

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**

**FORT BEND COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2025**

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# ***McCall Gibson Swedlund Barfoot Ellis PLLC***

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## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Fort Bend County Emergency  
Services District No. 6  
Fort Bend County, Texas

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and major fund of Fort Bend County Emergency Services District No. 6 (the "District") as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of December 31, 2025, and the respective changes in financial position 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. 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 District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted 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 District'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 District'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 and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*McCall Gibson Swedlund Barfoot Ellis PLLC*

McCall Gibson Swedlund Barfoot Ellis PLLC  
Certified Public Accountants  
Houston, Texas

April 27, 2026

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

Management’s discussion and analysis of Fort Bend County Emergency Services District No. 6’s (the “District”) financial performance provides an overview of the District’s financial activities for the year ended December 31, 2025. Please read it in conjunction with the District’s financial statements.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The basic financial statements include: (1) fund financial statements and government-wide financial statements and (2) notes to the financial statements. The fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Fund Balance Sheet and (2) the Statement of Activities and Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. This report also includes required supplementary information in addition to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

The Statement of Net Position includes all the District’s assets, liabilities and, if applicable, deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District’s net position changed during the current period. All current year revenues and expenses are included regardless of when cash is received or paid.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**FUND FINANCIAL STATEMENTS**

The combined statements also include fund financial statements. 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. The District has one governmental fund type. The General Fund accounts for resources not accounted for in another fund, property tax revenues, costs of assessing and collecting taxes, and general expenditures.

Governmental funds are reported in each of the financial statements. The focus in the fund financial statements provides a distinctive view of the District’s governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

**NOTES TO THE FINANCIAL STATEMENTS**

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

**OTHER INFORMATION**

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information (“RSI”). The budgetary comparison schedule is included as RSI for the General Fund.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the District’s financial position. In the case of the District, assets exceeded liabilities and deferred inflows of resources by \$2,281,170 as of December 31, 2025.

The following is a comparative analysis of government-wide changes in net position:

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

	Summary of the Statement of Net Position		
	2025	2024	Change Positive (Negative)
Current and Other Assets	\$ 3,210,173	\$ 2,706,723	\$ 503,450
Capital Assets and Right-of-Use Assets (Net of Accumulated Depreciation/Amortization)	3,492,847	3,299,067	193,780
Total Assets	\$ 6,703,020	\$ 6,005,790	\$ 697,230
Long-Term Liabilities	\$ 2,478,477	\$ 2,597,961	\$ 119,484
Current and Other Liabilities	447,859	190,407	(257,452)
Total Liabilities	\$ 2,926,336	\$ 2,788,368	\$ (137,968)
Deferred Inflows of Resources	\$ 1,495,514	\$ 1,223,094	\$ (272,420)
Net Position:			
Net Investment in Capital Assets	\$ 793,600	\$ 868,056	\$ (74,456)
Unrestricted	1,487,570	1,126,272	361,298
Total Net Position	\$ 2,281,170	\$ 1,994,328	\$ 286,842

The following table provides a summary of the District's operations for the years ended December 31, 2025 and December 31, 2024.

	Summary of the Statement of Activities		
	2025	2024	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 1,236,360	\$ 985,735	\$ 250,625
Other Revenues	96,122	84,424	11,698
Total Revenues	\$ 1,332,482	\$ 1,070,159	\$ 262,323
Expenses for Services	1,045,640	718,565	(327,075)
Change in Net Position	\$ 286,842	\$ 351,594	\$ (64,752)
Net Position, Beginning of Year	1,994,328	1,642,734	351,594
Net Position, End of Year	\$ 2,281,170	\$ 1,994,328	\$ 286,842

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND**

The District's General Fund fund balance as of December 31, 2025, was \$1,646,280 an increase of \$215,737 from the prior year. The increase was primarily due to revenues and lease proceeds exceeding expenditures during the year.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Commissioners did not amend the budget during the current fiscal year. Actual revenues were \$134,332 more than budgeted revenues, actual expenditures were \$286,763 more than budgeted expenditures and lease proceeds were \$250,000 were not budgeted, which resulted in a negative variance of \$97,569. See the budget to actual comparison for more information.

**CAPITAL ASSETS**

The District's investment in capital assets as of December 31, 2025, amounts to \$3,225,025. This investment in capital assets includes land, buildings and vehicles and equipment.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2025	2024	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land	\$ 28,535	28,535	\$
Capital Assets, Net of Accumulated Depreciation:			
Buildings and Improvements	3,183,067	3,248,528	(65,461)
Vehicles and Equipment	13,423	22,004	(8,581)
Total Net Capital Assets	\$ 3,225,025	\$ 3,299,067	\$ (74,042)

**RIGHT-OF-USE ASSETS**

In accordance with GASB Statement No. 87, the District reclassified certain capital assets to right-of-use assets. Right-of-use assets include the Skeeter Ford F-550 Brush Truck, which totaled \$283,113, had current year amortization of \$15,291 as of December 31, 2025.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**LONG-TERM DEBT ACTIVITY**

At the end of the current fiscal year, the District had total long-term debt payable of \$ 2,847,961. The changes in the debt position of the District during the year ended December 31, 2025, are summarized as follows:

Loan Payable, January 1, 2025	\$ 2,713,976
Less: Principal Paid	<u>116,015</u>
Loan Payable, December 31, 2025	<u>\$ 2,597,961</u>
Lease Payable, January 1, 2025	\$ - 0 -
Add: Lease Proceeds	<u>250,000</u>
Lease Payable, December 31, 2025	<u>\$ 250,000</u>

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Fort Bend County Emergency Services District No. 6, c/o Radcliffe Adams Barner PLLC, 3355 West. Alabama Street, Suite 350, Houston, Texas 77098

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2025**

	General Fund	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash	\$ 1,313,850	\$	\$ 1,313,850
Investments	514,909		514,909
Due from Fort Bend County Tax Assessor/Collector	66,175		66,175
Receivables:			
Property Taxes	1,300,416		1,300,416
Penalty and Interest on Delinquent Taxes		13,853	13,853
Other	570		570
Prepaid Costs	400		400
Land		28,535	28,535
Capital Assets (Net of Accumulated Depreciation)		3,196,490	3,196,490
Right-of-Use Assets (Net of Accumulated Amortization)		267,822	267,822
<b>TOTAL ASSETS</b>	<b>\$ 3,196,320</b>	<b>\$ 3,506,700</b>	<b>\$ 6,703,020</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 7,631		\$ 7,631
Accrued Interest Payable		70,744	70,744
Leases Payable:			
Due Within One Year		79,190	79,190
Due After One Year		170,810	170,810
Loan Payable:			
Due Within One Year		119,484	119,484
Due After One Year		2,478,477	2,478,477
<b>TOTAL LIABILITIES</b>	<b>\$ 7,631</b>	<b>\$ 2,918,705</b>	<b>\$ 2,926,336</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	\$ 1,542,409	\$ (46,895)	\$ 1,495,514
<b>FUND BALANCE</b>			
Nonspendable:			
Prepaid Costs	\$ 400	\$ (400)	\$
Restricted for Operating Reserves	148,714	(148,714)	
Unassigned	1,497,166	(1,497,166)	
<b>TOTAL FUND BALANCE</b>	<b>\$ 1,646,280</b>	<b>\$ (1,646,280)</b>	<b>\$ - 0 -</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	<b>\$ 3,196,320</b>		
<b>NET POSITION</b>			
Net Investment in Capital Assets		\$ 793,600	\$ 793,600
Unrestricted		1,487,570	1,487,570
<b>TOTAL NET POSITION</b>		<b>\$ 2,281,170</b>	<b>\$ 2,281,170</b>

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

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2025**

Total Fund Balance - Governmental Funds \$ 1,646,280

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

Capital assets and right-of-use assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds. 3,492,847

Deferred inflows of resources related to property tax revenues on delinquent taxes for the 2024 and prior tax levies became part of recognized revenues in the governmental activities of the District. 60,748

Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Accrued Interest Payable	\$ (70,744)	
Leases Due Within One Year	(79,190)	
Leases Due After One Year	(170,810)	
Loan Payable Within One Year	(119,484)	
Loan Payable After One Year	<u>(2,478,477)</u>	<u>(2,918,705)</u>

Total Net Position - Governmental Activities \$ 2,281,170

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

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	General Fund	Adjustments	Statement of Activities
<b>REVENUES</b>			
Property Taxes	\$ 1,223,593	\$ 12,767	\$ 1,236,360
Penalty and Interest	13,800	3,702	17,502
Investment Revenues	70,011		70,011
Sale of Assets	7,700		7,700
Miscellaneous Revenues	909		909
<b>TOTAL REVENUES</b>	<u>\$ 1,316,013</u>	<u>\$ 16,469</u>	<u>\$ 1,332,482</u>
<b>EXPENDITURES/EXPENSES</b>			
Service Operations:			
District Services - Village of Pleak			
Volunteer Fire Department	\$ 5,595	\$	\$ 5,595
District Services - City of Rosenberg	556,250		556,250
Accounting and Auditing	13,000		13,000
Appraisal District Fees	15,247		15,247
Facilities and Equipment	40,814		40,814
Operations	18,119		18,119
Insurance	33,880		33,880
Legal Fees - General	99,668		99,668
Legal Fees - Delinquent Tax Collections	4,598		4,598
Utilities	4,362		4,362
Repairs and Maintenance	26,297		26,297
Depreciation/Amortization		119,517	119,517
Other	21,986		21,986
Capital Outlay	313,297	(313,297)	
Debt Service:			
Lease Interest		7,963	7,963
Loan Principal	116,015	(116,015)	
Loan Interest	81,148	(2,804)	78,344
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>\$ 1,350,276</u>	<u>\$ (304,636)</u>	<u>\$ 1,045,640</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER</b>			
<b>EXPENDITURES</b>	<u>\$ (34,263)</u>	<u>\$ 34,263</u>	<u>\$ - 0 -</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Lease Proceeds	\$ 250,000	\$ (250,000)	\$ - 0 -
<b>NET CHANGE IN FUND BALANCE</b>	\$ 215,737	\$ (215,737)	\$
<b>CHANGE IN NET POSITION</b>		286,842	286,842
<b>FUND BALANCE/NET POSITION -</b>			
<b>JANUARY 1, 2025</b>	<u>1,430,543</u>	<u>563,785</u>	<u>1,994,328</u>
<b>FUND BALANCE/NET POSITION -</b>			
<b>DECEMBER 31, 2025</b>	<u>\$ 1,646,280</u>	<u>\$ 634,890</u>	<u>\$ 2,281,170</u>

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

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6  
RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE  
STATEMENT OF ACTIVITIES  
DECEMBER 31, 2025**

Net Change in Fund Balance - Governmental Funds \$ 215,737

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

Governmental funds report tax revenues when collected. However, in the government-wide financial statements, revenues are recorded in the accounting period for which the taxes are levied. 12,767

Governmental funds report penalty and interest revenues on property taxes when collected. However, in the government-wide financial statements, revenues are recorded when penalty and interest are assessed. 3,702

Governmental funds do not account for depreciation or amortization. However, in the government-wide financial statements, capital assets are depreciated, Right-of-Use assets are amortized and depreciation/amortization expense is recorded in the Statement of Activities. (119,517)

Governmental funds report capital asset costs as expenditures in the period purchased. However, in the government-wide financial statements, capital assets are increased by new purchases that meet the District's threshold for capitalization, and are owned and maintained by the District. All other capital asset purchases are expensed in the Statement of Activities. 313,297

Governmental funds report principal payments on long-term liabilities as expenditures in the year paid. However, in the government-wide financial statements, liabilities are reduced when principal payments are made and the Statement of Activities is not affected. 116,015

Governmental funds report interest payments on long-term debt as expenditures in the year paid. However, in the government-wide financial statements, interest is accrued on long-term debt through the fiscal year-end. (5,159)

Governmental funds report lease proceeds as other financing sources. However, in the government-wide financial statements, the issuance of debt increases long-term liabilities and does not affect the Statement of Activities. (250,000)

Change in Net Position - Governmental Activities \$ 286,842

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

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 1. CREATION OF DISTRICT**

Fort Bend County Emergency Services District No. 6 (the “District”) was created by the Commissioners’ Court of Fort Bend County on August 11, 2015, in accordance with Article III, Section 48-e, of the Texas Constitution. The creation of the District was ordered by the Fort Bend County Commissioners Court following voter approval by residents of the District as a result of the Special Election held on May 9, 2015. The District operates under Chapter 775 of the Health and Safety Code. The District was established to provide funds for the contracting of emergency services within the boundaries of the District.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”).

The District is a political subdivision of the State of Texas governed by an appointed Board of Commissioners. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (Continued)

- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenues and expenses in the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Governmental Funds Balance Sheet and a Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.

Governmental Funds

The District has one governmental fund; therefore, this fund is a major fund.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

General Fund - To account for resources not required to be accounted for in another fund, property tax revenues, costs of assessing and collecting taxes and general expenditures.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in governmental funds to be available if they are collectable within sixty (60) days after year-end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include 2024 tax levy collections during the period October 1, 2024, to December 31, 2025, and taxes collected from January 1, 2025, to December 31, 2025, for all prior tax levies. The 2025 tax levy has been fully deferred to meet the District’s planned expenditures in the 2026 fiscal year.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

Capital Assets and Right-of-Use Assets

Capital assets, which include land, buildings and equipment, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as an expenditure in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset after completion. Installation costs, professional fees and certain other costs are capitalized as part of the asset.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital Assets and Right-of-Use Assets (Continued)

In accordance with GASB Statement No. 87, at December 31, 2025, the District recorded the Skeeter Ford F-550 Brush Truck as a right-of-use asset (see Note 9). The Right-of-Use asset is being amortized over the estimated useful life using the straight-line method of amortization.

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Commissioners are wages subject to federal income tax withholding for payroll tax purposes only.

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, liabilities, and deferred inflows and outflows of resources associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Governmental Funds Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

*Nonspendable*: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

*Restricted*: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement Focus (Continued)

*Committed:* amounts that can be spent only for purposes determined by a formal action of the Board of Commissioners. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

*Assigned:* amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

*Unassigned:* all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 3. TAX LEVY**

On May 9, 2015, the voters of the District approved a maximum tax rate of \$0.10 per \$100 of assessed valuation of taxable property within the District. During the year ended December 31, 2025, the District levied an ad valorem tax at the rate of \$0.087012 per \$100 of assessed valuation, which resulted in a tax levy of \$1,301,277 on the adjusted taxable valuation of \$1,494,715,074 for the 2025 tax year.

During the year ended December 31, 2025, the District levied an ad valorem debt service tax rate of \$ 0.012988 per \$100 of assessed valuation, which resulted in a tax levy of \$ 194,237 on the adjusted taxable valuation of \$ 1,494,715,074 for the 2025 tax year. The 2025 levy has been fully deferred to meet the principal and interest due for the 2026 fiscal year.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 3. TAX LEVY (Continued)**

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

**NOTE 4. DEPOSITS AND INVESTMENTS**

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At year-end, the carrying amount of the District's deposits was \$1,313,850 and the bank balance was \$1,314,550. The bank balance was fully covered by federal depository insurance.

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Commissioners.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 4. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas Cooperative Liquid Assets Securities System Trust (“Texas CLASS”), an external public funds investment pool that is not SEC-registered. Public Trust Advisors, LLC serves as the investment pool’s administrator and investment advisor. The investment pool is subject to the general supervision of the Board of Trustees and its Advisory Board. UMB Bank, N.A. serves as custodian for the investment pool. Investments held by Texas CLASS are priced to market on a weekly basis. The investments are considered to be Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District’s position in the investment pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from Texas CLASS.

As of December 31, 2025, the District had the following investments and maturities.

Fund and Investment Type	Fair Value	Maturities in Years		
		Less Than 1 Year	1-5	6-10
<u>GENERAL FUND</u>				
Texas CLASS	\$ 514,909	\$ 514,909	\$ - 0 -	\$ - 0 -

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2025, the District’s investments in Texas CLASS was rated “AAAm” by S & P Global Ratings.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in Texas CLASS to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 5. CAPITAL ASSETS**

	January 1, 2025	Increases	Decreases	December 31, 2025
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 28,535	\$ - 0 -	\$ - 0 -	\$ 28,535
<b>Capital Assets at Historical Cost Subject to Depreciation</b>				
Buildings and Improvements	\$ 3,272,780	\$ 30,184	\$	\$ 3,302,964
Vehicles and Equipment	25,742	_____	_____	25,742
<b>Total Capital Assets at Historical Cost Subject to Depreciation</b>	<u>\$ 3,298,522</u>	<u>\$ 30,184</u>	<u>\$ - 0 -</u>	<u>\$ 3,328,706</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	\$ 24,252	\$ 95,645	\$	\$ 119,897
Vehicles and Equipment	3,738	8,581	_____	12,319
<b>Total Accumulated Depreciation</b>	<u>\$ 27,990</u>	<u>\$ 104,226</u>	<u>\$ - 0 -</u>	<u>\$ 132,216</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 3,270,532</u>	<u>\$ (74,042)</u>	<u>\$ - 0 -</u>	<u>\$ 3,196,490</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 3,299,067</u>	<u>\$ 239,255</u>	<u>\$ 313,297</u>	<u>\$ 3,225,025</u>

**NOTE 6. CONTRACT FOR PROVIDING EMERGENCY SERVICES**

The District entered into an agreement with the City of Rosenberg, Texas (the “City”) for a period beginning September 1, 2024, and ending September 30, 2025, for fire protection and rescue services to persons, buildings, and property located within the District’s Territory. The agreement is the period of September 1, 2024, and ending September 30, 2025 (the “Initial Term”) and shall be automatically renewed thereafter for a successive one-year term. The District shall prepay the City a quarterly payment of \$125,000 for each annual quarter due by the 15<sup>th</sup> of the month in each quarter. The second term beginning October 1, 2025, the quarterly payment due has been adjusted to \$80,250 per quarter.

During the current fiscal year, the District paid the City \$556,250 for services for fiscal year 2025.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 7. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and errors and omissions for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

**NOTE 8. LOAN PAYABLE**

On March 11, 2022, the District entered into a \$2,936,000 construction loan agreement with Government Capital Corporation to fund the construction of a fire station, secured by tax funds. Annual installments of \$197,163 are due each March 11, beginning March 11, 2023, and ending March 11, 2042. The interest rate is 2.99%.

The following is a summary of transactions regarding loans payable for the year ended December 31, 2025:

	January 1, 2025	Additions	Retirements	December 31, 2025
Loan Payable	\$ 2,713,976	\$ - 0 -	\$ 116,015	\$ 2,597,961
				Amount Due Within One Year \$ 119,484
				Amount Due After One Year <u>2,478,477</u>
				Loan Payable <u>\$ 2,597,961</u>

As of December 31, 2025, the debt service requirements on the loans payable were as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 119,484	\$ 77,679	\$ 197,163
2027	123,056	74,107	197,163
2028	126,736	70,427	197,163
2029	130,525	66,638	197,163
2030	134,428	62,735	197,163
2031-2035	734,888	250,927	985,815
2036-2040	851,524	134,291	985,815
2041-2042	<u>377,320</u>	<u>17,006</u>	<u>394,326</u>
	<u>\$ 2,597,961</u>	<u>\$ 753,810</u>	<u>\$ 3,351,771</u>

The assets acquired with these loans, are operated and maintained by the Department, and insured by the District.

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 9. LEASES**

On May 19, 2025, the District entered into a lease-purchase agreement with Community First National Bank for a Skeeter Ford F-550 Brush Truck in the amount of \$250,000. Assets under this capital lease total \$283,113. Accumulated amortization/depreciation through December 31, 2025, was \$15,291. Lease payments and related interest of \$92,050 are due annually beginning May 19, 2026 and ending May 19, 2028. The District's incremental borrowing rate is 5.144%.

In accordance with the requirements of GASB Statement No. 87, the District reclassified the truck related to capital assets above to right-of-use assets. Right of-of-use assets, current year amortization expense, and accumulated amortization is summarized below:

	<u>January 1, 2025</u>	<u>Increases</u>	<u>Decreases</u>	<u>December 31, 2025</u>
<b>Right-of-use Asset Subject to Amortization</b>				
Equipment and Vehicles	\$ - 0 -	\$ 283,113	\$ - 0 -	\$ 283,113
<b>Less Accumulated Amortization</b>				
Equipment and Vehicles	\$ - 0 -	\$ 15,291	\$ - 0 -	\$ 15,291
<b>Right-of-use Asset, Net of Accumulated Amortization</b>	<u>\$ - 0 -</u>	<u>\$ 267,822</u>	<u>\$ - 0 -</u>	<u>\$ 267,822</u>

The following is a summary of transactions regarding leases payable for the year ended December 31, 2025:

Lease Payable, January 1, 2025	\$ - 0 -
Add: Lease Proceeds	<u>250,000</u>
Lease Payable, December 31, 2025	<u>\$ 250,000</u>
Amount Due Within One Year	\$ 79,190
Amount Due After One Year	<u>170,810</u>
Notes Payable	<u>\$ 250,000</u>

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2025**

**NOTE 9. LEASES (Continued)**

The following is a schedule of future minimum lease payments under the leases as of December 31, 2025. The obligations of the District contain a non-appropriation provision.

Fiscal Year	Principal	Interest	Total
2026	\$ 79,190	\$ 12,860	\$ 92,050
2027	83,263	8,787	92,050
2028	87,547	4,503	92,050
	\$ 250,000	\$ 26,150	\$ 276,150

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**

**REQUIRED SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2025**

**FORT BEND COUNTY EMERGENCY SERVICES DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Property Taxes	\$ 1,181,681	\$ 1,223,593	\$ 41,912
Penalty and Interest		13,800	13,800
Investment Revenues		70,011	70,011
Sale of Assets		7,700	7,700
Miscellaneous Revenues		909	909
<b>TOTAL REVENUES</b>	<u>\$ 1,181,681</u>	<u>\$ 1,316,013</u>	<u>\$ 134,332</u>
<b>EXPENDITURES</b>			
Service Operations:			
District Services - Villages of Pleak	\$	\$ 5,595	\$ (5,595)
District Services - City of Rosenberg	500,000	556,250	(56,250)
Accounting and Auditing	9,000	13,000	(4,000)
Appraisal District Fees	28,350	15,247	13,103
Facilities and Equipment	40,000	40,814	(814)
Operations	70,000	18,119	51,881
Insurance	60,000	33,880	26,120
Legal Fees - General	30,000	99,668	(69,668)
Legal Fees - Delinquent Tax Collections		4,598	(4,598)
Tax Assessor/Collector Fees	6,000		6,000
Utilities	60,000	4,362	55,638
Repairs and Maintenance		26,297	(26,297)
Other	13,000	21,986	(8,986)
Capital Outlay	50,000	313,297	(263,297)
Debt Service			
Loan Principal	116,015	116,015	
Loan Interest	81,148	81,148	
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,063,513</u>	<u>\$ 1,350,276</u>	<u>\$ (286,763)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 118,168</u>	<u>\$ (34,263)</u>	<u>\$ (152,431)</u>
<b>OTHER FINANCING SOURCES(USES)</b>			
Lease Proceeds	<u>\$ -0-</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 118,168	\$ 215,737	\$ 97,569
<b>FUND BALANCE - JANUARY 1, 2025</b>	<u>1,430,543</u>	<u>1,430,543</u>	
<b>FUND BALANCE - DECEMBER 31, 2025</b>	<u>\$ 1,548,711</u>	<u>\$ 1,646,280</u>	<u>\$ 97,569</u>

See accompanying independent auditor's report.