CREDIT UNION DEPARTMENT
STATE OF TEXAS

ANNUAL FINANCIAL REPORT

For The Year Ended August 31, 2026



Robert W. Etheridge
Commissioner

TABLE OF CONTENTS

I. LETTER OF TRANSMITTAL

II. GENERAL PURPOSE FINANCIAL STATEMENTS

Exhibit I - Combined Balance Sheet/ Statement of Net Assets - Governmental Funds 2

Exhibit II - Combined Statement of Revenues, Expenditures and Changes in Fund Balances/ Statement of Activities - Governmental Funds 3

Exhibit VI - Combined Statement of Net Position - Fiduciary Funds 4

III. **NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1: Summary of Significant Accounting Policies 5
NOTE 2: Capital Assets 9
NOTE 3: Deposits, Investments, & Repurchase Agreements 10
NOTE 4: Short Term Debt 11
NOTE 5: Long-Term Liabilities 11
NOTE 6: Bonded Indebtedness 11
NOTE 7: Derivatives 11
NOTE 8: Leases 11
NOTE 9: Defined Benefit Pension Plans and Defined Contribution Plan 12
NOTE 10: Deferred Compensation 12
NOTE 11: Postemployment Benefits Other Than Pensions 12
NOTE 12: Interfund Activity and Transactions 12
NOTE 13: Continuance Subject to Review 12
NOTE 14: Adjustments to Fund Balances and Net Position 12
NOTE 15: Contingencies and Commitments 12
NOTE 16: Subsequent Events 13
NOTE 17: Risk Management 13
NOTE 18: Management Discussion and Analysis 13
NOTE 19: The Financial Reporting Entity 13
NOTE 20: Stewardship, Compliance and Accountability 13
NOTE 21: Not Applicable to the AFR 13
NOTE 22: Donor Restricted Endowments 13
NOTE 23: Extraordinary and Special items 13
NOTE 24: Disaggregation of Receivable and Payable Balances 13
NOTE 25: Termination Benefits 13
NOTE 26: Segment Information 13
NOTE 27: Service Concession Arrangements 13
NOTE 28: Deferred Outflows of Resources and Deferred Inflows of Resources 13
NOTE 29: Troubled Debt Restructuring 13
NOTE 30: Non-Exchange Financial Guarantees 13
NOTE 31: Tax Abatements 13
NOTE 32: Governmental Fund Balances 14

IV. COMBINING FINANCIAL STATEMENTS

Exhibit A-1 - Combining Balance Sheet-All General and Consolidated Funds 15
Exhibit A-2 - Combining Statement of Revenues, Expenditures and Changes in Fund Balance 16
Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds 17

CREDIT UNION DEPARTMENT

Robert W. Etheridge
Commissioner

David C. Borden
Deputy Commissioner

September 30, 2026

Honorable Greg Abbott, Governor
Honorable Don Huffines, Texas Comptroller
Nora Velasco, Deputy Director, Legislative Budget Board
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Credit Union Department for the year ended August 31, 2026, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR);* therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Glenn Cook at (512) 837-9236.

Sincerely,

Robert W. Etheridge
Commissioner

RWE/gc

914 East Anderson Lane • Austin, Texas 78752-1699 • Telephone (512) 837-9236 • FAX (512) 832-0278

UNAUDITED

Credit Union Department (469)

Exhibit I - Combined Balance Sheet/Statement of Net Assets - Governmental Funds

August 31, 2026

	Governmental Fund Types				
	General Funds	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Assets
ASSETS					
Current Assets:					
Cash & Cash Equivalents (Note 3)					
Cash in Bank	$ -	$ -	$	$	$ -
Cash in State Treasury	466,339.98	466,339.98			466,339.98
Cash Equivalents	3,629,049.06	3,629,049.06			3,629,049.06
Due from Other Funds (Note 8)					
Due from Other Agencies	-	-			-
Consumable Inventories	-	-			-
Total Current Assets	4,095,389.04	4,095,389.04			4,095,389.04
Non-Current Assets:					
Capital Assets (Note 2):					
Non-Depreciable or Non-amortizable					
Land and Land Improvements			55,403.00		55,403.00
Depreciable or Amortizable, Net			-		-
Buildings and Building Improvements			9,346.75		9,346.75
Less Accumulated Depreciation			-		-
Furniture and Equipment			3,164.20		3,164.20
Less Accumulated Depreciation			-		-
Total Non-Current Assets			67,913.95		67,913.95
Total Assets	$ 4,095,389.04	$ 4,095,389.04	$ 67,913.95	$ 0.00	$ 4,163,302.99
LIABILITIES AND FUND BALANCES					
Liabilities					
Current Liabilities:					
Payables from:					
Accounts	$ 11,716.26	$ 11,716.26	$	$	$ 11,716.26
Payroll	412,125.13	412,125.13			412,125.13
Due To Other Funds					
Due To Other Agencies					
Employees' Compensable Leave				285,497.91	285,497.91
Total Current Liabilities	423,841.39	423,841.39		285,497.91	709,339.30
Non-Current Liabilities					
Employees' Compensable Leave				154,891.54	154,891.54
Total Non-Current Liabilities				154,891.54	154,891.54
Total Liabilities	423,841.39	423,841.39		440,389.45	864,230.84
Fund Financial Statement					
Fund Balances (Deficits):					
Committed	3,629,049.06	3,629,049.06			3,629,049.06
Unassigned	42,498.59	42,498.59			42,498.59
Total Fund Balances	3,671,547.65	3,671,547.65			3,671,547.65
Total Liabilities and Fund Balances	$4,095,389.04	$4,095,389.04			
Government-Wide Statement of Net Assets					
Net Assets					
Invested in Capital Assets, Net of Related Debt			67,913.95		67,913.95
Other					
Unrestricted				(440,389.45)	(440,389.45)
Total Net Assets			**$67,913.95**	**$(440,389.45)**	**$3,299,072.15**

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

UNAUDITED

Credit Union Department (469)

Exhibit II - Combined Statement of Revenues, Expenditures and Changes in Fund Balances/ Statement of Activities - Governmental Funds
For the Fiscal Year Ended August 31, 2026

	General Funds	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
REVENUES					
Licenses, Fees & Permits (PR)	5,742,646.01	5,742,646.01			5,742,646.01
Interest and Other Investment Income (GR)	169,611.47	169,611.47			169,611.47
Total Revenues	**5,912,257.48**	**5,912,257.48**			**5,912,257.48**
EXPENDITURES					
Salaries and Wages	3,629,949.79	3,629,949.79		82,012.87	3,711,962.66
Payroll Related Costs	1,108,271.86	1,108,271.86			1,108,271.86
Professional Fees and Services	253,070.08	253,070.08			253,070.08
Travel	494,961.54	494,961.54			494,961.54
Materials and Supplies	58,842.43	58,842.43			58,842.43
Communication and Utilities	52,069.12	52,069.12			52,069.12
Repairs and Maintenance	11,419.99	11,419.99			11,419.99
Rentals and Leases	4,387.24	4,387.24			4,387.24
Printing and Reproduction	174.90	174.90			174.90
Other Expenditures	154,457.89	154,457.89			154,457.89
Capital Outlay	0.00	0.00	0.00		0.00
Depreciation Expense			2,148.24		2,148.24
Total Expenditures/Expenses	**5,767,604.84**	**5,767,604.84**	**2,148.24**	**82,012.87**	**5,851,765.95**
Excess (Deficiency) of Revenues over Expenditures	**144,652.64**	**144,652.64**	**(2,148.24)**	**(82,012.87)**	**60,491.53**
OTHER FINANCING SOURCES (USES)					
Transfer In	-	-			-
Transfer Out	(-)	(-)			(-)
Total Other Financing Sources (Uses)	-	-			-
Net Change in Fund Balances/Net Assets	**144,652.64**	**144,652.64**			**60,491.53**
Fund Financial Statement - Fund Balances					
Fund Balances, September 1, 2025	3,526,895.01	3,526,895.01			3,526,895.01
Restatements (Note 14)		0.00			0.00
Fund Balances, September 1, 2025, as Restated	**3,526,895.01**	**3,526,895.01**			**3,526,895.01**
Appropriations Lapsed	-	-			-
Fund Balances, August 31, 2026	$ 3,671,547.65	$ 3,671,547.65			$ 3,671,547.65
Government-Wide Statement of Net Assets					
Net Assets/Net Change in Net Assets		**3,671,547.65**	**(2,148.24)**	**(82,012.87)**	**3,587,386.54**
Net Assets, September 1, 2025			70,062.19	(358,376.58)	(288,314.39)
Restatements			-	-	-
Net Assets, September 1, 2025, as Restated			**70,062.19**	**(358,376.58)**	**(288,314.39)**
Net Assets, August 31, 2026		**$ 3,671,547.65**	**$ 67,913.95**	**$ (440,389.45)**	**$ 3,299,072.15**

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

UNAUDITED

Credit Union Department (469)
Exhibit VI - Combined Statement of Net Position - Fiduciary Funds
August 31, 2026

	Agency Funds (Exhibit J-1)	Totals
ASSETS		
Current Assets:		
Cash & Cash Equivalents (Note 3)		
Cash in Bank		
Cash in State Treasury	$ 0.00	$ 0.00
Other Assets		
Total Assets	0.00	0.00
LIABILITIES		
Accounts Payables		
Funds Held For Others	0.00	0.00
Total Liabilities	0.00	0.00
Net POSITION		
Restricted		
Held in Trust		
Total Net Position	$ .00	$ .00

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

Credit Union Department State of Texas is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the State Comptroller of Public Accounts' Reporting Requirements of State Agencies.

The Credit Union Department operates under the authority of Title 2, Chapter 15, Texas Finance Code. The primary responsibilities of the agency are to supervise, regulate and examine all credit unions organized under the laws of the State of Texas.

Due to the significant changes related to Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments,* the Comptroller of Public Accounts does not require the accompanying financial report to be in compliance with generally accepted accounting principles (GMP). The financial report will be considered for audit by the State Auditor as part of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

B. FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds and account groups, each of which is considered a separate accounting entity.

GOVERNMENTAL FUND TYPES & GOVERNMENT-WIDE ADJUSTMENT FUND TYPES

General Fund
House Bill 2774, effective September 1, 2009, designated this agency as self-directed, semi-independent agency. The general fund is used to account for all financial resources except those required to be accounted for in another fund.

Capital Asset Adjustment Fund Type
Capital-Asset Adjustment Fund Type will be used to convert governmental fund capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type
Long-Term Liabilities Adjustment Fund Type will be used to convert governmental fund type debt from modified accrual to full accrual.

FIDUCIARY FUND TYPES

Agency Funds
Agency funds are used to account for assets the government holds on behalf of others in a purely custodial capacity. Agency funds involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal yearend. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified basis of accrual. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual method of accounting. This includes unpaid Employee Compensable leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, and long-term claims and judgments. The activity will be recognized in these new fund types.

D. BUDGETS AND BUDGETARY ACCOUNTING

Effective September 1, 2009, when the agency became self-directed, semi-independent, the agency staff began preparing an itemized budget for approval by the Credit Union Commission. The Commission monitors the agency's revenue and expenditures throughout the year.

E. ASSETS, LIABILITIES, AND FUND BALANCES/NET ASSETS

ASSETS

Investments
Pursuant to the Funds Management Agreement with the Comptroller's Office, money held in the Texas Safekeeping Trust Fund accounts and sub accounts shall be fully invested at all times and reinvested by the Trust Company in authorized investments which include any investment described under *Sections 404.024 and 404.106 of the Texas Government Code.*

Cash and Cash Equivalents
Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Inventories
Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. Inventories for governmental fund types use the purchase method of accounting. The consumption method of accounting is used to account for inventories that appear in the proprietary fund types and the government-wide statements. The cost of these items is expensed when the items are consumed. FY 2019 was a transaction year and a place for consumable inventory is no longer included in the Simplified Reporting Agency (SRA) closing package.

Capital Assets
Assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost, or if any purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

LIABILITIES

Accounts Payable
Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees' Compensable Leave
Employees' Compensable Leave Balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets.

FUND BALANCES/NET ASSETS

The difference between fund assets and liabilities is "Net Assets" on the government-wide, proprietary and fiduciary fund statements, and the "Fund Balance" is the difference between fund assets and liabilities on the governmental fund statements.

Reservations of Fund Balance
Fund balances for governmental funds are classified as either reserved or unreserved in the fund financial statements. Reservations are legally restricted to a specific future use or not available for expenditures.

Reserved for Encumbrances
This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods.

Non-spendable / Reserved for Consumable Inventories
This represents the amount of supplies, postage and prepaids held to be used in the next fiscal year.

Committed
Committed fund balance can be used only for specific purposes

Unassigned
Other - represents the unappropriated balance at year-end.

F. INTERFUND TRANSACTIONS AND BALANCES

The agency has the following types of transactions among funds:

1) Transfers: Legally required transfers that are reported when incurred as "In" by the recipient fund and as "Transfers Out" by the disbursing fund.

2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

3) Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current."

4) Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the agency's Interfund receivables and payables at August 31, 2026, if any, is presented in Note 12.

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2026 is presented below:

	PRIMARY GOVERNMENT							
	Balance		Reclassifications					Balance
			Completed	Inc-Int'agy	Dec-Int'agy			
	09/01/2025	Adjustments	GIP	Trans	Trans	Additions	Deletions	08/31/2026
Governmental Activities:								
Non-Depreciable or Non-Amortizable Assets:								
Land and Land Improvements	55,403.00	0.00	0.00	0.00	0.00	0.00	0.00	55,403.00
Total Non-Depreciable and Non-Amortizable Assets	**55,403.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**55,403.00**
Depreciable Assets: Buildings and Building Improvements	186,935.00	0.00	0.00	0.00	0.00	0.00	0.00	186,935.00
Furniture & Equipment	96,908.82	0.00	0.00	0.00	0.00	0.00	0.00	96,908.82
Total Depreciable Assets	283,843.82	0.00	0.00	0.00	0.00	0.00	0.00	283,843.82
Less Accumulated Depreciation for: Buildings and Building Improvements	(177,588.25)	0.00	0.00	0.00	0.00	0.00	0.00	(177,588.25)
Furniture & Equipment	(91,596.38)	0.00	0.00	0.00	0.00	(2,148.24)	0.00	(93,744.62)
Total Accumulated Depreciation	(269,184.63)	0.00	0.00	0.00	0.00	(2,148.24)	0.00	(271,332.87)
Depreciable Assets, Net	**14,659.19**	**0.00**	**0.00**	**0.00**	**0.00**	**(2,148.24)**	**0.00**	**12,510.95**
Governmental Activities Capital Assets, Net	**70,062.19**	**0.00**	**0.00**	**0.00**	**0.00**	**(2,148.24)**	**0.00**	**67,913.95**

NOTE 3: DEPOSITS, INVESTMENTS AND REPURCHASE AGREEMENTS

The Texas Credit Union Department reports investments held in the Texas Treasury Safekeeping Trust Company. The Texas Treasury Safekeeping Trust Company is authorized by statute to make investments following the "prudent person rule". There were no significant violations of legal provisions during the period.

DEPOSITS OF CASH IN BANK

As of August 31, 2026, the carrying amount of deposits was $ 0.00 as presented below.

Governmental and Business-Type Activities		
CASH IN BANK- CARRYING VALUE	$	0.00
Cash In Bank Per AFR	$	0.00
Governmental Funds Current Assets Cash in Bank	$	0.00
Governmental Funds Texas Treasury Safekeeping Trust		0.00
Cash in Bank per AFR	$	0.00

INVESTMENTS

As of August 31, 2026, the carrying value and fair value of investments are as presented below.

Governmental and Business-Type Activities		Fair Value
Repurchase Agreements-Texas Treasury Safekeeping Trust Co❶	$	3,629,049.06
Total	$	3,629,049.06

❶ - Repurchase Agreements with the Texas Treasury Safekeeping Trust Company are recorded as Cash Equivalents - Miscellaneous Investments in the Financial Statements and as Repurchase Agreements in the Notes, based on Reporting Requirements for Annual Financial Reports of State Agencies and Universities.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk.

Fund Type	GAAP Fund	Investment Type	**AAA**	**AA**	**A**	BB
01	0981	Repurchase Agreements Texas Treasury Safekeeping Trust Co	3,629,049.06			

NOTE 4: SHORT TERM DEBT
Not applicable

NOTE 5: LONG-TERM LIABILITIES

Notes and Loans Payable:
The agency did not have any notes or loans payable as of August 31, 2026.

Changes In Long-Term Liabilities
During the year ended August 31, 2026, the following changes occurred in liabilities.

	Balance 09/01/2025	Additions	Reductions	Other Changes	Balance 08/31/2026	Amounts Due Within One Year	Amounts Due Thereafter
Governmental Activities: Employees' Compensable Leave	$355,383.65	$404,782.85	$(341,712.45)	$22,837.81	$441,291.86	$285,497.91	$358,376.58
Total Governmental Activities	**$355,383.65**	**$404,782.85**	**$(341,712.45)**	**$22,837.81**	**$441,291.86**	**$285,497.91**	**$358,376.58**

Employees' Compensable Leave
A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. Both an expense and a liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. This obligation is usually paid from the same funding sources(s) from which the employee's salary or wage compensation was paid.

NOTES: BONDED INDEBTEDNESS
Not applicable

NOTE 7: DERIVATIVES
Not applicable

NOTE 8: LEASES
Not applicable

NOTE 9: DEFINED BENEFIT PENSION PLANS AND DEFINED CONTRIBUTION PLAN
Not applicable

NOTE 10: DEFERRED COMPENSATION
Not applicable

NOTE 11: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
Not applicable

NOTE 12: INTERFUND ACTIVITY AND TRANSACTIONS
The agency experienced routine transfers that were consistent with the activities of the fund making the transfer. The agency did not have any interfund receivables and payables activity.

Individual balances and activity as of August 31, 2026, follows:

	Transfer In	Transfer Out	Purpose
GENERAL (01) Appnd Fund 0832, D23 Fund 0981 From AQV 469, D23 Fund 1013		-	Intrafund Transfer
Total Transfers for Fund 0832	**$ 0.00**	**$ -**	
GENERAL (01) Appnd Fund 1013, D23 Fund 1013 From AQV 469 D23 Fund 0981	-		Intrafund Transfer
Total Transfers for Fund **1013**	**$ -**	**$ 0.00**	
Total Transfers	**$ -**	**$ -**	

NOTE 13: CONTINUANCE SUBJECT TO REVIEW
SB 707 of the 87th Legislative Session continued the Department until September 1, 2033. The next Sunset review will occur at the 2032-2033 93rd Legislative Session for determination of future existence. If abolished, the Department may continue until September 1, 2034 to close out its operations.

NOTE 14: ADJUSTMENTS TO FUND BALANCES AND NET POSITION
Not applicable

NOTE 15: CONTINGENCIES AND COMMITMENTS
Not applicable

NOTE 16: SUBSEQUENT EVENTS
Not applicable

NOTE 17: RISK MANAGEMENT
Not applicable

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS
Not applicable

NOTE 19: THE **FINANCIAL REPORTING ENTITY**
Not applicable

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY
Not applicable

NOTE 21: NOT APPLICABLE TO THE AFR
Not applicable

NOTE 22: DONOR RESTRICTED ENDOWMENTS
Not applicable

NOTE 23: EXTRAORDINARY AND SPECIAL ITEMS
Not applicable

NOTE 24: DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES
Not applicable

NOTE 25: TERMINATION BENEFITS
Not applicable

NOTE 26: SEGMENT INFORMATION
Not applicable

NOTE 27: SERVICE CONCESSION ARRANGEMENTS
Not applicable

NOTE 28: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES
Not applicable

NOTE 29: TROUBLED DEBT RESTRUCTURING
Not applicable

NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES
Not applicable

NOTE 31: TAX ABATEMENTS
Not applicable

NOTE 32: GOVERNMENTAL FUND BALANCES

The Credit Union Department has the following restrictions/covenants causing fund balance to be committed:

GAAP Fund	Fund	AFR54 Class	Amount	Citation	Comments
0832	0981	Committed	$3,629,049.06	Finance Code Chapter 16, Section 16.003(d)	Funds at Texas Treasury Safekeeping Trust Company for specific purpose

UNAUDITED

Credit Union Department (469)
Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds
August 31, 2026

	General Oper Fund (0832)* U/F (0832)	General Oper Fund-TTSTC (0832)* U/F (0981)	General Oper Fund-TTSTC (1013)* U/F (1013)	Total
ASSETS				
Current Assets:				
Cash & Cash Equivalents (Note 3)				
Cash in Bank	$	$	$	$
Cash in State Treasury			466,339.98	466,339.98
	$	$		
Cash Equivalents		3,629,049.06		3,629,049.06
Receivables from:				
Accounts Receivable				
Interest and Dividends				
Due From Other Funds				
Due From Other Agencies				
Consumable Inventories				
Total Current Assets		3,629,049.06	466,339.98	4,095,389.04
Non-Current Assets				
Total Non-Current Assets				
Total Assets	**$ 0.00**	**$ 3,629,049.06**	**$ 466,339.98**	**$4,095,389.04**
LIABILITIES AND FUND BALANCES				
Liabilities				
Current Liabilities:				
Payables from				
Accounts	$	$ 0.00	$ 11,716.26	$ 11,716.26
Payroll			412,125.13	412,125.13
Due To Other Funds				
Due To Other Agencies				
Total Current Liabilities			285,497.91	285,497.91
Total Non-Current Liabilities			154,891.54	154,891.54
Total Liabilities			440,389.45	423,841.39
Fund Balances (Deficits):				
Committed		3,629,049.06		3,629,049.06
Assigned				
Unassigned			42,498.59	42,498.59
Total Fund Balances		3,629,049.06	42,498.59	3,671,547.65
Total Liabilities and Fund Balances	**$ .00**	**$ 3,629,049.06**	**$ 466,339.98**	**$ 4,095,389.04**

* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)

UNAUDITED

Credit Union Department (469)
Exhibit A-2 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All General and Consolidated Funds
For the Fiscal Year Ended August 31, 2026

	General Oper Fund (0832)* U/F (0832)	General Oper Fund-TTSTC (0832)* U/F (0981)	General Oper Fund (1013)* U/F (1013)	Total
REVENUES				
License, Fees & Permits (PR)	$ -	$ 5,742,646.01	$ -	$ 5,742,646.01
Interest and Other Investment Income (GR)	-	169,611.47	-	169,611.47
Settlement of Claims (GR)				
Other (GR)				
Total Revenues	**$ -**	**$ 5,912,257.48**	**$ -**	**$ 5,912,257.48**
EXPENDITURES				
Salaries and Wages	$ -		$ 3,629,949.79	$ 3,629,949.79
Payroll Related Costs			1,108,271.86	1,108,271.86
Professional Fees and Services			253,070.08	253,070.08
Travel			494,961.54	494,961.54
Materials and Supplies			58,842.43	58,842.43
Communication and Utilities			52,069.12	52,069.12
Repairs and Maintenance			11,419.99	11,419.99
Rentals and Leases			4,387.24	4,387.24
Printing and Reproduction			174.90	174.90
Other Expenditures		2,985.69	151,472.20	154,457.89
Capital Outlay			0.00	0.00
Total Expenditures	$ -	$ 2,985.69	$ 5,764,619.15	$ 5,767,604.84
Excess (Deficiency) of Revenues over Expenditures	$ -	$ 5,909,271.79	$ (5,764,619.15)	$ 144,652.64
OTHER FINANCING SOURCES (USES)				
Transfers In	$ -	$ -	$ -	$ -
Transfers Out	-	(-)	-	(-)
Legislative Transfers In				
Legislative Transfers Out				
Total Other Financing Sources (Uses)	$ -	$ -	$ -	$ -
Net Change in Fund Balances	$ -	$ 5,909,271.79	$ (5,764,619.15)	$ 144,652.64
Fund Financial Statement - Fund Balances				
Fund Balances, September 1, 2025	$ -	$ 3,363,395.77	$ 163,499.24	$ 3,526,895.01
Restatements (Note 14)	$ -	$ -	$ -	$ -
Fund Balances, September 1, 2025, as Restated	$ -	$ 3,363,395.77	$ 163,499.24	$ 3,526,895.01
Appropriations Lapsed	$ -	$ -	$ -	$ -
Fund Balances, August 31, 2026	**$ -**	**$ 9,272,667.56**	**$ (5,601,119.91)**	**$ 3,671,547.65**

* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)

UNAUDITED

Credit Union Department (469)
Exhibit J-1 - Combining Statement of Changes in Assets and Liabilities - Agency Funds
August 31, 2026

	Beginning Balance 09/01/2025	Additions	Deductions	Ending Balance 08/31/2026
Agency Fund (0807)* U/F (8070)				
ASSETS				
Cash & Cash Equivalents				
Cash in Bank				
Cash in State Treasury	$0.00			$0.00
Other Assets				
Total Assets	**$ 0.00**	**$ .00**	**$ .00**	**$0.00**
LIABILITIES				
Accounts Payables				
Funds Held For Others	0.00			0.00
Total Liabilities	**$ 0.00**	**$ .00**	**$ .00**	**$ 0.00**
Totals -All Agency Funds				
ASSETS				
Cash & Cash Equivalents				
Cash in Bank				
Cash in State Treasury	0.00			0.00
Other Assets				
Total Assets	**$ 0.00**	**$ .00**	**$ .00**	**$ 0.00**
LIABILITIES				
Accounts Payables				
Funds Held For Others	0.00			0.00
Total Liabilities	**$ 0.00**	**$ .00**	**$ .00**	**$ 0.00**

* GAAP Fund is noted as (XXXX), USAS D23 U/F (XXXX)