originally expended using 2015 issuances (series 2016, 2016A, 2018, and 2018B), and related road improvement expenses thereof.

Road Bonds Series 2025 is used to account for the County's issuance of \$124,350,000 in bonds that are being used to finance road projects throughout the County.

The County reports the following *nonmajor governmental funds*:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than capital projects or debt service) that are restricted or committed to expenditures for specified purposes.

Capital Project Funds are used to account for debt proceeds to be used for the acquisition or construction of major capital assets and infrastructure. Existing projects include road construction, airport improvements, and various remodeling plans.

The County reports the following *proprietary funds*:

The Enterprise Fund is used to account for the cost of the Montgomery County Toll Road Authority.

Internal Service Funds are used to account for the costs of the County's medical plan, workers' compensation plan, and accident and liability plan.

The County reports the following *fiduciary funds*:

Investment trust Funds account for the deposits, withdrawals, and earnings of the local government investment trust funds, an external investment pool for local governments.

Custodial Funds account for monies held for various agencies and entities, but not held in a trust. These agencies and entities collect and disburse monies related to clerk fees, sheriff bonds, motor vehicle registrations, and property taxes. These funds use the economic resources measurement focus.

D) ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION OR FUND BALANCES:

1. Cash and Investments

Cash and cash equivalents include amounts in demand deposits as well as bank certificates with a maturity date within three months of the date acquired by the County.

Investments for the County, except for certain investment pools are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or net asset value; i.e. fair value.

The County is authorized by the Public Funds Investment Act of 1987 to invest idle funds in a) obligations of the United States and its agencies or instrumentalities, b) obligations of the State of Texas, c) obligations of states, agencies, political subdivisions, and municipalities having a rating of not less than A, and d) fully collateralized direct repurchase agreements.

2. Receivables

Property taxes are recognized as revenues in the period for which they are levied, regardless of the lien date. Property taxes for the County are levied based on taxable value on the lien date of January 1 prior to September 30 of the same year. They become due October 1 of that same year and delinquent after January 31 of the following year. Accordingly, receivables for prior-year levies delinquent at year end are reflected on the government-wide statement based on the full accrual method of accounting and under the modified accrual method in the fund statements.

Accounts receivable from other governments include amounts due from grantors in regards to 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 have been met and reimbursable costs are incurred.

3. Inter-fund Transactions

Outstanding balances of lending and borrowing type activities between funds are classified as "due from other funds" and "due to other funds," respectively, on the fund financial statements. Inter-fund activity has been eliminated for the government-wide statements.

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and recorded as prepaid items in both government-wide and fund financial statements. The County reports prepaid items using the consumption method.

In the fund financial statements, prepaid items are classified as non-spendable, which indicates they do not represent "available spendable resources" even though they are a component of current assets.

5. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, intangibles (included in land and equipment), infrastructure, and construction in progress, are reported in the government-wide financial statements. By policy of the Commissioners' Court, acquisitions are capitalized when they cost at least \$5,000 and have a useful life in excess of five years. Buildings and building improvements require a cost of at least \$5,000 and a useful life in excess of 5 years. Land and construction in progress are not depreciated. The policy applied to infrastructure acquisitions requires a cost of at least \$10,000 and a useful life in excess of five years. Infrastructure assets include county-owned roads, drainage improvements, bridges, signals, and runways. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value on the date of donation.

The costs of normal maintenance and repair that do not add to the value of the asset or materially extend the asset's life are expensed rather than capitalized.

Capital assets, including infrastructure, are depreciated using the straight-line method over the following estimated useful lives (in years):

Assets	Years
Buildings	5-50
Improvements	5-30
Equipment	5-15
Infrastructure	5-50
Right to use equipment	2-10
Right to use building	2-10
Right to use software	2-10

6. Payables

Amounts due to suppliers for trade purchases and amounts due to employees for salaries and benefits are presented on both the government-wide statements and the fund statements as accounts payable. Amounts due to various contractors for funds previously deducted from construction draws are presented as retainage payable. Both categories represent current liabilities.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources until then. The County has the following items that qualify for reporting in this category.

- Deferred Charges on Refunding Bonds – result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – recognized in the subsequent year.
- Difference in projected and actual earnings on pension assets – amortized on a closed basis over a 5-year period.
- Changes in actual assumptions used to determine pension liability/(asset) and expected and actual experiences amortized over the weighted average remaining service life of all participants in the respective qualified pension plan.
- Changes in actuarial assumptions and expected and actual experiences used to determine OPEB liability – amortized over the weighted average remaining service life of all participants in the respective OPEB plan.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources until that time. The County has the following items that qualify for reporting in this category.

- Difference in Expected and Actual Pension Experience – recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Unavailable Revenue – recognized in the period the amount becomes available.
- Deferred Charges on Refunding Bonds – result from the difference in the carrying value of refunded debt and its reacquisition price.

8. Unearned Revenue

The County records received but unearned grant revenues and other miscellaneous fee revenues in the fund financial statements as unearned revenues.

9. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the reporting period in which they incurred.

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 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.

10. Leases

The County has entered into various lease agreements as either lessee or lessor. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate, if available. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.
- The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability or lease asset.

Lessee. The County is a lessee for noncancellable leases of equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor. The County is a lessor in an arrangement allowing the placement of a cellular tower on County property. In both the government-wide financial statements and the governmental fund financial statements, the County initially measures the lease receivable and a deferred inflow of resources for the present value of payments expected to be made during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments made. The deferred inflow of resources is recognized as revenue on a systematic basis over the life of the lease.

11. Subscription-Based Information Technology Arrangements

The County is a participant in subscription-based IT arrangements (SBITAs). The County recognizes liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a SBITA, the County initially measures the liability at the present value of payments expected to be made during the agreement term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the County determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term, and (3) agreed upon payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the noncancellable period of the SBITA.

- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability. These right-to-use assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

12. Fund Balances

County Commissioners' Court established Fund Balance policies in accordance with generally accepted accounting principles. The County strives to maintain a minimum Unassigned Fund Balance in the general fund of 10 to 15 percent of the annual operating expenditures as presented in its annual financial report.

The County reports fund balances in five classifications:

Nonspendable – These balances represent amounts that are not spendable because of their form or are legally required to be maintained or intact, such as prepaid items.

Restricted – These balances represent that portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions, typically imposed by parties outside of the government. Such parties may include creditors, grantors, contributors, or other governments. Fund balance on the debt service fund will be restricted for the payment of principal and interest on the debt service obligation.

Committed – This is the portion of fund balance that represents resources whose use is constrained by limitations that Commissioners' Court, the County's highest level of decision-making authority, imposes on them. The Court will approve all commitments by quorum vote through the adoption of a court order. The limitations imposed by the court require the same formal action to be removed.

Assigned – Represents amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The governing body may delegate its authority to assign amounts to another official. The Commissioners' Court, when it is appropriate for fund balance to be assigned, delegates the authority to the County Auditor. Assignments may be necessary for items such as other post-employment benefits, claims and judgments or transfers to special revenue funds.

Unassigned – This represents the residual amount in the general fund which has not been committed, restricted or assigned for other purposes. The general fund is the only fund that can report positive unassigned fund balance.

For any expenditure incurred for purposes for which multiple fund balance categories can be used, the County will utilize funds in the following order on a first-in-first-out basis: restricted, committed, assigned, and unassigned.

13. Compensated Absences

A liability for unused vacation and compensatory time for all full-time regular employees is calculated and reported in the government-wide financial statements. For financial reporting purposes, the following criteria have been applied in considering the accrual of the liability associated with compensated absences: a) leave or compensation is attributable to services already rendered, and b) leave or compensation is not contingent on a specific event (such as illness).

Liabilities for compensated absences are only be recognized in the fund statements to the extent the liabilities have matured and are payable out of current available resources. Compensated absences are accrued in the government-wide statements.

Each full-time regular employee earns ten days of excused leave per year, and from ten to twenty-five days of vacation time may be earned per year. A maximum of sixty days for

excused leave may be accrued, and for those employees hired prior to September 1987, the number of days of excused leave accrued at September 30, 1987, may be paid only upon retirement. A maximum of twenty-five days of vacation may be accrued, and is paid upon retirement, resignation, or discharge from the County. Compensatory time is earned in accordance with the provisions of the Fair Labor Standards Act, as it applies to government employees.

14. Sick Leave and Vacation

The County allows employees to accumulate sick leave and vacation. Vacation hours carry forward each year in accordance with a maximum, which ranges from 168 to 376 hours based on the employee's length of service. Unused vacation vests and is paid out upon termination. Sick leave is not paid upon termination. The County estimates the amount of leave balances are more likely than not to be paid in future years, and those amounts are included in the compensated absences liability.

15. Arbitrage

The Tax Reform Act of 1986 established regulations for the rebate to the federal government of arbitrage earnings on local government bonds. Issuing governments must calculate any rebate due and remit the amount due at least every five years. There were no arbitrage rebate payments made during fiscal year 2025.

16. Net Position (restricted)

Net position represents the difference between assets, deferred outflows (inflows) of resources and liabilities. For the government-wide financial statements, restricted net position represent externally imposed restrictions by creditors, grantors, contributors or laws or regulations of other governments. They may also represent restrictions imposed by law through constitutional provisions or enabling legislation.

17. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas County and District Retirement System (TCDRS) and additions to/deductions from TCERS's Fiduciary Net Position have been determined on the same basis as they are reported by TCERS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

18. OPEB

The County's OPEB plan has been determined using the flow of economic resources measurement focus and the full accrual basis of accounting. This includes for purposes of measuring the OPEB liability, deferred outflows, OPEB expense. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no assets as this is a pay-as-you-go plan.

19. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

20. Program Revenues

Amounts reported as 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as actual program revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

A) BUDGETS AND BUDGETARY ACCOUNTING:

The budget law of the State of Texas provides that “the amounts budgeted for the current expenditures from the various funds of the County shall not exceed the balances in said funds plus the anticipated revenues for the current year for which the budget is made as estimated by the County Auditor.” In addition, the law states that the Commissioners’ Court “may, upon proper application, transfer an existing budget surplus during the year to a budget of like kind and fund, but no such transfer shall increase the total of the budget.”

The budget is prepared by the Budget Office and adopted by the Commissioners’ Court following departmental budget reviews and a public hearing. A copy of the budget must be filed with the Clerk of the County Court and made available to the public. The Commissioners’ Court must provide for a public hearing on the budget on some date within ten calendar days after the filing of the budget and prior to its adoption.

The budget is legally adopted by an order of the Commissioners’ Court on a basis consistent with generally accepted accounting principles. The legal level of control (as set forth by statute) is total resources as appropriated to each fund. Any expenditure that alters the total budgeted amounts of a fund must be approved by Commissioners’ Court, and the budget amended. The annual budget is monitored and reported in the financial statements at the function level, as management believes that this provides for a more thorough disclosure of the County’s operations.

For fiscal year 2025, formal budgets were adopted for the General Fund, the Special Revenue Funds, and the Debt Service Fund. Formal budgetary integration is not employed for Capital Project Funds, and legal budgets are not adopted, because budgetary control is achieved through legally binding construction contracts. All appropriations lapse at fiscal year-end with the exception of grant awards and certain ongoing projects.

The Commissioners’ Court may approve expenditures as an amendment to the budget to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention. Such expenditures would include the re-appropriation of approved but unexpended amounts for encumbrances, grants, and certain projects from the previous fiscal year.

The Commissioners’ Court may also adopt a supplemental budget for the limited purpose of spending proceeds that become available for disbursement in a fiscal year but are not included in the budget for that budget year. Included in this category are public or private grants or aid money, revenue from intergovernmental contracts, and proceeds from the issuance of debt.

NOTE 3 DEPOSITS AND INVESTMENTS:

A) DEPOSITS:

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. The County does not have a policy for custodial credit risk. As of September 30, 2025, the County’s bank balance (collected funds) was \$390 million. At that same date, none of the County’s bank balance was exposed to custodial credit risk since the County’s deposits were insured and collateralized by securities pledged by the depository and held by third party agents of the County in the County’s name.

As of September 30, 2025, the County's business-type activities bank balance (collected funds) was \$3.9 million. At that same date, none of the County's business-type activities bank balance was exposed to custodial credit risk since the deposits were insured and collateralized.

B) INVESTMENTS:

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles, which provide a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

As of September 30, 2025, the County's governmental activities had the following investments:

	Value	Fair Value Level	Percent of Total Investment	Weighted Average Maturity (Days)	Credit Risk
Investments measured at amortized cost:					
TexPool	\$ 775,871		2.7%	41	AAAm
Texas FIT Cash Pool	188,012		0.7%	71	AAAf/S1
TexSTAR	1,176,573		4.1%	49	AAAm
TEXCLASS Pool	4,039,001		14.1%	43	AAAm
Investments subject to fair value level:					
U.S. Government Sponsored Enterprise	9,037,190	Level 2	31.5%	363	AA+
U.S. Government Agency Securities	5,004,944	Level 1	17.4%	230	AA+
U.S. Government Agency Securities	<u>8,473,065</u>	Level 2	<u>29.5%</u>	200	AA+
Total	<u>\$ 28,694,656</u>		<u>100.0%</u>		
Portfolio weighted average maturity				223	

As of September 30, 2025, the County's business-type activities had the following investments:

	Value	Fair Value Level	Percent of Total Investment	Weighted Average Maturity (Days)	Credit Risk
Investments measured at fair value:					
Government securities/Treasury bonds	<u>\$ 32,845,740</u>	Level 1	100%	53	AAAm

The investments reported at fair value were valued using documented trade history in exact security.

Investment Pools are measured at amortized cost or net asset value (NAV) and are exempt for fair value reporting. U.S. Government Agency Securities and U.S. Treasury Notes classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quotes prices.

Money Market Funds are measured at amortized cost and are exempt for fair value reporting. The TexPool and TexSTAR investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, the investment pool must transact a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less and weighted average lives of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. The investment pool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool's liquidity.

The TexasCLASS and Texas Fit investment pools are external investment pools measured at NAV. Their strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The County has no unfunded commitments related to the investment pools. Each pool has a redemption notice period of one day and may redeem daily. The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national or state emergency that affects the pools' liquidity.

Custodial credit risk – investments. 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 possession of an outside party. While the County does not have an investment policy for custodial credit risk, there is no need for such policy because of the nature of the County's investments. A third-party institution is required to hold the insured, registered securities underlying the County's investments in a safekeeping account in the County's name.

Interest rate risk. In accordance with its written investment policy, the County manages its exposures to declines in fair value by limiting the maturity of its investments to less than one year at the time of purchase.

Credit risk. While state statutes allow for additional investments, the County's formal investment policy authorizes the County to only invest in the following:

- Obligations of the U.S. Treasury and Governmental Agencies,
- Time deposits,
- Negotiable Order of Withdrawal (NOW) Accounts,
- Investment Pools rated AAA or AAAM by at least 1 nationally recognized rating service,
- Certificates of Deposit, and
- Money Market mutual funds.
- Commercial Paper as defined in Texas Government Code, Section 2256.013

As stated above, Standard and Poor's has rated the investment pools and the mutual funds AAAM.

Concentration of credit risk. The County's investment policy does not have any provisions regarding the amount that may be invested in any one issuer. However, the Investment Committee regularly reviews that saturation for anything in excess of 25%.

NOTE 4 RECEIVABLES:**A) ACCOUNTS RECEIVABLE:**

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

	General Fund	Grants	Nonmajor Governmental	Toll Road Authority	Internal Service Funds	Total
Accounts receivable:						
Fines	\$ 43,237,205	\$ -	\$ -	\$ -	\$ -	\$ 43,237,205
Leases	6,039,354	476,196	-	-	-	6,515,550
Miscellaneous	4,627,199	-	3,508	1,953,793	-	6,584,500
Allowance	(38,913,484)	-	-	-	-	(38,913,484)
Other	-	-	-	-	3,822,958	3,822,958
Total	<u>\$ 14,990,274</u>	<u>\$ 476,196</u>	<u>\$ 3,508</u>	<u>\$ 1,953,793</u>	<u>\$ 3,822,958</u>	<u>\$ 21,246,729</u>

B) PROPERTY TAXES:

The County Tax Assessor-Collector bills and collects property taxes. Revenues are recognized in the Governmental Funds when levied to the extent that they result in current receivables. Property taxes are levied (assessed) and payable on October 1. They attach as an enforceable lien on property as of January 1 of the following year and become delinquent on February 1.

The County is permitted by the Texas State Constitution (Article VIII, Section 9) and statutes to levy taxes of up to \$0.80 per \$100 of assessed valuation for general governmental services and the payment of long-term debt. The combined current tax rate for the year end was \$0.3790 per \$100, which means that the County has a tax margin of \$0.4210 per \$100, and could raise up to \$395,301,562 in additional taxes from the present assessed valuation of \$93,895,858,000 before the limit is reached.

The thirty years' property taxes receivable at September 30, 2025, as reported by the Tax Assessor-Collector are presented as follows:

	Taxes Receivable	Less: Allowance for Uncollectables	Net Taxes Receivable
General Fund	\$ 10,414,773	\$ 208,295	\$ 10,206,478
Road & Bridge Fund	1,573,326	31,467	1,541,859
Debt Service Fund	1,594,829	31,897	1,562,932
Total	<u>\$ 13,582,928</u>	<u>\$ 271,659</u>	<u>\$ 13,311,269</u>

Approximately 2.0% of the outstanding balance of property taxes receivable is not anticipated to be collected.

C) LEASE RECEIVABLE:

The County has entered into multiple leases as lessor for the use of aircraft hangars and buildings on County property by multiple organizations and individuals. The lessees are required to make annual payments ranging from \$98 to \$68,617. These leases bear interest rates of between 0.4% to 3.8%.

A summary of the County's lease receivables as of September 30, 2025, is as follows:

Purpose of Lease	Interest Rate	Initial Year of Lease	Amounts Receivable Beginning	Interest Current Year	Amounts Receivable Ending
Right to use:					
Airport hangars	3.80%	Various	\$5,908,749	\$ 225,437	\$ 6,039,354
Building	3.80%	2022	562,489	11,476	476,196
Total			<u>\$6,471,238</u>	<u>\$ 236,913</u>	<u>\$ 6,515,550</u>

NOTE 5 DUE FROM OTHER GOVERNMENTS:

At September 30, 2025, the following amounts were recorded as due to the County:

	Federal	State	Other	Total
General Fund	\$ 33,453,180	\$ 35,342,527	\$ -	\$ 68,795,707
Grants	612	106,864	-	107,476
Pass-through Toll	-	64,341,892	-	64,341,892
Nonmajor	-	-	454,444	454,444
Total	<u>\$ 33,453,792</u>	<u>\$ 99,791,283</u>	<u>\$ 454,444</u>	<u>\$ 133,699,519</u>

Amounts due from other governments arise from funding received from federal and state grants, as well as interlocal agreements with local governments.

NOTE 6 CAPITAL ASSETS:

A) Governmental Activities: Capital assets activity in the governmental activities for the year ended September 30, 2025, was as follows:

Governmental activities:	Beginning Balance	Additions ⁽¹⁾	Deletions and Transfers ⁽¹⁾	Ending Balance
Capital assets not being depreciated				
Land ⁽²⁾	\$ 196,984,047	\$ 15,215,308 ⁽²⁾	\$ (3,867,674)	\$ 208,331,681
Construction in progress	<u>9,462,945</u>	<u>33,276,292</u>	<u>(15,309,415)</u>	<u>27,429,822</u>
Total capital assets not being depreciated	<u>206,446,992</u>	<u>48,491,600</u>	<u>(19,177,089)</u>	<u>235,761,503</u>
Capital assets being depreciated				
Buildings ⁽³⁾	260,817,546	35,805,123	(3,315,140)	293,307,529
Improvements ⁽³⁾	30,094,168	130,609	415,339	30,640,116
Equipment ⁽²⁾⁽³⁾	182,321,028	20,783,955 ⁽²⁾	(11,223,555)	191,881,428
Infrastructure	1,940,058,033	84,522,260	13,155,830	2,037,736,123
Right to use equipment	4,707,994	-	-	4,707,994
Right to use building	696,063	560,473	(527,774)	728,762
Right to use software	<u>6,684,949</u>	<u>2,473,587</u>	<u>-</u>	<u>9,158,536</u>
Total capital assets being depreciated	<u>2,425,379,781</u>	<u>144,276,007</u>	<u>(1,495,300)</u>	<u>2,568,160,488</u>
Less accumulated depreciation for:				
Buildings	(112,393,002)	(6,788,335)	2,361,306	(116,820,031)
Improvements	(24,256,496)	(752,587)	119,012	(24,890,071)
Equipment	(118,492,896)	(16,547,766)	10,631,980	(124,408,682)
Infrastructure	(1,203,322,572)	(57,432,655)	-	(1,260,755,227)
Right to use equipment	(2,410,472)	(2,124,142)	-	(4,534,614)
Right to use building	(252,766)	(678,004)	527,774	(402,996)
Right to use software	<u>(2,524,103)</u>	<u>(438,018)</u>	<u>-</u>	<u>(2,962,121)</u>
Total accumulated depreciation	<u>(1,463,652,307)</u>	<u>(84,761,507)</u>	<u>13,640,072</u>	<u>(1,534,773,742)</u>
Total capital assets, being depreciated, net	<u>961,727,474</u>	<u>59,514,500</u>	<u>12,144,772</u>	<u>1,033,386,746</u>
Governmental activities capital assets, net	<u>\$1,168,174,466</u>	<u>\$ 108,006,100</u>	<u>\$ (7,032,317)</u>	<u>\$ 1,269,148,249</u>

(1) Amounts representing transfers between categories are included in the columns for both additions and deletions.

(2) As required by GASB 51, this schedule reports intangible assets of \$145,501,958 and \$14,137,622 in land and equipment, respectively.

(3) Internal service fund assets are included in these amounts.

Depreciation Expense:

Depreciation expense was charged to the functions/programs of the primary government's governmental activities as follows:

Governmental activities:	
General government	\$ 9,081,144
Financial administration	76,893
Health and human services	1,979,318
Culture and recreation	899,325
Law enforcement and corrections	10,906,620
Legal and judicial	129,662
Transportation	61,663,381
Capital assets held by the County's internal service funds are charged to the various functions based on their usage of the assets	25,164
Total	<u>\$ 84,761,507</u>

- B) Business-type Activities: Capital assets activity in the business-type activities for the year ended September 30, 2025, was as follows:

Business-Type Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated				
Construction in progress	<u>1,491,034</u>	<u>1,745,115</u>	<u>(1,646,779)</u>	<u>1,589,370</u>
Total capital assets not being depreciated	<u>1,491,034</u>	<u>1,745,115</u>	<u>(1,646,779)</u>	<u>1,589,370</u>
Capital assets being depreciated				
Equipment	157,152	332,413	(64,935)	424,630
Infrastructure	<u>79,390,678</u>	<u>1,548,031</u>	<u>-</u>	<u>80,938,709</u>
Total capital assets being depreciated	<u>79,547,830</u>	<u>1,880,444</u>	<u>(64,935)</u>	<u>81,363,339</u>
Less accumulated depreciation for:				
Equipment	(69,505)	(68,974)	-	(138,479)
Infrastructure	<u>(20,108,365)</u>	<u>(4,094,980)</u>	<u>-</u>	<u>(24,203,345)</u>
Total accumulated depreciation	<u>(20,177,870)</u>	<u>(4,163,954)</u>	<u>-</u>	<u>(24,341,824)</u>
Total capital assets, being depreciated, net	<u>59,369,960</u>	<u>(2,283,510)</u>	<u>(64,935)</u>	<u>57,021,515</u>
Business-type activities capital assets, net	<u>\$ 60,860,994</u>	<u>\$ (538,395)</u>	<u>\$ (1,711,714)</u>	<u>\$ 58,610,885</u>

Depreciation Expense: Depreciation expense was charged to the lone function of the primary government's business-type activities.

C) CONSTRUCTION COMMITMENTS:

The County has entered into contracts for the construction, renovation, and improvement of real property. As of September 30, 2025, the County had contracts for various projects in the amount of \$32,786,616 and has paid to date \$9,654,439.

As of September 30, 2025, the Montgomery County Toll Road Authority (business-type activities) has expended \$1,589,040 for project development related to roadway expansion, with \$530,575 in commitments remaining.

D) ENCUMBRANCES:

Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 3,557,471
Road and Bridge	764,422
Road Bonds 2018B	13,403,421
Road Bonds Issue Reimbursement	117,031
Other Non-Major Funds	779,187
Total Encumbrances	<u>\$ 18,621,532</u>

E) GAIN ON SALE OF ASSET:

In fiscal year 2025, the County exchanged its South Branch Library property, with a carrying value of \$4.5 million for the new Kevin Brady Library property. This exchange resulted in a gain on exchange of \$28.9 million, recognized as revenue in the government-wide statement of activities. The South Branch Library was removed from capital assets and the new Kevin Brady Library was added at its acquisition-date fair value of \$31.7 million.

NOTE 7 DISAGGREGATION OF OTHER LIABILITY BALANCES:

A) UNEARNED REVENUES:

The County reports unearned revenues in the governmental funds that consist of resources that have been received, but not yet earned. At September 30, 2025, unearned revenues are presented below:

Fund	Description	Unearned
General	ARPA funding	\$ 23,266,125
General	MHTF Construction	27,180,514
General	TWDB funding	2,638,116
General	Prepaid leases	4,083,224
General	Other	1,073,944
Grants	Grant funding	130,300
Pass Through Toll Projects	TXDOT Pass Through Toll contract	64,341,892
Total		<u>\$ 122,714,115</u>

NOTE 8 LONG-TERM LIABILITIES:

General long-term debt consists of general obligation bonds, certificates of obligation, the County's accrued liability for compensated absences and compensatory time, leases, and financed purchases. Principal and interest payments on the County's bonded debt, in general, are secured by ad valorem property taxes levied on all taxable property within the County. Payments are recorded in the Debt Service Fund.

A) BONDED DEBT:

A summary of the outstanding governmental bonded debt, at September 30, 2025, is presented:

	Interest Rate (%)	Issue Date	Maturity Date	Bonds Outstanding
General obligation bonds:				
Refunding Bonds, Series 2014A	5.0	2014	2025	\$ 24,145,000
Refunding Bonds, Series 2016	3.0-5.0	2016	2027	57,270,000
Road Bonds, Series 2016	2.0-5.0	2016	2027	46,070,000
Refunding Bonds, Series 2016A	3.0-5.0	2017	2030	16,400,000
Road Bonds, Series 2016A	4.0-5.0	2017	2042	59,780,000
Road Bonds, Series 2018	4.0-5.0	2018	2043	38,115,000
Refunding Bonds, Series 2018	4.0	2019	2030	26,965,000
Road Bonds, Series 2018B	3.5-5.0	2019	2040	85,215,000
Refunding Bonds, Series 2020	4.0-5.0	2020	2032	11,450,000
Refunding Bonds, Series 2021	4.0-5.0	2021	2043	6,330,000
Road Bonds, Series 2025	5	2025	2047	124,350,000
Subtotal				<u>496,090,000</u>
Certificates of obligation bonds:				
Series 2010	3.0-5.4	2010	2039	<u>20,170,000</u>
Subtotal				<u>20,170,000</u>
Total				<u>\$ 516,260,000</u>

All of the County's outstanding bonded debt is assigned a fixed rate of interest.

The Toll Road Project has been financed with senior lien revenue bonds. The proceeds from such bonds, including the interest earned, are being used to finance the construction and the related debt service.

The outstanding business-type bonded debt at September 30, 2025, is as follows:

	Interest Rate (%)	Issue Date	Maturity Date	Bonds Outstanding
Senior Lien Revenue Bonds, Series 2018:	5.00	2018	2048	\$ 84,680,000
Total				<u>\$ 84,680,000</u>

B) CHANGES IN LONG-TERM LIABILITIES:

The following schedule illustrates changes in the County's Governmental Long-Term Liabilities for the year ended September 30, 2025. For each category, management has presented the portion that will be due within one year.

	Beginning Balance	Additions	(Reductions)	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation	\$ 396,705,000	\$ 124,350,000	\$ (24,965,000)	\$ 496,090,000	\$ 25,030,000
Certificates of obligation	21,275,000	-	(1,105,000)	20,170,000	1,140,000
Issuance premiums	31,834,967	4,704,593	(4,056,505)	32,483,055	-
Total bonds payable	<u>449,814,967</u>	<u>129,054,593</u>	<u>(30,126,505)</u>	<u>548,743,055</u>	<u>26,170,000</u>
Leases	2,915,337	560,473	(1,137,652)	2,338,158	1,299,332
Subscriptions	4,113,544	2,473,586	(2,165,442)	4,421,688	2,096,495
Financed purchases	8,559,719	-	(2,700,351)	5,859,368	790,801
Property & casualty obligation	1,688,881	1,539,420	(2,463,966)	764,335	191,084
Workers' comp obligation	5,128,429	215,273	(1,097,306)	4,246,396	1,061,599
Medical obligation	6,846,686	59,159,195	(61,203,831)	4,802,050	1,200,513
Compensated absences	15,504,620	12,511,281	-	28,015,901	7,003,975
Total long-term liabilities	<u>\$ 494,572,183</u>	<u>\$ 205,513,821</u>	<u>\$ (100,895,053)</u>	<u>\$ 599,190,951</u>	<u>\$ 39,813,799</u>

The compensated absences liability in the governmental activities is liquidated by the General fund and special revenue funds. The changes in compensated absences liability are reported in the schedule above as a single, net increase or decrease.

The following schedule illustrates changes in the County's Business-Type Long-Term Liabilities for the year ended September 30, 2025. For each category, management has presented the portion that will be due within one year:

	Beginning Balance	Additions	Provisions (Reductions)	Ending Balance	Due Within One Year
Business-Type Activities:					
Bonds payable:					
Senior lien revenue bonds	\$ 86,180,000	\$ -	\$(1,500,000)	\$ 84,680,000	\$2,045,000
Issuance premium	6,169,014	-	(268,218)	5,900,796	-
Total bonds payable	92,349,014	-	(1,768,218)	90,580,796	2,045,000
Business-type activities long-term liabilities	<u>\$ 92,349,014</u>	<u>\$ -</u>	<u>\$(1,768,218)</u>	<u>\$ 90,580,796</u>	<u>\$2,045,000</u>

C) ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY:

The following table lists the debt requirements, by debt type, for governmental activities:

	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2026	\$ 25,030,000	\$ 23,201,329	\$ 1,140,000	\$ 1,047,320
2027	29,065,000	21,223,788	1,180,000	987,000
2028	28,705,000	19,785,838	1,220,000	924,600
2029	29,295,000	18,477,556	1,265,000	859,990
2030	30,535,000	17,238,288	1,305,000	793,170
2031-2035	117,285,000	66,723,725	7,260,000	2,843,910
2036-2040	112,735,000	41,330,338	6,800,000	750,600
2041-2045	80,510,000	17,045,500	-	-
2046-2050	42,930,000	5,091,151	-	-
Total	<u>\$ 496,090,000</u>	<u>\$ 230,117,513</u>	<u>\$ 20,170,000</u>	<u>\$ 8,206,590</u>

The following table lists the debt requirements, by debt type for business-type activities:

	Revenue Bonds	
	Principal	Interest
2026	\$ 2,045,000	\$ 4,234,000
2027	2,145,000	4,131,750
2028	2,255,000	4,024,500
2029	2,365,000	3,911,750
2030	2,485,000	3,793,500
2031-2035	14,415,000	16,974,750
2036-2040	18,395,000	12,992,500
2041-2045	23,480,000	7,910,250
2046-2048	17,095,000	1,737,500
Total	<u>\$ 84,680,000</u>	<u>\$ 59,710,500</u>

D) DEFEASANCE OF DEBT:

In prior years, the County defeased multiple debt issues by creating separate irrevocable trust funds. New debt was issued and the proceeds were used to purchase U.S. government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until it is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed from the government-wide financial statements.

As of September 30, 2025, defeased but outstanding debt from prior year refunding transactions consisted of the following:

Series	Amount
Unlimited Tax Road Bonds 2016A	\$ 1,180,000

E) AUTHORIZED BUT UNISSUED DEBT:

In May 2025, voters in Montgomery County authorized the issuance of up to \$480 million in Unlimited Tax Road Bonds to fund road improvements across the County. This voter-approved bond authority enables the Commissioners Court to issue bonds in one or more series over time, matching issuance schedules to project demands and favorable market conditions. As of September 30, 2025, \$124,350,000 of bonds had been issued, and \$355,650,000 of bonds remain that have been authorized but unissued.

F) ISSUANCE OF DEBT:

In July 2025, the County issued the first series of the Unlimited Tax Road Bonds approved by voters in May 2025. This series, Unlimited Tax Road Bonds, Series 2025, was issued in the amount of \$124,350,000, with principal and interest due March 1 of each year through maturity. Proceeds are used for the construction, maintenance, and operation of roads and turnpikes within the County.

G) CONDUIT DEBT OBLIGATIONS:

Harris County Health Facilities Development Corporation and Harris County Cultural Education Facilities Finance Corporation issued bonds to provide financial assistance to private and public sector entities engaged in activities that are deemed to be in the public interest. These bonds are obligations of the issuing entities payable solely from the proceeds of the underlying financing agreements and, in the opinion of legal counsel, do not represent indebtedness or liability to the issuing entity, to Montgomery County, Texas, to the State of Texas, or to any political subdivision; therefore, they are not reported as liabilities in the County's financial statements.

Harris County Health Facilities Development Corporation - The corporation issues bonds if there is a public benefit or purpose that is necessary or convenient for health care, research, or education. Its activity is included in this disclosure because its bonds have been issued for the benefit of organizations located in Montgomery County. As of September 30, 2024, there were two (2) series of bonds outstanding with an aggregate principal payable of \$321,300,000. The bonds will be repaid from sources defined in the various underlying financing agreements between the corporation and the entities for whose benefit the bonds were issued.

Harris County Cultural Education Facilities Finance Corporation - The corporation issues bonds for the purpose of defraying expansion costs, for Baylor College of Medicine, Memorial Hermann Healthcare System, Methodist Hospital System, Texas Medical Center projects, and the Young Men's Christian Association (YMCA) of the Greater Houston Area and others. Its activity is included in this disclosure because its bonds have been issued for the benefit of organizations located in Montgomery County. As of September 30, 2024, there were forty-seven (47) series of Bonds outstanding with an aggregate principal payable of \$5,119,941,000. The Bonds will be repaid from payments required to be made under loan agreements between the issuing entity and the aforementioned parties.

H) FINANCED PURCHASES:

The County has entered into agreements for the financed purchase of certain radio and election equipment, and software. Annual payments range from \$900,957 to \$1,959,355, with interest rates ranging from 1.18% to 3.90% These agreements are classified as financed purchases because title passes to the County at the end of the agreement term and are included as financed purchases in the Long-Term Debt portion of the government-wide statements. Principal and interest requirements to maturity are as follows:

	Financed Purchases	
	Principal	Interest
2026	\$ 790,801	\$ 110,156
2027	805,668	95,289
2028	820,815	80,142
2029	836,246	64,711
2030	851,968	48,990
2031-2032	1,753,870	48,054
Total	<u>\$ 5,859,368</u>	<u>\$ 447,342</u>
	48	

I) LEASES PAYABLE:

The County entered into multiple leases as lessee for the right to use various equipment and buildings. The County is required to make fixed monthly payments between \$9,454 and \$750,912, respectively. The leases bear interest that ranges from 2.584% to 3.8%. Principal and interest requirements to maturity are as follows:

	Leases	
	Principal	Interest
2026	\$ 1,299,332	\$ 61,676
2027	761,686	20,149
2028	226,085	6,198
2029	51,055	486
Total	<u>\$ 2,338,158</u>	<u>\$ 88,509</u>

J) SUBSCRIPTIONS PAYABLE:

The County entered into multiple agreements for the right to use various software. The County is required to make fixed quarterly payments of \$2,329 and annual payments between \$9,315 and \$693,499. The agreements bear interest ranging between 0.58% 3.16%. Principal and interest requirements to maturity are as follows:

	Subscriptions	
	Principal	Interest
2026	\$ 2,096,495	\$ 113,234
2027	1,439,349	65,351
2028	789,096	26,306
2029	96,748	2,255
Total	<u>\$ 4,421,688</u>	<u>\$ 207,146</u>

NOTE 9 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

A) DUE FROM/DUE TO OTHER FUNDS:

Activity between funds that represents the current portion of lending/borrowing and inter-fund charges for goods and services arrangements outstanding at fiscal year-end are referred to as "due from/due to other funds." Inter-fund balances are expected to be repaid within one year from the date of the financial statements and are routine in nature.

The composition of inter-fund balances as of September 30, 2025, was as follows:

	Receivables	Payables
General Fund	\$ 3,707,029	\$ 2,765,895
Road and Bridge Fund	-	8,311,381
Debt Service Fund	987,024	-
Grants Fund	10,182,282	-
Road Bonds Series 2018B Fund	-	330
Road Bonds 2025	-	10,282,792
Road Bonds Issue Reimbursement	-	706,200
Non-major Governmental Funds	14,784,672	4,114,612
Toll Road Authority	-	3,674,245
Internal Service Funds	2,032,881	1,838,433
Total	<u>\$ 31,693,888</u>	<u>\$ 31,693,888</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These amounts also include balances of working capital loans made to several nonmajor governmental funds, which the general fund expects to collect in the subsequent year.

B) TRANSFERS:

Transfers are used to a) move revenues from the fund that the statute or budget requires to collect them to the fund that the statute or budget requires to expend them, b) move receipts from bond refundings and residual balances from capital project funds to the debt service fund to pay debt obligations, and c) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Inter-fund transfers for the year ended September 30, 2025, were:

Transfer Out	Transfer In	Amount	Purpose
General Fund	Road and Bridge	\$ 751,210	Equipment replacement
General Fund	Nonmajor governmental	6,042,657	To fund operational expenditures
Grants	Debt Service	733,678	To fund interest on CO Series 2010B
General Fund	Internal service	5,200,000	To fund self-insurance
Road and Bridge	Nonmajor governmental	977,862	To fund operational expenditures
Road and Bridge	General Fund	1,547,921	To fund operational expenditures
Road and Bridge	Grants	1,019,683	County match for grants
Nonmajor governmental	General Fund	927,092	To fund operational expenditures
Internal service	General Fund	35,708	To fund property-casualty insurance
Total		<u>\$ 17,235,811</u>	

Although interfund activity is reported in the fund financial statements, it has been eliminated in the government-wide financial statements, excluding transfers between the enterprise fund and governmental funds which will be reported in the government-wide financial statements.

NOTE 10 FUND BALANCES:

The following table provides detail of the classification of fund balances as reported in the fund financial statements:

	General	Road & Bridge	Debt Service	Grants	Road Bonds 2018B	Road Bonds 2025	Road Bond Issue Reimbursements	Other Governmental Funds
Restricted:								
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ 1,365,784	\$ 97,928,810	\$ 2,607,679	\$ 166,107
General government	-	-	-	-	-	-	-	9,595,462
Health and human services	-	-	-	8,354,686	-	-	-	-
Law enforcement and correction	-	-	-	-	-	-	-	5,012,802
Legal and judicial	-	-	-	-	-	-	-	4,547,189
Transportation	-	25,808,542	-	-	-	-	-	-
Debt Service	-	-	11,407,805	-	-	-	-	-
Total Restricted	<u>-</u>	<u>25,808,542</u>	<u>11,407,805</u>	<u>8,354,686</u>	<u>1,365,784</u>	<u>97,928,810</u>	<u>2,607,679</u>	<u>19,321,560</u>
Committed for:								
Capital Projects	-	-	-	-	-	13,403,421	117,031	6,316,632
General Fund Projects	-	-	-	-	-	-	-	-
General government	865,634	-	-	-	-	-	-	24,195
Financial administration	14,216	-	-	-	-	-	-	-
Health and human services	166,372	285	-	-	-	-	-	-
Culture and recreation	11,303	144,691	-	-	-	-	-	-
Law enforcement and correction	2,374,955	5,236	-	-	-	-	-	-
Legal and judicial	116,985	-	-	-	-	-	-	21,703
Transportation	8,007	614,210	-	-	-	-	-	-
Total Committed	<u>3,557,472</u>	<u>764,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,403,421</u>	<u>117,031</u>	<u>6,362,530</u>
Assigned for:								
OPEB	90,000,000	-	-	-	-	-	-	-
Total Assigned	<u>90,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unassigned:	<u>72,718,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,037,436)</u>
Total Fund Balances	<u>\$ 166,275,807</u>	<u>\$ 26,572,964</u>	<u>\$ 11,407,805</u>	<u>\$ 8,354,686</u>	<u>\$ 1,365,784</u>	<u>\$ 111,332,231</u>	<u>\$ 2,724,710</u>	<u>\$ 23,646,654</u>

NOTE 11 RISK MANAGEMENT:**A) EMPLOYEE HEALTH BENEFITS:**

Effective January 1989, the County established a partially self-funded trust plan which offers medical and life insurance coverage to employees and their dependents. The County maintains excess loss insurance, which limits annual claims paid from the plan to a maximum of \$450,000 per plan participant. This excess loss reinsurance policy includes a contract provision that eliminates a large claim run off liability. A third-party administrator is employed by the plan to administer claims.

A trustee has been engaged to receive employer and employee contributions and to disburse payments to the providers of the plan. Costs relating to the plan are recorded as expenditures in the internal service fund. In prior years these costs were recorded in the General Fund. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated.

The plan is funded to discharge liabilities as they become due. Claims incurred and reported, but not paid at September 30, 2025, were \$2,815,727. Claims incurred but not reported (IBNR) at September 30, 2025, are estimated to be \$2,581,443. Estimates are not based on actuarial calculations, but rather on historical trends. Both amounts have been recorded as expenditures in the Self Insurance Medical Fund, an internal service fund, and a liability has been established.

Changes in the health claims liability for the two fiscal years ended September 30, 2025, and September 30, 2024, are as follows:

	2025	2024
Unpaid claims, beginning of year	\$ 6,846,686	\$ 8,893,653
Incurred claims (includes IBNR)	59,159,195	44,508,731
Claim payments	(61,203,831)	(46,555,698)
Unpaid claims, end of year	<u>\$ 4,802,050</u>	<u>\$ 6,846,686</u>

During the year ended September 30, 2025, the plan received contributions in the amounts of \$52,354,249 and \$2,840,607 from the employer and employees, respectively. The contributions made by employees included contributions by qualified retirees and certain former employees covered by the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA). In addition to the claim payments made, the plan also expended \$2,401,722 in administrative costs, and \$3,036,176 for reinsurance and insurance premiums.

B) WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY:

As of January 1, 2003, the County established a partially self-funded program to cover claims by employees arising from job-related injuries. The program offers coverage at the statutorily required limits required by the State of Texas. A third-party administrator has been engaged by the County to adjudicate claims, provide nurse case management, pre-certification and bill review. Excess loss insurance was purchased to limit the claims loss to the County to no more than \$650,000 per individual claim in 2025.

Costs associated with this program are recorded as expenditures in the Self Insurance Workers' Compensation Fund, which is an Internal Service Fund. Prior to fiscal year 2011, these costs were recorded in the General Fund. Liabilities are recorded when it is probable that a loss has occurred and when an amount can be reasonably estimated. During the year ended September 30, 2025, the County expended \$164,612 for excess loss insurance premiums.

Changes in the Workers' Compensation liability for the two fiscal years ended September 30, 2025, and September 30, 2024, are detailed below:

	2025	2024
Unpaid claims, beginning of year	\$ 5,128,429	\$ 1,713,593
Incurred claims (includes IBNR)	215,273	4,302,816
Claim payments	(1,097,306)	(887,980)
Unpaid claims, end of year	<u>\$ 4,246,396</u>	<u>\$ 5,128,429</u>

C) PROPERTY, CASUALTY AND BOILER COVERAGE:

The County purchased reinsurance coverage for certain property including vehicle, equipment and contents coverage for the fiscal year. Self-Insured Retentions are maintained at the following levels:

- Buildings and Contents \$2,000,000
- Pollution (Storage Tank) Liability \$10,000

Total insured values exceed \$650,000,000.

The County paid \$971,412 in premiums in fiscal year 2025, and recorded the expenditure in the Accident Liability Fund. Settled claims have not exceeded commercial coverage in any of the past three fiscal years

During the fiscal year 2025, the County engaged in a third party to administer the Property and Casualty claims. Changes in the Property and Casualty liability for the fiscal ended September 30, 2025, are detailed below:

	2025	2024
Unpaid claims, beginning of year	\$ 1,688,881	\$ 1,203,943
Current year claims and changes in estimates (includes IBNR)	1,539,420	2,235,955
Claim payments	(2,463,966)	(1,751,017)
Unpaid claims, end of year	<u>\$ 764,335</u>	<u>\$ 1,688,881</u>

D) GENERAL AND OTHER LIABILITY COVERAGES:

The County purchased reinsurance coverage for General Liability, Auto Liability, Public Officials' Liability, Law Enforcement Liability, Marine Liability, Crime Coverage, Employee Benefits Liability, Flood Damage (on specific properties) and Airport Operators' Liability. Self-Insured Retentions are maintained at the \$200,000 level per occurrence by the type of coverage with the exception of the Airport Operators' Liability, which has no deductible. The Public Officials' Liability and Employee Benefits Liability are written on a "claims-made basis". The County and District Clerks have a \$25,000 deductible on the Public Officials Liability. Coverage limits are set at \$1,000,000 per claim by type of coverage. The Airport Operators' Liability is set to \$1,000,000. The Pollution Liability (Storage Tank) limit is \$1,000,000 each incident/\$1,000,000 aggregate limit.

Effective December 1, 2003, the County began participating in an individual public entity risk pool, for the coverages listed in subsections B, C, and D above, to transfer certain risks associated with property, casualty, liability and workers' compensation. In addition to those coverages, the County purchased an additional aggregate reinsurance policy. The aggregate coverage loss fund is written on a claims-made basis and is capped at \$1,800,000 for the fiscal year.

NOTE 12 DEFINED BENEFIT PENSION PLAN:

Plan Description

The County participates in a nontraditional defined benefit pension plan, Texas County and District Retirement System ("TCDRS"), provides pensions for all of its full-time employees. The TCDRS Board of Trustees is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of over nontraditional defined benefit pension plans. 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 P.O. Box 2034 Austin, TX, 78768-2034.

All full and part-time non-temporary employees participate in the plan, regardless of the number of hours they work in a year. Employees in a temporary position are not eligible for membership.

Benefits Provided

TCDRS provides retirement, disability and survivor benefits for all of eligible employees. Benefit terms are established by the TCDRS Act. The benefit terms may be amended as of January 1, each year, but must remain in conformity with the Act.

Members can retire at age 60 and above with 8 or more years of service, with 30 years of service regardless of age, or when the sum of their age and years of service equals 75 or more. Members are vested after eight years of service but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their 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 employer within the actuarial constraints imposed by the TCDRS Act so that the resulting benefits can be expected to be adequately financed by the employer's commitment to contribute. 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.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	1,332
Inactive employees entitled to but not yet receiving benefits	2,332
Active employees	<u>2,787</u>
Total	<u>6,451</u>

Contributions

The contribution rates for employees in TCDRS are either 4%, 5%, 6%, or 7% of employee gross earnings, as adopted by the employer's governing body. Participating employers are required to contribute at actuarially determined rates to ensure adequate funding for each employer's plan. Under the state law governing TCDRS, the contribution rate for each entity is determined annually by the actuary and approved by the TCDRS Board of Trustees. The replacement life entry age actuarial cost method is used in determining the contribution rate. The actuarially determined rate is the estimated amount necessary to fund benefits in an orderly manner for each participant over his or her career so that sufficient funds are accumulated by the time benefit payments begin, with an additional amount to finance any unfunded accrued liability.

Employees for the County were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rate for the County was 12.54% in both calendar years 2024 and 2025. The County's contributions to TCDRS for the year ended September 30, 2025, were \$25,779,600 and were equal to the required contribution.

Net Pension Liability (Asset)

The County's Net Pension Asset (NPA) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50% per year
Overall payroll growth	3.00% per year
Investment rate of return	7.50% (Gross of administrative expenses)

There are no automatic cost of living adjustments (COLA's) and no COLA's are considered to be substantively automatic. Therefore, no assumption for future cost-of-living adjustments is included in the funding valuation. Each year, the county may elect an ad-hoc COLA for retirees.

Mortality rates for active members, retirees, and beneficiaries were based on the following:

Depositing members	135% of Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

All actuarial assumptions that determined the total pension liability as of December 31, 2024, were based on the results of an actuarial experience study over the years 2017 through 2020, except where required to be different by GASB 68.

The long-term expected rate of return on pension plan investments is 7.5%. 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. The application of the investment return assumption was changed for purposes of determining plan liabilities at the March 2025 meeting. All plan liabilities are now valued using a 7.6% discount rate.

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 below are based on January 2025 information for a 10-year time horizon. The valuation assumption for long-term expected return is re-assessed at a minimum of every four years and is set based on a long-term time horizon; the most recent analysis was performed in 2022. The target allocation and best estimates of geometric real rates return for each major asset class are summarized in the following table:

Asset Class	Benchmark	Target Allocation ⁽¹⁾	Geometric Real Rate of Return (Expected minus Inflation) ⁽²⁾
US Equities	Dow Jones U.S. Total Stock Market Index	13.00%	5.35%
Global Equities	MSCI World (net) Index	4.00%	5.15%
International Equities - Developed Markets	MSCI World Ex USA (net) Index	6.00%	4.75%
International Equities - Emerging Markets	MSCI EM Standard (net) Index	0.00%	4.75%
Investment-Grade Bonds	Bloomberg Barclays U.S. Aggregate Bond Index	3.00%	2.55%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.70%
Direct Lending	Morningstar LSTA US Leveraged Loan TR USD Index	16.00%	6.85%
Distressed Debt	Cambridge Associates Distressed Securities Index ⁽³⁾	4.00%	6.80%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	3.95%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	4.95%
Commodities	Bloomberg Commodities Index	2.00%	1.00%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index ⁽⁴⁾	6.00%	5.75%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index ⁽⁵⁾	25.00%	8.15%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	3.60%
Cash Equivalents	90-Day U.S. Treasury	2.00%	1.10%

⁽¹⁾ Target asset allocation adopted at the March 2025 TCDRS Board meeting.

⁽²⁾ Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.5%, per Cliffwater's 2025 capital market assumptions.

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

⁽⁴⁾ Includes vintage years 2006-present of Quarter Pooled Horizon IRRs.

⁽⁵⁾ Includes vintage years 2007-present of Quarter Pooled Horizon IRRs.

Discount Rate

The discount rate used to measure the total pension liability was 7.60%. The discount rate was determined using an alternative method to determine the sufficiency of the fiduciary net position in all future years. The alternative method reflects the funding requirements under the funding policy and the legal requirements under the TCDRS Act. TCDRS has a funding policy where the Unfunded Actuarial Accrued Liability (UAAL) shall be amortized as a level percent of pay over 20-year closed layered periods. The employee is legally required to make the contribution specified in the funding policy. The employer's assets are projected to exceed its accrued liabilities in 20 years or less. When this point is reached, the employer is still required to contribute at least the normal cost. Any increased cost due to the adoption of a COLA is required to be funded over a period of 15 years, if applicable. Based on the above assumptions, the projected fiduciary net position is determined to be sufficient compared to projected benefit payments. Based on the expected level of cash flows and investment returns to the system, the fiduciary net position as a percentage of total pension liability is projected to increase from its current level in future years.

Since the projected fiduciary net position is projected to be sufficient to pay projected benefit payments in all future years, the discount rate for purposes of calculating the net pension liability/(asset) and net pension liability/(asset) of the employer is equal to the long-term assumed rate of return on investments. This long-term assumed rate of return should be net of investment expenses, but gross of administrative expenses for GASB 68 purposes. Therefore, a discount rate of 7.60% has been used. This rate reflects the long-term assumed rate of return on assets for funding purposes of 7.50%, net of all expenses, increased by 0.10% to be gross of administrative expenses.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2023	\$ 798,410,403	\$ 782,093,602	\$ 16,316,801
Changes for the year:			
Service cost	25,728,220	-	25,728,220
Interest on total pension liability ⁽¹⁾	61,365,700	-	61,365,700
Effect of economic/demographic gains or losses	4,932,925	-	4,932,925
Refund of contributions	(1,433,522)	(1,433,522)	-
Benefit payments	(32,579,676)	(32,579,676)	-
Administrative expenses	-	(470,380)	470,380
Member contributions	-	11,753,228	(11,753,228)
Net investment income	-	79,770,603	(79,770,603)
Employer contributions	-	24,564,206	(24,564,206)
Other ⁽²⁾	-	400,584	(400,584)
Balance at 12/31/2024	<u>\$ 856,424,050</u>	<u>\$ 864,098,645</u>	<u>\$ (7,674,595)</u>

⁽¹⁾ Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.

⁽²⁾ Relates to allocation of system-wide items.

In the governmental activities, the net pension liability (asset) is typically liquidated by the General Fund.

Sensitivity Analysis

The following presents the net pension liability/(asset) of the County, calculated using the discount rate of 7.60%, 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 (6.60%) or 1-percentage-higher (8.60%) than the current rate:

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
Total pension liability	\$ 982,554,852	\$ 856,424,050	\$ 752,208,561
Fiduciary net position	<u>864,098,645</u>	<u>864,098,645</u>	<u>864,098,645</u>
Net pension liability/(asset)	<u>\$ 118,456,207</u>	<u>\$ (7,674,595)</u>	<u>\$ (111,890,084)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TCDRS financial report. The report may be obtained on the Internet at www.tcdrs.org.

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

For the year ended September 30, 2025, the County recognized pension expense of \$18,122,657.

At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,602,822	\$ 159,169
Changes of assumptions	252,899	-
Net difference between projected and actual earnings	-	7,714,375
Contributions made subsequent to measurement date	18,948,191	-
Total	<u>\$ 25,803,912</u>	<u>\$ 7,873,544</u>

The amounts reported as deferred outflows of resources related to pensions from County contribution subsequent to the measurement date, but before September 30, 2025, will be recognized as a reduction of net pension liability (asset) in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2026	\$ (4,102,627)
2027	13,270,614
2028	(7,122,766)
2029	(3,063,044)

NOTE 13 OTHER POST-EMPLOYMENT BENEFITS (OPEB):

Plan Description

Effective January 1, 2000, Commissioners' Court adopted a plan to pay for health benefit coverage for qualified retirees under a single employer defined benefit plan. To qualify for inclusion in the coverage, an individual must currently attain either 15 continuous years of fulltime employment (for employees hired prior to October 1, 2009) or 25 continuous years of fulltime employment (for employees hired after October 1, 2009) with the County and be eligible for a retirement annuity from the Texas County and District Retirement System. The employee can elect to waive health benefit coverage. The County is under no obligation to provide this benefit, and the decision to do so is made by the Commissioners' Court on a year-to-year basis. Additionally, the County offers an employee-funded health benefit to those who do not meet the above criteria. The County is obligated to provide this benefit subject to requirements of Chapter 175 of the Texas Local Government Code. Contribution levels are determined by Commissioner's Court on a year-to-year basis. The benefit level is the same as that for a full-time regular employee, as further disclosed in Note 13-A. The plan includes coverage for both active and retired members, and assets are commingled for the payment of such benefits. Therefore, the plan does not qualify as an OPEB Trust in accordance with paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms

The number of employees currently covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	524
Active employees	<u>2,529</u>
Total	<u>3,053</u>

Actuarial Assumptions

The County's total OPEB liability of \$208,950,038 was measured as of September 30, 2025 and was determined by an actuarial valuation as of that date. The total OPEB liability in the September 30, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	2.50%
Salary Increases, including inflation	3.25%
Discount rate	4.50%

Mortality rates for active employees were based on the PubG.H-2010 Employee, Generational with MP-2021 for males or females, as appropriate.

Mortality rates for retirees were based on the PubG.H-2010 Healthy Annuitant Generational with MP-2021 for males or females, as appropriate.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2024	\$ 258,156,899
Changes for the year:	
Service cost	4,938,926
Interest on the total liability	10,052,120
Difference between expected and actual experience	6,828,853
Changes in assumptions and other inputs	(39,194,502)
Change in benefit terms	(23,791,100)
Benefit payments	(8,041,158)
Net changes	(49,206,861)
Balance at 9/30/2025	<u>\$ 208,950,038</u>

In the governmental activities, the total OPEB liability is typically liquidated by the General Fund.

Discount Rate Sensitivity Analysis

The following presents the total OPEB liability of the County, calculated using the discount rate of 4.5%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.5%) or 1-percentage-point higher (5.5%) than the current rate:

	1% Decrease in Discount Rate (3.5%)	Discount Rate (4.5%)	1% Increase in Discount Rate (5.5%)
County's total OPEB liability	\$ 249,271,120	\$ 208,950,038	\$ 177,246,666

Healthcare Cost Trend Rate Sensitivity Analysis

The following presents the impact of the total OPEB liability if the Healthcare Cost Trend Rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
County's total OPEB liability	\$ 174,091,052	\$ 208,950,038	\$ 254,714,506

OPEB Expense, Deferred Inflows of Resources, and Deferred Outflows of Resources Related to OPEB

For the year ended September 30, 2025, the County recognized OPEB income of \$17,082,691. At September 30, 2025, the County reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 27,981,283	\$ 1,875,554
Changes in actuarial assumptions	23,329,055	78,436,917
Total	<u>\$ 51,310,338</u>	<u>\$ 80,312,471</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended September 30,	
2026	\$ (8,126,249)
2027	(11,677,150)
2028	1,589,816
2029	(5,394,275)
2030	(5,394,275)

NOTE 14 CONTINGENT LIABILITIES:

A) GENERAL LIABILITIES:

For fiscal year 2025 the County participated in a public entity risk pool, to which certain losses arising from liability claims were transferred. All are recorded in the Accident and Liability Fund, as part of the Internal Service Funds. Premiums for this coverage are as follows:

• Texas Association of Counties (Property)	\$462,077
• Flood Damage	\$14,525
• Workers' Compensation	\$164,612
• Additional Coverages	\$344,723

In addition, the County expended \$1,776,390 for damages in connection with 144 claims, for which the deductible had not been satisfied.

B) GRANTS:

The County receives various grant monies that are subject to audit and adjustment by the grantor agencies. Any disallowed expenditure will become a liability of the County. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

C) LITIGATION:

The County is a defendant in a number of lawsuits with claims for damages in excess of \$1,000,000. These claims result primarily from assertions by former employees that they were wrongfully discharged, allegations by jail inmates that their rights were violated while incarcerated in the County jail, and claims by individuals arising from property damages. These claims are accrued for in the Accident Liability Fund. The County intends to vigorously contest all the cases, and legal counsel is of the opinion that the County will prevail in all cases which may have a material effect on the financial position of the County. For additional information on the County's coverage amounts see Note 11-D.

NOTE 15 TAX ABATEMENTS:

The County enters into property tax abatement agreements with local businesses under the Texas Tax Code, Title 3. Subtitle B, Chapter 312. Texas Property Re-development and Tax Abatement Act (the Act). Under the Act, Counties may grant property tax abatements in accordance with guidelines set forth by the Commissioners' Court. The County may grant property tax abatements for economic projects under the program that are reasonably expected to increase taxable ad valorem tax value of at least \$1,000,000 and that must be expected to prevent the loss of jobs or retain, increase, or create jobs in the County. Abatements are obtained by application by the property owner to either the County Judge or the Tax Assessor-Collector.

A facility may be eligible if it is an aviation facility, manufacturing facility, regional distribution center, research facility, office building or any other real property not excluded under Section III (c). Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an Abatement Agreement between the County and the property owner and lessee (if required), subject to such limitations as Commissioners' Court may require. New facilities and improvements to existing facilities may be eligible for purposes of modernization or expansion if they are in excess of \$1,000,000. Additionally, they must create or retain permanent jobs in order to be eligible for consideration. Abatement may be extended to the value of buildings, structures, site improvements plus that office space, and related fixed personal property improvements necessary to the operation and administration of the facility. Abatement may also be extended to the taxable value of aircraft, but only in conjunction with other eligible property and/or improvements that creates new value in addition to that of the aircraft.

Abatements are granted effective with the January 1 valuation date immediately following the date of execution of the agreement.

For the fiscal year ended September 30, 2025, the County abated property taxes totaling \$497,855 under this program which includes nine (9) entities.

NOTE 16 DEFICIT EQUITY:

The Pass Thru Phase 2 fund ended the fiscal year with a deficit fund balance of \$2,037,436. The deficit will be cleared in a subsequent fiscal year when reimbursements from a state agency are approved by the agency and received by the County.

NOTE 17 LOCAL GRANTS:

During the fiscal year ended September 30, 2025, the County received \$209,271 in grants from local agencies and organizations.

LOCAL FUNDING	Expenditures
<u>Texas Book Festival Collections Enhancement Grant</u>	
Texas Book Festival	\$ 2,500
Total Texas Book Festival Collections Enhancement Grant	<u>2,500</u>
<u>East Montgomery County Improvement District</u>	
All Weather Utility Task Vehicle	<u>20,000</u>
Total East Montgomery County Improvement District	<u>20,000</u>
<u>Mellon Foundation</u>	
2025 Memory Lab	<u>151,294</u>
Total Mellon Foundation	<u>151,294</u>
<u>PETCO Foundation</u>	
2023-2025 PETCO LOVE Investment Grants	<u>21,080</u>
Total PETCO Foundation	<u>21,080</u>
<u>The NRA Foundation</u>	
FY24 Training Grants - Sheriff's Office	4,166
FY25 Training Grants - Constable 1	2,478
FY25 Training Grants - Constable 3	2,655
FY25 Training Grants - Constable 4	2,677
FY25 Training Grants - Constable 5	<u>2,421</u>
Total NRA Foundation	<u>14,397</u>
Total Local Grant Funding	<u>\$ 209,271</u>

NOTE 18 NEW ACCOUNTING PRONOUNCEMENTS:

Significant new accounting standards and guidance issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the County include the following:

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No 105, *Subsequent Events* – The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement will become effective for fiscal years beginning after June 15, 2026, and the impact has not yet been determined.

NOTE 19 ACCOUNTING CHANGES:

In the current fiscal year, the County implemented GASB 101, Compensated Absences. The implementation of this standard resulted in an increase in compensated absence liabilities in the amount of \$11,697,262 and a corresponding decrease in governmental activities net position.

NOTE 19 SUBSEQUENT EVENTS:

January 2026 Bond Election

On May 3, 2025, Montgomery County voters approved \$480 million in road bond to address multitude of road projects across all four precincts. The first bond offering of \$124.35 million closed in July 2025, and the County is making significant progress in encumbering the funds to alleviate mobility issues in key areas of the County. On January 29, 2026, Commissioners Court approved the bond order for the second offering in an amount not to exceed \$120 million, which will likely close sometime in the summer of 2026.

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**REQUIRED
SUPPLEMENTARY INFORMATION**

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 284,018,060	\$ 287,318,060	\$ 287,554,078	\$ 236,018
Fees	18,831,430	19,680,385	23,245,730	3,565,345
Intergovernmental	504,000	1,104,724	1,618,643	513,919
Licenses and permits	2,122,840	2,271,972	2,092,811	(179,161)
Contract reimbursements	16,617,911	39,644,641	35,148,185	(4,496,456)
Investment earnings	1,500,000	1,500,206	12,007,782	10,507,576
Fines and forfeitures	460,000	460,000	537,728	77,728
Commissions	-	301,209	304,341	3,132
Miscellaneous	406,000	1,586,521	1,993,666	407,145
Total revenues	<u>324,460,241</u>	<u>353,867,718</u>	<u>364,502,964</u>	<u>10,635,246</u>
EXPENDITURES				
Current:				
General government	63,851,939	60,468,610	58,571,650	1,896,960
Financial administration	25,660,593	25,606,784	25,467,863	138,921
Health and human services	15,486,205	15,497,874	15,306,726	191,148
Culture and recreation	13,879,542	13,647,398	13,639,896	7,502
Law enforcement and corrections	159,867,485	196,839,976	196,242,482	597,494
Legal and judicial	37,227,682	37,174,552	36,984,174	190,378
Transportation	1,390,493	1,392,158	1,214,599	177,559
Debt service:				
Principal retirement	-	2,816,807	2,816,807	-
Interest and fiscal charges	-	162,145	162,145	-
Total expenditures	<u>317,363,939</u>	<u>353,606,304</u>	<u>350,406,342</u>	<u>3,199,962</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	7,096,302	261,414	14,096,622	13,835,208
OTHER FINANCING SOURCES/(USES)				
Sale of capital assets	200,000	274,242	199,827	(74,415)
Insurance settlement	-	-	3,980	3,980
Issuance of leases	-	560,473	560,473	-
Issuance of subscription	-	2,473,586	2,473,586	-
Transfers in	-	2,510,721	2,510,721	-
Transfers out	-	(6,543,867)	(11,993,867)	(5,450,000)
Total other financing sources/(uses)	<u>200,000</u>	<u>(724,845)</u>	<u>(6,245,280)</u>	<u>(5,520,435)</u>
NET CHANGE IN FUND BALANCES	7,296,302	(463,431)	7,851,342	8,314,773
FUND BALANCES, BEGINNING	<u>158,424,465</u>	<u>158,424,465</u>	<u>158,424,465</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 165,720,767</u>	<u>\$ 157,961,034</u>	<u>\$ 166,275,807</u>	<u>\$ 8,314,773</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
ROAD AND BRIDGE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Road and Bridge Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 43,969,706	\$ 43,969,706	\$ 43,955,764	\$ (13,942)
Fees and charges for services	300,000	848,048	1,784,614	936,566
Intergovernmental	150,000	150,000	162,912	12,912
Licenses and permits	8,660,000	8,660,000	10,847,411	2,187,411
Contract reimbursements	-	1,165,289	973,212	(192,077)
Investment earnings	83,000	93,000	1,587,733	1,494,733
Fines and forfeitures	1,250,000	1,250,000	1,405,136	155,136
Miscellaneous	-	137,109	188,193	51,084
Total revenues	<u>54,412,706</u>	<u>56,273,152</u>	<u>60,904,975</u>	<u>4,631,823</u>
EXPENDITURES				
Current:				
Health and human services	2,526,454	3,065,305	2,520,393	544,912
Culture and recreation	5,008,684	9,016,451	7,929,889	1,086,562
Law enforcement and corrections	610,183	825,801	306,021	519,780
Transportation	44,896,751	56,027,711	43,261,137	12,766,574
Debt service:				
Principal retirement	-	52,049	52,049	-
Interest and fiscal charges	-	5,701	5,701	-
Total expenditures	<u>53,042,072</u>	<u>68,993,018</u>	<u>54,075,190</u>	<u>14,917,828</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	<u>1,370,634</u>	<u>(12,719,866)</u>	<u>6,829,785</u>	<u>19,549,651</u>
OTHER FINANCING SOURCES/(USES)				
Sale of capital assets	-	155,430	173,623	18,193
Transfers in	-	751,210	751,210	-
Transfers out	-	(3,545,466)	(3,545,466)	-
Total other financing sources/(uses)	<u>-</u>	<u>(2,638,826)</u>	<u>(2,620,633)</u>	<u>18,193</u>
NET CHANGE IN FUND BALANCES	1,370,634	(15,358,692)	4,209,152	19,567,844
FUND BALANCES, BEGINNING	<u>22,363,812</u>	<u>22,363,812</u>	<u>22,363,812</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 23,734,446</u>	<u>\$ 7,005,120</u>	<u>\$ 26,572,964</u>	<u>\$ 19,567,844</u>

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MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GRANTS FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Grants Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	\$ -	\$ 101,707,953	\$ 105,837,335	\$ 4,129,382
Investment earnings	-	-	12,552	12,552
Miscellaneous	-	300,522	372,369	71,847
Total revenues	-	102,008,475	106,222,256	4,213,781
EXPENDITURES:				
Current:				
General government	-	478,392	643,923	(165,531)
Financial administration	-	-	97,111	(97,111)
Health and human services	-	82,647,380	50,880,281	31,767,099
Culture and recreation	-	17,241	671,787	(654,546)
Law enforcement and corrections	-	8,005,308	25,159,585	(17,154,277)
Legal and judicial	-	173,251	747,273	(574,022)
Transportation	-	11,311,997	12,619,903	(1,307,906)
Debt service:				
Principal retirement	-	364,720	364,720	-
Interest and fiscal charges	-	30,536	30,536	-
Total expenditures	-	103,028,825	91,215,119	11,813,706
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	-	(1,020,350)	15,007,137	16,027,487
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	1,019,683	1,019,683	-
Transfers out	-	-	(733,678)	(733,678)
Total other financing sources/(uses)	-	1,019,683	286,005	(733,678)
NET CHANGE IN FUND BALANCES	-	(667)	15,293,142	15,293,809
FUND BALANCES, BEGINNING	(6,938,456)	(6,938,456)	(6,938,456)	-
FUND BALANCES, ENDING	\$ (6,938,456)	\$ (6,939,123)	\$ 8,354,686	\$ 15,293,809

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Measurement Date December 31,	2015	2016	2017	2018
Total Pension Liability				
Service Cost	\$ 14,877,252	\$ 16,207,504	\$ 16,423,336	\$ 16,637,887
Interest total pension liability	31,734,340	34,011,062	37,357,960	40,324,746
Effect of plan changes	(3,634,696)	419,483	-	-
Effect of assumption changes or inputs	4,204,219	-	1,244,964	529,728
Effect of economic/demographic (gains) or losses	(3,796,129)	40,860	1,078,188	-
Refund of contributions	-	-	-	-
Benefit payments/refunds of contributions	<u>(15,341,208)</u>	<u>(16,391,080)</u>	<u>(18,919,903)</u>	<u>(20,494,775)</u>
Net change in total pension liability	28,043,778	34,287,829	37,184,545	36,997,586
Total pension liability - beginning	<u>391,730,217</u>	<u>419,773,995</u>	<u>454,061,824</u>	<u>491,246,369</u>
Total pension liability - ending (a)	<u>\$ 419,773,995</u>	<u>\$ 454,061,824</u>	<u>\$ 491,246,369</u>	<u>\$ 528,243,955</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 18,689,688	\$ 15,909,431	\$ 15,579,849	\$ 16,149,204
Member contributions	6,694,227	7,100,748	7,638,026	7,896,955
Investment income net of investment expenses	(5,580,229)	27,516,524	59,293,448	(8,699,150)
Refund of contributions	-	-	-	-
Benefit payments refunds of contributions	(15,341,208)	(16,391,080)	(18,919,903)	(20,494,775)
Administrative expenses	(266,281)	(299,286)	(311,951)	(372,454)
Other	<u>(135,551)</u>	<u>344,834</u>	<u>54,609</u>	<u>152,956</u>
Net change in plan fiduciary net position	4,060,646	34,181,171	63,334,078	(5,367,264)
Plan fiduciary net position - beginning	<u>367,501,192</u>	<u>371,561,838</u>	<u>405,743,009</u>	<u>469,077,087</u>
Plan fiduciary net position - ending (b)	<u>\$ 371,561,838</u>	<u>\$ 405,743,009</u>	<u>\$ 469,077,087</u>	<u>\$ 463,709,823</u>
Net pension liability (asset) - ending (a) - (b)	<u>\$ 48,212,157</u>	<u>\$ 48,318,815</u>	<u>\$ 22,169,282</u>	<u>\$ 64,534,132</u>
Fiduciary net position as a percentage of total pension liability	88.51%	89.36%	95.49%	87.78%
Pensionable covered payroll	\$ 111,570,445	\$ 118,329,101	\$ 126,975,182	\$ 131,615,924
Net pension liability (asset) as a percentage of covered payroll	43.21%	40.83%	17.46%	49.03%

2019	2020	2021	2022	2023	2024
\$ 17,129,790	\$ 18,556,721	\$ 22,347,342	\$ 21,963,990	\$ 23,402,143	\$ 25,728,220
43,262,383	46,421,622	50,173,377	53,728,990	57,325,257	61,365,700
-	-	2,050,731	-	-	-
-	40,366,840	1,264,502	-	-	-
772,539	3,289,996	(795,845)	1,269,618	3,581,058	4,932,925
-	-	(1,121,871)	(1,760,481)	(1,715,647)	(1,433,522)
<u>(22,988,060)</u>	<u>(24,213,173)</u>	<u>(25,391,477)</u>	<u>(27,521,631)</u>	<u>(31,232,267)</u>	<u>(32,579,676)</u>
38,176,652	84,422,006	48,526,759	47,680,486	51,360,544	58,013,647
<u>528,243,955</u>	<u>566,420,607</u>	<u>650,842,613</u>	<u>699,369,372</u>	<u>747,049,858</u>	<u>798,410,402</u>
<u>\$566,420,607</u>	<u>\$650,842,613</u>	<u>\$699,369,372</u>	<u>\$747,049,858</u>	<u>\$798,410,402</u>	<u>\$856,424,049</u>
\$ 17,288,148	\$ 18,732,452	\$ 28,780,197	\$ 20,588,704	\$ 22,487,697	\$ 24,564,206
8,453,724	9,160,154	9,194,769	9,851,044	10,768,856	11,753,228
76,147,612	56,036,387	133,502,009	(43,879,930)	77,427,755	79,770,603
-	-	(1,121,871)	(1,760,481)	(1,715,647)	(1,433,522)
(22,988,060)	(24,213,173)	(25,391,477)	(27,521,631)	(31,232,267)	(32,579,676)
(413,292)	(440,343)	(404,051)	(412,849)	(408,382)	(470,380)
<u>156,618</u>	<u>163,881</u>	<u>491,017</u>	<u>787,731</u>	<u>268,477</u>	<u>400,584</u>
78,644,750	59,439,358	145,050,593	(42,347,412)	77,596,489	82,005,043
<u>463,709,823</u>	<u>542,354,573</u>	<u>601,793,931</u>	<u>746,844,524</u>	<u>704,497,112</u>	<u>782,093,601</u>
<u>\$542,354,573</u>	<u>\$601,793,931</u>	<u>\$746,844,524</u>	<u>\$704,497,112</u>	<u>\$782,093,601</u>	<u>\$864,098,644</u>
<u>\$ 24,066,034</u>	<u>\$ 49,048,682</u>	<u>\$ (47,475,152)</u>	<u>\$ 42,552,746</u>	<u>\$ 16,316,801</u>	<u>\$ (7,674,595)</u>
95.75%	92.46%	106.79%	94.30%	97.96%	100.90%
\$140,895,394	\$152,669,237	\$153,055,354	\$164,184,066	\$179,327,760	\$195,887,127
17.08%	32.13%	-31.02%	25.92%	9.10%	-3.92%

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF EMPLOYER CONTRIBUTIONS
TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Pensionable Covered Payroll ⁽¹⁾	Actual Contribution as a % of Covered Payroll
2016	\$ 12,105,067	\$ 15,909,431	\$ (3,804,364)	\$ 118,329,101	13.45%
2017	13,751,412	15,579,849	(1,828,437)	126,975,182	12.27%
2018	14,517,236	16,149,204	(1,631,968)	131,615,924	12.27%
2019	15,230,792	17,288,148	(2,057,356)	140,895,394	12.27%
2020	17,144,755	18,732,452	(1,587,697)	152,669,237	12.27%
2021	16,683,034	28,780,197	(12,097,163)	153,055,354	18.80%
2022	20,588,704	20,588,704	-	164,184,066	12.54%
2023	21,555,197	22,487,697	(932,500)	179,327,760	12.54%
2024	23,623,988	24,564,206	(940,218)	195,887,127	12.54%
2025	25,779,600	25,779,600	-	205,578,949	12.54%

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

MONTGOMERY COUNTY, TEXAS

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TEXAS COUNTY AND DISTRICT RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2025

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

Methods and assumptions used to determine contributions rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Remaining Amortization Period	12.2 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	7.50%, net of administrative and investment 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 the Pub-2010 General Retirees 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	2015: No changes in plan provisions were reflected in the Schedule. 2016: No changes in plan provisions were reflected in the Schedule. 2017: Employer contributions reflect that a 10% CPI COLA was adopted. Also, new Annuity Purchase Rates were reflected for benefits earned after 2017. 2018-2024: No changes in plan provisions were reflected in the Schedule.

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY - RETIREE HEALTH INSURANCE PLAN AND RELATED RATIOS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

Measurement Date December 31,	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total OPEB Liability			
Service cost	\$ 8,336,459	\$ 8,607,394	\$ 11,266,295
Interest on total OPEB liability	6,975,183	7,432,143	6,505,155
Changes of benefit terms	-	-	-
Changes of assumptions	-	41,745,176	13,179,147
Difference between expected and actual experience of the total OPEB liability	231,712	(13,337,971)	(624,924)
Benefit payments	<u>(3,241,471)</u>	<u>(4,524,987)</u>	<u>(4,358,457)</u>
Net change in total OPEB liability	12,301,883	39,921,755	25,967,216
Total OPEB liability - beginning	<u>175,403,940</u>	<u>187,705,823</u>	<u>227,627,578</u>
Total OPEB liability - ending	<u>\$ 187,705,823</u>	<u>\$ 227,627,578</u>	<u>\$ 253,594,794</u>
Covered-employee payroll	\$ 116,286,612	\$ 125,374,560	\$ 125,886,503
Total OPEB liability (asset) as a percentage of covered-employee payroll	161.42%	181.56%	201.45%

Notes to Schedule:

- No assets are accumulated in a trust for the plan to pay related benefits that meets the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.
- This schedule is required to have 10 years of information, but the information prior to 2017 is not

Changes in Benefit Terms None

Changes of Assumptions

Discount Rates	3.83%	2.75%	2.41%
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Mortality Rates

2018: RPH-2014 Employee and Healthy Annuity, Generational with MP-2018.
2019: PubG.H-2010 Employee and Healthy Annuitant, Generational with MP-2019.
2020: PubG.H-2010 Employee and Healthy Annuitant, Generational with MP-2020.
2021-2024: PubG.H-2010 Employee and Healthy Annuitant, Generational with MP-2021.

Medical Trend

2018: 6.5% first year, decreasing 0.5% per year to an ultimate rate of 5.0%
2019: 6.5% first year, decreasing 0.25% per year to an ultimate rate of 4.5%
2020: 6.25% first year, decreasing 0.25% per year to an ultimate rate of 4.5%
2021-2022: 6.0% first year, decreasing 0.25% per year to an ultimate rate of 4.5%
2023: 5.75% first year, decreasing 0.25% per year to an ultimate rate of 4.5%
2024: 5.50% first year, decreasing 0.25% per year to an ultimate rate of 4.5%

2020	2021	2022	2023	2024
\$ 12,705,325	\$ 14,885,377	\$ 5,680,102	\$ 4,727,292	\$ 4,938,926
6,339,905	7,063,619	10,001,612	10,408,245	10,052,120
(592,655)	-	-	-	(23,791,100)
20,475,074	(118,699,960)	(15,520,444)	12,079,412	(39,194,502)
24,238,340	15,801,829	3,660,431	12,939,492	6,828,853
<u>(5,745,608)</u>	<u>(5,866,417)</u>	<u>(5,450,465)</u>	<u>(4,568,401)</u>	<u>(8,041,158)</u>
57,420,381	(86,815,552)	(1,628,764)	35,586,040	(49,206,861)
<u>253,594,794</u>	<u>311,015,175</u>	<u>224,199,623</u>	<u>222,570,859</u>	<u>258,156,899</u>
<u>\$ 311,015,175</u>	<u>\$ 224,199,623</u>	<u>\$ 222,570,859</u>	<u>\$ 258,156,899</u>	<u>\$ 208,950,038</u>
\$ 133,607,387	\$ 151,667,215	\$ 164,184,066	\$ 168,590,686	\$ 185,688,756
232.78%	147.82%	135.56%	153.13%	112.53%
2.19%	4.40%	4.63%	3.88%	4.50%

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**ADDITIONAL
SUPPLEMENTARY INFORMATION**

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE
GENERAL FUND**

SEPTEMBER 30, 2025

	<u>General Fund</u>
ASSETS	
Cash	\$ 182,772,621
Investments	22,826,521
Receivables:	
Taxes (net)	10,206,478
Accounts (net)	14,990,274
Interest	105,212
Due from other funds	3,707,034
Due from other governments	<u>68,795,707</u>
Total assets	<u>303,403,847</u>
LIABILITIES	
Accounts payable	27,694,182
Retainage payable	721,911
Accrued liabilities	28,284,180
Due to other funds	2,871,546
Due to other governments	27,295
Unearned revenue	<u>58,372,223</u>
Total liabilities	<u>117,971,337</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue: property taxes	8,807,030
Unavailable revenue: court fines	4,323,840
Lease-related	<u>6,025,833</u>
Total deferred inflows of resources	<u>19,156,703</u>
FUND BALANCES	
Committed	3,557,472
Assigned	90,000,000
Unassigned	<u>72,718,335</u>
Total fund balances	<u>166,275,807</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 303,403,847</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
TAXES				
Ad valorem current	\$ 273,382,204	\$ 273,382,204	270,473,206	\$ (2,908,998)
Ad valorem delinquent	1,737,519	1,737,519	2,628,379	890,860
Penalty and interest	1,563,767	1,563,767	2,383,842	820,075
Sales tax	6,791,697	6,791,697	6,919,777	128,080
Miscellaneous taxes	-	3,300,000	4,654,648	1,354,648
Special assessments	542,873	542,873	494,226	(48,647)
Total taxes	<u>284,018,060</u>	<u>287,318,060</u>	<u>287,554,078</u>	<u>236,018</u>
FEES AND CHARGES FOR SERVICES				
General government	4,265,000	4,265,000	2,493,888	(1,771,112)
Financial administration	2,544,820	2,713,855	3,129,951	416,096
Health and human services	102,500	214,717	466,379	251,662
Culture and recreation	803,000	803,000	1,074,751	271,751
Law enforcement and corrections	3,281,860	3,444,297	3,867,729	423,432
Legal and judicial	6,899,250	7,304,516	11,240,565	3,936,049
Transportation	935,000	935,000	972,467	37,467
Total fees	<u>18,831,430</u>	<u>19,680,385</u>	<u>23,245,730</u>	<u>3,565,345</u>
INTERGOVERNMENTAL				
Federal grants	-	467,983	552,595	84,612
State grants	504,000	624,529	1,066,048	441,519
Other	-	12,212	-	(12,212)
Total intergovernmental	<u>504,000</u>	<u>1,104,724</u>	<u>1,618,643</u>	<u>513,919</u>
LICENSES AND PERMITS				
Beer licenses	-	-	3,450	3,450
Health permits	575,000	575,000	567,125	(7,875)
Recycle center permits	-	-	2,750	2,750
Animal control transport	3,000	3,000	1,640	(1,360)
Food service permits	749,840	749,840	871,807	121,967
Alarm permits	795,000	944,132	646,039	(298,093)
Total licenses and permits	<u>2,122,840</u>	<u>2,271,972</u>	<u>2,092,811</u>	<u>(179,161)</u>
CONTRACT REIMBURSEMENTS	<u>16,617,911</u>	<u>39,644,641</u>	<u>35,148,185</u>	<u>(4,496,456)</u>
INVESTMENT EARNINGS	<u>1,500,000</u>	<u>1,500,206</u>	<u>12,007,782</u>	<u>10,507,576</u>
FINES AND FORFEITURES	<u>460,000</u>	<u>460,000</u>	<u>537,728</u>	<u>77,728</u>
COMMISSIONS	<u>-</u>	<u>301,209</u>	<u>304,341</u>	<u>3,132</u>
MISCELLANEOUS	<u>406,000</u>	<u>1,586,521</u>	<u>1,993,666</u>	<u>407,145</u>
TOTAL REVENUES	<u>324,460,241</u>	<u>353,867,718</u>	<u>364,502,964</u>	<u>10,635,246</u>
OTHER FINANCING SOURCES				
Sale of capital assets	200,000	274,242	199,827	(74,415)
Insurance settlement	-	-	3,980	3,980
Issuance of leases	-	560,473	560,473	-
Issuance of SBITA	-	2,473,586	2,473,586	-
Transfers in	-	2,510,721	2,510,721	-
Total other financing sources	<u>200,000</u>	<u>5,819,022</u>	<u>5,748,587</u>	<u>(70,435)</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 324,660,241</u>	<u>\$ 359,686,740</u>	<u>\$ 370,251,551</u>	<u>\$ 10,564,811</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT				
County Judge:				
Salaries	\$ 640,370	\$ 653,812	\$ 653,812	\$ -
Benefits	236,002	236,493	236,493	-
Operations	<u>51,990</u>	<u>75,365</u>	<u>73,461</u>	<u>1,904</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Judge	<u>928,362</u>	<u>965,670</u>	<u>963,766</u>	<u>1,904</u>
Human Resources:				
Salaries	591,917	572,266	572,266	-
Benefits	245,391	229,356	229,356	-
Operations	<u>54,469</u>	<u>55,178</u>	<u>47,264</u>	<u>7,914</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Human Resources	<u>891,777</u>	<u>856,800</u>	<u>848,886</u>	<u>7,914</u>
Civil Service				
Operations	<u>4,610</u>	<u>4,610</u>	<u>2,065</u>	<u>2,545</u>
Total Human Resources	<u>4,610</u>	<u>4,610</u>	<u>2,065</u>	<u>2,545</u>
Risk Management:				
Salaries	687,040	693,260	693,260	-
Benefits	300,885	299,703	299,703	-
Operations	87,850	85,461	52,471	32,990
Capital	<u>19,894</u>	<u>22,737</u>	<u>22,737</u>	<u>-</u>
Total Risk Management	<u>1,095,669</u>	<u>1,101,161</u>	<u>1,068,171</u>	<u>32,990</u>
County Clerk:				
Salaries	2,528,406	2,431,613	2,431,613	-
Benefits	1,299,718	1,214,884	1,214,884	-
Operations	<u>120,273</u>	<u>136,280</u>	<u>134,776</u>	<u>1,504</u>
Total County Clerk	<u>3,948,397</u>	<u>3,782,777</u>	<u>3,781,273</u>	<u>1,504</u>
County Clerk Records Management				
Salaries	83,589	-	-	-
Benefits	<u>39,401</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Clerk	<u>122,990</u>	<u>-</u>	<u>-</u>	<u>-</u>
Elections:				
Salaries	1,444,482	1,482,050	1,482,050	-
Benefits	507,870	507,870	419,934	87,936
Operations	<u>617,002</u>	<u>720,769</u>	<u>706,312</u>	<u>14,457</u>
Total Elections	<u>2,569,354</u>	<u>2,710,689</u>	<u>2,608,296</u>	<u>102,393</u>
Information Technology:				
Salaries	3,955,547	3,770,922	3,770,922	-
Benefits	1,591,668	1,522,966	1,522,966	-
Operations	13,518,418	11,084,609	10,692,061	392,548
Capital	-	3,034,059	3,034,059	-

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT (cont'd)				
Debt service:				
Principal retirement	\$ -	\$ 2,288,036	2,288,036	\$ -
Interest and fiscal charges	-	107,300	107,300	-
Total Information Technology	<u>19,065,633</u>	<u>21,807,892</u>	<u>21,415,344</u>	<u>392,548</u>
County Attorney				
Salaries	-	-	-	-
Benefits	-	-	-	-
Total County Attorney	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Building Custodial Services:				
Salaries	\$ 2,565,324	\$ 2,618,956	\$ 2,618,956	\$ -
Benefits	1,201,094	1,188,406	1,188,406	-
Operations	<u>453,063</u>	<u>507,535</u>	<u>505,260</u>	<u>2,275</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Building Custodial Services	<u>4,219,481</u>	<u>4,314,897</u>	<u>4,312,622</u>	<u>2,275</u>
Building Maintenance and Construction:				
Salaries	3,166,713	2,965,747	2,965,747	-
Benefits	1,503,771	1,373,722	1,373,722	-
Operations	1,741,537	6,649,376	7,079,242	(429,866)
Capital	<u>130,000</u>	<u>163,249</u>	<u>202,307</u>	<u>(39,058)</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Building Maintenance and Construction	<u>6,542,021</u>	<u>11,152,094</u>	<u>11,621,018</u>	<u>(468,924)</u>
Commissioners Court:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operations	-	1,000,000	-	1,000,000
Total Commissioners Court	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
County-wide:				
Salaries	-	-	-	-
Benefits	5,787,683	5,322,683	5,179,450	143,233
Operations	15,229,027	9,138,713	8,477,450	661,263
Capital	5,621,090	-	-	-
Debt service:				
Principal retirement	-	347,010	347,010	-
Interest and fiscal charges	-	28,446	28,446	-
Total County-wide	<u>26,637,800</u>	<u>14,836,852</u>	<u>14,032,356</u>	<u>804,496</u>
Contingency:				
Operations	<u>(2,863,669)</u>	<u>12,973</u>	<u>-</u>	<u>12,973</u>
Total Contingency	<u>(2,863,669)</u>	<u>12,973</u>	<u>-</u>	<u>12,973</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT (cont'd)				
Purchasing Agency:				
Salaries	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-
Total Purchasing Agency	-	-	-	-
Permits:				
Salaries	439,460	443,234	443,234	-
Benefits	225,671	224,561	224,561	-
Operations	24,383	25,192	20,850	4,342
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Permits	689,514	692,987	688,645	4,342
TOTAL GENERAL GOVERNMENT	\$ 63,851,939	\$ 63,239,402	\$ 61,342,442	\$ 1,896,960
FINANCIAL ADMINISTRATION				
Non-departmental:				
Operations	\$ 12,324,411	\$ 12,259,411	\$ 12,262,177	\$ (2,766)
Capital	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Non-departmental	12,324,411	12,259,411	12,262,177	(2,766)
Purchasing Agent:				
Salary	921,838	920,491	920,491	-
Benefits	394,579	390,219	390,219	-
Operations	28,826	29,379	29,058	321
Total Purchasing Agent	1,345,243	1,340,089	1,339,768	321
County Auditor:				
Salary	\$ 1,960,174	\$ 1,960,174	\$ 1,911,157	\$ 49,017
Benefits	882,272	853,671	838,447	15,224
Operations	70,826	71,176	61,248	9,928
Capital	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total County Auditor	2,913,272	2,885,021	2,810,852	74,169

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
FINANCIAL ADMINISTRATION (cont'd)				
Budget Office:				
Salary	\$ 434,051	\$ 412,789	412,789	\$ -
Benefits	159,918	150,180	150,180	-
Operations	<u>14,545</u>	<u>15,041</u>	<u>6,619</u>	<u>8,422</u>
Total Budget Office	<u>608,514</u>	<u>578,010</u>	<u>569,588</u>	<u>8,422</u>
County Treasurer:				
Salary	421,377	420,580	420,580	-
Benefits	175,171	173,371	173,371	-
Operations	<u>37,875</u>	<u>31,185</u>	<u>31,180</u>	<u>5</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Treasurer	<u>634,423</u>	<u>625,136</u>	<u>625,131</u>	<u>5</u>
Tax Assessor/collector:				
Salary	4,375,085	4,393,085	4,393,085	-
Benefits	2,247,911	2,146,140	2,146,140	-
Operations	566,475	568,808	510,863	57,945
Capital	<u>-</u>	<u>158,894</u>	<u>158,894</u>	<u>-</u>
Total Tax Assessor/collector	<u>7,189,471</u>	<u>7,266,927</u>	<u>7,208,982</u>	<u>57,945</u>
Payroll:				
Salary	453,927	459,348	459,348	-
Benefits	181,742	181,753	181,753	-
Operations	<u>9,590</u>	<u>11,089</u>	<u>10,264</u>	<u>825</u>
Total Payroll	<u>645,259</u>	<u>652,190</u>	<u>651,365</u>	<u>825</u>
TOTAL FINANCIAL ADMINISTRATION	<u>\$ 25,660,593</u>	<u>\$ 25,606,784</u>	<u>\$ 25,467,863</u>	<u>\$ 138,921</u>
HEALTH & HUMAN SERVICES				
Veterans Services:				
Salary	\$ 318,060	\$ 319,228	\$ 319,228	\$ -
Benefits	154,312	153,592	153,191	401
Operations	<u>19,778</u>	<u>19,778</u>	<u>17,806</u>	<u>1,972</u>
Total Veterans Services	<u>492,150</u>	<u>492,598</u>	<u>490,225</u>	<u>2,373</u>
Commissioners Court:				
Operations	<u>1,211,873</u>	<u>1,433,102</u>	<u>1,405,201</u>	<u>27,901</u>
Total Commissioners Court	<u>1,211,873</u>	<u>1,433,102</u>	<u>1,405,201</u>	<u>27,901</u>
Non-departmental				
Operations	<u>-</u>	<u>68,510</u>	<u>68,510</u>	<u>-</u>
Total Non-departmental	<u>-</u>	<u>68,510</u>	<u>68,510</u>	<u>-</u>
Child Welfare:				
Operations	<u>71,500</u>	<u>71,500</u>	<u>49,450</u>	<u>22,050</u>
Total Child Welfare	<u>71,500</u>	<u>71,500</u>	<u>49,450</u>	<u>22,050</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
HEALTH & HUMAN SERVICES (cont'd)				
Environmental Health:				
Salary	\$ 1,681,301	\$ 1,574,336	\$ 1,574,336	\$ -
Benefits	735,623	679,624	679,624	-
Operations	92,744	111,514	94,463	17,051
Capital	<u>42,700</u>	<u>70,990</u>	<u>70,990</u>	<u>-</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Environmental Health	<u>2,552,368</u>	<u>2,436,464</u>	<u>2,419,413</u>	<u>17,051</u>
Veterans Services:				
Salary	-	-	-	-
Benefits	-	-	-	-
Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Veterans Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Animal Services:				
Salary	3,483,646	3,298,783	3,195,554	103,229
Benefits	1,820,843	1,592,198	1,558,311	33,887
Operations	1,235,065	1,715,043	1,738,710	(23,667)
Capital	<u>140,000</u>	<u>36,192</u>	<u>45,474</u>	<u>(9,282)</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Animal Services	<u>6,679,554</u>	<u>6,642,216</u>	<u>6,538,049</u>	<u>104,167</u>
Forensic Services:				
Salary	1,806,931	1,804,979	1,804,159	820
Benefits	652,830	619,740	619,740	-
Operations	<u>773,494</u>	<u>722,061</u>	<u>709,386</u>	<u>12,675</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Forensic Services	<u>3,233,255</u>	<u>3,146,780</u>	<u>3,133,285</u>	<u>13,495</u>
MCCD:				
Salary	240,310	241,235	241,235	-
Benefits	84,557	84,351	84,351	-
Operations	<u>10,044</u>	<u>12,543</u>	<u>11,492</u>	<u>1,051</u>
Total MCCD	<u>334,911</u>	<u>338,129</u>	<u>337,078</u>	<u>1,051</u>
Extension services:				
Salary	543,744	536,642	536,642	-
Benefits	307,991	273,074	273,074	-
Operations	<u>58,859</u>	<u>58,859</u>	<u>55,799</u>	<u>3,060</u>
Debt service:				
Capital	-	-	-	-
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Extension Services	<u>910,594</u>	<u>868,575</u>	<u>865,515</u>	<u>3,060</u>
TOTAL HEALTH & HUMAN SERVICES	<u>\$ 15,486,205</u>	<u>\$ 15,497,874</u>	<u>\$ 15,306,726</u>	<u>\$ 191,148</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
CULTURE & RECREATION				
Historical Commission:				
Operations	\$ 30,000	\$ 31,847	\$ 30,000	\$ 1,847
Total Historical Commission	<u>30,000</u>	<u>31,847</u>	<u>30,000</u>	<u>1,847</u>
Heritage Museum:				
Operations	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Total Heritage Museum	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Convention Center Complex:				
Salaries	536,354	541,965	541,965	-
Benefits	270,461	261,215	261,215	-
Operations	<u>417,965</u>	<u>392,505</u>	<u>369,553</u>	<u>22,952</u>
Total Convention Center Complex	<u>1,224,780</u>	<u>1,195,685</u>	<u>1,172,733</u>	<u>22,952</u>
Memorial Library:				
Salaries	\$ 7,358,932	\$ 7,227,178	\$ 7,227,178	\$ -
Benefits	3,828,456	3,676,116	3,676,116	-
Operations	994,611	1,067,368	1,071,640	(4,272)
Capital	<u>427,763</u>	<u>434,204</u>	<u>447,229</u>	<u>(13,025)</u>
Total Memorial Library	<u>12,609,762</u>	<u>12,404,866</u>	<u>12,422,163</u>	<u>(17,297)</u>
TOTAL CULTURE & RECREATION	<u>\$ 13,879,542</u>	<u>\$ 13,647,398</u>	<u>\$ 13,639,896</u>	<u>\$ 7,502</u>
LAW ENFORCEMENT & CORRECTIONS				
Elections:				
Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Elections	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Information Technology:				
Operations	\$ -	\$ -	\$ -	\$ -
Total Information Technology	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Commissioners Court:				
Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Commissioners Court	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-departmental:				
Salaries	1,677,915	1,000,000	-	1,000,000
Benefits	486,994	205,122	4,000	201,122
Capital	<u>-</u>	<u>2,176,171</u>	<u>457,396</u>	<u>1,718,775</u>
Total non-departmental	<u>2,164,909</u>	<u>3,381,293</u>	<u>461,396</u>	<u>2,919,897</u>
Department Of Public Safety:				
Salaries	127,386	145,692	129,901	15,791
Benefits	66,608	69,697	66,254	3,443
Operations	<u>450</u>	<u>450</u>	<u>445</u>	<u>5</u>
Total Department Of Public Safety	<u>194,444</u>	<u>215,839</u>	<u>196,600</u>	<u>19,239</u>
Airport:				
Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Airport	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LAW ENFORCEMENT & CORRECTIONS (cont'd)				
District Attorney:				
Salaries	\$ 11,819,539	\$ 11,491,228	11,487,510	\$ 3,718
Benefits	4,512,564	4,307,837	4,272,364	35,473
Operations	<u>789,083</u>	<u>690,883</u>	<u>663,668</u>	<u>27,215</u>
Capital	45,000	87,054	85,846	1,208
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District Attorney	<u>17,166,186</u>	<u>16,577,002</u>	<u>16,509,388</u>	<u>67,614</u>
Office Of Homeland Security and Emergency Management:				
Salaries	604,186	668,861	668,861	-
Benefits	247,037	269,271	269,271	-
Operations	100,189	195,116	189,233	5,883
Capital	<u>-</u>	<u>11,085</u>	<u>11,085</u>	<u>-</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Office Of Homeland Security and Emergency Management	<u>951,412</u>	<u>1,144,333</u>	<u>1,138,450</u>	<u>5,883</u>
Fire Marshal Investigations:				
Salaries	1,127,092	1,092,134	1,092,134	-
Benefits	383,463	384,971	384,971	-
Operations	<u>65,251</u>	<u>165,524</u>	<u>161,846</u>	<u>3,678</u>
Capital	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fire Marshal Investigations	<u>1,575,806</u>	<u>1,642,629</u>	<u>1,638,951</u>	<u>3,678</u>
Fire Marshal Inspections:				
Salaries	1,088,751	1,088,751	1,032,333	56,418
Benefits	418,054	401,760	400,568	1,192
Operations	<u>53,211</u>	<u>94,843</u>	<u>93,392</u>	<u>1,451</u>
Total Fire Marshal Inspections	<u>1,560,016</u>	<u>1,585,354</u>	<u>1,526,293</u>	<u>59,061</u>
Aircraft Rescue & Firefighting				
Salaries	\$ 123,219	\$ 33,171	\$ 33,171	\$ -
Benefits	26,327	6,912	6,912	-
Operations	<u>39,304</u>	<u>40,264</u>	<u>12,832</u>	<u>27,432</u>
Total Fire Aircraft Rescue & Firefighting	<u>188,850</u>	<u>80,347</u>	<u>52,915</u>	<u>27,432</u>
Juvenile Services:				
Salaries	112,000	4,470,280	4,285,251	185,029
Benefits	22,613	2,251,172	2,174,785	76,387
Operations	224,814	351,631	489,014	(137,383)
Capital	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LAW ENFORCEMENT & CORRECTIONS (cont'd)				
Debt service:				
Principal retirement	\$ -	\$ -	\$ -	\$ -
Interest and fiscal charges	-	-	-	-
Total Juvenile Services	<u>359,427</u>	<u>7,073,083</u>	<u>6,949,050</u>	<u>124,033</u>
Adult Services:				
Salaries	-	514,823	4,190,948	(3,676,125)
Benefits	-	102,157	838,200	(736,043)
Operations	<u>63,800</u>	<u>75,683</u>	<u>74,913</u>	<u>770</u>
Total Adult Services	<u>63,800</u>	<u>692,663</u>	<u>5,104,061</u>	<u>(4,411,398)</u>
Commissions:				
Operations	-	75,544	75,544	-
Capital	-	-	-	-
Total Commissions	<u>-</u>	<u>75,544</u>	<u>75,544</u>	<u>-</u>
LEOSE:				
Operations	<u>-</u>	<u>86,788</u>	<u>86,788</u>	<u>-</u>
Total LEOSE	<u>-</u>	<u>86,788</u>	<u>86,788</u>	<u>-</u>
Sheriff:				
Salaries	46,029,597	58,761,325	58,614,219	147,106
Benefits	19,520,570	24,466,030	24,268,839	197,191
Operations	8,633,967	7,678,340	7,165,340	513,000
Capital	677,572	2,011,961	2,013,064	(1,103)
Debt service:				
Principal retirement	-	181,761	181,761	-
Interest and fiscal charges	-	26,399	26,399	-
Total Sheriff	<u>74,861,706</u>	<u>93,125,816</u>	<u>92,269,622</u>	<u>856,194</u>
Jail:				
Salaries	15,595,176	16,265,855	16,265,855	-
Benefits	7,573,702	7,803,230	7,803,230	-
Operations	<u>10,689,208</u>	<u>11,157,673</u>	<u>11,114,074</u>	<u>43,599</u>
Capital	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Jail	<u>33,858,086</u>	<u>35,226,758</u>	<u>35,183,159</u>	<u>43,599</u>
Sheriff Litter Control:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Total Sheriff Litter Control	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Constable Pct 1:				
Salaries	3,540,198	3,645,871	3,532,477	113,394
Benefits	1,417,257	1,426,722	1,359,863	66,859
Operations	366,222	841,037	761,465	79,572
Capital	<u>73,212</u>	<u>93,609</u>	<u>84,975</u>	<u>8,634</u>
Total Constable Pct 1	<u>5,396,889</u>	<u>6,007,239</u>	<u>5,738,780</u>	<u>268,459</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LAW ENFORCEMENT & CORRECTIONS (cont'd)				
Constable Pct 2:				
Salaries	\$ 2,259,779	\$ 2,883,310	\$ 2,935,401	\$ (52,091)
Benefits	906,656	1,127,423	1,129,833	(2,410)
Operations	201,827	417,665	300,850	116,815
Capital	<u>51,997</u>	<u>123,913</u>	<u>123,913</u>	<u>-</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Constable Pct 2	<u>3,420,259</u>	<u>4,552,311</u>	<u>4,489,997</u>	<u>62,314</u>
Constable Pct 3:				
Salaries	4,050,337	6,467,085	6,389,626	77,459
Benefits	1,663,906	2,630,451	2,586,821	43,630
Operations	457,343	933,708	928,735	4,973
Capital	<u>219,636</u>	<u>434,229</u>	<u>422,670</u>	<u>11,559</u>
Total Constable Pct 3	<u>6,391,222</u>	<u>10,465,473</u>	<u>10,327,852</u>	<u>137,621</u>
Constable Pct 4:				
Salaries	4,502,003	4,826,306	4,768,994	57,312
Benefits	1,881,230	1,973,851	1,947,531	26,320
Operations	426,454	836,877	731,104	105,773
Capital	<u>219,636</u>	<u>470,579</u>	<u>359,229</u>	<u>111,350</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Constable Pct 4	<u>7,029,323</u>	<u>8,107,613</u>	<u>7,806,858</u>	<u>300,755</u>
Constable Pct 5:				
Salaries	2,987,978	4,443,964	4,376,503	67,461
Benefits	1,215,168	1,883,841	1,848,736	35,105
Operations	283,583	432,231	421,684	10,547
Capital	<u>198,421</u>	<u>248,015</u>	<u>248,015</u>	<u>-</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Constable Pct 5	<u>4,685,150</u>	<u>7,008,051</u>	<u>6,894,938</u>	<u>113,113</u>
Courthouse Security				
Salaries	-	-	-	-
Benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Courthouse Security	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LAW ENFORCEMENT & CORRECTIONS	<u>\$ 159,867,485</u>	<u>\$ 197,048,136</u>	<u>\$ 196,450,642</u>	<u>\$ 597,494</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LEGAL & JUDICIAL:				
District Clerk				
Salaries	\$ 3,152,223	\$ 2,937,557	\$ 2,937,557	\$ -
Benefits	1,717,324	1,550,641	1,550,641	-
Operations	<u>48,662</u>	<u>48,662</u>	<u>48,516</u>	<u>146</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District Clerk	<u>4,918,209</u>	<u>4,536,860</u>	<u>4,536,714</u>	<u>146</u>
County Attorney:				
Salaries	3,251,586	3,311,456	3,312,584	(1,128)
Benefits	1,250,872	1,240,884	1,236,453	4,431
Operations	<u>106,750</u>	<u>128,992</u>	<u>143,776</u>	<u>(14,784)</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Attorney	<u>4,609,208</u>	<u>4,681,332</u>	<u>4,692,813</u>	<u>(11,481)</u>
Non-departmental:				
Operations	\$ -	\$ 31,813	\$ 31,813	\$ -
Total Non-departmental	<u>-</u>	<u>31,813</u>	<u>31,813</u>	<u>-</u>
Alternate Dispute Resolution:				
Operations	<u>200,000</u>	<u>276,000</u>	<u>273,642</u>	<u>2,358</u>
Total Alternate Dispute Resolution	<u>200,000</u>	<u>276,000</u>	<u>273,642</u>	<u>2,358</u>
2nd Judicial Region				
Salaries	-	151,774	151,773	1
Benefits	<u>-</u>	<u>64,666</u>	<u>48,290</u>	<u>16,376</u>
Total 2nd Judicial Region	<u>-</u>	<u>216,440</u>	<u>200,063</u>	<u>16,377</u>
Court Operations:				
Salaries	208,393	133,422	132,813	609
Benefits	82,151	41,077	41,791	(714)
Operations	<u>9,392,855</u>	<u>9,137,963</u>	<u>9,126,507</u>	<u>11,456</u>
Total Court Operations	<u>9,683,399</u>	<u>9,312,462</u>	<u>9,301,111</u>	<u>11,351</u>
Office of Court Administration:				
Salaries	606,153	553,021	553,469	(448)
Benefits	284,303	271,184	257,863	13,321
Operations	<u>26,890</u>	<u>26,773</u>	<u>11,088</u>	<u>15,685</u>
Total Office of Court Administration	<u>917,346</u>	<u>850,978</u>	<u>822,420</u>	<u>28,558</u>
Court Guardianship				
Salaries	252,305	259,022	259,022	-
Benefits	104,997	105,835	105,835	-
Operations	<u>23,340</u>	<u>23,340</u>	<u>20,543</u>	<u>2,797</u>
Total Court Guardianship	<u>380,642</u>	<u>388,197</u>	<u>385,400</u>	<u>2,797</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LEGAL & JUDICIAL (cont'd)				
County Court at Law 1:				
Salaries	\$ 434,099	\$ 441,282	441,282	\$ -
Benefits	160,730	160,743	159,948	795
Operations	<u>9,557</u>	<u>9,557</u>	<u>7,272</u>	<u>2,285</u>
Total County Court at Law 1	<u>604,386</u>	<u>611,582</u>	<u>608,502</u>	<u>3,080</u>
County Court at Law 2:				
Salaries	-	-	-	-
Benefits	-	-	-	-
Operations	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Court at Law 2	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
County Court at Law 3:				
Salaries	679,703	712,286	712,286	-
Benefits	246,356	250,183	250,183	-
Operations	<u>23,045</u>	<u>23,045</u>	<u>10,534</u>	<u>12,511</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Court at Law 3	<u>949,104</u>	<u>985,514</u>	<u>973,003</u>	<u>12,511</u>
County Court at Law 4:				
Salaries	420,102	423,310	423,310	-
Benefits	157,904	156,259	156,259	-
Operations	<u>17,676</u>	<u>17,676</u>	<u>9,230</u>	<u>8,446</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Court at Law 4	<u>595,682</u>	<u>597,245</u>	<u>588,799</u>	<u>8,446</u>
County Court at Law 5:				
Salaries	\$ 464,564	\$ 440,652	\$ 440,652	\$ -
Benefits	166,881	158,740	158,740	-
Operations	<u>12,600</u>	<u>12,600</u>	<u>9,986</u>	<u>2,614</u>
Total County Court at Law 5	<u>644,045</u>	<u>611,992</u>	<u>609,378</u>	<u>2,614</u>
County Court at Law 6:				
Salaries	560,926	569,698	569,698	-
Benefits	204,355	203,944	203,944	-
Operations	<u>16,600</u>	<u>14,100</u>	<u>13,812</u>	<u>288</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total County Court at Law 6	<u>781,881</u>	<u>787,742</u>	<u>787,454</u>	<u>288</u>
9th District Court:				
Salaries	275,723	283,606	283,606	-
Benefits	124,159	123,127	123,127	-
Operations	<u>14,025</u>	<u>14,025</u>	<u>7,176</u>	<u>6,849</u>
Capital	-	-	-	-

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LEGAL & JUDICIAL (cont'd)				
Debt service:				
Principal retirement	\$ -	\$ -	\$ -	\$ -
Interest and fiscal charges	-	-	-	-
Total 9th District Court	<u>413,907</u>	<u>420,758</u>	<u>413,909</u>	<u>6,849</u>
221st District Court:				
Salaries	504,764	508,277	508,277	-
Benefits	206,647	203,007	202,970	37
Operations	<u>25,730</u>	<u>25,730</u>	<u>7,563</u>	<u>18,167</u>
Total 221st District Court	<u>737,141</u>	<u>737,014</u>	<u>718,810</u>	<u>18,204</u>
284th District Court:				
Salaries	507,519	515,290	515,290	-
Benefits	206,997	202,462	202,320	142
Operations	<u>24,950</u>	<u>24,950</u>	<u>15,309</u>	<u>9,641</u>
Debt service:				-
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total 284th District Court	<u>739,466</u>	<u>742,702</u>	<u>732,919</u>	<u>9,783</u>
359th District Court:				
Salaries	301,256	302,479	302,428	51
Benefits	129,770	127,027	126,909	118
Operations	<u>20,063</u>	<u>18,031</u>	<u>11,975</u>	<u>6,056</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total 359th District Court	<u>451,089</u>	<u>447,537</u>	<u>441,312</u>	<u>6,225</u>
410th District Court:				
Salaries	526,856	504,768	504,768	-
Benefits	206,306	195,047	195,041	6
Operations	<u>14,475</u>	<u>42,311</u>	<u>39,934</u>	<u>2,377</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total 410th District Court	<u>747,637</u>	<u>742,126</u>	<u>739,743</u>	<u>2,383</u>
418th District Court:				
Salaries	530,518	536,828	536,828	-
Benefits	207,045	201,759	201,670	89
Operations	<u>19,560</u>	<u>19,560</u>	<u>13,069</u>	<u>6,491</u>
Total 418th District Court	<u>757,123</u>	<u>758,147</u>	<u>751,567</u>	<u>6,580</u>
435th District Court:				
Salaries	418,160	419,376	419,376	-
Benefits	170,936	167,781	167,781	-
Operations	<u>26,317</u>	<u>26,317</u>	<u>15,181</u>	<u>11,136</u>
Debt service:				
Principal retirement	-	-	-	-
Total 435th District Court	<u>615,413</u>	<u>613,474</u>	<u>602,338</u>	<u>11,136</u>

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
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FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LEGAL & JUDICIAL (cont'd)				
457th District Court:				
Salaries	\$ 478,146	\$ 490,488	\$ 490,488	\$ -
Benefits	201,067	199,174	199,174	-
Operations	<u>14,750</u>	<u>14,750</u>	<u>11,287</u>	<u>3,463</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total 457th District Court	<u>693,963</u>	<u>704,412</u>	<u>700,949</u>	<u>3,463</u>
Drug Court:				
Salaries	216,385	217,255	217,255	-
Benefits	97,745	97,313	97,071	242
Operations	<u>283,605</u>	<u>240,905</u>	<u>239,364</u>	<u>1,541</u>
Total Drug Court	<u>597,735</u>	<u>555,473</u>	<u>553,690</u>	<u>1,783</u>
DWI Court:				
Salary	58,980	59,216	59,216	-
Benefits	29,927	29,784	29,784	-
Operations	<u>278,740</u>	<u>329,540</u>	<u>326,958</u>	<u>2,582</u>
Total DWI Court	<u>367,647</u>	<u>418,540</u>	<u>415,958</u>	<u>2,582</u>
Mental Health Court Services:				
Salaries	285,787	288,259	288,259	-
Benefits	147,796	146,636	146,636	-
Operations	<u>12,200</u>	<u>12,200</u>	<u>9,852</u>	<u>2,348</u>
Total Mental Health Court Services	<u>445,783</u>	<u>447,095</u>	<u>444,747</u>	<u>2,348</u>
Justice of the Peace 1:				
Salaries	818,910	868,616	868,616	-
Benefits	346,899	366,436	366,436	-
Operations	<u>55,079</u>	<u>129,053</u>	<u>126,926</u>	<u>2,127</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Justice of the Peace 1	<u>1,220,888</u>	<u>1,364,105</u>	<u>1,361,978</u>	<u>2,127</u>
Justice of the Peace 2				
Salaries	503,266	524,335	524,335	-
Benefits	228,200	230,415	230,415	-
Operations	<u>44,083</u>	<u>141,636</u>	<u>129,844</u>	<u>11,792</u>
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Justice of the Peace 2	<u>775,549</u>	<u>896,386</u>	<u>884,594</u>	<u>11,792</u>
Justice of the Peace 3:				
Salaries	983,985	873,908	873,908	-
Benefits	504,990	419,414	419,195	219
Operations	<u>40,263</u>	<u>41,198</u>	<u>37,275</u>	<u>3,923</u>
Capital	-	-	-	-

MONTGOMERY COUNTY, TEXAS

SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
LEGAL & JUDICIAL (cont'd)				
Debt service:				-
Principal retirement	\$ -	\$ -	\$ -	\$ -
Interest and fiscal charges	-	-	-	-
Total Justice of the Peace 3	<u>1,529,238</u>	<u>1,334,520</u>	<u>1,330,378</u>	<u>4,142</u>
Justice of the Peace 4:				
Salaries	751,522	782,785	782,785	-
Benefits	367,960	368,020	368,020	-
Operations	<u>47,755</u>	<u>134,282</u>	<u>127,488</u>	<u>6,794</u>
Total Justice of the Peace 4	<u>1,167,237</u>	<u>1,285,087</u>	<u>1,278,293</u>	<u>6,794</u>
Justice of the Peace 5:				
Salaries	537,838	536,545	536,545	-
Benefits	235,180	233,371	233,371	-
Operations	<u>38,675</u>	<u>94,255</u>	<u>90,603</u>	<u>3,652</u>
Total Justice of the Peace 5	<u>811,693</u>	<u>864,171</u>	<u>860,519</u>	<u>3,652</u>
Probate Court 1				
Salaries	\$ 623,964	\$ 676,685	\$ 676,685	\$ -
Benefits	234,092	252,381	252,381	-
Operations	<u>14,215</u>	<u>25,782</u>	<u>12,292</u>	<u>13,490</u>
Total Probate Court 1	<u>872,271</u>	<u>954,848</u>	<u>941,358</u>	<u>13,490</u>
TOTAL LEGAL & JUDICIAL	<u>\$ 37,227,682</u>	<u>\$ 37,174,552</u>	<u>\$ 36,984,174</u>	<u>\$ 190,378</u>
PUBLIC TRANSPORTATION				
Commissioners Court:				
Operations	-	-	-	-
Total Commissioners Court	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Airport:				
Salaries	\$ 589,152	\$ 574,152	\$ 559,979	\$ 14,173
Benefits	264,473	260,123	253,282	6,841
Operations	<u>182,876</u>	<u>203,871</u>	<u>78,346</u>	<u>125,525</u>
Capital	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Airport	<u>1,036,501</u>	<u>1,038,146</u>	<u>891,607</u>	<u>146,539</u>
Airport Rescue and Fire				
Operations	-	-	-	-
Total Airport Rescue and Fire	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Customs:				
Operations	<u>353,992</u>	<u>354,012</u>	<u>322,992</u>	<u>31,020</u>
Total Customs	<u>353,992</u>	<u>354,012</u>	<u>322,992</u>	<u>31,020</u>
TOTAL PUBLIC TRANSPORTATION	<u>\$ 1,390,493</u>	<u>\$ 1,392,158</u>	<u>\$ 1,214,599</u>	<u>\$ 177,559</u>
TOTAL EXPENDITURES GENERAL FUND	<u>\$ 317,363,939</u>	<u>\$ 353,606,304</u>	<u>\$ 350,406,342</u>	<u>\$ 3,199,962</u>
OTHER FINANCING (USES)				
Transfers out	-	6,543,867	11,993,867	(5,450,000)
TOTAL OTHER (USES)	<u>\$ -</u>	<u>\$ 6,543,867</u>	<u>\$ 11,993,867</u>	<u>\$ (5,450,000)</u>
TOTAL EXPENDITURES AND OTHER FINANCING (USES)	<u>\$ 317,363,939</u>	<u>\$ 360,150,171</u>	<u>\$ 362,400,209</u>	<u>\$ (2,250,038)</u>

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**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

NONMAJOR SPECIAL REVENUE FUNDS

Worthless Checks Fund 201 - to account for the operations of the County's returned check collection service provided by the County and District attorneys. Fees charged to offenders finance this fund.

Forfeitures Fund 202 - to account for funds received by prosecutors and law enforcement agencies from forfeitures and/or seizures. Chapter 59 of the Criminal Code of Procedure governs expenditure in these funds.

Jail Commissary Fund 203 - to account for the proceeds from sale of personal items in the jail commissary. Expenditures are restricted to providing education and entertainment for inmates of the county jail.

Law Library Fund 204 - to account for the operations of a law library. Financing is provided by a fee assessed on each civil case filed in County and District Courts.

Pre-Trial Diversion Fund 205 - to account for the receipt of fees assessed for pre-trial diversion through the Montgomery County District Attorney. Expenditures are restricted to those activities supporting the pre-trial diversion process.

Records Management and Preservation Fund 206 - to account for the receipt and expenditure of fees assessed by county, district and probate courts as allowed by law. Fees may only be spent on records management or preservation projects.

Records Management County Fund 207 - to account for the receipt and expenditure of fees assessed by the county. Fees for this fund are authorized under Sections 51.317, 118.052, 118.0546, and 118.0645 of the Local Government Code and Article 102.005(d), of the Code of Criminal Procedure. Fees collected may only be spent on records management or preservation projects.

Records Management District Clerk Fund 208 - to account for the receipt and expenditure of fees assessed by the district. Fees may only be spent on records management or preservation projects.

District Clerk Record Preservation Fund 209 - This fund is utilized to account for the receipts and the disbursements relating to the District Clerk's records preservation program. Financing is received from fees assessed for recording documents in the District Clerk's Office.

Digital Preservation County and District Fund 210 - to account for the fees collected for filing of civil cases in county and district courts and to be used for the preservation of court records.

Court Technology County and District Fund 211 - to account for the fees collected from defendants in criminal cases. Proceeds are used to cover the costs of continuing education and training for the judges and clerks on technological enhancements and for the purchase and maintenance of technological enhancements, including computer systems, networks, hardware, and software, imaging systems, electronic kiosks, and docket management systems.

Court Guardianship Fund 212 - This fund was established pursuant to the provisions of the Local Government Code whereby the clerk of the court collects a fee on certain probate court actions involving guardianships and is to provide supplemental funding for court-appointed guardians ad litem and court-appointed attorneys ad litem and to fund local guardianship programs for indigent incapacitated individuals.

Court Reporter Service Fund 213 - to account for court reporter fees to defray the cost of providing court reporting services for the County.

Courthouse Security Fund 214 - to account for fees charged for filing certain documents in the County. These fees are restricted to expenditures that provide security of County facilities, primarily in the County Courthouse.

Justice Court Building Security Fund 215 - This fund is used to account for revenues related to Court costs. Funds are used to cover costs of Justice of the Peace court security.

Justice Court Technology Fund 216 - to account for the receipts and disbursements of funds directly related to this program. Revenues in this account are a result of court costs for applicable cases. Proceeds are used for the purchase of technology equipment that will be utilized in the Justice Courts.

Juvenile Case Manager Fund 217 - to account for the receipt and disbursements of funds directly related to this program. Revenues result from court costs in certain juvenile justice court cases. Proceeds will be used to cover the cost of several Juvenile Case Manager positions, whose responsibilities will be to track and monitor juvenile case flow to ensure effective and efficient dispositions of these cases.

Vital Records Preservation Fund 218 - to account for fees collected for birth and death certificates. The funds are used for preservation of those records.

Contract Elections Services Fund 219 - to account for funds received for elections conducted by the County for other entities. Revenues in this account are the result of contracts between the County and other local governments.

Help America Vote Act (HAVA) Grant Fund 221 - to account for the rental of equipment acquired by the HAVA Grant. Disbursements from this fund are limited to acquiring additional equipment and maintenance of the original equipment purchased by the grant.

Joe Corley Pass Through Fund 222 - to account for reimbursements from United States Marshal Service (USM) and Immigration and Customs Enforcement (ICE) for the housing of federal inmates.

Court Facility Fund 224 - to account for the construction, renovation, or improvement of facilities that house the courts or pay the principal of, interest on, and costs of issuance of bonds issued for the construction, renovation, or improvement of the facilities.

Language Access Fund 225 - to account for language access services for individuals appearing before the court or receiving court services.

Juvenile Probation Special Revenue Fund 226 - to account for funds utilized to offset costs of juvenile care and services provided at the County's juvenile detention center.

Elections Chapter 19 Fund 229 - to account for state allocated funds issued to voter registrars in the County to help defray the County's voter registration expenses.

MONTGOMERY COUNTY, TEXAS**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2025

	Special Revenue	Capital Projects	Total
ASSETS			
Cash	\$ 8,452,141	\$ 12,050	\$ 8,464,191
Investments	3,921,027	154,057	4,075,084
Accounts receivable	3,508	-	3,508
Due from other funds	8,468,040	6,316,632	14,784,672
Due from other governments	454,444	-	454,444
Total assets	<u>21,299,160</u>	<u>6,482,739</u>	<u>27,781,899</u>
LIABILITIES			
Accounts payable	20,634	-	20,634
Due to other funds	<u>2,077,175</u>	<u>2,037,436</u>	<u>4,114,611</u>
Total liabilities	<u>2,097,809</u>	<u>2,037,436</u>	<u>4,135,245</u>
FUND BALANCES			
Restricted	19,155,453	166,107	19,321,560
Committed	45,898	6,316,632	6,362,530
Unassigned	<u>-</u>	<u>(2,037,436)</u>	<u>(2,037,436)</u>
Total fund balances	<u>19,201,351</u>	<u>4,445,303</u>	<u>23,646,654</u>
Total liabilities and fund balances	<u>\$ 21,299,160</u>	<u>\$ 6,482,739</u>	<u>\$ 27,781,899</u>

MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue	Capital Projects	Total
REVENUES			
Fees and charges for services	\$ 8,436,126	\$ -	\$ 8,436,126
Intergovernmental	20,149	-	20,149
Contract reimbursements	2,670,867	-	2,670,867
Inmate housing	43,194,467	-	43,194,467
Investment earnings	501,381	7,430	508,811
Fines and forfeitures	1,118,976	-	1,118,976
Miscellaneous	16,142	27,880	44,022
Total revenues	<u>55,958,108</u>	<u>35,310</u>	<u>55,993,418</u>
EXPENDITURES			
Current:			
General government	3,200,046	-	3,200,046
Law enforcement and corrections	48,189,152	-	48,189,152
Legal and judicial	1,641,672	-	1,641,672
Capital projects	-	8,325,565	8,325,565
Debt service:			
Principal retirement	-	69,518	69,518
Interest and fiscal charges	-	4,819	4,819
Total expenditures	<u>53,030,870</u>	<u>8,399,902</u>	<u>61,430,772</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	2,927,238	(8,364,592)	(5,437,354)
OTHER FINANCING SOURCES/(USES)			
Transfers in	250,000	6,770,519	7,020,519
Transfers out	-	(927,092)	(927,092)
Total other financing sources/(uses)	<u>250,000</u>	<u>5,843,427</u>	<u>6,093,427</u>
NET CHANGE IN FUND BALANCES	3,177,238	(2,521,165)	656,073
FUND BALANCES, BEGINNING	<u>16,024,113</u>	<u>6,966,468</u>	<u>22,990,581</u>
FUND BALANCES, ENDING	<u>\$ 19,201,351</u>	<u>\$ 4,445,303</u>	<u>\$ 23,646,654</u>

MONTGOMERY COUNTY, TEXAS**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

SEPTEMBER 30, 2025

	Worthless Checks 201	Forfeitures 202	Jail Commissary 203	Law Library 204
ASSETS				
Cash	\$ 2,223	\$ 2,044,020	\$ 2,322,683	\$ 758,978
Investments	-	-	-	-
Accounts receivable	-	204	-	-
Due from other funds	7,867	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>10,090</u>	<u>2,044,224</u>	<u>2,322,683</u>	<u>758,978</u>
LIABILITIES				
Accounts payable	-	60	-	-
Due to other funds	-	222,975	138,504	10,382
Total liabilities	<u>-</u>	<u>223,035</u>	<u>138,504</u>	<u>10,382</u>
FUND BALANCES				
Restricted	10,090	1,821,189	2,184,179	748,596
Committed	-	-	-	-
Total fund balances	<u>10,090</u>	<u>1,821,189</u>	<u>2,184,179</u>	<u>748,596</u>
Total liabilities and fund balances	<u>\$ 10,090</u>	<u>\$ 2,044,224</u>	<u>\$ 2,322,683</u>	<u>\$ 758,978</u>

Pre-Trial Diversion 205	Memo Totals from Page 91	Memo Totals from Page 94	Totals
\$ -	\$ -	\$ 3,324,237	\$ 8,452,141
-	3,834,721	86,306	3,921,027
-	-	3,304	3,508
43,974	4,225,471	4,190,728	8,468,040
-	-	454,444	454,444
<u>43,974</u>	<u>8,060,192</u>	<u>8,059,019</u>	<u>21,299,160</u>
-	-	20,574	20,634
-	32,200	1,673,114	2,077,175
-	32,200	1,693,688	2,097,809
43,974	8,003,797	6,343,628	19,155,453
-	24,195	21,703	45,898
<u>43,974</u>	<u>8,027,992</u>	<u>6,365,331</u>	<u>19,201,351</u>
<u>\$ 43,974</u>	<u>\$ 8,060,192</u>	<u>\$ 8,059,019</u>	<u>\$ 21,299,160</u>

MONTGOMERY COUNTY, TEXAS**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

SEPTEMBER 30, 2025

	Records Management and Preservation 206	Records Management County 207	Records Management District Clerk 208	District Clerk Records Preservation 209
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	3,377,555	-	160,197	97,381
Accounts receivable	-	-	-	-
Due from other funds	1,851,104	15,845	1,375,083	-
Due from other governments	-	-	-	-
Total assets	<u>5,228,659</u>	<u>15,845</u>	<u>1,535,280</u>	<u>97,381</u>
LIABILITIES				
Accounts payable	-	-	-	-
Due to other funds	-	-	-	32,200
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,200</u>
FUND BALANCES				
Restricted	5,204,464	15,845	1,535,280	65,181
Committed	24,195	-	-	-
Total fund balances	<u>5,228,659</u>	<u>15,845</u>	<u>1,535,280</u>	<u>65,181</u>
Total liabilities and fund balances	<u>\$ 5,228,659</u>	<u>\$ 15,845</u>	<u>\$ 1,535,280</u>	<u>\$ 65,181</u>

Digital Preservation County & District 210	Court Technology County & District 211	Court Guardianship 212	Court Reporter Service 213	Memo Totals to Page 89
\$ -	\$ -	\$ -	\$ -	\$ -
199,588	-	-	-	3,834,721
-	-	-	-	-
392,135	44,230	298,313	248,761	4,225,471
-	-	-	-	-
<u>591,723</u>	<u>44,230</u>	<u>298,313</u>	<u>248,761</u>	<u>8,060,192</u>
-	-	-	-	-
-	-	-	-	32,200
-	-	-	-	<u>32,200</u>
591,723	44,230	298,313	248,761	8,003,797
-	-	-	-	24,195
<u>591,723</u>	<u>44,230</u>	<u>298,313</u>	<u>248,761</u>	<u>8,027,992</u>
<u>\$ 591,723</u>	<u>\$ 44,230</u>	<u>\$ 298,313</u>	<u>\$ 248,761</u>	<u>\$ 8,027,992</u>

MONTGOMERY COUNTY, TEXAS**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

SEPTEMBER 30, 2025

	Courthouse Security 214	Justice Court Building Security 215	Justice Court Technology 216	Juvenile Case Manager 217
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Accounts receivable	-	-	-	-
Due from other funds	268,615	53,158	198,505	19,263
Due from other governments	-	-	-	-
Total assets	<u>268,615</u>	<u>53,158</u>	<u>198,505</u>	<u>19,263</u>
LIABILITIES				
Accrued liabilities	-	-	-	-
Due to other funds	-	-	1	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>
FUND BALANCES				
Restricted	268,615	53,158	176,801	19,263
Committed	-	-	21,703	-
Total fund balances	<u>268,615</u>	<u>53,158</u>	<u>198,504</u>	<u>19,263</u>
Total liabilities and fund balances	<u>\$ 268,615</u>	<u>\$ 53,158</u>	<u>\$ 198,505</u>	<u>\$ 19,263</u>

Vital Records Preservation 218	Contract Elections Services 219	HAVA Grant 221	Joe Corley Pass Through 222	Court Facility Fee 224	Language Access 225	Juvenile Probation 226
\$ -	\$ 2,710,708	\$ -	\$ 20,568	\$ -	\$ -	\$ 487,722
-	86,306	-	-	-	-	-
-	-	3,304	-	-	-	-
103,396	-	190,343	-	832,134	306,345	197,941
-	454,444	-	-	-	-	-
<u>103,396</u>	<u>3,251,458</u>	<u>193,647</u>	<u>20,568</u>	<u>832,134</u>	<u>306,345</u>	<u>685,663</u>
-	6	-	20,568	-	-	-
-	1,645,449	-	-	-	-	-
-	<u>1,645,455</u>	-	<u>20,568</u>	-	-	-
103,396	1,606,003	193,647	-	832,134	306,345	685,663
-	-	-	-	-	-	-
<u>103,396</u>	<u>1,606,003</u>	<u>193,647</u>	<u>-</u>	<u>832,134</u>	<u>306,345</u>	<u>685,663</u>
<u>\$ 103,396</u>	<u>\$ 3,251,458</u>	<u>\$ 193,647</u>	<u>\$ 20,568</u>	<u>\$ 832,134</u>	<u>\$ 306,345</u>	<u>\$ 685,663</u>

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MONTGOMERY COUNTY, TEXAS**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

SEPTEMBER 30, 2025

	Truancy Prevention and Diversion 227	Records Archive 228	Elections Chapter 19 229	Memo Totals to Page 89
ASSETS				
Cash	\$ -	\$ -	\$ 105,239	\$ 3,324,237
Investments	-	-	-	86,306
Accounts receivable	-	-	-	3,304
Due from other funds	228,310	1,792,718	-	4,190,728
Due from other governments	-	-	-	454,444
Total assets	<u>228,310</u>	<u>1,792,718</u>	<u>105,239</u>	<u>8,059,019</u>
LIABILITIES				
Accrued liabilities	-	-	-	20,574
Due to other funds	-	-	27,664	1,673,114
Total liabilities	<u>-</u>	<u>-</u>	<u>27,664</u>	<u>1,693,688</u>
FUND BALANCES				
Restricted	228,310	1,792,718	77,575	6,343,628
Committed	-	-	-	21,703
Total fund balances	<u>228,310</u>	<u>1,792,718</u>	<u>77,575</u>	<u>6,365,331</u>
Total liabilities and fund balances	<u>\$ 228,310</u>	<u>\$ 1,792,718</u>	<u>\$ 105,239</u>	<u>\$ 8,059,019</u>

MONTGOMERY COUNTY, TEXAS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Worthless Checks 201	Forfeitures 202	Sheriff Commissary 203	Law Library 204
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and charges for services	202	-	2,840,185	460,446
Intergovernmental	-	-	-	-
Contract reimbursements	-	-	-	-
Inmate housing	-	-	-	-
Investment earnings	99	108,547	65,949	41,566
Fines and forfeitures	-	1,118,976	-	-
Miscellaneous	-	-	-	16,113
Total revenues	<u>301</u>	<u>1,227,523</u>	<u>2,906,134</u>	<u>518,125</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Law enforcement and corrections	-	2,714,904	1,304,403	-
Legal and judicial	84	-	-	455,122
Capital projects	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>84</u>	<u>2,714,904</u>	<u>1,304,403</u>	<u>455,122</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	217	(1,487,381)	1,601,731	63,003
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	217	(1,487,381)	1,601,731	63,003
FUND BALANCES, BEGINNING	<u>9,873</u>	<u>3,308,570</u>	<u>582,448</u>	<u>685,593</u>
FUND BALANCES, ENDING	<u>\$ 10,090</u>	<u>\$ 1,821,189</u>	<u>\$ 2,184,179</u>	<u>\$ 748,596</u>

Pre-Trial Diversion 205	Memo Totals from Page 98	Memo Totals from Page 101	Totals
\$ -	\$ -	\$ -	\$ -
34,250	2,546,388	2,554,655	8,436,126
-	-	20,149	20,149
-	-	2,670,867	2,670,867
-	-	43,194,467	43,194,467
-	170,224	114,996	501,381
-	-	-	1,118,976
-	-	29	16,142
<u>34,250</u>	<u>2,716,612</u>	<u>48,555,163</u>	<u>55,958,108</u>
-	722,389	2,477,657	3,200,046
-	-	44,169,845	48,189,152
34,999	701,287	450,180	1,641,672
-	-	-	-
-	-	-	-
-	-	-	-
<u>34,999</u>	<u>1,423,676</u>	<u>47,097,682</u>	<u>53,030,870</u>
(749)	1,292,936	1,707,481	3,177,238
-	-	250,000	250,000
-	-	-	-
-	-	-	-
(749)	1,292,936	1,707,481	3,177,238
<u>44,723</u>	<u>6,735,056</u>	<u>4,657,850</u>	<u>16,024,113</u>
<u>\$ 43,974</u>	<u>\$ 8,027,992</u>	<u>\$ 6,365,331</u>	<u>\$ 19,201,351</u>

MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Records Management and Preservation 206	Records Management County 207	Records Management District Clerk 208	District Clerk Records Preservation 209
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and charges for services	1,561,857	6,173	430,047	442
Intergovernmental	-	-	-	-
Contract reimbursements	-	-	-	-
Inmate housing	-	-	-	-
Investment earnings	149,930	-	7,111	4,323
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,711,787</u>	<u>6,173</u>	<u>437,158</u>	<u>4,765</u>
EXPENDITURES				
Current:				
General government	722,389	-	-	-
Law enforcement and corrections	-	-	-	-
Legal and judicial	-	-	2,556	59,499
Capital projects	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>722,389</u>	<u>-</u>	<u>2,556</u>	<u>59,499</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	989,398	6,173	434,602	(54,734)
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	989,398	6,173	434,602	(54,734)
FUND BALANCES, BEGINNING	<u>4,239,261</u>	<u>9,672</u>	<u>1,100,678</u>	<u>119,915</u>
FUND BALANCES, ENDING	<u>\$ 5,228,659</u>	<u>\$ 15,845</u>	<u>\$ 1,535,280</u>	<u>\$ 65,181</u>

Digital Preservation County & District 210	Court Technology County & District 211	Court Guardianship 212	Court Reporter Service 213	Memo Totals to Page 96
\$ -	\$ -	\$ -	\$ -	\$ -
310	15,649	194,252	337,658	2,546,388
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,860	-	-	-	170,224
-	-	-	-	-
-	-	-	-	-
<u>9,170</u>	<u>15,649</u>	<u>194,252</u>	<u>337,658</u>	<u>2,716,612</u>
-	-	-	-	722,389
-	-	-	-	-
-	13,314	-	625,918	701,287
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>13,314</u>	<u>-</u>	<u>625,918</u>	<u>1,423,676</u>
9,170	2,335	194,252	(288,260)	1,292,936
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,170	2,335	194,252	(288,260)	1,292,936
<u>582,553</u>	<u>41,895</u>	<u>104,061</u>	<u>537,021</u>	<u>6,735,056</u>
<u>\$ 591,723</u>	<u>\$ 44,230</u>	<u>\$ 298,313</u>	<u>\$ 248,761</u>	<u>\$ 8,027,992</u>

MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Courthouse Security 214	Justice Court Building Security 215	Justice Court Technology 216	Juvenile Case Manager 217
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and charges for services	302,983	242,581	134,018	5,228
Intergovernmental	-	-	-	-
Contract reimbursements	-	-	-	-
Inmate housing	-	-	-	-
Investment earnings	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>302,983</u>	<u>242,581</u>	<u>134,018</u>	<u>5,228</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Law enforcement and corrections	474,793	500,585	-	-
Legal and judicial	-	-	249,300	-
Capital projects	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>474,793</u>	<u>500,585</u>	<u>249,300</u>	<u>-</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	(171,810)	(258,004)	(115,282)	5,228
OTHER FINANCING SOURCES/(USES)				
Transfers in	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(171,810)	(8,004)	(115,282)	5,228
FUND BALANCES, BEGINNING	<u>440,425</u>	<u>61,162</u>	<u>313,786</u>	<u>14,035</u>
FUND BALANCES, ENDING	<u>\$ 268,615</u>	<u>\$ 53,158</u>	<u>\$ 198,504</u>	<u>\$ 19,263</u>

Vital Records Preservation 218	Contract Elections Services 219	HAVA Grant 221	Joe Corley Pass Through 222	Court Facility Fee 224	Language Access 225	Juvenile Probation 226
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29,811	-	-	-	262,912	102,230	200
-	-	-	-	-	-	-
-	2,670,867	-	-	-	-	-
-	-	-	43,194,467	-	-	-
-	79,141	-	-	-	-	35,855
-	29	-	-	-	-	-
<u>29,811</u>	<u>2,750,037</u>	<u>-</u>	<u>43,194,467</u>	<u>262,912</u>	<u>102,230</u>	<u>36,055</u>
27,530	1,724,857	-	-	-	-	-
-	-	-	43,194,467	-	-	-
-	-	-	-	-	-	140,785
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>27,530</u>	<u>1,724,857</u>	<u>-</u>	<u>43,194,467</u>	<u>-</u>	<u>-</u>	<u>140,785</u>
2,281	1,025,180	-	-	262,912	102,230	(104,730)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,281	1,025,180	-	-	262,912	102,230	(104,730)
<u>101,115</u>	<u>580,823</u>	<u>193,647</u>	<u>-</u>	<u>569,222</u>	<u>204,115</u>	<u>790,393</u>
<u>\$ 103,396</u>	<u>\$ 1,606,003</u>	<u>\$ 193,647</u>	<u>\$ -</u>	<u>\$ 832,134</u>	<u>\$ 306,345</u>	<u>\$ 685,663</u>

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MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Truancy Prevention and Diversion 227	Records Archive 228	Elections Chapter 19 229	Memo Totals to Page 96
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Fees and charges for services	161,423	1,313,269	-	2,554,655
Intergovernmental	-	-	20,149	20,149
Contract reimbursements	-	-	-	2,670,867
Inmate housing	-	-	-	43,194,467
Investment earnings	-	-	-	114,996
Miscellaneous	-	-	-	29
Total revenues	<u>161,423</u>	<u>1,313,269</u>	<u>20,149</u>	<u>48,555,163</u>
EXPENDITURES				
Current:				
General government	-	687,104	38,166	2,477,657
Law enforcement and corrections	-	-	-	44,169,845
Legal and judicial	60,095	-	-	450,180
Capital projects	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>60,095</u>	<u>687,104</u>	<u>38,166</u>	<u>47,097,682</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	101,328	626,165	(18,017)	1,457,481
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	-	-	250,000
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
NET CHANGE IN FUND BALANCES	101,328	626,165	(18,017)	1,707,481
FUND BALANCES, BEGINNING	<u>126,982</u>	<u>1,166,553</u>	<u>95,592</u>	<u>4,657,850</u>
FUND BALANCES, ENDING	<u>\$ 228,310</u>	<u>\$ 1,792,718</u>	<u>\$ 77,575</u>	<u>\$ 6,365,331</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
201 - WORTHLESS CHECKS FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ -	\$ -	\$ 202	\$ 202
Investment earnings	-	-	99	99
Total revenues	-	-	301	301
EXPENDITURES				
Law enforcement and corrections:				
Operations	-	170	84	86
Total expenditures	-	170	84	86
NET CHANGE IN FUND BALANCES	-	(170)	217	387
FUND BALANCES, BEGINNING	9,873	9,873	9,873	-
FUND BALANCES, ENDING	\$ 9,873	\$ 9,703	\$ 10,090	\$ 387

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
202 - FORFEITURES FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Investment earnings	\$ -	\$ 4,910	\$ 108,547	\$ 103,637
Fines and forfeitures	<u>510,416</u>	<u>2,116,619</u>	<u>1,118,976</u>	<u>(997,643)</u>
Total revenues	<u>510,416</u>	<u>2,121,529</u>	<u>1,227,523</u>	<u>(894,006)</u>
EXPENDITURES				
Law enforcement and corrections:				
Salary	61,816	332,549	332,549	-
Benefits	30,500	69,613	69,613	-
Operations	318,100	1,858,521	2,019,819	(161,298)
Capital	<u>100,000</u>	<u>343,794</u>	<u>292,923</u>	<u>50,871</u>
Total expenditures	<u>510,416</u>	<u>2,604,477</u>	<u>2,714,904</u>	<u>(110,427)</u>
NET CHANGE IN FUND BALANCES	-	(482,948)	(1,487,381)	(1,004,433)
FUND BALANCES, BEGINNING	<u>3,308,570</u>	<u>3,308,570</u>	<u>3,308,570</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 3,308,570</u>	<u>\$ 2,825,622</u>	<u>\$ 1,821,189</u>	<u>\$ (1,004,433)</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
203 - SHERIFF COMMISSARY FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ -	\$ 1,624,042	\$ 2,840,185	\$ 1,216,143
Investment earnings	857,459	-	65,949	65,949
Total revenues	857,459	1,624,042	2,906,134	1,282,092
EXPENDITURES				
Law enforcement and corrections:				
Salary	387,714	387,713	166,871	220,842
Benefits	169,745	169,745	70,953	98,792
Operations	300,000	1,066,584	1,066,579	5
Total expenditures	857,459	1,624,042	1,304,403	319,639
NET CHANGE IN FUND BALANCES	-	-	1,601,731	1,601,731
FUND BALANCES, BEGINNING	582,448	582,448	582,448	-
FUND BALANCES, ENDING	\$ 582,448	\$ 582,448	\$ 2,184,179	\$ 1,601,731

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
204 - LAW LIBRARY FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ 416,511	\$ 455,953	\$ 460,446	\$ 4,493
Investment earnings	-	-	41,566	41,566
Miscellaneous	-	-	16,113	16,113
Total revenues	<u>416,511</u>	<u>455,953</u>	<u>518,125</u>	<u>62,172</u>
EXPENDITURES				
Legal and judicial:				
Salary	214,121	205,764	205,764	-
Benefits	80,390	83,447	83,447	-
Operations	62,000	106,462	105,631	831
Capital	60,000	60,280	60,280	-
Total expenditures	<u>416,511</u>	<u>455,953</u>	<u>455,122</u>	<u>831</u>
NET CHANGE IN FUND BALANCES	-	-	63,003	63,003
FUND BALANCES, BEGINNING	<u>685,593</u>	<u>685,593</u>	<u>685,593</u>	-
FUND BALANCES, ENDING	<u>\$ 685,593</u>	<u>\$ 685,593</u>	<u>\$ 748,596</u>	<u>\$ 63,003</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
205 - PRE-TRIAL DIVERSION FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	\$ 46,814	\$ 46,814	\$ 34,250	\$ (12,564)
Total revenues	<u>46,814</u>	<u>46,814</u>	<u>34,250</u>	<u>(12,564)</u>
EXPENDITURES				
Law enforcement and corrections:				
Salary	33,341	33,341	26,823	6,518
Benefits	6,973	6,973	5,729	1,244
Operations	<u>6,500</u>	<u>6,500</u>	<u>2,447</u>	<u>4,053</u>
Total expenditures	<u>46,814</u>	<u>46,814</u>	<u>34,999</u>	<u>11,815</u>
NET CHANGE IN FUND BALANCES	-	-	(749)	(749)
FUND BALANCES, BEGINNING	<u>44,723</u>	<u>44,723</u>	<u>44,723</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 44,723</u>	<u>\$ 44,723</u>	<u>\$ 43,974</u>	<u>\$ (749)</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
206 - RECORDS MANAGEMENT AND PRESERVATION FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ 1,324,284	\$ 1,324,284	\$ 1,561,857	\$ 237,573
Investment earnings	-	-	149,930	149,930
Total revenues	<u>1,324,284</u>	<u>1,324,284</u>	<u>1,711,787</u>	<u>387,503</u>
EXPENDITURES				
General government:				
Salaries	621,237	621,238	328,937	292,301
Benefits	289,420	289,420	143,164	146,256
Operations	393,238	425,963	180,662	245,301
Capital	<u>20,389</u>	<u>89,081</u>	<u>69,626</u>	<u>19,455</u>
Total expenditures	<u>1,324,284</u>	<u>1,425,702</u>	<u>722,389</u>	<u>703,313</u>
NET CHANGE IN FUND BALANCES	-	(101,418)	989,398	1,090,816
FUND BALANCES, BEGINNING	<u>4,239,261</u>	<u>4,239,261</u>	<u>4,239,261</u>	-
FUND BALANCES, ENDING	<u>\$ 4,239,261</u>	<u>\$ 4,137,843</u>	<u>\$ 5,228,659</u>	<u>\$ 1,090,816</u>

MONTGOMERY COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
207 - RECORDS MANAGEMENT COUNTY FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,173</u>	<u>\$ 6,173</u>
Total revenues	<u>-</u>	<u>-</u>	<u>6,173</u>	<u>6,173</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>6,173</u>	<u>6,173</u>
FUND BALANCES, BEGINNING	<u>9,672</u>	<u>9,672</u>	<u>9,672</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 9,672</u>	<u>\$ 9,672</u>	<u>\$ 15,845</u>	<u>\$ 6,173</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
208 - RECORDS MANAGEMENT DISTRICT CLERK FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ 108,710	\$ 108,710	\$ 430,047	\$ 321,337
Investment earnings	-	-	7,111	7,111
Total revenues	<u>108,710</u>	<u>108,710</u>	<u>437,158</u>	<u>328,448</u>
EXPENDITURES				
Legal and judicial:				
Salary	23,507	23,507	-	23,507
Benefits	5,203	5,203	250	4,953
Operations	<u>80,000</u>	<u>80,000</u>	<u>2,306</u>	<u>77,694</u>
Total expenditures	<u>108,710</u>	<u>108,710</u>	<u>2,556</u>	<u>106,154</u>
NET CHANGE IN FUND BALANCES	-	-	434,602	434,602
FUND BALANCES, BEGINNING	<u>1,100,678</u>	<u>1,100,678</u>	<u>1,100,678</u>	-
FUND BALANCES, ENDING	<u>\$ 1,100,678</u>	<u>\$ 1,100,678</u>	<u>\$ 1,535,280</u>	<u>\$ 434,602</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
209 - DISTRICT CLERK RECORDS PRESERVATION FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	\$ 60,000	\$ 60,000	\$ 442	\$ (59,558)
Investment earnings	<u>-</u>	<u>-</u>	<u>4,323</u>	<u>4,323</u>
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>4,765</u>	<u>(55,235)</u>
EXPENDITURES				
Legal and judicial:				
Operations	<u>60,000</u>	<u>60,000</u>	<u>59,499</u>	<u>501</u>
Total expenditures	<u>60,000</u>	<u>60,000</u>	<u>59,499</u>	<u>501</u>
NET CHANGE IN FUND BALANCES	-	-	(54,734)	(54,734)
FUND BALANCES, BEGINNING	<u>119,915</u>	<u>119,915</u>	<u>119,915</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 119,915</u>	<u>\$ 119,915</u>	<u>\$ 65,181</u>	<u>\$ (54,734)</u>

MONTGOMERY COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
210 - DIGITAL PRESERVATION COUNTY AND DISTRICT FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and Charges for Services	\$ -	\$ -	\$ 310	\$ 310
Investment Earnings	<u>-</u>	<u>-</u>	<u>8,860</u>	<u>8,860</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>9,170</u>	<u>9,170</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	9,170	9,170
FUND BALANCES, BEGINNING	<u>582,553</u>	<u>582,553</u>	<u>582,553</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 582,553</u>	<u>\$ 582,553</u>	<u>\$ 591,723</u>	<u>\$ 9,170</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
211 - COURT TECHNOLOGY COUNTY AND DISTRICT FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 2,600</u>	<u>\$ 14,000</u>	<u>\$ 15,649</u>	<u>\$ 1,649</u>
Total revenues	<u>2,600</u>	<u>14,000</u>	<u>15,649</u>	<u>1,649</u>
EXPENDITURES				
Legal and judicial:				
Operations	<u>2,600</u>	<u>15,109</u>	<u>13,314</u>	<u>1,795</u>
Total expenditures	<u>2,600</u>	<u>15,109</u>	<u>13,314</u>	<u>1,795</u>
NET CHANGE IN FUND BALANCES	-	(1,109)	2,335	3,444
FUND BALANCES, BEGINNING	<u>41,895</u>	<u>41,895</u>	<u>41,895</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 41,895</u>	<u>\$ 40,786</u>	<u>\$ 44,230</u>	<u>\$ 3,444</u>

MONTGOMERY COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
212 - COURT GUARDIANSHIP FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 194,252</u>	<u>\$ 194,252</u>
Total revenues	<u>-</u>	<u>-</u>	<u>194,252</u>	<u>194,252</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>194,252</u>	<u>194,252</u>
FUND BALANCES, BEGINNING	<u>104,061</u>	<u>104,061</u>	<u>104,061</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 104,061</u>	<u>\$ 104,061</u>	<u>\$ 298,313</u>	<u>\$ 194,252</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
213 - COURT REPORTER SERVICE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 545,346</u>	<u>\$ 545,346</u>	<u>\$ 337,658</u>	<u>\$ (207,688)</u>
Total revenues	<u>545,346</u>	<u>545,346</u>	<u>337,658</u>	<u>(207,688)</u>
EXPENDITURES				
Legal and judicial:				
Salary	330,226	320,451	320,451	-
Benefits	112,620	122,395	122,395	-
Operations	<u>102,500</u>	<u>183,500</u>	<u>183,072</u>	<u>428</u>
Total expenditures	<u>545,346</u>	<u>626,346</u>	<u>625,918</u>	<u>428</u>
NET CHANGE IN FUND BALANCES	-	(81,000)	(288,260)	(207,260)
FUND BALANCES, BEGINNING	<u>537,021</u>	<u>537,021</u>	<u>537,021</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 537,021</u>	<u>\$ 456,021</u>	<u>\$ 248,761</u>	<u>\$ (207,260)</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
214 - COURTHOUSE SECURITY FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 472,143</u>	<u>\$ 472,143</u>	<u>\$ 302,983</u>	<u>\$ (169,160)</u>
Total revenues	<u>472,143</u>	<u>472,143</u>	<u>302,983</u>	<u>(169,160)</u>
EXPENDITURES				
Law enforcement and corrections:				
Salaries	306,131	306,131	306,009	122
Benefits	133,884	133,884	130,434	3,450
Operations	<u>32,128</u>	<u>42,928</u>	<u>38,350</u>	<u>4,578</u>
Total expenditures	<u>472,143</u>	<u>482,943</u>	<u>474,793</u>	<u>8,150</u>
NET CHANGE IN FUND BALANCES	-	(10,800)	(171,810)	(161,010)
FUND BALANCES, BEGINNING	<u>440,425</u>	<u>440,425</u>	<u>440,425</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 440,425</u>	<u>\$ 429,625</u>	<u>\$ 268,615</u>	<u>\$ (161,010)</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
215 - JUSTICE COURT BUILDING SECURITY FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 509,518</u>	<u>\$ 509,518</u>	<u>\$ 242,581</u>	<u>\$ (266,937)</u>
Total revenues	<u>509,518</u>	<u>509,518</u>	<u>242,581</u>	<u>(266,937)</u>
EXPENDITURES				
Law enforcement and corrections:				
Salary	<u>363,958</u>	<u>363,958</u>	<u>360,985</u>	<u>2,973</u>
Benefits	<u>145,560</u>	<u>145,560</u>	<u>139,600</u>	<u>5,960</u>
Total expenditures	<u>509,518</u>	<u>509,518</u>	<u>500,585</u>	<u>8,933</u>
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>(258,004)</u>	<u>(275,870)</u>
OTHER FINANCING SOURCES/(USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>(8,004)</u>	<u>(8,004)</u>
FUND BALANCES, BEGINNING	<u>61,162</u>	<u>61,162</u>	<u>61,162</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 61,162</u>	<u>\$ 61,162</u>	<u>\$ 53,158</u>	<u>\$ (8,004)</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
216 - JUSTICE COURT TECHNOLOGY FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 14,036</u>	<u>\$ 14,036</u>	<u>\$ 134,018</u>	<u>\$ 119,982</u>
Total revenues	<u>14,036</u>	<u>14,036</u>	<u>134,018</u>	<u>119,982</u>
EXPENDITURES				
Legal and judicial:				
Operations	<u>14,036</u>	<u>280,090</u>	<u>249,300</u>	<u>30,790</u>
Total expenditures	<u>14,036</u>	<u>280,090</u>	<u>249,300</u>	<u>30,790</u>
NET CHANGE IN FUND BALANCES	-	(266,054)	(115,282)	150,772
FUND BALANCES, BEGINNING	<u>313,786</u>	<u>313,786</u>	<u>313,786</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 313,786</u>	<u>\$ 47,732</u>	<u>\$ 198,504</u>	<u>\$ 150,772</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
217 - JUVENILE CASE MANAGER FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ -	\$ -	\$ 5,228	\$ 5,228
Total revenues	-	-	5,228	5,228
EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	-	-	5,228	5,228
NET CHANGE IN FUND BALANCES	-	-	5,228	5,228
FUND BALANCES, BEGINNING	14,035	14,035	14,035	-
FUND BALANCES, ENDING	\$ 14,035	\$ 14,035	\$ 19,263	\$ 5,228

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
218 - VITAL RECORDS PRESERVATION FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 27,690</u>	<u>\$ 27,690</u>	<u>\$ 29,811</u>	<u>\$ 2,121</u>
Total revenues	<u>27,690</u>	<u>27,690</u>	<u>29,811</u>	<u>2,121</u>
EXPENDITURES				
General government:				
Operations	<u>27,690</u>	<u>27,690</u>	<u>27,530</u>	<u>160</u>
Total expenditures	<u>27,690</u>	<u>27,690</u>	<u>27,530</u>	<u>160</u>
NET CHANGE IN FUND BALANCES	-	-	2,281	2,281
FUND BALANCES, BEGINNING	<u>101,115</u>	<u>101,115</u>	<u>101,115</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 101,115</u>	<u>\$ 101,115</u>	<u>\$ 103,396</u>	<u>\$ 2,281</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
219 - CONTRACT ELECTIONS SERVICE FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Contract reimbursement	\$ -	\$ -	\$ 2,670,867	\$ 2,670,867
Investment earnings	-	-	79,141	79,141
Miscellaneous	-	-	29	29
Total revenues	-	-	2,750,037	2,750,037
EXPENDITURES				
General government:				
Salary	-	-	610,390	(610,390)
Benefits	-	-	188,626	(188,626)
Operations	-	-	885,361	(885,361)
Capital	-	-	40,480	(40,480)
Total expenditures	-	-	1,724,857	(1,724,857)
NET CHANGE IN FUND BALANCES	-	-	1,025,180	1,025,180
FUND BALANCES, BEGINNING	580,823	580,823	580,823	-
FUND BALANCES, ENDING	\$ 580,823	\$ 580,823	\$ 1,606,003	\$ 1,025,180

MONTGOMERY COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
221 - HAVA GRANT FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, BEGINNING	<u>193,647</u>	<u>193,647</u>	<u>193,647</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 193,647</u>	<u>\$ 193,647</u>	<u>\$ 193,647</u>	<u>\$ -</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
222 - JOE CORLEY PASS THROUGH FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Inmate housing	\$ 12,000,000	\$ 43,194,467	\$ 43,194,467	\$ -
Total revenues	<u>12,000,000</u>	<u>43,194,467</u>	<u>43,194,467</u>	<u>-</u>
EXPENDITURES				
Law enforcement and corrections:				
Operations	<u>12,000,000</u>	<u>43,194,467</u>	<u>43,194,467</u>	<u>-</u>
Total expenditures	<u>12,000,000</u>	<u>43,194,467</u>	<u>43,194,467</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
224 - COURT FACILITY FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ -	\$ -	\$ 262,912	\$ 262,912
Total revenues	-	-	262,912	262,912
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	262,912	262,912
FUND BALANCES, BEGINNING	569,222	569,222	569,222	-
FUND BALANCES, ENDING	\$ 569,222	\$ 569,222	\$ 832,134	\$ 262,912

MONTGOMERY COUNTY, TEXAS

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
225 - LANGUAGE ACCESS FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,230</u>	<u>\$ 102,230</u>
Total revenues	<u>-</u>	<u>-</u>	<u>102,230</u>	<u>102,230</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	102,230	102,230
FUND BALANCES, BEGINNING	<u>204,115</u>	<u>204,115</u>	<u>204,115</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 204,115</u>	<u>\$ 204,115</u>	<u>\$ 306,345</u>	<u>\$ 102,230</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
226 - JUVENILE PROBATION SPECIAL REVENUE FUND**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Fees and charges for services	\$ -	\$ 200.00	\$ 200	\$ -
Investment earnings	-	35,855	35,855	-
Total revenues	-	36,055	36,055	-
EXPENDITURES				
Legal and judicial:				
Operations	-	140,785	140,785	-
Total expenditures	-	140,785	140,785	-
EXCESS (DEFICIENCY) REVENUES OVER EXPENDITURES	-	(104,730)	(104,730)	-
NET CHANGE IN FUND BALANCES	-	(104,730)	(104,730)	-
FUND BALANCES, BEGINNING	790,393	790,393	790,393	-
FUND BALANCES, ENDING	\$ 790,393	\$ 685,663	\$ 685,663	\$ -

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
227 - TRUANCY PREVENTION AND DIVERSION****FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	\$ 60,095	\$ 60,095	\$ 161,423	\$ 101,328
Total revenues	<u>60,095</u>	<u>60,095</u>	<u>161,423</u>	<u>101,328</u>
EXPENDITURES				
Legal and judicial:				
Salary	50,000	50,000	50,000	-
Benefits	<u>10,095</u>	<u>10,095</u>	<u>10,095</u>	-
Total expenditures	<u>60,095</u>	<u>60,095</u>	<u>60,095</u>	-
NET CHANGE IN FUND BALANCES	-	-	101,328	101,328
FUND BALANCES, BEGINNING	<u>126,982</u>	<u>126,982</u>	<u>126,982</u>	-
FUND BALANCES, ENDING	<u>\$ 126,982</u>	<u>\$ 126,982</u>	<u>\$ 228,310</u>	<u>\$ 101,328</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
228 - RECORDS ARCHIVE**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Fees and charges for services	<u>\$ 855,312</u>	<u>\$ 855,312</u>	<u>\$ 1,313,269</u>	<u>\$ 457,957</u>
Total revenues	<u>855,312</u>	<u>855,312</u>	<u>1,313,269</u>	<u>457,957</u>
EXPENDITURES				
General government:				
Salary	147,190	147,190	58,375	88,815
Benefits	65,756	65,756	28,477	37,279
Operations	<u>642,366</u>	<u>642,366</u>	<u>600,252</u>	<u>42,114</u>
Total general government	<u>855,312</u>	<u>855,312</u>	<u>687,104</u>	<u>168,208</u>
Legal and judicial:				
Operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total legal and judicial	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total expenditures	<u>855,312</u>	<u>855,312</u>	<u>687,104</u>	<u>126,094</u>
NET CHANGE IN FUND BALANCES	-	-	626,165	626,165
FUND BALANCES, BEGINNING	<u>1,166,553</u>	<u>1,166,553</u>	<u>1,166,553</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 1,166,553</u>	<u>\$ 1,166,553</u>	<u>\$ 1,792,718</u>	<u>\$ 626,165</u>

MONTGOMERY COUNTY, TEXAS**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
229 - ELECTIONS CHAPTER 19**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Intergovernmental	\$ -	\$ 38,166	\$ 20,149	\$ (18,017)
Total revenues	-	38,166	20,149	(18,017)
EXPENDITURES				
General government:				
Operations	-	8,137	8,137	-
Capital	-	30,029	30,029	-
Total expenditures	-	38,166	38,166	-
NET CHANGE IN FUND BALANCES	-	-	(18,017)	(18,017)
FUND BALANCES, BEGINNING	95,592	95,592	95,592	-
FUND BALANCES, ENDING	\$ 95,592	\$ 95,592	\$ 77,575	\$ (18,017)

NONMAJOR CAPITAL PROJECT FUNDS

Local Capital Projects 400 - to account for various county-wide projects, including Sheriff's office remodel and fleet operations as well as a Medical Examiner's office.

Revenue toll Bonds Series 2010 401 - to account for County's issuance of \$31,390,000 in bonds that are being used to finance improvements to four specific state-owned roads as well as direct connectors to two additional roads of the state highway system. The County has entered into a "pass-through toll agreement" with the State of Texas for improvements by the County to roads owned by the State.

Sheriff Projects 408 - to account for a portion of funds generated by the sale of the Joe Corley Facility. The Commissioner's intent is to use the funds for improvements to the existing jail facility or to build a new facility.

Pass Thru Phase 2 423 - to account for escrow funds with TXDOT that would fully reimburse certain eligible road projects.

Non-bond Construction Projects - to account for capital projects financed with resources other than bonds.

MONTGOMERY COUNTY, TEXAS

EXHIBIT D-1

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS

SEPTEMBER 30, 2025

	Local Capital Projects 400	Revenue Toll Bonds Series 2010 401	Sheriff Projects 408	Pass Thru Phase 2 423	Totals
ASSETS					
Cash	\$ -	\$ 12,050	\$ -	\$ -	\$ 12,050
Investments	-	154,057	-	-	154,057
Due from other funds	<u>5,313,746</u>	<u>-</u>	<u>1,002,886</u>	<u>-</u>	<u>6,316,632</u>
Total assets	<u>5,313,746</u>	<u>166,107</u>	<u>1,002,886</u>	<u>-</u>	<u>6,482,739</u>
LIABILITIES					
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,037,436</u>	<u>2,037,436</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,037,436</u>	<u>2,037,436</u>
FUND BALANCES					
Restricted	-	166,107	-	-	166,107
Committed	5,313,746	-	1,002,886	-	6,316,632
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,037,436)</u>	<u>(2,037,436)</u>
Total fund balances	<u>5,313,746</u>	<u>166,107</u>	<u>1,002,886</u>	<u>(2,037,436)</u>	<u>4,445,303</u>
Total liabilities and fund balances	<u>\$ 5,313,746</u>	<u>\$ 166,107</u>	<u>\$ 1,002,886</u>	<u>\$ -</u>	<u>\$ 6,482,739</u>

MONTGOMERY COUNTY, TEXAS

EXHIBIT D-2

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Local Capital Projects 400	Revenue Toll Bonds Series 2010 401	Sheriff Projects 408	Pass Thru Phase 2 423	Totals
REVENUES					
Investment earnings	\$ -	\$ 7,430	\$ -	\$ -	\$ 7,430
Miscellaneous	-	-	27,880	-	27,880
Total revenues	-	7,430	27,880	-	35,310
EXPENDITURES					
Capital	6,188,876	-	99,253	2,037,436	8,325,565
Debt service:					
Principal retirement	69,518	-	-	-	69,518
Interest and fiscal charges	4,819	-	-	-	4,819
Total expenditures	6,263,213	-	99,253	2,037,436	8,399,902
EXCESS (DEFICIENCY) REVENUE OVER (UNDER) EXPENDITURES	(6,263,213)	7,430	(71,373)	(2,037,436)	(8,364,592)
OTHER FINANCING SOURCES (USES)					
Transfers in	6,061,437	-	709,082	-	6,770,519
Transfers out	(927,092)	-	-	-	(927,092)
Total other financing sources (uses)	5,134,345	-	709,082	-	5,843,427
NET CHANGE IN FUND BALANCE	(1,128,868)	7,430	637,709	(2,037,436)	(2,521,165)
FUND BALANCES, BEGINNING	6,442,614	158,677	365,177	-	6,966,468
FUND BALANCES, ENDING	\$ 5,313,746	\$ 166,107	\$ 1,002,886	\$ (2,037,436)	\$ 4,445,303

DEBT SERVICE FUND

Montgomery County Debt Service Fund 300 - to account for the receipt and disbursement of funds to retire debt resulting from the issuance of general obligation bonds and certificates of obligation. Financing is provided by a specific annual property tax levy, and the investment interest earned thereon.

MONTGOMERY COUNTY, TEXAS**EXHIBIT E-1**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
300 - DEBT SERVICE FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes	\$ 43,710,345	\$ 43,710,345	\$ 43,258,598	\$ (451,747)
Intergovernmental	1,101,518	1,101,518	367,840	(733,678)
Investment earnings	-	-	514,392	514,392
Miscellaneous	-	-	2,784	2,784
Total revenues	<u>44,811,863</u>	<u>44,811,863</u>	<u>44,143,614</u>	<u>(668,249)</u>
EXPENDITURES				
Debt service:				
Principal retirement	25,963,392	25,963,392	26,070,000	(106,608)
Interest and fiscal charges	18,831,971	18,831,971	18,813,963	18,008
Issuance costs	16,500	16,500	24,632	(8,132)
Total expenditures	<u>44,811,863</u>	<u>44,811,863</u>	<u>44,908,595</u>	<u>(96,732)</u>
Excess (deficiency) revenues over (Under) expenditures	<u>-</u>	<u>-</u>	<u>(764,981)</u>	<u>(764,981)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	733,678	733,678
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>733,678</u>	<u>733,678</u>
NET CHANGE IN FUND BALANCES	-	-	(31,303)	(31,303)
FUND BALANCES, BEGINNING	<u>11,439,108</u>	<u>11,439,108</u>	<u>11,439,108</u>	<u>-</u>
FUND BALANCES, ENDING	<u>\$ 11,439,108</u>	<u>\$ 11,439,108</u>	<u>\$ 11,407,805</u>	<u>\$ (31,303)</u>

INTERNAL SERVICE FUNDS

Self-Insurance Medical Fund 500 - to account for the health benefits provided to County employees, retirees, and their dependents. Contributions to the fund are made as charges to the department for all fulltime employees and contributions from employees and retirees.

Self-Insurance Workers' Compensation Fund 501 - to account for employer contributions set aside to cover claims from an on-the-job injury sustained by a County employee.

Self-Insurance Accident and Liability Fund 502 - to account for the receipt of insurance premiums from other funds as well as expenses for claims of the County's accident and liability program.

MONTGOMERY COUNTY, TEXAS

EXHIBIT F-1

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2025

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 6,853,259	\$ 100,048	\$ 251,860	\$ 7,205,167
Accounts receivable	-	3,822,958	-	3,822,958
Due from other funds	-	1,052,270	980,605	2,032,875
Prepaid items	-	109,745	355,387	465,132
Total current assets	<u>6,853,259</u>	<u>5,085,021</u>	<u>1,587,852</u>	<u>13,526,132</u>
Capital assets:				
Buildings	951,264	-	-	951,264
Improvements	2,394	-	-	2,394
Equipment	62,523	26,012	-	88,535
Less: accumulated depreciation	(348,179)	(26,012)	-	(374,191)
Total capital assets	<u>668,002</u>	<u>-</u>	<u>-</u>	<u>668,002</u>
Total assets	<u>7,521,261</u>	<u>5,085,021</u>	<u>1,587,852</u>	<u>14,194,134</u>
LIABILITIES				
Current liabilities:				
Claims payable	1,200,513	1,061,599	191,084	2,453,196
Litigation payable	-	-	250,000	250,000
Due to other funds	<u>1,838,433</u>	<u>-</u>	<u>-</u>	<u>1,838,433</u>
Total current liabilities	<u>3,038,946</u>	<u>1,061,599</u>	<u>441,084</u>	<u>4,541,629</u>
Current liabilities:				
Claims payable	<u>3,601,537</u>	<u>3,184,797</u>	<u>573,251</u>	<u>7,359,585</u>
Total noncurrent liabilities	<u>3,601,537</u>	<u>3,184,797</u>	<u>573,251</u>	<u>7,359,585</u>
Total liabilities	<u>6,640,483</u>	<u>4,246,396</u>	<u>1,014,335</u>	<u>11,901,214</u>
NET POSITION				
Net investment in capital assets	668,002	-	-	668,002
Unrestricted	<u>212,776</u>	<u>838,625</u>	<u>573,517</u>	<u>1,624,918</u>
Total Net Position	<u>\$ 880,778</u>	<u>\$ 838,625</u>	<u>\$ 573,517</u>	<u>\$ 2,292,920</u>

MONTGOMERY COUNTY, TEXAS

EXHIBIT F-2

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
OPERATING REVENUES				
Fees and charges for services	\$ 63,876,255	\$ 972,341	\$ 1,877,619	\$ 66,726,215
Miscellaneous	-	-	371,801	371,801
Total operating revenues	<u>63,876,255</u>	<u>972,341</u>	<u>2,249,420</u>	<u>67,098,016</u>
OPERATING EXPENSES				
Claims	59,159,196	215,273	-	59,374,469
Administrative	8,315,598	406,469	3,059,207	11,781,274
Miscellaneous	171	-	370,563	370,734
Depreciation	25,164	-	-	25,164
Total operating expenses	<u>67,500,129</u>	<u>621,742</u>	<u>3,429,770</u>	<u>71,551,641</u>
OPERATING INCOME/(LOSS)	<u>(3,623,874)</u>	<u>350,599</u>	<u>(1,180,350)</u>	<u>(4,453,625)</u>
TRANSFERS IN	4,000,000	-	1,200,000	5,200,000
TRANSFERS OUT	<u>-</u>	<u>(35,708)</u>	<u>-</u>	<u>(35,708)</u>
CHANGE IN NET POSITION	376,126	314,891	19,650	710,667
TOTAL NET POSITION, BEGINNING	<u>504,652</u>	<u>523,734</u>	<u>553,867</u>	<u>1,582,253</u>
TOTAL NET POSITION, ENDING	<u>\$ 880,778</u>	<u>\$ 838,625</u>	<u>\$ 573,517</u>	<u>\$ 2,292,920</u>

MONTGOMERY COUNTY, TEXAS

EXHIBIT F-3

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Self-Insurance Medical 500	Self-Insurance Workers' Compensation 501	Self-Insurance Accident and Liability 502	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 63,876,255	\$ 996,991	\$ 1,877,619	\$ 66,750,865
Miscellaneous receipts	-	-	371,801	371,801
Payments to vendors	(8,315,769)	(406,469)	(4,534,467)	(13,256,705)
Benefits paid	<u>(61,203,832)</u>	<u>(1,095,589)</u>	<u>-</u>	<u>(62,299,421)</u>
Net cash used by financing activities	<u>(5,643,346)</u>	<u>(505,067)</u>	<u>(2,285,047)</u>	<u>(8,433,460)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	<u>10,310,904</u>	<u>493,727</u>	<u>2,358,459</u>	<u>13,163,090</u>
Net cash provided by financing activities	<u>10,310,904</u>	<u>493,727</u>	<u>2,358,459</u>	<u>13,163,090</u>
Net increase (decrease) in cash and cash equivalents	<u>4,667,558</u>	<u>(11,340)</u>	<u>73,412</u>	<u>4,729,630</u>
CASH AND EQUIVALENTS BEGINNING	<u>2,185,701</u>	<u>111,388</u>	<u>178,448</u>	<u>2,475,537</u>
CASH AND EQUIVALENTS ENDING	<u>6,853,259</u>	<u>100,048</u>	<u>251,860</u>	<u>7,205,167</u>
Reconciliation of operating income (loss) to net cash provided (used) in operating activities:				
Operating income (loss)	(3,623,874)	350,599	(1,180,350)	(4,453,625)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation expense	25,164	-	-	25,164
Increase (decrease) in:				
Accounts receivable	-	24,650	-	24,650
Prepaid expenses	-	1,717	179,849	181,566
Litigation payable	-	-	(360,000)	(360,000)
Claims payable	<u>(2,044,636)</u>	<u>(882,033)</u>	<u>(924,546)</u>	<u>(3,851,215)</u>
Total adjustments	<u>(2,019,472)</u>	<u>(855,666)</u>	<u>(1,104,697)</u>	<u>(3,979,835)</u>
Net cash provided by (used in) operating activities	<u>\$ (5,643,346)</u>	<u>\$ (505,067)</u>	<u>\$ (2,285,047)</u>	<u>\$ (8,433,460)</u>

FIDUCIARY FUNDS

County Clerk Registry – to account for registry funds remanded to the custody of the County Clerk until a court order determines their disposition.

District Clerk Registry – to account for registry funds remanded to the custody of the District Clerk until a court order determines their disposition.

Adult Probation – to account for the receipt and disbursement of funds received directly related to Adult Probation.

County Clerk Fees – to account for receipts and disbursement of funds received for misdemeanor court fees.

County Clerk Cash Bond – to account for funds held according to statutes in cases where cash bonds are ordered to be held. Funds are disbursed by order of the court.

County Clerk Escrow – to account for receipts and disbursements of funds received on account for recording documents and copies of records.

County Attorney Worthless Checks – to account for receipts and disbursement for fees and restitution for payment of worthless checks.

District Attorney Pending Disbursement – to account for funds either forfeited or from the sale of forfeited items. Funds are disbursed per a local agreement or returned to the original party.

District Clerk Fees – to account for the receipt and disbursement of court costs and filing fees on civil, family and criminal cases.

Justice of the Peace Credit Card – to account for credit card receipts received by Justice of the Peace.

Sheriff Inmate Trust – to account for county jail inmates' monies until they request payment or monies are returned to them upon their release.

Sheriff Bail Bond Trust – to account for monies received by the Sheriff's office for Cash Bonds.

Sheriff Crime Lab – to account for monies found at a crime scene and held until disposition of case.

Treasurer Fund – to account for monies received by the County Treasurer for collection of fees until their distribution.

Treasurer State Fees – to account for monies received by the County Treasurer for disbursement to the State of Texas or other entities.

Treasurer Unclaimed Property – to account for unclaimed property valued at less than one hundred dollars and presumed abandoned as defined by Chapters 72 and 75 of the Texas Property Code.

Tax Assessor Motor Vehicle – to account for motor vehicle payments collected by the County Tax Assessor-Collector for the State Comptroller and Texas Department of Motor Vehicles until their distribution.

Tax Assessor Property Tax – to account for property tax payments collected by the County Tax Assessor-Collector for other entities until their distribution.

Tax Assessor Escrow – to account for monies received by the County Tax Assessor-Collector for tax payments on special inventory items until their distribution.

Tax Assessor Rendition– to account for monies received by the County Tax Assessor-Collector for tax payments on personal property that is used for the production of income.

Crockett Meadows Public Improvement District - This fund accounts for the financing and repayment of special assessment debt issued to construct public infrastructure supporting the Crockett Meadows residential and commercial development in Montgomery County.

Meadow Park Public Improvement District - This fund accounts for the financing and repayment of special assessment debt issued to construct public infrastructure supporting the Meadow Park residential development in Montgomery County.

MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2025

	Investment Trust Funds			Custodial Funds		
	County Clerk Registry	District Clerk Registry	Total Investment Trust Funds	Adult Probation	County Clerk Court Fees	County Clerk Cash Bond
ASSETS						
Cash and cash equivalents	\$ 5,959,052	\$ 4,954,114	\$ 10,913,166	\$ 4,619,457	\$ 78,891	\$ 863,114
Taxes receivable	-	-	-	-	-	-
Total assets	<u>5,959,052</u>	<u>4,954,114</u>	<u>10,913,166</u>	<u>4,619,457</u>	<u>78,891</u>	<u>863,114</u>
LIABILITIES						
Accounts Payable	-	-	-		45,118	950
Due to other entities	-	-	-	-	8,053	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,171</u>	<u>950</u>
NET POSITION						
Restricted for:						
Pool participants	5,959,052	4,954,114	10,913,166	-	-	-
Individuals and organizations	-	-	-	4,619,457	25,720	862,164
Total net position	<u>\$ 5,959,052</u>	<u>\$ 4,954,114</u>	<u>\$ 10,913,166</u>	<u>\$ 4,619,457</u>	<u>\$ 25,720</u>	<u>\$ 862,164</u>

Custodial Funds

County Clerk Escrow	Constable Escrow	Constable Vehicle	Constable Sales	Constable Pct. 4 Special Account	DA Pending Disbursement (Crypto)	DA Pending Disbursement (Non-Crypto)	District Clerk Fees
\$ 144,213	\$ 242,787	\$ 47,498	\$ 4,709	\$ 1,468	\$ -	\$ 182,599	\$ 15,890
-	-	-	-	-	-	-	-
<u>144,213</u>	<u>242,787</u>	<u>47,498</u>	<u>4,709</u>	<u>1,468</u>	<u>-</u>	<u>182,599</u>	<u>15,890</u>
-	67,892	27,854	5,814	1,468	-	94,527	10,087
-	-	-	-	-	-	-	1,637
<u>-</u>	<u>67,892</u>	<u>27,854</u>	<u>5,814</u>	<u>1,468</u>	<u>-</u>	<u>94,527</u>	<u>11,724</u>
-	-	-	-	-	-	-	-
<u>144,213</u>	<u>174,895</u>	<u>19,644</u>	<u>(1,105)</u>	<u>-</u>	<u>-</u>	<u>88,072</u>	<u>4,166</u>
<u>\$ 144,213</u>	<u>\$ 174,895</u>	<u>\$ 19,644</u>	<u>\$ (1,105)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,072</u>	<u>\$ 4,166</u>

MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2025

	Custodial Funds					
	Guardianship Program Estate	Guardianship Program Rep Payee	Justice of the Peace Credit Card	Juvenile Probation RAFF	Probation Voluntary Restitution	Sheriff Inmate Trust
ASSETS						
Cash and cash equivalents	\$ -	\$ 10,623	\$ 153,987	\$ 3,773	\$ 1,344	\$ 468,708
Taxes receivable	-	-	360	-	-	-
Total assets	<u>-</u>	<u>10,623</u>	<u>154,347</u>	<u>3,773</u>	<u>1,344</u>	<u>468,708</u>
LIABILITIES						
Accounts Payable	10,315	16,593	107,109	3,331	1,070	362,240
Due to other entities	-	-	-	-	-	-
Total liabilities	<u>10,315</u>	<u>16,593</u>	<u>107,109</u>	<u>3,331</u>	<u>1,070</u>	<u>362,240</u>
NET POSITION						
Restricted for:						
Pool participants	-	-	-	-	-	-
Individuals and organizations	<u>(10,315)</u>	<u>(5,970)</u>	<u>47,238</u>	<u>442</u>	<u>274</u>	<u>106,468</u>
Total net position	<u>\$ (10,315)</u>	<u>\$ (5,970)</u>	<u>\$ 47,238</u>	<u>\$ 442</u>	<u>\$ 274</u>	<u>\$ 106,468</u>

Custodial Funds

Juvenile Sheriff Bail Bond Trust	Sheriff Crime Lab	Sheriff Joe Corley	Crockett Meadows PID	Meadow Park PID	Treasurer Nat'l Forest Fund	Treasurer Fund	Treasurer State Fees
\$ 148,980	\$ 75,705	\$ 20,568	\$ 3,923,842	\$ 1,187,433	\$ 497	\$ 1,797,736	\$ 1,246,482
-	-	-	-	-	-	-	-
<u>148,980</u>	<u>75,705</u>	<u>20,568</u>	<u>3,923,842</u>	<u>1,187,433</u>	<u>497</u>	<u>1,797,736</u>	<u>1,246,482</u>
-	-	20,568	-	-	484	1,574,498	1,093,618
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>20,568</u>	<u>-</u>	<u>-</u>	<u>484</u>	<u>1,574,498</u>	<u>1,093,618</u>
-	-	-	-	-	-	-	-
<u>148,980</u>	<u>75,705</u>	<u>-</u>	<u>3,923,842</u>	<u>1,187,433</u>	<u>13</u>	<u>223,238</u>	<u>152,864</u>
<u>\$ 148,980</u>	<u>\$ 75,705</u>	<u>\$ -</u>	<u>\$ 3,923,842</u>	<u>\$ 1,187,433</u>	<u>\$ 13</u>	<u>\$ 223,238</u>	<u>\$ 152,864</u>

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MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION ALL FIDUCIARY FUNDS

SEPTEMBER 30, 2025

	Custodial Funds						
	Treasurer Unclaimed Property	Tax Assessor Property Tax	Tax Assessor Mobile Home Escrow	Tax Assessor Motor Vehicle	Tax Assessor Property Tax ZBA	Tax Assessor Texas Parks and Wildlife	Total Custodial Funds
ASSETS							
Cash and cash equivalents	\$ 41,616	\$ 5,312,275	\$ 655,120	\$ -	\$ -	\$ 6,335	\$ 21,255,650
Taxes receivable	-	-	-	-	-	-	360
Total assets	<u>41,616</u>	<u>5,312,275</u>	<u>655,120</u>	<u>-</u>	<u>-</u>	<u>6,335</u>	<u>21,256,010</u>
LIABILITIES							
Accounts Payable	-	-	-	-	-	-	3,443,536
Due to other entities	-	-	-	-	-	-	9,690
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,453,226</u>
NET POSITION							
Restricted for:							
Pool participants	-	-	-	-	-	-	-
Individuals and organizations	<u>41,616</u>	<u>5,312,275</u>	<u>655,120</u>	<u>-</u>	<u>-</u>	<u>6,335</u>	<u>17,802,784</u>
Total net position	<u>\$ 41,616</u>	<u>\$ 5,312,275</u>	<u>\$ 655,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,335</u>	<u>\$ 17,802,784</u>

MONTGOMERY COUNTY, TEXAS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Investment Trust Funds</u>			<u>Custodial Funds</u>		
	County Clerk Registry	District Clerk Registry	Total Investment Trust Funds	Adult Probation	County Clerk Court Fees	County Clerk Cash Bond
ADDITIONS						
Fees	\$ -	\$ -	\$ -	\$ 10,203,374	\$ -	\$ -
Deposits held	14,784,212	7,440,515	22,224,727	464,862	3,073,898	1,154,586
Insurance Reimbursement	-	-	-	13,726	-	-
Taxes collected						
on behalf of taxing entities	-	-	-	-	-	-
Commissions	-	-	-	-	-	-
Interest income	-	-	-	178,912	6,471	-
Cash Receipts - PID	-	-	-	-	-	-
Dividends- PID	-	-	-	-	-	-
Security Sales - PID	-	-	-	-	-	-
Total additions	<u>14,784,212</u>	<u>7,440,515</u>	<u>22,224,727</u>	<u>10,860,874</u>	<u>3,080,369</u>	<u>1,154,586</u>
DEDUCTIONS						
Bonds refunded	-	26,488	26,488	-	-	-
Collections destributed	17,861	289,958	307,819	8,433,695	2,873,216	365,257
Taxes remitted to						
taxing entities	-	-	-	-	1,000	-
Deposits returned	-	-	-	-	-	-
Disbursements to beneficiaries	24,281,436	10,003,587	34,285,023	569,404	180,433	796,417
Cash disbursements - PID	-	-	-	-	-	-
Transfers out - PID	-	-	-	-	-	-
Operational expenses	-	-	-	279,455	-	-
Total deductions	<u>24,299,297</u>	<u>10,320,033</u>	<u>34,619,330</u>	<u>9,282,554</u>	<u>3,054,649</u>	<u>1,161,674</u>
Net increase (decrease) in fiduciary net position	(9,515,085)	(2,879,518)	(12,394,603)	1,578,320	25,720	(7,088)
Net position - beginning	<u>15,474,137</u>	<u>7,833,632</u>	<u>23,307,769</u>	<u>3,041,137</u>	<u>-</u>	<u>869,252</u>
Net position - ending	<u>\$ 5,959,052</u>	<u>\$ 4,954,114</u>	<u>\$ 10,913,166</u>	<u>\$ 4,619,457</u>	<u>\$ 25,720</u>	<u>\$ 862,164</u>

Custodial Funds

County Clerk Escrow	Constable Escrow	Constable Vehicle	Constable Sales	Constable Pct. 4 Special Account	DA Pending Disbursement (Crypto)	DA Pending Disbursement (Non-Crypto)	District Clerk Fees
\$ 6,288,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,425,401
-	767,664	-	10,500	20,888	-	2,088,924	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	28,793	13,183	-	-	-	-
-	6,341	1,735	326	-	-	-	15,079
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>6,288,942</u>	<u>774,005</u>	<u>30,528</u>	<u>24,009</u>	<u>20,888</u>	<u>-</u>	<u>2,088,924</u>	<u>5,440,480</u>
-	-	235	-	8,600	-	-	-
6,144,396	102,069	-	10,400	1,050	-	75,108	5,436,314
333	-	-	-	-	-	-	-
-	497,041	-	10,100	11,238	-	1,925,744	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	10,649	4,614	-	-	-	-
<u>6,144,729</u>	<u>599,110</u>	<u>10,884</u>	<u>25,114</u>	<u>20,888</u>	<u>-</u>	<u>2,000,852</u>	<u>5,436,314</u>
144,213	174,895	19,644	(1,105)	-	-	88,072	4,166
-	-	-	-	-	-	-	-
<u>\$ 144,213</u>	<u>\$ 174,895</u>	<u>\$ 19,644</u>	<u>\$ (1,105)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,072</u>	<u>\$ 4,166</u>

MONTGOMERY COUNTY, TEXAS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Custodial Funds					
	Guardianship Program Estate	Guardianship Program Rep Payee	Justice of the Peace Credit Card	Juvenile Probation RAFF	Probation Voluntary Restitution	Sheriff Inmate Trust
ADDITIONS						
Fees	\$ -	\$ -	\$ 7,759,374	\$ -	\$ -	\$ -
Deposits held	-	106,644	-	13,865	20,948	4,149,977
Insurance Reimbursement	-	-	-	-	-	-
Taxes collected on behalf of taxing entities	-	-	-	-	-	-
Commissions	-	-	-	-	-	-
Interest income	246	618	3,622	443	274	-
Cash Receipts - PID	-	-	-	-	-	-
Dividends- PID	-	-	-	-	-	-
Security Sales - PID	-	-	-	-	-	-
Total additions	<u>246</u>	<u>107,262</u>	<u>7,762,996</u>	<u>14,308</u>	<u>21,222</u>	<u>4,149,977</u>
DEDUCTIONS						
Bonds refunded	-	-	3,100	-	-	-
Collections destributed	-	-	7,712,648	408	-	-
Taxes remitted to taxing entities	-	-	-	-	-	-
Deposits returned	-	-	-	-	-	-
Disbursements to beneficiaries	10,561	113,232	-	13,458	20,948	4,043,509
Security Purchases - PID	-	-	-	-	-	-
Withdrawals-Cash Disbursements - PID	-	-	-	-	-	-
Operational expenses	-	-	10	-	-	-
Total deductions	<u>10,561</u>	<u>113,232</u>	<u>7,715,758</u>	<u>13,866</u>	<u>20,948</u>	<u>4,043,509</u>
Net increase (decrease) in fiduciary net position	(10,315)	(5,970)	47,238	442	274	106,468
Net position - beginning	-	-	-	-	-	-
Net position - ending	<u>\$ (10,315)</u>	<u>\$ (5,970)</u>	<u>\$ 47,238</u>	<u>\$ 442</u>	<u>\$ 274</u>	<u>\$ 106,468</u>

Custodial Funds

Juvenile Sheriff Bail Bond Trust	Sheriff Crime Lab	Sheriff Joe Corley	Crockett Meadows PID	Meadow Park PID	Treasurer Nat'l Forest Fund	Treasurer Fund	Treasurer State fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,741,094
1,791,997	17,336	-	-	-	-	26,892,452	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	13	87,828	40,075
-	-	-	12,770,127	7,488,103	-	-	-
-	-	-	12,239,254	7,523,314	-	-	-
-	-	-	181,384	139,131	-	-	-
<u>1,791,997</u>	<u>17,336</u>	<u>-</u>	<u>25,190,765</u>	<u>15,150,548</u>	<u>13</u>	<u>26,980,280</u>	<u>5,781,169</u>
256	-	-	-	-	-	43,571	-
1,696,616	16,006	-	-	-	-	26,631,184	399,746
-	-	-	-	-	-	-	-
95,402	3,818	-	-	-	-	82,287	5,228,291
-	-	-	1,008,682	6,439,801	-	-	-
-	-	-	20,258,241	7,523,314	-	-	-
294	-	-	-	-	-	-	268
<u>1,792,568</u>	<u>19,824</u>	<u>-</u>	<u>21,266,923</u>	<u>13,963,115</u>	<u>-</u>	<u>26,757,042</u>	<u>5,628,305</u>
(571)	(2,488)	-	3,923,842	1,187,433	13	223,238	152,864
<u>149,551</u>	<u>78,193</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 148,980</u>	<u>\$ 75,705</u>	<u>\$ -</u>	<u>\$ 3,923,842</u>	<u>\$ 1,187,433</u>	<u>\$ 13</u>	<u>\$ 223,238</u>	<u>\$ 152,864</u>

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MONTGOMERY COUNTY, TEXAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION ALL FIDUCIARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Custodial Funds						
	Treasurer Unclaimed Property	Tax Assessor Property Tax	Tax Assessor Mobile Home Escrow	Tax Assessor Motor Vehicle	Tax Assessor Property Tax ZBA	Tax Assessor Texas Park and Wildlife	Total Custodial Funds
ADDITIONS							
Fees	\$ -	\$ -	\$ 675,764	\$ 272,955,246	\$ 561,174,491	\$ 2,660,470	\$ 872,884,156
Deposits held	17,718	-	-	-	-	-	40,592,259
Insurance Reimbursement	-	-	-	-	-	-	13,726
Taxes collected on behalf of taxing entities	-	1,750,885,340	-	-	-	-	1,750,885,340
Commissions	-	-	-	-	-	-	41,976
Interest income	-	1,896,098	7,298	-	-	-	2,245,379
Cash Receipts - PID	-	-	-	-	-	-	20,258,230
Transfers in - PID	-	-	-	-	-	-	19,762,568
Dividends - PID	-	-	-	-	-	-	320,515
Total additions	<u>17,718</u>	<u>1,752,781,438</u>	<u>683,062</u>	<u>272,955,246</u>	<u>561,174,491</u>	<u>2,660,470</u>	<u>2,707,004,149</u>
DEDUCTIONS							
Bonds refunded	-	37,519,045	-	241,923	-	664	37,817,394
Collections distributed	6,321	-	586,112	272,711,043	-	576,936	333,778,525
Taxes remitted to taxing entities	-	1,716,240,569	-	-	-	-	1,716,240,569
Deposits returned	-	-	-	-	-	-	1,333
Disbursements to beneficiaries	-	2,562	-	255	561,174,491	2,076,193	576,855,384
Cash disbursements - PID	-	-	-	-	-	-	7,448,483
Transfers out - PID	-	-	-	-	-	-	27,781,555
Operational expenses	-	10,170	-	4,725	-	342	310,527
Total deductions	<u>6,321</u>	<u>1,753,772,346</u>	<u>586,112</u>	<u>272,957,946</u>	<u>561,174,491</u>	<u>2,654,135</u>	<u>2,700,233,770</u>
Net increase (decrease) in fiduciary net position	11,397	(990,908)	96,950	(2,700)	-	6,335	6,770,379
Net position - beginning	<u>30,219</u>	<u>6,303,183</u>	<u>558,170</u>	<u>2,700</u>	<u>-</u>	<u>-</u>	<u>11,032,405</u>
Net position - ending	<u>\$ 41,616</u>	<u>\$ 5,312,275</u>	<u>\$ 655,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,335</u>	<u>\$ 17,802,784</u>

STATISTICAL SECTION

STATISTICAL SECTION
(unaudited)

This part of Montgomery County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and additional supplementary information says about the County's overall financial health.

Contents

Table

Financial Trends - These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

I, II, III, IV

Revenue Capacity - These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

V, VI, VII, VIII

Debt Capacity - These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

IX, X, XI, XII,
XIII

Economic and Demographic Indicators - These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place.

XIV, XV

Operating Information - These schedules contain service and infrastructure, along with capital asset data to help the reader understand how the information in the County's financial report relates to the services the County provides.

XVI, XVII,
XVIII, XIX, XX,
XXI

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. Schedules presenting government-wide information include information beginning in that year.

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FINANCIAL TRENDS

MONTGOMERY COUNTY, TEXAS

Net Position by Component

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	\$ 386,697,807	\$ 452,183,891	\$ 559,976,686	\$ 495,582,352
Restricted	63,131,106	73,859,730	72,875,709	47,671,390
Unrestricted	<u>70,203,109</u>	<u>41,952,110</u>	<u>(135,469,650)</u>	<u>(31,485,989)</u>
Total Governmental activities net position	<u>\$ 520,032,022</u>	<u>\$ 567,995,731</u>	<u>\$ 497,382,745</u>	<u>\$ 511,767,753</u>
Business -type activities				
Net investment in capital assets	\$ 60,315,827	\$ 62,599,944	\$ 44,945,936	\$ 39,385,042
Unrestricted	<u>(4,635,780)</u>	<u>(5,928,310)</u>	<u>2,992,728</u>	<u>(781,011)</u>
Total business-type activities net position	<u>\$ 55,680,047</u>	<u>\$ 56,671,634</u>	<u>\$ 47,938,664</u>	<u>\$ 38,604,031</u>
Primary government				
Net investment in capital assets	\$ 447,013,634	\$ 514,783,835	\$ 604,922,622	\$ 534,967,394
Restricted	63,131,106	73,859,730	72,875,709	47,671,390
Unrestricted	<u>65,567,329</u>	<u>36,023,800</u>	<u>(132,476,922)</u>	<u>(32,267,000)</u>
Total primary government net position	<u>\$ 575,712,069</u>	<u>\$ 624,667,365</u>	<u>\$ 545,321,409</u>	<u>\$ 550,371,784</u>

Note: Accounting standards require that net position be reported in 3 components in the financial statements: Net Investment in Capital Assets; Restricted; and Unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted.

TABLE I

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 577,556,834	\$ 583,889,669	\$ 628,629,683	\$ 621,943,146	\$ 706,163,384	\$ 821,113,537
105,375,960	53,879,775	44,887,238	56,204,004	61,839,847	80,402,005
<u>(120,283,802)</u>	<u>(60,001,811)</u>	<u>(85,845,100)</u>	<u>(65,407,504)</u>	<u>(76,810,104)</u>	<u>(58,536,515)</u>
<u>\$ 562,648,992</u>	<u>\$ 577,767,633</u>	<u>\$ 587,671,821</u>	<u>\$ 612,739,646</u>	<u>\$ 691,193,127</u>	<u>\$ 842,979,027</u>
\$ 3,651,930	\$ (8,687,077)	\$ (12,382,813)	\$ (20,509,762)	\$ (20,301,084)	\$ (23,777,864)
<u>(630,083)</u>	<u>10,668,480</u>	<u>18,541,057</u>	<u>25,108,710</u>	<u>24,777,528</u>	<u>26,524,990</u>
<u>\$ 3,021,847</u>	<u>\$ 1,981,403</u>	<u>\$ 6,158,244</u>	<u>\$ 4,598,948</u>	<u>\$ 4,476,444</u>	<u>\$ 2,747,126</u>
\$ 581,208,764	\$ 574,290,368	\$ 615,334,646	\$ 600,521,160	\$ 684,950,076	\$ 796,423,449
105,375,960	53,879,775	44,887,238	56,204,004	61,839,847	80,402,005
<u>(120,913,885)</u>	<u>(48,421,107)</u>	<u>(66,391,819)</u>	<u>(39,386,570)</u>	<u>(51,120,352)</u>	<u>(31,099,301)</u>
<u>\$ 565,670,839</u>	<u>\$ 579,749,036</u>	<u>\$ 593,830,065</u>	<u>\$ 617,338,594</u>	<u>\$ 695,669,571</u>	<u>\$ 845,726,153</u>

MONTGOMERY COUNTY, TEXAS

Changes in Net Position

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Expenses				
Governmental Activities:				
General Administration	\$ 57,650,555	\$ 65,159,730	\$ 69,064,470	\$ 91,013,764
Judicial	34,705,287	37,787,341	37,498,575	40,456,207
Legal	4,074,382	4,038,642	4,055,102	4,322,180
Elections	2,431,498	2,142,405	2,418,834	2,158,108
Financial Administration	7,545,414	8,001,174	8,825,650	13,400,718
Public Facilities	72,057,612	71,243,441	74,896,281	86,664,558
Public Safety	110,534,947	83,664,853	103,791,920	109,220,683
Health and Welfare	27,909,010	30,656,288	30,287,821	30,341,024
Culture and Recreation	10,445,137	11,037,207	10,719,438	11,626,582
Conservation	1,480,246	1,704,745	1,903,911	1,637,399
Public Transportation	80,106,170	81,958,847	89,720,534	87,913,321
Debt Service	18,137,058	19,419,455	28,471,590	8,202,241
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Governmental Activities Expenses	<u>427,077,316</u>	<u>416,814,128</u>	<u>461,654,126</u>	<u>486,956,785</u>
Business-type activities:				
Toll Road	<u>1,506,873</u>	<u>1,307,118</u>	<u>5,773,776</u>	<u>8,113,188</u>
Total business-type activities expenses	<u>1,506,873</u>	<u>1,307,118</u>	<u>5,773,776</u>	<u>8,113,188</u>
Total expenses	<u>\$ 428,584,189</u>	<u>\$ 418,121,246</u>	<u>\$ 467,427,902</u>	<u>\$ 495,069,973</u>

TABLE II

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
115,814,541	56,472,280	62,428,086	57,748,993	48,655,377	66,082,665
12,120,208	13,824,548	14,938,386	18,742,854	22,723,951	24,733,914
91,519,021	100,350,590	54,989,968	72,714,978	84,226,843	67,321,712
14,238,359	17,038,107	16,498,100	18,147,320	19,581,087	21,605,360
128,465,299	191,334,228	207,261,356	243,701,687	259,004,431	267,661,249
32,123,928	32,266,182	31,850,290	35,673,230	38,489,122	37,700,008
81,487,052	89,511,711	101,183,154	116,008,983	113,205,717	118,513,559
16,328,138	20,592,102	19,791,635	18,392,996	17,428,574	16,132,052
<u>492,096,546</u>	<u>521,389,748</u>	<u>508,940,975</u>	<u>581,131,041</u>	<u>603,315,102</u>	<u>619,750,519</u>
<u>52,005,679</u>	<u>10,009,249</u>	<u>10,841,535</u>	<u>20,695,671</u>	<u>22,343,039</u>	<u>27,084,413</u>
<u>52,005,679</u>	<u>10,009,249</u>	<u>10,841,535</u>	<u>20,695,671</u>	<u>22,343,039</u>	<u>27,084,413</u>
<u>\$ 544,102,225</u>	<u>\$ 531,398,997</u>	<u>\$ 519,782,510</u>	<u>\$ 601,826,712</u>	<u>\$ 625,658,141</u>	<u>\$ 646,834,932</u>

MONTGOMERY COUNTY, TEXAS

Changes in Net Position

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Program Revenues				
Governmental Activities:				
Fees, Fines, Forfeitures and				
Charges for Services:				
General Administration	\$ 41,420,399	\$ 41,240,937	\$ 44,732,374	\$ 49,534,765
Judicial	14,825,718	9,131,103	9,628,757	10,449,839
Legal	541,310	555,769	606,306	614,110
Elections	144,118	7,327	204	111
Financial Administration	5,154,306	5,385,447	5,664,153	8,136,059
Public Facilities	34,745,935	32,057,716	32,319,163	41,586,131
Public Safety	21,269,829	21,919,270	21,723,535	27,405,344
Health and Welfare	16,628,893	16,300,319	17,565,029	18,136,433
Culture and Recreation	156,840	303,209	276,036	238,088
Conservation	172,656	143,524	186,637	164,125
Public Transportation	11,921,478	9,451,945	9,912,023	10,567,121
Operating Grants and Contributions	13,138,023	14,153,836	18,248,825	11,580,740
Capital Grants and Contributions	89,527,655	58,853,193	70,300,531	59,283,879
Fees, Fines, Forfeitures and				
Charges for Services:				
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	-	-	-	-
Total Governmental Activities				
Program Revenues	<u>249,647,160</u>	<u>209,503,595</u>	<u>231,163,573</u>	<u>237,696,745</u>
Business-type activities:				
Toll Road	<u>12,302,449</u>	<u>2,298,705</u>	<u>5,172,109</u>	<u>9,255,106</u>
Total business-type activities revenues	<u>12,302,449</u>	<u>2,298,705</u>	<u>5,172,109</u>	<u>9,255,106</u>
 Total Revenues	<u>\$ 261,949,609</u>	<u>\$ 211,802,300</u>	<u>\$ 236,335,682</u>	<u>\$ 246,951,851</u>
 Net (Expense)/Revenue				
Governmental Activities	\$ (177,430,156)	\$ (207,310,533)	\$ (230,490,553)	\$ (249,260,040)
Business-type Activities	<u>10,795,576</u>	<u>991,587</u>	<u>(601,667)</u>	<u>1,141,918</u>
Net (Expense)	<u>\$ (166,634,580)</u>	<u>\$ (206,318,946)</u>	<u>\$ (231,092,220)</u>	<u>\$ (248,118,122)</u>

TABLE II

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,840,460	13,134,435	6,148,335	6,977,598	9,502,191	10,511,170
8,109,129	7,123,886	12,685,932	15,920,154	19,276,461	18,988,051
3,055,498	2,756,402	2,224,798	1,948,586	2,747,645	2,507,691
1,522,967	764,986	906,121	1,831,068	1,875,696	1,809,470
54,321,946	57,522,812	67,694,821	76,780,850	86,479,813	81,017,438
6,471,109	12,400,015	14,232,312	10,942,047	13,677,709	13,872,677
10,952,444	11,552,267	21,355,278	35,721,650	17,559,437	16,116,174
81,513,686	97,333,400	55,811,289	78,070,150	92,318,848	97,703,077
<u>65,784,276</u>	<u>59,882,215</u>	<u>62,534,969</u>	<u>50,248,330</u>	<u>74,201,383</u>	<u>122,526,808</u>
<u>285,571,515</u>	<u>262,470,418</u>	<u>243,593,855</u>	<u>278,440,433</u>	<u>317,639,183</u>	<u>365,052,556</u>
<u>5,097,422</u>	<u>11,432,092</u>	<u>14,899,513</u>	<u>17,787,580</u>	<u>20,182,274</u>	<u>23,940,964</u>
<u>5,097,422</u>	<u>11,432,092</u>	<u>14,899,513</u>	<u>17,787,580</u>	<u>20,182,274</u>	<u>23,940,964</u>
<u>\$ 290,668,937</u>	<u>\$ 273,902,510</u>	<u>\$ 258,493,368</u>	<u>\$ 296,228,013</u>	<u>\$ 3,377,819,457</u>	<u>\$ 388,993,520</u>
\$ (206,525,031)	\$ (258,919,330)	\$ (265,347,120)	\$ (302,690,608)	\$ (285,677,919)	\$ (254,697,963)
<u>(46,908,257)</u>	<u>1,422,843</u>	<u>4,057,978</u>	<u>(2,908,091)</u>	<u>(2,160,765)</u>	<u>(3,143,449)</u>
<u>\$ (253,433,288)</u>	<u>\$ (257,496,487)</u>	<u>\$ (261,289,142)</u>	<u>\$ (305,598,699)</u>	<u>\$ (287,838,684)</u>	<u>\$ (257,841,412)</u>

MONTGOMERY COUNTY, TEXAS

Changes in Net Position

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes	\$ 229,719,148	\$ 248,120,144	\$ 235,309,431	\$ 248,026,503
Other Taxes	2,757,791	2,788,410	3,095,156	3,228,697
Investment Earnings	2,179,522	3,977,715	7,144,114	11,880,106
Gain on sale of capital assets	539,171	387,973	371,322	521,360
Miscellaneous	-	-	-	-
Transfers	-	-	8,301,324	-
Total Governmental Activities	<u>235,195,632</u>	<u>255,274,242</u>	<u>254,221,347</u>	<u>263,656,666</u>
Business-type activities:				
Investment Earnings	-	-	170,021	1,728,673
Miscellaneous	-	-	-	-
Transfers	-	-	(8,301,324)	(12,205,224)
Total business-type activities	<u>-</u>	<u>-</u>	<u>(8,131,303)</u>	<u>(10,476,551)</u>
Change in Net Position				
Governmental Activities	57,765,476	47,963,709	23,730,794	14,396,626
Business-type Activities	<u>10,795,576</u>	<u>991,587</u>	<u>(8,732,970)</u>	<u>(9,334,633)</u>
Change in Net Position	<u>\$ 68,561,052</u>	<u>\$ 48,955,296</u>	<u>\$ 14,997,824</u>	<u>\$ 5,061,993</u>

TABLE II

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 254,870,342	\$ 260,177,425	\$ 267,085,811	\$ 300,333,145	\$ 330,203,259	\$ 364,726,820
3,243,389	5,593,927	5,278,277	5,554,949	6,419,585	5,791,695
6,328,584	2,789,294	(470,139)	19,193,677	25,056,950	16,050,403
-	539,926	499,086	-	-	28,935,277
716,538	2,037,399	2,858,273	2,676,662	2,451,606	2,676,930
(7,784,462)	2,900,000	-	-	-	-
<u>257,374,391</u>	<u>274,037,971</u>	<u>275,251,308</u>	<u>327,758,433</u>	<u>364,131,400</u>	<u>418,181,125</u>
305,192	436,713	118,863	1,348,795	2,038,261	1,414,131
24,500	-	-	-	-	-
<u>7,784,462</u>	<u>(2,900,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>8,114,154</u>	<u>(2,463,287)</u>	<u>118,863</u>	<u>1,348,795</u>	<u>2,038,261</u>	<u>1,414,131</u>
50,849,360	15,118,641	9,904,188	25,067,825	78,453,481	163,483,162
<u>(38,794,103)</u>	<u>(1,040,444)</u>	<u>4,176,841</u>	<u>(1,559,296)</u>	<u>(122,504)</u>	<u>(1,729,318)</u>
<u>\$ 12,055,257</u>	<u>\$ 14,078,197</u>	<u>\$ 14,081,029</u>	<u>\$ 23,508,529</u>	<u>\$ 78,330,977</u>	<u>\$ 161,753,844</u>

MONTGOMERY COUNTY, TEXAS

Governmental Fund Balances

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Nondisposable	\$ -	\$ -	\$ -	\$ -
Restricted	3,119,811	2,855,149	2,121,503	5,684,101
Committed	16,794,364	29,242,336	15,443,950	11,469,969
Assigned	50,680,646	59,173,918	75,082,330	80,000,000
Unassigned	<u>40,619,824</u>	<u>44,683,463</u>	<u>44,851,001</u>	<u>45,735,841</u>
Total General Fund	<u>\$ 111,214,645</u>	<u>\$ 135,954,866</u>	<u>\$ 137,498,784</u>	<u>\$ 142,889,911</u>
All Other Governmental Funds				
Nondisposable	\$ 106,290	\$ 813,310	\$ 618,735	\$ 566,167
Restricted	133,836,974	164,046,153	149,293,950	185,555,764
Committed	23,988,996	25,603,027	34,489,497	37,479,986
Assigned	9,731,586	8,956,249	12,119,931	16,116,571
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 167,663,846</u>	<u>\$ 199,418,739</u>	<u>\$ 196,522,113</u>	<u>\$ 239,718,488</u>

TABLE III

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 536,501	\$ -	\$ -	\$ -	\$ -	\$ -
2,312,003	-	-	-	-	-
43,995,330	14,368,536	1,380,130	2,344,000	925,422	3,557,472
85,000,000	85,000,000	85,000,000	89,250,000	90,000,000	90,000,000
52,313,298	54,926,649	50,908,641	57,937,821	67,499,043	72,718,335
<u>\$ 184,157,132</u>	<u>\$ 154,295,185</u>	<u>\$ 137,288,771</u>	<u>\$ 149,531,821</u>	<u>\$ 158,424,465</u>	<u>\$ 166,275,807</u>
\$ 862,252	\$ 862,252	\$ 111	\$ -	\$ -	\$ -
149,654,490	122,823,385	103,606,682	79,912,984	52,491,527	180,198,287
24,017,824	45,688,045	20,936,481	12,981,408	12,837,113	7,243,983
14,249,765	-	-	-	-	-
(172,919)	-	(664,473)	-	(6,938,456)	(2,037,436)
<u>\$ 188,611,412</u>	<u>\$ 169,373,682</u>	<u>\$ 123,878,801</u>	<u>\$ 92,894,392</u>	<u>\$ 58,390,184</u>	<u>\$ 185,404,834</u>

MONTGOMERY COUNTY, TEXAS

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Revenues				
Taxes	\$ 231,994,520	\$ 248,079,254	\$ 235,558,082	\$ 251,359,371
Licenses and Permits	9,029,910	9,095,653	9,582,174	9,705,450
Fees and Charges for Services	20,616,445	19,492,864	20,621,186	21,304,523
Intergovernmental	35,983,483	36,524,346	24,293,498	13,418,137
Charges for Services	6,715,271	5,983,326	5,232,263	6,524,779
Investment Earnings	2,179,437	3,977,718	7,144,114	11,880,104
Contract Reimbursements	30,184,415	30,249,586	31,308,893	39,108,799
Inmate Housing	32,712,111	29,992,842	30,230,873	39,713,354
Fines and Forfeitures	3,920,461	4,110,711	3,969,571	5,186,820
Commissions	-	-	-	-
Miscellaneous	5,419,640	2,285,873	2,144,850	2,811,764
Total Revenues	<u>378,755,693</u>	<u>389,792,173</u>	<u>370,085,504</u>	<u>401,013,101</u>
Expenditures				
General Administration	24,481,407	24,239,114	25,165,171	39,407,456
Judicial	33,444,158	35,387,322	35,505,352	37,587,719
Legal Services	3,892,560	3,735,549	3,835,022	3,959,026
Elections	2,241,412	1,876,697	2,221,687	1,981,614
Financial Administration	7,067,579	7,218,354	8,188,900	12,455,185
Public Facilities	66,801,231	65,622,460	68,625,017	77,635,311
Public Safety	81,417,910	84,951,030	100,770,822	106,708,303
Health and Welfare	27,300,562	29,583,589	28,826,687	28,609,063
Culture and Recreation	9,432,186	9,606,214	9,620,128	10,102,334
Conservation	1,426,722	1,887,050	1,740,210	1,878,707
Public Transportation	51,782,691	40,502,071	37,721,235	36,406,775
General Government	-	-	-	-
Financial Administration	-	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Law Enforcement and Corrections	-	-	-	-
Legal and Judicial	-	-	-	-
Transportation	-	-	-	-
Capital Projects	20,246,230	32,157,497	58,521,214	53,225,077
Debt Service:				
Principal Retirement	21,360,000	27,260,000	31,887,580	16,740,000
Interest and Fiscal Charges	18,743,285	19,787,766	20,165,827	24,015,802
Issuance Costs	448,473	429,966	194,194	434,383
Payment to Escrow Agent	-	31,789,234	-	7,305,270
Total Expenditures	<u>370,086,406</u>	<u>416,033,913</u>	<u>432,989,046</u>	<u>458,452,025</u>
Excess/(Deficiency) Revenues over (under) Expenditures	8,669,287	(26,241,740)	(62,903,542)	(57,438,924)

TABLE IV

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 254,873,331	\$ 266,083,987	\$ 278,653,573	\$ 311,213,733	\$ 342,560,201	\$ 374,768,440
8,012,194	8,578,063	10,400,382	11,159,784	28,668,821	33,466,470
27,793,565	32,613,619	26,410,618	25,758,814	76,689,677	108,283,989
93,239,083	97,333,400	63,648,136	78,100,316	11,435,865	12,940,222
6,328,586	-	-	-	-	-
-	2,789,294	(470,139)	19,392,163	46,576,706	38,792,264
24,964,089	27,001,551	38,671,649	58,737,117	41,139,727	43,194,467
25,302,982	27,006,691	33,940,900	41,352,678	25,166,874	16,278,457
3,229,299	1,973,656	2,544,225	2,992,551	5,096,293	3,061,840
99,476	278,536	337,002	362,572	310,606	304,341
3,511,054	1,245,654	1,954,764	2,676,662	2,440,552	2,601,034
<u>447,353,659</u>	<u>464,904,451</u>	<u>456,091,110</u>	<u>551,746,390</u>	<u>580,085,322</u>	<u>633,691,524</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
46,852,040	52,310,282	63,710,831	50,164,726	56,704,516	62,415,619
11,113,124	12,789,987	14,665,183	18,292,867	22,089,884	25,564,974
91,543,464	98,296,437	56,234,064	53,663,672	89,763,510	68,707,400
13,409,897	13,292,124	14,530,676	15,454,290	18,397,280	22,241,572
132,602,060	171,532,125	196,938,514	221,705,866	242,831,720	269,897,240
28,286,368	29,160,280	31,351,265	34,631,237	37,331,227	39,373,119
36,493,642	38,755,172	50,268,576	47,178,086	50,750,994	57,095,639
53,860,646	59,179,600	49,923,581	80,857,392	33,835,774	31,362,276
12,970,000	18,170,000	26,188,460	28,314,003	29,834,354	29,373,094
23,975,029	23,248,068	22,650,555	21,647,481	20,535,132	19,017,164
-	-	-	-	-	1,079,225
-	-	-	-	-	-
<u>451,106,270</u>	<u>516,734,075</u>	<u>526,461,705</u>	<u>571,909,620</u>	<u>602,074,391</u>	<u>626,127,322</u>
(3,752,611)	(51,829,624)	(70,370,595)	(20,163,230)	(21,989,069)	7,564,202

MONTGOMERY COUNTY, TEXAS

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2016	2017	2018	2019
Other Financing Sources/(Uses)				
Transfers In	29,359,836	18,440,387	38,365,985	26,322,995
Transfers Out	(29,359,836)	(18,003,397)	(28,076,427)	(26,296,028)
Grant Funds Not Reimbursed	(6,862)	-	-	(106,864)
Issuance of Lease and SBITA	595,566	758,256	255,949	12,515,094
Issuance of General Obligation Debt	51,662,323	73,725,000	45,670,000	89,010,000
Issuance of Refunding Bonds	60,402,677	47,775,000	-	26,965,000
Payment to Escrow Agent	(73,331,090)	(51,269,830)	-	-
Sale of Capital Asset	-	-	-	-
Insurance Settlement	-	-	-	-
Issuance of Other Bonds	-	-	-	(28,245,645)
Discounts/Premiums on Debt Issuance	<u>22,414,184</u>	<u>11,311,438</u>	<u>5,335,327</u>	<u>5,873,492</u>
Total Other Financing Sources/(Uses)	<u>61,736,798</u>	<u>82,736,854</u>	<u>61,550,834</u>	<u>106,038,044</u>
Net Change in Fund Balances	<u>\$ 70,406,085</u>	<u>\$ 56,495,114</u>	<u>\$ (1,352,708)</u>	<u>\$ 48,599,120</u>
Debt Service as a percentage of noncapital expenditures	11.6%	20.6%	14.0%	12.0%

TABLE IV

Fiscal Year					
2020	2021	2022	2023	2024	2025
1,803,869	57,564,427	5,890,362	30,999,782	14,639,929	12,035,811
(9,588,329)	(58,664,427)	(8,890,362)	(34,285,123)	(19,238,239)	(17,200,103)
-	-	-	-	-	-
1,665,337	3,885,418	8,131,117	4,138,813	747,899	3,034,059
-	-	-	-	-	124,350,000
-	23,235,000	8,430,000	-	-	-
-	(28,371,834)	(10,156,413)	-	-	-
-	491,692	499,086	514,551	226,938	373,450
-	-	2,232,729	53,848	978	3,980
-	-	-	-	-	-
-	4,589,671	1,732,781	-	-	4,704,593
(6,119,123)	2,729,947	7,869,300	1,421,871	(3,622,495)	127,301,790
<u>\$ (9,871,734)</u>	<u>\$ (49,099,677)</u>	<u>\$ (62,501,295)</u>	<u>\$ (18,741,359)</u>	<u>\$ (25,611,564)</u>	<u>\$ 134,865,992</u>
9.3%	9.0%	10.3%	10.2%	10.6%	11.4%

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REVENUE CAPACITY

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MONTGOMERY COUNTY, TEXAS

TABLE V

Taxable Assessed Value and Actual Value of Property ^{(1) (2)}

Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Other Property	Personal Property ⁽³⁾	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate ⁽⁴⁾
2016	\$ 37,876,334	\$ 7,401,355	\$ 3,906,748	\$ 5,133,399	\$ (5,002,526)	\$ 49,315,310	0.4767
2017	41,742,803	8,271,324	4,637,123	5,060,465	(5,308,718)	54,402,997	0.4667
2018	43,373,630	8,905,657	4,819,633	5,101,177	(11,351,814)	50,848,283	0.4667
2019	45,200,643	10,309,888	4,881,184	5,304,177	(11,458,596)	54,237,296	0.4667
2020	49,260,474	10,558,652	5,406,116	5,723,311	(12,589,352)	58,359,201	0.4475
2021	52,920,923	11,241,365	5,895,682	5,648,425	(13,812,025)	61,894,370	0.4312
2022	57,076,944	12,930,380	5,922,877	5,759,769	(14,340,998)	67,348,972	0.4083
2023	77,317,744	15,903,221	9,230,582	6,150,635	(23,436,421)	85,165,762	0.3742
2024	87,508,198	15,787,533	9,263,641	6,859,416	(25,522,931)	93,895,858	0.3696
2025	94,609,471	17,038,003	9,464,306	7,523,829	(25,504,421)	103,131,188	0.3790

⁽¹⁾ Amounts expressed in thousands.

⁽²⁾ Property in the County is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value.

⁽³⁾ This includes the County's 20% exemption.

⁽⁴⁾ Tax rates are per \$100 of assessed value.

Source: Texas Comptroller of Public Accounts, Property Tax Open Records

MONTGOMERY COUNTY, TEXAS

Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments

Last Ten Fiscal Years

	2016	2017	2018
MONTGOMERY COUNTY, TEXAS:			
General Fund	\$ 0.3547	\$ 0.3419	\$ 0.3437
Special Revenue Funds	0.0486	0.0486	0.0486
Debt Service Fund	0.0734	0.0762	0.0744
Total Montgomery County, Texas	0.4767	0.4667	0.4667
OVERLAPPING GOVERNMENTS:			
Special Districts:			
Airport Road M.U.D	-	-	-
Audubon M.U.D #1	-	-	-
Audubon M.U.D #2	-	-	-
Audubon M.U.D #3	-	-	-
Audubon WCID	-	-	-
Blaketree M.U.D. #1	1.3500	1.3500	1.3500
Chateau Woods M.U.D.	0.2498	0.2463	0.2741
Cleveland M.U.D. #1	-	-	-
Clover Creek M.U.D.	1.2500	1.2100	1.2100
Colton M.U.D #2	-	-	-
Conroe M.U.D #1	0.6000	0.6000	0.6000
Conroe Municipal Mgmt Dist #1	-	-	-
Conroe Municipal Mgmt Dist #2	-	-	-
Corinthian Point M.U.D. #2	0.4355	0.4019	0.3900
Decker Prairie M.U.D	-	-	-
East Montgomery County M.U.D. #3	0.9500	0.9500	1.2000
East Montgomery County M.U.D. #4	1.2500	1.2500	1.2500
East Montgomery County M.U.D. #5	-	-	-
East Montgomery County M.U.D. #6	1.4000	1.3000	1.3000
East Montgomery County M.U.D. #7	-	-	1.3000
East Montgomery County M.U.D. #12	-	-	-
East Montgomery County M.U.D. #13	-	-	-
East Montgomery County M.U.D. #14	-	-	-
East Plantation U.D.	0.6300	0.5000	0.5400
Far Hills U.D.	0.6500	0.6500	0.6740
Grand Oaks M.U.D	1.2500	1.0500	1.0200
Harris County M.U.D #386	0.4650	0.4650	0.4650
Kings Manor M.U.D.	0.7400	0.7100	0.7000
Lake Conroe Hills M.U.D.	0.4650	0.4550	0.4550
Lazy River I.D.	0.5213	0.4721	0.4829
Lone Star Community College	0.1079	0.1078	0.1078
Magnolia East M.U.D.	-	-	-
Montgomery County WCID #1	-	-	-
Montgomery County WCID #205	-	-	-
Montgomery County D.D. #6	0.1700	0.1700	0.1600
Montgomery County D.D. #10	0.4400	0.4400	0.4400
Montgomery County F.W.S.D. #6	0.3800	0.3000	0.2977
Montgomery County Hospital Dist	0.0710	0.0665	0.0664
Montgomery County M.U.D. #6	0.0750	0.0750	0.0750
Montgomery County M.U.D. #7	0.1645	0.1645	0.1645
Montgomery County M.U.D. #8	0.2651	0.2651	0.3000
Montgomery County M.U.D. #9	0.4182	0.4059	0.4059
Montgomery County M.U.D. #15	0.1038	0.9169	0.8900
Montgomery County M.U.D. #16	0.9300	0.9089	0.8694
Montgomery County M.U.D. #18	0.3400	0.3300	0.3300
Montgomery County M.U.D. #19	0.2500	0.2250	0.2000
Montgomery County M.U.D. #24	1.1954	1.1500	1.1500
Montgomery County M.U.D. #36	0.0550	0.0350	0.0350
Montgomery County M.U.D. #39	0.4000	0.3550	0.3550
Montgomery County M.U.D. #40	0.0900	-	-
Montgomery County M.U.D. #42	1.1700	1.1300	1.1100

TABLE VI

2019		2020		2021		2022		2023		2024		2025	
\$	0.3423	\$	0.3329	\$	0.3142	\$	0.2981	\$	0.2876	\$	0.2796	\$	0.2906
	0.0486		0.0486		0.0510		0.0479		0.0390		0.0440		0.0439
	0.0758		0.0660		0.0660		0.0623		0.0476		0.0460		0.0445
	0.4667		0.4475		0.4312		0.4083		0.3742		0.3696		0.3790
	-		-		-		-		-		1.3500		1.3500
	-		-		-		1.1500		1.1500		1.1500		1.1500
	-		-		-		1.1500		1.1500		-		1.1500
	-		-		-		-		-		-		1.1500
	-		-		0.3000		0.3000		0.2882		0.3000		0.3000
	1.3500		1.3500		1.2500		1.2000		1.1000		1.0000		0.9500
	0.2950		0.3350		0.3315		0.3100		0.2775		0.2775		0.2766
	-		-		0.7500		0.7500		0.7500		0.7500		0.7500
	1.2100		1.2100		1.1200		1.1200		1.0600		0.9900		0.9900
	-		-		-		-		-		1.5000		1.5000
	0.6000		0.6000		0.6000		0.6000		0.6000		0.6000		0.6000
	0.9000		0.9000		0.9000		0.6000		0.9049		0.8600		0.8550
	-		0.9000		-		-		-		0.9000		0.9000
	0.3650		0.3696		0.4015		0.3753		0.3610		0.5005		0.5288
	-		-		-		-		-		1.5000		1.5000
	0.9000		0.9000		0.9000		0.8700		0.8300		0.8300		0.8100
	1.2500		1.2500		1.2500		1.2500		1.2500		1.2500		1.2500
	-		-		-		1.3000		1.3000		1.3000		1.3000
	1.3000		1.3000		1.2400		1.2400		1.1700		1.1700		1.1700
	1.3000		1.3000		1.3000		1.3000		1.3000		1.3000		1.3000
	-		1.3500		1.3500		1.3500		1.3500		1.3100		1.3000
	-		-		-		-		-		1.5000		1.5000
	-		-		-		-		-		1.5000		1.5000
	0.5400		0.5400		0.5400		0.4900		0.4900		0.4650		0.4440
	0.6740		0.6740		0.6730		0.6700		0.6400		0.6400		0.6100
	1.0000		1.0000		1.0000		0.9500		0.8900		0.8000		0.8000
	0.4650		0.4900		0.4900		0.4900		0.4500		0.4400		0.4300
	0.7000		0.6800		0.6500		0.6300		0.6300		0.5490		0.5300
	0.4500		0.4500		0.4500		0.4500		0.4382		0.4340		0.4290
	0.4896		0.4725		0.4440		0.4556		0.1424		0.1387		0.1454
	0.1078		0.1078		0.1078		0.1078		0.1076		0.1076		0.1060
	-		1.5000		1.5000		0.5775		0.5775		0.5775		0.5775
	-		-		0.7500		0.7165		0.7020		0.6500		0.7449
	-		-		-		0.3500		0.3500		0.3500		0.3500
	0.1400		0.1400		0.1400		0.1260		0.1130		0.1130		0.1130
	0.4400		0.4400		0.4200		0.3750		0.3350		0.2850		0.2650
	0.3100		0.3089		0.3185		0.2992		0.2781		0.5595		0.5985
	0.0599		0.0589		0.0567		0.0502		0.0498		0.0497		0.0473
	0.0700		0.0800		0.0750		0.0774		0.0718		0.0698		0.0671
	0.1250		0.1250		0.1150		0.1044		0.1153		0.1108		0.1065
	0.3000		0.3000		0.3150		0.3150		0.2974		0.2930		0.2880
	0.4059		0.4059		0.4000		0.3853		0.3780		0.3730		0.3700
	0.8700		0.8200		0.7300		0.6589		0.6363		0.6363		0.6200
	-		0.9600		0.9600		0.9600		0.9140		0.9100		0.9240
	0.3300		0.3300		0.2900		0.2600		0.2320		0.2000		0.1700
	0.1800		0.1800		0.1670		0.1670		0.1449		0.1389		0.1355
	1.1250		1.1200		1.1200		1.1200		1.1200		1.1200		1.1200
	0.0350		0.0350		0.0361		0.0473		0.0445		0.0429		0.0424
	0.3550		0.3550		0.3000		0.2925		0.2600		0.2500		0.2400
	-		-		-		-		-		-		-
	1.0800		1.0700		1.0150		0.9600		0.9200		0.9200		0.9000

MONTGOMERY COUNTY, TEXAS

Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments

Last Ten Fiscal Years

	2016	2017	2018
Special Districts (continued):			
Montgomery County M.U.D. #46	0.2250	0.2125	0.2125
Montgomery County M.U.D. #47	0.2450	0.2450	0.2450
Montgomery County M.U.D. #56	0.8600	0.8300	0.7300
Montgomery County M.U.D. #60	0.1850	0.1650	0.1650
Montgomery County M.U.D. #67	0.2575	0.2375	0.2175
Montgomery County M.U.D. #83	0.8200	0.7700	0.7500
Montgomery County M.U.D. #84	0.9500	0.9000	0.8800
Montgomery County M.U.D. #88	1.3900	1.3800	1.3800
Montgomery County M.U.D. #89	0.9500	0.8852	0.8828
Montgomery County M.U.D. #90	0.6000	0.6000	0.6000
Montgomery County M.U.D. #92	0.6000	0.6000	0.6000
Montgomery County M.U.D. #94	0.8400	0.7600	0.8000
Montgomery County M.U.D. #95	1.3000	1.3000	1.2500
Montgomery County M.U.D. #96	-	1.4800	1.4800
Montgomery County M.U.D. #98	1.1650	1.1350	1.1200
Montgomery County M.U.D. #99	1.0400	1.0400	1.0400
Montgomery County M.U.D. #100	-	-	-
Montgomery County M.U.D. #105	1.3500	1.3500	1.3500
Montgomery County M.U.D. #107	0.7000	0.7000	0.6900
Montgomery County M.U.D. #108	-	-	-
Montgomery County M.U.D. #110	-	-	-
Montgomery County M.U.D. #111	-	-	-
Montgomery County M.U.D. #112	1.0272	1.0207	1.0000
Montgomery County M.U. D #113	1.0200	0.9100	0.9000
Montgomery County M.U.D. #115	1.3500	1.3500	1.3500
Montgomery County M.U.D. #119	1.3700	1.3700	1.3200
Montgomery County M.U.D. #121	-	-	-
Montgomery County M.U.D. #125	-	-	-
Montgomery County M.U.D. #126	0.9000	0.9000	0.9000
Montgomery County M.U.D. #127	1.3500	1.3500	1.3500
Montgomery County M.U.D. #128A	-	-	1.1000
Montgomery County M.U.D. #129	-	-	-
Montgomery County M.U.D. #132	0.7000	0.7000	0.7000
Montgomery County M.U.D. #136	-	-	-
Montgomery County M.U.D. #137	1.3500	1.3500	1.3500
Montgomery County M.U.D. #138	0.8800	0.8800	0.8800
Montgomery County M.U.D. #139	1.4500	1.4500	1.4500
Montgomery County M.U.D. #140	-	-	-
Montgomery County M.U.D. #141	1.3500	1.3500	1.3500
Montgomery County M.U.D. #142	-	1.0000	1.0000
Montgomery County M.U.D. #144	-	-	-
Montgomery County M.U.D. #145	-	-	-
Montgomery County M.U.D. #147	-	-	-
Montgomery County M.U.D. #148	-	0.9000	0.9000
Montgomery County M.U.D. #149	-	-	-
Montgomery County M.U.D. #150	-	-	-
Montgomery County M.U.D. #151	-	-	-
Montgomery County MUD 152A	-	-	-
Montgomery County MUD 152B	-	-	-
Montgomery County M.U.D. #153	-	-	-
Montgomery County M.U.D. #155	-	-	-
Montgomery County M.U.D. #158	-	-	-
Montgomery County M.U.D. #159	-	-	-
Montgomery County M.U.D. #160	-	-	-

TABLE VI

2019	2020	2021	2022	2023	2024	2025
0.2125	0.2097	0.2097	0.1890	0.1872	0.1813	0.1746
0.2450	0.2450	0.2093	0.1951	0.1759	0.1663	0.1606
0.7200	0.7200	0.6600	0.6500	0.6000	0.6000	0.5750
0.1650	0.1650	0.1600	0.1550	0.1460	0.1345	0.1249
0.1600	0.1600	0.1550	0.1513	0.1472	0.1400	0.1350
0.7400	0.7400	0.7400	0.6800	0.6500	0.5825	0.5870
0.8800	0.8000	0.9350	0.8600	0.8200	0.7950	0.8040
1.3800	1.3800	1.3500	1.2500	1.1000	1.0700	1.0000
0.8200	0.7950	0.7100	0.6400	0.5900	0.5550	0.5550
0.6000	0.6000	0.6000	0.5800	0.5700	0.5700	0.5500
0.6000	0.6000	0.6000	0.6000	0.5800	0.5800	0.5800
0.8000	0.7850	0.7650	0.7400	0.7100	0.6750	0.6600
1.2500	1.2200	1.1600	1.1300	1.0950	1.0000	0.9500
1.4800	1.4800	1.4800	1.4200	1.3000	1.3000	1.3000
1.0850	1.0700	1.0500	0.9400	0.8800	0.8400	0.8200
1.0400	1.0400	1.0400	1.0400	1.0150	1.0150	1.0150
-	-	1.3500	-	1.3500	1.3500	1.3500
1.3500	1.3500	1.2500	1.1100	1.0400	0.9800	0.8900
0.6800	0.6500	0.5900	0.5300	0.4600	0.4200	0.5100
-	-	1.0375	1.0375	1.0100	1.0100	1.0100
-	-	-	-	-	1.3500	1.3500
-	1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
0.9800	0.9500	0.9000	0.8300	0.7400	0.6850	0.6500
0.8900	0.8800	0.8300	0.7650	0.6400	0.5600	0.5500
1.3200	1.3000	1.2200	1.0900	0.9800	0.9200	0.9100
1.2900	1.2400	1.1100	0.9900	0.9300	0.8800	0.8400
0.9900	0.9900	0.9900	0.9400	0.8550	0.8300	0.7650
-	-	-	-	-	-	1.1500
0.9000	0.9000	0.9000	0.9000	0.9000	0.8800	0.8500
1.3500	1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
1.1000	1.1000	1.3500	1.1100	1.0596	1.0700	1.0300
-	-	-	-	-	1.1000	0.1000
0.7000	0.7000	0.7000	0.7000	0.7000	0.7000	0.7000
-	-	-	-	-	1.3000	1.3000
1.3500	1.3500	1.3500	1.2500	1.2121	1.1400	1.1200
0.8800	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800
1.4500	1.4000	1.3000	1.1500	1.1000	1.0500	1.0500
-	-	1.2500	1.2500	1.2500	1.2500	1.3800
1.3500	1.3500	1.3300	1.2800	1.2600	1.2300	1.2200
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
-	-	1.5000	1.5000	1.2500	1.5000	1.5000
1.4500	1.3500	1.2500	1.2500	1.2500	1.2500	1.2500
-	-	0.9000	0.9000	0.9000	0.9000	0.9000
0.9000	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000
-	0.9000	0.9000	0.9000	0.9000	0.9000	0.9000
-	1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
-	1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	-	-	-	1.1000	1.1000
-	-	-	-	-	1.1000	1.1000
-	-	-	-	-	1.4500	1.4500
-	-	-	-	-	1.0000	1.0000
-	-	-	-	1.3500	1.3500	1.3500
-	-	-	-	-	1.5000	1.5000
-	-	-	0.7000	0.7000	0.7000	0.7000

MONTGOMERY COUNTY, TEXAS

Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments

Last Ten Fiscal Years

	2016	2017	2018
Special Districts (continued):			
Montgomery County M.U.D. #162	-	-	-
Montgomery County M.U.D. #164	-	-	-
Montgomery County M.U.D. #165	-	-	-
Montgomery County M.U.D. #166	-	-	-
Montgomery County M.U.D. #172	-	-	-
Montgomery County M.U.D. #173	-	-	-
Montgomery County M.U.D. #174	-	-	-
Montgomery County M.U.D. #176	-	-	-
Montgomery County M.U.D. #180	-	-	-
Montgomery County M.U.D. #183	-	-	-
Montgomery County M.U.D. #185	-	-	-
Montgomery County M.U.D. #191	-	-	-
Montgomery County M.U.D. #196	-	-	-
Montgomery County M.U.D. #197	-	-	-
Montgomery County M.U.D. #199	-	-	-
Montgomery County M.U.D. #201	-	-	-
Montgomery County M.U.D. #202A	-	-	-
Montgomery County M.U.D. #206	-	-	-
Montgomery County M.U.D. #209	-	-	-
Montgomery County M.U.D. #211	-	-	-
Montgomery County M.U.D. #212	-	-	-
Montgomery County M.U.D. #218	-	-	-
Montgomery County M.U.D. #219	-	-	-
Montgomery County U.D. #2	0.5000	0.4700	0.4600
Montgomery County U.D. #3	0.0900	0.0900	0.0900
Montgomery County U.D. #4	0.0800	0.0775	0.0775
Montgomery County W.C.I.D. #1	0.7600	0.7600	0.7820
Montgomery County W.C.I.D. #205	-	-	-
Montgomery - Grimes County MUD 146B	-	-	-
Montgomery - Grimes County MUD 146D	-	-	-
New Caney M.U.D.	0.6797	0.6797	0.5994
New Caney M.U.D. Hendricks Defined Area	-	-	-
Plum Creek Management District 1A	-	-	-
Point Aquarius M.U.D.	0.6000	0.5700	0.5600
Porter M.U.D.	0.4800	0.4800	0.4800
Porter M.U.D. Auburn Trails Defined Area 1	-	-	-
Porter M.U.D. Auburn Trails Defined Area 2	-	-	-
Porter M.U.D. Hendricks Defined Area	-	-	-
Porter M.U.D. Montgomery Crossing Defined Area	-	-	-
Rayford Road M.U.D.	0.5500	0.5300	0.5100
River Plantation M.U.D.	0.3200	0.3200	0.3200
Roman Forest Cons. M.U.D.	0.2045	0.1850	0.1593
Roman Forest P.U.D. #3	1.1200	1.1088	0.9500
Roman Forest P.U.D. #4	1.1730	1.1748	1.1656
South East Regional MD	-	-	-
South East Regional MD Defined Area 1	-	-	-
South Montgomery County M.U.D.	0.1743	0.1660	0.1600
Spring Creek U.D.	1.0000	1.0000	1.0000
Stanley Lake M.U.D.	0.5300	0.5300	0.5300
Stanley Lake M.U.D. Defined Area	-	-	-
Texas National M.U.D.	1.1300	1.1330	1.1330
Valley Ranch Medical Center MD	-	-	0.3500
Valley Ranch M.U.D. #1	1.2000	1.1500	1.1500
Valley Ranch Town Center MD	-	-	0.9000
Wood Trace M.U.D. #1	1.5000	1.3500	1.3500

TABLE VI

2019	2020	2021	2022	2023	2024	2025
-	-	-	-	1.3500	1.3500	1.3500
-	-	1.3500	1.3500	1.3500	1.3500	1.3500
-	1.3500	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	-	-	1.4500	1.4500	1.4500
-	-	-	-	-	-	1.3500
-	-	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	-	-	1.1500	1.1500	1.1500
-	-	-	-	1.2500	1.2500	1.2500
-	-	-	1.1000	1.1000	1.1000	1.1000
-	-	-	-	1.5000	1.5000	1.5000
-	-	1.3500	1.3500	1.3500	1.3500	1.3500
-	-	-	-	0.5000	0.5000	0.5000
-	-	-	-	1.5000	1.5000	-
-	-	-	1.5000	1.5000	1.5000	1.5000
-	-	-	-	1.3000	1.3000	-
-	-	-	1.0100	1.0100	1.0100	1.0100
-	-	-	1.1000	1.1000	1.1000	1.1000
-	-	-	-	-	1.2500	1.2500
-	-	-	-	1.2500	1.2500	1.2500
-	-	-	-	1.5000	1.5000	1.5000
-	-	-	-	-	-	1.5000
-	-	-	-	-	-	1.5000
0.4600	0.4750	0.4750	0.4600	0.4600	0.4550	0.4500
0.0900	0.0899	0.0900	0.0860	0.0820	0.1228	0.1451
0.0775	0.0875	0.1000	0.1200	0.1200	0.1300	0.1500
0.7820	0.7476	0.7500	0.7165	0.7020	0.6500	0.7449
-	-	-	0.3500	0.3500	0.3500	0.3500
-	-	-	-	-	-	1.5000
-	-	-	-	-	-	1.5000
0.5700	0.5300	0.4650	0.3750	0.3750	0.4250	0.4250
-	-	0.4295	0.5500	0.5000	0.4600	0.5000
-	-	-	-	-	1.2500	1.2500
0.5200	0.5000	0.4300	0.4300	0.4300	0.4765	0.5100
0.4640	0.4600	0.4100	0.4200	0.4200	0.4590	0.4577
-	-	0.7015	0.6151	0.5670	0.5377	0.5389
-	-	0.7050	0.6325	0.5500	0.5200	0.5255
-	-	1.0600	1.0000	0.9500	0.9750	1.0000
-	-	-	-	-	-	0.7000
0.5100	0.5000	0.4940	0.4450	0.4140	0.4140	0.4140
0.3200	0.3200	0.3160	0.5200	0.6500	0.6600	0.6580
0.1546	0.1340	0.1172	0.2644	0.2480	0.2300	0.2300
0.9500	0.5600	0.5600	0.5600	0.6050	0.6809	0.7037
1.1749	1.1749	1.1749	1.1749	1.1563	1.1563	1.0785
-	-	1.2500	1.2500	1.2300	1.2300	1.2300
-	-	-	0.2500	0.2500	0.2500	0.2500
0.1600	0.1600	0.1600	0.1600	0.1600	0.1537	0.1167
1.0000	1.0000	0.9700	0.9600	0.8850	0.8850	0.8800
0.5500	0.5500	0.5300	0.4600	0.4300	0.4125	0.3975
-	-	-	-	-	1.0875	1.0875
1.1330	1.1330	1.0996	1.0988	1.0669	1.0875	1.0875
0.3500	0.4000	0.4000	0.4000	0.5000	0.5000	0.5000
1.0000	1.1000	1.1000	1.1000	1.0000	1.0000	1.0000
1.1500	0.9700	1.0000	1.0000	1.1250	1.0800	1.0700
1.3500	1.3500	1.2800	1.2200	1.1500	1.0800	1.0000

MONTGOMERY COUNTY, TEXAS

Property Tax Rates⁽¹⁾ - Direct and Overlapping Governments

Last Ten Fiscal Years

	2016	2017	2018
Special Districts (continued):			
Woodlands Metro-Center M.U.D.	0.1550	0.1250	0.1050
Woodlands M.U.D. #1	-	0.0900	0.0800
Woodlands M.U.D. #2	0.1000	-	-
Woodlands R.U.D. #1	0.3200	0.2600	0.2150
Woodridge M.U.D.	1.3000	1.2700	1.2700
Emergency Service District #1	0.1000	0.1000	0.1000
Emergency Service District #2	0.1000	0.1000	0.1000
Emergency Service District #3	0.1000	0.0981	0.1000
Emergency Service District #4	0.0808	0.0981	0.1000
Emergency Service District #5	-	-	-
Emergency Service District #6	0.1000	0.1000	0.1000
Emergency Service District #7	0.1000	0.1000	0.1000
Emergency Service District #8	0.0926	0.0906	0.1000
Emergency Service District #9	0.1000	0.1000	0.0972
Emergency Service District #10	0.0970	0.1000	0.1000
Emergency Service District #11	-	-	-
Emergency Service District #12	0.1000	0.1000	0.1000
Emergency Service District #14	0.1000	0.1000	0.1000
Total Special Districts	<u>60.0941</u>	<u>62.3834</u>	<u>65.6045</u>
Cities:			
Cleveland	\$ 0.7800	\$ 0.7700	\$ 0.7700
Conroe	0.4200	0.4175	0.4175
Magnolia	0.4629	0.4629	0.4709
Montgomery	0.4155	0.4155	0.4155
Oak Ridge North	0.4598	0.4409	0.4470
Panorama Village	0.6743	0.6604	0.6852
Patton Village	0.3459	0.2606	0.2606
Roman Forest	0.4945	0.4945	0.7385
Shenandoah Village	0.2399	0.2195	0.2099
Splendora	0.2473	0.2616	0.4103
Stagecoach	0.5207	0.5000	0.4595
Willis	0.5961	0.5953	0.6351
Woodbranch Village	0.3597	0.3685	0.3784
Woodlands Township	0.2300	0.2300	0.2300
Woodloch	0.6566	0.5659	0.5000
Auburn Trail Defined Area	0.7110	0.7150	0.7150
Auburn Trail II Defined Area	0.7110	0.7150	0.7150
Houston (County Line City)	<u>0.6011</u>	<u>0.5464</u>	<u>0.5864</u>
Total Cities	<u>8.9263</u>	<u>8.6395</u>	<u>9.0448</u>
School Districts:			
Cleveland I.S.D.	1.3150	1.3800	1.4150
Conroe I.S.D.	1.2800	1.2800	1.2800
Humble I.S.D.	1.5200	1.5200	1.5200
Magnolia I.S.D.	1.3795	1.3795	1.3795
Montgomery I.S.D.	1.3400	1.3700	1.3700
New Caney I.S.D.	1.6700	1.6700	1.6700
Richards I.S.D.	1.0400	1.0400	1.0400
Splendora I.S.D.	1.3155	1.3155	1.6000
Tomball I.S.D.	1.3400	1.3400	1.3400
Willis I.S.D.	<u>1.3900</u>	<u>1.3900</u>	<u>1.3900</u>
Total School Districts	<u>13.5900</u>	<u>13.6850</u>	<u>14.0045</u>
TOTAL PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS	<u>\$ 83.0871</u>	<u>\$ 85.1746</u>	<u>\$ 89.1205</u>

NOTE: The County's property tax rate may only be changed in a public hearing.

⁽¹⁾ Per \$100 of assessed valuation.

Source: Montgomery County Tax Office website

TABLE VI

2019	2020	2021	2022	2023	2024	2025
0.0900	0.0900	0.7000	0.0700	0.0750	0.0800	0.0850
0.0750	0.0750	0.0700	0.0700	0.0695	0.0670	0.0670
-	-	-	-	0.1000	-	-
0.2000	0.2000	0.1800	0.1600	0.1216	0.1000	0.0500
1.2600	1.2600	1.2600	1.2200	1.1900	1.1700	1.1700
0.1000	0.1000	0.1000	0.0953	0.0986	0.1000	0.1000
0.1000	0.1000	0.0992	0.0948	0.1000	0.1000	0.1000
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.1000	0.0939	0.1000	0.0946	0.0966	0.0986	0.0977
-	-	-	-	-	-	-
0.1000	0.1000	0.1000	0.0923	0.0934	0.1000	0.1000
0.1000	0.1000	0.1000	0.0901	0.0896	0.0975	0.1000
0.1000	0.1000	0.0999	0.0883	0.0866	0.0936	0.0937
0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
0.1000	0.1000	0.0987	0.0852	0.0879	0.0873	0.0922
-	-	-	-	-	-	-
-	-	-	-	-	-	-
0.1000	0.1000	0.0990	0.1000	0.1000	0.1000	0.1000
67.2207	77.2181	92.7921	97.0726	109.8474	129.4737	136.7167
\$ 0.7700	\$ 0.7700	\$ 0.7550	\$ 0.7500	\$ 0.7700	\$ 0.7700	\$ 0.6300
0.4175	0.4375	0.4375	0.4272	0.4272	0.4272	0.4272
0.4675	0.4645	0.4051	0.3813	0.2948	0.2509	0.2277
0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
0.4807	0.4900	0.4723	0.4248	0.4043	0.4408	0.4268
0.6748	0.6779	0.6534	0.6000	0.5612	0.5513	0.5370
0.2850	0.2850	0.2558	0.3263	0.2979	0.3240	0.3139
0.7538	0.7530	0.6561	0.6054	0.5197	0.5197	0.5475
0.1799	0.1799	0.1799	0.1477	0.1449	0.1421	0.1821
0.4103	0.4103	0.3423	0.3423	0.3423	0.3673	0.4178
0.4595	0.4595	0.4367	0.3912	0.3738	0.3626	0.3492
0.6697	0.5869	0.5683	0.5556	0.5117	0.5087	0.5518
0.2306	0.2207	0.3067	0.2712	0.2410	0.2295	0.2363
0.2273	0.2240	0.2231	0.1850	0.1714	0.1714	0.1714
0.5000	0.3600	0.3361	0.3400	0.2177	0.2300	0.2300
0.7150	0.7000	0.7088	0.7015	0.6151	-	-
0.7071	0.7000	0.7100	0.7050	0.6325	-	-
0.5883	0.5679	0.5508	0.5500	0.5192	0.5192	0.5191
8.9370	8.6871	8.3979	8.1045	7.4447	6.2147	6.1678
1.4150	1.3450	1.2470	1.2500	1.0264	1.0241	1.0241
1.2800	1.2300	1.1760	1.1146	0.9621	0.9496	0.9496
1.5200	1.4184	1.3389	1.2929	1.1075	1.1052	1.1052
1.3795	1.3095	1.1872	1.1472	0.9638	0.9595	0.9583
1.3700	1.3075	1.2600	1.2289	1.0487	1.0912	1.0912
1.6700	1.5684	1.4603	1.4430	1.2575	1.2552	1.2552
1.0600	0.9900	1.0770	1.0384	0.8270	0.8285	0.8015
1.1700	1.4984	1.4055	1.3881	1.2122	1.2552	1.2547
1.3400	1.2900	1.2500	1.2300	1.0652	1.0629	1.0629
1.3900	1.2700	1.2500	1.2300	1.0652	1.0629	1.0629
13.5945	13.2272	12.6519	12.3631	10.5356	10.5943	10.5656
\$ 90.2189	\$ 99.5799	\$ 114.2731	\$ 117.9485	\$ 128.2019	\$ 146.6523	\$ 153.8291

MONTGOMERY COUNTY, TEXAS

TABLE VII

Principal Taxpayers

Current Year and Nine Years Ago

Taxpayer	Type of Business	2025 Assessed Valuation ⁽¹⁾	Percentage of Total Assessed Valuation ⁽²⁾
Entergy Texas Inc.	Utilities	\$ 681,379,950	0.66%
Gulf State Utilities Co.	Utilities	452,404,053	0.44%
Mckesson Corporation	Medical	381,738,026	0.37%
Woodlands Land Development Co. LP	Land Development	326,427,496	0.32%
Comcast of Houston LLC	Commercial	219,312,740	0.21%
HH Woodlands Tower Holdings	Real Estate	206,071,200	0.20%
The Woodlands Mall Associates	Retail	205,000,000	0.20%
Camillo Properties LTD	Real Estate	188,502,305	0.18%
Centerpoint Energy Houston Electric	Utilities	152,512,850	0.15%
IMI MSW LLC	Retail	150,887,099	0.15%
		<u>\$ 2,964,235,719</u>	<u>2.87%</u>

Taxpayer	Type of Business	2016 Assessed Valuation ⁽¹⁾	Percentage of Total Assessed Valuation ⁽³⁾
Entergy Texas Inc.	Utilities	\$ 308,981,233	0.63%
Anadarko Realty Co.	Oil & Gas Industrial	245,216,510	0.50%
Wal-Mart Real Estate Bus Trust	Retail	244,768,150	0.50%
Woodlands land Devopment, LP	Land Development	131,433,113	0.27%
Kingwood Medical Plaza LTD	Medical	124,029,593	0.25%
Denbury Onshore LLC	Oil & Gas Industrial	113,882,490	0.23%
The Woodlands Mall Associates	Retail	111,747,467	0.23%
Conroe Hospital Corporation	Medical	94,723,650	0.19%
IMI Market Street LLC	Retail	89,596,510	0.18%
Drill Bit - Baker Hughes	Industrial	70,240,951	0.14%
		<u>\$ 1,534,619,667</u>	<u>3.11%</u>

⁽¹⁾ Source: Montgomery Central Appraisal District

⁽²⁾ Net Assessed Valuation - 2025 \$ 103,131,188,747

⁽³⁾ Net Assessed Valuation - 2016 \$ 49,315,309,067

MONTGOMERY COUNTY, TEXAS**TABLE VIII**Property Tax Levies and Collections ⁽¹⁾

Last Ten Fiscal Years

Fiscal Year	Collected in first period			Collections in subsequent periods	Total collections	
	Levy	Amount	Percentage		Amount	Percentage
2016	\$ 229,000,765	\$ 226,359,011	98.8%	\$ 2,177,702	\$ 228,536,713	99.8%
2017	247,075,115	243,625,647	98.6%	3,013,999	246,639,646	99.8%
2018	235,828,214	232,005,266	98.4%	1,511,213	233,516,479	99.0%
2019	250,896,287	246,268,100	98.2%	1,240,348	247,508,448	98.6%
2020	256,035,175	253,326,012	98.9%	1,603,207	254,929,219	99.6%
2021	262,518,017	259,958,007	99.0%	942,824	260,900,831	99.4%
2022	269,936,405	267,258,714	99.0%	1,615,728	268,874,442	99.6%
2023	305,864,408	304,440,850	99.5%	1,188,197	305,629,047	99.9%
2024	335,831,183	332,050,433	98.9%	1,912,039	333,962,472	99.4%
2025	373,441,126	367,715,911	98.5%	-	367,715,911	98.5%

⁽¹⁾ Taxes levied in any year which are collected from October 1 through June 30 are shown as current collections. Such amounts include collections of the current levy after February 1, which is the date taxes become legally delinquent.

Source: Montgomery County Tax Assessor-Collector

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DEBT CAPACITY

MONTGOMERY COUNTY, TEXAS

Ratios of Outstanding Debt by Type ⁽¹⁾

Last Ten Fiscal Years

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Revenue Bonds	Certificates of Obligation	Lease Obligation	Financed Purchases	SBITA Obligation
2016	\$ 315,110,000	\$ 52,825,000	\$ 58,535,000	\$ -	\$ 5,893,321	\$ -
2017	376,370,000	16,420,000	50,750,000	-	3,777,887	-
2018	408,885,000	-	49,090,000	-	13,953,358	-
2019	474,975,000	-	47,375,000	-	11,578,902	-
2020	463,775,000	-	45,605,000	-	10,674,041	-
2021	452,590,000	-	34,085,000	-	10,459,863	-
2022	440,805,000	-	23,395,000	3,882,607	14,478,760	-
2023	419,315,000	-	22,350,000	4,215,745	11,556,925	5,516,232
2024	396,705,000	-	21,275,000	2,915,337	8,559,719	4,113,544
2025	496,090,000	-	20,170,000	2,338,158	5,859,368	4,421,688

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽²⁾ See Table XIV for personal income and population data.

⁽³⁾ Personal income for 2017 - 2025 is not available.

TABLE IX

Governmental Activities		Business-type Activities		Total Primary Government	Percent of Personal Income ⁽²⁾	Per Capita ⁽²⁾
Net Premiums and Discounts		Revenue Bonds	Net Premiums and Discounts			
\$ 43,468,294		\$ -	\$ -	475,831,615	1.51%	885
46,503,251		-	-	493,821,138	N/A	877
47,447,713		87,680,000	7,778,322	614,834,393	N/A	1,077
48,232,661		87,680,000	7,510,104	677,351,667	N/A	1,146
44,196,827		87,680,000	7,231,952	659,162,820	N/A	1,085
42,499,351		87,680,000	6,973,668	634,287,882	N/A	987
39,541,773		87,680,000	6,705,450	616,488,590	N/A	920
35,248,675		87,180,000	6,437,232	591,819,809	N/A	872
31,834,966		86,180,000	6,169,014	557,752,580	N/A	823
32,483,055		84,680,000	5,900,796	651,943,065	N/A	870

MONTGOMERY COUNTY, TEXAS

Ratios of Net General Bonded Debt Outstanding ⁽¹⁾

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities	
	General Obligation Bonds	Revenue Bonds ⁽⁴⁾	Certificates of Obligation	Net Premiums and Discounts	Revenue Bonds	Net Premiums and Discounts
2016	\$ 315,110,000	\$ 52,825,000	\$ 58,535,000	\$ 43,468,294	-	-
2017	376,370,000	16,420,000	50,750,000	46,503,251	-	-
2018	408,885,000	-	49,090,000	47,447,713	87,680,000	7,778,322
2019	474,975,000	-	47,375,000	48,232,661	87,680,000	7,510,104
2020	463,775,000	-	45,605,000	44,196,827	87,680,000	7,231,952
2021	452,590,000	-	34,085,000	42,499,351	87,680,000	6,973,668
2022	440,805,000	-	23,395,000	39,541,773	87,680,000	6,705,450
2023	419,315,000	-	22,350,000	35,248,675	87,180,000	6,437,232
2024	396,705,000	-	21,275,000	31,834,966	86,180,000	6,169,014
2025	496,090,000	-	20,170,000	32,483,055	84,680,000	5,900,796

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements.

⁽²⁾ Taxable Assessed Valuation can be found in Table V.

⁽³⁾ Population data can be found in Table XIV.

⁽⁴⁾ The County began issuing revenue bonds in 2007.

TABLE X

	Total Primary Government	Less: Amounts Restricted for Debt Service	Total	Percentage of Actual Value of Property ⁽²⁾	Per Capita ⁽³⁾
\$	469,938,294	N/A	\$ 469,938,294	0.95%	874
	490,043,251	N/A	490,043,251	0.90%	870
	600,881,035	N/A	600,881,035	1.18%	1,052
	665,772,765	12,099,527	653,673,238	1.23%	1,127
	648,488,779	13,815,367	634,673,412	1.11%	1,068
	623,828,019	14,914,974	608,913,045	1.01%	971
	598,127,223	14,400,791	583,726,432	0.89%	893
	570,530,907	12,698,705	557,832,202	0.67%	841
	542,163,980	12,536,360	529,627,620	0.58%	762
	639,323,851	12,756,437	626,567,414	0.61%	836

MONTGOMERY COUNTY, TEXAS

Legal Debt Margin ⁽¹⁾

Last Ten Fiscal Years

	Fiscal Year			
	2016	2017	2018	2019
Assessed value ⁽²⁾	\$ 49,315,310	\$ 54,402,996	\$ 50,848,283	\$ 54,237,296
Debt limit ⁽³⁾	12,328,828	13,600,749	12,712,071	13,559,324
Debt applicable to limit total bonded debt	487,680	443,870	508,054	708,230
Less: Assets in Debt Service Funds available for payment of principal	<u>(48,577)</u>	<u>(28,250)</u>	<u>(15,757)</u>	<u>(12,708)</u>
Total debt applicable to limit	<u>439,103</u>	<u>415,620</u>	<u>492,297</u>	<u>695,522</u>
Legal debt margin	<u>\$ 11,889,725</u>	<u>\$ 13,185,129</u>	<u>\$ 12,219,774</u>	<u>\$ 12,863,802</u>
Total debt applicable to the limit as a percent of debt limit	3.56%	3.06%	3.87%	5.13%

⁽¹⁾ Amounts expressed in thousands.

⁽²⁾ Assessed valuation is equal to total valuation less personal property.

⁽³⁾ The County is authorized under Article III, Section 52 of the State Constitution to issue bonds payable from ad valorem taxes for the construction and maintenance of roads. There is no constitutional or statutory limit as to rates on bonds issued pursuant to such constitutional provision. However, the amount of bonds which may be issued is limited to 25% of the assessed valuation of real property in the County.

(4) Beginning in 2014, total bonded debt includes total debt outstanding for both Montgomery County and Woodlands RUD #1.

TABLE XI

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 58,359,200	\$ 61,894,370	\$ 61,589,203	\$ 79,015,127	\$ 87,036,442	\$ 95,607,359
14,589,800	15,473,593	15,397,300	19,753,782	21,759,110	23,901,840
689,947	522,927	495,008	467,376	437,695	532,925
<u>(14,717)</u>	<u>(13,820)</u>	<u>(13,367)</u>	<u>(11,458)</u>	<u>(11,439)</u>	<u>(11,408)</u>
<u>675,230</u>	<u>509,107</u>	<u>481,641</u>	<u>455,918</u>	<u>426,256</u>	<u>521,517</u>
<u>\$ 13,914,570</u>	<u>\$ 14,964,486</u>	<u>\$ 14,915,659</u>	<u>\$ 19,297,864</u>	<u>\$ 21,332,854</u>	<u>\$ 23,380,323</u>
4.63%	3.38%	3.13%	2.31%	1.98%	2.18%

MONTGOMERY COUNTY, TEXAS

TABLE XII

Direct and Overlapping Debt

September 30, 2025

	Debt Outstanding	Percentage Applicable to Montgomery County ⁽¹⁾	Amount Applicable to Montgomery County
Montgomery County, Texas			
Bonds payable:			
General obligation	\$ 496,090,000	100.0%	\$ 496,090,000
Certificates of obligation	20,170,000	100.0%	20,170,000
Issuance of premiums	32,483,055	100.0%	32,483,055
Leases	2,338,158	100.0%	2,338,158
Subscriptions	4,421,688	100.0%	4,421,688
Financed purchases	<u>5,859,368</u>	<u>100.0%</u>	<u>5,859,368</u>
TOTAL DIRECT DEBT	<u>561,362,269</u>		<u>561,362,269</u>

OVERLAPPING GOVERNMENTS:

Special Districts:

Audubon MUD # 1	29,220,000	100.0%	29,220,000
Audubon WC&ID	9,000,000	100.0%	9,000,000
Blaketree MUD #1	31,200,000	100.0%	31,200,000
Cleveland MUD # 1	5,030,000	100.0%	5,030,000
Clovercreek MUD	3,900,000	100.0%	3,900,000
Conroe MUD #1	25,800,000	100.0%	25,800,000
Conroe Municipal Management District # 1	98,640,000	100.0%	98,640,000
Corinthian Point MUD #2	7,450,000	100.0%	7,450,000
Decker Prairie MUD	9,705,000	100.0%	9,705,000
East Montgomery Co MUD # 12	39,630,000	100.0%	39,630,000
East Montgomery Co MUD # 14	10,510,000	100.0%	10,510,000
E. Montgomery Co MUD #3	45,735,000	100.0%	45,735,000
East Montgomery Co MUD #4	17,030,000	100.0%	17,030,000
East Montgomery Co MUD #5	19,438,574	100.0%	19,438,574
East Montgomery Co MUD #6	80,278,061	100.0%	80,278,061
East Montgomery Co MUD #7	69,838,365	100.0%	69,838,365
East Plantation UD	4,715,000	100.0%	4,715,000
Far Hills UD	18,230,000	100.0%	18,230,000
Grand Oaks MUD	8,990,000	100.0%	8,990,000
Harris-Montgomery Cos MUD # 386	141,435,000	7.5%	10,593,482
Kings Manor MUD	9,910,000	71%	7,045,019
Lone Star College Sys	434,530,000	34%	147,783,653
Montgomery Co DD # 10	14,330,000	100.0%	14,330,000
Montgomery Co FWSD # 6	2,430,000	100.0%	2,430,000
Montgomery Co MUD # 8	19,835,000	100.0%	19,835,000
Montgomery Co MUD # 9	21,940,000	100.0%	21,940,000
Montgomery Co MUD # 15	36,540,000	100.0%	36,540,000
Montgomery Co MUD # 16	1,970,000	100.0%	1,970,000
Montgomery Co MUD # 18	4,655,000	100.0%	4,655,000
Montgomery Co MUD # 24	14,820,000	100.0%	14,820,000
Montgomery Co MUD # 36	1,205,000	100.0%	1,205,000
Montgomery Co MUD # 39	6,375,000	100.0%	6,375,000
Montgomery Co MUD # 42	13,740,000	100.0%	13,740,000
Montgomery Co MUD # 46	36,085,000	100.0%	36,085,000
Montgomery Co MUD # 47	5,580,000	100.0%	5,580,000
Montgomery Co MUD # 56	1,610,000	100.0%	1,610,000

MONTGOMERY COUNTY, TEXAS

TABLE XII

Direct and Overlapping Debt

September 30, 2025

	Debt Outstanding	Percentage Applicable to Montgomery County ⁽¹⁾	Amount Applicable to Montgomery County
Special Districts:(Continued)			
Montgomery Co MUD # 60	1,840,000	100.0%	1,840,000
Montgomery Co MUD # 67	12,925,000	100.0%	12,925,000
Montgomery Co MUD # 83	9,565,000	100.0%	9,565,000
Montgomery Co MUD # 84	33,250,000	100.0%	33,250,000
Montgomery Co MUD # 88	37,535,000	100.0%	37,535,000
Montgomery Co MUD # 89	12,645,000	100.0%	12,645,000
Montgomery Co MUD # 90	10,760,000	100.0%	10,760,000
Montgomery Co MUD # 92	26,170,000	100.0%	26,170,000
Montgomery Co MUD # 94	24,060,000	100.0%	24,060,000
Montgomery Co MUD # 95	66,580,000	100.0%	66,580,000
Montgomery Co MUD #96	20,220,000	100.0%	20,220,000
Montgomery Co MUD # 98	12,375,000	100.0%	12,375,000
Montgomery Co MUD # 99	46,125,000	100.0%	46,125,000
Montgomery Co MUD # 100	13,230,000	100.0%	13,230,000
Montgomery Co MUD # 105	74,250,000	100.0%	74,250,000
Montgomery Co MUD # 107	18,255,000	100.0%	18,255,000
Montgomery Co MUD #108	54,820,000	100.0%	54,820,000
Montgomery Co MUD # 110	7,615,000	100.0%	7,615,000
Montgomery Co MUD # 111	71,095,000	100.0%	71,095,000
Montgomery Co MUD # 112	32,145,000	100.0%	32,145,000
Montgomery Co MUD # 113	113,095,000	100.0%	113,095,000
Montgomery Co MUD # 115	40,240,000	100.0%	40,240,000
Montgomery Co MUD # 119	94,705,000	100.0%	94,705,000
Montgomery Co MUD # 121	41,505,000	100.0%	41,505,000
Montgomery Co MUD # 126	26,450,000	100.0%	26,450,000
Montgomery Co MUD # 127	32,615,000	100.0%	32,615,000
Montgomery Co MUD #128A	70,255,000	100.0%	70,255,000
Montgomery Co MUD # 132	26,350,000	100.0%	26,350,000
Montgomery Co MUD # 137	52,695,000	100.0%	52,695,000
Montgomery Co MUD # 138	57,990,000	100.0%	57,990,000
Montgomery Co MUD #139	84,755,000	100.0%	84,755,000
Montgomery Co MUD # 140	85,575,000	100.0%	85,575,000
Montgomery Co MUD #141	13,070,000	100.0%	13,070,000
Montgomery Co MUD # 142	7,970,000	100.0%	7,970,000
Montgomery Co MUD #144	23,140,000	100.0%	23,140,000
Montgomery Co MUD #145	10,830,000	100.0%	10,830,000
Montgomery Co MUD # 147	2,630,000	100.0%	2,630,000
Montgomery Co MUD # 148	5,055,000	100.0%	5,055,000
Montgomery Co MUD # 149	3,555,000	100.0%	3,555,000
Montgomery Co MUD # 152A	32,975,000	100.0%	32,975,000
Montgomery Co MUD # 158	3,700,000	100.0%	3,700,000
Montgomery Co MUD # 160	2,220,000	100.0%	2,220,000
Montgomery Co MUD # 164	19,105,000	100.0%	19,105,000
Montgomery Co MUD #165	23,115,000	100.0%	23,115,000
Montgomery Co MUD # 166	19,160,000	100.0%	19,160,000
Montgomery Co MUD # 174	16,580,000	100.0%	16,580,000
Montgomery Co MUD # 178	5,425,000	100.0%	5,425,000
Montgomery Co MUD # 180	8,385,000	100.0%	8,385,000

MONTGOMERY COUNTY, TEXAS

TABLE XII

Direct and Overlapping Debt

September 30, 2025

	Debt Outstanding	Percentage Applicable to Montgomery County ⁽¹⁾	Amount Applicable to Montgomery County
Special Districts:(Continued)			
Montgomery Co MUD # 185	4,000,000	100.0%	4,000,000
Montgomery Co MUD # 191	25,615,000	100.0%	25,615,000
Montgomery Co MUD # 197	4,900,000	100.0%	4,900,000
Montgomery Co MUD # 199	5,000,000	100.0%	5,000,000
Montgomery Co MUD # 206	5,800,000	100.0%	5,800,000
Montgomery Co UD # 2	6,600,000	100.0%	6,600,000
Montgomery Co UD # 3	9,685,000	100.0%	9,685,000
Montgomery Co UD # 4	13,990,000	100.0%	13,990,000
Montgomery WC&ID # 1	22,289,997	100.0%	22,289,997
Montgomery WC&ID # 205	8,950,000	100.0%	8,950,000
New Caney MUD - Hendricks Defined Area	1,250,000	100.0%	1,250,000
New Caney MUD	73,013,524	100.0%	73,013,524
Point Aquarius MUD	7,695,000	100.0%	7,695,000
Porter MUD (Auburn Trails Defined Area # 1)	4,315,000	100.0%	4,315,000
Porter MUD (Auburn Trails Defined Area # 2)	3,365,000	100.0%	3,365,000
Porter MUD	59,190,000	100.0%	59,190,000
Porter MUD-Hendricks Defined Area	14,655,000	100.0%	14,655,000
Rayford Rd MUD	15,205,000	100.0%	15,205,000
River Plantation MUD	16,310,000	100.0%	16,310,000
Roman Forest Cons MUD	10,025,000	100.0%	10,025,000
Roman Forest PUD # 4	765,000	100.0%	765,000
Southeast Regional Management District	110,675,000	72.9%	80,637,805
Southern Montg Co MUD	6,650,000	100.0%	6,650,000
Spring Creek UD	52,700,000	100.0%	52,700,000
Stanley Lake MUD	22,935,000	100.0%	22,935,000
Texas National MUD	5,815,000	100.0%	5,815,000
The Woodlands Metro Ctr MUD	4,980,000	100.0%	4,980,000
The Woodlands RUD # 1	16,665,000	99.2%	16,530,014
Valley Ranch MUD # 1	30,540,000	100.0%	30,540,000
Valley Ranch Town Center Management District	19,360,000	100.0%	19,360,000
Wood Trace MUD #1	44,950,000	100.0%	44,950,000
Woodridge MUD	25,895,000	100.0%	25,895,000
Total Special Districts	<u>3,463,718,521</u>		<u>3,013,093,493</u>

MONTGOMERY COUNTY, TEXAS**TABLE XII**

Direct and Overlapping Debt

September 30, 2025

	Debt Outstanding	Percentage Applicable to Montgomery County ⁽¹⁾	Amount Applicable to Montgomery County
Cities:			
Cleveland	11,630,000	8.2%	953,660
Conroe	495,845,000	100.0%	495,845,000
Houston	3,722,710,000	0.4%	14,518,569
Magnolia	45,684,795	100.0%	45,684,795
Montgomery	9,625,000	100.0%	9,625,000
Oak Ridge North	10,930,000	100.0%	10,930,000
Panorama Village	1,550,000	100.0%	1,550,000
Patton Village	3,259,000	100.0%	3,259,000
Roman Forest	2,560,000	100.0%	2,560,000
Shenandoah	12,672,000	100.0%	12,672,000
Splendora	3,465,000	100.0%	3,465,000
Willis	15,920,000	100.0%	15,920,000
Woodlands	15,280,000	84.7%	12,940,632
Total Cities	<u>4,351,130,795</u>		<u>629,923,656</u>
School Districts			
Cleveland I.S.D.	297,029,785	0.82%	2,435,644
Conroe I.S.D.	2,512,490,000	100.00%	2,512,490,000
Magnolia I.S.D.	276,660,000	100.00%	276,660,000
Montgomery I.S.D.	581,745,000	100.00%	581,745,000
New Caney I.S.D.	893,050,000	99.05%	884,566,025
Richards I.S.D.	6,709,000	18.61%	1,248,545
Splendora I.S.D.	235,760,000	100.00%	235,760,000
Tomball I.S.D.	1,095,800,000	9.54%	104,539,320
Willis I.S.D.	447,620,000	100.00%	447,620,000
Total School Districts	<u>6,346,863,785</u>		<u>5,047,064,534</u>
TOTAL OVERLAPPING DEBT	<u>14,161,713,101</u>		<u>8,690,081,683</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u>\$ 14,723,075,370</u>		<u>\$ 9,251,443,952</u>

⁽¹⁾ The percentage of overlapping debt applicable is computed by dividing the other entity's net taxable assessed property value by the net taxable assessed property value in all of Montgomery County.

MONTGOMERY COUNTY, TEXAS

Pledged-Revenue Coverage

Last Ten Fiscal Years

Year	Lease Revenue Bonds ⁽¹⁾			Debt Service		Coverage
	Lease Payments	Less: Operating Expenses	Net: Available Revenue	Principal	Interest	
2016	\$ -	\$ -	\$ -	\$ -	\$ -	-
2017	-	-	-	-	-	-
2018	-	-	-	-	-	-
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-

NOTE: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

⁽¹⁾ The revenue bonds were issued in 2007 to finance the construction of an 1,100 bed facility. The County began lease purchasing the facility from the Jail Financing Corporation in fiscal year 2010. The bonds were backed from the lease payments that the County will make to the Jail Financing Corporation. During fiscal year 2013, the detention facility was sold to the operator, GEO Corrections, and utilized the proceeds of the sale to defease the debt.

⁽²⁾ The County has pledged pass-through tolling revenue to repay the debt service on selected bond issues.

TABLE XIII

Pass-Through Toll Revenue Bonds ⁽²⁾				
TXDOT Revenue		Debt Service		Coverage
		Principal	Interest	
\$	42,260,009	\$ 7,760,000	\$ 2,678,400	4.05
	49,268,909	36,405,000	10,696,550	1.05
	18,285,240	16,420,000	873,900	1.06
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-

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DEMOGRAPHIC AND ECONOMIC INFORMATION

MONTGOMERY COUNTY, TEXAS**TABLE XIV**

Demographic and Economic Statistics

Last Ten Fiscal Years

Year	Population ⁽¹⁾	Personal Income ⁽²⁾⁽³⁾	Per Capita Personal Income ⁽³⁾	School Enrollment ⁽⁴⁾	School Average Daily Attendance ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2016	537,559	\$ 31,553,145	\$ 58,697	120,488	114,955	4.3%
2017	563,209	N/A	N/A	126,748	121,309	4.1%
2018	570,934	N/A	N/A	132,903	125,757	3.8%
2019	590,925	N/A	N/A	137,294	130,003	3.3%
2020	607,391	N/A	N/A	142,313	134,755	8.2%
2021	642,633	N/A	N/A	149,834	141,108	5.1%
2022	669,853	N/A	N/A	143,564	132,297	3.8%
2023	678,490	N/A	N/A	146,752	136,188	3.5%
2024	711,354	N/A	N/A	149,403	140,551	4.2%
2025	749,111	N/A	N/A	168,666	156,740	4.2%

⁽¹⁾ Source: Conroe Lake Conroe Chamber of Commerce

⁽²⁾ Amounts expressed in thousands.

⁽³⁾ Source: Texas Workforce Commission website

Information for fiscal years 2011 through 2016 from The Bureau of Economic Analysis website
Personal income information for 2017, through 2022 is not available.

⁽⁴⁾ Source: Superintendent's Annual Report: Includes the nine independent school districts
located in the County

⁽⁵⁾ Source: The Work Source website

<http://www.wrksolutions.com/Documents/Employer/LMI/unemploymentrates/LAUSHISTORY.pdf>

MONTGOMERY COUNTY, TEXAS

TABLE XV

Principal Employers

Current Year and Nine Years Ago

2025 Employer ⁽³⁾	Employees	Percentage of Total County Employment ⁽²⁾
Conroe Independent School District	4,857	1.38%
Memorial Hermann - The Woodlands	3,300	0.94%
Houston Methodist The Woodlands Hospital	2,937	0.83%
St. Lukes Health	2,412	0.68%
Texas Children's	1,526	0.43%
Chevron Phillips Chemical Company	1,225	0.35%
Woodforest National Bank	1,163	0.33%
Occidental Petroleum Corporation	1,101	0.31%
Entergy Texas	1,021	0.29%
Alight Solutions	919	0.26%
	<u>20,461</u>	<u>5.81%</u>

2016 Employer ⁽¹⁾	Employees	Percentage of Total County Employment ⁽²⁾
Conroe Independent School District	6,760	2.61%
Anadarko Petroleum	3,868	1.49%
Montgomery County, Texas	2,176	0.84%
Memorial Hermann - The Woodlands	2,001	0.77%
Exxonmobil	1,900	0.73%
New Caney Independent School District	1,804	0.70%
Aon Hewitt	1,800	0.69%
Magnolia Independent School District	1,548	0.60%
CHI St. Luke's The Woodlands Hospital	1,510	0.58%
Lone Star College System	1,482	0.57%
	<u>24,849</u>	<u>9.58%</u>

⁽¹⁾ Source: <http://socrates.cdr.state.tx.us/iSocrates/Employers/EmployerContacts2.asp>.

Information has been derived from the South Montgomery County Economic Development Partnership and the SOCRATES database listed above.

⁽²⁾ Total County Employment for 2016 and 2026: 259,473 and 352,201 respectively.

Source: <http://www.wrksolutions.com>

⁽³⁾ Source: <http://www.edpartnership.net>

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OPERATING INFORMATION

MONTGOMERY COUNTY, TEXASCounty Employees by Function ⁽¹⁾

Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020
General Administration	125	125	123	119	-
Judicial	296	304	301	284	-
Legal Services	33	34	34	34	-
Elections	15	15	13	15	-
Financial Administration	98	102	99	98	-
Public Facilities	416	420	433	371	-
Public Safety	742	762	777	1011	-
Health and Welfare	48	89	91	90	-
Culture and Recreation	140	141	140	120	-
Conservation	10	20	23	23	-
Public Transportation	249	259	258	213	-
General Government	-	-	-	-	233
Financial Administration	-	-	-	-	115
Health & Human Services	-	-	-	-	117
Culture & Recreation	-	-	-	-	174
Law Enforcement & Corrections	-	-	-	-	1,297
Legal & Judicial	-	-	-	-	342
Transportation	-	-	-	-	227
	<u>2,172</u>	<u>2,271</u>	<u>2,292</u>	<u>2,378</u>	<u>2,505</u>

⁽¹⁾ Source: Montgomery County Budget Office.

TABLE XVI

2021	2022	2023	2024	2025
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
232	485	657	802	703
116	123	124	128	128
124	134	125	132	136
213	208	202	210	217
1,429	1,604	1,528	1,590	1,658
238	265	245	244	268
<u>227</u>	<u>255</u>	<u>219</u>	<u>222</u>	<u>243</u>
<u>2,579</u>	<u>3,074</u>	<u>3,100</u>	<u>3,328</u>	<u>3,353</u>

MONTGOMERY COUNTY, TEXAS

Operating Indicators by Function

Last Ten Fiscal Years

Function	2016	2017	2018	2019
General Government				
Construction permits issued ⁽¹⁾	4,052	4,381	5,549	5,057
Estimated value of construction ^{(1) (2)}	1,414,524	1,386,391	1,514,299	1,582,931
Health inspections performed ⁽³⁾	16,552	16,197	16,719	15,406
Birth certificates filed ⁽⁴⁾	5,766	6,996	8,144	6,436
Death certificates filed ⁽⁴⁾	2,874	3,643	4,437	3,167
Marriage license applications ⁽⁴⁾	2,927	2,869	4,420	2,871
Registered voters ⁽⁵⁾	308,597	315,946	330,768	339,779
Number of voting precincts ⁽⁵⁾	90	90	96	96
Public Safety - Sheriff				
Total arrests ⁽⁶⁾	21,483	22,473	18,855	22,402
Average number of inmates ⁽⁶⁾	999	933	944	937
Calls for service ⁽⁶⁾	411,796	355,936	610,315	672,825
Number of accidents investigated ⁽⁶⁾	4,937	5,931	6,063	6,125
Miles patrolled ⁽⁶⁾	4,063,212	4,232,396	3,952,673	4,279,456
Gallons of gas used ⁽⁶⁾	368,033	368,412	343,644	388,891
Culture and Recreation - Libraries (tentative)				
Number of items checked out ⁽⁷⁾	2,066,886	2,192,792	2,547,829	2,820,839
Number of libraries ⁽⁷⁾	7	7	7	7
Volumes in collection ⁽⁷⁾	694,536	711,777	717,314	703,658
Number of library visits ⁽⁷⁾	1,105,760	1,075,000	923,129	901,935
Library programs attendance ⁽⁷⁾	134,163	169,467	150,020	169,079

⁽¹⁾ Source: Montgomery County Engineer.

⁽²⁾ Dollar values are in thousands.

⁽³⁾ Source: Montgomery County Health Department.

⁽⁴⁾ Source: Montgomery County Clerk.

⁽⁵⁾ Source: Montgomery County Elections Administrator.

⁽⁶⁾ Source: Montgomery County Sheriff's Department.

⁽⁷⁾ Source: Montgomery County Memorial Library System Annual Report.

* Estimated Value of Construction disclosure no longer required due to LGC Chapter 232 Subchapter Z Section 232.901

TABLE XVII

2020	2021	2022	2023	2024	2025
6,857	9,720	10,392	11,465	12,480	10,601
1,742,289	2,339,301	2,855,453	8,132,204	*	*
13,599	9,844	8,606	7,967	7,395	4,768
6,450	6,905	7,011	9,932	10,293	10,491
3,716	4,465	3,727	5,093	5,410	5,404
2,824	3,024	3,445	4,799	5,162	5,636
364,581	384,248	407,364	422,713	451,279	458,032
100	100	111	111	113	113
18,481	19,061	7,189	7,015	6,995	7,934
859	942	931	1,015	1,107	1,215
411,121	399,930	294,957	294,024	276,240	309,013
7,638	9,322	7,324	8,224	8,791	8,490
4,732,334	5,652,288	5,135,316	6,282,899	6,018,651	6,216,740
407,036	414,531	447,385	493,794	489,498	521,870
1,973,871	2,433,970	2,651,209	2,857,128	2,939,769	2,985,993
7	7	7	7	7	7
677,853	641,105	651,563	660,082	667,654	622,660
498,055	473,879	656,351	777,917	788,176	648,470
102,934	40,531	66,700	89,836	61,822	121,923

MONTGOMERY COUNTY, TEXAS

Capital Asset and Infrastructure Statistics by Function

Last Ten Fiscal Years

Function	2016	2017	2018	2019
General Government				
Office Buildings/Courthouses ⁽¹⁾	49	49	49	49
Public Safety - Sheriff				
Sheriff's Vehicles ⁽²⁾	512	555	648	650
Academy Square Footage ⁽¹⁾	13,800	13,800	13,800	13,800
Public Transportation				
County Roads (miles) ⁽³⁾	2,751	2,771	2,811	2,843
Bridges ⁽³⁾	160	160	160	160
Public Facilities				
Park Acreage ⁽⁴⁾	2,089	2,089	2,289	2,289
Convention Center Square Footage ⁽⁵⁾	56,000	56,000	56,000	56,000
Community Centers ⁽²⁾	17	17	17	17
Culture and Recreation ⁽⁶⁾				
	173,800	173,800	173,800	173,800

⁽¹⁾ Montgomery County Risk Management Department. Includes the offices of the four County Commissioners.

⁽²⁾ Montgomery County Auditor's Office Capital Assets Listing.

⁽³⁾ Montgomery County Engineer.

⁽⁴⁾ Montgomery County Parks Divisions in the Commissioners' offices.

⁽⁵⁾ Montgomery County Civic Center Complex.

⁽⁶⁾ Montgomery County Memorial Library System Annual Report.

TABLE XVIII

2020	2021	2022	2023	2024	2025
49	51	51	52	52	52
627 13,800	714 13,800	733 13,800	698 13,800	708 13,800	718 11,812
2,878 160	2,931 283	2,981 287	3,013 287	3,045 287	3,080 287
2,289 56,000 17	2,289 56,000 17	1,343 56,000 16	1,343 56,000 16	1,763 56,000 16	1,766 56,000 16
173,800	173,800	173,800	173,000	173,000	177,179

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Capital Assets Used in the Operation of Governmental Activities
Schedule by Source

September 30, 2025

GOVERNMENTAL ACTIVITIES CAPITAL ASSETS:

Land	\$ 208,331,681
Buildings	293,307,529
Improvements other than buildings	30,640,116
Equipment	191,881,428
Infrastructure	2,037,736,123
Right to use equipment	4,707,994
Right to use building	728,762
Right to use software	9,158,536
Construction in progress	27,429,822
	<u>2,803,921,991</u>

TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS

\$ 2,803,921,991

INVESTMENT IN GOVERNMENTAL ACTIVITIES CAPITAL ASSETS**BY SOURCE:**

General Fund	\$ 525,392,653
Special Revenue activities	2,235,462,031
Capital Projects activities	27,429,822
Internal Service activities	1,042,193
	<u>2,789,326,699</u>

TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS

\$ 2,789,326,699

This schedule presents only the capital asset balances related to governmental activities. Accordingly, the capital assets reported in internal service funds are included in the above amounts.

MONTGOMERY COUNTY, TEXAS

Capital Assets Used in the Operation of Governmental Activities
Schedule by Function and Activity

September 30, 2025

Function and Activity	Total	Land	Buildings
GENERAL ADMINISTRATION:			
Building Maintenance	\$ 2,169,988	\$ 1,800	\$ 171,407
Custodial Services	898,196	30,715	174,371
Civic Center	18,396,941	88,216	15,586,323
Commns/Info Services	22,276,870	-	86,900
County Buildings	109,740,193	-	103,790,345
County Clerk	5,531,151	-	5,118,449
County Land	37,971,815	36,290,850	-
Elections Administrator	13,083,927	3,000	582,570
Human Resources	48,343	-	-
Risk Management	1,103,889	-	951,264
TOTAL GENERAL ADMINISTRATION	<u>211,221,313</u>	<u>36,414,581</u>	<u>126,461,629</u>
FINANCIAL ADMINISTRATION			
County Auditor	11,950	-	-
County Treasurer	11,890	-	-
Purchasing Agent	92,941	-	-
Tax Assessor/Collector	837,528	20,631	-
Budget Office	39,108	-	-
Payroll	34,822	-	-
TOTAL FINANCIAL ADMINISTRATION	<u>1,028,239</u>	<u>20,631</u>	<u>-</u>
HEALTH AND HUMAN SERVICES			
Extension Agents	1,643,718	8,183	815,958
Mental health Treatment Facility	32,696,563	2,631,689	28,503,746
Community Development	11,999,356	563,626	10,614,528
Recycling Stations	265,381	-	61,318
Public Health	23,096,705	159,705	19,889,822
TOTAL HEALTH AND HUMAN SERVICES	<u>69,701,723</u>	<u>3,363,203</u>	<u>59,885,372</u>

TABLE XX

Improvements Other than Buildings	Equipment	Infrastructure	Right to use Equipment	Right to use Building	Right to use Software
\$ 32,784	\$ 1,878,393	\$ -	\$ -	\$ -	\$ 85,604
6,155	653,225	-	-	-	33,730
1,577,781	328,787	-	-	-	815,834
1,061,451	18,921,786	1,278,644	-	32,699	895,390
651,711	434,056	36,490	-	-	4,827,591
-	165,376	-	-	-	247,326
119,913	-	-	-	-	1,561,052
70,469	11,852,774	-	-	-	575,114
-	48,343	-	-	-	-
2,393	101,602	-	-	-	48,630
<u>3,522,657</u>	<u>34,384,342</u>	<u>1,315,134</u>	<u>-</u>	<u>32,699</u>	<u>9,090,271</u>
-	11,950	-	-	-	-
-	11,890	-	-	-	-
-	92,941	-	-	-	-
229,807	319,637	-	-	267,453	-
-	39,108	-	-	-	-
-	34,822	-	-	-	-
<u>229,807</u>	<u>510,348</u>	<u>-</u>	<u>-</u>	<u>267,453</u>	<u>-</u>
758,485	61,092	-	-	-	-
1,114,493	446,635	-	-	-	-
-	821,202	-	-	-	-
53,478	150,585	-	-	-	-
231,247	2,815,931	-	-	-	-
<u>2,157,703</u>	<u>4,295,445</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

MONTGOMERY COUNTY, TEXASCapital Assets Used in the Operation of Governmental Activities
Schedule by Function and Activity

September 30, 2025

Function and Activity	Total	Land	Buildings
CULTURE & RECREATION			
Memorial Library	52,462,280	3,733,272	42,893,000
Parks	26,574,629	7,585,328	3,299,793
TOTAL CULTURE & RECREATION	<u>79,036,909</u>	<u>11,318,600</u>	<u>46,192,793</u>
LAW ENFORCEMENT AND CORRECTIONS			
Emergency Management	40,528,956	3,559,920	7,812,644
Fire Marshal	2,715,921	-	-
Constables	15,753,356	22,813	462,577
Sheriff	93,365,971	3,183,489	25,276,260
District Attorney Forfeitures	448,169	-	14,838
District Attorney	683,106	-	-
Jail	6,647,611	-	5,778,404
Juvenile Probation	1,893,215	-	1,467,231
Adult Probation	13,156	-	13,150
LAW ENFORCEMENT AND CORRECTIONS	<u>162,049,461</u>	<u>6,766,222</u>	<u>40,825,104</u>
LEGAL and JUDICIAL SERVICES			
Courts	45,125	-	-
District Clerk	7,121	-	7,121
Justice of Peace	3,241,852	-	2,946,780
Law Library	536,802	-	-
LEGAL and JUDICIAL SERVICES	<u>3,830,900</u>	<u>-</u>	<u>2,953,901</u>
PUBLIC TRANSPORTATION			
Engineer	254,722	-	-
Traffic Operations	2,320,475	306	1,391,216
Commissioners' Operations	2,186,900,272	148,746,615	8,411,900
Airport	60,148,155	1,701,523	7,185,614
TRANSPORTATION	<u>2,249,623,624</u>	<u>150,448,444</u>	<u>16,988,730</u>
SUBTOTAL	<u>2,776,492,169</u>	<u>\$ 208,331,681</u>	<u>\$ 293,307,529</u>
Construction in progress	<u>27,429,822</u>		
TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS	<u>\$ 2,803,921,991</u>		

TABLE XX

Improvements Other than Buildings	Equipment	Infrastructure	Right to Use Equipment	Right to Use Building	Right to Use Software
134,716	5,701,292	-	-	-	-
15,689,508	-	-	-	-	-
15,824,224	5,701,292	-	-	-	-
758,939	28,384,068	-	-	-	13,385
-	2,715,034	-	-	-	887
68,913	15,192,699	-	-	-	6,354
1,817,568	55,288,770	2,620,139	4,707,994	428,610	43,141
23,181	409,935	-	-	-	215
-	682,910	-	-	-	196
16,697	849,337	-	-	-	3,173
-	425,076	-	-	-	908
-	-	-	-	-	6
2,685,298	103,947,829	2,620,139	4,707,994	428,610	68,265
926	44,199	-	-	-	-
-	-	-	-	-	-
35,467	259,605	-	-	-	-
-	536,802	-	-	-	-
36,393	840,606	-	-	-	-
-	254,722	-	-	-	-
-	928,953	-	-	-	-
5,349,669	40,086,332	1,984,305,756	-	-	-
834,365	931,559	49,495,094	-	-	-
6,184,034	42,201,566	2,033,800,850	-	-	-
\$ 30,640,116	\$ 191,881,428	\$ 2,037,736,123	\$ 4,707,994	\$ 728,762	\$ 9,158,536

MONTGOMERY COUNTY, TEXAS

TABLE XXI

Capital Assets Used in the Operation of Governmental Activities
Schedule of Changes by Function and Activity

September 30, 2025

Function and Activity	Capital Assets October 1, 2024	Additions	Deletions	Capital Assets September 30, 2025
GENERAL ADMINISTRATION:				
Building Maintenance	\$ 1,920,040	\$ 347,556	\$ 97,608	\$ 2,169,988
Custodial Services	756,539	172,899	31,242	898,196
Civic Center	18,298,589	265,424	167,072	18,396,941
Commns/Info Services	20,082,977	5,499,282	3,305,389	22,276,870
County Buildings	108,279,484	1,460,709	-	109,740,193
County Clerk	5,547,354	66,799	83,002	5,531,151
County Land	35,013,316	3,093,273	134,774	37,971,815
Elections Administrator	12,899,416	184,511	-	13,083,927
Human Resources	-	48,343	-	48,343
Risk Management	1,090,756	13,133	-	1,103,889
TOTAL GENERAL ADMINISTRATION	<u>203,888,471</u>	<u>11,151,929</u>	<u>3,819,087</u>	<u>211,221,313</u>
FINANCIAL ADMINISTRATION:				
County Auditor	20,945	-	8,995	11,950
County Treasurer	11,890	-	-	11,890
Purchasing Agent	92,941	2,701,366	2,701,366	92,941
Tax Assessor/Collector	653,204	207,802	23,478	837,528
Budget Office	39,108	-	-	39,108
Payroll	34,822	-	-	34,822
TOTAL FINANCIAL ADMINISTRATION	<u>852,910</u>	<u>2,909,168</u>	<u>2,733,839</u>	<u>1,028,239</u>
HEALTH AND HUMAN SERVICES				
Extension Agents	1,643,718	-	-	1,643,718
Mental Health Treatment	32,702,808	-	6,245	32,696,563
Community Development	11,792,723	206,633	-	11,999,356
Recycling Stations	265,381	-	-	265,381
Public Health	22,850,925	380,964	135,184	23,096,705
TOTAL HEALTH AND HUMAN SERVICES	<u>69,255,555</u>	<u>587,597</u>	<u>141,429</u>	<u>69,701,723</u>

MONTGOMERY COUNTY, TEXAS

TABLE XXI

Capital Assets Used in the Operation of Governmental Activities
Schedule of Changes by Function and Activity

September 30, 2025

Function and Activity	Capital Assets October 1, 2024	Additions	Deletions	Capital Assets September 30, 2025
CULTURE & RECREATION:				
Memorial Library	25,022,947	32,320,016	4,880,683	52,462,280
Parks	29,316,759	-	2,742,130	26,574,629
TOTAL CULTURE & RECREATION	<u>54,339,706</u>	<u>32,320,016</u>	<u>7,622,813</u>	<u>79,036,909</u>
PUBLIC SAFETY:				
Emergency Management	27,911,273	12,771,504	153,821	40,528,956
Fire Marshal	1,849,261	899,635	32,975	2,715,921
Constables	13,247,335	3,323,002	816,981	15,753,356
Sheriff	95,080,318	3,978,285	5,692,632	93,365,971
District Attorney Forfeitures	448,111	58	-	448,169
District Attorney	408,551	387,919	113,364	683,106
Jail	6,615,902	31,709	-	6,647,611
Juvenile Probation	1,892,970	245	-	1,893,215
Adult Probation	13,156	-	-	13,156
TOTAL PUBLIC SAFETY	<u>147,466,877</u>	<u>21,392,357</u>	<u>6,809,773</u>	<u>162,049,461</u>
LEGAL AND JUDICIAL				
Courts	39,245	10,900	5,020	45,125
District Clerk	7,121	-	-	7,121
Justice of Peace	3,277,429	-	35,577	3,241,852
Law Library	538,830	60,280	62,308	536,802
TOTAL LEGAL AND JUDICIAL	<u>3,862,625</u>	<u>71,180</u>	<u>102,905</u>	<u>3,830,900</u>
PUBLIC TRANSPORTATION:				
Engineers	164,605	90,117	-	254,722
Traffic Operations	2,122,652	240,400	42,577	2,320,475
Commissioners' Operations	2,079,978,134	109,186,543	2,264,405	2,186,900,272
Airport	60,432,293	52,273	336,411	60,148,155
TOTAL PUBLIC TRANSPORTATION	<u>2,142,697,684</u>	<u>109,569,333</u>	<u>2,643,393</u>	<u>2,249,623,624</u>
Construction in progress	<u>9,462,945</u>	<u>33,391,317</u>	<u>15,424,440</u>	<u>27,429,822</u>
TOTAL GOVERNMENTAL ACTIVITIES CAPITAL ASSETS	<u>\$ 2,631,826,773</u>	<u>\$ 211,392,897</u>	<u>\$ 39,297,679</u>	<u>\$ 2,803,921,991</u>

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