



**City of Texarkana, Texas**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended**  
**September 30, 2023**

**Prepared by City of Texarkana, Texas**  
**Finance Department**  
**Kristin Peeples, CPA, Chief Financial Officer**



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**Annual Comprehensive Financial Report**  
**Year Ended September 30, 2023**

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**Introductory Section**



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CITY OF

# TEXARKANA

220 TEXAS BOULEVARD TEXARKANA TEXAS 75501

TEXAS

Honorable Mayor and City Council,  
City Manager and Citizens of the  
City of Texarkana, Texas

The Annual Comprehensive Financial Report (ACFR) of the City of Texarkana, Texas (the City) for the fiscal year ended September 30, 2023, is submitted in accordance with State statutes. These statutes require that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements.

The report is published to provide the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

FORVIS, LLP has issued unmodified opinions on the City of Texarkana, Texas financial statements for the year ended September 30, 2023. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Government**

The City of Texarkana, Texas (the City), incorporated in 1874, is located on the Texas – Arkansas state line in the northeast corner of the State of Texas. The City is 28 miles south of Oklahoma and 25 miles north of the Louisiana boundary line and it currently occupies a land area of 31.73 square miles and serves a population estimated at 35,895. The City is empowered to levy a property tax on real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City has operated under the council-manager form of government since 1960. Policy-making and legislative authority are vested in a governing council (Council) comprised of the mayor and six members, all elected on a non-partisan basis. Council members serve three-year staggered terms, with two members elected by ward every three years. The mayor is elected at large and serves a three-year term. The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney, and Municipal Judge. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a full range of services, including police, fire, streets and infrastructure, traffic engineering, parks, recreation, library, community development (planning and zoning), public improvements, tourism activities, and general administrative services. Water and sewer distribution and collection activities are provided by Texarkana, Texas water department in conjunction with the Texarkana, Arkansas water department, dba Texarkana Water Utilities (TWU). The Texas activity of TWU functions as a department of the City, and therefore has been included as an integral part of the City's financial statements.

The financial reporting entity (the government) includes all funds of the primary government (*i.e.*, the City of Texarkana as legally defined), as well as all its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units are in substance, part of the primary government's operations, even though they are legally separate entities. The City reports the Texarkana Firemen's Relief and Retirement Fund, a blended component unit, as a fiduciary fund of the City with a December 31, 2022, year-end (most recent audit). Discretely presented component units are legally separate entities and not part of the primary government's operations. The Texarkana-Bowie County Family Health Center is included in the financial statements as a discretely presented component unit. The City also participates in joint ventures with Texarkana, Arkansas to operate the Texarkana Regional Airport and the Bi-State Justice Center. Other joint ventures include the Bowie Central Appraisal District, the Texarkana Metropolitan Planning Organization (MPO) and the Texarkana Urban Transit District (T-Line).

### **Local Economy**

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

The City and surrounding region are home to several industrial and manufacturing operations, including tire manufacturing, small arms ammunition, paper production, railroad tank car repair, cup and carton manufacturing, pipeline fittings, truck bodies, furniture, valves and couplings, military equipment repair and refurbishing, trucking, and petroleum marketing. Texarkana is also a regional medical center, with two (2) acute care hospitals, offering 675 beds, two (2) rehabilitation hospitals with 140 beds, a 15-bed geriatric psychiatric inpatient facility, and several mental health centers, ambulatory surgical centers, home health care organizations, nursing home centers, assisted living centers, and retirement communities.

The City's strategic location with the prospect of three (3) interstate highways in the area, a favorable climate, plentiful water supplies, and a good mix of manufacturing, agriculture, government, tourism, education, medical, retail trade and service centers should contribute to future growth and development for the foreseeable future. Current estimates indicate that approximately 80,000 vehicles use the area's interstate system.

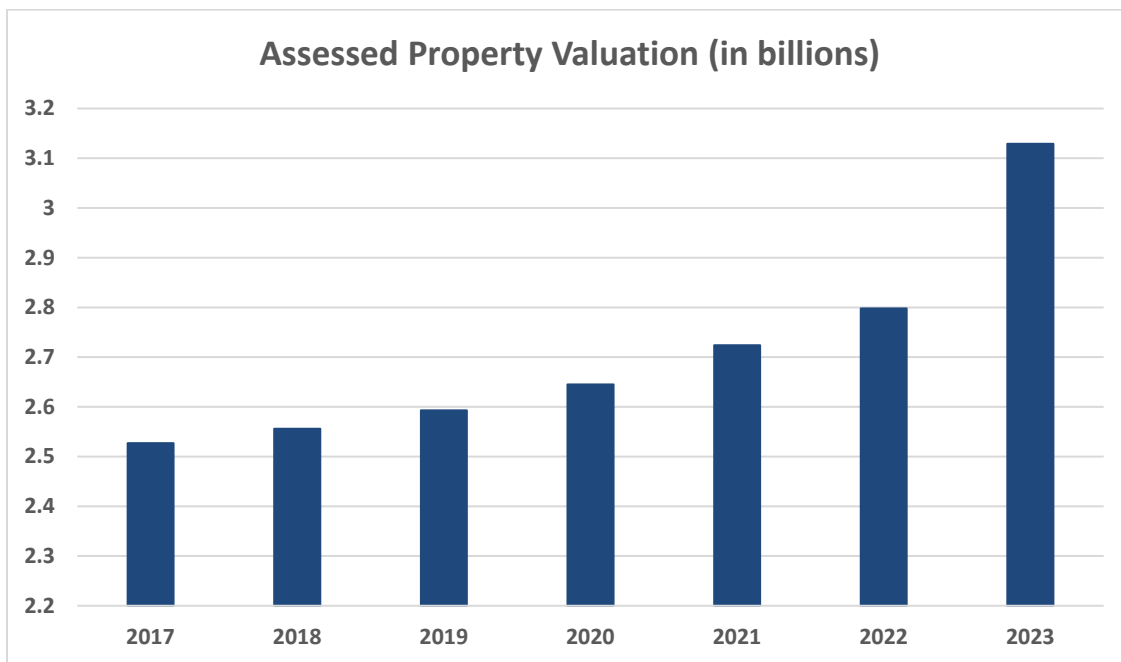
The City's primary and secondary education needs are served by three (3) public school districts, and four (4) other public-school districts that border the City, as well as several area private schools. Five (5) institutions of higher education provide services to the City. Texarkana College has more than 5,000 students enrolled; Texas A&M University-Texarkana expanded to a 4 year university in 2010, completed Bringle Lake Village, the first student housing on campus, in 2011 and currently serves approximately 2,000 students; the University of Arkansas for Medical Sciences Area Health Education Center provides higher education services in the area; and Southern Arkansas Tech, provides airframe and power plant training for 150 students at the airport; University of Arkansas – Texarkana is the City's newest institution of higher education, serving approximately 400 students in its new facility.

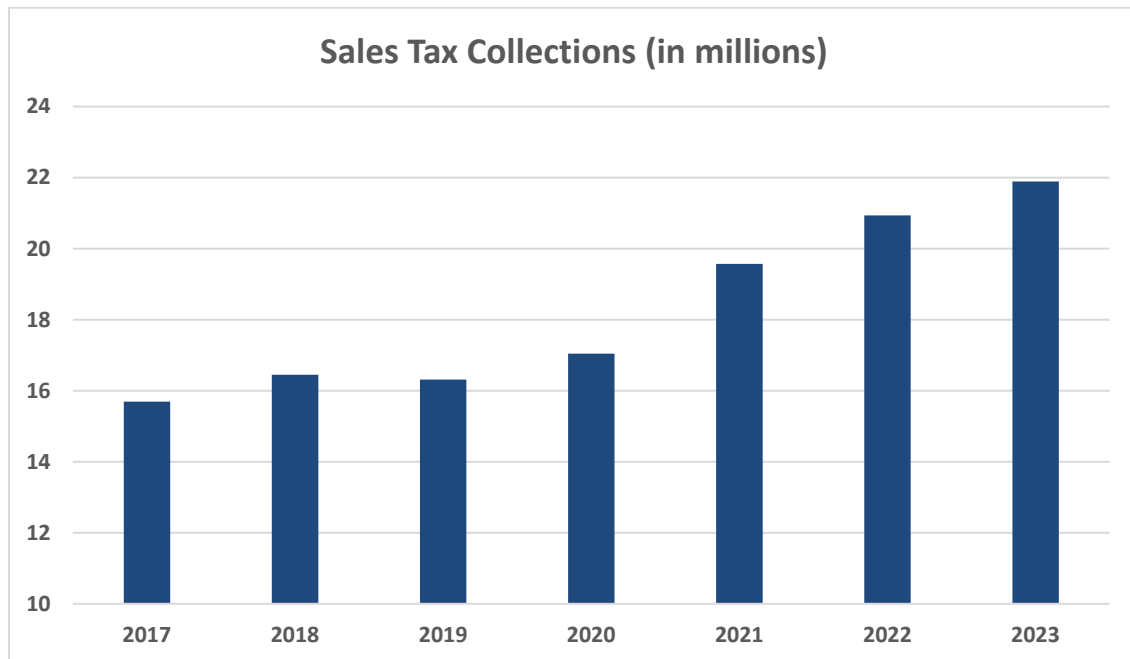
The City has a number of worthwhile attractions, including the only U.S. Post Office located in two states, which provides a unique photo opportunity at Photographer’s Island, the Scott Joplin Mural, the historic Perot Theatre, the Regional Arts Center, Texarkana Museum of Regional History, the Texarkana Symphony Orchestra, a municipal golf course designed by Jim Fazio, Jr. and managed by Hank Haney, and City parks that have hosted a number of district and state athletic tournaments. Noted attractions in the City’s parks system include: Splash Pad at Spring Lake Park, Kylee Sullivan Pet Safe Dog Park at Spring Lake Park and wilderness hiking and bike trails at Bringle Lake Park. Additionally, there are a multitude of outdoor activities available on one of many lakes and rivers in the region.

The City continues to see growth in residential and commercial construction. In fiscal year 2023, the City issued 190 permits for residential new construction, 55 permits for new non-residential or commercial construction, 75 permits for building remodels, and 186 permits for certificates of occupancy.

Sales taxes and property taxes are responsible for a substantial portion of the City’s general fund operating revenue budget. In total, current property tax revenue increased by \$1,823,599 (10.4%) due to an increase in the assessed valuation. Current property tax revenue allocated to the general fund decreased by \$183,284 (1.4%). Current property tax revenue allocated to the debt service fund increased by \$1,790,345 (53.0%) while current property tax revenue allocated to the TIRZ #1 fund increased by \$216,538 (32.7%). Sales tax revenue increased by \$953,097 (4.55%).

Historical perspectives of major revenues are illustrated in the following graphs:





Unemployment in the City decreased to 4.3%, which was greater than the state rate of 4.1% and national rate of 3.8%

Unassigned fund balance in the general fund at September 30, 2023, is \$18,047,157 which represents 43.26% or 172 days of general fund expenditures and is above the reserve goal of sixty (60) days established by the City's General Fund Balance Policy.

### Long-Term Financial Planning

The City values long-term financial planning and has implemented the following processes to help control and accurately budget future expenditures:

- The budgeting process for the general fund captures five years of current and projected financial data.
- Allocating dollars in the following funds based on a long-term replacement schedule with the goal of establishing a plan to address needs as they arise, rather than incurring additional costs by delaying projects until future dates:
  - Fleet Capital Replacement Fund for city vehicles and major equipment
  - Technology Fund for computer equipment and software
  - Major Street Maintenance Fund for city-wide street maintenance needs
  - Public Safety Equipment Fund for police and fire equipment
  - Building Maintenance Fund for city-wide building maintenance needs

### Relevant Financial Policies

The City's financial policies set forth the basic framework for the fiscal management of the City. These include policies for accounting, budgeting, capital improvements, asset management, revenue management, risk management, and fund balance/reserve levels. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the City of Texarkana, Texas City Charter. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

The City's accounting records for general governmental activities are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received, and the liabilities are incurred. Accounting records for the City's water and sewer utility and other proprietary activities are maintained on the accrual basis.

The annual budget serves as the foundation for the City's financial planning and control. All agencies of the City are required to submit requests for appropriation to the City Manager. The City Manager provides a budget development calendar to the City Council for review and approval. After the calendar is approved a proposed budget is prepared and adopted by the City Council by a majority vote prior to the end of the fiscal year. The City Manager may transfer unencumbered appropriated balances between general classifications of expenditures within and/or across any office, department or agency of the City. The City Manager may submit requests for budget amendments at any time provided the total city budget remains balanced (Unassigned Fund Balance may be designated as revenue). Amendments are also approved by a majority vote of the City Council.

### **Major Initiatives**

Most of the growth in the City continues to occur along and north of the I-30 corridor, although South of I-30 continues to develop as well. New development should continue to strengthen growth in the City's property tax base and other tax collections, which comprise around eighty percent (80.4%) of the City's General Fund operating revenues.

The City also has two (2) Tax Increment Reinvestment Zones (TIRZ) within its boundaries. The first operates in an area that begins on the south side of I-30 and extends north along the University Avenue Corridor to include the proposed University overlay district. The second runs from Texas Boulevard at State Line Avenue through the downtown area. Future incremental tax increases to existing properties and new properties in these districts are projected to provide funding for needed infrastructure projects within these areas without an additional tax burden to our citizens. Funding of both districts began on October 1, 2010. The first TIRZ bond was issued in 2012, with a second bond issued in 2019. Several potential infrastructure projects within the district have been approved by the TIRZ board. Future debt service payments on the bonds are expected to be funded by property tax revenues collected from new developments within the district.

A portion of gas and electric franchise fees are allocated to the City's Economic Development Fund to be used for the future economic development projects and activities and to provide incentives for potential projects that would bring jobs and revenue growth to the area. The City continues to pursue economic development projects and assistance is also provided in the form of revolving loan programs.

The City collects hotel occupancy tax revenue at a rate of seven percent. This revenue is used to fund the operation and debt service of the Texarkana Convention Center and various other organizations that enhance and promote tourism in Texarkana.

The South Regional Wastewater Treatment Plant (SRWWTP) is the main wastewater treatment facility for both sides of town. An initial ten-year plan was developed in 2018 to prioritize and schedule out needed upgrades and improvements at this facility. Both the Arkansas and Texas Utilities make annual revenue contributions to the joint SRWWTP depreciation account to provide funding for the identified expenditures. The current water treatment plant located on New Boston Road is over forty (40) years old; and the plant, along with aging intake and distribution facilities, are co-owned by the City and other municipalities. Riverbend Water Resources District, of which Texarkana is a founding statutory member, has submitted and received approval for funding from the Texas Water Development Board for planned improvements which would include construction of a new intake and new treatment facility to be owned and operated by Riverbend. With the participation of Texarkana and other area cities and water supply corporations, Riverbend has developed long-term supply contracts with its Member Entities for defeasance of bonds issued for planned improvements, including construction of a new intake and treatment plant and decommissioning of aging infrastructure, and purchase of water treated from the new treatment plant. Texas Commission on Environmental Quality approved an amendment to Texarkana's Certificate of

Adjudication authorizing raw water diversion anywhere along the perimeter of Lake Wright Patman, which now enables relocating the raw water intake to a point anywhere along the lake. An engineering study has been commissioned by Riverbend to identify the existing portions of the distribution system that will be required for continued use and the portions, such as the aging intake and treatment plant, to be decommissioned. This is a matter of vital importance to all water users in the region, and any resulting decisions will only result upon Riverbend receiving necessary funding and the governing bodies of participating entities approving long-term supply contracts.

The City continues to promote neighborhood revitalization through neighborhood cleanup initiatives and the demolition of substandard properties. Demolition efforts are concentrated in specific neighborhoods with the goal of revitalizing an entire neighborhood.

### **Awards and Acknowledgements**

**Awards.** The City received the GFOA's Award for Distinguished Budget Presentation for its annual budget document for the fiscal year ended September 30, 2023, which marks the eighth consecutive year that the City has received this award. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

**Acknowledgments.** The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department and our independent auditors. I would like to express my appreciation to those who made the publication of this report possible. Credit must also be given to the City Manager, Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Texarkana, Texas finances.

Respectfully submitted,



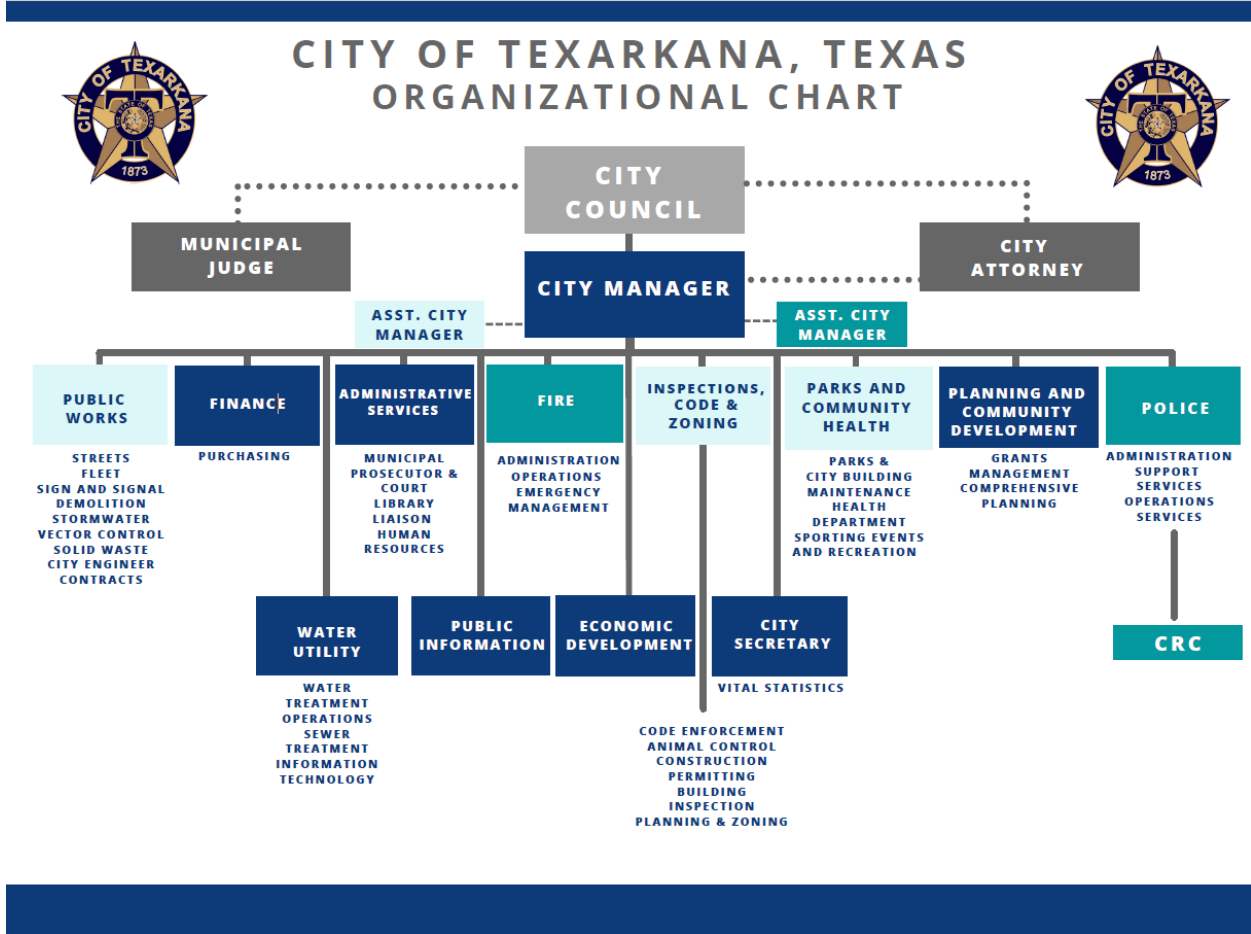
Kristin Peebles, CPA  
Chief Financial Officer

March 29, 2024

# City of Texarkana, Texas

## Organization Chart

### Year Ended September 30, 2023



**City of Texarkana, Texas**  
**List of Principal Officials**  
**Year Ended September 30, 2023**

**CITY COUNCIL**

---

**BOB BRUGGEMAN**  
Mayor

**JEAN H. MATLOCK**  
Councilmember, Ward 1

**MARY HART**  
Councilmember, Ward 2

**BETTY WILLIAMS**  
Councilmember, Ward 3

**CHRISTIE PAGE**  
Councilmember, Ward 4

**LIBBY WHITE**  
Councilmember, Ward 5

**JAY DAVIS**  
Councilmember, Ward 6

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**DAVID ORR**  
City Manager

**KRISTIN PEEPLES, CPA**  
Chief Financial Officer

**JENNIFER EVANS**  
City Secretary

## Independent Auditor's Report

Members of the City Council and  
Honorable Bob Bruggeman, Mayor  
City of Texarkana, Texas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Texarkana, Texas (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, CDBG 108 Loan Fund and 2022 Bond Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Texarkana Fireman's Relief and Retirement Fund, a pension trust fund of the City, which represent 62.5 percent, 67.2 percent and -31.5 percent, respectively, of the assets plus deferred outflows, net position and revenues/additions of the aggregate remaining fund information. We also did not audit the financial statements of the Texarkana Airport Authority or Texarkana Urban Transit District, joint ventures of the City, which represents approximately 11 percent of the assets plus deferred outflows and 20 percent of net position of the governmental activities of the City. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for such entities, are based solely on the reports of the other auditors.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the City, 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 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 Statement***

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 City'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 City'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 pension and other postemployment benefit information as listed in the table of contents 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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. The 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 supplementary information is 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. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 29, 2024, on our consideration of the City'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 the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

**FORVIS,LLP**

Rogers, Arkansas  
March 29, 2024



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## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Texarkana, Texas (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$220,811,232 (net position). Of this amount, \$155,058,241 (70%) is invested in capital assets which do not directly generate revenue and is not available to generate liquid capital. Net position restricted for specific purposes total \$29,751,487 (14%). The remaining \$36,001,504 (16%) is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$14,945,830 during this fiscal year. The change in net position from operations of governmental activities increased by \$11,816,080 while the change in net position from operations of business-type activities increased by \$3,129,750.
- Unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors, decreased by \$7,751,117.
- At the close of the current fiscal year, the City's governmental funds reported ending fund balances of \$74,881,245, an increase of \$22,865,798 from last year. \$16,639,163 of this amount or 22% of the total fund balance is available for spending at the City's discretion (unassigned fund balance).
- Within the combined governmental fund balances, \$3,481,994 is non-spendable. Another \$29,751,487 is restricted, \$2,395,363 is committed, and \$22,613,237 is assigned. Total unassigned fund balance for the general fund is \$18,047,149 and is equal to 47% of general fund expenditures.

### OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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 other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four 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 City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when 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).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, parks and recreation, and health and welfare. The business-type activities of the City include water and sewer operations.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate health center for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 21-23 of this report.

**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 City, 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 City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, 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 may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirty-eight (38) governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, the CDBG 108 Loan Fund and the 2022 Bond Fund, all of which are considered to be major funds. Data from the other thirty-four (34) funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all required governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 24-27 of this report.

**Proprietary Funds.** The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its employee insurance programs and fleet services. Because each of these services predominately benefits governmental rather than business-type functions, they have primarily been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Texarkana, Texas Water Utilities (TWU), which is considered to be a major fund of the City. Data from the other two (2) enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is presented in the form of combining statements elsewhere in this report. The internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 31-36 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Texarkana, Texas' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 37-38 of this report.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 39-93 of this report.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment (OPEB) benefits to its employees.

This required supplementary information regarding pension and OPEB benefits may be found on pages 94-103 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds and internal service funds are presented following the required supplementary information on pensions.

Combining and individual statements and schedules can be found on pages 108-161 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Texarkana, Texas, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$220,811,232 as of September 30, 2023. The largest portion of the City's net position (\$155,058,241 or 70%), reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, infrastructure, and construction in progress), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### CITY OF TEXARKANA, TEXAS' NET POSITION

|                                | Governmental<br>Activities |                       | Business-type<br>Activities |                      | Total                 |                       |
|--------------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
|                                | 2023                       | 2022*                 | 2023                        | 2022*                | 2023                  | 2022*                 |
| Current and other assets       | \$ 110,516,234             | \$ 80,521,767         | \$ 29,538,586               | \$ 26,185,803        | \$ 140,054,820        | \$ 106,707,570        |
| Capital assets                 | 131,555,132                | 130,270,262           | 60,271,605                  | 60,228,912           | 191,826,737           | 190,499,174           |
| Total assets                   | <u>242,071,366</u>         | <u>210,792,029</u>    | <u>89,810,191</u>           | <u>86,414,715</u>    | <u>331,881,557</u>    | <u>297,206,744</u>    |
| Deferred outflows of resources | <u>17,822,518</u>          | <u>6,685,753</u>      | <u>3,045,152</u>            | <u>1,046,327</u>     | <u>20,867,670</u>     | <u>7,732,080</u>      |
| Long-term liabilities          | 107,660,011                | 66,407,757            | 9,628,938                   | 6,234,025            | 117,288,949           | 72,641,782            |
| Other liabilities              | 3,475,151                  | 2,765,121             | 6,067,333                   | 5,302,986            | 9,542,484             | 8,068,107             |
| Total liabilities              | <u>111,135,162</u>         | <u>69,172,878</u>     | <u>15,696,271</u>           | <u>11,537,011</u>    | <u>126,831,433</u>    | <u>80,709,889</u>     |
| Deferred inflows of resources  | <u>4,537,327</u>           | <u>15,899,589</u>     | <u>569,235</u>              | <u>2,463,944</u>     | <u>5,106,562</u>      | <u>18,363,533</u>     |
| Net position                   |                            |                       |                             |                      |                       |                       |
| Net invested in capital assets | 96,891,657                 | 93,235,726            | 58,166,584                  | 57,597,165           | 155,058,241           | 150,832,891           |
| Restricted                     | 29,751,487                 | 11,279,890            | -                           | -                    | 29,751,487            | 11,279,890            |
| Unrestricted                   | 17,578,251                 | 27,889,699            | 18,423,253                  | 15,862,922           | 36,001,504            | 43,752,621            |
| Total net position             | <u>\$ 144,221,395</u>      | <u>\$ 132,405,315</u> | <u>\$ 76,589,837</u>        | <u>\$ 73,460,087</u> | <u>\$ 220,811,232</u> | <u>\$ 205,865,402</u> |

\*Fiscal year 2022 amounts have been restated for GASB 96 adoption

An additional portion of the City's net position of \$29,751,487 (14%) represents resources that are subject to external restrictions on their usage. All restricted assets of the City relating to both governmental activities and business-type activities are being held for purposes established by state and local laws, future construction, and debt service reserve requirements on the City's outstanding debt. The remaining balance of unrestricted net position in the amount of \$36,001,504 (16%) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, for the government as a whole.

### Governmental Activities:

Governmental activities increased the City's net position by \$11,816,080. Total revenue for the governmental activities (excluding transfers) increased from the previous year by \$5,115,042. General revenues had a net increase of \$458,749.

### Business Type Activities:

Net position from business-type activities increased by \$3,129,750. Total revenue for the business-type activities increased from the previous year by \$4,701,575 primarily due to an increase in demand for water.

#### CITY OF TEXARKANA, TEXAS' CHANGES IN NET POSITION

|                                       | Governmental<br>Activities |                       | Business-type<br>Activities |                      | Total                 |                       |
|---------------------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
|                                       | 2023                       | 2022                  | 2023                        | 2022                 | 2023                  | 2022                  |
| Revenues                              |                            |                       |                             |                      |                       |                       |
| Program revenues                      |                            |                       |                             |                      |                       |                       |
| Charges for services                  | \$ 4,337,160               | \$ 2,330,890          | \$ 27,970,761               | \$ 23,904,692        | \$ 32,307,921         | \$ 26,235,582         |
| Operating grants<br>and contributions | 7,951,978                  | 5,301,955             | -                           | -                    | 7,951,978             | 5,301,955             |
| Capital grants<br>and contributions   | -                          | -                     | 50,928                      | 65,571               | 50,928                | 65,571                |
| General revenues                      |                            |                       |                             |                      |                       |                       |
| Property taxes                        | 19,961,801                 | 18,498,814            | -                           | -                    | 19,961,801            | 18,498,814            |
| Other taxes                           | 25,752,983                 | 24,594,099            | -                           | -                    | 25,752,983            | 24,594,099            |
| Other revenue                         | 4,606,814                  | 6,769,936             | 855,035                     | 204,886              | 5,461,849             | 6,974,822             |
| Total revenue                         | <u>62,610,736</u>          | <u>57,495,694</u>     | <u>28,876,724</u>           | <u>24,175,149</u>    | <u>91,487,460</u>     | <u>81,670,843</u>     |
| Expenses:                             |                            |                       |                             |                      |                       |                       |
| General government                    | 13,661,540                 | 7,150,090             | -                           | -                    | 13,661,540            | 7,150,090             |
| Public safety                         | 17,909,977                 | 10,831,701            | -                           | -                    | 17,909,977            | 10,831,701            |
| Public works                          | 10,428,093                 | 9,740,938             | -                           | -                    | 10,428,093            | 9,740,938             |
| Parks and recreation                  | 4,751,912                  | 4,004,866             | -                           | -                    | 4,751,912             | 4,004,866             |
| Health and welfare                    | 1,114,074                  | 7,767,601             | -                           | -                    | 1,114,074             | 7,767,601             |
| Interest on long-term debt            | 1,745,750                  | 1,138,745             | -                           | -                    | 1,745,750             | 1,138,745             |
| Water and sewer                       | -                          | -                     | 26,930,284                  | 22,348,399           | 26,930,284            | 22,348,399            |
| Total expenses                        | <u>49,611,346</u>          | <u>40,633,941</u>     | <u>26,930,284</u>           | <u>22,348,399</u>    | <u>76,541,630</u>     | <u>62,982,340</u>     |
| Change in net position                |                            |                       |                             |                      |                       |                       |
| before transfers                      | 12,999,390                 | 16,861,753            | 1,946,440                   | 1,826,750            | 14,945,830            | 18,688,503            |
| Transfers                             | (1,183,310)                | (163,277)             | 1,183,310                   | 163,277              | -                     | -                     |
| Change in net position                | <u>11,816,080</u>          | <u>16,698,476</u>     | <u>3,129,750</u>            | <u>1,990,027</u>     | <u>14,945,830</u>     | <u>18,688,503</u>     |
| Beginning net position                | <u>132,405,315</u>         | <u>115,706,839</u>    | <u>73,460,087</u>           | <u>71,470,060</u>    | <u>205,865,402</u>    | <u>187,176,899</u>    |
| Ending net position                   | <u>\$ 144,221,395</u>      | <u>\$ 132,405,315</u> | <u>\$ 76,589,837</u>        | <u>\$ 73,460,087</u> | <u>\$ 220,811,232</u> | <u>\$ 205,865,402</u> |

### Total Statement of Activities

The total result of the City's activity is an increase in total net position of \$14,945,830 during the current fiscal year. Net position, before transfers, related to business-type activities increased by \$1,946,440 and net position before transfers from governmental activities increased by \$12,999,390. Additional related information may be found in the governmental activities section on pages 21-23 of this report.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$74,881,245 an increase of \$22,865,798, in comparison with the prior year. This increase is related to increased revenue from property and other tax revenue along with the issuance of Series 2022 CO Bonds during FY2023.

The General Fund is the chief operating fund of the City of Texarkana, Texas. At the end of the current fiscal year, the unassigned fund balance was \$18,047,149 while the total fund balance was \$39,949,879. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned and total fund balances to total fund expenditures. Unassigned fund balances represent 47% of the total General Fund expenditures, while total fund balance represents 103% of that same amount.

The Debt Service Fund is considered a major governmental fund of the City this year, and, accordingly is presented separately in this year's report. This fund ended the fiscal year with a fund balance of \$352,582. The Debt Service Fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs of all the City's long-term general obligation debt. The fund expended \$4,540,000 in debt payments during this fiscal year, a decrease of \$472,946 in normal debt service expenditures from last year.

The CDBG 108 Loan Fund is considered a major governmental fund of the City this year, and accordingly is presented separately in this year's report. This fund ended the fiscal year with \$21,029 in fund balance at the end of the year.

The 2022 Bond Fund is considered a major governmental fund of the City this year, and accordingly is presented separately in this year's report. This fund ended the fiscal year with \$17,962,657 in fund balance at the end of the year due to the issuance of Series 2022 CO Bonds during the fiscal year.

The other governmental funds of the City include special revenue funds and capital project funds. At the end of the 2023 fiscal year, the City had combined ending fund balances in its special revenue funds of \$12,781,066, an increase in fund balance of \$11,097,504 due to total revenue for special revenue funds of \$5,645,688 offset by expenditures of \$3,377,618 and net other financial uses of (\$584,508).

At the end of fiscal year 2023 the City had a total of three (3) capital project funds included in other governmental funds, with total fund balances of \$3,814,032, an increase of \$39,822 from last year. These funds are all reserved for street maintenance projects, park improvements, and other miscellaneous capital projects.

**Enterprise funds** - The City's enterprise funds, primarily the Texarkana Water Utilities system, provide the same type of information found in the governmental-wide financial statements, but in more detail.

Unrestricted net position for business type activities at the end of fiscal year 2023 was \$18,423,253, which was an increase of \$2,560,331 from 2022.

**Internal service funds** - The City uses two (2) internal service funds. The combined net position in these funds at the end of the fiscal year was \$1,559,343, a decrease from last year of \$14,875. The Employee Benefit Fund accounts for contributions received from other City funds and employees to pay medical benefits and life insurance premiums. Net position in the fund increased by \$1,914, due to premiums received and investment earnings in excess of claims paid. The Fleet Services Fund accounts for repair and maintenance on all City vehicles, excluding TWU. Net position in the fund decreased by \$16,789, due to expenses and transfers out of \$1,469,824 in excess of revenues and transfers in of \$1,452,939.

**Fiduciary funds** - The City also maintains three (3) Fiduciary Funds. The Firemen’s Relief Pension Trust Fund accounts for retirement contributions made by the City’s firefighters, and contributions made on their behalf by the City. The fund’s net position decreased by \$6,688,860 for the calendar year of 2022 due primarily to market performance and net position totaled \$37,221,209. The two remaining fiduciary funds are custodial funds. The Drug Enforcement Fund accounts for evidence money seized by the Police Department and holds these funds until final disposition is directed by the courts. This fund had no net position at the end of the fiscal year. The Police Evidence Fund accounts for all funds seized by the Police Department during its apprehension of suspects and subsequent case investigations. This fund had no net position at the end of the fiscal year.

**General Fund Budgetary Highlights**

The change in projected ending fund balance between the original budget and final amended budget totaled a \$2,888,849 increase. Revised revenues for the General Fund were projected to increase by \$3,201,073. Revised expenditures for the General Fund were projected to decrease by \$4,060,535 and other financing uses were projected to decrease by \$121,105.

The difference between the final amended budgeted fund balance and the actual fund balance was an increase of \$11,262,083. Total revenue in the General Fund was \$1,987,692 more than the revised budget. Expenditures for the General Fund were \$7,192,415 less than the revised budget and other financing uses were \$2,081,976 more than the revised budget.

**Capital Assets and Debt Administration**

**Capital assets** – The City’s investment in total capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$191,826,737 (net of accumulated depreciation), compared to \$190,499,174 in 2022, an increase of \$1,327,563. Investment in capital assets related to governmental activities of \$131,555,132 increased by \$1,284,870, and includes land, buildings, improvements, machinery and equipment, licensed vehicles, infrastructure and construction in progress. Investment in capital assets related to business-type activities ended the year at \$60,271,605, an increase of \$42,693, reflecting the net of additions and disposals of various capital assets and charges for depreciation expense.

**CITY OF TEXARKANA, TEXAS’ CAPITAL ASSETS  
(Net of depreciation)**

|                                   | Governmental<br>Activities |                       | Business-type<br>Activities |                      | Total                 |                       |
|-----------------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
|                                   | 2023                       | 2022*                 | 2023                        | 2022*                | 2023                  | 2022*                 |
| Land                              | \$ 12,232,252              | \$ 12,206,878         | \$ 1,445,666                | \$ 1,445,666         | \$ 13,677,918         | \$ 13,652,544         |
| Buildings                         | 11,862,881                 | 12,424,335            | 678,497                     | 669,934              | 12,541,378            | 13,094,269            |
| Improvements other than buildings | 4,002,317                  | 3,357,945             | 43,323,262                  | 45,078,038           | 47,325,579            | 48,435,983            |
| Machinery and equipment           | 5,364,402                  | 5,284,886             | 2,380,254                   | 2,446,377            | 7,744,656             | 7,731,263             |
| Subscription asset                | 249,470                    | 288,179               | -                           | -                    | 249,470               | 288,179               |
| Licensed vehicles                 | 7,368,998                  | 4,711,273             | -                           | -                    | 7,368,998             | 4,711,273             |
| Infrastructure                    | 88,727,230                 | 84,631,057            | -                           | -                    | 88,727,230            | 84,631,057            |
| Construction in progress          | 1,747,582                  | 7,365,709             | 6,460,689                   | 4,511,993            | 8,208,271             | 11,877,702            |
| Intersystem shared assets         | -                          | -                     | 5,983,237                   | 6,076,904            | 5,983,237             | 6,076,904             |
| Total capital assets              | <u>\$ 131,555,132</u>      | <u>\$ 130,270,262</u> | <u>\$ 60,271,605</u>        | <u>\$ 60,228,912</u> | <u>\$ 191,826,737</u> | <u>\$ 190,499,174</u> |

\*Fiscal year 2022 amounts have been restated for GASB 96 adoption

Additional information on the City's capital assets can be found in *Note 5* in this report on pages 57-59.

## Long-term obligations

At the end of the current fiscal year the City of Texarkana, Texas had total long-term obligations outstanding of \$117,288,949. Of this amount, \$114,184,121 comprises long-term obligations backed by the full faith and credit of the City. The remainder of the City's long-term obligations is secured by specified revenue sources. At the end of fiscal year 2023, this amount was \$3,086,713.

### OUTSTANDING LONG-TERM OBLIGATIONS AT YEAR END

|  | Governmental<br>Activities |                      | Business-type<br>Activities |                     | Total                 |                      |
|--|----------------------------|----------------------|-----------------------------|---------------------|-----------------------|----------------------|
|  | 2023                       | 2022*                | 2023                        | 2022*               | 2023                  | 2022*                |
| General obligation bonds                             | \$ 16,970,068              | \$ 19,647,637        | \$ -                        | \$ -                | \$ 16,970,068         | \$ 19,647,637        |
| Revenue bonds  | -                          | -                    | 1,279,873                   | 1,568,008           | 1,279,873             | 1,568,008            |
| Certificates of obligation                           | 39,315,816                 | 20,892,257           | -                           | -                   | 39,315,816            | 20,892,257           |
| Loans payable  | -                          | 40,709               | 1,576,317                   | 1,931,682           | 1,576,317             | 1,972,391            |
| Subscription liability                               | 230,523                    | 288,179              | -                           | -                   | 230,523               | 288,179              |
| Accrued compensated absences                         | 5,903,389                  | 5,511,468            | 431,400                     | 448,803             | 6,334,789             | 5,960,271            |
| Net pension and other post<br>employment liabilities | 45,240,215                 | 20,027,507           | 6,341,348                   | 2,285,532           | 51,581,563            | 22,313,039           |
| Total  | <u>\$ 107,660,011</u>      | <u>\$ 66,407,757</u> | <u>\$ 9,628,938</u>         | <u>\$ 6,234,025</u> | <u>\$ 117,288,949</u> | <u>\$ 72,641,782</u> |

\*Fiscal year 2022 amounts have been restated for GASB 96 adoption

The City's total debt increased by \$44,629,052 (61%) during the current fiscal year. This increase is primarily due to the issuance of Series 2022 CO Bonds combined with an increase in the net pension and other post employment liabilities at year end.

The City's General Obligation, Certificates of Obligation, and Revenue bond ratings are listed below:

|                            | <b>Standard &amp; Poors</b> |
|----------------------------|-----------------------------|
| General Obligation Bonds   | AA-                         |
| Certificates of Obligation | AA-                         |
| Revenue Bonds              | A+                          |

State statutes limit the total property tax rate to \$2.50 per \$100 assessed valuation. The City's local property tax rate for this fiscal year was \$.65000 per \$100 assessed valuation of which \$.182189 per \$100 was for annual debt service.

Additional information on the City's long-term debt can be found in Notes 10-12 on pages 64-70 of this report.

### Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City as of the fiscal year end was 4.3, compared to 4.7 last year. This rate is slightly higher than the State and National rate of 4.1 and 3.8, respectively.

Sales tax collections are projected to comprise about fifty three percent (53%) of the City's proposed General Fund budget for the 2024 fiscal year, while property tax revenue is estimated to account for approximately thirty two percent (32%). The certified tax roll of \$3,462,808,200 increased just over eleven percent (11.1%) from the prior year's official tax roll.

The City Council has elected to maintain a property tax rate of 0.65 per \$100 valuation for the 2024 fiscal year. The proposed budget for the 2024 fiscal year will raise more revenue from property taxes than last year's budget by an amount of \$1,930,106 which is a 9.82% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$177,720.

The ending unassigned General Fund balance is projected to be approximately 158 days of budgeted reoccurring General Fund expenditures.

The Texas Revenue Fund of TWU is projected to end the 2023-2024 budget year with a balance of \$2,890,985 or approximately 35 days of total budgeted expenditures.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Texarkana, Texas' finances for all of 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 City of Texarkana, Texas, Finance Department, Attn: Chief Financial Officer, 220 Texas Boulevard, Texarkana, Texas 75501.



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## **Basic Financial Statements**

**City of Texarkana, Texas**  
**Statement of Net Position**  
**September 30, 2023**

|   | Primary Government      |                          |                      | Component Unit   |
|---|-------------------------|--------------------------|----------------------|------------------|
|   | Governmental Activities | Business-type Activities | Total                | Health           |
| <b>ASSETS</b>   |                         |                          |                      |                  |
| Cash  | \$ 53,466,904           | \$ 22,033,578            | \$ 75,500,482        | \$ 1,094,993     |
| Investments   |                         |                          |                      |                  |
| Certificates of deposit                               | 16,086,443              | 976,915                  | 17,063,358           | -                |
| Receivables (net of allowance for uncollectibles)     |                         |                          |                      |                  |
| Property taxes  | 953,136                 | -                        | 953,136              | -                |
| Other taxes   | 417,098                 | -                        | 417,098              | -                |
| Accounts  | 510,302                 | 1,645,635                | 2,155,937            | -                |
| Other government agencies                             | 6,375,713               | 1,108,120                | 7,483,833            | 194,912          |
| Accrued interest                                      | 312,692                 | 15,765                   | 328,457              | -                |
| Loans   | 3,481,994               | -                        | 3,481,994            | -                |
| Inventory   | 17,344                  | 713,909                  | 731,253              | -                |
| Prepaid items   | -                       | 100,011                  | 100,011              | -                |
| Other assets  | -                       | 16,482                   | 16,482               | -                |
| Restricted assets                                     |                         |                          |                      |                  |
| Cash  | -                       | 51,169                   | 51,169               | -                |
| Investments   | -                       | 700,000                  | 700,000              | -                |
| Accrued interest                                      | -                       | 30,702                   | 30,702               | -                |
| Accounts receivable                                   | -                       | 729,383                  | 729,383              | -                |
| Prepaid capital improvement deposits                  | -                       | 1,177,144                | 1,177,144            | -                |
| Other assets  | -                       | 239,773                  | 239,773              | -                |
| Investments in joint venture                          | 28,894,608              | -                        | 28,894,608           | -                |
| Capital assets (net of accumulated depreciation)      |                         |                          |                      |                  |
| Land  | 12,232,252              | 1,445,666                | 13,677,918           | -                |
| Buildings   | 11,862,881              | 678,497                  | 12,541,378           | 272,676          |
| Improvements other than buildings                     | 4,002,317               | 43,323,262               | 47,325,579           | -                |
| Infrastructure  | 88,727,230              | -                        | 88,727,230           | -                |
| Machinery and equipment                               | 5,364,402               | 2,380,254                | 7,744,656            | 84,279           |
| Subscription asset                                    | 249,470                 | -                        | 249,470              | -                |
| Licensed vehicles                                     | 7,368,998               | -                        | 7,368,998            | -                |
| Intersystem shared assets                             | -                       | 5,983,237                | 5,983,237            | -                |
| Construction in progress                              | 1,747,582               | 6,460,689                | 8,208,271            | -                |
| <b>TOTAL ASSETS</b>                                   | <u>242,071,366</u>      | <u>89,810,191</u>        | <u>331,881,557</u>   | <u>1,646,860</u> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                 |                         |                          |                      |                  |
| Deferred outflows from pensions                       | 15,819,540              | 3,017,155                | 18,836,695           | -                |
| Deferred outflows from other post employment benefits | 1,581,964               | 27,997                   | 1,609,961            | -                |
| Deferred charge on refunding                          | 421,014                 | -                        | 421,014              | -                |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>           | <u>\$ 17,822,518</u>    | <u>\$ 3,045,152</u>      | <u>\$ 20,867,670</u> | <u>\$ -</u>      |

|  | Primary Government    |                      |                       | Component           |
|--|-----------------------|----------------------|-----------------------|---------------------|
|  | Governmental          | Business-type        | Total                 | Unit                |
|  | Activities            | Activities           |                       | Health              |
| <b>LIABILITIES</b>                                   |                       |                      |                       |                     |
| Accounts payable                                     | \$ 848,100            | \$ 579,098           | \$ 1,427,198          | \$ 58,017           |
| Contracts payable                                    | 346                   | -                    | 346                   | -                   |
| Accrued liabilities                                  | 502,760               | 191,560              | 694,320               | 21,506              |
| Due to other governments                             | 127,765               | 1,607                | 129,372               | -                   |
| Unearned revenue                                     | 1,996,180             | -                    | 1,996,180             | -                   |
| Accrued interest payable from restricted assets      | -                     | 9,647                | 9,647                 | -                   |
| Customer deposits                                    | -                     | 782,017              | 782,017               | -                   |
| Capital improvement deposits                         | -                     | 1,809,446            | 1,809,446             | -                   |
| Other liabilities and escrow deposits                | -                     | 2,693,958            | 2,693,958             | -                   |
| Long-term liabilities                                |                       |                      |                       |                     |
| Due within one year                                  |                       |                      |                       |                     |
| Bonds payable  | 2,655,000             | 105,000              | 2,760,000             | -                   |
| Certificates of obligation                           | 1,930,000             | -                    | 1,930,000             | -                   |
| Subscription liability                               | 48,366                | -                    | 48,366                | -                   |
| Loans payable  | -                     | 397,189              | 397,189               | -                   |
| Accrued compensated absences                         | 416,317               | 64,033               | 480,350               | -                   |
| Due in more than one year:                           |                       |                      |                       |                     |
| Net pension liabilities                              | 29,959,649            | 5,649,298            | 35,608,947            | -                   |
| Total other postemployment liabilities               | 15,280,566            | 692,050              | 15,972,616            | -                   |
| Bonds payable  | 14,315,068            | 1,174,873            | 15,489,941            | -                   |
| Certificates of obligation                           | 37,385,816            | -                    | 37,385,816            | -                   |
| Subscription liability                               | 182,157               | -                    | 182,157               | -                   |
| Loans payable  | -                     | 1,179,128            | 1,179,128             | -                   |
| Accrued compensated absences                         | 5,487,072             | 367,367              | 5,854,439             | -                   |
| <b>TOTAL LIABILITIES</b>                             | <u>111,135,162</u>    | <u>15,696,271</u>    | <u>126,831,433</u>    | <u>79,523</u>       |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                 |                       |                      |                       |                     |
| Deferred inflows from pension                        | 649,479               | 29,964               | 679,443               | -                   |
| Deferred inflows from other post employment benefits | 3,807,073             | 539,271              | 4,346,344             | -                   |
| Gain on refunding                                    | 80,775                | -                    | 80,775                | -                   |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>           | <u>4,537,327</u>      | <u>569,235</u>       | <u>5,106,562</u>      | <u>-</u>            |
| <b>NET POSITION</b>                                  |                       |                      |                       |                     |
| Net invested in capital assets                       | 96,891,657            | 58,166,584           | 155,058,241           | 356,955             |
| Restricted for:                                      |                       |                      |                       |                     |
| Court security and technology                        | 508,790               | -                    | 508,790               | -                   |
| Law enforcement                                      | 480,471               | -                    | 480,471               | -                   |
| Health and welfare                                   | 2,308,568             | -                    | 2,308,568             | 1,210,382           |
| Public safety radio                                  | 196,799               | -                    | 196,799               | -                   |
| Tourism  | 1,756,805             | -                    | 1,756,805             | -                   |
| Capital improvements                                 | 21,776,689            | -                    | 21,776,689            | -                   |
| Debt service   | 352,582               | -                    | 352,582               | -                   |
| Tax Increment Reinvestment Zone                      | 2,370,783             | -                    | 2,370,783             | -                   |
| Unrestricted   | 17,578,251            | 18,423,253           | 36,001,504            | -                   |
| <b>TOTAL NET POSITION</b>                            | <u>\$ 144,221,395</u> | <u>\$ 76,589,837</u> | <u>\$ 220,811,232</u> | <u>\$ 1,567,337</u> |



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**City of Texarkana, Texas**  
**Statement of Activities**  
**Year Ended September 30, 2023**

| Functions/Programs                                   | Program Revenues    |                      |                                      |                                  | Net (Expense) Revenue and Changes in Net Position |                          |                       | Component Unit      |
|--|---------------------|----------------------|--------------------------------------|----------------------------------|---|--------------------------|-----------------------|---------------------|
|  | Expenses            | Charges for Services | Operating Grants and Contributions   | Capital Grants and Contributions | Primary Government                                |                          | Health                |                     |
|  |                     |                      |                                      |                                  | Governmental Activities                           | Business-type Activities |                       | Total               |
| <b>Primary Government</b>                            |                     |                      |                                      |                                  |   |                          |                       |                     |
| Governmental activities                              |                     |                      |                                      |                                  |   |                          |                       |                     |
| General government                                   | \$ 13,661,540       | \$ 977,030           | \$ 3,128,111                         | \$ -                             | \$ (9,556,400)                                    | \$ -                     | \$ (9,556,400)        | \$ -                |
| Public safety  | 17,909,977          | 2,258,553            | 3,292,333                            | -                                | (12,359,091)                                      | -                        | (12,359,091)          | -                   |
| Public works   | 10,428,093          | 464,266              | 767,739                              | -                                | (9,196,089)                                       | -                        | (9,196,089)           | -                   |
| Parks and recreation                                 | 4,751,912           | 297,969              | 70,998                               | -                                | (4,382,944)                                       | -                        | (4,382,944)           | -                   |
| Health and welfare                                   | 1,114,074           | 339,342              | 692,797                              | -                                | (81,935)  | -                        | (81,935)              | -                   |
| Interest on long-term debt                           | 1,745,750           | -                    | -                                    | -                                | (1,745,750)                                       | -                        | (1,745,750)           | -                   |
| Total governmental activities                        | <u>49,611,346</u>   | <u>4,337,160</u>     | <u>7,951,978</u>                     | <u>-</u>                         | <u>(37,322,208)</u>                               | <u>-</u>                 | <u>(37,322,208)</u>   | <u>-</u>            |
| Business-type activities                             |                     |                      |                                      |                                  |   |                          |                       |                     |
| Texarkana Water Utilities and other enterprise funds | 26,930,284          | 27,970,761           | -                                    | 50,928                           | -   | 1,091,405                | 1,091,405             | -                   |
| Total business-type activities                       | <u>26,930,284</u>   | <u>27,970,761</u>    | <u>-</u>                             | <u>50,928</u>                    | <u>-</u>  | <u>1,091,405</u>         | <u>1,091,405</u>      | <u>-</u>            |
| Total primary government                             | <u>76,541,630</u>   | <u>32,307,921</u>    | <u>7,951,978</u>                     | <u>50,928</u>                    | <u>(37,322,208)</u>                               | <u>1,091,405</u>         | <u>(36,230,803)</u>   | <u>-</u>            |
| <b>Component Unit</b>                                |                     |                      |                                      |                                  |   |                          |                       |                     |
| Component unit – Health                              | 1,138,434           | 197,478              | 922,074                              | -                                | -   | -                        | -                     | (18,882)            |
| Total component unit                                 | <u>\$ 1,138,434</u> | <u>\$ 197,478</u>    | <u>\$ 922,074</u>                    | <u>\$ -</u>                      |   |                          |                       | <u>(18,882)</u>     |
|  |                     |                      | <b>General Revenues</b>              |                                  |   |                          |                       |                     |
|  |                     |                      | Property taxes                       |                                  | 19,961,801  | -                        | 19,961,801            | -                   |
|  |                     |                      | Sales taxes                          |                                  | 21,867,253  | -                        | 21,867,253            | -                   |
|  |                     |                      | Franchise taxes                      |                                  | 1,718,014   | -                        | 1,718,014             | -                   |
|  |                     |                      | Other taxes                          |                                  | 2,167,716   | -                        | 2,167,716             | -                   |
|  |                     |                      | Investment earnings                  |                                  | 2,932,175   | 855,035                  | 3,787,210             | 45,700              |
|  |                     |                      | Miscellaneous                        |                                  | 1,674,639   | -                        | 1,674,639             | -                   |
|  |                     |                      | Transfers                            |                                  | (1,183,310)                                       | 1,183,310                | -                     | -                   |
|  |                     |                      | Total general revenues and transfers |                                  | <u>49,138,288</u>                                 | <u>2,038,345</u>         | <u>51,176,633</u>     | <u>45,700</u>       |
|  |                     |                      | Change in net position               |                                  | <u>11,816,080</u>                                 | <u>3,129,750</u>         | <u>14,945,830</u>     | <u>26,818</u>       |
|  |                     |                      | Net position, beginning of year      |                                  | <u>132,405,315</u>                                | <u>73,460,087</u>        | <u>205,865,402</u>    | <u>1,540,519</u>    |
|  |                     |                      | Net position, end of year            |                                  | <u>\$ 144,221,395</u>                             | <u>\$ 76,589,837</u>     | <u>\$ 220,811,232</u> | <u>\$ 1,567,337</u> |

**City of Texarkana, Texas**  
**Balance Sheet – Governmental Funds**  
**September 30, 2023**

|   | General              | Debt<br>Service   | CDBG 108<br>Loan    | 2022 Bond            | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|-------------------|---------------------|----------------------|--------------------------------|--------------------------------|
| <b>ASSETS</b>   |                      |                   |                     |                      |                                |                                |
| Cash  | \$ 29,046,037        | \$ 582,137        | \$ 315              | \$ 9,256,934         | \$ 13,040,363                  | \$ 51,925,786                  |
| Investments   |                      |                   |                     |                      |                                |                                |
| Certificates of deposit   | 7,299,742            | -                 | -                   | 8,786,701            | -                              | 16,086,443                     |
| Receivables (net of allowance for uncollectible)                          |                      |                   |                     |                      |                                |                                |
| Property taxes  | 684,116              | 266,429           | -                   | -                    | 2,591                          | 953,136                        |
| Other taxes   | 267,212              | -                 | -                   | -                    | 149,886                        | 417,098                        |
| Accounts  | 159,060              | 11,872            | -                   | -                    | 208,236                        | 379,168                        |
| Other government agencies   | 5,165,681            | -                 | -                   | -                    | 1,061,209                      | 6,226,890                      |
| Accrued interest  | 2,416                | -                 | 90,267              | -                    | 198,708                        | 291,391                        |
| Loans   | -                    | -                 | 1,429,000           | -                    | 2,052,994                      | 3,481,994                      |
| Due from other governments  | -                    | -                 | -                   | -                    | -                              | -                              |
| Due from other funds  | 476,720              | -                 | -                   | -                    | 1,418,628                      | 1,895,348                      |
| <b>TOTAL ASSETS</b>   | <b>\$ 43,100,984</b> | <b>\$ 860,438</b> | <b>\$ 1,519,582</b> | <b>\$ 18,043,635</b> | <b>\$ 18,132,615</b>           | <b>\$ 81,657,254</b>           |
| <b>LIABILITIES</b>  |                      |                   |                     |                      |                                |                                |
| Accounts payable  | \$ -                 | \$ -              | \$ -                | \$ -                 | \$ 382,877                     | \$ 382,877                     |
| Contracts payable   | -                    | -                 | -                   | -                    | 346                            | 346                            |
| Accrued payroll   | 355,661              | -                 | -                   | -                    | 76                             | 355,737                        |
| Due to other governments  | 127,765              | -                 | -                   | -                    | -                              | 127,765                        |
| Due to other funds  | 10,442               | 254,091           | 1,408,286           | -                    | 222,529                        | 1,895,348                      |
| Other liabilities and escrow deposits                                     | 1,915,003            | 199               | -                   | 80,978               | -                              | 1,996,180                      |
| <b>TOTAL LIABILITIES</b>  | <b>2,408,871</b>     | <b>254,290</b>    | <b>1,408,286</b>    | <b>80,978</b>        | <b>605,828</b>                 | <b>4,758,253</b>               |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                      |                   |                     |                      |                                |                                |
| Unavailable revenue – charges for services                                | 91,147               | -                 | -                   | -                    | -                              | 91,147                         |
| Unavailable revenue – property taxes                                      | 651,087              | 253,566           | -                   | -                    | 553,058                        | 1,457,711                      |
| Unavailable revenue – grants  | -                    | -                 | -                   | -                    | 165,910                        | 165,910                        |
| Unavailable revenue – interest  | -                    | -                 | 90,267              | -                    | 212,721                        | 302,988                        |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                | <b>742,234</b>       | <b>253,566</b>    | <b>90,267</b>       | <b>-</b>             | <b>931,689</b>                 | <b>2,017,756</b>               |
| <b>FUND BALANCES (DEFICIT)</b>  |                      |                   |                     |                      |                                |                                |
| Nonspendable  | -                    | -                 | 1,429,000           | -                    | 2,052,994                      | 3,481,994                      |
| Restricted  | 12,478               | 352,582           | -                   | 17,962,657           | 11,423,771                     | 29,751,488                     |
| Committed   | -                    | -                 | -                   | -                    | 2,395,363                      | 2,395,363                      |
| Assigned  | 21,890,252           | -                 | -                   | -                    | 722,985                        | 22,613,237                     |
| Unassigned (deficit)  | -                    | -                 | -                   | -                    | -                              | -                              |
| General fund  | 18,047,149           | -                 | -                   | -                    | -                              | 18,047,149                     |
| Special revenue funds   | -                    | -                 | (1,407,971)         | -                    | (15)                           | (1,407,986)                    |
| <b>TOTAL FUND BALANCES</b>  | <b>39,949,879</b>    | <b>352,582</b>    | <b>21,029</b>       | <b>17,962,657</b>    | <b>16,595,098</b>              | <b>74,881,245</b>              |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b> | <b>\$ 43,100,984</b> | <b>\$ 860,438</b> | <b>\$ 1,519,582</b> | <b>\$ 18,043,635</b> | <b>\$ 18,132,615</b>           | <b>\$ 81,657,254</b>           |

**City of Texarkana, Texas**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**September 30, 2023**

|  |                              |
|--|------------------------------|
| Total governmental funds balances  | \$ 74,881,245                |
| Amounts reported for governmental activities in the statement of net position are different because:   |                              |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.  | 131,555,132                  |
| Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.   | 2,017,756                    |
| Internal service funds are used by management to charge the costs of insurance and fleet services to individual funds. A portion of the assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.  | 1,247,474                    |
| Long-term liabilities, including bonds payable and certificates of obligation, along with the related deferred outflows of resources and deferred inflows of resources on refundings, loans payable, compensated absences and subscription liability are not due and payable in current periods and therefore are not reported in the funds. | (62,079,557)                 |
| Net pension liability, total Other Post Employment Benefit (OPEB) liability, pension and OPEB related deferred outflows and inflows of resources are not due in the current period and therefore are not reported in the funds.  | (32,295,263)                 |
| Equity interest in joint ventures, excluding interest in Bowie Central Appraisal District, do not provide current financial resources and therefore may not be reported in the funds.  | <u>28,894,608</u>            |
| Net position of governmental activities  | <u><u>\$ 144,221,395</u></u> |

**City of Texarkana, Texas**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balances – Governmental Funds**  
**Year Ended September 30, 2023**

|   | General              | Debt<br>Service    | CDBG 108<br>Loan | 2022 Bond            | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|--------------------|------------------|----------------------|--------------------------------|--------------------------------|
| <b>REVENUES</b>                                   |                      |                    |                  |                      |                                |                                |
| Property taxes                                    | \$ 13,573,584        | \$ 5,267,271       | \$ -             | \$ -                 | \$ 906,887                     | \$ 19,747,742                  |
| Other taxes                                       | 22,050,593           | -                  | -                | -                    | 1,984,376                      | 24,034,969                     |
| Franchise receipts                                | 1,358,895            | -                  | -                | -                    | 359,119                        | 1,718,014                      |
| Fees and permits                                  | 1,966,459            | -                  | -                | -                    | -                              | 1,966,459                      |
| Charges for services                              | 1,167,883            | -                  | -                | -                    | 69,987                         | 1,237,870                      |
| Municipal court                                   | 1,235,227            | -                  | -                | -                    | -                              | 1,235,227                      |
| Interest and dividends                            | 1,504,877            | 75,099             | 428              | 734,735              | 500,813                        | 2,815,952                      |
| Intergovernmental                                 | 409,738              | -                  | -                | -                    | 1,143,424                      | 1,553,162                      |
| Other   | 1,235,662            | -                  | -                | -                    | 829,929                        | 2,065,591                      |
| Total revenues                                    | <u>44,502,918</u>    | <u>5,342,370</u>   | <u>428</u>       | <u>734,735</u>       | <u>5,794,535</u>               | <u>56,374,986</u>              |
| <b>EXPENDITURES</b>                               |                      |                    |                  |                      |                                |                                |
| Current   |                      |                    |                  |                      |                                |                                |
| General government                                | 8,678,432            | -                  | -                | -                    | 279,832                        | 8,958,264                      |
| Public safety                                     | 16,544,660           | -                  | -                | -                    | 379,621                        | 16,924,281                     |
| Public works                                      | 5,501,451            | -                  | -                | -                    | 222,043                        | 5,723,494                      |
| Parks and recreation                              | 2,344,136            | -                  | -                | -                    | 1,438,592                      | 3,782,728                      |
| Health and welfare                                | 241,161              | -                  | -                | -                    | 872,913                        | 1,114,074                      |
| Capital outlay                                    | 4,041,803            | -                  | -                | 3,247,078            | 240,518                        | 7,529,399                      |
| Debt service:                                     |                      |                    |                  |                      |                                |                                |
| Principal retirement                              | 92,096               | 4,540,000          | -                | -                    | -                              | 4,632,096                      |
| Interest and fiscal charges                       | 613                  | 1,817,989          | -                | -                    | -                              | 1,818,602                      |
| Total expenditures                                | <u>37,444,352</u>    | <u>6,357,989</u>   | <u>-</u>         | <u>3,247,078</u>     | <u>3,433,519</u>               | <u>50,482,938</u>              |
| Excess (deficiency) of revenues over expenditures | <u>7,058,566</u>     | <u>(1,015,619)</u> | <u>428</u>       | <u>(2,512,343)</u>   | <u>2,361,016</u>               | <u>5,892,048</u>               |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                      |                    |                  |                      |                                |                                |
| Transfers in                                      | 10,300               | 1,283,597          | -                | -                    | 1,183,121                      | 2,477,018                      |
| Transfers out                                     | (4,157,515)          | -                  | -                | -                    | (1,820,753)                    | (5,978,268)                    |
| Proceeds from issuance of debt                    | -                    | -                  | -                | 20,475,000           | -                              | 20,475,000                     |
| Total other financing sources (uses)              | <u>(4,147,215)</u>   | <u>1,283,597</u>   | <u>-</u>         | <u>20,475,000</u>    | <u>(637,632)</u>               | <u>16,973,750</u>              |
| Net change in fund balance                        | 2,911,351            | 267,978            | 428              | 17,962,657           | 1,723,384                      | 22,865,798                     |
| Fund balance at beginning of year                 | <u>37,038,528</u>    | <u>84,604</u>      | <u>20,601</u>    | <u>-</u>             | <u>14,871,714</u>              | <u>52,015,447</u>              |
| Fund balance at end of year                       | <u>\$ 39,949,879</u> | <u>\$ 352,582</u>  | <u>\$ 21,029</u> | <u>\$ 17,962,657</u> | <u>\$ 16,595,098</u>           | <u>\$ 74,881,245</u>           |

# City of Texarkana, Texas

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities

### Year Ended September 30, 2023

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

|   |                      |
|---|----------------------|
| Net change in fund balances - total governmental funds  | \$ 22,865,798        |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the effect of those differences.   | 1,474,865            |
| The Statement of Activities reports a gain or loss of the sale of the assets based on the proceeds received and the net book value of the assets at the time of disposal. This amount is the net effect of the difference between the cost of assets disposed and the accumulated depreciation of assets disposed.  | (253,530)            |
| Some revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. On the accrual basis, however, those revenues would be recognized, regardless of when they were collected. This is the net amount of the revenue differences as a result of deferrals because of the availability criterion under the modified accrual basis of accounting.   | 197,826              |
| The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transactions, however, has any effect on net position. Also governmental funds report the net effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long term debt and related items. | (15,647,625)         |
| Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as an expenditure in the governmental funds.  | (391,921)            |
| Net pension and total other postemployment obligations reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.  | (2,648,910)          |
| Internal service funds are used by management to charge the costs of insurance and fleet services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.  | (13,329)             |
| Increases (decreases) from the equity interest in joint ventures do not provide or use current current financial resources and therefore may not be reported in the funds.  | <u>6,232,906</u>     |
| Change in net position of governmental activities   | <u>\$ 11,816,080</u> |

**City of Texarkana, Texas**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance – Budget and Actual – General Fund**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                      |                      | <b>Variance with<br/>Final Budget</b> |
|--|-------------------------|----------------------|----------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>         | <u>Actual</u>        |                                       |
| <b>REVENUES</b>                                  |                         |                      |                      |                                       |
| Property taxes                                   | \$ 13,275,773           | \$ 13,536,266        | \$ 13,573,584        | \$ 37,318                             |
| Other taxes                                      | 20,931,200              | 22,150,000           | 22,050,593           | (99,407)                              |
| Franchise receipts                               | 1,353,000               | 1,393,500            | 1,358,895            | (34,605)                              |
| Fees and permits                                 | 948,850                 | 1,362,933            | 1,966,459            | 603,526                               |
| Charges for services                             | 681,925                 | 250,067              | 1,167,883            | 917,816                               |
| Municipal court                                  | 1,189,135               | 1,208,960            | 1,235,227            | 26,267                                |
| Grants and entitlements                          | -                       | 68,942               | -                    | (68,942)                              |
| Investment earnings                              | 226,995                 | 1,237,060            | 1,504,877            | 267,817                               |
| Intergovernmental                                | 141,450                 | 178,550              | 409,738              | 231,188                               |
| Other  | 565,825                 | 1,128,948            | 1,235,662            | 106,714                               |
| Total revenues                                   | <u>39,314,153</u>       | <u>42,515,226</u>    | <u>44,502,918</u>    | <u>1,987,692</u>                      |
| <b>EXPENDITURES</b>                              |                         |                      |                      |                                       |
| Current  |                         |                      |                      |                                       |
| General government                               | 17,878,177              | 13,499,761           | 8,678,432            | 4,821,329                             |
| Public safety                                    | 16,839,635              | 17,081,100           | 16,544,660           | 536,440                               |
| Public works                                     | 6,213,502               | 8,453,299            | 5,501,451            | 2,951,848                             |
| Parks and recreation                             | 2,254,384               | 2,229,921            | 2,344,136            | (114,215)                             |
| Health and welfare                               | 579,378                 | 571,744              | 241,161              | 330,583                               |
| Capital outlay                                   | 2,141,053               | 3,949,199            | 4,041,803            | (92,604)                              |
| Debt service                                     |                         |                      |                      |                                       |
| Principal  | 34,440                  | 34,440               | 92,096               | (57,656)                              |
| Interest   | 613                     | 613                  | 613                  | -                                     |
| Total expenditures                               | <u>45,941,182</u>       | <u>45,820,077</u>    | <u>37,444,352</u>    | <u>8,375,725</u>                      |
| Excess (deficiency) of revenue over expenditures | <u>(6,627,029)</u>      | <u>(3,304,851)</u>   | <u>7,058,566</u>     | <u>10,363,417</u>                     |
| <b>OTHER FINANCING SOURCES (USES)</b>            |                         |                      |                      |                                       |
| Transfers in                                     | 1,024,500               | 1,024,500            | 10,300               | (1,014,200)                           |
| Transfers out                                    | <u>(5,637,052)</u>      | <u>(6,070,381)</u>   | <u>(4,157,515)</u>   | <u>1,912,866</u>                      |
| Total other financing sources (uses)             | <u>(4,612,552)</u>      | <u>(5,045,881)</u>   | <u>(4,147,215)</u>   | <u>898,666</u>                        |
| Net change in fund balance                       | (11,239,581)            | (8,350,732)          | 2,911,351            | 11,262,083                            |
| Fund balances at beginning of year               | <u>37,038,528</u>       | <u>37,038,528</u>    | <u>37,038,528</u>    | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ 25,798,947</u>    | <u>\$ 28,687,796</u> | <u>\$ 39,949,879</u> | <u>\$ 11,262,083</u>                  |

**City of Texarkana, Texas**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance – Budget and Actual – CDBG 108 Loan Fund**  
**Year Ended September 30, 2023**

|                                     | <u>Budgeted Amounts</u> |                   | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|-------------------------------------|-------------------------|-------------------|------------------|---------------------------------------|
|                                     | <u>Original</u>         | <u>Final</u>      |                  |                                       |
| <b>REVENUES</b>                     |                         |                   |                  |                                       |
| Interest and dividends              | \$ 30,009               | \$ 81,410         | \$ 428           | \$ (80,982)                           |
| Total revenues                      | <u>30,009</u>           | <u>81,410</u>     | <u>428</u>       | <u>(80,982)</u>                       |
| <b>EXPENDITURES</b>                 |                         |                   |                  |                                       |
| Current:                            |                         |                   |                  |                                       |
| Total expenditures                  | <u>-</u>                | <u>-</u>          | <u>-</u>         | <u>-</u>                              |
| <b>OTHER FINANCING SOURCES/USES</b> |                         |                   |                  |                                       |
| Transfers out                       | <u>-</u>                | <u>-</u>          | <u>-</u>         | <u>-</u>                              |
| Total other financing sources/uses  | <u>-</u>                | <u>-</u>          | <u>-</u>         | <u>-</u>                              |
| Net change in fund balance          | 30,009                  | 81,410            | 428              | (80,982)                              |
| Fund balance at beginning of year   | <u>20,601</u>           | <u>20,601</u>     | <u>20,601</u>    | <u>-</u>                              |
| Fund balance at end of year         | <u>\$ 50,610</u>        | <u>\$ 102,011</u> | <u>\$ 21,029</u> | <u>\$ (80,982)</u>                    |

**City of Texarkana, Texas**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance – Budget and Actual – 2022 Bond Fund**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                      |                      | <b>Variance with<br/>Final Budget</b> |
|--|-------------------------|----------------------|----------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>         | <u>Actual</u>        |                                       |
| <b>REVENUES</b>                                  |                         |                      |                      |                                       |
| Proceeds from CO Bonds                           | \$ -                    | \$ 20,475,000        | \$ 20,475,000        | \$ -                                  |
| Interest and dividends                           | -                       | 685,000              | 734,735              | 49,735                                |
| Total revenues                                   | <u>-</u>                | <u>21,160,000</u>    | <u>21,209,735</u>    | <u>49,735</u>                         |
| <b>EXPENDITURES</b>                              |                         |                      |                      |                                       |
| Current  |                         |                      |                      |                                       |
| Capital outlay                                   | -                       | 8,300,551            | 3,247,078            | 5,053,473                             |
| Total expenditures                               | <u>-</u>                | <u>8,300,551</u>     | <u>3,247,078</u>     | <u>5,053,473</u>                      |
| Excess (deficiency) of revenue over expenditures | <u>-</u>                | <u>12,859,449</u>    | <u>17,962,657</u>    | <u>5,103,208</u>                      |
| Net change in fund balance                       | -                       | 12,859,449           | 17,962,657           | 5,103,208                             |
| Fund balances (deficit) at beginning of year     | <u>-</u>                | <u>-</u>             | <u>-</u>             | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ -</u>             | <u>\$ 12,859,449</u> | <u>\$ 17,962,657</u> | <u>\$ 5,103,208</u>                   |



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**City of Texarkana, Texas**  
**Statement of Net Position – Proprietary Funds**  
**September 30, 2023**

|   | <b>Business-type Activities - Enterprise Funds</b> |  |                   | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|---|--|--|-------------------|---|
|   | <b>Texarkana,<br/>Texas Water<br/>Utilities</b>    | <b>Nonmajor<br/>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>      |   |
| <b>ASSETS</b>   |  |  |                   |   |
| Current assets  |  |  |                   |   |
| Cash  | \$ 20,582,027                                      | \$ 1,066,271                                       | \$ 21,648,298     | \$ 1,926,398  |
| Investments   | 976,915  | -  | 976,915           | -   |
| Receivables (net of allowance for uncollectible):             |  |  |                   |   |
| Accounts  | 1,557,876  | 54,976   | 1,612,852         | 163,917   |
| Accrued interest  | 15,765   | -  | 15,765            | -   |
| Other government agencies                                     | 184,373  | -  | 184,373           | 186,029   |
| Due from other funds  | 1,457,568  | 4,442  | 1,462,010         | -   |
| Inventory   | 706,023  | -  | 706,023           | 39,429  |
| Prepaid expenses  | 100,011  | -  | 100,011           | -   |
| Other assets  | 16,482   | -  | 16,482            | -   |
| Total current assets  | <u>25,597,040</u>                                  | <u>1,125,689</u>                                   | <u>26,722,729</u> | <u>2,315,773</u>  |
| Noncurrent assets   |  |  |                   |   |
| Restricted assets   |  |  |                   |   |
| Cash  | 51,169   | -  | 51,169            | -   |
| Investments   | 700,000  | -  | 700,000           | -   |
| Accrued interest  | 30,702   | -  | 30,702            | -   |
| Accounts receivable   | -  | 729,383  | 729,383           | -   |
| Total restricted assets                                       | <u>781,871</u>                                     | <u>729,383</u>                                     | <u>1,511,254</u>  | <u>-</u>  |
| Other noncurrent assets                                       |  |  |                   |   |
| Prepaid capital improvement deposits                          | 1,177,144  | -  | 1,177,144         | -   |
| Other assets  | 239,773  | -  | 239,773           | -   |
| Total other noncurrent assets                                 | <u>1,416,917</u>                                   | <u>-</u>   | <u>1,416,917</u>  | <u>-</u>  |
| Capital assets (net of accumulated depreciation)              |  |  |                   |   |
| Land  | 1,444,866  | 800  | 1,445,666         | -   |
| Buildings   | 678,497  | -  | 678,497           | -   |
| Improvements other than buildings                             | 43,323,262   | -  | 43,323,262        | -   |
| Machinery and equipment                                       | 2,380,254  | -  | 2,380,254         | -   |
| Intersystem shared assets                                     | 5,983,237  | -  | 5,983,237         | -   |
| Construction in progress                                      | 6,460,689  | -  | 6,460,689         | -   |
| Total capital assets  | <u>60,270,805</u>                                  | <u>800</u>   | <u>60,271,605</u> | <u>-</u>  |
| Total noncurrent assets                                       | <u>62,469,593</u>                                  | <u>730,183</u>                                     | <u>63,199,776</u> | <u>-</u>  |
| <b>TOTAL ASSETS</b>   | <u>88,066,633</u>                                  | <u>1,855,872</u>                                   | <u>89,922,505</u> | <u>2,315,773</u>  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                         |  |  |                   |   |
| Deferred pension outflows                                     | 3,017,155  | -  | 3,017,155         | -   |
| Deferred pension outflows from other post employment benefits | 27,997   | -  | 27,997            | -   |
| <b>TOTAL DEFERRED OUTFLOWS ON RESOURCES</b>                   | <u>3,045,152</u>                                   | <u>-</u>   | <u>3,045,152</u>  | <u>-</u>  |

|  | <b>Business-type Activities - Enterprise Funds</b> |  |                      | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|--|--|--|----------------------|---|
|  | <b>Texarkana,<br/>Texas Water<br/>Utilities</b>    | <b>Nonmajor<br/>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>         |   |
| <b>LIABILITIES</b>   |  |  |                      |   |
| Current liabilities  |  |  |                      |   |
| Accounts payable   | \$ 347,771   | \$ 116,972   | \$ 464,743           | \$ 571,776  |
| Accrued liabilities  | 152,457  | 2,347  | 154,804              | 183,779   |
| Accrued interest   | 9,647  | -  | 9,647                | -   |
| Due to other funds   | 156,103  | 419,191  | 575,294              | 875   |
| Other payables   | 2,693,958  | -  | 2,693,958            | -   |
| Accrued compensated absences – current   | 64,033   | -  | 64,033               | -   |
| Revenue bonds – current  | 105,000  | -  | 105,000              | -   |
| Notes payable – current  | 397,189  | -  | 397,189              | -   |
| Total current liabilities  | <u>3,926,158</u>                                   | <u>540,117</u>                                     | <u>4,466,275</u>     | <u>756,430</u>  |
| Noncurrent liabilities   |  |  |                      |   |
| Customer deposits  | 782,017  | -  | 782,017              | -   |
| Capital improvement deposits   | 503,050  | 1,306,396  | 1,809,446            | -   |
| Accrued compensated absences   | 367,367  | -  | 367,367              | -   |
| Net pension and total other postemployment liabilities   | 6,341,348  | -  | 6,341,348            | -   |
| Revenue bonds  | 1,174,873  | -  | 1,174,873            | -   |
| Notes payable  | 1,179,128  | -  | 1,179,128            | -   |
| Total noncurrent liabilities   | <u>10,347,783</u>                                  | <u>1,306,396</u>                                   | <u>11,654,179</u>    | <u>-</u>  |
| <b>TOTAL LIABILITIES</b>   | <u>14,273,941</u>                                  | <u>1,846,513</u>                                   | <u>16,120,454</u>    | <u>756,430</u>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |  |  |                      |   |
| Deferred pension inflows from pensions   | 29,964   | -  | 29,964               | -   |
| Deferred pension inflows from other post emp benefits  | 539,271  | -  | 539,271              | -   |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>   | <u>569,235</u>                                     | <u>-</u>   | <u>569,235</u>       | <u>-</u>  |
| <b>NET POSITION</b>  |  |  |                      |   |
| Net investment in capital assets   | 58,165,784   | 800  | 58,166,584           | -   |
| Unrestricted   | 18,102,825   | 8,559  | 18,111,384           | 1,559,343   |
| <b>TOTAL NET POSITION</b>  | <u>\$ 76,268,609</u>                               | <u>\$ 9,359</u>                                    | <u>76,277,968</u>    | <u>\$ 1,559,343</u>   |
| Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities. |  |  | <u>311,869</u>       |   |
| Net position of business-type activities   |  |  | <u>\$ 76,589,837</u> |   |

**City of Texarkana, Texas**  
**Statement of Revenues, Expenses and Changes in**  
**Net Position – Proprietary Funds**  
**Year Ended September 30, 2023**

|  | <u>Business-type Activities - Enterprise Funds</u> |  |                   | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|--|--|--|-------------------|---|
|  | <b>Texarkana,<br/>Texas Water<br/>Utilities</b>    | <b>Nonmajor<br/>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>      |   |
| <b>OPERATING REVENUES</b>                          |  |  |                   |   |
| Water sales  | \$ 8,327,903                                       | \$ 2,123,822                                       | \$ 10,451,725     | \$ -  |
| Wholesale water sales                              | 2,660,846  | -  | 2,660,846         | -   |
| Water connection fees                              | 17,175   | -  | 17,175            | -   |
| Sewer charges                                      | 7,481,926  | -  | 7,481,926         | -   |
| Penalties and service charges                      | 719,432  | -  | 719,432           | -   |
| Insurance contributions                            | -  | -  | -                 | 7,426,252   |
| Fleet services                                     | -  | -  | -                 | 194,149   |
| Other income                                       | 6,130,320  | -  | 6,130,320         | 228,026   |
| Total operating revenues                           | <u>25,337,602</u>                                  | <u>2,123,822</u>                                   | <u>27,461,424</u> | <u>7,848,427</u>  |
| <b>OPERATING EXPENSES</b>                          |  |  |                   |   |
| Administrative                                     | 499,223  | -  | 499,223           | -   |
| Finance  | 353,114  | -  | 353,114           | -   |
| Information technology                             | 723,297  | -  | 723,297           | -   |
| Customer service                                   | 618,973  | -  | 618,973           | -   |
| Water production                                   | 4,156,139  | -  | 4,156,139         | -   |
| Water distribution                                 | 982,718  | -  | 982,718           | -   |
| Sewer collection                                   | 959,413  | -  | 959,413           | -   |
| Inflow and infiltration                            | 172,679  | -  | 172,679           | -   |
| Wastewater treatment                               | 3,339,224  | -  | 3,339,224         | -   |
| Environmental service                              | 271,551  | -  | 271,551           | -   |
| Engineering design                                 | 398,802  | -  | 398,802           | -   |
| Geographical information systems                   | 229,385  | -  | 229,385           | -   |
| Composting   | 241,802  | -  | 241,802           | -   |
| Operations administration                          | 173,105  | -  | 173,105           | -   |
| Service center                                     | 249,432  | -  | 249,432           | -   |
| Field service                                      | 482,497  | -  | 482,497           | -   |
| Construction oversight                             | 1,665,101  | -  | 1,665,101         | -   |
| Benefit payments                                   | -  | -  | -                 | 8,751,968   |
| Fleet services                                     | -  | -  | -                 | 1,468,457   |
| Depreciation                                       | 3,838,557  | -  | 3,838,557         | -   |
| Other expenses                                     | 4,881,695  | -  | 4,881,695         | -   |
| Contract water & sewer expense-International Paper | -  | 2,122,197  | 2,122,197         | -   |
| Total operating expense                            | <u>24,236,707</u>                                  | <u>2,122,197</u>                                   | <u>26,358,904</u> | <u>10,220,425</u>   |
| Operating income (loss)                            | <u>1,100,895</u>                                   | <u>1,625</u>                                       | <u>1,102,520</u>  | <u>(2,371,998)</u>  |

**Business-type Activities - Enterprise Funds**

|   | <b>Texarkana,<br/>Texas Water<br/>Utilities</b> | <b>Nonmajor<br/>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>        | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|---|---|--|---------------------|---|
| <b>NONOPERATING REVENUES (EXPENSES)</b>   |   |  |                     |   |
| Interest revenue – investments  | \$ 845,029                                      | \$ 2,491   | \$ 847,520          | \$ 37,575   |
| Interest expense  | (62,267)  | -  | (62,267)            | -   |
| Interest expense – notes payable  | (2,225)   | -  | (2,225)             | -   |
| Gain (loss) on disposal of capital assets   | 13,117  | -  | 13,117              | -   |
| Total nonoperating revenues (expenses)  | <u>793,654</u>                                  | <u>2,491</u>                                       | <u>796,145</u>      | <u>37,575</u>   |
| Income (loss) before transfers and capital contributions  | 1,894,549                                       | 4,116  | 1,898,665           | (2,334,423)   |
| Capital contributions   | 50,928  | -  | 50,928              | -   |
| Transfers in  | 1,183,310                                       | -  | 1,183,310           | 2,320,915   |
| Transfers out   | -   | (1,607)  | (1,607)             | (1,367)   |
| Change in net position  | 3,128,787                                       | 2,509  | 3,131,296           | (14,875)  |
| Total net position, beginning of year   | <u>73,139,822</u>                               | <u>6,850</u>                                       |                     | <u>1,574,218</u>  |
| Total net position, end of year   | <u>\$ 76,268,609</u>                            | <u>\$ 9,359</u>                                    |                     | <u>\$ 1,559,343</u>   |
| Some amounts reported for business-type activities in the statement of activities are different because the net revenue/expenses of certain internal service funds is reported with business-type activities. |   |  | <u>(1,546)</u>      |   |
| Change in net position of business-type activities  |   |  | <u>\$ 3,129,750</u> |   |

**City of Texarkana, Texas**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended September 30, 2023**

|   | <b>Business-type Activities - Enterprise Funds</b> |  |                      | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|---|--|--|----------------------|---|
|   | <b>Texarkana,<br/>Texas Water<br/>Utilities</b>    | <b>Nonmajor<br/>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>         |   |
| <b>Cash Flows from Operating Activities</b>                               |  |  |                      |   |
| Cash received from customers  | \$ 25,502,139                                      | \$ 1,910,147                                       | \$ 27,412,286        | \$ 7,812,241  |
| Cash received from interfund services provided<br>and used                | -  | -  | -                    | 455,363   |
| Cash paid to suppliers  | (17,253,053)                                       | (1,885,098)  | (19,138,151)         | (9,873,758)   |
| Cash paid to employees  | (2,663,059)  | -  | (2,663,059)          | (335,961)   |
| Other payments  | -  | -  | -                    | 5,916   |
| Net cash provided from (used by) from operating activities                | <u>5,586,027</u>                                   | <u>25,049</u>                                      | <u>5,611,076</u>     | <u>(1,936,199)</u>  |
| <b>Cash Flows from Noncapital Financing Activities</b>                    |  |  |                      |   |
| Transfers to other funds  | -  | (1,607)  | (1,607)              | (1,367)   |
| Transfers in from other funds   | 1,183,310  | -  | 1,183,310            | 2,320,915   |
| Net cash provided from (used by) noncapital financing activities          | <u>1,183,310</u>                                   | <u>(1,607)</u>                                     | <u>1,181,703</u>     | <u>2,319,548</u>  |
| <b>Cash Flows from Capital and Related Financing Activities</b>           |  |  |                      |   |
| Acquisition and construction of capital assets                            | (3,954,220)  | -  | (3,954,220)          | -   |
| Principal paid on bonds   | (300,127)  | -  | (300,127)            | -   |
| Interest paid on bonds  | (63,989)   | -  | (63,989)             | -   |
| Principal paid on notes payable   | (355,439)  | -  | (355,439)            | -   |
| Interest paid on notes payable  | (2,225)  | -  | (2,225)              | -   |
| Capital improvement deposits received                                     | -  | 252,159  | 252,159              | -   |
| Capital improvement deposits returned                                     | (39,352)   | -  | (39,352)             | -   |
| Federal grants received   | 50,928   | -  | 50,928               | -   |
| Net cash provided from (used by) capital and related financing activities | <u>(4,664,424)</u>                                 | <u>252,159</u>                                     | <u>(4,412,265)</u>   | <u>-</u>  |
| <b>Cash Flows from Investing Activities</b>                               |  |  |                      |   |
| Proceeds from sale and maturities of investments                          | 982,500  | -  | 982,500              | -   |
| Interest received on investments  | 723,132  | 2,491  | 725,623              | 37,575  |
| Net cash provided from (used by) investing activities                     | <u>1,705,632</u>                                   | <u>2,491</u>                                       | <u>1,708,123</u>     | <u>37,575</u>   |
| Net increase (decrease) in cash   | 3,810,545  | 278,092  | 4,088,637            | 420,924   |
| Cash, beginning of year   | <u>16,822,651</u>                                  | <u>788,179</u>                                     | <u>17,610,830</u>    | <u>1,505,474</u>  |
| Cash, end of year   | <u>\$ 20,633,196</u>                               | <u>\$ 1,066,271</u>                                | <u>\$ 21,699,467</u> | <u>\$ 1,926,398</u>   |
| Cash - unrestricted   | \$ 20,582,027                                      | \$ 1,066,271                                       | \$ 21,648,298        | \$ 1,926,398  |
| Cash - restricted   | 51,169   | -  | 51,169               | -   |
|   | <u>\$ 20,633,196</u>                               | <u>\$ 1,066,271</u>                                | <u>\$ 21,699,467</u> | <u>\$ 1,926,398</u>   |

**City of Texarkana, Texas**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended September 30, 2023**

|  | <b>Business-type Activities - Enterprise</b>    |  |                     | <b>Governmental<br/>Activities -<br/>Internal<br/>Service<br/>Funds</b> |
|--|---|--|---------------------|---|
|  | <b>Texarkana,<br/>Texas Water<br/>Utilities</b> | <b>Nonmajor<br/>Other<br/>Enterprise<br/>Funds</b> | <b>Total</b>        |   |
| <b><u>Reconciliation of Operating Income (Loss) to<br/>Net Cash Provided from (Used By) Operating Activities</u></b> |   |  |                     |   |
| <b>Operating Income (Loss)</b>   | <b>\$ 1,100,895</b>                             | <b>\$ 1,625</b>                                    | <b>\$ 1,102,520</b> | <b>\$ (2,371,998)</b>   |
| <b>Adjustments to Reconcile Operating Income (Loss) to<br/>Net Cash Provided from (Used By) Operating Activities</b> |   |  |                     |   |
| Depreciation expense   | 3,838,557                                       | -  | 3,838,557           | -   |
| (Increase) decrease in assets  |   |  |                     |   |
| Accounts receivable  | 166,926   | (238,533)  | (71,607)            | (20,417)  |
| Due from other government agencies   | (21,209)  | 754  | (20,455)            | 375,530   |
| Due from other funds   | (313,864)                                       | 32,917   | (280,947)           | 5,916   |
| Inventory  | (127,789)                                       | -  | (127,789)           | (14,293)  |
| Prepaid expenses   | (19,108)  | -  | (19,108)            | -   |
| (Increase) decrease in deferred outflows   | (1,998,825)                                     | -  | (1,998,825)         | -   |
| Increase (decrease) in liabilities   |   |  |                     |   |
| Accounts payable   | 33,583  | (31,688)   | 1,895               | 58,459  |
| Accrued liabilities  | 16,245  | (163)  | 16,082              | 34,454  |
| Due to other funds   | (39,671)  | 260,182  | 220,511             | (3,850)   |
| Accrued compensated absences   | (17,403)  | -  | (17,403)            | -   |
| Customer deposits  | 18,746  | -  | 18,746              | -   |
| Net pension and total other postemployment liabilities   | 4,037,701                                       | -  | 4,037,701           | -   |
| Other payables   | 805,952   | (45)   | 805,907             | -   |
| Increase (decrease) in deferred inflows  | (1,894,709)                                     | -  | (1,894,709)         | -   |
| Total adjustments  | <u>4,485,132</u>                                | <u>23,424</u>                                      | <u>4,508,556</u>    | <u>435,799</u>  |
| Net cash provided from (used by) from operating activities   | <u>\$ 5,586,027</u>                             | <u>\$ 25,049</u>                                   | <u>\$ 5,611,076</u> | <u>\$ (1,936,199)</u>   |

**City of Texarkana, Texas**  
**Statement of Fiduciary Net Position – Fiduciary Funds**  
**September 30, 2023**

|  | <b>Firemen's Relief<br/>Pension<br/>Trust Fund<br/>12/31/2022</b> | <b>Custodial<br/>Funds</b> |
|--|---|----------------------------|
| <b>ASSETS</b>  |   |                            |
| Cash and cash equivalents  | \$ 1,268,693  | \$ 61,627                  |
| Receivables  |   |                            |
| Interest and dividends   | 45,815  | -                          |
| Investments, at fair value   |   |                            |
| Equities:  |   |                            |
| Domestic   | 9,963,836   | -                          |
| International  | 2,725,024   | -                          |
| Fixed income:  |   |                            |
| Domestic   | 8,277,102   | -                          |
| International  | 1,226,490   | -                          |
| Alternative investments  | 12,025,676  | -                          |
| Real estate  | 1,713,732   | -                          |
| Other assets   | 1,806   | -                          |
| <b>TOTAL ASSETS</b>  | <b>37,248,174</b>   | <b>61,627</b>              |
| <b>LIABILITIES</b>   |   |                            |
| Accrued expenses   | 26,965  | -                          |
| Due to other funds   | -   | 61,627                     |
| <b>TOTAL LIABILITIES</b>   | <b>26,965</b>   | <b>61,627</b>              |
| <b>NET POSITION</b>  |   |                            |
| Net position – restricted for pension benefits                             | 37,221,209  | -                          |
| Net position - restricted individuals, organizations, other<br>governments | -   | -                          |
| <b>TOTAL NET POSITION</b>  | <b>\$ 37,221,209</b>  | <b>\$ -</b>                |

**City of Texarkana, Texas**  
**Statement of Changes in Fiduciary Net Position – Fiduciary Funds**  
**September 30, 2023**

|   | <b>Firemen's Relief<br/>Pension<br/>Trust Fund<br/>12/31/2022</b> | <b>Custodial<br/>Funds</b> |
|---|---|----------------------------|
| <b>ADDITIONS</b>                              |   |                            |
| Contributions                                 |   |                            |
| Employer                                      | \$ 999,524  | \$ -                       |
| Members                                       | 691,978   | -                          |
| Total contributions                           | 1,691,502   | -                          |
| Investment income                             |   |                            |
| Interest and dividend income                  | 1,132,296   | 2,772                      |
| Net appreciation in fair value of investments | (6,377,386)   | -                          |
| Less investment expense                       | (210,801)   | -                          |
| Net investment income                         | (5,455,891)   | 2,772                      |
| Seized funds                                  | -   | 16,229                     |
| <b>TOTAL ADDITIONS</b>                        | <b>(3,764,388)</b>  | <b>19,001</b>              |
| <br><b>DEDUCTIONS</b>                         |   |                            |
| Benefits paid to participants                 | 2,829,142   | -                          |
| Refunds and drop payments                     | 502   | -                          |
| Administrative expenses                       | 94,829  | -                          |
| Distributions to other governments            | -   | 96,843                     |
| <b>TOTAL DEDUCTIONS</b>                       | <b>2,924,473</b>  | <b>96,843</b>              |
| <br>Change in net position                    | (6,688,861)   | (77,842)                   |
| Net position at beginning of year             | 43,910,070  | 77,842                     |
| Net position at end of year                   | \$ 37,221,209   | \$ -                       |

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

#### **Note 1: Summary of Significant Accounting Policies**

##### ***Reporting Entity***

The City of Texarkana, Texas was incorporated on April 5, 1960 under the provisions of Vernon's Civil Statutes Article 1175 (1) as amended (Home Rule Enabling Act). The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

As required by generally accepted accounting principles, these financial statements present the City of Texarkana, Texas (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. TIRZ Advisory Board is a blended component unit of the City. Thus, blended component units are appropriately presented as funds of the primary government. The discretely presented component unit is reported in a separate column of the financial statements to emphasize it is legally separate from the government.

**Discretely Presented Component Unit.** The Texarkana-Bowie County Family Health Center, a public health district as established under Texas Civil Statutes, was organized by a cooperative agreement between the City and Bowie County, Texas. Because 7 of the 12 members of the governing body serve by virtue of the position each holds with the primary government, management has concluded that the primary government effectively appoints a voting majority of the governing body. Management believes that failure to include the Health Center would render the City's financial statements incomplete or misleading. The remaining 5 members of the Health Center governing body are the Bowie County Commissioners Court members. The City provides the facilities, a majority of the operating funds, and fiscal management of the Center. The City contributed \$75,000 and \$75,000 in fiscal year 2022 and 2023, respectively, towards the Health Center's operations during the year ended September 30, 2023. The Health Center does not have separately issued financial statements.

##### ***Related Organizations***

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointment. The City Council or specific committees of the City Council appoint members of the following organizations: Board of Adjustment, Ark-Tex Council of Governments, Building Code Revision Committee, Building and Standards Commission, Civil Service Commission, CDBG Citizens Advisory Committee, Electrical Examining Board, Health Facilities Development Corporation, Historic Landmark Preservation Commission, Hospital Authority Board of Directors, Texarkana Housing Authority, Housing Finance Corporation, Industrial Development Corporation, Intergovernmental Advisory Committee, Library Commission, Northeast Texas Mental Health/Mental Retardation (MHMR) Board of Trustees, Permit and License Appeal Board, Planning and Zoning Commission, Plumbing Appeals and Advisory Board, Public Responsibility Committee, and Tax Increment Reinvestment Zone Boards. Positions on these boards are appointed in certain instances in entirety, partially, or with City Board members.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

#### ***Joint Ventures***

##### Texarkana Airport Authority

The City is a participant with Texarkana, Arkansas in a joint venture to operate Texarkana Regional Airport. The Texarkana Airport Authority was created in 1956 by ordinance enacted by the two cities. The governing body of Texarkana Airport Authority consists of eight members, four of whom are residents of Texarkana, Texas and four of whom are residents of Texarkana, Arkansas. These board members are appointed by the mayors of the respective Cities. The Airport Authority Board has governance responsibilities over all activities relating to operating and maintaining the Texarkana Regional Airport. The Board receives funding from airport operations and from various local, state, and federal agencies and must comply with any requirements of these funding sources.

In previous years, the cities have made contributions of assets to the Airport Authority of \$2,463,469 by Texarkana, Texas and \$2,155,540 by Texarkana, Arkansas. During the Airport Authority's fiscal year ended December 31, 2022, the City of Texarkana, Texas contributed \$286,889 and the City of Texarkana, Arkansas contributed \$174,440. The City of Texarkana, Texas' net investment in the Airport Authority is reported in the City's financial statements with governmental activities capital assets. The City's equity interest in the Airport Authority was \$26,811,342 at December 31, 2022 (the latest available). Complete financial statements for the Authority can be obtained from the Texarkana Airport Authority's administrative office.

##### Bi-State Justice Center

The City is also a participant in a joint venture in the Bi-State Justice Center with the City of Texarkana, Arkansas and Bowie County, Texas. The Bi-State Justice Center is jointly occupied by law enforcement and criminal justice agencies of the City of Texarkana, Texas; the City of Texarkana, Arkansas; and Bowie County, Texas. The facility is located on the state line, half in Texarkana, Texas and half in Texarkana, Arkansas. The Intergovernmental Advisory Committee is responsible for the operations of the Center. This seven-member committee is comprised of two members from the City of Texarkana, Texas City Council, two members from the Texarkana, Arkansas Board of Directors, the Bowie County Judge, one Bowie County Commissioner, and one independent member. The Center accounts only for the operations of its own law enforcement and criminal justice agencies. The annual budget is underwritten by the participating entities based on a formula which uses floor space occupied, number of records processed by the Building Information Center and the number of prisoners in the detention facility for each entity. Each year's revenues and expenditures are equal; therefore, there is never a net income or loss and no fund balance.

The City of Texarkana, Texas' net investment, which consists of capital outlay in the Bi-State Justice Center, is reported in the City's financial statements with governmental activities capital assets. The City's equity interest at September 30, 2023 was \$575,205 based on the Bi-State Justice Center's audited financial statements at December 31, 2022 (the latest available). Complete financial statements for the Bi-State Justice Center can be obtained from the City of Texarkana, Arkansas Finance Department.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

#### Texarkana Urban Transportation Study (TUTS)

The City of Texarkana, Texas is a participant with seven other entities in the Texarkana Urban Transportation Study (TUTS) Policy Committee, which is the designated metropolitan planning organization (MPO) for the Texarkana urbanized area. The MPO develops transportation plans and programs in cooperation with the participating entities and transit agencies. The governing body of the TUTS consists of fourteen members, three of whom are representatives of the City of Texarkana, Texas; three of whom are representatives of the City of Texarkana, Arkansas; the Bowie County Judge, the Miller County Judge, the Mayor of the City of Wake Village, Texas; the Mayor of the City of Nash, Texas; two representatives for the Arkansas State Highways and Transportation Department; and two representatives for the Texas Department of Transportation. The TUTS may receive federal, state, and local funding for metropolitan transportation planning for the integrated network of federal, state, and local roads and highways. The City has an ongoing financial responsibility of the TUTS since its continued existence depends on continued funding by the City.

The City of Texarkana, Texas' net investment in the joint venture is reported in the City's financial statements in the General Fund since the joint venture does not represent equity primarily in capital assets. The City's interest at September 30, 2023 was \$0 based on the Texarkana Urban Transportation Study Policy Committee's financial records at September 30, 2023. The TUTS does not have separately issued financial statements for the year ended September 30, 2023.

#### Texarkana Urban Transit District

The City of Texarkana, Texas is a participant with three other cities in the Texarkana Urban Transit District (TUTD). The purpose of the TUTD will be to provide public transportation services within the Texarkana urban area. Composition of the Transit District Board is as follows: the City of Texarkana, Texas - three members, one of whom is an elected official; the City of Texarkana, Arkansas - three members, one of whom is an elected official; the City of Wake Village, Texas - two members, one of whom is an elected official; and the City of Nash, Texas - two members, one of whom is an elected official. The TUTD receives federal, state, and local funding, as well as user charges generated by the public transportation system. The City has an ongoing financial responsibility of the TUTD since its continued existence depends on continued funding by the City.

The City of Texarkana, Texas' net investment in the joint venture is reported in the City's financial statements within governmental activities. The City's interest at September 30, 2023 was \$1,511,664 based on the Texarkana Urban Transit District's audited financial statements at September 30, 2022 (the latest available). Complete financial statements for the TUTD can be obtained from the ATCOG Finance Department in Texarkana, Texas.

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements consist of the statement of net position and the statement of activities. The government-wide financial statements report information on all of the nonfiduciary activities of the primary government and its component unit. The effect of interfund activity has been removed from these statements. Governmental activities are reported separately from business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues whereas business-type activities are normally supported by fees and charges for services. Similarly, the primary government is reported separately from legally separate component units for which the primary government is financially accountable.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

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

Separate financial statements are provided for governmental funds and proprietary funds as well as fiduciary funds even though they are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

#### ***Basis of Accounting***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements, with the exception of custodial fund. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded when payment is due.

Revenue sources such as property taxes, sales tax, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund - This fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service - This fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs of all of the City's long-term general obligation debt of governmental funds.

CDBG 108 Loan Fund - This fund is used for the CDBG Section 108 Loan Guarantee Program which is designed to assist community and economic development projects that will benefit low/moderate income persons by providing housing in the downtown area.

2022 Bond Fund - This fund is used to account for individual projects associated with the issuance for the 2022 bonded debt.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

The City reports the following major proprietary fund:

Texarkana, Texas Water Utilities- This fund is used to account for water and sewer services provided to the citizens of Texarkana, Texas and other incorporated and unincorporated areas adjacent to the City.

Additionally, the City reports the following types of funds:

Internal Service Funds - These funds are established to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City has two internal service funds. The Employee Benefit fund is used to account for employee medical benefits and life insurance premiums for covered City employees. The Fleet Services fund is used to account for the repair and maintenance of all vehicles and equipment owned by the City except for the Water Utilities.

Pension Trust Fund - This fund is established to account for the accumulation of resources to provide pension benefits to the City's firemen. The principal revenue sources for this fund are employer and employee contributions and investment earnings. This fund has a separate audit and has a December 31 year end.

Custodial Funds - These funds are used to account for evidence money seized by the police department and held in escrow until the court directs its disposition.

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

The effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. All taxes are included as general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of Texarkana, Texas Water Utilities, as well as the City's internal service funds are charges to customers for sales and services. Texarkana, Texas Water Utilities also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

***Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity***

Deposits and investments

The City's cash and cash equivalents include amounts in demand and time deposit accounts. The City classifies all certificates of deposit as investments. State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, bankers' acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record.

The Firemen's Relief and Pension Trust Fund is authorized to invest in bonds or other interest-bearing obligations and securities of the United States, the State of Texas, or any county, city or other political subdivision of the State of Texas; in insured shares or share accounts of savings and loan associations; in insured first lien real estate mortgage securities and in selected corporation bonds, preferred stocks, and common stocks.

Investments for the City and its component unit are reported at fair value. Short-term investments, such as certificates of deposit and debt securities with a maturity date of less than one year, are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

For purposes of the statement of cash flows, the proprietary funds consider cash in bank, money market and savings accounts as cash and cash equivalents. All certificates of deposit and investments in other securities and instruments are considered to be investments.

***Receivables and Payables***

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year is referred to as either "due to/from other funds (i.e. the current portion of interfund loans) or "advances to/from other funds (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the City's governmental activities and business type activities are reported in the government-wide financial statements as "internal balances".

All trade and property taxes receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 2.31 percent of outstanding property taxes as of September 30, 2023.

Property taxes are levied each October 1 and may be paid without penalty until January 31. A penalty is added to payments received February 1 through June 30. Optionally, taxes may be paid in two installments, one-half due November 30 and one-half due June 30. A 15% penalty is added to taxes remaining delinquent on July 1 and an enforceable lien attaches July 1. As of July 6, 1986, the Bowie Central Appraisal District assumed the billing and collection function for property taxes for the City of Texarkana and other cities and schools, and Bowie County under an intergovernmental agreement.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

The Texas Constitution limits the City's ad valorem tax rate for all purposes to \$2.50 per one hundred dollars of assessed valuation. Ad valorem tax revenue during the year ended September 30, 2023 was levied using a rate of \$.650000 per hundred dollars of assessed valuation, based on 100% of estimated market value, which means that the City has a tax margin of \$1.850000 per \$100 and could raise taxes up to an additional \$57,902,756 a year from the present assessed valuation of \$3,129,878,712 before the limit is reached.

#### ***Inventories and Prepaid Items***

Inventories of the governmental funds are valued at cost using the average cost method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed.

Inventories of the enterprise funds are valued at average cost or market whichever is lower. Inventories consist of repair materials and spare parts for water and wastewater treatment and distribution.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

#### ***Restricted Assets***

Certain proceeds of enterprise fund revenue bonds, as well as resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Each of the enterprise funds report such proceeds of revenue bond issuances that are restricted for use in construction, debt service, and capital maintenance. Restricted assets also include interest accrued on unexpended bond proceeds.

#### ***Subscription Assets***

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

#### ***Capital Assets***

Capital assets which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns of the government-wide financial statements.

**City of Texarkana, Texas**  
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*Governmental activities and health component unit:*

Capital assets are defined by governmental activities and the health component unit as assets with a normal service life greater than one year and an initial individual cost of more than the following amounts:

|                                   |       |
|-----------------------------------|-------|
| Buildings                         | 5,000 |
| Improvements other than buildings | 5,000 |
| Infrastructure                    | 5,000 |
| Machinery and equipment           | 5,000 |
| Licensed vehicles                 | 5,000 |

Such assets are stated at cost. Where cost could not be determined from the available records, estimated historical cost was used to record the estimated value of the assets. Donated assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the primary government as well as the component unit is depreciated using the straight-line method over the following estimated useful lives:

|                         |                |
|-------------------------|----------------|
| Land improvements       | 20 years       |
| Furniture and fixtures  | 20 years       |
| Licensed vehicles       | 8 years        |
| Machinery and equipment | 5 to 30 years  |
| Communication equipment | 10 years       |
| Building                | 7 to 50 years  |
| Infrastructure          | 10 to 65 years |

***Business-type Activities***

Capital assets are defined by business type activities as assets with an initial, individual cost of more than the following amounts and an estimated life in excess of one year.

|                                  |          |
|----------------------------------|----------|
| Furniture and fixtures           | \$ 5,000 |
| Licensed vehicles                | 5,000    |
| Mobile equipment                 | 5,000    |
| Machinery and equipment          | 5,000    |
| Communication equipment          | 5,000    |
| Pumps and purification equipment | 5,000    |
| Building and facilities          | 5,000    |
| New improvements                 | 5,000    |

**City of Texarkana, Texas**  
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Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

|                         |                |
|-------------------------|----------------|
| Land improvements       | 20 years       |
| Furniture and fixtures  | 20 years       |
| Licensed vehicles       | 8 years        |
| Machinery and equipment | 5 to 30 years  |
| Communication equipment | 10 years       |
| Building                | 7 to 50 years  |
| Infrastructure          | 10 to 65 years |

**Compensated Absences**

The City allows employees to accumulate earned but unused vacation and sick pay benefits. The City's full-time employees are granted 120 hours of vacation and 120 hours of sick leave per year of continuous service, with the exception of firemen who can accrue up to 180 hours vacation and 180 hours of sick leave per year. A maximum of 200 hours of accrued vacation leave can be vested and carried forward to succeeding calendar years, with the exception of firemen who can accrue 300 hours. All accrued sick leave credited to an employee can be carried forward to succeeding calendar years without limitation. A maximum of 120 hours accrued vacation (180 for firefighters) is payable to an employee upon termination after five years of continuous service, except in cases of involuntary separation from service. Upon retirement, employees shall receive pay for any unused vacation leave accumulated up to 240 hours. Fire operations shall receive vacation pay up to 360 hours. A summary of maximum sick leave payable is as follows:

| <b>Civil/Non-Civil Service</b> | <b>Hire Date</b> | <b>Eligible for Retirement</b> | <b>Work Week Hours</b> | <b>Total Maximum Hours Accrued</b> |
|--------------------------------|------------------|--------------------------------|------------------------|------------------------------------|
| Non-Civil                      | Prior to 1/1/10  | Yes                            | N/A                    | 1,440                              |
| Non-Civil                      | After 1/1/10     | Yes                            | N/A                    | 720                                |
| Civil – Police                 | Prior to 1/1/10  | Yes                            | N/A                    | 1,440                              |
| Civil – Police                 | After 1/1/10     | Yes                            | N/A                    | 720                                |
| Civil – Police                 | N/A              | No                             | N/A                    | 720                                |
| Civil – Fire                   | Prior to 1/1/10  | Yes                            | 56                     | 2,016                              |
| Civil – Fire                   | After 1/1/10     | Yes                            | 56                     | 1,080                              |
| Civil – Fire                   | Prior to 1/1/10  | Yes                            | 40                     | 1,440                              |
| Civil – Fire                   | After 1/1/10     | Yes                            | 40                     | 720                                |
| Civil – Fire                   | N/A              | No                             | 56                     | 1,080                              |
| Civil – Fire                   | N/A              | No                             | 40                     | 720                                |

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

The City is funding part of its liability through annual allocations and transfers to separate accounts. Allocations, set annually by the City Council, are for employee termination payments.

#### ***Long-term Obligations***

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

#### ***Subscription Liability***

The City contracts for noncancellable subscriptions of information technology software. The City recognizes a subscription liability and an intangible subscription asset (subscription asset) in the government-wide financial statements. At the commencement of a subscription, the City measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

#### ***Fund Equity***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Fund balances may be restricted or unrestricted (the total of committed, assigned, and unassigned fund balance). The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). Fund balance for governmental funds can consist of the following:

**Non-spendable fund balance** - includes those amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts and long-term notes receivable.

**Restricted fund balance** - includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

# City of Texarkana, Texas

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**Committed fund balance** - includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

**Assigned fund balance** - includes amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has taken action to assign fund balance for specific purposes in the current fiscal year. The City Council has by resolution authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily, in other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**Unassigned fund balance** - The general fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple funds balance classifications fund balance is depleted in the order of restricted, committed, assigned and unassigned.

The City's general fund balance policy establishes an unassigned fund balance goal of 60 days of general fund expenditures, exclusive of capital outlay and debt expenditures. The City will compute the percentage of unassigned fund balance after the annual audit has been presented to the City Council. In emergency situations, the City Council may appropriate unassigned fund balance even if such use decreases the fund balance below the established minimum. If unassigned fund balance falls below the goal or has a deficiency, the City will implement a plan to replenish the fund within one year or as soon as economic and budgetary conditions allow.

### ***Estimates***

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

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

#### ***Encumbrances***

Encumbrance accounting is employed in the governmental fund types in the fund financial statements. Purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation. Any purchase orders open at the end of the fiscal year are closed out and new purchase orders are issued in the subsequent fiscal year, if needed.

#### ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has three items that qualify for reporting in this category. They are the deferred pension outflows, deferred outflows from other postemployment benefits and the deferred charge on refunding reported in the statement of net position. The deferred pension outflows include the amount of contributions made by the City after the liability measurement date but prior to the City year end, and the difference in actual and expected experience and the assumption changes. The deferred outflows from other postemployment benefits are the change of assumptions. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has three types of items that qualify for reporting in this category. Accordingly, the deferred pension inflows consists of the difference in the projected and actual earnings on pension plan investments, the difference in expected and actual experience and the assumption changes. The deferred inflows from other postemployment benefits is the differences between the expected and actual experience. The gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

#### ***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the respective retirement plan and additions to/deductions from the respective Fiduciary Net Position have been determined on the same basis as they are reported by the respective pension plan. 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.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

#### ***Postemployment Benefits Other Than Pension (OPEB)***

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Health Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

#### ***Adoption of GASB Statement No. 94 (GASB 94), Public-Private and Public-Public Partnerships and Availability Payment Arrangements***

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. This standard addresses the gap in current accounting guidance related to public-private and public-public partnerships (both referred to as PPPs) that do not meet the definition of a service concession arrangement. The adoption of this standard had no impact on the City.

#### ***Adoption of GASB Statement No. 96 (GASB 96), Subscription-Based Information Technology Arrangements***

The implementation of this standard establishes a single model for subscription-based information technology arrangements (SBITAs) accounting based on the principle that contracts are financings of the right to use an underlying information technology software asset. The standard requires recognition of certain right-to-use subscription assets and subscription liabilities. As a result of implementing this standard the City recognized right-to-use subscription assets and liabilities. The adoption of this standard had no impact on beginning net position. The additional disclosures required by this standard are included in Notes 5 and 10.

## **Note 2: Stewardship, Compliance and Responsibility**

### ***Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the General fund and all special revenue funds. Debt service funds do not have legally adopted budgets because effective budgetary control is alternately achieved through general obligation bond indenture provisions. In addition to the above-mentioned funds, the capital projects funds have legally adopted project-length budgets. All budget annual appropriations lapse at year-end and are re-established in the succeeding year. Outstanding PO's and corresponding budgets roll at year end per budget ordinance.

Preparation of the budget for the upcoming fiscal year begins in April. Budget meetings with City management and department directors take place in April, May, and June. Budget estimates are finalized and presented to the Budget Advisory Committee in June/July. This committee is appointed by the City Council and is composed of seven citizens. The goal of the committee is to advise the City Council on the proposed budget. The proposed budget is presented to the City Council in July/August. Public hearings on the proposed budget and corresponding tax rate are held in August and September. The annual budget and tax rate are formally approved with a record vote by the City Council in September.

The appropriated budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. The City Manager is authorized to transfer budgeted amounts between departments within any fund;

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however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The City Council may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Manager or the revenue estimates must be changed by an affirmative vote of a majority of the City Council. The City Charter prohibits budgeting total proposed expenditures in excess of total anticipated revenues and any unencumbered funds from prior years; therefore, expenditures may not legally exceed revenues and unencumbered fund balances from prior years. The legal level of budgetary control (i.e., the lowest level at which expenditures may not legally exceed appropriation) is the fund level.

The Council made several supplemental budgetary appropriations throughout the year. Individual amendments were not material in relation to the original appropriations. Comparison of budgeted and actual amounts as shown in the accompanying financial report includes the General Fund and Special Revenue Funds. The capital budget ordinances which encompass the Capital Projects Funds present cumulative (by project) as opposed to annual budget amounts and thus budget and actual comparisons are not reported in the accompanying financial report for these funds.

***Encumbrances***

As discussed in the Summary of Significant Accounting Policies, 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:

| Fund                          | Amount        |
|-------------------------------|---------------|
| General                       | \$ 3,165,848  |
| TIRZ #1                       | 4,231,628     |
| CDBG                          | 73,180        |
| Public Safety Radio           | 158,936       |
| COC Homeless Assistance Grant | 141,399       |
| Economic Development          | 1,190,603     |
| Fleet Services                | 1,428         |
| NRDA Grant                    | 164,910       |
| 2017 Bond                     | 929,122       |
| 2022 Bond                     | 2,920,546     |
| Public Health                 | 14,612        |
| Employee Benefit              | 1,442         |
| Total                         | \$ 12,993,654 |

**Note 3: Deposits and Investments**

*Deposits*

At September 30, 2023, the carrying amount of the primary government, custodial fund and component unit's cash was \$76,708,271 and the respective bank balances totaled \$103,899,451.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
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Investments

For fiscal year 2023, the City invested in non-negotiable certificates of deposits measured at amortized cost. The City records all interest revenue related to investment activities in the respective funds. As of September 30, 2023, the carrying amount of the City's certificates of deposits reported as investments totaled \$17,763,358.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the investment portfolio as follows:

| <u>Investment Type</u>                     | <u>Not to Exceed</u> |
|--|----------------------|
| U.S. Government agencies                   | 80%                  |
| Fully insured or collateralized CD's       | 100%                 |
| Banker's acceptances                       | 15%                  |
| Commercial paper                           | 15%                  |
| Maximum per commercial paper issuer        | 5%                   |
| Repurchase agreements                      | 50%                  |
| Money market funds                         |                      |
| Operating funds                            | 100%                 |
| Bond funds                                 | 100%                 |
| Local government investment pools          | 80%                  |
| Maximum percent ownership of pool          | 10%                  |
| Maximum percent investment in any one pool | 50%                  |

The City's investment policy covers all funds except for the Firemen's Relief and Pension fund. The City's investment policy requires that the average maturity of the City's operating funds not exceed one year. The maximum final stated maturity of any investment shall not exceed five years. Investments in all funds shall be managed in such a way that the market price losses resulting from interest rate volatility would be offset by coupon income and current income received from the volume of the portfolio during a twelve-month period.

As a means of limiting its exposure to fair value losses arising from rising interest rates, the following guidelines reflect the Firemen's Relief and Pension fund Board's asset allocation goals for the Firemen's Relief and Pension plan:

| <u>Portfolio Segment</u> | <u>Range of Portfolio Assets</u> |
|--------------------------|----------------------------------|
| Equity securities        | 40-75%                           |
| Fixed income securities  | 25-60%                           |

The Firemen's Relief and Pension plan's investment policy requires that foreign equity investments cannot exceed 25% of the total portfolio and prohibits investment in any security payable in foreign currency.

In accordance with GASB Statement No. 72 *Fair Value Measurement and Application*, investments are recorded at fair value. In accordance with GASB Statement 72, the Firemen's Relief and Pension plan categorizes its fair value measurements within the fair value hierarchy. The hierarchy

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is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Common stock and mutual funds are categorized as Level 1. The remaining investments are categorized as Level 2 or measured at net asset value.

The Firemen's Relief and Pension fund investments are summarized below:

|   |                      |
|---|----------------------|
| <b>Cash and Cash Equivalents</b>                |                      |
| Cash  | \$ 14,808            |
| Money market funds                              | 1,253,885            |
| <br><b>Investments</b>                          |                      |
| Equities:                                       |                      |
| Domestic  | 9,963,836            |
| International                                   | 2,725,024            |
| Fixed income:                                   |                      |
| Domestic  | 8,277,102            |
| International                                   | 1,226,490            |
| Alternative investments                         | 12,025,676           |
| Real estate                                     | 1,713,732            |
| <b>Total investments</b>                        | <u>35,931,860</u>    |
| Total investments and cash and cash equivalents | <u>\$ 37,200,553</u> |

The City, including the Utility and the component units, do not have any debt security investments, other than in the Firefighter's Relief and Pension Fund, which are exposed to interest rate risk.

As of December 31, 2022, the City's Firefighter's Relief and Pension fund had the following debt security investments and maturities:

| Investment Type                 | Fair Value           | Investment Maturities (in Years) |                     |                     |                     |
|---------------------------------|----------------------|----------------------------------|---------------------|---------------------|---------------------|
|                                 |                      | Less<br>Than 1                   | 1-5                 | 6-10                | More<br>Than 10     |
| <b><i>Fire Pension Fund</i></b> |                      |                                  |                     |                     |                     |
| Domestic equities               | \$ 9,963,836         | \$ 9,963,836                     | \$ -                | \$ -                | \$ -                |
| International equities          | 2,725,024            | 2,725,024                        | -                   | -                   | -                   |
| Domestic fixed income           | 8,277,102            | -                                | 800,696             | 2,620,170           | 4,856,236           |
| International fixed income      | 1,226,490            | 68,678                           | 1,157,812           | -                   | -                   |
|                                 | <u>22,192,452</u>    | <u>\$ 12,757,538</u>             | <u>\$ 1,958,508</u> | <u>\$ 2,620,170</u> | <u>\$ 4,856,236</u> |
| Alternative investments         | 12,025,676           |                                  |                     |                     |                     |
| Money market funds              | 1,253,885            |                                  |                     |                     |                     |
| Real estate                     | 1,713,732            |                                  |                     |                     |                     |
|                                 | <u>\$ 37,185,745</u> |                                  |                     |                     |                     |

# City of Texarkana, Texas

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For the year ended December 31, 2022 the annual money-weighted rate of return on Plan investments, net of Plan investment expense, was 12.60%. The money-weighted return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The credit quality ratings of the debt security investments held by the Firefighter's Relief and Pension Fund were unavailable at December 31, 2022.

#### Custodial Credit Risk

For a deposit, custodial credit risk is the risk that, in the event of a failure of a depository institution, the City 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. Of the primary government, custodial fund and the component unit's categorizable bank deposits of \$103,899,451, none were uninsured and uncollateralized.

The City's policy on custodial credit risk requires that all deposits and investments of City funds other than direct purchases of U.S. Treasuries or Agencies shall be secured by pledged collateral at a level of 102% of the market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC or FSLIC. The City's policy also requires that collateral pledged to secure the deposits of the City be held by a safekeeping institution, or Trustee, such as the Federal Reserve Bank or an institution not affiliated with the firm pledging the collateral.

#### Credit Risk

The City is authorized to invest in obligations of the U.S. Government or the State of Texas, obligations of states, counties, cities, or other political subdivisions with a quality rating of not less than A. The City is also authorized to invest in (a) certificates of deposit of banks insured by FDIC, National Credit Union Share Insurance, or secured by mortgage-backed securities rated AAA, (b) fully collateralized direct repurchased agreements with a defined termination date secured by obligations of the U.S. government, (c) investment pools, not to exceed 80% of the City's portfolio, and rated no lower than AAA or AAA-m, with a weighted average maturity of 90 days or less, (d) money market mutual funds that have a rating of AAA and a weighted average maturity of 90 days or less, (e) banker's acceptances with a stated maturity of 270 days or less and rated not less than A-1 or P-1 and is fully secured by an irrevocable letter of credit issued by a bank, (f) guaranteed investment contracts, for bond proceeds only, if such contracts have a defined termination date, and are secured by U.S. Government Obligations.

The Firemen's Plan did not hold investments in any one organization that represented five percent or more of the Plan's fiduciary net position.

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Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. In order to minimize foreign currency risk, the City's Firemen's Relief and Pension funds invests in a well-diversified fund. At December 31, 2022, the City's Firemen's Relief and Pension fund had fixed income securities of \$1,226,490 invested in foreign obligations with Seacrest Investment Management, LLC. The Seacrest investments are comprised of the following investments at December 31, 2022:

|               | <b>Fair Value</b> |
|---------------|-------------------|
| Canada        | \$ 351,649        |
| El Salvador   | 68,250            |
| Germany       | 132,040           |
| South Africa  | 98,350            |
| Venezuela     | 2,745             |
| Supranational | 573,456           |
| Total         | \$ 1,226,490      |

**Note 4: Receivables**

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

|                                    | <b>General</b> | <b>Debt<br/>Service</b> | <b>CDBG 108<br/>Loan</b> | <b>Texarkana,<br/>Texas<br/>Water<br/>Utilities</b> | <b>Nonmajor<br/>and Other<br/>Funds</b> | <b>Total</b>  |
|------------------------------------|----------------|-------------------------|--------------------------|---|---|---------------|
| Receivables                        |                |                         |                          |   |   |               |
| Property taxes                     | \$ 703,461     | \$ 273,963              | \$ -                     | \$ -  | \$ 2,591                                | \$ 980,015    |
| Other taxes                        | 267,212        | -                       | -                        | -   | 149,886                                 | 417,098       |
| Accounts                           | 159,060        | 11,872                  | -                        | 2,058,137   | 427,129                                 | 2,656,198     |
| Intergovernmental                  | 5,165,681      | -                       | -                        | 184,373   | 1,247,238                               | 6,597,292     |
| Interest                           | 2,416          | -                       | 90,267                   | 15,765  | 198,708                                 | 307,156       |
| Loans                              | -              | -                       | 1,429,000                | -   | 2,052,994                               | 3,481,994     |
| Restricted accounts                | -              | -                       | -                        | -   | 847,762                                 | 847,762       |
| Restricted interest                | -              | -                       | -                        | 30,702  | -                                       | 30,702        |
| Gross receivables                  | 6,297,830      | 285,835                 | 1,519,267                | 2,288,977   | 4,926,308                               | 15,318,217    |
| Less: allowance for uncollectibles | (19,345)       | (7,534)                 | -                        | (500,261)   | (118,379)                               | (645,519)     |
| Net total receivables              | \$ 6,278,485   | \$ 278,301              | \$ 1,519,267             | \$ 1,788,716  | \$ 4,807,929                            | \$ 14,672,698 |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Note 5: Capital and Subscription Assets**

Capital asset activity for the year ended September 30, 2023, was as follows:

|  | Balance<br>October 1,<br>2022* | Additions           | Deletions           | Transfers          | Balance<br>September 30,<br>2023 |
|--|--------------------------------|---------------------|---------------------|--------------------|----------------------------------|
| <b>Governmental Activities</b>               |                                |                     |                     |                    |                                  |
| Capital assets, not being depreciated        |                                |                     |                     |                    |                                  |
| Land   | \$ 12,206,878                  | \$ 25,374           | \$ -                | \$ -               | \$ 12,232,252                    |
| Construction in progress                     | 7,365,709                      | 1,611,025           | -                   | (7,229,152)        | 1,747,582                        |
| Total capital assets, not being depreciated  | <u>19,572,587</u>              | <u>1,636,399</u>    | <u>-</u>            | <u>(7,229,152)</u> | <u>13,979,834</u>                |
| Capital assets, being depreciated            |                                |                     |                     |                    |                                  |
| Buildings                                    | 33,645,423                     | 132,179             | -                   | -                  | 33,777,602                       |
| Improvements other than buildings            | 7,597,244                      | 120,895             | -                   | 836,846            | 8,554,985                        |
| Infrastructure                               | 171,287,775                    | 893,437             | -                   | 6,392,306          | 178,573,518                      |
| Machinery and equipment                      | 9,341,129                      | 642,259             | (346,338)           | -                  | 9,637,050                        |
| Subscription asset                           | 288,179                        | -                   | -                   | -                  | 288,179                          |
| Licensed vehicles                            | 12,152,808                     | 4,104,230           | (1,163,475)         | -                  | 15,093,563                       |
| Total capital assets, being depreciated      | <u>234,312,558</u>             | <u>5,893,000</u>    | <u>(1,509,813)</u>  | <u>7,229,152</u>   | <u>245,924,897</u>               |
| Less accumulated depreciation for            |                                |                     |                     |                    |                                  |
| Buildings                                    | (21,221,088)                   | (693,633)           | -                   | -                  | (21,914,721)                     |
| Improvements other than buildings            | (4,239,299)                    | (313,369)           | -                   | -                  | (4,552,668)                      |
| Infrastructure                               | (86,656,718)                   | (3,189,570)         | -                   | -                  | (89,846,288)                     |
| Machinery and equipment                      | (4,056,243)                    | (519,433)           | 303,028             | -                  | (4,272,648)                      |
| Subscription asset                           | -                              | (38,709)            | -                   | -                  | (38,709)                         |
| Licensed vehicles                            | (7,441,535)                    | (1,236,285)         | 953,255             | -                  | (7,724,565)                      |
| Total accumulated depreciation               | <u>(123,614,883)</u>           | <u>(5,990,999)</u>  | <u>1,256,283</u>    | <u>-</u>           | <u>(128,349,599)</u>             |
| Total capital assets, being depreciated, net | <u>110,697,675</u>             | <u>(97,999)</u>     | <u>(253,530)</u>    | <u>7,229,152</u>   | <u>117,575,298</u>               |
| Governmental capital assets, net             | <u>\$ 130,270,262</u>          | <u>\$ 1,538,400</u> | <u>\$ (253,530)</u> | <u>\$ -</u>        | <u>\$ 131,555,132</u>            |

\*Fiscal year 2022 amounts have been restated for GASB 96 adoption

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

|  | Balance<br>October 1,<br>2022 | Additions          | Deletions        | Transfers          | Balance<br>September 30,<br>2023 |
|--|-------------------------------|--------------------|------------------|--------------------|----------------------------------|
| <b>Business-type Activities</b>              |                               |                    |                  |                    |                                  |
| Capital assets, not being depreciated:       |                               |                    |                  |                    |                                  |
| Land   | \$ 1,445,666                  | \$ -               | \$ -             | \$ -               | \$ 1,445,666                     |
| Construction in progress                     | 4,511,993                     | 3,880,880          | -                | (1,932,184)        | 6,460,689                        |
| Total capital assets, not being depreciated  | <u>5,957,659</u>              | <u>3,880,880</u>   | <u>-</u>         | <u>(1,932,184)</u> | <u>7,906,355</u>                 |
| Capital assets, being depreciated:           |                               |                    |                  |                    |                                  |
| Buildings                                    | 3,500,536                     | -                  | -                | 73,879             | 3,574,415                        |
| Improvements other than buildings            | 98,798,786                    | -                  | -                | 1,253,001          | 100,051,787                      |
| Machinery and equipment                      | 9,587,016                     | -                  | (148,752)        | 605,304            | 10,043,568                       |
| Intersystem shared assets                    | 20,651,072                    | -                  | -                | -                  | 20,651,072                       |
| Total capital assets, being depreciated      | <u>132,537,410</u>            | <u>-</u>           | <u>(148,752)</u> | <u>1,932,184</u>   | <u>134,320,842</u>               |
| Less accumulated depreciation for:           |                               |                    |                  |                    |                                  |
| Buildings                                    | (2,830,602)                   | (65,316)           | -                | -                  | (2,895,918)                      |
| Improvements other than buildings            | (53,720,748)                  | (3,007,777)        | -                | -                  | (56,728,525)                     |
| Machinery and equipment                      | (7,140,639)                   | (671,427)          | 148,752          | -                  | (7,663,314)                      |
| Intersystem shared assets                    | <u>(14,574,168)</u>           | <u>(93,667)</u>    | <u>-</u>         | <u>-</u>           | <u>(14,667,835)</u>              |
| Total accumulated depreciation               | <u>(78,266,157)</u>           | <u>(3,838,187)</u> | <u>148,752</u>   | <u>-</u>           | <u>(81,955,592)</u>              |
| Total capital assets, being depreciated, net | <u>54,271,253</u>             | <u>(3,838,187)</u> | <u>-</u>         | <u>1,932,184</u>   | <u>52,365,250</u>                |
| Business-type capital assets, net            | <u>\$ 60,228,912</u>          | <u>\$ 42,693</u>   | <u>\$ -</u>      | <u>\$ -</u>        | <u>\$ 60,271,605</u>             |

Depreciation was charged to functions/programs of the primary government as follows:

|   |                     |
|---|---------------------|
| Governmental activities                               |                     |
| General government                                    | \$ 350,966          |
| Public safety   | 985,696             |
| Public works  | 3,685,153           |
| Parks and recreation                                  | 969,184             |
| Total depreciation expense - governmental activities  | <u>\$ 5,990,999</u> |
| Business-type activities:                             |                     |
| Water and sewer                                       | \$ 3,838,187        |
| Total depreciation expense - business-type activities | <u>\$ 3,838,187</u> |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

***Discretely Presented Component Unit***

Activity for the Health Center for the year ended September 30, 2023 was as follows:

|  | <b>Balance<br/>October 1,<br/>2022</b> | <b>Additions</b>  | <b>Deletions</b>  | <b>Balance<br/>September 30,<br/>2023</b> |
|--|--|-------------------|-------------------|---|
| Capital assets, being depreciated:           |  |                   |                   |   |
| Buildings                                    | \$ 1,431,193                           | \$ 40,157         | \$ (5,200)        | \$ 1,466,150                              |
| Improvements other than buildings            | 42,841                                 | -                 | -                 | 42,841                                    |
| Machinery and equipment                      | 129,900                                | -                 | -                 | 129,900                                   |
| Total capital assets, being depreciated      | <u>1,603,934</u>                       | <u>40,157</u>     | <u>(5,200)</u>    | <u>1,638,891</u>                          |
| Less accumulated depreciation for:           |  |                   |                   |   |
| Buildings                                    | (1,160,460)                            | (34,921)          | 1,907             | (1,193,474)                               |
| Improvements other than buildings            | (42,841)                               | -                 | -                 | (42,841)                                  |
| Machinery and equipment                      | (34,895)                               | (10,725)          | -                 | (45,621)                                  |
| Total accumulated depreciation               | <u>(1,238,196)</u>                     | <u>(45,646)</u>   | <u>1,907</u>      | <u>(1,281,936)</u>                        |
| Total capital assets, being depreciated, net | <u>\$ 365,738</u>                      | <u>\$ (5,489)</u> | <u>\$ (3,293)</u> | <u>\$ 356,955</u>                         |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Note 6: Construction Projects**

As of September 30, 2023, the City had the following commitments with respect to unfinished capital projects:

|   | <b>Project<br/>Authorization</b> | <b>Expended<br/>Through<br/>9/30/2023</b> | <b>Required<br/>Future<br/>Financing</b> |
|---|----------------------------------|---|--|
| Kennedy Ln Sidewalk Project Design              | \$ 38,260                        | \$ -                                      | \$ 38,260                                |
| Contract 22-2001-08 Kennedy Lane Trail          | 13,500                           | -   | 13,500                                   |
| Champion Place Drainage Analysis                | 11,500                           | 11,500                                    | -  |
| Installation of new sidewalks to 4th street     | 50,000                           | -   | 50,000                                   |
| Clean up of City owned site                     | 24,703                           | 24,703                                    | -  |
| Installation of new sidewalks to 4th street     | 25,478                           | -   | 25,478                                   |
| Installation of new sidewalks to 4th street     | 34,317                           | -   | 34,317                                   |
| Remodel and repair work at fire stations        | 970,060                          | 140,680                                   | 829,380                                  |
| Improvements at Swanger Complex                 | 16,500                           | 16,500                                    | -  |
| Survey for Spring Lake Park                     | 11,500                           | 11,500                                    | -  |
| Survey for Grady Wallace Park                   | 7,650                            | 7,650                                     | -  |
| Master Plan for Parks (Soccer & Softball)       | 8,900                            | 8,900                                     | -  |
| Canopy for Fitness Park                         | 26,100                           | 26,100                                    | -  |
| College Drive Bicycle & Pedestrian Improvements | 627,971                          | -   | 627,971                                  |
| College Dr Sidewalk Project Design              | 86,042                           | -   | 86,042                                   |
| N. Robison Road Pedestrian Improvements         | 613,976                          | -   | 613,976                                  |
| N. Robison Sidewalk Project Design              | 13,500                           | -   | 13,500                                   |
| Resurfacing Pine, 16th and 20th                 | 12,500                           | -   | 12,500                                   |
| Belt Road Reconstruction                        | 319,174                          | 319,174                                   | -  |
| Woodmere Reconstruction                         | 108,171                          | 108,171                                   | -  |
| North Park Reconstruction                       | 193,792                          | 193,792                                   | -  |
| Concrete Blanton St. 23-1901-06                 | 125,005                          | -   | 125,005                                  |
| Lincoln St Asphalt Overlay                      | 100,120                          | 100,120                                   | -  |
| W. 14th St Asphalt Overlay                      | 137,215                          | 137,215                                   | -  |
| Bell Park Trail                                 | 53,600                           | 53,600                                    | -  |
| Lighted Sculptures at Post Office/Courthouse    | 106,975                          | 106,975                                   | -  |
| IFB 23-1901-11 Robison Rd Mill                  | 929,122                          | -   | 929,122                                  |
| N. Robison Road Street Reconstruction           | 72,500                           | 60,500                                    | 12,000                                   |
| IFB 23-1901-11 Robison Rd Mill                  | 2,746,955                        | -   | 2,746,955                                |
| Design for Street Reconstruction                | 161,591                          | -   | 161,591                                  |
| Moores/Galleria Oaks St. Recon                  | 290,539                          | 290,539                                   | -  |
|   | <u>\$ 7,937,217</u>              | <u>\$ 1,617,619</u>                       | <u>\$ 6,319,597</u>                      |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Note 7: Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of September 30, 2023, is as follows:

***Due to/from Other Funds***

| Receivable Fund            | Payable Fund               | Amount                            |
|----------------------------|----------------------------|-----------------------------------|
| General                    | Nonmajor governmental fund | \$ 222,529                        |
| General                    | Debt service               | 254,091                           |
| General                    | CDBG 108 fund              | 100                               |
| Nonmajor governmental fund | CDBG 108 fund              | 1,408,186                         |
| Nonmajor governmental fund | General                    | <u>10,442</u>                     |
| <b>Total</b>               |                            | <b><u><u>\$ 1,895,348</u></u></b> |

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.

**Interfund transfers:**

|                                  | Transfers Out:             |                            |                        |   | Total                      |
|----------------------------------|----------------------------|----------------------------|------------------------|---|----------------------------|
|                                  | General Fund               | Nonmajor Governmental      | Internal Service       | Texarkana, Texas Water Utilities & Other Enterprise Funds |                            |
| <b>Transfer in:</b>              |                            |                            |                        |   |                            |
| General fund                     | \$ -                       | \$ 7,326                   | \$ 1,367               | \$ 1,607  | \$ 10,300                  |
| Debt service                     | -                          | 1,283,597                  | -                      | -   | 1,283,597                  |
| Nonmajor governmental funds      | 653,290                    | 529,831                    | -                      | -   | 1,183,121                  |
| Texarkana, Texas Water Utilities | 1,183,310                  | -                          | -                      | -   | 1,183,310                  |
| Internal service funds           | <u>2,320,915</u>           | -                          | -                      | -   | <u>2,320,915</u>           |
| Total transfers in               | <u><u>\$ 4,157,515</u></u> | <u><u>\$ 1,820,754</u></u> | <u><u>\$ 1,367</u></u> | <u><u>\$ 1,607</u></u>                                    | <u><u>\$ 5,981,243</u></u> |

Transfers maybe used to (1) move revenues from the fund with collection authorization to another specific required fund, (2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, (3) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grants, and other purposes.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Note 8: Enterprise Funds – Contracts with City of Texarkana, Arkansas**

Under a contract dated August 5, 1948 as subsequently amended, the City supplies water to the City of Texarkana, Arkansas and disposes of sewage collected by that City. Charges to Texarkana, Arkansas for these services are computed by prorating certain expenses of the System, plus a set monthly fee. A new agreement was executed between the Cities of Texarkana, Texas and Texarkana, Arkansas on May 20, 1969. This new agreement relates to the matter of supplying treated water only and does not amend the prior agreement relating to sewer service. The terms of the new contract provide that Texarkana, Arkansas will pay the same amount per one thousand gallons of water supplied to it as shall be computed to be the cost to Texarkana, Texas under its contractual arrangements with other area cities (See Note 9). The Texarkana, Arkansas Water Utilities made total transfers to the Texarkana, Texas Water Utilities for water purchases of \$1,181,049 for 2023.

A water system agreement entered into on December 1, 1982 and amended on October 15, 1985, with the City of Texarkana, Arkansas provides for the sale of water taken from the Millwood Reservoir and processed in the Millwood Water Treatment Facilities. The agreement further provides that the City of Texarkana, Arkansas will sell treated water to Texarkana, Texas, at the cost per one thousand gallons of water supplied to it as shall be computed to be the cost to Texarkana, Arkansas. The Texarkana, Texas Water Utilities made total transfers to the Texarkana, Arkansas Water Utilities for water purchases of \$919,779 for 2023.

Additionally, when the indebtedness the City of Texarkana, Arkansas incurred in connection with the acquisition and construction of the water treatment and transmission facilities has been discharged, the City of Texarkana, Arkansas will convey to the City of Texarkana, Texas an undivided interest in the facilities used to serve Texas. Texarkana, Texas' undivided interest in the facilities shall be a pro rata portion of the total capital payments made on the system by both Texarkana, Arkansas and Texarkana, Texas. Texarkana, Texas' share is currently estimated to be approximately 63 percent of the total. Capital payments are defined as payments made or to be made on the principal of the bond obligation of Texarkana, Arkansas. The Texarkana, Texas Water Utilities made total transfers to the Texarkana, Arkansas Water Utilities for debt service of \$418,112 for 2023. The effective transfer of assets pursuant to this agreement has been recorded as an intersystem notes payable.

***South Regional Wastewater Facilities***

A wastewater agreement dated March 1, 1983 was entered into between the City of Texarkana, Arkansas and the City of Texarkana, Texas. The agreement is a supplement to the previous agreement and provides that the City of Texarkana, Texas will process the wastewater from the City of Texarkana, Arkansas and charge the City of Texarkana, Arkansas the same amount per one thousand gallons as the computed cost to the City of Texarkana, Texas for wastewater treatment. The calculation of cost for retail customers billed on the City Rate Ordinance is based on the metered retail water sales of each City to the total retail water sales for both Cities. The cost for contract customers is based on metered wastewater treated in combination with the retail customers for each City to the total for both Cities.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

***McKinney Bayou Wastewater Facilities***

A wastewater agreement dated December 15, 1997 was entered into between the City of Texarkana, Arkansas and the City of Texarkana, Texas. The agreement relates to the operation and maintenance of a wastewater treatment facility, known as the McKinney Bayou Wastewater Facilities (the facilities), and related transmission lines located within the City of Texarkana, Arkansas to be used for the collection and treatment of a portion of the two cities' wastewater. The agreement provides that the City of Texarkana, Arkansas will process a portion of the wastewater from the City of Texarkana, Texas. The City of Texarkana, Texas will pay the City of Texarkana, Arkansas the same amount per one thousand gallons as computed to be the cost to the City of Texarkana, Arkansas for wastewater treatment. The calculation of cost for retail customers billed is based on the metered retail water sales of each City, whose wastewater is treated in the facilities, to the total retail water sales for both Cities, whose wastewater is being treated in the facilities.

The agreement further provides that, when the indebtedness of the City of Texarkana, Arkansas incurred in connection with the acquisition and construction of the wastewater treatment facilities has been discharged, the City of Texarkana, Arkansas will convey to the City of Texarkana, Texas an undivided interest in the system facilities used to serve Texas. Texarkana, Texas' undivided interest in the facilities shall be a pro rata portion of the total payments on bond obligations made on the system by both Texarkana, Arkansas and Texarkana, Texas. During 2023 the Texas Utilities made transfers to the Arkansas Utilities for debt service for \$95,689.

**Note 9: Enterprise Funds – Water Supply Contracts Between City of Texarkana, Texas and “Member Cities”**

A water supply contract has been entered into between the City of Texarkana, Texas and seven cities in the area which are described as “Member Cities”. Texarkana, Texas has agreed to supply each of these cities with a maximum amount of treated water per year. Each Member City agrees to make minimum monthly payments to the City of Texarkana, Texas, which shall be adequate to discharge its pro rata part of debt service, maintenance and operating, and administrative expenses to Lake Texarkana Water Supply Corporation. The proceeds of these contracts with the various Member Cities are pledged by the City for the payment of the bonds issued by Lake Texarkana Water Supply Corporation.

In fiscal year 2013, the Texas Utility issued \$2.2 million in Waterworks and Sanitary Sewer System Revenue Bonds to finance the moving and replacing of a 16 inch ductile iron water line to a 24 inch water line between Malta, Texas and DeKalb, Texas to accommodate the widening of U.S. Highway 82 between New Boston, Texas and DeKalb Texas, a Bowie County voter approved project. In fiscal year 2023, the Texas Utility received payments of \$27,397, respectively, from the “Member Cities” for contributions toward debt service on these bonds based on their ownership ratio in these assets, for which the related transfer is recorded as a notes payable by the Texas Utility.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Note 10: Long-term Obligations**

***General Obligation Bonds***

General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City has dedicated 28.029% of the ad valorem taxes received for the year for the payment of principal and interest on general obligation bonds. General obligation bonds at September 30, 2023 are as follows:

|  | <u>Rate<br/>of interest</u> | <u>Original<br/>Issue</u> | <u>Outstanding<br/>September 30,<br/>2023</u> |
|--|-----------------------------|---------------------------|---|
| <b>General Obligation Bonds</b>  |                             |                           |   |
| General Obligation Refunding Bonds, Series 2013 used to refund certain bonds which were issued to finance certain capital improvements of the City - due serially in varying amounts from February 15, 2014 through February 15, 2027. | 2.00% - 5.00%               | \$ 14,550,000             | \$ 5,380,000                                  |
| General Obligation Refunding Bonds, Series 2016 used to refund certain bonds which were issued to finance certain capital improvements of the City - due serially in varying amounts from February 1, 2017 through February 1, 2030.   | 2.00% - 3.00%               | 9,090,000                 | 7,550,000                                     |
| General Obligation Refunding Bonds, Series 2020B used to refund certain bonds which were issued to finance certain capital improvements of the City - due serially in varying amounts from February 1, 2021 through February 1, 2030.  | 1.87%                       | <u>4,330,000</u>          | <u>3,115,000</u>                              |
| Total general obligation bonds   |                             | <u>\$ 27,970,000</u>      | <u>\$ 16,045,000</u>                          |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Annual requirements to amortize general obligation bonds outstanding at September 30, 2023 are as follows:

| Requirements Year Ending<br>September 30 | Principal            | Interest            | Total                |
|--|----------------------|---------------------|----------------------|
| 2024                                     | \$ 2,655,000         | \$ 421,761          | \$ 3,076,761         |
| 2025                                     | 2,760,000            | 334,070             | 3,094,070            |
| 2026                                     | 2,860,000            | 254,685             | 3,114,685            |
| 2027                                     | 2,960,000            | 171,489             | 3,131,489            |
| 2028                                     | 1,560,000            | 107,849             | 1,667,849            |
| 2029-2034                                | 3,250,000            | 87,685              | 3,337,685            |
| Total                                    | <u>\$ 16,045,000</u> | <u>\$ 1,377,539</u> | <u>\$ 17,422,539</u> |

**Certificates of Obligation**

The City issues certificates of obligation to fund construction projects and acquire capital assets. Certificates of obligation are direct obligations and pledge the full faith and credit of the City. Certificates of obligation at September 30, 2023, are as follows:

|  | Rate<br>of interest | Original<br>Issue    | Outstanding<br>September 30,<br>2023 |
|--|---------------------|----------------------|--------------------------------------|
| <b>Certificates of Obligation</b>  |                     |                      |                                      |
| Combination Tax and Revenue Certificates of Obligation, Series 2012 used for street and drainage improvements, constructing, improving and equipping park and recreational facilities - due serially in varying amounts through February 1, 2035.  | 0.50% - 3.500%      | \$ 4,115,000         | \$ 2,535,000                         |
| Combination Tax and Revenue Certificates of Obligation, Series 2017 used for public safety facilities, street and drainage improvements, park and recreational facilities, roof replacements, public works facilities, and municipal airport facilities due serially in varying amounts through February 1, 2037.  | 2.625 - 4.00%       | 14,160,000           | 11,255,000                           |
| Combination Tax and Revenue Certificates of Obligation, Series 2019 used for public safety facilities, street and drainage improvements, park and recreational facilities, roof replacements, public works facilities, and municipal airport facilities due serially in varying amounts through February 15, 2034. | 2.50 - 3.50%        | 6,780,000            | 5,230,000                            |
| Combination Tax and Revenue Certificates of Obligation, Series 2022 used for public safety facilities, street and drainage improvements, park and recreational facilities, roof replacements, public works facilities, and municipal airport facilities due serially in varying amounts through February 15, 2042. | 4.03%               | <u>20,475,000</u>    | <u>19,655,000</u>                    |
| Total certificates of obligation   |                     | <u>\$ 45,530,000</u> | <u>\$ 38,675,000</u>                 |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Annual requirements to amortize certificates of obligations outstanding at September 30, 2023, are as follows:

| <b>Year Ending<br/>September 30</b> | <b>Certificates of Obligation</b> |                      |                      |
|-------------------------------------|-----------------------------------|----------------------|----------------------|
|                                     | <b>Principal</b>                  | <b>Interest</b>      | <b>Total</b>         |
| 2024                                | \$ 1,930,000                      | \$ 1,361,135         | \$ 3,291,135         |
| 2025                                | 2,000,000                         | 1,286,892            | 3,286,892            |
| 2026                                | 2,075,000                         | 1,209,527            | 3,284,527            |
| 2027                                | 2,155,000                         | 1,132,407            | 3,287,407            |
| 2028                                | 2,230,000                         | 1,058,326            | 3,288,326            |
| 2029-2033                           | 12,330,000                        | 4,114,018            | 16,444,018           |
| 2034-2038                           | 10,485,000                        | 1,984,859            | 12,469,859           |
| 2039-2043                           | 5,470,000                         | 451,965              | 5,921,965            |
| Total                               | <u>\$ 38,675,000</u>              | <u>\$ 12,599,127</u> | <u>\$ 51,274,127</u> |

**Revenue Bonds**

The City issues bonds pledged with income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at September 30, 2023, are as follows:

| <b>Revenue Bonds</b>  | <b>Rate<br/>of interest</b> | <b>Original<br/>Issue</b> | <b>Outstanding<br/>September 30,<br/>2023</b> |
|---|-----------------------------|---------------------------|---|
| Waterworks and Sanitary Sewer System Revenue Bonds, Series 2013 net of bond discount of \$15,276 used to finance the costs of making improvements and extensions to the water and sewer system. Due serially in varying amounts from August 1, 2014 through August 1, 2033. | 2.00% - 4.875%              | <u>\$ 2,200,000</u>       | <u>\$ 1,279,873</u>                           |
| Total Texarkana, Texas Water Utilities  |                             | <u>\$ 2,200,000</u>       | <u>\$ 1,279,873</u>                           |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Annual requirements to amortize revenue bonds outstanding at September 30, 2023 are as follows:

| <b>Requirements<br/>Year Ending<br/>September 30</b> | <b>Revenue Bonds</b> |                   |                     |
|--|----------------------|-------------------|---------------------|
|  | <b>Principal</b>     | <b>Interest</b>   | <b>Total</b>        |
| 2024   | \$ 105,000           | \$ 57,881         | \$ 162,881          |
| 2025   | 110,000              | 53,681            | 163,681             |
| 2026   | 115,000              | 49,281            | 164,281             |
| 2027   | 120,000              | 44,394            | 164,394             |
| 2028   | 125,000              | 39,294            | 164,294             |
| 2029-2034  | <u>704,873</u>       | <u>105,488</u>    | <u>810,361</u>      |
| Total  | <u>\$ 1,279,873</u>  | <u>\$ 350,019</u> | <u>\$ 1,629,892</u> |

The Utility has pledged future water customer revenues, net of specified operating expenses, to repay the remaining balance in water system revenue bonds issued in 2004 and 2013. Proceeds from the bonds provided financing for the water and wastewater facility improvements and updates. The bonds are payable solely from water customer net revenues and are payable through 2033. Annual principal and interest payments on the bonds are expected to require approximately 2% of net revenues.

***Subscription Liability***

The City has subscription IT arrangements to conduct its operations, the terms of which expire 2026 through 2028. The measurement of the subscription liabilities is based on the present value of the subscription payments expected to be paid during the subscription term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, residual value guarantee payments that are fixed in substance, and any subscription incentives payable.

An initial subscription liability was recorded in the amount of \$288,179. As of September 30, 2023, the value of the subscription liabilities was \$230,523. An incremental borrowing rate of 4.03 percent was used to measure subscription liabilities. The value of the right-to-use subscription assets as of September 30, 2023 was \$288,179 and had accumulated amortization of \$38,709.

The future principal and interest payments for subscription liabilities as of September 30, 2023, are as follows:

| <b>Fiscal Year Ending<br/>September 30,</b> | <b>Principal</b>  | <b>Interest</b>  | <b>Total</b>      |
|---|-------------------|------------------|-------------------|
| 2024  | \$ 48,366         | \$ 9,290         | \$ 57,656         |
| 2025  | 50,315            | 7,341            | 57,656            |
| 2026  | 52,343            | 5,313            | 57,656            |
| 2027  | 54,452            | 3,204            | 57,656            |
| 2028  | <u>25,047</u>     | <u>1,009</u>     | <u>26,056</u>     |
|   | <u>\$ 230,523</u> | <u>\$ 26,157</u> | <u>\$ 256,680</u> |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Changes in Long-term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended September 30, 2023:

|                                      | Balance<br>October 1,<br>2022* | Additions            | Retirements/<br>Deductions | Balance<br>September 30,<br>2023 | Long-term<br>Balance  | Due<br>Within<br>One Year |
|--------------------------------------|--------------------------------|----------------------|----------------------------|----------------------------------|-----------------------|---------------------------|
| <b>Governmental Activities</b>       |                                |                      |                            |                                  |                       |                           |
| General obligation bonds             | \$ 18,575,000                  | \$ -                 | \$ (2,530,000)             | \$ 16,045,000                    | \$ 13,390,000         | \$ 2,655,000              |
| Issuance premiums                    | 1,072,637                      | -                    | (147,569)                  | 925,068                          | 925,068               | -                         |
| Total general obligation bonds       | <u>19,647,637</u>              | <u>-</u>             | <u>(2,677,569)</u>         | <u>16,970,068</u>                | <u>14,315,068</u>     | <u>2,655,000</u>          |
| Certificates of obligation           | 20,210,000                     | 20,475,000           | (2,010,000)                | 38,675,000                       | 36,745,000            | 1,930,000                 |
| Issuance premiums                    | 682,257                        | -                    | (41,441)                   | 640,816                          | 640,816               | -                         |
| Total certificates of obligation     | <u>20,892,257</u>              | <u>20,475,000</u>    | <u>(2,051,441)</u>         | <u>39,315,816</u>                | <u>37,385,816</u>     | <u>1,930,000</u>          |
| Loans payable                        | 40,709                         | -                    | (40,709)                   | -                                | -                     | -                         |
| Subscription liability               | 288,179                        | -                    | (57,656)                   | 230,523                          | 182,157               | 48,366                    |
| Net pension liabilities              | 5,848,853                      | 24,110,796           | -                          | 29,959,649                       | 29,959,649            | -                         |
| Net other postemployment liabilities | 14,178,654                     | 1,101,912            | -                          | 15,280,566                       | 15,280,566            | -                         |
| Accrued compensated absences         | 5,511,468                      | 1,788,180            | (1,396,259)                | 5,903,389                        | 5,487,072             | 416,317                   |
| Governmental activity                |                                |                      |                            |                                  |                       |                           |
| Long-term liabilities                | <u>\$ 66,407,757</u>           | <u>\$ 47,475,888</u> | <u>\$ (6,223,634)</u>      | <u>\$ 107,660,011</u>            | <u>\$ 102,610,328</u> | <u>\$ 5,049,683</u>       |
| <b>Business-type Activities</b>      |                                |                      |                            |                                  |                       |                           |
| Revenue bonds                        | \$ 1,575,000                   | \$ -                 | \$ (290,000)               | \$ 1,285,000                     | \$ 1,180,000          | \$ 105,000                |
| Issuance discounts                   | (6,992)                        | -                    | 1,865                      | (5,127)                          | (5,127)               | -                         |
| Total revenue bonds                  | <u>1,568,008</u>               | <u>-</u>             | <u>(288,135)</u>           | <u>1,279,873</u>                 | <u>1,174,873</u>      | <u>105,000</u>            |
| Notes payable                        | 1,931,682                      | -                    | (355,365)                  | 1,576,317                        | 1,179,128             | 397,189                   |
| Net pension liabilities              | 1,481,849                      | 4,167,449            | -                          | 5,649,298                        | 5,649,298             | -                         |
| Other postemployment liabilities     | 803,683                        | -                    | (111,633)                  | 692,050                          | 692,050               | -                         |
| Accrued compensated absences         | 448,803                        | 407,431              | (424,834)                  | 431,400                          | 367,367               | 64,033                    |
| Business-type activity               |                                |                      |                            |                                  |                       |                           |
| Long-term liabilities                | <u>\$ 6,234,025</u>            | <u>\$ 4,574,880</u>  | <u>\$ (1,179,967)</u>      | <u>\$ 9,628,938</u>              | <u>\$ 9,062,716</u>   | <u>\$ 566,222</u>         |

\*Fiscal year 2022 amounts have been restated for GASB 96 adoption

The General Fund is the governmental fund which primarily is responsible for liquidating the accrued compensated absences liability and net pension and total other postemployment liabilities for the governmental activities.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

#### **Note 11: Conduit Debt**

The City issued \$605,000 in General Obligation Refunding, Series 2020A dated April 1, 2020. The stated maturity date of the debt is February 1, 2023, with an interest rate of 1.20% per annum. The certificates were issued by the City on behalf of the Bi-State Justice Center. The purpose of the debt is to pay contractual obligations for improvements to the Bi-State Criminal Justice Center and professional services rendered in connection therewith. The payments are made by the Bi-State Justice Center directly to the paying agent. The City has no responsibility for the repayment of the debt beyond its participation in the BSJC joint venture. The balance outstanding was paid off as of September 30, 2023.

#### **Note 12: Risk Management**

The City's workers' compensation insurance coverage is obtained through the Texas Municipal League Intergovernmental Risk Pool (TML Pool). The TML Pool was established by the various political subdivisions in Texas to provide self-insurance for its members and to obtain lower costs for insurance. Losses under a stated amount for workers' compensation that are incurred by TML members are paid with TML Pool funds. Claims in excess of this limit are paid under terms of insurance policies obtained by the TML Pool. TML Pool members pay annual contributions to obtain the insurance. Annual contribution rates are determined by the TML Pool Board or by the State Board of Insurance of Texas. Such rates are estimated to include all claims expected to occur during the policy period, including claims incurred but not reported. The TML has established claims reserves for each of the types of insurance offered. Thus, although the TML Pool is a self-insured risk pool, members are not contingently liable for claims filed above the amount of the fixed annual contributions. If losses incurred are significantly higher than actuarially estimated, the TML Pool adjusts the contributed rate for subsequent years. Members are also entitled to returns of contributions if actual results are more favorable than estimated. For the year ended September 30, 2023 the City contributed \$372,030 for workers' compensation coverage.

The City has outside property insurance coverage totaling \$69,203,987 for major structures, primarily those used by the public and those located in a cluster to provide protection from catastrophic losses, as well as \$16,511,355 of contents coverage.

The City maintains liability insurance coverage of \$3,275,538 for all its vehicles and equipment. It has vehicle damage coverage on the most expensive vehicles and equipment including fire engines and large trucks.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

The City has established an Employee Benefit Fund (an internal service fund) to account for a self-insured employee health benefit program. The City accounts for this expense on the accrual method in that as cash is transferred to the Employee Benefit Fund, it is expensed on the transferring fund. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. Under this program, the City is self-insured up to a maximum of \$100,000 specific deductible per covered person in a calendar year, and a \$75,000 aggregating specific deductible. Costs in excess of this amount, up to an unlimited amount per claimant as an annual benefit and unlimited as a lifetime benefit, were insured through QBE Insurance Corporation, which was offered by the reinsurance company, Sirius. Sirius is offered through the Third-Party Administrator, Blue Cross Blue Shield of Texas. Each participating fund makes payments to the Employee Benefit Fund based upon the computed monthly amount determined by the administrator of the plan. Employees pay a portion of their costs and an amount for dependents and the City pays for the remainder of employees' coverage. Costs are recognized by the City in the Employee Benefit Fund when claims are filed and processed according to the City of Texarkana's plan document by Blue Cross Blue Shield of Texas. Estimated costs incurred but not billed at year end are accrued.

Changes in the balance of claims liabilities during the past year are as follows:

|                             | <b>Year Ended<br/>September 30,<br/>2023</b> | <b>Year Ended<br/>September 30,<br/>2022</b> |
|-----------------------------|--|--|
| Unpaid claims, October 1    | \$ 518,056                                   | \$ 532,888                                   |
| Incurred claims             | 3,482,884                                    | 2,976,883                                    |
| Claim payments              | <u>(3,427,632)</u>                           | <u>(2,991,715)</u>                           |
| Unpaid claims, September 30 | <u>\$ 573,308</u>                            | <u>\$ 518,056</u>                            |

The amount of settlements has not exceeded the coverage during any of the past three years.

**Note 13: Employee Retirement Systems**

The City has elected to participate in the following retirement plans for its employees: A) Texas Municipal Retirement System, and B) Texarkana Firemen's Relief and Retirement Fund.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

***Total All Employee Retirement Systems***

| <u>Plan</u>                           | <u>Net Pension Liability</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> | <u>Pension Expenses/ Expenditures (Income)</u> |
|---------------------------------------|------------------------------|---------------------------------------|--------------------------------------|--|
| Governmental activities               |                              |                                       |                                      |  |
| TMRS Plan 1                           | \$ 7,815,425                 | \$ 4,940,702                          | \$ 99,106                            | \$ 1,512,031                                   |
| TMRS Plan 2                           | 10,091,486                   | 5,012,918                             | -                                    | 2,209,771                                      |
| Firefighters Relief & Retirement Fund | <u>12,052,738</u>            | <u>5,865,920</u>                      | <u>550,373</u>                       | <u>1,812,257</u>                               |
| Total governmental activities         | 29,959,649                   | 15,819,540                            | 649,479                              | 5,534,059                                      |
| Business-type activities:             |                              |                                       |                                      |  |
| TMRS Plan 3                           | <u>5,649,298</u>             | <u>3,017,155</u>                      | <u>29,964</u>                        | <u>1,906,703</u>                               |
| Total                                 | <u>\$ 35,608,947</u>         | <u>\$ 18,836,695</u>                  | <u>\$ 679,443</u>                    | <u>\$ 7,440,762</u>                            |

***Texas Municipal Retirement System (TMRS)***

The City participates in three retirement plans in the Texas Municipal Retirement System (TMRS) which covers all eligible full-time employees, excluding firefighters: Plan #1 covers Police Officers, Plan #2 covers Other City employees and Plan #3 covers Texarkana Water Utilities employees.

**Plan Description**

The City participates as one of over 900 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS ACT, Subtitle G, Title 8, Texas Government Code (The TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS' defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.tmr.com](http://www.tmr.com).

All eligible employees of the City, excluding firefighters, are required to participate in TMRS.

**Benefits Provided**

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

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

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Plan provisions for the City were as follows:

|  | <b>Plan No. 1</b>               | <b>Plan No. 2</b>               | <b>Plan No. 3</b>               |
|--|---------------------------------|---------------------------------|---------------------------------|
| Employee deposit rate                          | 7%                              | 7%                              | 7%                              |
| City current matching ratio                    | 2-1                             | 2-1                             | 2-1                             |
| Updated Service Credit:                        |                                 |                                 |                                 |
| Rate   | 100T                            | 100T                            | 100T                            |
| Year effective                                 | 1998R                           | 1992R                           | 1992R                           |
| COLA Increase                                  | 70%                             | 70%                             | 70%                             |
| COLA Increase year effective                   | 1998R                           | 1992R                           | 1992R                           |
| Military service credit effective date         | Oct. 1988                       | Oct. 1988                       | Oct. 1988                       |
| Vesting  | 5 years                         | 5 years                         | 5 years                         |
| Service retirement eligibilities               | 5 yrs/age 60, 20<br>yrs/any age | 5 yrs/age 60, 20<br>yrs/any age | 5 yrs/age 60,<br>20 yrs/any age |
| Restricted prior service credit effective date | June 1995                       | June 1995                       | June 1995                       |

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

|  | <b>Plan No. 1</b> | <b>Plan No. 2</b> | <b>Plan No. 3</b> |
|--|-------------------|-------------------|-------------------|
| Inactive employees or beneficiaries currently receiving benefits | 92                | 219               | 131               |
| Inactive employees entitled to but not yet receiving benefits    | 29                | 120               | 68                |
| Active employees   | <u>85</u>         | <u>190</u>        | <u>169</u>        |
| Total  | <u>206</u>        | <u>529</u>        | <u>368</u>        |

**Contributions**

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Texarkana, Texas were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Texarkana, Texas were as follows in calendar years 2022 and 2023.

|                         | <b>Plan No. 1</b> | <b>Plan No. 2</b> | <b>Plan No. 3</b> |
|-------------------------|-------------------|-------------------|-------------------|
| City Contribution Rate: |                   |                   |                   |
| FY 2022                 | 14.75%            | 14.94%            | 16.03%            |
| FY 2023                 | 14.47%            | 15.80%            | 16.70%            |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

The City's contributions to TMRS for the year ended September 30, 2023 were \$884,600, \$1,261,027 and \$829,374 for Plan No. 1, Plan No. 2, and Plan No. 3, respectively, and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**Actuarial Assumptions**

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

|                           |  |
|---------------------------|--|
| Inflation                 | 2.50%  |
| Overall payroll growth    | 2.75% for Plan 1, 2.25% for Plan 2, 2.65% for Plan 3 |
| Investment Rate of Return | 6.75%  |

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103% with a three-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study dated December 31, 2019. In conjunction with these changes first used in the December 31, 2019 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). At its meeting on July 30, 2015, the TMRS Board approved a new portfolio target allocation. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

| <b>Asset Class</b>               | <b>Target Allocation</b> | <b>Long-term Expected Real Rate of Return (Arithmetic)</b> |
|----------------------------------|--------------------------|--|
| Global equity                    | 35.00%                   | 7.70%  |
| Core fixed income                | 6.00%                    | 4.90%  |
| Non-core fixed income            | 20.00%                   | 8.70%  |
| Other public and private markets | 12.00%                   | 8.10%  |
| Real estate                      | 12.00%                   | 5.80%  |
| Hedge funds                      | 5.00%                    | 6.90%  |
| Private equity                   | 10.00%                   | 11.80%   |
| Total                            | 100.00%                  |  |

**Discount Rate**

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**CHANGES IN NET PENSION LIABILITY/(ASSET)**

|   | <b>PLAN NO. 1</b>                          |  |  |
|---|--|--|--|
|   | <b>Total Pension<br/>Liability (Asset)</b> | <b>Plan Fiduciary<br/>Net Position</b> | <b>Net Pension<br/>Liability (Asset)</b> |
| Balance at October 1, 2022  | \$ 52,933,265                              | \$ 53,078,149                          | \$ (144,884)                             |
| Changes for the year:   |  |  |  |
| Service cost  | 1,025,537                                  | -                                      | 1,025,537                                |
| Interest  | 3,526,015                                  | -                                      | 3,526,015                                |
| Difference between expected<br>and actual experience                | 848,706                                    | -                                      | 848,706                                  |
| Changes of assumptions  | -  | -                                      | -  |
| Contributions - employer  | -  | 884,600                                | (884,600)                                |
| Contributions - employee  | -  | 419,810                                | (419,810)                                |
| Net investment income   | -  | (3,870,942)                            | 3,870,942                                |
| Benefit payments, including<br>refunds of employee<br>contributions | (2,417,559)                                | (2,417,559)                            | -  |
| Administrative expense  | -  | (33,528)                               | 33,528                                   |
| Other changes   | -  | 40,009                                 | (40,009)                                 |
| Net changes   | <u>2,982,699</u>                           | <u>(4,977,610)</u>                     | <u>7,960,309</u>                         |
| Balance at September 30, 2023                                       | <u>\$ 55,915,964</u>                       | <u>\$ 48,100,539</u>                   | <u>\$ 7,815,425</u>                      |

**CHANGES IN NET PENSION LIABILITY**

|   | <b>PLAN NO. 2</b>                  |  |                                  |
|---|------------------------------------|--|----------------------------------|
|   | <b>Total Pension<br/>Liability</b> | <b>Plan Fiduciary<br/>Net Position</b> | <b>Net Pension<br/>Liability</b> |
| Balance at October 1, 2022  | \$ 60,582,392                      | \$ 58,272,572                          | \$ 2,309,820                     |
| Changes for the year:   |                                    |  |                                  |
| Service cost  | 1,295,394                          | -                                      | 1,295,394                        |
| Interest  | 3,993,239                          | -                                      | 3,993,239                        |
| Difference between expected<br>and actual experience                | 28,582                             | -                                      | 28,582                           |
| Changes of assumptions  | -                                  | -                                      | -                                |
| Contributions - employer  | -                                  | 1,192,427                              | (1,192,427)                      |
| Contributions - employee  | -                                  | 558,703                                | (558,703)                        |
| Net investment income   | -                                  | (4,222,654)                            | 4,222,654                        |
| Benefit payments, including<br>refunds of employee<br>contributions | (3,318,047)                        | (3,318,047)                            | -                                |
| Administrative expense  | -                                  | (36,591)                               | 36,591                           |
| Other changes   | -                                  | 43,664                                 | (43,664)                         |
| Net changes   | <u>1,999,168</u>                   | <u>(5,782,498)</u>                     | <u>7,781,666</u>                 |
| Balance at September 30, 2023                                       | <u>\$ 62,581,560</u>               | <u>\$ 52,490,074</u>                   | <u>\$ 10,091,486</u>             |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**CHANGES IN NET PENSION LIABILITY**  
**PLAN NO. 3**

|   | <b>Total Pension<br/>Liability</b> | <b>Plan Fiduciary<br/>Net Position</b> | <b>Net Pension<br/>Liability</b> |
|---|------------------------------------|--|----------------------------------|
| Balance at October 1, 2022  | \$ 31,883,701                      | \$ 30,401,852                          | \$ 1,481,849                     |
| Changes for the year:   |                                    |  |                                  |
| Service cost  | 871,798                            | -                                      | 871,798                          |
| Interest  | 2,127,069                          | -                                      | 2,127,069                        |
| Change of benefit terms   | -                                  | -                                      | -                                |
| Difference between expected<br>and actual experience                | 147,611                            | -                                      | 147,611                          |
| Changes of assumptions  | -                                  | -                                      | -                                |
| Contributions - employer  | -                                  | 829,374                                | (829,374)                        |
| Contributions - employee  | -                                  | 362,171                                | (362,171)                        |
| Net investment income   | -                                  | (2,216,226)                            | 2,216,226                        |
| Benefit payments, including<br>refunds of employee<br>contributions | (1,538,693)                        | (1,538,693)                            | -                                |
| Administrative expense  | -                                  | (19,188)                               | 19,188                           |
| Other changes   | -                                  | 22,897                                 | (22,897)                         |
| Net changes   | <u>1,607,786</u>                   | <u>(2,559,663)</u>                     | <u>4,167,449</u>                 |
| Balance at September 30, 2023                                       | <u>\$ 33,491,487</u>               | <u>\$ 27,842,189</u>                   | <u>\$ 5,649,298</u>              |

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the City calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1% point lower (5.75%) or 1% point higher (7.75%) than the current rate:

|                               | <b>1% Decrease in<br/>Discount Rate (5.75%)</b> | <b>Discount Rate (6.75%)</b> | <b>1% Increase in<br/>Discount Rate (7.75%)</b> |
|-------------------------------|---|------------------------------|---|
| City's net pension liability: |   |                              |   |
| Plan No. 1                    | \$ 16,059,763                                   | 7,815,425                    | \$ 1,119,452                                    |
| Plan No. 2                    | 18,918,859                                      | 10,091,486                   | 3,730,935                                       |
| Plan No. 3                    | 15,409,739                                      | 5,649,298                    | 3,069,239                                       |

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at [www.tmrs.com](http://www.tmrs.com).

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

For the year ended September 30, 2023, the City recognized pension expense of \$1,512,031, \$2,209,771 and \$1,906,703 in Plan No. 1, Plan No. 2 and Plan No. 3, respectively.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**SCHEDULE OF OUTFLOWS AND INFLOWS**  
**PLAN NO. 1**

|   | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Net difference between projected and actual earnings<br>on pension plan investments | \$ 3,298,765                                  | \$ -   |
| Changes in actuarial assumptions  | 21,981  | -  |
| Differences between expected and actual experience                                  | 949,844                                       | 99,106                                       |
| Contributions made after December 31, 2022 but before<br>September 30, 2023         | 670,112                                       | -  |
| Total   | \$ 4,940,702                                  | \$ 99,106                                    |

**SCHEDULE OF OUTFLOWS AND INFLOWS**  
**PLAN NO. 2**

|   | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Net difference between projected and actual earnings<br>on pension plan investments | \$ 3,609,101                                  | \$ -   |
| Differences between expected and actual experience                                  | 331,237                                       | -  |
| Contributions made after December 31, 2022 but before<br>September 30, 2023         | 1,072,580                                     | -  |
| Total   | \$ 5,012,918                                  | \$ -   |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**SCHEDULE OF OUTFLOWS AND INFLOWS**  
**PLAN NO. 3**

|  | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|--|---|--|
| Net difference between projected and actual earnings on pension plan investments | \$ 1,912,071                                  | \$ -   |
| Changes of assumptions   | 4,202   | -  |
| Differences between expected and actual experience                               | 400,679                                       | 29,964                                       |
| Contributions made after December 31, 2022 but before September 30, 2023         | 700,203                                       | -  |
| <b>Total</b>   | <b>\$ 3,017,155</b>                           | <b>\$ 29,964</b>                             |

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year ended September 30:</b> | <b>Plan No. 1</b>   | <b>Plan No. 2</b>   | <b>Plan No. 3</b>   |
|---------------------------------|---------------------|---------------------|---------------------|
| 2023                            | \$ 262,383          | \$ 448,075          | \$ 219,660          |
| 2024                            | 1,056,030           | 890,600             | 629,563             |
| 2025                            | 1,103,841           | 967,489             | 578,092             |
| 2026                            | 1,670,677           | 1,634,174           | 859,673             |
| 2027                            | 78,553              | -                   | -                   |
| <b>Total</b>                    | <b>\$ 4,171,484</b> | <b>\$ 3,940,338</b> | <b>\$ 2,286,988</b> |

***Texarkana Firefighter’s Relief and Retirement Fund (FRRF)***

***General Information about the Retirement Plan***

*Plan Description*

The City contributes to the retirement plan for firefighters in the Texarkana Fire Department known as the Texarkana Firemen’s Relief and Retirement fund (the Plan). The Plan is a single employer, contributory, defined benefit plan. The benefit provisions of the Plan are authorized by the Texas Local Fire Fighters’ Retirement Act of 1937 (Act). The purpose of the Plan is to provide for the receipt, control, handling, management and dispersing of assets accumulated in the Plan, which has been established for the purpose of providing certain benefits upon retirement for participants/employees under the provisions of the Plan.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
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The Plan is administered by a seven-member Board of Trustees. The City does not have access to nor can it utilize assets within the retirement plan trust. The Plan issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained in writing from the Texarkana Firemen's Relief and Retirement Fund at P.O. Box 6083, Longview, TX 75608. See that report for all information about the Plan fiduciary net position.

**Benefits Provided**

The Plan provides service retirement, death, disability, and termination benefits. The benefits fully vest after 20 years of credited service. Members may retire at attainment of age 50 and completion of 20 years of service. The Plan provides a monthly normal service retirement benefit, payable in a joint and two-thirds to surviving spouse form of annuity equal to 3.09% of the member's highest 36-month average salary, multiplied by years of credited service as of date of termination. The Plan provides an optional form of retirement benefit, payable in a joint and 100% to surviving spouse form of annuity, which allows members to adjust the amount and longevity of the monthly benefit.

A retiring member eligible for normal service retirement with certain minimum combinations of years of service and age has the option to elect the Retroactive Deferred Retirement Option Plan (RETRO DROP) which will provide a lump sum benefit and a reduced monthly benefit.

The benefit provisions of the Plan are authorized by the Act. The Act provides the authority and procedure to amend benefit provisions. There is no provision for automatic postretirement benefit increases. The Plan has the authority to provide for ad hoc postretirement benefit increases. Effective, October 1, 2014, the Plan was amended for a \$19 increase in monthly benefits and a minimum monthly benefit of \$1,022 for retired, disabled, vested terminated members, and surviving spouses.

**Members Covered by the Fund**

The membership consisted of the following as of December 31, 2022:

|   |                   |
|---|-------------------|
| Retirees and beneficiaries currently receiving benefits | 74                |
| Active employees  | <u>79</u>         |
| Total   | <u><u>153</u></u> |

**Funding Policy**

The contribution provisions of the Plan are authorized by the Act. The Act provides the authority and procedures to change the amount of contributions determined as a percentage of pay by each member and a percentage of payroll by the City.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

While the contribution requirements are not actuarially determined, state law requires that each plan benefits adopted by the Plan must be approved by an eligible actuary. The actuary certifies that the contribution commitment by the members and the City provides an adequate financing arrangement. Using the entry age actuarial cost method, the plan's normal cost contribution rate is determined as a percentage of payroll.

The funding policy of the Texarkana Firemen's Relief and Retirement Fund requires contributions by the members at the rate elected by the members according to the Act. The City's contribution rate is determined annually by the City. Contributions for the year ended December 31, 2022 were as follows:

|          | <b>Amount</b> | <b>Percentage</b> |
|----------|---------------|-------------------|
| Employer | \$ 999,524    | 19.5%             |
| Members  | 691,978       | 13.5%             |

The costs of administering the plan are paid from the use of investment earnings.

**Net Pension Liability**

The Plan's net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by a special study based on the actuarial valuation as of December 31, 2022. The components of the net pension liability of the employer on December 31, 2022 were as follows:

|   |               |
|---|---------------|
| Total pension liability   | \$ 49,273,947 |
| Plan fiduciary net position   | (37,221,209)  |
| City's net pension liability  | \$ 12,052,738 |
| Plan fiduciary net position as a<br>percentage of the total pension liability | 75.5%         |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
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Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                           |   |
|---------------------------|---|
| Investment rate of return | 7.5%, net of pension plan investment expense, including inflation       |
| Administrative expense    | 1.85% of payroll  |
| Salary increases          | 2.9%, plus promotion, step and longevity increases that vary by service |
| Inflation                 | 2.90%   |

Mortality rates were based on the RP-2014 Blue Collar Mortality Tables adjusted backward to 2006 with Scale MP-2014 and projected generationally with Scale MP-2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of December 31, 2022, (see the discussion of the pension plan's investment policy) are summarized in the following table:

| <u>Asset Class</u>       | <u>Long-term<br/>Expected Real<br/>Rate of Return</u> |
|--------------------------|---|
| Equities                 |   |
| Large/all cap domestic   | 5.80%   |
| Small/mid cap domestic   | 6.30%   |
| International developed  | 6.30%   |
| Emerging markets         | 7.80%   |
| Specialty:               |   |
| Income Opportunity       | 3.80%   |
| Real estate              | 4.30%   |
| Total return             | 4.30%   |
| Relative value arbitrage | 1.80%   |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that the City contribution would equal to 19.50% of payroll and that member contributions would equal 13.50% of compensation. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City of Texarkana, calculated using the discount rate of 7.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

|                              | <b>1% Decrease<br/>(6.5%)</b> | <b>Current Discount<br/>Rate (7.5%)</b> | <b>1% Increase<br/>(8.5%)</b> |
|------------------------------|-------------------------------|---|-------------------------------|
| City's net pension liability | \$ 17,416,872                 | \$ 12,052,738                           | \$ 7,541,680                  |

Plan Fiduciary Net Position

The Plan fiduciary net position reported above is the same as reported by the Fund. Detailed information about the Plan fiduciary net position is available in the Plan's separately issued audited financial statements, which are reported using the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Member and employer contributions are recognized when due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investment transactions are recorded as of the date a transaction is agreed upon and investment income, from interest and dividends, is recorded when earned or declared. All other expenses are recognized when incurred.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

***Changes in the Net Pension Liability***

|   | <b>Total Pension<br/>Liability</b> | <b>Plan Fiduciary<br/>Net Position</b> | <b>Net Pension<br/>Liability</b> |
|---|------------------------------------|--|----------------------------------|
| Amounts as of September 30, 2022                      | \$ 47,593,987                      | \$ 43,910,070                          | \$ 3,683,917                     |
| Changes for the year:                                 |                                    |  |                                  |
| Service cost  | 973,177                            | -                                      | 973,177                          |
| Interest  | 3,536,426                          | -                                      | 3,536,426                        |
| Differences between expected<br>and actual experience | -                                  | -                                      | -                                |
| Contributions by the City                             | -                                  | 999,524                                | (999,524)                        |
| Contributions by the members                          | -                                  | 691,978                                | (691,978)                        |
| Net investment income                                 | -                                  | (5,455,891)                            | 5,455,891                        |
| Benefit payments                                      | (2,829,643)                        | (2,829,643)                            | -                                |
| Administrative expenses                               | -                                  | (94,829)                               | 94,829                           |
| Assumption changes                                    | -                                  | -                                      | -                                |
| Net changes   | <u>1,679,960</u>                   | <u>(6,688,861)</u>                     | <u>8,368,821</u>                 |
| Amounts as of September 30, 2023                      | <u>\$ 49,273,947</u>               | <u>\$ 37,221,209</u>                   | <u>\$ 12,052,738</u>             |

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

For the year ended September 30, 2023, the City's GASB 68 pension expense was \$1,812,257. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates. The components of pension expense for the fiscal year ended September 30, 2023, are as follows:

|  |                     |
|--|---------------------|
| Service cost   | \$ 973,177          |
| Interest   | 3,536,426           |
| Member contributions   | (691,978)           |
| Projected earnings on pension plan investments   | (3,247,019)         |
| Amortization of differences between projected and actual earnings on<br>plan investments | 988,143             |
| Amortization of changes of assumptions   | 303,940             |
| Amortization of differences between expected and actual experience                       | (145,261)           |
| Pension plan administrative expenses   | 94,829              |
| Total pension expense  | <u>\$ 1,812,257</u> |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

At September 30, 2023, the City reported deferred outflows of resources related to the Fire Pension plan from the following sources:

|   | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|---|---|--|
| Net difference between projected and actual earnings<br>on pension plan investments | \$ 4,078,244                                  | \$ -   |
| Changes of assumptions  | 1,010,481                                     | -  |
| Differences between expected and actual experience                                  | 21,525  | 550,373                                      |
| Contributions made after December 31, 2022 but before<br>September 30, 2023         | -   | -  |
|   | 755,670                                       | -  |
| Total   | \$ 5,865,920                                  | \$ 550,373                                   |

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| <b>Year Ended<br/>September 30</b> | <b>Deferred<br/>Outflows<br/>(Inflows) of<br/>Resources</b> |
|------------------------------------|---|
| 2024                               | \$ 222,425  |
| 2025                               | 975,848   |
| 2026                               | 1,542,938   |
| 2027                               | 1,774,980   |
| 2028                               | 34,398  |
| Thereafter                         | 9,288   |
| Total                              | \$ 4,559,877  |

**Note 14: Other Postemployment Health Care Benefits**

Postemployment medical and dental benefits (OPEB) are provided to eligible retirees, their spouses and dependents through the City's self-insured health plan. The City and Texarkana Water Utilities both provide these postemployment benefits through single-employer defined benefit OPEB plans. Each plan has a separate actuarial valuation and are reported separately in the following disclosures. For each plan, no assets are accumulated in a trust that meet the criteria of GASB Statement No. 75.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**City OPEB Plan**

***Benefits Provided***

Employees hired before January 1, 2010 are eligible to receive a lump sum payment for up to 720 sick leave hours upon retirement. Fire operations are eligible to receive a lump sum payment for up to 1,080 sick leave hours. These employees are also eligible to receive the dollar value of up to 720 sick leave hours, or up to 1,080 sick leave hours for Fire Operations, placed into an account for retiree health and /or dental coverage premium payments. The account balance can only be used to replace the premiums the participant would have paid for retiree medical and/or dental insurance coverage provided by the City. The participant must elect retiree insurance coverage immediately upon retirement and any election decision shall not be deferred for any reason. All age and tenure requirements must comply with pension guidelines of the Texas Municipal Retirement System or the Texarkana Firemen’s Relief and Retirement Fund at the time of retirement to qualify for this program.

Employees hired on or after January 1, 2010 are eligible to receive a lump sum payment for up to 720 sick leave hours. Fire operations are eligible to receive a lump sum payment for up to 1,080 sick leave hours. These employees have the option to receive a lump sum payment for sick leave hours or to have the dollar value of sick leave hours deposited in an account for use by the retiree to purchase retiree health and/or dental coverage provided by the City, but not both. The participant must elect retiree insurance coverage immediately upon retirement and any election decision shall not be deferred for any reason. All age and tenure requirements must comply with pension guidelines at the time of retirement to qualify for this program.

At the October 1, 2021 valuation date, the following employees were covered by the benefit terms:

|  | <b>9/30/2023</b> |
|--|------------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 11               |
| Inactive employees entitled to but not yet receiving benefit payments    | -                |
| Active employees   | 309              |
| Total  | 320              |

**Contributions**

Benefit levels and contribution rates are approved annually by City management and the City Council as part of the budget process. The City does not make advance funding contributions, but instead operates under a pay-as-you-go method. Therefore, the plan is not accounted for as a trust fund and does not issue a separate financial report.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Total OPEB Liability and Actuarial Assumptions

The City's Total OPEB Liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of October 1, 2021, using the following actuarial assumptions:

|                             |  |
|-----------------------------|--|
| Inflation                   | 2.50% per annum  |
| Salary inflation            | 3.00% per annum  |
| Discount rate               | 4.87% per annum, which includes inflation (prior year was 4.77%)                                       |
| Healthcare cost trend rates | 6.80% initial medical trend rate for retirees decreasing to an ultimate rate of 4.16% in the year 2041 |

Mortality rates were updated and are based upon the RP-2014h sex distinct mortality improvement table with generational mortality improvement scale MP-2021

|  | <b>Total OPEB<br/>Liability</b> |
|--|---------------------------------|
| Balance at 9/30/2022                         | \$ 14,178,654                   |
| Changes for the year:                        |                                 |
| Service cost                                 | 635,552                         |
| Interest                                     | 704,422                         |
| Difference in expected and actual experience | -                               |
| Change in assumptions                        | (145,154)                       |
| Benefit payments                             | (92,908)                        |
| Net changes                                  | <u>1,101,912</u>                |
| Balance at 9/30/2023                         | <u>\$ 15,280,566</u>            |

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City calculated using the discount rate of 4.87%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.87%) or 1% higher (5.87%) than the current rate. This is also calculated using healthcare cost trend rates.

| <b>Discount Rate Sensitivity</b> |                                |                              |
|----------------------------------|--------------------------------|------------------------------|
| <b>1% Decrease<br/>3.87%</b>     | <b>Discount Rate<br/>4.87%</b> | <b>1% Increase<br/>5.87%</b> |
| \$ 17,188,623                    | \$ 15,280,566                  | \$ 14,260,343                |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

| Healthcare Cost Trend Rate |               |               |
|----------------------------|---------------|---------------|
| 1% Decrease                | Discount Rate | 1% Increase   |
| 5.80%                      | 6.80%         | 7.80%         |
| \$ 13,213,287              | \$ 15,280,566 | \$ 17,909,479 |

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

For the year ended September 30, 2023, the City recognized the OPEB expense of \$1,246,440.

At September 30, 2023, the City had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 469,295                           | \$ 657                              |
| Changes of assumptions                             | 1,112,669                            | 3,806,416                           |
| Total  | \$ 1,581,964                         | \$ 3,807,073                        |

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

| Measurement<br>Year<br>September 30 | Deferred<br>Outflows/(Inflows)<br>of Resources |
|-------------------------------------|--|
| 2024                                | \$ (93,535)                                    |
| 2025                                | (312,435)                                      |
| 2026                                | (344,084)                                      |
| 2027                                | (344,086)                                      |
| 2028                                | (587,779)                                      |
| Thereafter                          | (543,190)                                      |
|                                     | \$ (2,225,109)                                 |

**TWU OPEB Plan**

**Benefits Provided**

In addition to the retirement benefits described above, eligible employees hired before January 1, 2010 receive upon retirement 1) a lump sum payment of their sick leave balance at retirement which is equal to their sick leave hours (limited to 720 hours for non-Civil Service) valued at the employee's current hourly pay rate, and 2) an additional amount equal to their sick leave balance used to pay future monthly healthcare contributions.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

Since the sick leave balance can only be used for healthcare, it is required to be included as another post-employment benefit (OPEB).

Upon retirement, eligible employees hired after January 1, 2010 may choose either a lump sum payment of up to 720 hours of sick leave at their current rate of pay or an equivalent amount to be used to pay future monthly healthcare contributions. Once retirees participating in postemployment health care benefits reach sufficient age to become Medicare eligible, they can no longer remain on the insurance, but if they enroll in Medicare, their Medicare supplement premiums can then be paid from any remaining sick leave buyout balance. Eligible employees who retire at Medicare eligible age cannot remain on the employer insurance, but their Medicare supplement premiums can be paid from their sick leave buyout balance.

Eligible employees who choose to remain on the employer insurance are allowed to continue any coverage they may have at retirement, which includes self, spouse, children, and family coverage options, but those coverage options cannot be added post retirement.

At the October 1, 2023, valuation date, the following employees were covered by the benefit terms:

|          |     |
|----------|-----|
| Actives  | 178 |
| Retirees | 13  |
| Total    | 191 |

Contributions

Benefit levels and contribution rates are approved annually by City management and the City Council as part of the budget process. The Utility does not make advance funding contributions, but instead operates under a pay-as-you-go method. Therefore, the plan is not accounted for as a trust fund and does not issue a separate financial report.

Total OPEB Liability

The Utility's Total OPEB Liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of October 1, 2023.

Actuarial methods and assumptions

The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost Method. Under this method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The normal cost for each participant is computed as the level percentage of pay which, if paid from each participant's date of employment by the employer or any predecessor employer (thus, entry age) to his assumed retirement date, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to fund his projected retirement benefit. The normal cost for the plan is the total of the individually computed normal costs for all participants including the costs for any death or disability benefits under the plan.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
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The accrued liability at any point in time for an active participant is the theoretical fund that would have been accumulated on his behalf from his normal cost payments and the earnings thereon for all prior years if the plan had always been in effect. For persons receiving benefits or entitled to a deferred vested retirement income the accrued liability cost is equal to the present value of their future benefit payments. The accrued liability for the plan is the total of the individually computed accrued liability for all participants. The unfunded accrued liability for the plan is the excess of the accrued liability over the assets which have been accumulated for the plan.

It should be noted that the accrued liability as of any date is not the actuarially computed present value of accrued or accumulated benefits as of that date. The accrued liability is the portion of the ultimate cost assigned to prior years by the cost method being used.

|                                       |   |
|---------------------------------------|---|
| Valuation Date                        | October 1, 2023   |
| Measurement Date                      | September 30, 2023  |
| Discount Rate for Valuing Liabilities | 4.87% per annum   |
| Mortality rates                       | Non-Annuitants: Sex distinct headcount weighted 2010 PUB mortality table for general employees with mortality improvement scale MP-2021<br>Annuitants: Sex distinct headcount weighted 2010 PUB mortality table for general retirees with mortality improvement scale MP-2021   |
| Assumed Sick Leave Balance            | Active participants accrued sick leaves at retirement was multiplied by their projected rate of pay at retirement to get the estimated balance of funds TWU would spend on behalf of eligible retirees for retiree healthcare premiums. Retirees use actual sick leave balance. |
| Disability rates                      | None  |
| Payroll Increase                      | 2.75%, per annum  |
| Participation Rate Assumption         | 100% of those with an accrued balance at retirement are assumed to elect medical coverage and 25% of retirees are assumed to cover their spouse.  |

| <b>Texarkana, Texas</b>                           |                          |
|---|--------------------------|
| <b><u>Water Utilities</u></b>                     |                          |
| Balance as of 9/30/2022                           | \$ 803,683               |
| Changes for the year:                             |                          |
| Service cost                                      | 83,969                   |
| Interest on total OPEB liability                  | 40,274                   |
| Difference between expected and actual experience | (3,217)                  |
| Effect of assumptions changes or inputs           | (164,408)                |
| Benefit payments                                  | <u>(68,251)</u>          |
| Balance as of 9/30/2023                           | <u><u>\$ 692,050</u></u> |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate***

The following presents the total OPEB liability of the Utility calculated using the discount rate of 4.87%, as well as what the Utility's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.87%) or 1% higher (5.87%) than the current rate. This is also calculated using healthcare cost trend rates.

| <b>Discount Rate Sensitivity</b> |                                |                              |
|----------------------------------|--------------------------------|------------------------------|
| <b>1% Decrease<br/>3.87%</b>     | <b>Discount Rate<br/>4.87%</b> | <b>1% Increase<br/>5.87%</b> |
| \$ 725,639                       | \$ 692,050                     | \$ 649,783                   |

| <b>Healthcare Cost Trend Rate</b> |                                     |                                   |
|-----------------------------------|-------------------------------------|-----------------------------------|
| <b>1% Decrease<br/>5.80/4.00%</b> | <b>Discount Rate<br/>6.80/5.00%</b> | <b>1% Increase<br/>7.80/6.00%</b> |
| \$ 676,938                        | \$ 692,050                          | \$ 697,136                        |

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

For the year ended September 30, 2023, the Utility recognized the OPEB expense of \$285,003.

At September 30, 2023, the Utility had deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|--|---|--|
| Differences between expected and actual experience | \$ -  | \$ 7,427                                     |
| Changes of assumptions                             | 27,997  | 531,843                                      |
| Total  | \$ 27,997                                     | \$ 539,271                                   |

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

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

| <b>Measurement<br/>Year<br/>September 30</b> | <b>Deferred<br/>Outflows/(Inflows)<br/>of Resources</b> |
|--|---|
| 2024   | \$ (284,427)  |
| 2025   | (45,205)  |
| 2026   | (59,201)  |
| 2027   | (58,467)  |
| 2028   | (40,892)  |
| Thereafter                                   | (23,081)  |
|  | <u>\$ (511,274)</u>                                     |

**Note 15: Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City's plan was amended effective January 1, 1997 to provide that all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

The City has delegated administrative and investment responsibilities to a third-party administrator, Mission Square, and as such, the plan assets do not meet the requirements for inclusion in the City's financial statements at September 30, 2023.

**City of Texarkana, Texas**  
**Notes to Financial Statements**  
**September 30, 2023**

**Note 16: Classification of Governmental Fund Balances**

The table below presents a summary of the September 30, 2023, governmental fund balances by fund type and specific purpose. With the exception of nonspendable fund balances, fund balance is presented based on specific purpose. For the general fund, special revenue funds, debt service fund and capital projects funds, the specific purpose of the fund balance is determined by the governmental function for which the funds are restricted, committed, assigned or unassigned.

|                                 | General              | Debt<br>Service   | CDBG 108<br>Loan | 2022 Bond            | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------------------|----------------------|-------------------|------------------|----------------------|--------------------------------|--------------------------------|
| Fund Balances:                  |                      |                   |                  |                      |                                |                                |
| Nonspendable for:               |                      |                   |                  |                      |                                |                                |
| Loans receivable                | \$ -                 | \$ -              | \$ 1,429,000     | \$ -                 | \$ 2,052,994                   | \$ 3,481,994                   |
| Restricted                      |                      |                   |                  |                      |                                |                                |
| Court security and technology   | -                    | -                 | -                | -                    | 508,790                        | 508,790                        |
| Law enforcement                 | -                    | -                 | -                | -                    | 480,471                        | 480,471                        |
| Health and welfare              | 12,478               | -                 | -                | -                    | 2,296,090                      | 2,308,568                      |
| Public safety radio             | -                    | -                 | -                | -                    | 196,799                        | 196,799                        |
| Debt service                    | -                    | 352,582           | -                | -                    | -                              | 352,582                        |
| Tourism                         | -                    | -                 | -                | -                    | 1,756,805                      | 1,756,805                      |
| Capital improvements            | -                    | -                 | -                | 17,962,657           | 3,814,032                      | 21,776,689                     |
| Tax Increment Reinvestment Zone | -                    | -                 | -                | -                    | 2,370,783                      | 2,370,783                      |
| Committed                       |                      |                   |                  |                      |                                |                                |
| Economic development            | -                    | -                 | -                | -                    | 2,395,363                      | 2,395,363                      |
| Assigned                        |                      |                   |                  |                      |                                |                                |
| Subsequent year's expenditures  | 13,373,440           | -                 | -                | -                    | -                              | 13,373,440                     |
| Police equipment                | 1,885                | -                 | -                | -                    | -                              | 1,885                          |
| Economic development            | 6,000,000            | -                 | -                | -                    | -                              | 6,000,000                      |
| Water projects                  | 1,272,388            | -                 | -                | -                    | -                              | 1,272,388                      |
| Animal services                 | 592                  | -                 | -                | -                    | -                              | 592                            |
| Grant matching                  | 1,241,947            | -                 | -                | -                    | 722,985                        | 1,964,932                      |
| Unassigned                      |                      |                   |                  |                      |                                |                                |
| General fund                    | 18,047,149           | -                 | -                | -                    | -                              | 18,047,149                     |
| Special revenue funds           | -                    | -                 | (1,407,971)      | -                    | (14)                           | (1,407,985)                    |
| Total Fund Balances (deficit)   | <u>\$ 39,949,879</u> | <u>\$ 352,582</u> | <u>\$ 21,029</u> | <u>\$ 17,962,657</u> | <u>\$ 16,595,098</u>           | <u>\$ 74,881,245</u>           |

**Note 17: Tax Abatements**

The City Council authorized Resolution 2016-121 and entered into a contract on February 27, 2017 to fund a rebate of an amount not to exceed 50% of the City's portion of the ad valorem tax paid by a real estate holding company for a term not to exceed five years beginning January 1, 2018 and ending December 31, 2023. The agreement has a potential to be renewed for an additional five-year period. No amount of ad valorem taxes were abated for the fiscal year ending September 30, 2023.

# City of Texarkana, Texas

## Notes to Financial Statements

### September 30, 2023

The City Council authorized Resolution 2018-064 and entered into a contract on June 11, 2018, to fund a rebate not to exceed \$615,000 of a portion of ad valorem taxes for property and a portion of the sales taxes paid by a local automobile dealership and collected by the City derived from the new business facilities to be constructed at the specified location for a term not to exceed 10 years. No amount of ad valorem taxes or sales taxes were abated for the fiscal year ending September 30, 2023.

The City Council entered into a contract on February 12, 2021 to fund a rebate not to exceed 75% of the City's portion of the paid ad valorem taxes for the development of a mini warehouse and a boat/RV storage facility located at Airline and Richmond Road in Texarkana, Bowie County, Texas with the potential for additional phases of development in the future. Approximately \$4,397 of ad valorem taxes were abated for the fiscal year ending September 30, 2023.

#### **Note 18: Contingent Liabilities**

##### ***Litigation***

The City is a party to several legal actions arising in the ordinary course of its business. In the opinion of the City's management, upon advice of the City Attorney, the City has adequate legal defense and/or insurance coverage regarding each of these actions and does not believe that they will materially affect the City's operations or financial position.

#### **Note 19: Subsequent Pronouncements**

The Governmental Accounting Standards Board recently issued the following statements not yet implemented by the City of Texarkana, Texas. The statements which might impact the City are as follows:

##### ***GASB Statement No. 101 – Compensated Absences***

GASB Statement No. 101, Compensated Absences is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The standard amends the existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability.

GASB 101 is effective for the City's fiscal year 2025. Earlier application is encouraged.

#### **Note 20: Subsequent Events**

In preparing these financial statements, management of the City of Texarkana, Texas has evaluated events and transactions for potential recognition or disclosure through March 29, 2024, the date the financial statements were available to be issued.



**Required Supplementary Information**

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TMRS PLAN #1 - Police Officers**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS  
LAST 10 YEARS**

This pension schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

|  | Measurement Date<br>12/31/2014 | Measurement Date<br>12/31/2015 | Measurement Date<br>12/31/2016 | Measurement Date<br>12/31/2017 | Measurement Date<br>12/31/2018 | Measurement Date<br>12/31/2019 | Measurement Date<br>12/31/2020 | Measurement Date<br>12/31/2021 | Measurement Date<br>12/31/2022 |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>1. Total Pension Liability</b>  |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| a. Service cost  | \$ 968,730                     | \$ 969,892                     | \$ 940,760                     | \$ 1,006,085                   | \$ 1,047,904                   | \$ 1,003,968                   | \$ 998,633                     | \$ 1,022,657                   | \$ 1,025,537                   |
| b. Interest  | 2,746,753                      | 2,842,733                      | 2,830,664                      | 2,946,678                      | 3,037,916                      | 3,106,492                      | 3,234,448                      | 3,370,588                      | 3,526,015                      |
| c. Changes of benefit provisions   | -                              | -                              | -                              | -                              | -                              | -                              | -                              | -                              | -                              |
| d. Difference between expected and actual experience                                 | (647,060)                      | (710,991)                      | (333,866)                      | (668,606)                      | (682,086)                      | 121,452                        | 61,950                         | 301,510                        | 848,706                        |
| e. Changes of assumptions  | -                              | (72,483)                       | -                              | -                              | -                              | 74,948                         | -                              | -                              | -                              |
| f. Benefit payments  | (1,738,559)                    | (1,657,168)                    | (1,721,423)                    | (1,781,542)                    | (2,125,284)                    | (2,606,389)                    | (2,210,707)                    | (2,369,592)                    | (2,417,559)                    |
| g. Net Change in Total Pension Liability   | 1,329,864                      | 1,371,983                      | 1,716,135                      | 1,502,615                      | 1,278,470                      | 1,700,471                      | 2,084,324                      | 2,325,163                      | 2,982,689                      |
| h. Total Pension Liability - Beginning   | 39,624,241                     | 40,954,106                     | 42,326,088                     | 44,042,223                     | 45,544,838                     | 46,823,308                     | 48,523,779                     | 50,608,102                     | 52,933,265                     |
| i. Total Pension Liability - Ending  | <u>\$ 40,954,105</u>           | <u>\$ 42,326,089</u>           | <u>\$ 44,042,223</u>           | <u>\$ 45,544,838</u>           | <u>\$ 46,823,308</u>           | <u>\$ 48,523,779</u>           | <u>\$ 50,608,103</u>           | <u>\$ 52,933,265</u>           | <u>\$ 55,915,964</u>           |
| <b>2. Plan Fiduciary Net Position</b>  |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| a. Contributions by the City   | \$ 988,531                     | \$ 966,327                     | \$ 905,636                     | \$ 933,545                     | \$ 961,461                     | \$ 874,104                     | \$ 830,758                     | \$ 886,747                     | \$ 884,600                     |
| b. Contributions by the Employees  | 381,042                        | 389,200                        | 378,249                        | 405,446                        | 422,542                        | 407,643                        | 406,184                        | 418,409                        | 419,810                        |
| c. Net investment income   | 1,977,814                      | 53,356                         | 2,424,238                      | 5,243,846                      | (1,276,203)                    | 6,269,849                      | 3,449,967                      | 6,244,512                      | (3,870,942)                    |
| d. Benefit payments  | (1,738,559)                    | (1,657,168)                    | (1,721,423)                    | (1,781,542)                    | (2,125,284)                    | (2,606,389)                    | (2,210,707)                    | (2,369,592)                    | (2,417,559)                    |
| e. Administrative Expenses   | (20,649)                       | (32,500)                       | (27,384)                       | (27,176)                       | (24,667)                       | (35,436)                       | (22,335)                       | (28,909)                       | (33,528)                       |
| f. Other   | (1,698)                        | (1,605)                        | (1,475)                        | (1,378)                        | (1,289)                        | (1,064)                        | (871)                          | 198                            | 40,009                         |
| g. Net Change in Plan Fiduciary Net Position   | 1,586,481                      | (282,390)                      | 1,957,841                      | 4,772,741                      | (2,043,420)                    | 4,908,707                      | 2,452,996                      | 5,151,365                      | (4,977,610)                    |
| h. Plan Fiduciary Net Position - Beginning   | 34,573,828                     | 36,160,309                     | 35,877,919                     | 37,835,760                     | 42,608,502                     | 40,565,082                     | 45,473,789                     | 47,926,784                     | 53,078,149                     |
| i. Plan Fiduciary Net Position - ending  | <u>\$ 36,160,309</u>           | <u>\$ 35,877,919</u>           | <u>\$ 37,835,760</u>           | <u>\$ 42,608,501</u>           | <u>\$ 40,565,082</u>           | <u>\$ 45,473,789</u>           | <u>\$ 47,926,785</u>           | <u>\$ 53,078,149</u>           | <u>\$ 48,100,539</u>           |
| <b>3. City's Net Pension Liability/(Asset) - Ending [Item 1(i)-2(i)]</b>             | \$ 4,793,796                   | \$ 6,448,169                   | \$ 6,206,463                   | \$ 2,936,336                   | \$ 6,258,226                   | \$ 3,049,990                   | \$ 2,681,318                   | \$ (144,884)                   | \$ 7,815,425                   |
| <b>4. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b> | 88.30%                         | 84.80%                         | 85.90%                         | 93.55%                         | 86.63%                         | 93.71%                         | 94.70%                         | 100.27%                        | 86.02%                         |
| <b>5. Covered Payroll for Year (Estimated)</b>                                       | \$ 5,443,456                   | \$ 5,554,938                   | \$ 5,403,560                   | \$ 5,792,085                   | \$ 6,036,315                   | \$ 5,823,478                   | \$ 5,802,625                   | \$ 5,963,016                   | \$ 5,997,291                   |
| <b>6. City's Net Pension Liability/(Asset) as a Percentage of Covered</b>            | 88.10%                         | 116.10%                        | 114.86%                        | 50.70%                         | 103.68%                        | 52.37%                         | 46.21%                         | -2.43%                         | 130.32%                        |

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TMRS PLAN #2 - Other City Employees**

***SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
LAST 10 YEARS***

This pension schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

|   | Measurement Date<br>12/31/2014 | Measurement Date<br>12/31/2015 | Measurement Date<br>12/31/2016 | Measurement Date<br>12/31/2017 | Measurement Date<br>12/31/2018 | Measurement Date<br>12/31/2019 | Measurement Date<br>12/31/2020 | Measurement Date<br>12/31/2021 | Measurement Date<br>12/31/2022 |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>1. Total Pension Liability</b>   |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| a. Service cost   | \$ 1,199,684                   | \$ 1,300,193                   | \$ 1,297,239                   | \$ 1,361,395                   | \$ 1,367,147                   | \$ 1,355,020                   | \$ 1,345,152                   | \$ 1,290,355                   | \$ 1,295,394                   |
| b. Interest   | 3,070,141                      | 3,180,026                      | 3,199,561                      | 3,310,801                      | 3,461,015                      | 3,559,680                      | 3,684,724                      | 3,775,681                      | 3,993,239                      |
| c. Changes of benefit provisions  |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| d. Difference between expected and actual experience                          | (470,023)                      | (507,874)                      | 106,689                        | 327,831                        | (702,934)                      | (404,645)                      | (381,801)                      | 1,027,209                      | 28,582                         |
| e. Changes of assumptions   |                                | 238,953                        |                                |                                |                                | 461,978                        |                                |                                |                                |
| f. Benefit payments   | (2,135,093)                    | (2,277,497)                    | (2,610,374)                    | (2,443,517)                    | (2,913,332)                    | (2,717,867)                    | (2,923,425)                    | (3,176,563)                    | (3,318,047)                    |
| g. Net Change in Total Pension Liability                                      | 1,664,709                      | 1,933,801                      | 1,993,115                      | 2,556,510                      | 1,211,896                      | 2,254,166                      | 1,724,650                      | 2,916,682                      | 1,999,168                      |
| h. Total Pension Liability - Beginning  | 44,326,864                     | 45,991,573                     | 47,925,374                     | 49,918,489                     | 52,474,999                     | 53,686,895                     | 55,941,061                     | 57,665,711                     | 60,582,393                     |
| i. Total Pension Liability - Ending   | <u>\$ 45,991,573</u>           | <u>\$ 47,925,374</u>           | <u>\$ 49,918,489</u>           | <u>\$ 52,474,999</u>           | <u>\$ 53,686,895</u>           | <u>\$ 55,941,061</u>           | <u>\$ 57,665,711</u>           | <u>\$ 60,582,393</u>           | <u>\$ 62,581,561</u>           |
| <b>2. Plan Fiduciary Net Position</b>   |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| a. Contributions by the City  | \$ 1,182,575                   | \$ 1,248,098                   | \$ 1,191,057                   | \$ 1,286,363                   | \$ 1,326,274                   | \$ 1,321,229                   | \$ 1,299,226                   | \$ 1,223,299                   | \$ 1,192,427                   |
| b. Contributions by the Employees   | 526,260                        | 551,597                        | 538,593                        | 569,621                        | 576,359                        | 576,955                        | 584,485                        | 558,064                        | 558,703                        |
| c. Net investment income  | 2,202,368                      | 59,293                         | 2,695,784                      | 5,722,307                      | (1,386,764)                    | 6,799,718                      | 3,768,811                      | 6,798,069                      | (4,222,654)                    |
| d. Benefit payments   | (2,135,093)                    | (2,277,497)                    | (2,610,374)                    | (2,443,517)                    | (2,913,332)                    | (2,717,867)                    | (2,923,425)                    | (3,176,563)                    | (3,318,047)                    |
| e. Administrative Expenses  | (22,995)                       | (36,119)                       | (30,454)                       | (29,664)                       | (26,813)                       | (38,454)                       | (24,410)                       | (31,484)                       | (36,591)                       |
| f. Other  | (1,891)                        | (1,784)                        | (1,641)                        | (1,504)                        | (1,401)                        | (1,156)                        | (952)                          | 215                            | 43,664                         |
| g. Net Change in Plan Fiduciary Net Position                                  | 1,751,224                      | (456,412)                      | 1,762,965                      | 5,103,606                      | (2,425,677)                    | 5,940,425                      | 2,703,736                      | 5,371,600                      | (5,782,498)                    |
| h. Plan Fiduciary Net Position - Beginning                                    | 38,501,107                     | 40,252,331                     | 39,795,919                     | 41,578,884                     | 46,682,490                     | 44,256,813                     | 50,197,238                     | 52,900,974                     | 58,272,574                     |
| i. Plan Fiduciary Net Position - ending                                       | <u>\$ 40,252,331</u>           | <u>\$ 39,795,919</u>           | <u>\$ 41,578,884</u>           | <u>\$ 46,682,490</u>           | <u>\$ 44,256,813</u>           | <u>\$ 50,197,238</u>           | <u>\$ 52,900,974</u>           | <u>\$ 58,272,574</u>           | <u>\$ 52,490,076</u>           |
| 3. City's Net Pension Liability - Ending [Item 1(i)-2(i)]                     | \$ 5,739,242                   | \$ 8,129,455                   | \$ 8,339,605                   | \$ 5,792,509                   | \$ 9,430,082                   | \$ 5,743,823                   | \$ 4,764,737                   | \$ 2,309,820                   | \$ 10,091,486                  |
| 4. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 87.50%                         | 83.00%                         | 83.30%                         | 88.96%                         | 82.41%                         | 89.74%                         | 89.74%                         | 89.74%                         | 89.74%                         |
| 5. Covered Payroll for Year (Estimated)                                       | \$ 7,517,730                   | \$ 7,879,692                   | \$ 7,694,181                   | \$ 8,137,195                   | \$ 8,269,165                   | \$ 8,217,817                   | \$ 8,349,787                   | \$ 7,965,153                   | \$ 8,015,052                   |
| 6. City's Net Pension Liability as a Percentage of Covered Payroll            | 76.30%                         | 103.20%                        | 108.40%                        | 71.19%                         | 114.04%                        | 69.89%                         | 57.06%                         | 29.00%                         | 125.91%                        |

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TMRS PLAN #3 - Water Utilities**

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
LAST 10 YEARS**

|   | Measurement Date<br>12/31/2014 | Measurement Date<br>12/31/2015 | Measurement Date<br>12/31/2016 | Measurement Date<br>12/31/2017 | Measurement Date<br>12/31/2018 | Measurement Date<br>12/31/2019 | Measurement Date<br>12/31/2020 | Measurement Date<br>12/31/2021 | Measurement Date<br>12/31/2022 |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>1. Total Pension Liability</b>   |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| a. Service cost   | \$ 641,973                     | \$ 663,135                     | \$ 675,932                     | \$ 703,862                     | \$ 723,455                     | \$ 760,242                     | \$ 824,764                     | \$ 813,411                     | \$ 871,797                     |
| b. Interest   | 1,594,823                      | 1,643,709                      | 1,638,155                      | 1,726,802                      | 1,764,601                      | 1,834,003                      | 1,925,847                      | 1,980,307                      | 2,127,069                      |
| c. Changes of benefit provisions  |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| d. Difference between expected and actual experience                          | (635,746)                      | (497,533)                      | (42,992)                       | (405,743)                      | 44,324                         | (202,779)                      | (25,304)                       | 538,510                        | 147,611                        |
| e. Changes of assumptions   |                                | 100,711                        |                                |                                |                                | 38,426                         | -                              | -                              | -                              |
| f. Benefit payments   | (1,029,300)                    | (948,775)                      | (1,234,149)                    | (1,163,480)                    | (1,430,008)                    | (1,261,115)                    | (1,329,520)                    | (1,539,195)                    | (1,538,693)                    |
| g. Net Change in Total Pension Liability                                      | 571,750                        | 961,247                        | 1,036,946                      | 861,441                        | 1,102,372                      | 1,168,777                      | 1,395,787                      | 1,793,033                      | 1,607,785                      |
| h. Total Pension Liability - Beginning  | 22,976,845                     | 23,548,595                     | 24,509,842                     | 25,546,789                     | 26,408,230                     | 27,510,602                     | 28,679,379                     | 30,075,166                     | 31,868,199                     |
| i. Total Pension Liability - Ending   | <u>\$ 23,548,595</u>           | <u>\$ 24,509,842</u>           | <u>\$ 25,546,788</u>           | <u>\$ 26,408,230</u>           | <u>\$ 27,510,602</u>           | <u>\$ 28,679,379</u>           | <u>\$ 30,075,166</u>           | <u>\$ 31,868,199</u>           | <u>\$ 33,475,983</u>           |
| <b>2. Plan Fiduciary Net Position</b>   |                                |                                |                                |                                |                                |                                |                                |                                |                                |
| a. Contributions by the City  | \$ 767,302                     | \$ 713,523                     | \$ 653,633                     | \$ 695,700                     | \$ 732,237                     | \$ 745,398                     | \$ 800,885                     | \$ 784,255                     | \$ 829,374                     |
| b. Contributions by the Employees   | 303,453                        | 298,901                        | 289,036                        | 300,612                        | 307,479                        | 324,691                        | 348,163                        | 340,135                        | 362,171                        |
| c. Net investment income  | 1,059,822                      | 29,037                         | 1,332,902                      | 2,901,396                      | (703,751)                      | 3,437,613                      | 1,945,577                      | 3,513,590                      | (2,216,226)                    |
| d. Benefit payments   | (1,029,300)                    | (948,775)                      | (1,234,149)                    | (1,163,480)                    | (1,430,008)                    | (1,261,115)                    | (1,329,520)                    | (1,539,195)                    | (1,538,693)                    |
| e. Administrative Expenses  | (11,065)                       | (17,687)                       | (15,053)                       | (15,035)                       | (13,600)                       | (19,425)                       | (12,594)                       | (16,261)                       | (19,188)                       |
| f. Other  | (910)                          | (872)                          | (811)                          | (759)                          | (710)                          | (584)                          | (491)                          | 112                            | 22,896                         |
| g. Net Change in Plan Fiduciary Net Position                                  | 1,089,302                      | 74,127                         | 1,025,558                      | 2,718,434                      | (1,108,353)                    | 3,226,578                      | 1,752,020                      | 3,082,636                      | (2,559,664)                    |
| h. Plan Fiduciary Net Position - Beginning                                    | 18,526,049                     | 19,615,352                     | 19,689,579                     | 20,715,035                     | 23,433,469                     | 22,325,116                     | 25,551,694                     | 27,303,714                     | 30,386,350                     |
| i. Plan Fiduciary Net Position - ending                                       | <u>\$ 19,615,351</u>           | <u>\$ 19,689,479</u>           | <u>\$ 20,715,137</u>           | <u>\$ 23,433,469</u>           | <u>\$ 22,325,116</u>           | <u>\$ 25,551,694</u>           | <u>\$ 27,303,714</u>           | <u>\$ 30,386,350</u>           | <u>\$ 27,826,685</u>           |
| 3. City's Net Pension Liability - Ending [Item 1(i)-2(i)]                     | \$ 3,933,244                   | 4,820,363                      | 4,831,751                      | 2,974,761                      | 5,185,486                      | 3,127,685                      | 2,771,452                      | 1,481,849                      | 5,649,298                      |
| 4. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 83.30%                         | 80.30%                         | 81.10%                         | 88.74%                         | 81.15%                         | 89.09%                         | 90.78%                         | 95.35%                         | 83.12%                         |
| 5. Covered Payroll for Year (Estimated)                                       | \$ 4,277,720                   | 4,137,776                      | 4,233,369                      | 4,403,205                      | 4,392,555                      | 4,669,104                      | 4,968,278                      | 4,944,006                      | 5,173,874                      |
| 6. City's Net Pension Liability as a Percentage of Covered Payroll            | 91.90%                         | 116.50%                        | 114.10%                        | 67.56%                         | 118.05%                        | 66.99%                         | 55.78%                         | 29.97%                         | 109.19%                        |

This pension schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TMRS PLAN #1 - Police Officers**

**SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS**

|   | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Actuarially determined contributions                                  | \$ 937,617     | \$ 898,144     | \$ 941,738     | \$ 953,099     | \$ 907,249     | \$ 874,104     | \$ 874,187     | \$ 866,747     | \$ 884,600     |
| Contributions in relation to the actuarially determined contributions | <u>937,617</u> | <u>898,144</u> | <u>941,738</u> | <u>953,099</u> | <u>907,249</u> | <u>874,104</u> | <u>874,187</u> | <u>866,747</u> | <u>884,600</u> |
| Contribution deficiency   | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| Covered payroll   | \$ 5,337,623   | \$ 5,303,689   | \$ 5,778,874   | \$ 5,969,529   | \$ 5,941,868   | \$ 5,823,478   | \$ 5,802,625   | \$ 5,963,016   | \$ 5,997,291   |
| Contributions as a percentage of covered payroll                      | 17.57%         | 16.93%         | 16.30%         | 15.97%         | 15.27%         | 15.01%         | 15.07%         | 14.54%         | 14.75%         |

This pension schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

**Valuation Date:**

Notes

Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

**Methods and Assumptions Used to Determine Contribution Rates:**

|                               |   |
|-------------------------------|---|
| Actuarial Cost Method         | Entry Age Normal  |
| Amortization Method           | Level Percentage of Payroll, Closed   |
| Remaining Amortization Period | 22 years  |
| Asset Valuation Method        | 10 Year smoothed market; 12% soft corridor  |
| Inflation                     | 2.50%   |
| Salary Increases              | 3.50% to 11.50% including inflation   |
| Investment Rate of Return     | 6.75%   |
| Retirement Age                | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018 |

**Mortality**

Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.  
Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

**Other Information:**

Notes

There were no benefit changes during the year.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TMRS PLAN #2 - Other City Employees**

**SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS**

|   | 2015             | 2016             | 2017             | 2018             | 2019             | 2020             | 2021             | 2022             | 2023             |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contributions                                  | \$ 1,212,706     | \$ 1,178,109     | \$ 1,279,683     | \$ 1,403,756     | \$ 1,385,213     | \$ 1,393,102     | \$ 1,351,764     | \$ 1,301,779     | \$ 1,192,427     |
| Contributions in relation to the actuarially determined contributions | <u>1,212,589</u> | <u>1,177,930</u> | <u>1,276,730</u> | <u>1,403,595</u> | <u>1,385,213</u> | <u>1,393,102</u> | <u>1,351,764</u> | <u>1,301,779</u> | <u>1,192,427</u> |
| Contribution deficiency   | <u>\$ 117</u>    | <u>\$ 179</u>    | <u>\$ 2,953</u>  | <u>\$ 161</u>    | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      |
| Covered payroll   | \$ 7,675,943     | \$ 7,566,064     | \$ 8,134,762     | \$ 8,743,195     | \$ 8,630,034     | \$ 8,690,585     | \$ 8,850,739     | \$ 7,965,153     | \$ 8,015,052     |
| Contributions as a percentage of covered payroll                      | 15.80%           | 15.57%           | 15.69%           | 16.05%           | 16.05%           | 16.03%           | 15.27%           | 16.34%           | 14.88%           |

This pension schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

**Valuation Date:**

Notes

Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

**Methods and Assumptions Used to Determine Contribution Rates:**

|                               |   |
|-------------------------------|---|
| Actuarial Cost Method         | Entry Age Normal  |
| Amortization Method           | Level Percentage of Payroll, Closed   |
| Remaining Amortization Period | 23 years  |
| Asset Valuation Method        | 10 Year smoothed market; 12% soft corridor  |
| Inflation                     | 2.50%   |
| Salary Increases              | 3.50% to 11.50% including inflation   |
| Investment Rate of Return     | 6.75%   |
| Retirement Age                | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 pursuant to an experience study of the period 2014-2018 |

Mortality

Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

**Other Information:**

Notes

There were no benefit changes during the year.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TMRS PLAN #3 - Water Utilities**

**SCHEDULE OF CONTRIBUTIONS  
LAST 10 FISCAL YEARS**

|   | 2015           | 2016           | 2017           | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Actuarially determined contributions                                  | \$ 726,542     | \$ 665,287     | \$ 681,500     | \$ 728,386     | \$ 734,057     | \$ 796,838     | \$ 796,972     | \$ 784,255     | \$ 829,374     |
| Contributions in relation to the actuarially determined contributions | <u>726,542</u> | <u>665,287</u> | <u>681,500</u> | <u>728,386</u> | <u>734,057</u> | <u>796,838</u> | <u>796,972</u> | <u>784,255</u> | <u>829,374</u> |
| Contribution deficiency   | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| Covered payroll   | \$ 4,277,720   | \$ 4,137,776   | \$ 4,233,369   | \$ 4,403,205   | \$ 4,522,761   | \$ 4,646,293   | \$ 4,780,260   | \$ 4,859,078   | \$ 5,173,874   |
| Contributions as a percentage of covered payroll                      | 16.98%         | 16.08%         | 16.10%         | 16.54%         | 16.23%         | 17.15%         | 16.67%         | 16.14%         | 16.03%         |

This pension schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

**Valuation Date:**

Notes

Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

**Methods and Assumptions Used to Determine Contribution Rates:**

|                               |   |
|-------------------------------|---|
| Actuarial Cost Method         | Entry Age Normal  |
| Amortization Method           | Level Percentage of Payroll, Closed   |
| Remaining Amortization Period | 23 years  |
| Asset Valuation Method        | 10 Year smoothed market; 12% soft corridor  |
| Inflation                     | 2.5%  |
| Salary Increases              | 3.50% to 11.50% including inflation   |
| Investment Rate of Return     | 6.75%   |
| Retirement Age                | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018 |

**Mortality**

Post retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

**Other Information:**

Notes

There were no benefit changes during the year.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TEXARKANA FIREFIGHTER'S RELIEF AND RETIREMENT**  
**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS FOR**  
**THE LAST 10 FISCAL YEARS<sup>1</sup>**

|   | Fiscal Year<br>Ending<br>9/30/2016 | Fiscal Year<br>Ending<br>9/30/2017 | Fiscal Year<br>Ending<br>9/30/2018 | Fiscal Year<br>Ending<br>9/30/2019 | Fiscal Year<br>Ending<br>9/30/2020 | Fiscal Year<br>Ending<br>9/30/2021 | Fiscal Year<br>Ending<br>9/30/2022 | Fiscal Year<br>Ending<br>9/30/2023 |
|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 1. Total Pension Liability  |                                    |                                    |                                    |                                    |                                    |                                    |                                    |                                    |
| a. Service cost   | \$ 905,833                         | \$ 843,503                         | \$ 944,560                         | \$ 961,601                         | \$ 992,853                         | \$ 919,951                         | \$ 947,550                         | \$ 973,177                         |
| b. Interest   | 2,879,964                          | 2,901,750                          | 2,974,938                          | 3,129,584                          | 3,236,869                          | 3,340,094                          | 3,452,600                          | 3,536,426                          |
| d. Differences between expected and actual experience                         | (827,723)                          | -                                  | 140,001                            | -                                  | (950,811)                          | -                                  | (203,584)                          | -                                  |
| e. Changes of assumptions   | (51,030)                           | -                                  | 109,232                            | -                                  | 1,569,361                          | -                                  | 453,658                            | -                                  |
| f. Benefit payments   | (2,545,333)                        | (2,581,866)                        | (2,386,385)                        | (2,829,940)                        | (2,646,298)                        | (2,539,341)                        | (3,075,261)                        | (2,829,643)                        |
| g. Net Change in Total Pension Liability                                      | 361,711                            | 1,163,387                          | 1,782,346                          | 1,261,245                          | 2,201,974                          | 1,720,704                          | 1,574,963                          | 1,679,960                          |
| h. Total Pension Liability - Beginning  | 37,527,657                         | 37,889,368                         | 39,052,755                         | 40,835,101                         | 42,096,346                         | 44,298,320                         | 46,019,024                         | 47,593,987                         |
| i. Total Pension Liability - Ending   | <u>\$ 37,889,368</u>               | <u>\$ 39,052,755</u>               | <u>\$ 40,835,101</u>               | <u>\$ 42,096,346</u>               | <u>\$ 44,298,320</u>               | <u>\$ 46,019,024</u>               | <u>\$ 47,593,987</u>               | <u>\$ 49,273,947</u>               |
| 2. Plan Fiduciary Net Position  |                                    |                                    |                                    |                                    |                                    |                                    |                                    |                                    |
| a. Contributions by the City  | \$ 795,780                         | \$ 830,234                         | \$ 850,654                         | \$ 838,370                         | \$ 852,163                         | \$ 893,720                         | \$ 886,599                         | \$ 999,524                         |
| b. Contributions by the firefighters  | 550,925                            | 574,778                            | 571,029                            | 581,331                            | 589,959                            | 618,424                            | 613,799                            | 691,978                            |
| c. Net investment income  | (1,001,621)                        | 2,020,384                          | 4,088,103                          | (1,980,962)                        | 6,308,211                          | 5,603,285                          | 4,626,713                          | (5,455,891)                        |
| d. Benefit payments   | (2,545,333)                        | (2,581,866)                        | (2,386,385)                        | (2,829,940)                        | (2,646,298)                        | (2,539,341)                        | (3,075,261)                        | (2,829,643)                        |
| e. Administrative Expenses  | (24,699)                           | (85,879)                           | (81,576)                           | (72,289)                           | (57,061)                           | (61,374)                           | (58,983)                           | (94,829)                           |
| g. Net Change in Plan Fiduciary Net Position                                  | (2,224,948)                        | 757,651                            | 3,041,825                          | (3,463,490)                        | 5,046,974                          | 4,514,714                          | 2,992,867                          | (6,688,861)                        |
| h. Plan Fiduciary Net Position - Beginning                                    | 33,244,477                         | 31,019,529                         | 31,777,180                         | 34,819,005                         | 31,355,515                         | 36,402,489                         | 40,917,203                         | 43,910,070                         |
| i. Plan Fiduciary Net Position - Ending                                       | <u>\$ 31,019,529</u>               | <u>\$ 31,777,180</u>               | <u>\$ 34,819,005</u>               | <u>\$ 31,355,515</u>               | <u>\$ 36,402,489</u>               | <u>\$ 40,917,203</u>               | <u>\$ 43,910,070</u>               | <u>\$ 37,221,209</u>               |
| 3. City's Net Pension Liability - Ending [Item 1(i)-2(i)]                     | \$ 6,869,839                       | \$ 7,275,575                       | \$ 6,016,096                       | \$ 10,740,831                      | \$ 7,895,831                       | \$ 5,101,821                       | \$ 3,683,917                       | \$ 12,052,738                      |
| 4. Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 81.9%                              | 81.4%                              | 85.3%                              | 74.5%                              | 82.2%                              | 88.9%                              | 92.3%                              | 75.5%                              |
| 5. Covered Payroll for Year (Estimated)                                       | \$ 4,080,926                       | \$ 4,257,615                       | \$ 4,229,844                       | \$ 4,306,156                       | \$ 4,370,156                       | \$ 4,580,919                       | \$ 4,546,659                       | \$ 5,125,763                       |
| 6. City's Net Pension Liability as a Percentage of Covered Payroll            | 168.3%                             | 170.9%                             | 142.2%                             | 249.4%                             | 180.7%                             | 111.4%                             | 81.0%                              | 235.1%                             |

Notes to schedule:

<sup>1</sup> The measurement date is December 31, nine months prior to the fiscal year end. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only available information is shown. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TEXARKANA FIREFIGHTER'S RELIEF AND RETIREMENT**

***SCHEDULE OF CITY CONTRIBUTIONS FOR LAST 10 FISCAL YEARS<sup>1</sup>***

<sup>1</sup> A schedule of City contributions is not required because the City contributions to the Fund are neither actuarially determined nor statutorily nor contractually established.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**CITY OF TEXARKANA, TEXAS RETIREE MEDICAL PLAN**

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE LAST 10 FISCAL YEARS**

|   | <b>2018</b>          | <b>2019</b>          | <b>2020</b>          | <b>2021</b>          | <b>2022</b>          | <b>2023</b>          |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total OPEB Liability - beginning of year                            | \$ 10,224,149        | \$ 12,366,359        | \$ 13,376,374        | \$ 16,475,274        | \$ 16,991,566        | \$ 14,178,654        |
| Changes for the year:   |                      |                      |                      |                      |                      |                      |
| Service cost  | 361,392              | 572,787              | 721,750              | 927,854              | 1,038,212            | 635,552              |
| Interest on total OPEB liability                                    | 419,812              | 480,257              | 513,554              | 369,441              | 445,696              | 704,422              |
| Difference between expected and actual experience                   | (4,599)              | -                    | 289,960              | -                    | 432,421              | -                    |
| Effect of assumptions changes or inputs                             | 1,536,912            | 221,537              | 1,659,630            | (501,940)            | (4,487,593)          | (145,154)            |
| Benefits payments   | <u>(171,307)</u>     | <u>(264,566)</u>     | <u>(85,994)</u>      | <u>(279,063)</u>     | <u>(241,648)</u>     | <u>(92,908)</u>      |
| Net Changes   | <u>2,142,210</u>     | <u>1,010,015</u>     | <u>3,098,900</u>     | <u>516,292</u>       | <u>(2,812,912)</u>   | <u>1,101,912</u>     |
| Total OPEB Liability - end of year                                  | <u>\$ 12,366,359</u> | <u>\$ 13,376,374</u> | <u>\$ 16,475,274</u> | <u>\$ 16,991,566</u> | <u>\$ 14,178,654</u> | <u>\$ 15,280,566</u> |
| Covered -employee payroll   | \$ 17,243,844        | \$ 17,473,647        | \$ 18,458,299        | \$ 19,302,330        | \$ 19,480,132        | \$ 19,296,226        |
| Total OPEB liability as a percentage<br>of covered-employee payroll | 71.71%               | 76.55%               | 89.26%               | 88.03%               | 72.79%               | 79.19%               |

This OPEB schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

**City of Texarkana, Texas**  
**Required Supplementary Information**  
**September 30, 2023**

**TEXARKANA WATER UTILITIES RETIREE MEDICAL PLAN**

**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS  
FOR THE LAST 10 FISCAL YEARS**

|   | <u>2018</u>         | <u>2019</u>       | <u>2020</u>         | <u>2021</u>       | <u>2022</u>       | <u>2023</u>       |
|---|---------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| Total OPEB Liability - beginning of year                            | \$ 2,164,869        | \$ 2,212,450      | \$ 943,329          | \$ 1,050,916      | \$ 937,331        | \$ 803,683        |
| Changes for the year:   |                     |                   |                     |                   |                   |                   |
| Service cost  | 100,757             | 102,288           | 42,244              | 44,722            | 40,344            | 83,969            |
| Interest on total OPEB liability                                    | 82,050              | 96,950            | 34,966              | 23,292            | 22,669            | 40,274            |
| Difference between expected and actual experience                   | (112,029)           | (20,023)          | -                   | (4,461)           | -                 | (3,217)           |
| Effect of assumptions changes or inputs                             | -                   | (1,421,045)       | 84,329              | (124,167)         | (116,184)         | (164,408)         |
| Benefit payments  | (23,197)            | (27,291)          | (53,952)            | (52,971)          | (80,477)          | (68,251)          |
| Total OPEB Liability - end of year                                  | <u>\$ 2,212,450</u> | <u>\$ 943,329</u> | <u>\$ 1,050,916</u> | <u>\$ 937,331</u> | <u>\$ 803,683</u> | <u>\$ 692,050</u> |
| Covered -employee payroll   | \$ 3,074,789        | \$ 3,404,967      | \$ 4,066,515        | \$ 3,952,537      | \$ 4,323,935      | \$ 4,653,112      |
| Total OPEB liability as a percentage<br>of covered-employee payroll | 71.95%              | 27.70%            | 25.91%              | 23.71%            | 18.59%            | 14.87%            |

This OPEB schedule is intended to present information for 10 years. Additional information will be displayed as it becomes available.

No amounts are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

**Assumption changes were as follows:** The discount rate changed from 4.77% to 4.87% for 2023.

**City of Texarkana, Texas**  
**Supplementary Information**  
**September 30, 2023**

**Nonmajor Governmental Funds**

**Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Housing and Community Development Fund** – This fund was established to account for the receipts and disbursements of Department of Housing and Urban Development Community Development Block Grant Funds.

**HOME Fund** – This fund was established to account for the repayment of loans originally funded through the HOME Program.

**Theatre Fund** – This fund was established to account to the operations of the Perot Theatre.

**Hotel/Motel Tax Fund** – This fund was established to account for the collection and distribution of hotel/motel taxes.

**Housing Fund** – This fund was established to account for the repayment of loans which are funded with non-federal, local funds under the Home Ownership Assistance Program guidelines.

**Economic Development** – This fund was established to account for additional franchise tax revenue restricted for economic development activity.

**Law Enforcement Block Grant** – This fund was established to account for the activity related to the Law Enforcement Block Grant, Weed and Seed Grant and Asset Forfeiture Program.

**Law Enforcement Programs Fund** – This fund was established to account for the activity related to the Tobacco Compliance Grant and the Law Enforcement Officer Standards and Education (LEOSE) allocations.

**Donations Fund** – This fund includes grant awards and donations given for community projects through the Texarkana, Texas Planning & Community Development Department. Programs funded from these grant awards and donations include: Texarkana, Texas Farmers Market, Believe in Beverly Campaign, City-Wide Cleanups and the Texarkana Arts & Historic District.

**TIRZ #1 Fund** - This fund was created to help finance the cost of public improvements needed to promote developing or redeveloping a specific geographic area that would otherwise not attract significant private investment “but for” the Zone.

**TIRZ #2 Fund** – This fund was created to help finance the cost of public improvements needed to promote development or redeveloping a specific geographic area that would otherwise not attract significant private investment “but for” the Zone.

# City of Texarkana, Texas

## Supplementary Information

### September 30, 2023

**Public Safety Radio Fund** – The City has purchased a P25 public safety communications system, which is linked to what will eventually be a statewide communications network. The local system will provide communications capabilities for law enforcement, fire fighters and public works for both sides of the City as well as numerous agencies with Bowie County. The system allows for interoperability between the various agencies in times of critical events. Ongoing maintenance and upgrades of the system are crucial. To fund this ongoing cost, a monthly fee will be assessed for each radio operating on the system and placed into this account. The funds that are collected via the fees will be used for system maintenance.

**COC Homeless Assistance Grant Fund** – This fund was established by the City of Texarkana, Texas in the partnership with the Texarkana Friendship Center, Inc. and the Randy Sam’s Outreach Shelter to administer a comprehensive rapid-rehousing program for the homeless. This program serves 50 homeless clients per year, as well as their immediate family members all of whom will be housed in scatter site housing.

**EPA Revolving Loan Fund** – This fund was established to account for fund related to the EPA Revolving Loan grant. This program enables the City to make sub grants and loans to developers seeking to redevelop contaminated properties in targeted areas of the community. Loan and grant funds may be used for clean-up activities at approved redevelopment sites.

**TIFMAS Grant Fund** – The Fire Department is a participant in the Texas Intrastate Mutual Aid System (TIFMAS) which is a system made up of departments that are willing to share resources on a statewide level when a jurisdiction’s response capability is overwhelmed. When incidents occur, resources are requested to deploy from various divisions across the state. The participants of TIFMAS then deploy with city-owned equipment. All costs associated with deployments are reimbursed by the State of Texas. This program captures 50% of the reimbursement for the use of city-owned vehicles during TIFMAS deployments. The funds are then used by the Fire Department to purchase needed equipment that could not be acquired within the normal operating budget.

**NRDA Grant Fund** – This fund was established to account for funds related to the Natural Resources Damage Assessment grant. These funds are used to restore natural resources injured, lost, or destroyed due to releases of hazardous substances at, or from, the former Kerr-McGee Chemical Corporation wood treating facility in Texarkana.

**Farmers Market Fund** – This fund was established to account for funds related to the USDA Farmers Market Promotion Program. These funds are used to promote growth and expansion of the Farmers Market with cultural foods and events, an expanded mobile market and online ordering system, and advertising for all market activities.

**Emergency Management Fund** – To account for CARES Act funding provided through the Coronavirus Relief Fund to state, local, and tribal governments navigating the impact of the COVID-19 outbreak.

**Department of Justice COVID-19 Grant Fund** – This fund was established to account Supplemental funding from the Department of Justice to assist eligible states, local units of government, and tribes in preventing, preparing for, and responding to the coronavirus.

**Narcotics Division Operations Fund** – This fund was established to account for assets legally seized and judiciously forfeited as gains of illegal and unlawful activities.

**City of Texarkana, Texas**  
**Supplementary Information**  
**September 30, 2023**

**Court Security Fund** – This fund was established to account for the security fee authorized under the Texas Code of Criminal Procedure Article 102.017 collected from defendants convicted of a misdemeanor offense as a cost of court.

**Conservation Revolving Loan Fund** – This fund was established with funds provided by the Department of Energy under the Energy Efficiency and Conservation Block Grant Program as an investment source for energy efficiency and conservation projects.

**Court Technology Fund** – This fund was established to account for the technology fee authorized under the Texas Code of Criminal Procedure Article 102.017 collected from defendants convicted of a misdemeanor offense as a cost of court.

**Federal Asset Forfeiture Fund** – This fund was established to collect the City's portion of case settlements worked jointly with federal authorities.

**TCA Grant Fund** – Texas Commission on the Arts with funding from the National Endowment for the Arts, provided an opportunity for Cultural Districts in the State of Texas to apply for funding with the Texas Rescue Funding Grant limited to around \$2,400 per award. The Texarkana Arts and Historic District was one of the Cultural Districts chosen for funding in the State of Texas, with an award amount of \$2,406.

**Inclusive Playground at Spring Lake Fund** - Members of Troop 16 Eagle Patrol, in partnership with the City, will construct a playground that will provide a place to play for disabled and special needs children.

**TACF Grant Fund** – Funding from the Texarkana Area Community Foundation for emergency small business loans.

**National Fitness Campaign Fund** – Funding from the Texarkana Area Community Foundation for emergency small business loans.

**EPA Revolving Loan Grant Fund** – The Revolving Loan fund program enables the City to make sub grants and loans to developers seeking to redevelop contaminated properties in targeted areas of the community. Loan and grants funds may be used for clean-up activities at approved redevelopment sites.

**City of Texarkana, Texas**  
**Supplementary Information**  
**September 30, 2023**

**Capital Project Funds**

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

**2005 Bond Fund** – This fund was established to account for bond proceeds used for improving streets and parks, as well as fire-fighting facilities and purchase of three fire trucks.

**2017 Bond Fund** – This fund was established to accumulate bond proceeds and allocate project expenditures as presented in the bond issuance.

**2019 TIRZ Bond Fund** – This fund was established to account for individual projects associated with the issuance of 2019 bonded debt.

**City of Texarkana, Texas**  
**Combining Balance Sheet – Nonmajor Governmental Funds**  
**September 30, 2023**

| Special Revenue Funds   |   |                  |                   |                        |                   |                         |                                   |
|---|---|------------------|-------------------|------------------------|-------------------|-------------------------|-----------------------------------|
|   | Housing and<br>Community<br>Development | HOME             | Theatre           | Hotel/<br>Motel<br>Tax | Housing           | Economic<br>Development | Law<br>Enforcement<br>Block Grant |
| <b>ASSETS</b>   |   |                  |                   |                        |                   |                         |                                   |
| Cash  | \$ 79,045                               | \$ 73,967        | \$ 722,985        | \$ 1,694,800           | \$ 27,606         | \$ 2,399,355            | \$ 361                            |
| Investments - certificates of deposit   | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Receivables (net of allowance for uncollectible):                                 |   |                  |                   |                        |                   |                         |                                   |
| Property taxes  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Other taxes   | -                                       | -                | -                 | 149,199                | -                 | -                       | -                                 |
| Accounts  | -                                       | -                | -                 | -                      | -                 | 37,146                  | -                                 |
| Other government agencies   | 129,137                                 | -                | -                 | -                      | -                 | -                       | -                                 |
| Accrued interest  | -                                       | -                | -                 | -                      | 119,784           | 8,705                   | -                                 |
| Loans   | 35,818                                  | 920              | -                 | -                      | 440,000           | 157,703                 | -                                 |
| Due from other governments  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Due from other funds  | 1,211,477                               | -                | -                 | -                      | -                 | -                       | -                                 |
| <b>TOTAL ASSETS</b>   | <u>\$ 1,455,477</u>                     | <u>\$ 74,887</u> | <u>\$ 722,985</u> | <u>\$ 1,843,999</u>    | <u>\$ 587,390</u> | <u>\$ 2,602,909</u>     | <u>\$ 361</u>                     |
| <b>LIABILITIES AND FUND BALANCES</b>  |   |                  |                   |                        |                   |                         |                                   |
| Accounts payable  | \$ 55,195                               | -                | -                 | \$ 87,194              | -                 | \$ 41,138               | -                                 |
| Contracts payable   | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Due to other governments  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Contracts payable   | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Accrued payroll   | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Due to other governments  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Due to other funds  | (86,045)                                | -                | -                 | -                      | -                 | -                       | -                                 |
| Unearned revenue  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Other liabilities and escrow deposits   | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| <b>TOTAL LIABILITIES</b>  | <u>(30,850)</u>                         | <u>-</u>         | <u>-</u>          | <u>87,194</u>          | <u>-</u>          | <u>41,138</u>           | <u>-</u>                          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |   |                  |                   |                        |                   |                         |                                   |
| Unavailable revenue - property taxes  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Unavailable revenue - other taxes   | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Unavailable revenue - grants  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| Unavailable revenue - interest  | -                                       | -                | -                 | -                      | 119,784           | 8,705                   | -                                 |
| <b>TOTAL DEFERRED INFLOWS</b>   | <u>-</u>                                | <u>-</u>         | <u>-</u>          | <u>-</u>               | <u>119,784</u>    | <u>8,705</u>            | <u>-</u>                          |
| <b>FUND BALANCES</b>  |   |                  |                   |                        |                   |                         |                                   |
| Nonspendable  | 35,818                                  | 920              | -                 | -                      | 440,000           | 157,703                 | -                                 |
| Restricted  | 1,450,509                               | 73,967           | -                 | 1,756,805              | 27,606            | -                       | 361                               |
| Committed   | -                                       | -                | -                 | -                      | -                 | 2,395,363               | -                                 |
| Assigned  | -                                       | -                | 722,985           | -                      | -                 | -                       | -                                 |
| Unassigned  | -                                       | -                | -                 | -                      | -                 | -                       | -                                 |
| <b>TOTAL FUND BALANCE</b>   | <u>1,486,327</u>                        | <u>74,887</u>    | <u>722,985</u>    | <u>1,756,805</u>       | <u>467,606</u>    | <u>2,553,066</u>        | <u>361</u>                        |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES AND FUND<br/>BALANCES</b> | <u>\$ 1,455,477</u>                     | <u>\$ 74,887</u> | <u>\$ 722,985</u> | <u>\$ 1,843,999</u>    | <u>\$ 587,390</u> | <u>\$ 2,602,909</u>     | <u>\$ 361</u>                     |

**City of Texarkana, Texas**  
**Combining Balance Sheet – Nonmajor Governmental Funds (Continued)**  
**September 30, 2023**

| Special Revenue Funds          |                  |                     |                  |                           |                          |
|--------------------------------|------------------|---------------------|------------------|---------------------------|--------------------------|
| Law<br>Enforcement<br>Programs | Donations        | TIRZ #1             | TIRZ #2          | Public<br>Safety<br>Radio | Rotary<br>Splash<br>Park |
| \$ 83,004                      | \$ 58,074        | 2,327,799           | 14,173           | \$ 196,619                | \$ 5                     |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | 2,591               | -                | -                         | -                        |
| -                              | -                | 687                 | -                | -                         | -                        |
| -                              | 6,000.00         | -                   | -                | 180                       | -                        |
| 3,750                          | -                | 550,523             | 14,471           | -                         | -                        |
| -                              | -                | -                   | 46               | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | 42,241              | -                | -                         | -                        |
| <u>\$ 86,754</u>               | <u>\$ 64,074</u> | <u>\$ 2,923,841</u> | <u>\$ 28,690</u> | <u>\$ 196,799</u>         | <u>\$ 5</u>              |
| \$ -                           | \$ 4,017         | \$ -                | \$ -             | \$ -                      | \$ -                     |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | 19,317           | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| <u>-</u>                       | <u>4,017</u>     | <u>-</u>            | <u>19,317</u>    | <u>-</u>                  | <u>-</u>                 |
| -                              | -                | 553,058             | -                | -                         | -                        |
| -                              | -                | -                   | -                | -                         | -                        |
| -                              | 1,000            | -                   | -                | -                         | -                        |
| <u>-</u>                       | <u>-</u>         | <u>-</u>            | <u>14,471</u>    | <u>-</u>                  | <u>-</u>                 |
| <u>-</u>                       | <u>1,000</u>     | <u>553,058</u>      | <u>14,471</u>    | <u>-</u>                  | <u>-</u>                 |
| -                              | -                | -                   | -                | -                         | -                        |
| 86,754                         | 59,057           | 2,370,783           | (5,098)          | 196,799                   | 5                        |
| -                              | -                | -                   | -                | -                         | -                        |
| <u>86,754</u>                  | <u>59,057</u>    | <u>2,370,783</u>    | <u>(5,098)</u>   | <u>196,799</u>            | <u>5</u>                 |
| <u>\$ 86,754</u>               | <u>\$ 64,074</u> | <u>\$ 2,923,841</u> | <u>\$ 28,690</u> | <u>\$ 196,799</u>         | <u>\$ 5</u>              |

**City of Texarkana, Texas**  
**Combining Balance Sheet – Nonmajor Governmental Funds (Continued)**  
**September 30, 2023**

|   | Special Revenue Funds                  |                                   |                   |                   |                   |                         |
|---|--|-----------------------------------|-------------------|-------------------|-------------------|-------------------------|
|   | COC<br>Homeless<br>Assistance<br>Grant | EPA<br>Revolving<br>Loan<br>Grant | TIFMAS<br>Grant   | NRDA<br>Grant     | Farmers<br>Market | Emergency<br>Management |
| <b>ASSETS</b>   |  |                                   |                   |                   |                   |                         |
| Cash  | \$ -                                   | \$ -                              | \$ 188,710        | \$ -              | \$ 1,219          | \$ -                    |
| Investments - certificates of deposit                                     | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Receivables (net of allowance for uncollectible):                         |  |                                   |                   |                   |                   |                         |
| Property taxes  | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Other taxes   | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Accounts  | -                                      | -                                 | -                 | 164,910           | -                 | -                       |
| Other government agencies   | 77,293                                 | -                                 | 241,255           | -                 | 40,669            | -                       |
| Accrued interest  | -                                      | 69,761                            | -                 | -                 | -                 | -                       |
| Loans   | -                                      | 1,418,553                         | -                 | -                 | -                 | -                       |
| Due from other governments  | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Due from other funds  | -                                      | -                                 | -                 | 164,910           | -                 | -                       |
| <b>TOTAL ASSETS</b>   | <u>\$ 77,293</u>                       | <u>\$ 1,488,314</u>               | <u>\$ 429,965</u> | <u>\$ 329,820</u> | <u>\$ 41,888</u>  | <u>\$ -</u>             |
| <b>LIABILITIES AND FUND BALANCES</b>                                      |  |                                   |                   |                   |                   |                         |
| Accounts payable  | \$ 24,803                              | \$ -                              | 5,544             | \$ 164,910        | \$ 76             | -                       |
| Contracts payable   | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Due to other governments  | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Contracts payable   | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Accrued payroll   | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Due to other governments  | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Due to other funds  | 50,898                                 | 15                                | 213,195           | -                 | 21,809            | -                       |
| Unearned revenue  | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Other liabilities and escrow deposits                                     | -                                      | -                                 | -                 | -                 | -                 | -                       |
| <b>TOTAL LIABILITIES</b>  | <u>75,701</u>                          | <u>15</u>                         | <u>218,739</u>    | <u>164,910</u>    | <u>21,885</u>     | <u>-</u>                |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |  |                                   |                   |                   |                   |                         |
| Unavailable revenue - property taxes                                      | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Unavailable revenue - other taxes   | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Unavailable revenue - grants  | -                                      | -                                 | -                 | 164,910           | -                 | -                       |
| Unavailable revenue - interest  | -                                      | 69,761                            | -                 | -                 | -                 | -                       |
| <b>TOTAL DEFERRED INFLOWS</b>   | <u>-</u>                               | <u>69,761</u>                     | <u>-</u>          | <u>164,910</u>    | <u>-</u>          | <u>-</u>                |
| <b>FUND BALANCES</b>  |  |                                   |                   |                   |                   |                         |
| Nonspendable  | -                                      | 1,418,553                         | -                 | -                 | -                 | -                       |
| Restricted  | 1,592                                  | -                                 | 211,226           | -                 | 20,003            | -                       |
| Committed   | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Assigned  | -                                      | -                                 | -                 | -                 | -                 | -                       |
| Unassigned  | -                                      | (15)                              | -                 | -                 | -                 | -                       |
| <b>TOTAL FUND BALANCE</b>   | <u>1,592</u>                           | <u>1,418,538</u>                  | <u>211,226</u>    | <u>-</u>          | <u>20,003</u>     | <u>-</u>                |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b> | <u>\$ 77,293</u>                       | <u>\$ 1,488,314</u>               | <u>\$ 429,965</u> | <u>\$ 329,820</u> | <u>\$ 41,888</u>  | <u>\$ -</u>             |



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**City of Texarkana, Texas**  
**Combining Balance Sheet – Nonmajor Governmental Funds (Continued)**  
**September 30, 2023**

|   | <b>Special Revenue Funds</b>                  |  |                           |  |                             |   |                      |
|---|---|--|---------------------------|--|-----------------------------|---|----------------------|
|   | <b>Department of<br/>Justice<br/>COVID-19</b> | <b>Narcotics<br/>Division<br/>Operations</b> | <b>Court<br/>Security</b> | <b>Conservation<br/>Revolving<br/>Loan</b> | <b>Court<br/>Technology</b> | <b>Federal<br/>Asset<br/>Forfeiture</b> | <b>TCA<br/>Grant</b> |
| <b>ASSETS</b>   |   |  |                           |  |                             |   |                      |
| Cash  | \$ 5  | \$ 221,674                                   | \$ 500,341                | \$ 37,577                                  | \$ 8,525                    | \$ 133,329                              | \$ 52,833            |
| Investments - certificates of deposit                                     | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Receivables (net of allowance for uncollectible):                         |   |  |                           |  |                             |   |                      |
| Property taxes  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Other taxes   | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Accounts  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Other government agencies   | -   | 771  | -                         | -  | -                           | -                                       | -                    |
| Accrued interest  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Loans   | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Due from other governments  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Due from other funds  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| <b>TOTAL ASSETS</b>   | <u>\$ 5</u>                                   | <u>\$ 222,445</u>                            | <u>\$ 500,341</u>         | <u>\$ 37,577</u>                           | <u>\$ 8,525</u>             | <u>\$ 133,329</u>                       | <u>\$ 52,833</u>     |
| <b>LIABILITIES AND FUND BALANCES</b>                                      |   |  |                           |  |                             |   |                      |
| Accounts payable  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Contracts payable   | -   | -  | 346                       | -  | -                           | -                                       | -                    |
| Due to other governments  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Contracts payable   | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Accrued payroll   | -   | -  | 76                        | -  | -                           | -                                       | -                    |
| Due to other governments  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Due to other funds  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Unearned revenue  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Other liabilities and escrow deposits                                     | -   | -  | -                         | -  | -                           | -                                       | -                    |
| <b>TOTAL LIABILITIES</b>  | <u>-</u>                                      | <u>-</u>                                     | <u>422</u>                | <u>-</u>                                   | <u>-</u>                    | <u>-</u>                                | <u>-</u>             |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |   |  |                           |  |                             |   |                      |
| Unavailable revenue - property taxes                                      | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Unavailable revenue - other taxes   | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Unavailable revenue - grants  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Unavailable revenue - interest  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| <b>TOTAL DEFERRED INFLOWS</b>   | <u>-</u>                                      | <u>-</u>                                     | <u>-</u>                  | <u>-</u>                                   | <u>-</u>                    | <u>-</u>                                | <u>-</u>             |
| <b>FUND BALANCES</b>  |   |  |                           |  |                             |   |                      |
| Nonspendable  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Restricted  | 5   | 222,445                                      | 499,919                   | 37,577                                     | 8,525                       | 133,329                                 | 52,833               |
| Committed   | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Assigned  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| Unassigned  | -   | -  | -                         | -  | -                           | -                                       | -                    |
| <b>TOTAL FUND BALANCE</b>   | <u>5</u>                                      | <u>222,445</u>                               | <u>499,919</u>            | <u>37,577</u>                              | <u>8,525</u>                | <u>133,329</u>                          | <u>52,833</u>        |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b> | <u>\$ 5</u>                                   | <u>\$ 222,445</u>                            | <u>\$ 500,341</u>         | <u>\$ 37,577</u>                           | <u>\$ 8,525</u>             | <u>\$ 133,329</u>                       | <u>\$ 52,833</u>     |

**City of Texarkana, Texas**  
**Combining Balance Sheet – Nonmajor Governmental Funds (Continued)**  
**September 30, 2023**

| Inclusive<br>Playground<br>at Spring<br>Lake | Special Revenue Funds |                                 |                 |                   |                             | Capital Project Funds |                     |                      |                              | Total<br>Nonmajor<br>Governmental<br>Fund |
|--|-----------------------|---------------------------------|-----------------|-------------------|-----------------------------|-----------------------|---------------------|----------------------|------------------------------|---|
|  | TACF<br>Grant         | National<br>Fitness<br>Campaign | EPA RLF<br>BIL  | Union<br>Station  | Total<br>Special<br>Revenue | 2005<br>Bond          | 2017<br>Bond        | 2019<br>TIRZ<br>Bond | Total<br>Capital<br>Projects |   |
| \$ -   | \$ 1,500              | \$ -                            | \$ -            | 403,237           | \$ 9,226,743                | \$ -                  | \$ 2,944,127        | 869,493              | \$ 3,813,620                 | \$ 13,040,363                             |
| -  | -                     | -                               | -               | -                 | -                           | -                     | -                   | -                    | -                            | -   |
| -  | -                     | -                               | -               | -                 | 2,591                       | -                     | -                   | -                    | -                            | 2,591                                     |
| -  | -                     | -                               | -               | -                 | 149,886                     | -                     | -                   | -                    | -                            | 149,886                                   |
| -  | -                     | -                               | -               | -                 | 208,236                     | -                     | -                   | -                    | -                            | 208,236                                   |
| -  | -                     | -                               | 3,340           | -                 | 1,061,209                   | -                     | -                   | -                    | -                            | 1,061,209                                 |
| -  | -                     | -                               | -               | -                 | 198,296                     | -                     | 412                 | -                    | 412                          | 198,708                                   |
| -  | -                     | -                               | -               | -                 | 2,052,994                   | -                     | -                   | -                    | -                            | 2,052,994                                 |
| -  | -                     | -                               | -               | -                 | -                           | -                     | -                   | -                    | -                            | -   |
| -  | -                     | -                               | -               | -                 | 1,418,628                   | -                     | -                   | -                    | -                            | 1,418,628                                 |
| <u>\$ -</u>                                  | <u>\$ 1,500</u>       | <u>\$ -</u>                     | <u>\$ 3,340</u> | <u>\$ 403,237</u> | <u>\$ 14,318,583</u>        | <u>\$ -</u>           | <u>\$ 2,944,539</u> | <u>\$ 869,493</u>    | <u>\$ 3,814,032</u>          | <u>\$ 18,132,615</u>                      |
| -  | -                     | -                               | -               | -                 | \$ 382,877                  | \$ -                  | \$ -                | \$ -                 | \$ -                         | \$ 382,877                                |
| -  | -                     | -                               | -               | -                 | 346                         | -                     | -                   | -                    | -                            | 346                                       |
| -  | -                     | -                               | -               | -                 | -                           | -                     | -                   | -                    | -                            | -   |
| -  | -                     | -                               | -               | -                 | 76                          | -                     | -                   | -                    | -                            | 76  |
| -  | -                     | -                               | -               | -                 | -                           | -                     | -                   | -                    | -                            | -   |
| -  | -                     | -                               | 3,340           | -                 | 222,529                     | -                     | -                   | -                    | -                            | 222,529                                   |
| -  | -                     | -                               | -               | -                 | -                           | -                     | -                   | -                    | -                            | -   |
| -  | -                     | -                               | 3,340           | -                 | 605,828                     | -                     | -                   | -                    | -                            | 605,828                                   |
| -  | -                     | -                               | -               | -                 | 553,058                     | -                     | -                   | -                    | -                            | 553,058                                   |
| -  | -                     | -                               | -               | -                 | -                           | -                     | -                   | -                    | -                            | -   |
| -  | -                     | -                               | -               | -                 | 165,910                     | -                     | -                   | -                    | -                            | 165,910                                   |
| -  | -                     | -                               | -               | -                 | 212,721                     | -                     | -                   | -                    | -                            | 212,721                                   |
| -  | -                     | -                               | -               | -                 | 931,689                     | -                     | -                   | -                    | -                            | 931,689                                   |
| -  | -                     | -                               | -               | -                 | 2,052,994                   | -                     | -                   | -                    | -                            | 2,052,994                                 |
| -  | 1,500                 | -                               | -               | 403,237           | 7,609,739                   | -                     | 2,944,539           | 869,493              | 3,814,032                    | 11,423,771                                |
| -  | -                     | -                               | -               | -                 | 2,395,363                   | -                     | -                   | -                    | -                            | 2,395,363                                 |
| -  | -                     | -                               | -               | -                 | 722,985                     | -                     | -                   | -                    | -                            | 722,985                                   |
| -  | -                     | -                               | -               | -                 | (15)                        | -                     | -                   | -                    | -                            | (15)                                      |
| -  | 1,500                 | -                               | -               | 403,237           | 12,781,066                  | -                     | 2,944,539           | 869,493              | 3,814,032                    | 16,595,098                                |
| <u>\$ -</u>                                  | <u>\$ 1,500</u>       | <u>\$ -</u>                     | <u>\$ 3,340</u> | <u>\$ 403,237</u> | <u>\$ 14,318,583</u>        | <u>\$ -</u>           | <u>\$ 2,944,539</u> | <u>\$ 869,493</u>    | <u>\$ 3,814,032</u>          | <u>\$ 18,132,615</u>                      |

(concluded)

**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance – Nonmajor Governmental Funds**  
**Year Ended September 30, 2023**

|   | Special Revenue Funds                   |                  |                   |                        |                   |                         |                                      |
|---|---|------------------|-------------------|------------------------|-------------------|-------------------------|--------------------------------------|
|   | Housing and<br>Community<br>Development | HOME             | Theatre           | Hotel/<br>Motel<br>Tax | Housing           | Economic<br>Development | Law<br>Enforcement<br>Block<br>Grant |
| <b>REVENUES:</b>                                  |   |                  |                   |                        |                   |                         |                                      |
| Property taxes                                    | \$ -                                    | \$ -             | \$ -              | \$ -                   | \$ -              | \$ -                    | \$ -                                 |
| Taxes-other                                       | 15,688                                  | -                | -                 | 1,968,688              | -                 | -                       | -                                    |
| Franchise receipts                                | -                                       | -                | -                 | -                      | -                 | 359,119                 | -                                    |
| Charges for services                              | -                                       | -                | 26,407            | -                      | -                 | -                       | -                                    |
| Grants and entitlements                           | 365,258                                 | -                | -                 | -                      | -                 | -                       | -                                    |
| Interest and dividends                            | 1,536                                   | 3,077            | 43,044            | 45,641                 | 1,167             | 104,527                 | (589)                                |
| Intergovernmental                                 | -                                       | -                | -                 | -                      | -                 | 3,333                   | 13,773                               |
| Other   | -                                       | -                | -                 | 3,000                  | -                 | -                       | -                                    |
| Total revenues                                    | <u>382,482</u>                          | <u>3,077</u>     | <u>69,451</u>     | <u>2,017,329</u>       | <u>1,167</u>      | <u>466,979</u>          | <u>13,184</u>                        |
| <b>EXPENDITURES:</b>                              |   |                  |                   |                        |                   |                         |                                      |
| Current:  |   |                  |                   |                        |                   |                         |                                      |
| General government                                | -                                       | -                | -                 | -                      | -                 | 202,814                 | -                                    |
| Public safety                                     | -                                       | -                | -                 | -                      | -                 | -                       | 13,511                               |
| Public works                                      | -                                       | -                | -                 | -                      | -                 | -                       | -                                    |
| Parks and recreation                              | -                                       | -                | 290,429           | 801,617                | -                 | -                       | -                                    |
| Health and welfare                                | 394,636                                 | -                | -                 | -                      | -                 | -                       | -                                    |
| Capital outlay                                    | -                                       | -                | 130,945           | -                      | -                 | -                       | -                                    |
| Debt service                                      | -                                       | -                | -                 | -                      | -                 | -                       | -                                    |
| Miscellaneous                                     | -                                       | -                | -                 | -                      | -                 | -                       | -                                    |
| Total expenditures                                | <u>394,636</u>                          | <u>-</u>         | <u>421,374</u>    | <u>801,617</u>         | <u>-</u>          | <u>202,814</u>          | <u>13,511</u>                        |
| Excess (deficiency) of revenues over expenditures | <u>(12,154)</u>                         | <u>3,077</u>     | <u>(351,923)</u>  | <u>1,215,712</u>       | <u>1,167</u>      | <u>264,165</u>          | <u>(327)</u>                         |
| <b>OTHER FINANCING SOURCES (USES):</b>            |   |                  |                   |                        |                   |                         |                                      |
| Transfers in                                      | -                                       | -                | 365,000           | -                      | -                 | -                       | -                                    |
| Transfers out                                     | -                                       | -                | (42,210)          | (802,131)              | -                 | -                       | -                                    |
| Proceeds from issuance of debt                    | -                                       | -                | -                 | -                      | -                 | -                       | -                                    |
| Certificates of obligation bonds issued           | -                                       | -                | -                 | -                      | -                 | -                       | -                                    |
| Premium on bonds issued                           | -                                       | -                | -                 | -                      | -                 | -                       | -                                    |
| Total other financing sources (uses)              | <u>-</u>                                | <u>-</u>         | <u>322,790</u>    | <u>(802,131)</u>       | <u>-</u>          | <u>-</u>                | <u>-</u>                             |
| Net change in fund balance                        | (12,154)                                | 3,077            | (29,133)          | 413,581                | 1,167             | 264,165                 | (327)                                |
| Fund balance at beginning of year                 | 1,498,481                               | 71,810           | 752,118           | 1,343,224              | 466,439           | 2,288,901               | 688                                  |
| Fund balance at end of year                       | <u>\$ 1,486,327</u>                     | <u>\$ 74,887</u> | <u>\$ 722,985</u> | <u>\$ 1,756,805</u>    | <u>\$ 467,606</u> | <u>\$ 2,553,066</u>     | <u>\$ 361</u>                        |

**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balance – Nonmajor Governmental Funds (Continued)**  
**Year Ended September 30, 2023**

| Special Revenue Funds          |                  |                     |                   |                           |                          |
|--------------------------------|------------------|---------------------|-------------------|---------------------------|--------------------------|
| Law<br>Enforcement<br>Programs | Donations        | TIRZ #1             | TIRZ #2           | Public<br>Safety<br>Radio | Rotary<br>Splash<br>Park |
| \$ -                           | \$ -             | \$ 906,611          | \$ 276            | \$ -                      | \$ -                     |
| -                              | -                | -                   | -                 | -                         | -                        |
| -                              | -                | -                   | -                 | -                         | -                        |
| -                              | -                | -                   | -                 | -                         | -                        |
| 12,592                         | -                | -                   | -                 | -                         | -                        |
| 2,580                          | 3,780            | 82,408              | -                 | 9,187                     | -                        |
| -                              | -                | -                   | -                 | 57,780                    | -                        |
| -                              | 88,514           | 355,077             | -                 | -                         | -                        |
| <u>15,172</u>                  | <u>92,294</u>    | <u>1,344,096</u>    | <u>276</u>        | <u>66,967</u>             | <u>-</u>                 |
| -                              | -                | -                   | -                 | -                         | -                        |
| 3,046                          | -                | -                   | -                 | 75,746                    | -                        |
| -                              | -                | 57,040              | -                 | -                         | -                        |
| -                              | -                | -                   | 5,374             | -                         | -                        |
| -                              | 125,391          | -                   | -                 | -                         | -                        |
| -                              | -                | 25,623              | -                 | -                         | -                        |
| -                              | -                | -                   | -                 | -                         | -                        |
| <u>3,046</u>                   | <u>125,391</u>   | <u>82,663</u>       | <u>5,374</u>      | <u>75,746</u>             | <u>-</u>                 |
| <u>12,126</u>                  | <u>(33,097)</u>  | <u>1,261,433</u>    | <u>(5,098)</u>    | <u>(8,779)</u>            | <u>-</u>                 |
| -                              | -                | -                   | -                 | 47,880                    | -                        |
| -                              | -                | (808,466)           | -                 | -                         | -                        |
| -                              | -                | -                   | -                 | -                         | -                        |
| -                              | -                | -                   | -                 | -                         | -                        |
| <u>-</u>                       | <u>-</u>         | <u>(808,466)</u>    | <u>-</u>          | <u>47,880</u>             | <u>-</u>                 |
| 12,126                         | (33,097)         | 452,967             | (5,098)           | 39,101                    | -                        |
| 74,628                         | 92,154           | 1,917,816           | -                 | 157,698                   | 5                        |
| <u>\$ 86,754</u>               | <u>\$ 59,057</u> | <u>\$ 2,370,783</u> | <u>\$ (5,098)</u> | <u>\$ 196,799</u>         | <u>\$ 5</u>              |

**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Nonmajor Governmental Funds (Continued)**  
**Year Ended September 30, 2023**

|   | Special Revenue Funds                  |                                   |                   |                  |                   |                         |
|---|--|-----------------------------------|-------------------|------------------|-------------------|-------------------------|
|   | COC<br>Homeless<br>Assistance<br>Grant | EPA<br>Revolving<br>Loan<br>Grant | TIFMAS<br>Grant   | NRDA<br>Grant    | Farmers<br>Market | Emergency<br>Management |
| <b>REVENUES:</b>                                  |  |                                   |                   |                  |                   |                         |
| Property taxes                                    | \$ -                                   | \$ -                              | \$ -              | \$ -             | \$ -              | \$ -                    |
| Taxes-other                                       | -                                      | -                                 | -                 | -                | -                 | -                       |
| Franchise receipts                                | -                                      | -                                 | -                 | -                | -                 | -                       |
| Charges for services                              | -                                      | -                                 | -                 | -                | -                 | -                       |
| Grants and entitlements                           | 260,869                                | 5,342                             | -                 | -                | -                 | 68,651                  |
| Interest and dividends                            | -                                      | -                                 | 12,507            | -                | 3,697             | -                       |
| Intergovernmental                                 | -                                      | -                                 | 279,587           | (101,565)        | 40,669            | -                       |
| Other   | -                                      | -                                 | -                 | -                | 7,991             | -                       |
| Total revenues                                    | <u>260,869</u>                         | <u>5,342</u>                      | <u>292,094</u>    | <u>(101,565)</u> | <u>52,357</u>     | <u>68,651</u>           |
| <b>EXPENDITURES:</b>                              |  |                                   |                   |                  |                   |                         |
| Current:  |  |                                   |                   |                  |                   |                         |
| General government                                | -                                      | -                                 | -                 | 3,048            | 51,331            | -                       |
| Public safety                                     | -                                      | -                                 | 255,230           | -                | -                 | -                       |
| Public Works                                      | -                                      | -                                 | -                 | 165,003          | -                 | -                       |
| Parks and recreation                              | -                                      | -                                 | -                 | -                | -                 | -                       |
| Health and welfare                                | 304,574                                | 47,626                            | -                 | 686              | -                 | -                       |
| Capital outlay                                    | -                                      | -                                 | -                 | -                | -                 | -                       |
| Debt service                                      | -                                      | -                                 | -                 | -                | -                 | -                       |
| Miscellaneous                                     | -                                      | -                                 | -                 | -                | -                 | -                       |
| Total expenditures                                | <u>304,574</u>                         | <u>47,626</u>                     | <u>255,230</u>    | <u>168,737</u>   | <u>51,331</u>     | <u>-</u>                |
| Excess (deficiency) of revenues over expenditures | <u>(43,705)</u>                        | <u>(42,284)</u>                   | <u>36,864</u>     | <u>(270,302)</u> | <u>1,026</u>      | <u>68,651</u>           |
| <b>OTHER FINANCING SOURCES (USES):</b>            |  |                                   |                   |                  |                   |                         |
| Transfers in                                      | 43,704                                 | 42,283                            | 19,467            | 270,302          | 7,950             | -                       |
| Transfers out                                     | -                                      | -                                 | -                 | -                | -                 | (68,651)                |
| Proceeds from issuance of debt                    | -                                      | -                                 | -                 | -                | -                 | -                       |
| Certificates of obligation bonds issued           | -                                      | -                                 | -                 | -                | -                 | -                       |
| Premium on bonds issued                           | -                                      | -                                 | -                 | -                | -                 | -                       |
| Total other financing sources (uses)              | <u>43,704</u>                          | <u>42,283</u>                     | <u>19,467</u>     | <u>270,302</u>   | <u>7,950</u>      | <u>(68,651)</u>         |
| Net change in fund balances                       | (1)                                    | (1)                               | 56,331            | -                | 8,976             | -                       |
| Fund balances at beginning of year                | 1,593                                  | 1,418,539                         | 154,895           | -                | 11,027            | -                       |
| Fund balances at end of year                      | <u>\$ 1,592</u>                        | <u>\$ 1,418,538</u>               | <u>\$ 211,226</u> | <u>\$ -</u>      | <u>\$ 20,003</u>  | <u>\$ -</u>             |



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**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Nonmajor Governmental Funds (Continued)**  
**Year Ended September 30, 2023**

|   | Special Revenue Funds                |                                     |                   |                                   |                     |                                |                  |
|---|--------------------------------------|-------------------------------------|-------------------|-----------------------------------|---------------------|--------------------------------|------------------|
|   | Department of<br>Justice<br>COVID-19 | Narcotics<br>Division<br>Operations | Court<br>Security | Conservation<br>Revolving<br>Loan | Court<br>Technology | Federal<br>Asset<br>Forfeiture | TCA<br>Grant     |
| <b>REVENUES:</b>                                  |                                      |                                     |                   |                                   |                     |                                |                  |
| Property taxes                                    | \$ -                                 | \$ -                                | \$ -              | \$ -                              | \$ -                | \$ -                           | \$ -             |
| Taxes-other                                       | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Franchise receipts                                | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Charges for services                              | -                                    | -                                   | 23,980            | -                                 | 19,600              | -                              | -                |
| Grants and entitlements                           | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Interest and dividends                            | (416)                                | 9,631                               | 20,584            | 1,219                             | 991                 | 4,335                          | -                |
| Intergovernmental                                 | -                                    | -                                   | -                 | -                                 | -                   | -                              | 103,795          |
| Other   | -                                    | 103,232                             | -                 | -                                 | -                   | -                              | -                |
| Total revenues                                    | <u>(416)</u>                         | <u>112,863</u>                      | <u>44,564</u>     | <u>1,219</u>                      | <u>20,591</u>       | <u>4,335</u>                   | <u>103,795</u>   |
| <b>EXPENDITURES:</b>                              |                                      |                                     |                   |                                   |                     |                                |                  |
| Current:  |                                      |                                     |                   |                                   |                     |                                |                  |
| General government                                | -                                    | -                                   | 3,346             | -                                 | -                   | -                              | -                |
| Public safety                                     | -                                    | 31,308                              | 780               | -                                 | -                   | -                              | -                |
| Public Works                                      | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Parks and recreation                              | -                                    | -                                   | -                 | -                                 | -                   | -                              | 155,599          |
| Health and welfare                                | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Capital outlay                                    | -                                    | -                                   | -                 | -                                 | 28,049              | -                              | -                |
| Debt service                                      | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Miscellaneous                                     | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Total expenditures                                | <u>-</u>                             | <u>31,308</u>                       | <u>4,126</u>      | <u>-</u>                          | <u>28,049</u>       | <u>-</u>                       | <u>155,599</u>   |
| Excess (deficiency) of revenues over expenditures | <u>(416)</u>                         | <u>81,555</u>                       | <u>40,438</u>     | <u>1,219</u>                      | <u>(7,458)</u>      | <u>4,335</u>                   | <u>(51,804)</u>  |
| <b>OTHER FINANCING SOURCES (USES):</b>            |                                      |                                     |                   |                                   |                     |                                |                  |
| Transfers in                                      | -                                    | -                                   | -                 | -                                 | 6,000               | -                              | 79,624           |
| Transfers out                                     | -                                    | (43,055)                            | -                 | -                                 | (3,116)             | -                              | -                |
| Proceeds from issuance of debt                    | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Certificates of obligation bonds issued           | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Premium on bonds issued                           | -                                    | -                                   | -                 | -                                 | -                   | -                              | -                |
| Total other financing sources (uses)              | <u>-</u>                             | <u>(43,055)</u>                     | <u>-</u>          | <u>-</u>                          | <u>2,884</u>        | <u>-</u>                       | <u>79,624</u>    |
| Net change in fund balances                       | (416)                                | 38,500                              | 40,438            | 1,219                             | (4,574)             | 4,335                          | 27,820           |
| Fund balances at beginning of year                | 421                                  | 183,945                             | 459,481           | 36,358                            | 13,099              | 128,994                        | 25,013           |
| Fund balances at end of year                      | <u>\$ 5</u>                          | <u>\$ 222,445</u>                   | <u>\$ 499,919</u> | <u>\$ 37,577</u>                  | <u>\$ 8,525</u>     | <u>\$ 133,329</u>              | <u>\$ 52,833</u> |

**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances – Nonmajor Governmental Funds (Continued)**  
**Year Ended September 30, 2023**

| Special Revenue Funds                        |               |                                 |                |                  |                             | Capital Projects Funds |                      |                              | Total                            |
|--|---------------|---------------------------------|----------------|------------------|-----------------------------|------------------------|----------------------|------------------------------|----------------------------------|
| Inclusive<br>Playground<br>at Spring<br>Lake | TACF<br>Grant | National<br>Fitness<br>Campaign | EPA RLF<br>BIL | Union<br>Station | Total<br>Special<br>Revenue | 2017<br>Bond           | 2019<br>TIRZ<br>Bond | Total<br>Capital<br>Projects | Nonmajor<br>Governmental<br>Fund |
| \$ -   | \$ -          | \$ -                            | \$ -           | \$ -             | \$ 906,887                  | \$ -                   | \$ -                 | \$ -                         | \$ 906,887                       |
| -  | -             | -                               | -              | -                | 1,984,376                   | -                      | -                    | -                            | 1,984,376                        |
| -  | -             | -                               | -              | -                | 359,119                     | -                      | -                    | -                            | 359,119                          |
| -  | -             | -                               | -              | -                | 69,987                      | -                      | -                    | -                            | 69,987                           |
| -  | -             | 30,000                          | 3,340          | -                | 746,052                     | -                      | -                    | -                            | 746,052                          |
| (177)  | -             | -                               | -              | 3,237            | 351,966                     | 120,649                | 28,198               | 148,847                      | 500,813                          |
| -  | -             | -                               | -              | -                | 397,372                     | -                      | -                    | -                            | 397,372                          |
| -  | 1,500         | 70,615                          | -              | 200,000          | 829,929                     | -                      | -                    | -                            | 829,929                          |
| (177)  | 1,500         | 100,615                         | 3,340          | 203,237          | 5,645,688                   | 120,649                | 28,198               | 148,847                      | 5,794,535                        |
| -  | -             | -                               | 19,293         | -                | 279,832                     | -                      | -                    | -                            | 279,832                          |
| -  | -             | -                               | -              | -                | 379,621                     | -                      | -                    | -                            | 379,621                          |
| -  | -             | -                               | -              | -                | 222,043                     | -                      | -                    | -                            | 222,043                          |
| -  | -             | 185,573                         | -              | -                | 1,438,592                   | -                      | -                    | -                            | 1,438,592                        |
| -  | -             | -                               | -              | -                | 872,913                     | -                      | -                    | -                            | 872,913                          |
| -  | -             | -                               | -              | -                | 184,617                     | 55,901                 | -                    | 55,901                       | 240,518                          |
| -  | -             | -                               | -              | -                | -                           | -                      | -                    | -                            | -                                |
| -  | -             | 185,573                         | 19,293         | -                | 3,377,618                   | 55,901                 | -                    | 55,901                       | 3,433,519                        |
| (177)  | 1,500         | (84,958)                        | (15,953)       | 203,237          | 2,268,070                   | 64,748                 | 28,198               | 92,946                       | 2,361,016                        |
| -  | -             | 84,958                          | 15,953         | 200,000          | 1,183,121                   | -                      | -                    | -                            | 1,183,121                        |
| -  | -             | -                               | -              | -                | (1,767,629)                 | (53,124)               | -                    | (53,124)                     | (1,820,753)                      |
| -  | -             | -                               | -              | -                | -                           | -                      | -                    | -                            | -                                |
| -  | -             | -                               | -              | -                | -                           | -                      | -                    | -                            | -                                |
| -  | -             | 84,958                          | 15,953         | 200,000          | (584,508)                   | (53,124)               | -                    | (53,124)                     | (637,632)                        |
| (177)  | 1,500         | -                               | -              | 403,237          | 1,683,562                   | 11,624                 | 28,198               | 39,822                       | 1,723,384                        |
| 177  | -             | -                               | -              | -                | 11,097,504                  | 2,932,915              | 841,295              | 3,774,210                    | 14,871,714                       |
| \$ -   | \$ 1,500      | \$ -                            | \$ -           | \$ 403,237       | \$ 12,781,066               | \$ 2,944,539           | \$ 869,493           | \$ 3,814,032                 | \$ 16,595,098<br>(concluded)     |

**City of Texarkana, Texas**  
**Housing and Community Development Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|---------------------|---------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>        |                     |                                       |
| <b>REVENUES:</b>                                  |                         |                     |                     |                                       |
| Taxes-other                                       | \$ -                    | \$ 15,688           | \$ 15,688           | \$ -                                  |
| Grants and entitlements                           | 599,096                 | 685,984             | 365,258             | (320,726)                             |
| Interest and dividends                            | -                       | 1,508               | 1,536               | 28                                    |
| Total revenues                                    | <u>599,096</u>          | <u>703,180</u>      | <u>382,482</u>      | <u>(320,698)</u>                      |
| <b>EXPENDITURES:</b>                              |                         |                     |                     |                                       |
| Current:  |                         |                     |                     |                                       |
| Health and welfare                                | <u>599,096</u>          | <u>599,096</u>      | <u>394,636</u>      | <u>204,460</u>                        |
| Total expenditures                                | <u>599,096</u>          | <u>599,096</u>      | <u>394,636</u>      | <u>204,460</u>                        |
| Excess (deficiency) of revenues over expenditures | <u>-</u>                | <u>104,084</u>      | <u>(12,154)</u>     | <u>(116,238)</u>                      |
| <b>OTHER FINANCING SOURCES/USES</b>               |                         |                     |                     |                                       |
| Transfers in                                      | <u>-</u>                | <u>-</u>            | <u>-</u>            | <u>-</u>                              |
| Total other financing sources/uses                | <u>-</u>                | <u>-</u>            | <u>-</u>            | <u>-</u>                              |
| Net change in fund balance                        | -                       | 104,084             | (12,154)            | (116,238)                             |
| Fund balance at beginning of year                 | <u>1,498,481</u>        | <u>1,498,481</u>    | <u>1,498,481</u>    | <u>-</u>                              |
| Fund balance at end of year                       | <u>\$ 1,498,481</u>     | <u>\$ 1,602,565</u> | <u>\$ 1,486,327</u> | <u>\$ (116,238)</u>                   |

**City of Texarkana, Texas**  
**Home Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                 | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-----------------|------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>    |                  |                                       |
| <b>REVENUES</b>                                      |                         |                 |                  |                                       |
| Interest and dividends                               | \$ 900                  | \$ 3,000        | \$ 3,077         | \$ 77                                 |
| Total revenues                                       | <u>900</u>              | <u>3,000</u>    | <u>3,077</u>     | <u>77</u>                             |
| <b>EXPENDITURES:</b>                                 |                         |                 |                  |                                       |
| Current:   |                         |                 |                  |                                       |
| Miscellaneous  | -                       | 74,811          | -                | 74,811                                |
| Total expenditures                                   | <u>-</u>                | <u>74,811</u>   | <u>-</u>         | <u>74,811</u>                         |
| Excess (deficiency) of revenues<br>over expenditures | <u>900</u>              | <u>(71,811)</u> | <u>3,077</u>     | <u>74,888</u>                         |
| Net change in fund balance                           | 900                     | (71,811)        | 3,077            | 74,888                                |
| Fund balance at beginning of year                    | <u>71,810</u>           | <u>71,810</u>   | <u>71,810</u>    | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ 72,710</u>        | <u>\$ (1)</u>   | <u>\$ 74,887</u> | <u>\$ 74,888</u>                      |

**City of Texarkana, Texas**  
**Theatre Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Original</u>   | <u>Final</u>      | <u>Actual</u>     | <u>Variance with<br/>Final Budget</u> |
|--|-------------------|-------------------|-------------------|---------------------------------------|
| <b>REVENUES</b>                                      |                   |                   |                   |                                       |
| Charges for services                                 | \$ 50,000         | \$ 50,000         | \$ 26,407         | \$ (23,593)                           |
| Interest and dividends                               | 6,000             | 44,500            | 43,044            | (1,456)                               |
| Total revenues                                       | <u>56,000</u>     | <u>94,500</u>     | <u>69,451</u>     | <u>(25,049)</u>                       |
| <b>EXPENDITURES</b>                                  |                   |                   |                   |                                       |
| Current:   |                   |                   |                   |                                       |
| Parks and recreation                                 | 336,207           | 353,372           | 290,429           | 62,943                                |
| Capital outlay                                       | <u>100,000</u>    | <u>100,000</u>    | <u>130,945</u>    | <u>(30,945)</u>                       |
| Total expenditures                                   | <u>436,207</u>    | <u>453,372</u>    | <u>421,374</u>    | <u>31,998</u>                         |
| Excess (deficiency) of revenues<br>over expenditures | <u>(380,207)</u>  | <u>(358,872)</u>  | <u>(351,923)</u>  | <u>6,949</u>                          |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                   |                   |                   |                                       |
| Transfers in   | 365,000           | 365,000           | 365,000           | -                                     |
| Transfers out  | <u>(42,210)</u>   | <u>(42,210)</u>   | <u>(42,210)</u>   | <u>-</u>                              |
| Total other financing sources/uses                   | <u>322,790</u>    | <u>322,790</u>    | <u>322,790</u>    | <u>-</u>                              |
| Net change in fund balance                           | (57,417)          | (36,082)          | (29,133)          | 6,949                                 |
| Fund balance at beginning of year                    | <u>752,118</u>    | <u>752,118</u>    | <u>752,118</u>    | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ 694,701</u> | <u>\$ 716,036</u> | <u>\$ 722,985</u> | <u>\$ 6,949</u>                       |

**City of Texarkana, Texas**  
**Hotel/Motel Tax Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|                                      | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget</u> |
|--------------------------------------|-------------------------|---------------------|---------------------|---------------------------------------|
|                                      | <u>Original</u>         | <u>Final</u>        |                     |                                       |
| <b>REVENUES</b>                      |                         |                     |                     |                                       |
| Taxes-other                          | \$ 1,810,000            | \$ 1,910,000        | \$ 1,968,688        | \$ 58,688                             |
| Interest and dividends               | 13,000                  | 43,000              | 45,641              | 2,641                                 |
| Other                                | -                       | -                   | 3,000               | 3,000                                 |
| Total revenues                       | <u>1,823,000</u>        | <u>1,953,000</u>    | <u>2,017,329</u>    | <u>64,329</u>                         |
| <b>EXPENDITURES</b>                  |                         |                     |                     |                                       |
| Current:                             |                         |                     |                     |                                       |
| Parks and recreation                 | 1,151,920               | 1,255,040           | 801,617             | 453,423                               |
| Total expenditures                   | <u>1,151,920</u>        | <u>1,255,040</u>    | <u>801,617</u>      | <u>453,423</u>                        |
| Excess of revenues over expenditures | <u>671,080</u>          | <u>697,960</u>      | <u>1,215,712</u>    | <u>517,752</u>                        |
| <b>OTHER FINANCING USES</b>          |                         |                     |                     |                                       |
| Transfers out                        | <u>(802,131)</u>        | <u>(802,131)</u>    | <u>(802,131)</u>    | <u>-</u>                              |
| Total other financing uses           | <u>(802,131)</u>        | <u>(802,131)</u>    | <u>(802,131)</u>    | <u>-</u>                              |
| Net change in fund balance           | (131,051)               | (104,171)           | 413,581             | 517,752                               |
| Fund balance at beginning of year    | <u>1,343,224</u>        | <u>1,343,224</u>    | <u>1,343,224</u>    | <u>-</u>                              |
|                                      | <u>\$ 1,212,173</u>     | <u>\$ 1,239,053</u> | <u>\$ 1,756,805</u> | <u>\$ 517,752</u>                     |

**City of Texarkana, Texas**  
**Housing Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|                                   | <u>Budgeted Amounts</u>  |                          | <u>Actual</u>            | <u>Variance with<br/>Final Budget</u> |
|-----------------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|
|                                   | <u>Original</u>          | <u>Final</u>             |                          |                                       |
| <b>REVENUES</b>                   |                          |                          |                          |                                       |
| Interest and dividends            | \$ 250                   | \$ 1,125                 | \$ 1,167                 | \$ 42                                 |
| Total revenues                    | <u>250</u>               | <u>1,125</u>             | <u>1,167</u>             | <u>42</u>                             |
| <b>EXPENDITURES</b>               |                          |                          |                          |                                       |
| Total expenditures                | <u>-</u>                 | <u>-</u>                 | <u>-</u>                 | <u>-</u>                              |
| Net change in fund balance        | 250                      | 1,125                    | 1,167                    | 42                                    |
| Fund balance at beginning of year | <u>466,439</u>           | <u>466,439</u>           | <u>466,439</u>           | <u>-</u>                              |
| Fund balance at end of year       | <u><u>\$ 466,689</u></u> | <u><u>\$ 467,564</u></u> | <u><u>\$ 467,606</u></u> | <u><u>\$ 42</u></u>                   |

**City of Texarkana, Texas**  
**Economic Development Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|   | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget</u> |
|---|-------------------------|---------------------|---------------------|---------------------------------------|
|   | <u>Original</u>         | <u>Final</u>        |                     |                                       |
| <b>REVENUES</b>                                   |                         |                     |                     |                                       |
| Franchise receipts                                | \$ 385,000              | \$ 365,000          | \$ 359,119          | \$ (5,881)                            |
| Interest and dividends                            | 17,140                  | 100,500             | 104,527             | 4,027                                 |
| Intergovernmental                                 | -                       | -                   | 3,333               | 3,333                                 |
| Total revenues                                    | <u>402,140</u>          | <u>465,500</u>      | <u>466,979</u>      | <u>1,479</u>                          |
| <b>EXPENDITURES</b>                               |                         |                     |                     |                                       |
| Current:  |                         |                     |                     |                                       |
| General government                                | <u>1,311,175</u>        | <u>815,572</u>      | <u>202,814</u>      | <u>612,758</u>                        |
| Total expenditures                                | <u>1,311,175</u>        | <u>815,572</u>      | <u>202,814</u>      | <u>612,758</u>                        |
| Excess (deficiency) of revenues over expenditures | <u>(909,035)</u>        | <u>(350,072)</u>    | <u>264,165</u>      | <u>614,237</u>                        |
| <b>OTHER FINANCING USES</b>                       |                         |                     |                     |                                       |
| Total other financing uses                        | <u>-</u>                | <u>-</u>            | <u>-</u>            | <u>-</u>                              |
| Net change in fund balance                        | (909,035)               | (350,072)           | 264,165             | 614,237                               |
| Fund balance at beginning of year                 | <u>2,288,901</u>        | <u>2,288,901</u>    | <u>2,288,901</u>    | <u>-</u>                              |
| Fund balance at end of year                       | <u>\$ 1,379,866</u>     | <u>\$ 1,938,829</u> | <u>\$ 2,553,066</u> | <u>\$ 614,237</u>                     |

**City of Texarkana, Texas**  
**Law Enforcement Block Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|                                   | <b>Budgeted Amounts</b> |               | <b>Actual</b> | <b>Variance with<br/>Final Budget</b> |
|-----------------------------------|-------------------------|---------------|---------------|---------------------------------------|
|                                   | <b>Original</b>         | <b>Final</b>  |               |                                       |
| <b>REVENUES</b>                   |                         |               |               |                                       |
| Intergovernmental                 | \$ 25,000               | \$ 13,773     | \$ 13,773     | \$ -                                  |
| Interest and dividends            | -                       | (589)         | (589)         | -                                     |
| Total revenues                    | <u>25,000</u>           | <u>13,184</u> | <u>13,184</u> | <u>-</u>                              |
| <b>EXPENDITURES</b>               |                         |               |               |                                       |
| Current:                          |                         |               |               |                                       |
| Public safety                     | <u>25,000</u>           | <u>13,871</u> | <u>13,511</u> | <u>360</u>                            |
| Total expenditures                | <u>25,000</u>           | <u>13,871</u> | <u>13,511</u> | <u>360</u>                            |
| Net change in fund balance        | -                       | (687)         | (327)         | 360                                   |
| Fund balance at beginning of year | <u>688</u>              | <u>688</u>    | <u>688</u>    | <u>-</u>                              |
| Fund balance at end of year       | <u>\$ 688</u>           | <u>\$ 1</u>   | <u>\$ 361</u> | <u>\$ 360</u>                         |

**City of Texarkana, Texas**  
**Law Enforcement Programs Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|                                   | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget |
|-----------------------------------|------------------|------------------|------------------|-------------------------------|
|                                   | Original         | Final            |                  |                               |
| <b>REVENUES</b>                   |                  |                  |                  |                               |
| Interest and dividends            | \$ 700           | \$ 2,500         | \$ 2,580         | \$ 80                         |
| Grants and entitlements           | <u>11,600</u>    | <u>11,466</u>    | <u>12,592</u>    | <u>1,126</u>                  |
| Total revenues                    | <u>12,300</u>    | <u>13,966</u>    | <u>15,172</u>    | <u>1,206</u>                  |
| <b>EXPENDITURES</b>               |                  |                  |                  |                               |
| Current:                          |                  |                  |                  |                               |
| Public safety                     | <u>22,000</u>    | <u>16,500</u>    | <u>3,046</u>     | <u>13,454</u>                 |
| Total expenditures                | <u>22,000</u>    | <u>16,500</u>    | <u>3,046</u>     | <u>13,454</u>                 |
| Net change in fund balance        | (9,700)          | (2,534)          | 12,126           | 14,660                        |
| Fund balance at beginning of year | <u>74,628</u>    | <u>74,628</u>    | <u>74,628</u>    | <u>-</u>                      |
| Fund balance at end of year       | <u>\$ 64,928</u> | <u>\$ 72,094</u> | <u>\$ 86,754</u> | <u>\$ 14,660</u>              |

**City of Texarkana, Texas**  
**Donations Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|                                   | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|-----------------------------------|-------------------------|------------------|------------------|---------------------------------------|
|                                   | <u>Original</u>         | <u>Final</u>     |                  |                                       |
| <b>REVENUES</b>                   |                         |                  |                  |                                       |
| Interest and dividends            | \$ 650                  | \$ 4,000         | \$ 3,780         | \$ (220)                              |
| Other                             | 30,000                  | 80,985           | 88,514           | 7,529                                 |
| Total revenues                    | <u>30,650</u>           | <u>84,985</u>    | <u>92,294</u>    | <u>7,309</u>                          |
| <b>EXPENDITURES</b>               |                         |                  |                  |                                       |
| Current:                          |                         |                  |                  |                                       |
| Health and welfare                | 72,906                  | 115,500          | 125,391          | (9,891)                               |
| Total expenditures                | <u>72,906</u>           | <u>115,500</u>   | <u>125,391</u>   | <u>(9,891)</u>                        |
| <b>OTHER FINANCING USES</b>       |                         |                  |                  |                                       |
| Total other financing uses        | <u>-</u>                | <u>-</u>         | <u>-</u>         | <u>-</u>                              |
| Net change in fund balance        | (42,256)                | (30,515)         | (33,097)         | (2,582)                               |
| Fund balance at beginning of year | <u>92,154</u>           | <u>92,154</u>    | <u>92,154</u>    | <u>-</u>                              |
| Fund balance at end of year       | <u>\$ 49,898</u>        | <u>\$ 61,639</u> | <u>\$ 59,057</u> | <u>\$ (2,582)</u>                     |

# City of Texarkana, Texas

## TIRZ #1 Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance

#### Budget to Actual

**Year Ended September 30, 2023**

|   | <u>Budgeted Amounts</u> |                   | Actual              | Variance with<br>Final Budget |
|---|-------------------------|-------------------|---------------------|-------------------------------|
|   | Original                | Final             |                     |                               |
| <b>REVENUES</b>                                   |                         |                   |                     |                               |
| Property taxes                                    | \$ 856,591              | \$ 861,547        | \$ 906,611          | \$ 45,064                     |
| Interest and dividends                            | 30,000                  | 80,000            | 82,408              | 2,408                         |
| Other   | 711,299                 | 905,600           | 355,077             | (550,523)                     |
| Total revenues                                    | <u>1,597,890</u>        | <u>1,847,147</u>  | <u>1,344,096</u>    | <u>(503,051)</u>              |
| <b>EXPENDITURES</b>                               |                         |                   |                     |                               |
| Current:  |                         |                   |                     |                               |
| Public Works                                      | 500                     | 490,541           | 57,040              | 433,501                       |
| Capital outlay                                    | 1,500,000               | 1,525,624         | 25,623              | 1,500,001                     |
| Total expenditures                                | <u>1,500,500</u>        | <u>2,016,165</u>  | <u>82,663</u>       | <u>1,933,502</u>              |
| Excess (deficiency) of revenues over expenditures | <u>97,390</u>           | <u>(169,018)</u>  | <u>1,261,433</u>    | <u>1,430,451</u>              |
| <b>OTHER FINANCING SOURCES/USES</b>               |                         |                   |                     |                               |
| Transfers out                                     | (808,466)               | (808,466)         | (808,466)           | -                             |
| Total other financing sources/uses                | <u>(808,466)</u>        | <u>(808,466)</u>  | <u>(808,466)</u>    | <u>-</u>                      |
| Net change in fund balance                        | (711,076)               | (977,484)         | 452,967             | 1,430,451                     |
| Fund balance at beginning of year                 | <u>1,917,816</u>        | <u>1,917,816</u>  | <u>1,917,816</u>    | <u>-</u>                      |
| Fund balance at end of year                       | <u>\$ 1,206,740</u>     | <u>\$ 940,332</u> | <u>\$ 2,370,783</u> | <u>\$ 1,430,451</u>           |

# City of Texarkana, Texas

## TIRZ #2 Fund

### Schedule of Revenues, Expenditures and Changes in Fund Balance

#### Budget to Actual

Year Ended September 30, 2023

|   | Budgeted Amounts |                 | Actual            | Variance with<br>Final Budget |
|---|------------------|-----------------|-------------------|-------------------------------|
|   | Original         | Final           |                   |                               |
| <b>REVENUES</b>                                   |                  |                 |                   |                               |
| Property taxes                                    | \$ 21,549        | \$ 13,352       | \$ 276            | \$ (13,076)                   |
| Interest and dividends                            | -                | 300             | -                 | (300)                         |
| Other   | -                | 14,471          | -                 | (14,471)                      |
| Total revenues                                    | <u>21,549</u>    | <u>28,123</u>   | <u>276</u>        | <u>(27,847)</u>               |
| <b>EXPENDITURES</b>                               |                  |                 |                   |                               |
| Current:  |                  |                 |                   |                               |
| Parks and recreation                              | -                | 5,375           | 5,374             | 1                             |
| Capital outlay                                    | -                | 17,872          | -                 | 17,872                        |
| Total expenditures                                | <u>-</u>         | <u>23,247</u>   | <u>5,374</u>      | <u>17,872</u>                 |
| Excess (deficiency) of revenues over expenditures | <u>21,549</u>    | <u>4,876</u>    | <u>(5,098)</u>    | <u>(9,975)</u>                |
| <b>OTHER FINANCING SOURCES/USES</b>               |                  |                 |                   |                               |
| Transfers out                                     | -                | -               | -                 | -                             |
| Total other financing sources/uses                | <u>-</u>         | <u>-</u>        | <u>-</u>          | <u>-</u>                      |
| Net change in fund balance                        | 21,549           | 4,876           | (5,098)           | (9,975)                       |
| Fund balance at beginning of year                 | -                | -               | -                 | -                             |
| Fund balance at end of year                       | <u>\$ 21,549</u> | <u>\$ 4,876</u> | <u>\$ (5,098)</u> | <u>\$ (9,975)</u>             |

**City of Texarkana, Texas**  
**Public Safety Radio Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-------------------|-------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>      |                   |                                       |
| <b>REVENUES</b>                                      |                         |                   |                   |                                       |
| Interest and dividends                               | \$ 1,700                | \$ 9,850          | \$ 9,187          | \$ (663)                              |
| Intergovernmental                                    | 55,980                  | 55,980            | 57,780            | 1,800                                 |
| Total revenues                                       | <u>57,680</u>           | <u>65,830</u>     | <u>66,967</u>     | <u>1,137</u>                          |
| <b>EXPENDITURES</b>                                  |                         |                   |                   |                                       |
| Public safety  | 75,679                  | 75,556            | 75,746            | (190)                                 |
| Total expenditures                                   | <u>75,679</u>           | <u>75,556</u>     | <u>75,746</u>     | <u>(190)</u>                          |
| Excess (deficiency) of revenues<br>over expenditures | <u>(17,999)</u>         | <u>(9,726)</u>    | <u>(8,779)</u>    | <u>947</u>                            |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |                   |                   |                                       |
| Transfers in   | 47,880                  | 47,880            | 47,880            | -                                     |
| Total other financing sources/uses                   | <u>47,880</u>           | <u>47,880</u>     | <u>47,880</u>     | <u>-</u>                              |
| Net change in fund balance                           | 29,881                  | 38,154            | 39,101            | 947                                   |
| Fund balance at beginning of year                    | <u>157,698</u>          | <u>157,698</u>    | <u>157,698</u>    | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ 187,579</u>       | <u>\$ 195,852</u> | <u>\$ 196,799</u> | <u>\$ 947</u>                         |

**City of Texarkana, Texas**  
**TIFMAS Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|                                     | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget</u> |
|-------------------------------------|-------------------------|-------------------|-------------------|---------------------------------------|
|                                     | <u>Original</u>         | <u>Final</u>      |                   |                                       |
| <b>REVENUES</b>                     |                         |                   |                   |                                       |
| Intergovernmental                   | \$ 120,000              | \$ 598,513        | \$ 279,587        | \$ (318,926)                          |
| Interest and dividends              | -                       | 12,000            | 12,507            | 507                                   |
| Total revenues                      | <u>120,000</u>          | <u>610,513</u>    | <u>292,094</u>    | <u>(318,419)</u>                      |
| <b>EXPENDITURES</b>                 |                         |                   |                   |                                       |
| Public safety                       | 120,000                 | 101,899           | 255,230           | (153,331)                             |
| Total expenditures                  | <u>120,000</u>          | <u>101,899</u>    | <u>255,230</u>    | <u>(153,331)</u>                      |
| <b>OTHER FINANCING SOURCES/USES</b> |                         |                   |                   |                                       |
| Transfers in                        | -                       | -                 | 19,467            | 19,467                                |
| Total other financing sources/uses  | <u>-</u>                | <u>-</u>          | <u>19,467</u>     | <u>19,467</u>                         |
| Net change in fund balance          | -                       | 508,614           | 56,331            | (471,750)                             |
| Fund balance at beginning of year   | <u>154,895</u>          | <u>154,895</u>    | <u>154,895</u>    | <u>-</u>                              |
| Fund balance at end of year         | <u>\$ 154,895</u>       | <u>\$ 663,509</u> | <u>\$ 211,226</u> | <u>\$ (471,750)</u>                   |

**City of Texarkana, Texas**  
**Department of Justice COVID-19 Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |               | <u>Actual</u> | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|---------------|---------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>  |               |                                       |
| <b>REVENUES:</b>                                     |                         |               |               |                                       |
| Grants and entitlements                              | \$ -                    | \$ -          | \$ -          | \$ -                                  |
| Interest and dividends                               | -                       | (422)         | (416)         | 6                                     |
| Total revenues                                       | <u>-</u>                | <u>(422)</u>  | <u>(416)</u>  | <u>6</u>                              |
| <b>EXPENDITURES</b>                                  |                         |               |               |                                       |
| Current:   |                         |               |               |                                       |
| General government                                   | -                       | -             | -             | -                                     |
| Total expenditures                                   | <u>-</u>                | <u>-</u>      | <u>-</u>      | <u>-</u>                              |
| Excess (deficiency) of revenues<br>over expenditures | <u>-</u>                | <u>(422)</u>  | <u>(416)</u>  | <u>6</u>                              |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |               |               |                                       |
| Transfers in   | -                       | -             | -             | -                                     |
| Total other financing sources/uses                   | <u>-</u>                | <u>-</u>      | <u>-</u>      | <u>-</u>                              |
| Net change in fund balance                           | -                       | (422)         | (416)         | 6                                     |
| Fund balance at beginning of year                    | <u>421</u>              | <u>421</u>    | <u>421</u>    | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ 421</u>           | <u>\$ (1)</u> | <u>\$ 5</u>   | <u>\$ 6</u>                           |

**City of Texarkana, Texas**  
**COC Homeless Assistance Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>   | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|------------------|-----------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>     |                 |                                       |
| <b>REVENUES</b>                                      |                         |                  |                 |                                       |
| Grants and entitlements                              | \$ 217,707              | \$ 217,707       | \$ 260,869      | \$ 43,162                             |
| Total revenues                                       | <u>217,707</u>          | <u>217,707</u>   | <u>260,869</u>  | <u>43,162</u>                         |
| <b>EXPENDITURES</b>                                  |                         |                  |                 |                                       |
| Current:   |                         |                  |                 |                                       |
| Health and welfare                                   | 217,707                 | 198,374          | 304,574         | (106,200)                             |
| Total expenditures                                   | <u>217,707</u>          | <u>198,374</u>   | <u>304,574</u>  | <u>(106,200)</u>                      |
| Excess (deficiency) of revenues<br>over expenditures | <u>-</u>                | <u>19,333</u>    | <u>(43,705)</u> | <u>(63,038)</u>                       |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |                  |                 |                                       |
| Transfers in   | -                       | -                | 43,704          | 43,704                                |
| Total other financing sources/uses                   | <u>-</u>                | <u>-</u>         | <u>43,704</u>   | <u>43,704</u>                         |
| Net change in fund balance                           | -                       | 19,333           | (1)             | (19,334)                              |
| Fund balance at beginning of year                    | <u>1,593</u>            | <u>1,593</u>     | <u>1,593</u>    | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ 1,593</u>         | <u>\$ 20,926</u> | <u>\$ 1,592</u> | <u>\$ (19,334)</u>                    |

**City of Texarkana, Texas**  
**EPA Revolving Loan Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                     | <u>Actual</u>       | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|---------------------|---------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>        |                     |                                       |
| <b>REVENUES</b>                                      |                         |                     |                     |                                       |
| Grants and entitlements                              | \$ 1,500,000            | \$ 1,500,000        | \$ 5,342            | \$ (1,494,658)                        |
| Interest and Dividends                               | 36,482                  | 27,969              | -                   | (27,969)                              |
| Total revenues                                       | <u>1,536,482</u>        | <u>1,527,969</u>    | <u>5,342</u>        | <u>(1,522,627)</u>                    |
| <b>EXPENDITURES</b>                                  |                         |                     |                     |                                       |
| Current:   |                         |                     |                     |                                       |
| Health and welfare                                   | <u>1,500,000</u>        | <u>1,527,969</u>    | <u>47,626</u>       | <u>1,480,343</u>                      |
| Total expenditures                                   | <u>1,500,000</u>        | <u>1,527,969</u>    | <u>47,626</u>       | <u>1,480,343</u>                      |
| Excess (deficiency) of revenues<br>over expenditures | <u>36,482</u>           | <u>-</u>            | <u>(42,284)</u>     | <u>(42,284)</u>                       |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |                     |                     |                                       |
| Transfers in   | <u>-</u>                | <u>-</u>            | <u>42,283</u>       | <u>42,283</u>                         |
| Total other financing sources/uses                   | <u>-</u>                | <u>-</u>            | <u>42,283</u>       | <u>42,283</u>                         |
| Net change in fund balance                           | 36,482                  | -                   | (1)                 | (1)                                   |
| Fund balance at beginning of year                    | <u>1,418,539</u>        | <u>1,418,539</u>    | <u>1,418,539</u>    | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ 1,455,021</u>     | <u>\$ 1,418,539</u> | <u>\$ 1,418,538</u> | <u>\$ (1)</u>                         |

**City of Texarkana, Texas**  
**NRDA Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-------------------|------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>      |                  |                                       |
| <b>REVENUES</b>                                      |                         |                   |                  |                                       |
| Grants and entitlements                              | \$ -                    | \$ 644,840        | \$ (101,565)     | \$ (746,405)                          |
| Total revenues                                       | <u>-</u>                | <u>644,840</u>    | <u>(101,565)</u> | <u>(746,405)</u>                      |
| <b>EXPENDITURES</b>                                  |                         |                   |                  |                                       |
| Current:   |                         |                   |                  |                                       |
| General government                                   | -                       | -                 | 3,048            | (3,048)                               |
| Public Works   | -                       | 543,275           | 165,003          | 378,272                               |
| Health and Welfare                                   | -                       | -                 | 686              | (686)                                 |
| Total expenditures                                   | <u>-</u>                | <u>543,275</u>    | <u>168,737</u>   | <u>374,538</u>                        |
| Excess (deficiency) of revenues<br>over expenditures | <u>-</u>                | <u>101,565</u>    | <u>(270,302)</u> | <u>(371,867)</u>                      |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |                   |                  |                                       |
| Transfers in   | -                       | -                 | 270,302          | 270,302                               |
| Total other financing sources/uses                   | <u>-</u>                | <u>-</u>          | <u>270,302</u>   | <u>270,302</u>                        |
| Net change in fund balance                           | -                       | 101,565           | -                | (101,565)                             |
| Fund balance at beginning of year                    | <u>-</u>                | <u>-</u>          | <u>-</u>         | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ -</u>             | <u>\$ 101,565</u> | <u>\$ -</u>      | <u>\$ (101,565)</u>                   |

**City of Texarkana, Texas**  
**Farmers Market Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                  | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|------------------|------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>     |                  |                                       |
| <b>REVENUES</b>                                      |                         |                  |                  |                                       |
| Interest and dividends                               | \$ 400                  | \$ 3,700         | \$ 3,697         | \$ (3)                                |
| Intergovernmental                                    | 39,600                  | 50,679           | 40,669           | (10,010)                              |
| Other  | 5,000                   | 7,810            | 7,991            | 181                                   |
| Total revenues                                       | <u>45,000</u>           | <u>62,189</u>    | <u>52,357</u>    | <u>(9,832)</u>                        |
| <b>EXPENDITURES</b>                                  |                         |                  |                  |                                       |
| Current:   |                         |                  |                  |                                       |
| General government                                   | 39,694                  | 65,965           | 51,331           | 14,634                                |
| Total expenditures                                   | <u>39,694</u>           | <u>65,965</u>    | <u>51,331</u>    | <u>14,634</u>                         |
| Excess (deficiency) of revenues<br>over expenditures | <u>5,306</u>            | <u>(3,776)</u>   | <u>1,026</u>     | <u>4,802</u>                          |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |                  |                  |                                       |
| Transfers in   | -                       | 3,000            | 7,950            | 4,950                                 |
| Total other financing sources/uses                   | <u>-</u>                | <u>3,000</u>     | <u>7,950</u>     | <u>4,950</u>                          |
| Net change in fund balance                           | 5,306                   | (776)            | 8,976            | 9,752                                 |
| Fund balance at beginning of year                    | <u>11,027</u>           | <u>11,027</u>    | <u>11,027</u>    | <u>-</u>                              |
|  | <u>\$ 16,333</u>        | <u>\$ 10,251</u> | <u>\$ 20,003</u> | <u>\$ 9,752</u>                       |

**City of Texarkana, Texas**  
**Emergency Management Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |              | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|--------------|------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u> |                  |                                       |
| <b>REVENUES</b>                                      |                         |              |                  |                                       |
| Interest and dividends                               | \$ -                    | \$ -         | \$ -             | \$ -                                  |
| Grants and entitlements                              | -                       | -            | 68,651           | 68,651                                |
| Total revenues                                       | <u>-</u>                | <u>-</u>     | <u>68,651</u>    | <u>68,651</u>                         |
| <b>EXPENDITURES</b>                                  |                         |              |                  |                                       |
| Current:   |                         |              |                  |                                       |
| General government                                   | -                       | -            | -                | -                                     |
| Total expenditures                                   | <u>-</u>                | <u>-</u>     | <u>-</u>         | <u>-</u>                              |
| Excess (deficiency) of revenues<br>over expenditures | <u>-</u>                | <u>-</u>     | <u>68,651</u>    | <u>68,651</u>                         |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |              |                  |                                       |
| Transfers in   | -                       | -            | -                | -                                     |
| Total other financing sources/uses                   | <u>-</u>                | <u>-</u>     | <u>-</u>         | <u>-</u>                              |
| Net change in fund balance                           | -                       | -            | 68,651           | 68,651                                |
| Fund balance at beginning of year                    | <u>-</u>                | <u>-</u>     | <u>-</u>         | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ -</u>             | <u>\$ -</u>  | <u>\$ 68,651</u> | <u>\$ 68,651</u>                      |

**City of Texarkana, Texas**  
**Narcotics Division Operations Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>     | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-------------------|-------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>      |                   |                                       |
| <b>REVENUES</b>                                  |                         |                   |                   |                                       |
| Investment earnings                              | \$ 3,400                | \$ 9,700          | \$ 9,631          | \$ (69)                               |
| Other  | 20,000                  | 125,000           | 103,232           | (21,768)                              |
| Total revenues                                   | <u>23,400</u>           | <u>134,700</u>    | <u>112,863</u>    | <u>(21,837)</u>                       |
| <b>EXPENDITURES</b>                              |                         |                   |                   |                                       |
| Current  |                         |                   |                   |                                       |
| Public safety                                    | 30,000                  | 52,500            | 31,308            | 21,192                                |
| Total expenditures                               | <u>30,000</u>           | <u>52,500</u>     | <u>31,308</u>     | <u>21,192</u>                         |
| Excess (deficiency) of revenue over expenditures | <u>(6,600)</u>          | <u>82,200</u>     | <u>81,555</u>     | <u>(34,086)</u>                       |
| <b>OTHER FINANCING SOURCES (USES)</b>            |                         |                   |                   |                                       |
| Transfers out                                    | (10,000)                | (50,000)          | (43,055)          | 6,945                                 |
| Total other financing sources (uses)             | <u>(10,000)</u>         | <u>(50,000)</u>   | <u>(43,055)</u>   | <u>6,945</u>                          |
| Net change in fund balance                       | (16,600)                | 32,200            | 38,500            | (27,141)                              |
| Fund balances at beginning of year               | <u>183,945</u>          | <u>183,945</u>    | <u>183,945</u>    | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ 167,345</u>       | <u>\$ 216,145</u> | <u>\$ 222,445</u> | <u>\$ (27,141)</u>                    |

**City of Texarkana, Texas**  
**Court Security Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                   |                   | <b>Variance with<br/>Final Budget</b> |
|--|-------------------------|-------------------|-------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>      | <u>Actual</u>     |                                       |
| <b>REVENUES</b>                                  |                         |                   |                   |                                       |
| Charges for services                             | \$ 17,500               | \$ 23,000         | \$ 23,980         | \$ 980                                |
| Interest and dividends                           | 6,200                   | 20,000            | 20,584            | 584                                   |
| Total revenues                                   | <u>23,700</u>           | <u>43,000</u>     | <u>44,564</u>     | <u>1,564</u>                          |
| <b>EXPENDITURES</b>                              |                         |                   |                   |                                       |
| Current  |                         |                   |                   |                                       |
| General government                               | 6,170                   | 6,170             | 3,346             | 2,824                                 |
| Public safety                                    | 26,445                  | 26,447            | 780               | 25,667                                |
| Total expenditures                               | <u>32,615</u>           | <u>32,617</u>     | <u>4,126</u>      | <u>28,491</u>                         |
| Excess (deficiency) of revenue over expenditures | <u>(8,915)</u>          | <u>10,383</u>     | <u>40,438</u>     | <u>30,055</u>                         |
| Net change in fund balance                       | (8,915)                 | 10,383            | 40,438            | 30,055                                |
| Fund balances at beginning of year               | <u>459,481</u>          | <u>459,481</u>    | <u>459,481</u>    | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ 450,566</u>       | <u>\$ 469,864</u> | <u>\$ 499,919</u> | <u>\$ 30,055</u>                      |

**City of Texarkana, Texas**  
**Conservation Revolving Loan Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                 | Actual           | Variance with<br>Final Budget |
|--|-------------------------|-----------------|------------------|-------------------------------|
|  | Original                | Final           |                  |                               |
| <b>REVENUES</b>                                  |                         |                 |                  |                               |
| Interest and dividends                           | \$ -                    | \$ 750          | \$ 1,219         | \$ 469                        |
| Total revenues                                   | <u>-</u>                | <u>750</u>      | <u>1,219</u>     | <u>469</u>                    |
| <b>EXPENDITURES</b>                              |                         |                 |                  |                               |
| Current  |                         |                 |                  |                               |
| Health and welfare                               | 36,231                  | 37,108          | -                | 37,108                        |
| Total expenditures                               | <u>36,231</u>           | <u>37,108</u>   | <u>-</u>         | <u>37,108</u>                 |
| Excess (deficiency) of revenue over expenditures | <u>(36,231)</u>         | <u>(36,358)</u> | <u>1,219</u>     | <u>37,577</u>                 |
| Net change in fund balance                       | (36,231)                | (36,358)        | 1,219            | 37,577                        |
| Fund balances at beginning of year               | <u>36,358</u>           | <u>36,358</u>   | <u>36,358</u>    | <u>-</u>                      |
| Fund balance at end of year                      | <u>\$ 127</u>           | <u>-</u>        | <u>\$ 37,577</u> | <u>\$ 37,577</u>              |

**City of Texarkana, Texas**  
**Court Technology Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                 | <u>Actual</u>   | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-----------------|-----------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>    |                 |                                       |
| <b>REVENUES</b>                                  |                         |                 |                 |                                       |
| Charges for services                             | \$ 20,500               | \$ 20,000       | \$ 19,600       | \$ (400)                              |
| Interest and dividends                           | -                       | 1,000           | 991             | (9)                                   |
| Total revenues                                   | <u>20,500</u>           | <u>21,000</u>   | <u>20,591</u>   | <u>(409)</u>                          |
| <b>EXPENDITURES</b>                              |                         |                 |                 |                                       |
| Current  |                         |                 |                 |                                       |
| General government                               | 23,000                  | 28,060          | -               | 28,060                                |
| Capital outlay                                   | -                       | -               | 28,049          | (28,049)                              |
| Total expenditures                               | <u>23,000</u>           | <u>28,060</u>   | <u>28,049</u>   | <u>11</u>                             |
| Excess (deficiency) of revenue over expenditures | <u>(2,500)</u>          | <u>(7,060)</u>  | <u>(7,458)</u>  | <u>(398)</u>                          |
| <b>OTHER FINANCING SOURCES (USES)</b>            |                         |                 |                 |                                       |
| Transfers in                                     | 6,000                   | 6,000           | 6,000           | -                                     |
| Transfers out                                    | (3,116)                 | (3,116)         | (3,116)         | -                                     |
| Total other financing sources (uses)             | <u>2,884</u>            | <u>2,884</u>    | <u>2,884</u>    | <u>-</u>                              |
| Net change in fund balance                       | 384                     | (4,176)         | (4,574)         | (398)                                 |
| Fund balances at beginning of year               | <u>13,099</u>           | <u>13,099</u>   | <u>13,099</u>   | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ 13,483</u>        | <u>\$ 8,923</u> | <u>\$ 8,525</u> | <u>\$ (398)</u>                       |

**City of Texarkana, Texas**  
**Federal Asset Forfeiture Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                   | Actual            | Variance with<br>Final Budget |
|--|-------------------------|-------------------|-------------------|-------------------------------|
|  | Original                | Final             |                   |                               |
| <b>REVENUES</b>                                  |                         |                   |                   |                               |
| Interest and dividends                           | \$ 1,300                | \$ 4,300          | \$ 4,335          | \$ 35                         |
| Intergovernmental                                | 10,000                  | 10,000            | -                 | (10,000)                      |
| Total revenues                                   | <u>11,300</u>           | <u>14,300</u>     | <u>4,335</u>      | <u>(9,965)</u>                |
| <b>EXPENDITURES</b>                              |                         |                   |                   |                               |
| Capital outlay                                   | <u>30,000</u>           | <u>30,000</u>     | -                 | 30,000                        |
| Total expenditures                               | <u>30,000</u>           | <u>30,000</u>     | -                 | 30,000                        |
| Excess (deficiency) of revenue over expenditures | <u>(18,700)</u>         | <u>(15,700)</u>   | 4,335             | 20,035                        |
| Net change in fund balance                       | (18,700)                | (15,700)          | 4,335             | 20,035                        |
| Fund balances at beginning of year               | <u>128,994</u>          | <u>128,994</u>    | <u>128,994</u>    | -                             |
| Fund balance at end of year                      | <u>\$ 110,294</u>       | <u>\$ 113,294</u> | <u>\$ 133,329</u> | <u>\$ 20,035</u>              |

**City of Texarkana, Texas**  
**TCA Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>    | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|-------------------|------------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>      |                  |                                       |
| <b>REVENUES</b>                                  |                         |                   |                  |                                       |
| Interest and dividends                           | \$ -                    | \$ -              | \$ -             | \$ -                                  |
| Intergovernmental                                | -                       | 36,500            | 103,795          | 67,295                                |
| Other  | 20,000                  | 67,295            | -                | (67,295)                              |
| Total revenues                                   | <u>20,000</u>           | <u>103,795</u>    | <u>103,795</u>   | <u>67,295</u>                         |
| <b>EXPENDITURES</b>                              |                         |                   |                  |                                       |
| Parks and recreation                             | <u>82,500</u>           | <u>155,600</u>    | <u>155,599</u>   | <u>1</u>                              |
| Total expenditures                               | <u>82,500</u>           | <u>155,600</u>    | <u>155,599</u>   | <u>1</u>                              |
| Excess (deficiency) of revenue over expenditures | <u>(62,500)</u>         | <u>(51,805)</u>   | <u>(51,804)</u>  | <u>1</u>                              |
| <b>OTHER FINANCING SOURCES (USES)</b>            |                         |                   |                  |                                       |
| Transfers in                                     | <u>62,500</u>           | <u>25,000</u>     | <u>79,624</u>    | <u>54,624</u>                         |
| Total other financing sources (uses)             | <u>62,500</u>           | <u>25,000</u>     | <u>79,624</u>    | <u>54,624</u>                         |
| Net change in fund balance                       | -                       | (26,805)          | 27,820           | 54,625                                |
| Fund balances at beginning of year               | <u>25,013</u>           | <u>25,013</u>     | <u>25,013</u>    | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ 25,013</u>        | <u>\$ (1,792)</u> | <u>\$ 52,833</u> | <u>\$ 54,625</u>                      |

**City of Texarkana, Texas**  
**Inclusive Playground Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |              | <u>Actual</u> | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|--------------|---------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u> |               |                                       |
| <b>REVENUES</b>                                  |                         |              |               |                                       |
| Interest and dividends                           | \$ -                    | \$ (177)     | \$ (177)      | \$ -                                  |
| Intergovernmental                                | -                       | -            | -             | -                                     |
| Other  | -                       | -            | -             | -                                     |
| Total revenues                                   | <u>-</u>                | <u>(177)</u> | <u>(177)</u>  | <u>-</u>                              |
| Excess (deficiency) of revenue over expenditures | <u>-</u>                | <u>(177)</u> | <u>(177)</u>  | <u>-</u>                              |
| Net change in fund balance                       | -                       | (177)        | (177)         | -                                     |
| Fund balances at beginning of year               | <u>177</u>              | <u>177</u>   | <u>177</u>    | <u>-</u>                              |
| Fund balance at end of year                      | <u>\$ 177</u>           | <u>\$ -</u>  | <u>\$ -</u>   | <u>\$ -</u>                           |

**City of Texarkana, Texas**  
**TACF Grant Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | Budgeted Amounts |       | Actual | Variance with<br>Final Budget |
|--|------------------|-------|--------|-------------------------------|
|  | Original         | Final |        |                               |
| <b>REVENUES</b>                                  |                  |       |        |                               |
| Interest and dividends                           | \$ -             | \$ -  | \$ -   | \$ -                          |
| Intergovernmental                                | -                | -     | -      | -                             |
| Other  | -                | -     | -      | -                             |
| Total revenues                                   | -                | -     | -      | -                             |
| Excess (deficiency) of revenue over expenditures | -                | -     | -      | -                             |
| Net change in fund balance                       | -                | -     | -      | -                             |
| Fund balances at beginning of year               | -                | -     | -      | -                             |
| Fund balance at end of year                      | \$ -             | \$ -  | \$ -   | \$ -                          |

**City of Texarkana, Texas**  
**National Fitness Campaign Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget to Actual**  
**Year Ended September 30, 2023**

|  | <u>Budgeted Amounts</u> |                    | <u>Actual</u>   | <u>Variance with<br/>Final Budget</u> |
|--|-------------------------|--------------------|-----------------|---------------------------------------|
|  | <u>Original</u>         | <u>Final</u>       |                 |                                       |
| <b>REVENUES</b>                                      |                         |                    |                 |                                       |
| Grants and entitlements                              | \$ -                    | \$ 30,000          | \$ 30,000       | \$ -                                  |
| Other  | -                       | 20,000             | 70,615          | 50,615                                |
| Total revenues                                       | <u>-</u>                | <u>50,000</u>      | <u>100,615</u>  | <u>50,615</u>                         |
| <b>EXPENDITURES</b>                                  |                         |                    |                 |                                       |
| Current:   |                         |                    |                 |                                       |
| Parks and recreation                                 | 80,000                  | 185,573            | 185,573         | -                                     |
| Total expenditures                                   | <u>80,000</u>           | <u>185,573</u>     | <u>185,573</u>  | <u>-</u>                              |
| Excess (deficiency) of revenues<br>over expenditures | <u>(80,000)</u>         | <u>(135,573)</u>   | <u>(84,958)</u> | <u>50,615</u>                         |
| <b>OTHER FINANCING SOURCES/USES</b>                  |                         |                    |                 |                                       |
| Transfers in   | -                       | 84,958             | 84,958          | -                                     |
| Total other financing sources/uses                   | <u>-</u>                | <u>84,958</u>      | <u>84,958</u>   | <u>-</u>                              |
| Net change in fund balance                           | (80,000)                | (50,615)           | -               | 50,615                                |
| Fund balance at beginning of year                    | <u>-</u>                | <u>-</u>           | <u>-</u>        | <u>-</u>                              |
| Fund balance at end of year                          | <u>\$ (80,000)</u>      | <u>\$ (50,615)</u> | <u>\$ -</u>     | <u>\$ 50,615</u>                      |



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## **Nonmajor Enterprise Funds**

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in that the costs of providing goods and services to the general public on a continuing basis are recovered primarily through user charges. The City's enterprise funds are established to account for the financing of water and sewer services to the public, other municipalities and industrial customers. All activities necessary to provide these services are included in these funds.

**Lake Texarkana Water Supply Corporation** – This fund is used to account for the financing and operation of the water distribution system from Lake Wright Patman of the City of Texarkana and other "Member Cities" and wholesale customers located in Bowie and Red River counties. The operations of this fund are combined with the Texas Water Utilities for reporting purposes and all inter-fund accounts are eliminated in the combination.

**International Paper Company Water System Contract Fund** – This fund is used to account for the financing and operations of the water system which provides treated water from Lake Wright Patman to the International Paper Company paper mill.

**City of Texarkana, Texas**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2023**

|  | Lake<br>Texarkana<br>Water Supply<br>Corporation | Graphic<br>Packaging<br>International | Total            |
|--|--|---------------------------------------|------------------|
| <b>ASSETS</b>                                    |  |                                       |                  |
| Current assets                                   |  |                                       |                  |
| Cash   | \$ 1,060,217                                     | \$ 6,054                              | \$ 1,066,271     |
| Receivables (net of allowance for uncollectible) |  |                                       |                  |
| Accounts   | -  | 54,976                                | 54,976           |
| Due from other funds                             | 4,442  | -                                     | 4,442            |
| Total current assets                             | <u>1,064,659</u>                                 | <u>61,030</u>                         | <u>1,125,689</u> |
| Noncurrent assets:                               |  |                                       |                  |
| Restricted assets:                               |  |                                       |                  |
| Accounts receivable                              | -  | 729,383                               | 729,383          |
| Capital assets:                                  |  |                                       |                  |
| Land   | -  | 800                                   | 800              |
| Total noncurrent assets                          | <u>-</u>   | <u>730,183</u>                        | <u>730,183</u>   |
| <b>TOTAL ASSETS</b>                              | <u>1,064,659</u>                                 | <u>791,213</u>                        | <u>1,855,872</u> |
| <b>LIABILITIES</b>                               |  |                                       |                  |
| Current liabilities                              |  |                                       |                  |
| Accounts payable                                 | -  | 116,972                               | 116,972          |
| Accrued liabilities                              | -  | 2,347                                 | 2,347            |
| Other payables                                   | -  | 1,607                                 | 1,607            |
| Due to other funds                               | 4,443  | 414,748                               | 419,191          |
| Total current liabilities                        | <u>4,443</u>                                     | <u>535,674</u>                        | <u>540,117</u>   |
| Noncurrent liabilities                           |  |                                       |                  |
| Capital improvement deposits                     | 1,060,216  | 246,180                               | 1,306,396        |
| Total noncurrent liabilities                     | <u>1,060,216</u>                                 | <u>246,180</u>                        | <u>1,306,396</u> |
| <b>TOTAL LIABILITIES</b>                         | <u>1,064,659</u>                                 | <u>781,854</u>                        | <u>1,846,513</u> |
| <b>NET POSITION</b>                              |  |                                       |                  |
| Net investment in capital assets                 | -  | 800                                   | 800              |
| Unrestricted                                     | -  | 8,559                                 | 8,559            |
| <b>TOTAL NET POSITION</b>                        | <u>\$ -</u>                                      | <u>\$ 9,359</u>                       | <u>\$ 9,359</u>  |

**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2023**

|  | Lake<br>Texarkana<br>Water Supply<br>Corporation | Graphic<br>Packaging<br>International | Total            |
|--|--|---------------------------------------|------------------|
| <b>OPERATING REVENUES</b>                                    |  |                                       |                  |
| Water sales  | \$ -   | \$ 2,123,822                          | \$ 2,123,822     |
| Total operating revenues                                     | <u>-</u>   | <u>2,123,822</u>                      | <u>2,123,822</u> |
| <b>OPERATING EXPENSES</b>                                    |  |                                       |                  |
| Contract water & sewer expense-Graphic Packing International | -  | 2,122,197                             | 2,122,197        |
| Total operating expense                                      | <u>-</u>   | <u>2,122,197</u>                      | <u>2,122,197</u> |
| Operating income (loss)                                      | <u>-</u>   | <u>1,625</u>                          | <u>1,625</u>     |
| <b>NONOPERATING REVENUES</b>                                 |  |                                       |                  |
| Interest revenue - investments                               |  | 2,491                                 | 2,491            |
| Total nonoperating revenues                                  | <u>-</u>   | <u>2,491</u>                          | <u>2,491</u>     |
| Transfers out  | -  | (1,607)                               | (1,607)          |
| Change in net position                                       | -  | 2,509                                 | 2,509            |
| Total net position, beginning of year                        | <u>-</u>   | <u>6,850</u>                          | <u>6,850</u>     |
| Total net position, end of year                              | <u>\$ -</u>                                      | <u>\$ 9,359</u>                       | <u>\$ 9,359</u>  |

**City of Texarkana, Texas**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2023**

|   | <b>Lake<br/>Texarkana<br/>Water Supply<br/>Corporation</b> | <b>Graphic<br/>Packaging<br/>International</b> | <b>Total</b>        |
|---|--|--|---------------------|
| <b>Cash Flows from Operating Activities</b>                     |  |  |                     |
| Cash received from customers                                    | \$ 24,104  | \$ 1,886,043                                   | \$ 1,910,147        |
| Cash paid to suppliers  | -  | (1,885,098)                                    | (1,885,098)         |
| Net cash provided from (used by) operating activities           | <u>24,104</u>  | <u>945</u>                                     | <u>25,049</u>       |
| <b>Cash flows from non-capital financing activities:</b>        |  |  |                     |
| Transfers paid to City general fund                             | -  | (1,607)  | (1,607)             |
| <b>Cash Flows from Capital and Related Financing Activities</b> |  |  |                     |
| Capital improvement deposits received                           | <u>252,159</u>   | -  | <u>252,159</u>      |
| Net cash used by capital and related financing activities       | <u>252,159</u>   | <u>-</u>                                       | <u>252,159</u>      |
| <b>Cash Flows from Investing Activities</b>                     |  |  |                     |
| Interest received on investments                                | -  | 2,491  | 2,491               |
| Net cash provided from investing activities                     | <u>-</u>   | <u>2,491</u>                                   | <u>2,491</u>        |
| Net increase (decrease) in cash                                 | 276,263  | 1,829  | 278,092             |
| Cash, beginning of year   | <u>783,954</u>   | <u>4,225</u>                                   | <u>788,179</u>      |
| Cash, end of year   | <u>\$ 1,060,217</u>  | <u>\$ 6,054</u>                                | <u>\$ 1,066,271</u> |

**City of Texarkana, Texas**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended September 30, 2023**

|   | Lake<br>Texarkana<br>Water Supply<br>Corporation | Graphic<br>Packaging<br>International | Total            |
|---|--|---------------------------------------|------------------|
| <b><u>Reconciliation of Operating Income (Loss) to</u></b>          |  |                                       |                  |
| <b><u>Net Cash Provided From (Used By) Operating Activities</u></b> |  |                                       |                  |
| <b>Operating Loss</b>   | \$ -   | \$ 1,625                              | \$ 1,625         |
| <b>Adjustments to Reconcile Operating Income to</b>                 |  |                                       |                  |
| <b>Net Cash Provided From (Used By) Operating Activities</b>        |  |                                       |                  |
| (Increase) decrease in assets:                                      |  |                                       |                  |
| Accounts receivable   | -  | (238,533)                             | (238,533)        |
| Due from other governments  | -  | 754                                   | 754              |
| Due from other funds  | 32,917   | -                                     | 32,917           |
| Increase (decrease) in liabilities:                                 |  |                                       |                  |
| Accounts payable  | -  | (31,688)                              | (31,688)         |
| Accrued liabilities   | -  | (163)                                 | (163)            |
| Due to other funds  | (7,445)  | 267,627                               | 260,182          |
| Other payables  | (1,368)  | 1,323                                 | (45)             |
| Total adjustments   | <u>24,104</u>                                    | <u>(680)</u>                          | <u>23,424</u>    |
| Net cash provided from (used by) operating activities               | <u>\$ 24,104</u>                                 | <u>\$ 945</u>                         | <u>\$ 25,049</u> |



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## Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services by one department or agency to other departments or agencies of the government and to other governments, on a cost-reimbursement basis.

**Employee Benefit Fund** – This fund is used to account for the contributions received from various other City funds and employees to pay medical benefits and life insurance premiums for covered City employees. Payments are made to a paying agent who determines coverage on claims submitted by employees.

**Fleet Services Fund** – This fund is used to account for the repair and maintenance on all vehicles and equipment by the City, excluding the Water Utilities.

**City of Texarkana, Texas**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**September 30, 2023**

|  | <b>Employee<br/>Benefit</b> | <b>Fleet<br/>Services</b> | <b>Total</b>        |
|--|-----------------------------|---------------------------|---------------------|
| <b>ASSETS</b>                                    |                             |                           |                     |
| Current assets                                   |                             |                           |                     |
| Cash   | \$ 1,871,530                | \$ 54,868                 | \$ 1,926,398        |
| Receivables (net of allowance for uncollectible) |                             |                           |                     |
| Accounts   | 163,917                     | -                         | 163,917             |
| Other government agencies                        | 151,257                     | 34,772                    | 186,029             |
| Inventory  | -                           | 39,429                    | 39,429              |
| <b>TOTAL ASSETS</b>                              | <u>2,186,704</u>            | <u>129,069</u>            | <u>2,315,773</u>    |
| <b>LIABILITIES</b>                               |                             |                           |                     |
| Current liabilities                              |                             |                           |                     |
| Accounts payable                                 | 571,710                     | 66                        | 571,776             |
| Accrued liability                                | 132,651                     | 51,128                    | 183,779             |
| Due to other funds                               | 875                         | -                         | 875                 |
| <b>TOTAL LIABILITIES</b>                         | <u>705,236</u>              | <u>51,194</u>             | <u>756,430</u>      |
| <b>NET POSITION</b>                              |                             |                           |                     |
| Unrestricted                                     | 1,481,468                   | 77,875                    | 1,559,343           |
| <b>TOTAL NET POSITION</b>                        | <u>\$ 1,481,468</u>         | <u>\$ 77,875</u>          | <u>\$ 1,559,343</u> |

**City of Texarkana, Texas**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended September 30, 2023**

|                                | <b>Employee<br/>Benefit</b> | <b>Fleet<br/>Services</b> | <b>Total</b>        |
|--------------------------------|-----------------------------|---------------------------|---------------------|
| <b>OPERATING REVENUES</b>      |                             |                           |                     |
| Charges for services           | \$ 7,426,252                | \$ 194,149                | \$ 7,620,401        |
| Other                          | -                           | 228,026                   | 228,026             |
| Total revenues                 | <u>7,426,252</u>            | <u>422,175</u>            | <u>7,848,427</u>    |
| <b>OPERATING EXPENSES</b>      |                             |                           |                     |
| Benefit payments               | 8,751,968                   | -                         | 8,751,968           |
| Cost of sales and service      | -                           | 1,468,457                 | 1,468,457           |
| Total expenditures             | <u>8,751,968</u>            | <u>1,468,457</u>          | <u>10,220,425</u>   |
| Operating loss                 | <u>(1,325,716)</u>          | <u>(1,046,282)</u>        | <u>(2,371,998)</u>  |
| <b>NONOPERATING REVENUES</b>   |                             |                           |                     |
| Interest revenue               | <u>37,479</u>               | <u>96</u>                 | <u>37,575</u>       |
| Total nonoperating revenues    | <u>37,479</u>               | <u>96</u>                 | <u>37,575</u>       |
| Income (loss) before transfers | (1,288,237)                 | (1,046,186)               | (2,334,423)         |
| Transfers in                   | 1,290,151                   | 1,030,764                 | 2,320,915           |
| Transfers out                  | <u>-</u>                    | <u>(1,367)</u>            | <u>(1,367)</u>      |
| Change in net position         | 1,914                       | (16,789)                  | (14,875)            |
| Total net position - beginning | <u>1,479,554</u>            | <u>94,664</u>             | <u>1,574,218</u>    |
| Total net position - ending    | <u>\$ 1,481,468</u>         | <u>\$ 77,875</u>          | <u>\$ 1,559,343</u> |

**City of Texarkana, Texas**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended September 30, 2023**

|   | <b>Employee<br/>Benefit</b> | <b>Fleet<br/>Services</b> | <b>Total</b>          |
|---|-----------------------------|---------------------------|-----------------------|
| <b>Cash Flows from Operating Activities</b>   |                             |                           |                       |
| Cash received from users  | \$ 7,812,241                | \$ -                      | \$ 7,812,241          |
| Cash received from interfund services provided and used                                     | -                           | 455,363                   | 455,363               |
| Cash paid to suppliers  | (8,751,968)                 | (1,121,790)               | (9,873,758)           |
| Cash paid to employees  | -                           | (335,961)                 | (335,961)             |
| Other payments  | -                           | 5,916                     | 5,916                 |
| Net cash used by operating activities   | <u>(939,727)</u>            | <u>(996,472)</u>          | <u>(1,936,199)</u>    |
| <b>Cash Flows from Noncapital Financing Activities</b>                                      |                             |                           |                       |
| Transfers to other funds  | -                           | (1,367)                   | (1,367)               |
| Transfers from other funds  | 1,290,151                   | 1,030,764                 | 2,320,915             |
| Net cash provided from noncapital financing activities                                      | <u>1,290,151</u>            | <u>1,029,397</u>          | <u>2,319,548</u>      |
| <b>Cash Flows from Investing Activities</b>   |                             |                           |                       |
| Interest received from investments  | 37,479                      | 96                        | 37,575                |
| Net cash provided from investing activities   | <u>37,479</u>               | <u>96</u>                 | <u>37,575</u>         |
| Increase in cash  | 387,903                     | 33,021                    | 420,924               |
| Cash at beginning of year   | 1,483,627                   | 21,847                    | 1,505,474             |
| Cash at end of year   | <u>\$ 1,871,530</u>         | <u>\$ 54,868</u>          | <u>\$ 1,926,398</u>   |
| <b><u>Reconciliation of Operating Loss to Net Cash<br/>Used by Operating Activities</u></b> |                             |                           |                       |
| Operating loss  | (1,325,716)                 | (1,046,282)               | (2,371,998)           |
| <b>Adjustments to Reconcile Operating Loss to Net Cash</b>                                  |                             |                           |                       |
| Accounts receivable   | (20,417)                    | -                         | (20,417)              |
| Due from other government agencies  | 342,358                     | 33,172                    | 375,530               |
| Due from other funds  | -                           | 5,916                     | 5,916                 |
| Inventory   | -                           | (14,293)                  | (14,293)              |
| <b>Increase in Liabilities</b>  |                             |                           |                       |
| Accounts payable  | 58,443                      | 16                        | 58,459                |
| Accrued payroll   | 9,455                       | 24,999                    | 34,454                |
| Due to other funds  | (3,850)                     | -                         | (3,850)               |
| Total adjustments   | <u>385,989</u>              | <u>49,810</u>             | <u>435,799</u>        |
| Net cash used by operating activities   | <u>\$ (939,727)</u>         | <u>\$ (996,472)</u>       | <u>\$ (1,936,199)</u> |

## **Fiduciary Funds**

Fiduciary Funds are established to account for assets held by the City in a trustee capacity, or as an agent for individuals, other governmental units, and/or other funds.

### **Custodial Funds**

**Police Evidence Fund** – This fund is used to account for evidence money seized by the Police Department. This money is held until disposition is directed by the courts.

**Drug Enforcement Fund** – This fund is used to account for evidence money seized by the Police Department, primarily in drug related cases. This money is held until disposition is directed by the courts.

**City of Texarkana, Texas**  
**Combining Statement of Fiduciary Net Position – Fiduciary Funds –**  
**Custodial Funds**  
**For the Year Ended September 30, 2023**

|  | <b>Police<br/>Evidence<br/>Escrow</b> | <b>Drug<br/>Escrow</b> | <b>Total</b> |
|--|---------------------------------------|------------------------|--------------|
| <b>Assets</b>  |                                       |                        |              |
| Cash and cash equivalents                                    | \$ 1,812                              | \$ 59,815              | \$ 61,627    |
| Total assets   | 1,812                                 | 59,815                 | 61,627       |
| <b>Liabilities</b>   |                                       |                        |              |
| Due to other funds   | 1,812                                 | 59,815                 | 61,627       |
| Total liabilities  | 1,812                                 | 59,815                 | 61,627       |
| <b>Net Position</b>  |                                       |                        |              |
| Restricted for individuals, organizations, other governments | \$ -                                  | \$ -                   | \$ -         |

**City of Texarkana, Texas**  
**Combining Statement of Changes in Fiduciary Net Position – Fiduciary Funds –**  
**Custodial Funds**  
**For the Year Ended September 30, 2023**

|  | Police<br>Evidence<br>Escrow | Drug<br>Escrow | Total     |
|--|------------------------------|----------------|-----------|
| <b>Additions</b>                               |                              |                |           |
| Seized funds                                   | \$ -                         | \$ 16,229      | \$ 16,229 |
| Interest and dividends                         | 60                           | 2,712          | 2,772     |
| Total additions                                | 60                           | 18,941         | 19,001    |
| <b>Deductions</b>                              |                              |                |           |
| Distributions to other governments             | 60                           | 96,783         | 96,843    |
| Total deductions                               | 60                           | 96,783         | 96,843    |
| <b>Net Increase (Decrease) in Net Position</b> | -                            | (77,842)       | (77,842)  |
| Beginning net position                         | -                            | 77,842         | 77,842    |
| Ending net position                            | \$ -                         | \$ -           | \$ -      |

**City of Texarkana, Texas**  
**Balance Sheet**  
**Component Unit – Health Center**  
**September 30, 2023**

**ASSETS**

|   |                            |
|---|----------------------------|
| Cash  | \$ 1,094,993               |
| Receivables (net of allowance for uncollectible): |                            |
| Other government agencies                         | 194,912                    |
| <b>TOTAL ASSETS</b>                               | <b><u>\$ 1,289,905</u></b> |

**LIABILITIES AND FUND BALANCES**

|                           |                      |
|---------------------------|----------------------|
| Liabilities:              |                      |
| Accounts payable          | \$ 57,657            |
| Accrued payroll           | 21,506               |
| Due to primary government | 360                  |
| <b>TOTAL LIABILITIES</b>  | <b><u>79,523</u></b> |

|                            |                         |
|----------------------------|-------------------------|
| Fund Balances:             |                         |
| Restricted                 | 1,210,382               |
| <b>TOTAL FUND BALANCES</b> | <b><u>1,210,382</u></b> |

|  |                            |
|--|----------------------------|
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b><u>\$ 1,289,905</u></b> |
|--|----------------------------|

**City of Texarkana, Texas**  
**Reconciliation of the Balance Sheet of**  
**Discretely Presented Component Unit to the**  
**Statement of Net Position**  
**Component Unit – Health Center**  
**September 30, 2023**

|  |                            |
|--|----------------------------|
| Total discretely presented component unit fund balance   | \$ 1,210,382               |
| Amounts reported for governmental discretely presented component units in the statement of net position are different because: |                            |
| Capital assets used in governmental activities are not financial resources and therefore are not reported at the fund level.   | <u>356,955</u>             |
| Net position of discretely presented component unit  | <u><u>\$ 1,567,337</u></u> |

**City of Texarkana, Texas**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Component Unit – Health Center**  
**For the Year Ended September 30, 2023**

**REVENUES**

|                         |                         |
|-------------------------|-------------------------|
| Charges for services    | \$ 197,478              |
| Grants and entitlements | 722,554                 |
| Investment earnings:    |                         |
| Interest and dividends  | 45,700                  |
| Intergovernmental       | <u>199,520</u>          |
| Total revenues          | <u><u>1,165,252</u></u> |

**EXPENDITURES**

|                    |                         |
|--------------------|-------------------------|
| Current:           |                         |
| Health and welfare | <u>1,129,651</u>        |
| Total expenditures | <u><u>1,129,651</u></u> |

|                            |        |
|----------------------------|--------|
| Net change in fund balance | 35,601 |
|----------------------------|--------|

|                                   |                  |
|-----------------------------------|------------------|
| Fund balance at beginning of year | <u>1,174,781</u> |
|-----------------------------------|------------------|

|                             |                            |
|-----------------------------|----------------------------|
| Fund balance at end of year | <u><u>\$ 1,210,382</u></u> |
|-----------------------------|----------------------------|

**City of Texarkana, Texas**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of the Discretely Presented**  
**Component Unit to the Statement of Activities**  
**Component Unit – Health Center**  
**For the Year Ended September 30, 2023**

Amounts reported for the discretely presented component unit in the statement of activities are different because:

|   |                         |
|---|-------------------------|
| Net change in fund balances - total discretely presented component unit   | \$ 35,601               |
| Governmental discretely presented component units report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the effect of those differences reported at the fund level. | (5,490)                 |
| The Statement of Activities reports a gain or loss of the sale of the assets based on the proceeds received and the net book value of the assets at the time of disposal. This amount is the net effect of the difference between the cost of assets disposed and the accumulated depreciation of assets disposed.  | <u>(3,293)</u>          |
| Change in net position of governmental discretely presented component unit  | <u><u>\$ 26,818</u></u> |



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## Statistical Section

This part of the City of Texarkana, Texas' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Financial Trends** – Schedule 1 through Schedule 6 – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

**Revenue Capacity** – Schedule 7 through Schedule 14 – These schedules contain information to help the reader assess the City's most significant local revenue sources, including property taxes and water and sewer revenue.

**Debt Capacity** – Schedule 15 through Schedule 19 – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

**Demographic and Economic Information** – Schedule 20 through Schedule 21 – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

**Operating Information** – Schedule 22 through Schedule 24 – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

# City of Texarkana, Texas

## Statistical Section

### Net Position by Component

#### Last Ten Fiscal Years

#### Schedule 1

|   | Fiscal Year           |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | 2014                  | 2015                  | 2016                  | 2017                  |
| Governmental activities:                    |                       |                       |                       |                       |
| Net invested in capital assets              | \$ 83,155,796         | \$ 85,106,547         | \$ 85,391,477         | \$ 86,912,466         |
| Restricted                                  | 8,118,578             | 4,277,958             | 4,342,782             | 12,305,856            |
| Unrestricted                                | 11,274,308            | 4,979,007             | 4,051,074             | (950,495)             |
| Total governmental activities net position  | <u>\$ 102,548,682</u> | <u>\$ 94,363,512</u>  | <u>\$ 93,785,333</u>  | <u>\$ 98,267,827</u>  |
| Business-type activities:                   |                       |                       |                       |                       |
| Net invested in capital assets              | \$ 57,691,676         | \$ 58,283,054         | \$ 58,709,850         | \$ 59,720,017         |
| Restricted                                  | 10,809,056            | 10,183,541            | 8,914,641             | 7,062,511             |
| Unrestricted                                | 2,000,694             | (314,620)             | 2,757,977             | 5,602,110             |
| Total business-type activities net position | <u>\$ 70,501,426</u>  | <u>\$ 68,151,975</u>  | <u>\$ 70,382,468</u>  | <u>\$ 72,384,638</u>  |
| Primary government                          |                       |                       |                       |                       |
| Net invested in capital assets              | \$ 140,847,472        | \$ 143,389,601        | \$ 144,101,327        | \$ 146,632,483        |
| Restricted                                  | 18,927,634            | 14,461,499            | 13,257,423            | 19,368,367            |
| Unrestricted                                | 13,275,002            | 4,664,387             | 6,809,051             | 4,651,615             |
| Total primary government net position       | <u>\$ 173,050,108</u> | <u>\$ 162,515,487</u> | <u>\$ 164,167,801</u> | <u>\$ 170,652,465</u> |

**City of Texarkana, Texas**  
**Statistical Section**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**Schedule 1 (Continued)**

| Fiscal Year           |                       |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2018                  | 2019                  | 2020                  | 2021                  | 2022                  | 2023                  |
| \$ 88,593,873         | \$ 90,171,459         | \$ 91,034,859         | \$ 91,545,250         | \$ 93,235,726         | \$ 96,891,657         |
| 8,726,421             | 6,257,365             | 10,970,829            | 11,993,615            | 11,279,890            | 29,751,487            |
| 459,243               | (290,772)             | (2,782,965)           | 12,167,974            | 27,889,699            | 17,578,251            |
| <u>\$ 97,779,537</u>  | <u>\$ 96,138,052</u>  | <u>\$ 99,222,723</u>  | <u>\$ 115,706,839</u> | <u>\$ 132,405,315</u> | <u>\$ 144,221,395</u> |
| <br>                  |                       |                       |                       |                       |                       |
| \$ 59,005,503         | \$ 58,371,989         | \$ 58,690,456         | \$ 58,067,071         | \$ 57,597,165         | \$ 58,166,584         |
| 4,801,378             | -                     | -                     | -                     | -                     | -                     |
| 4,245,709             | 10,551,212            | 10,816,275            | 13,402,989            | 15,862,922            | 18,423,253            |
| <u>\$ 68,052,590</u>  | <u>\$ 68,923,201</u>  | <u>\$ 69,506,731</u>  | <u>\$ 71,470,060</u>  | <u>\$ 73,460,087</u>  | <u>\$ 76,589,837</u>  |
| <br>                  |                       |                       |                       |                       |                       |
| \$ 147,599,376        | \$ 148,543,448        | \$ 149,725,315        | \$ 149,612,321        | \$ 150,832,891        | \$ 155,058,241        |
| 13,527,799            | 6,257,365             | 10,970,829            | 11,993,615            | 11,279,890            | 29,751,487            |
| 4,704,952             | 10,260,440            | 8,033,310             | 25,570,963            | 43,752,621            | 36,001,504            |
| <u>\$ 165,832,127</u> | <u>\$ 165,061,253</u> | <u>\$ 168,729,454</u> | <u>\$ 187,176,899</u> | <u>\$ 205,865,402</u> | <u>\$ 220,811,232</u> |

# City of Texarkana, Texas

## Statistical Section

### Changes in Net Position

#### Last Ten Fiscal Years

#### Schedule 2

|   | Fiscal Year          |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 2014                 | 2015                 | 2016                 | 2017                 |
| <b>Expenses</b>                                 |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |
| Current:  |                      |                      |                      |                      |
| General government                              | \$ 7,114,857         | \$ 7,416,500         | \$ 8,011,669         | \$ 8,357,159         |
| Public safety                                   | 16,681,701           | 16,272,709           | 16,396,091           | 17,875,634           |
| Public works                                    | 7,545,126            | 7,464,975            | 8,881,205            | 9,044,672            |
| Parks and recreation                            | 3,012,271            | 3,408,188            | 3,446,421            | 3,517,538            |
| Health and welfare                              | 1,915,780            | 1,436,864            | 1,671,102            | 1,532,646            |
| Interest on long-term debt                      | 2,262,532            | 2,043,793            | 2,085,451            | 1,770,944            |
| Total governmental activities expenses          | <u>38,532,267</u>    | <u>38,043,029</u>    | <u>40,491,939</u>    | <u>42,098,593</u>    |
| Business-type activities:                       |                      |                      |                      |                      |
| Water and Sewer                                 | 15,841,333           | 15,736,026           | 15,734,804           | 16,409,625           |
| Total business-type activities expenses         | <u>15,841,333</u>    | <u>15,736,026</u>    | <u>15,734,804</u>    | <u>16,409,625</u>    |
| Total primary government expenses               | <u>\$ 54,373,600</u> | <u>\$ 53,779,055</u> | <u>\$ 56,226,743</u> | <u>\$ 58,508,218</u> |
| <b>Program Revenues</b>                         |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |
| General government                              | \$ 887,114           | \$ 812,556           | \$ -                 | \$ 1,107,648         |
| Public safety                                   | 1,733,651            | 2,192,611            | 1,838,438            | 1,890,660            |
| Other activities                                | 756,869              | 1,020,804            | 856,602              | 1,017,640            |
| Operating grants and contributions              | 1,323,001            | 1,514,552            | 1,628,327            | 1,659,145            |
| Capital grants and contributions                | 808,174              | -                    | -                    | -                    |
| Total governmental activities program revenues  | <u>5,508,809</u>     | <u>5,540,523</u>     | <u>4,323,367</u>     | <u>5,675,093</u>     |
| Business-type activities:                       |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |
| Water and sewer                                 | 15,198,786           | 15,448,372           | 16,775,322           | 17,130,716           |
| Capital grants and contributions                | 38,071               | 118,869              | 39,327               | 39,365               |
| Total business-type activities program revenues | <u>15,236,857</u>    | <u>15,567,241</u>    | <u>16,814,649</u>    | <u>17,170,081</u>    |
| Total primary government program revenues       | <u>\$ 20,745,666</u> | <u>\$ 21,107,764</u> | <u>\$ 21,138,016</u> | <u>\$ 22,845,174</u> |

**City of Texarkana, Texas**  
**Statistical Section**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**Schedule 2 (Continued)**

| Fiscal Year          |                      |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
| \$ 9,748,511         | \$ 10,276,183        | \$ 9,161,814         | \$ 7,325,779         | \$ 7,150,090         | \$ 13,661,540        |
| 17,965,103           | 18,612,666           | 17,724,082           | 12,524,376           | 10,831,701           | 17,909,977           |
| 9,119,545            | 9,681,167            | 9,708,732            | 10,106,568           | 9,740,938            | 10,428,093           |
| 3,630,516            | 3,562,369            | 3,596,959            | 3,714,985            | 4,004,866            | 4,751,912            |
| 1,790,592            | 1,192,402            | 882,349              | 5,715,591            | 7,767,601            | 1,114,074            |
| 1,908,617            | 1,626,684            | 1,682,347            | 1,248,583            | 1,138,745            | 1,745,750            |
| <u>44,162,884</u>    | <u>44,951,471</u>    | <u>42,756,283</u>    | <u>40,635,882</u>    | <u>40,633,941</u>    | <u>49,611,346</u>    |
| 16,173,218           | 17,595,681           | 20,626,724           | 19,647,503           | 22,348,399           | 26,930,284           |
| 16,173,218           | 17,595,681           | 20,626,724           | 19,647,503           | 22,348,399           | 26,930,284           |
| <u>\$ 60,336,102</u> | <u>\$ 62,547,152</u> | <u>\$ 63,383,007</u> | <u>\$ 60,283,385</u> | <u>\$ 62,982,340</u> | <u>\$ 76,541,630</u> |
| <br>                 |                      |                      |                      |                      |                      |
| \$ 860,962           | \$ 760,372           | \$ 583,372           | \$ 637,597           | \$ 525,078           | \$ 977,030           |
| 1,990,244            | 1,757,716            | 1,348,552            | 1,473,903            | 1,213,799            | 2,258,553            |
| 970,713              | 857,301              | 657,737              | 718,875              | 592,013              | 1,101,577            |
| 2,695,060            | 1,386,805            | 4,423,031            | 7,326,526            | 5,301,955            | 7,951,978            |
| -                    | -                    | -                    | -                    | -                    | -                    |
| <u>6,516,979</u>     | <u>4,762,194</u>     | <u>7,012,692</u>     | <u>10,156,901</u>    | <u>7,632,845</u>     | <u>12,289,138</u>    |
| 17,663,399           | 16,768,896           | 16,792,121           | 17,406,402           | 23,904,692           | 27,970,761           |
| 22,539               | -                    | 3,932                | 388,847              | 65,571               | 50,928               |
| <u>17,685,938</u>    | <u>16,768,896</u>    | <u>16,796,053</u>    | <u>17,795,249</u>    | <u>23,970,263</u>    | <u>28,021,689</u>    |
| <u>\$ 24,202,917</u> | <u>\$ 21,531,090</u> | <u>\$ 23,808,745</u> | <u>\$ 27,952,150</u> | <u>\$ 31,603,108</u> | <u>\$ 40,310,827</u> |

(Continued)

**City of Texarkana, Texas**  
**Statistical Section**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**Schedule 2 (Continued)**

|   | Fiscal Year            |                        |                        |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | 2014                   | 2015                   | 2016                   | 2017                   |
| <b>Net (Expense)/Revenue</b>                              |                        |                        |                        |                        |
| Governmental activities                                   | \$ (33,023,458)        | \$ (32,502,506)        | \$ (36,168,572)        | \$ (36,423,500)        |
| Business-type activities                                  | (604,476)              | (168,785)              | 1,079,845              | 760,456                |
| Total primary government net expense                      | <u>\$ (33,627,934)</u> | <u>\$ (32,671,291)</u> | <u>\$ (35,088,727)</u> | <u>\$ (35,663,044)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                        |                        |                        |                        |
| Governmental activities:                                  |                        |                        |                        |                        |
| Property taxes  | \$ 15,763,817          | \$ 16,450,285          | \$ 16,304,576          | \$ 15,979,531          |
| Sales taxes   | 14,326,770             | 14,735,398             | 15,164,177             | 15,899,829             |
| Franchise taxes   | 2,005,690              | 2,006,662              | 1,970,362              | 1,789,518              |
| Other taxes   | 1,351,583              | 1,248,856              | 1,273,131              | 1,661,189              |
| Unrestricted investment earnings                          | 170,967                | 88,788                 | 107,914                | 105,702                |
| Gain on sale of capital assets                            | -                      | -                      | 89,385                 | -                      |
| Miscellaneous   | 365,470                | 169,481                | 180,820                | 135,724                |
| Intergovernmental   | -                      | -                      | -                      | -                      |
| Transfers   | 1,086,504              | 18,900                 | 18,900                 | 18,900                 |
| Total governmental activities                             | <u>35,070,801</u>      | <u>34,718,370</u>      | <u>35,109,265</u>      | <u>35,590,393</u>      |
| Business-type activities:                                 |                        |                        |                        |                        |
| Unrestricted investment earnings                          | 38,346                 | 62,088                 | 60,910                 | 60,226                 |
| Miscellaneous   | 1,069,254              | 1,055,847              | 1,140,886              | 1,109,322              |
| Transfers   | (1,086,504)            | (18,900)               | (18,900)               | (18,900)               |
| Total business-type activities program revenues           | <u>21,096</u>          | <u>1,099,035</u>       | <u>1,182,896</u>       | <u>1,150,648</u>       |
| <b>Change in Net Position</b>                             |                        |                        |                        |                        |
| Governmental activities                                   | 2,047,343              | 2,215,864              | (1,059,307)            | (833,107)              |
| Business-type activities                                  | (583,380)              | 930,250                | 2,262,741              | 1,911,104              |
| Total primary government                                  | <u>\$ 1,463,963</u>    | <u>\$ 3,146,114</u>    | <u>\$ 1,203,434</u>    | <u>\$ 1,077,997</u>    |

**City of Texarkana, Texas**  
**Statistical Section**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**Schedule 2 (Continued)**

| Fiscal Year            |                        |                        |                        |                        |                        |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 2018                   | 2019                   | 2020                   | 2021                   | 2022                   | 2023                   |
| \$ (37,645,905)        | \$ (40,189,277)        | \$ (35,743,591)        | \$ (30,478,981)        | \$ (33,001,096)        | \$ (37,322,208)        |
| 1,512,720              | (826,785)              | (3,830,671)            | (1,852,254)            | 1,621,864              | 1,091,405              |
| <u>\$ (36,133,185)</u> | <u>\$ (41,016,062)</u> | <u>\$ (39,574,262)</u> | <u>\$ (32,331,235)</u> | <u>\$ (31,379,232)</u> | <u>\$ (36,230,803)</u> |
| \$ 17,441,622          | \$ 17,432,676          | \$ 17,867,578          | \$ 17,851,383          | \$ 18,498,814          | \$ 19,961,801          |
| 15,693,696             | 16,446,745             | 16,807,951             | 19,464,684             | 20,834,260             | 21,867,253             |
| 1,724,035              | 1,844,779              | 1,678,268              | 1,733,108              | 1,694,525              | 1,718,014              |
| 1,468,143              | 1,630,377              | 1,666,183              | 1,929,547              | 2,065,314              | 2,167,716              |
| 254,679                | 545,540                | 564,439                | 435,052                | 768,185                | 2,932,175              |
| -                      | -                      | -                      | -                      | -                      | -                      |
| 4,283,822              | 511,629                | 878,642                | 1,074,823              | 1,299,743              | 1,674,639              |
| -                      | -                      | -                      | 4,702,009              | 4,702,099              | -                      |
| 39,997                 | 6,018,900              | (634,799)              | (227,508)              | (163,277)              | (1,183,310)            |
| <u>40,905,994</u>      | <u>44,430,646</u>      | <u>38,828,262</u>      | <u>46,963,098</u>      | <u>49,699,663</u>      | <u>49,138,288</u>      |
| 152,275                | 171,431                | 247,600                | 117,484                | 204,886                | 855,035                |
| 1,129,436              | 1,181,071              | 3,531,802              | 3,470,592              | -                      | -                      |
| (39,997)               | (6,018,900)            | 634,799                | 227,508                | 163,277                | 1,183,310              |
| <u>1,241,714</u>       | <u>(4,666,398)</u>     | <u>4,414,201</u>       | <u>3,815,584</u>       | <u>368,163</u>         | <u>2,038,345</u>       |
| 3,260,089              | 4,241,369              | 3,084,671              | 16,484,117             | 16,698,476             | 11,816,080             |
| 2,754,434              | (5,493,183)            | 583,530                | 1,963,330              | 1,990,027              | 3,129,750              |
| <u>\$ 6,014,523</u>    | <u>\$ (1,251,814)</u>  | <u>\$ 3,668,201</u>    | <u>\$ 18,447,447</u>   | <u>\$ 18,688,503</u>   | <u>\$ 14,945,830</u>   |

(Concluded)

**City of Texarkana, Texas**  
**Statistical Section**  
**Program Revenues by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 3**

|                                   | Program Revenues     |                      |                      |                      |                      |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                   | 2014                 | 2015                 | 2016                 | 2017                 | 2018                 |
| <b>Function/ Program</b>          |                      |                      |                      |                      |                      |
| Governmental activities:          |                      |                      |                      |                      |                      |
| General government                | \$ 1,061,405         | \$ 1,436,416         | \$ 408,024           | \$ 1,466,198         | \$ 1,500,537         |
| Public safety                     | 2,252,465            | 2,502,162            | 2,112,647            | 2,542,648            | 2,663,396            |
| Public works                      | 979,029              | 564,645              | 425,131              | 454,190              | 581,768              |
| Parks and Recreation              | 355,000              | 304,110              | 295,790              | 336,621              | 277,088              |
| Health and welfare                | 860,910              | 733,190              | 1,081,775            | 875,436              | 1,494,190            |
| Subtotal governmental activities  | <u>5,508,809</u>     | <u>5,540,523</u>     | <u>4,323,367</u>     | <u>5,675,093</u>     | <u>6,516,979</u>     |
| <i>Business-type activities:</i>  |                      |                      |                      |                      |                      |
| Water and sewer                   | <u>15,236,857</u>    | <u>15,567,241</u>    | <u>16,814,649</u>    | <u>17,170,081</u>    | <u>17,685,938</u>    |
| Subtotal business-type activities | <u>15,236,857</u>    | <u>15,567,241</u>    | <u>16,814,649</u>    | <u>17,170,081</u>    | <u>17,685,938</u>    |
| Total primary government          | <u>\$ 20,745,666</u> | <u>\$ 21,107,764</u> | <u>\$ 21,138,016</u> | <u>\$ 22,845,174</u> | <u>\$ 24,202,917</u> |

**City of Texarkana, Texas**  
**Statistical Section**  
**Program Revenues by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 3 (Continued)**

| Program Revenues |               |              |               |              |
|------------------|---------------|--------------|---------------|--------------|
| 2019             | 2020          | 2021         | 2022          | 2023         |
| \$ 1,089,480     | \$ 583,372    | \$ 637,597   | \$ 2,169,519  | \$ 4,105,141 |
| 2,104,102        | 1,348,552     | 1,473,903    | 2,944,570     | 5,550,886    |
| 450,158          | 277,207       | 302,974      | 1,215,358     | 1,232,005    |
| 239,364          | 177,914       | 194,451      | 249,455       | 368,967      |
| 879,090          | 202,616       | 221,450      | 1,053,942     | 1,032,139    |
| 4,762,194        | 2,589,661     | 2,830,375    | 7,632,844     | 12,289,138   |
| 16,768,896       | 16,792,121    | 17,406,402   | 23,970,263    | 27,970,761   |
| 16,768,896       | 16,792,121    | 17,406,402   | 23,970,263    | 27,970,761   |
| \$ 21,531,090    | \$ 19,381,782 | \$20,236,777 | \$ 31,603,107 | \$40,259,899 |

**City of Texarkana, Texas**  
**Statistical Section**  
**Fund Balance, Governmental Funds**  
**Last Ten Fiscal Years**  
**Schedule 4**

|                                     | Fiscal Year          |                      |                      |                     |                      |
|-------------------------------------|----------------------|----------------------|----------------------|---------------------|----------------------|
|                                     | 2014                 | 2015                 | 2016                 | 2017                | 2018                 |
| <b>General Fund</b>                 |                      |                      |                      |                     |                      |
| Nonspendable                        | \$ 93,432            | \$ 88,297            | \$ 90,247            | \$ 91,371           | \$ 90,274            |
| Restricted                          | 689,448              | 675,143              | 648,797              | 658,975             | 689,749              |
| Committed                           | 35,000               | -                    | 20,848               | -                   | -                    |
| Assigned                            | 128,739              | 268,073              | 145,932              | 149,274             | 9,247,919            |
| Unassigned                          | 9,304,806            | 10,511,161           | 12,003,407           | 13,215,235          | 8,655,483            |
| Total General Fund                  | <u>\$ 10,251,425</u> | <u>\$ 11,542,674</u> | <u>\$ 12,909,231</u> | <u>\$14,114,855</u> | <u>\$ 18,683,425</u> |
| <b>All Other Governmental Funds</b> |                      |                      |                      |                     |                      |
| Nonspendable                        |                      |                      |                      |                     |                      |
| Special revenue fund                | \$ 325,693           | \$ 411,561           | \$ 353,067           | \$ 380,453          | \$ 372,047           |
| Restricted                          |                      |                      |                      |                     |                      |
| Special revenue fund                | 4,624,343            | 568,030              | 882,022              | 953,099             | 1,724,450            |
| Debt service fund                   |                      |                      | 76,937               | 22,502              | 206,784              |
| Capital projects fund               | 2,515,323            | 2,806,712            | 2,422,336            | 9,736,141           | 5,306,583            |
| Committed                           |                      |                      |                      |                     |                      |
| Special revenue fund                | 1,112,025            | 1,267,865            | 1,372,641            | 887,434             | 3,277,171            |
| Assigned                            |                      |                      |                      |                     |                      |
| Special revenue fund                | 942,542              | 1,102,850            | 1,528,344            | 1,933,041           | 809,864              |
| Unassigned                          |                      |                      |                      |                     |                      |
| Special revenue fund                | (139,462)            | (94,755)             | (173,131)            | (221,313)           | (139,103)            |
| Debt service fund                   | (146,654)            | (173,968)            | -                    | -                   | -                    |
| Capital projects fund               | -                    | (31,268)             | -                    | -                   | -                    |
| Total all other governmental funds  | <u>\$ 9,233,810</u>  | <u>\$ 5,857,027</u>  | <u>\$ 6,462,216</u>  | <u>\$13,691,357</u> | <u>\$ 11,557,796</u> |

**City of Texarkana, Texas**  
**Statistical Section**  
**Fund Balance, Governmental Funds**  
**Last Ten Fiscal Years**  
**Schedule 4 (Continued)**

| Fiscal Year          |                      |                      |                      |                      |  |
|----------------------|----------------------|----------------------|----------------------|----------------------|--|
| 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |  |
| \$ 88,838            | \$ -                 | \$ -                 | \$ -                 | \$ -                 |  |
| 725,081              | -                    | 4,878                | 5,180                | 12,478               |  |
| -                    | -                    | -                    | -                    | -                    |  |
| 4,770,190            | 5,088,959            | 9,358,748            | 16,054,712           | 21,890,252           |  |
| 9,846,341            | 13,796,333           | 18,307,622           | 20,978,636           | 18,047,149           |  |
| <u>\$ 15,430,450</u> | <u>\$ 18,885,292</u> | <u>\$ 27,671,248</u> | <u>\$ 37,038,528</u> | <u>\$ 39,949,879</u> |  |
| <br>                 |                      |                      |                      |                      |  |
| \$ 599,833           | \$ 2,532,445         | \$ 3,412,246         | \$ 2,081,499         | \$ 3,481,994         |  |
| 3,889,715            | 5,153,324            | 3,044,429            | 6,148,169            | 7,609,738            |  |
| 392,006              | 366,388              | 349,310              | 84,604               | 352,582              |  |
| 4,564,432            | 8,664,562            | 4,868,436            | 3,774,210            | 21,776,689           |  |
| 1,443,943            | 1,714,299            | 1,931,875            | 2,115,732            | 2,395,363            |  |
| 819,933              | 878,046              | 756,696              | 772,719              | 722,985              |  |
| (120,784)            | (2,423,508)          | (1,265,200)          | (14)                 | (1,407,985)          |  |
| -                    | -                    | -                    | -                    | -                    |  |
| -                    | -                    | -                    | -                    | -                    |  |
| <u>\$ 11,589,078</u> | <u>\$ 16,885,556</u> | <u>\$ 13,097,792</u> | <u>\$ 14,976,919</u> | <u>\$ 34,931,366</u> |  |

**City of Texarkana, Texas**  
**Statistical Section**  
**Changes in Fund Balance, Governmental Funds**  
**Last Ten Fiscal Years**  
**Schedule 5**

|   | Fiscal Year           |                       |                     |                     |
|---|-----------------------|-----------------------|---------------------|---------------------|
|   | 2014                  | 2015                  | 2016                | 2017                |
| <b>REVENUES</b>   |                       |                       |                     |                     |
| Taxes   | \$ 33,976,724         | \$ 34,290,500         | \$ 35,562,155       | \$ 36,156,991       |
| Fees and permits  | 241,751               | 726,386               | 579,704             | 596,610             |
| Charges for services                                    | 560,530               | 377,102               | 868,486             | 956,020             |
| Municipal court   | 1,652,149             | 2,023,923             | 1,671,117           | 1,733,350           |
| Grants and entitlements                                 | 626,421               | 369,114               | 258,240             | 708,218             |
| Interest and dividends                                  | 79,017                | 82,785                | 96,316              | 180,985             |
| Intergovernmental                                       | 1,518,657             | 1,006,232             | 923,001             | 633,866             |
| Other   | 447,449               | 357,902               | 632,649             | 556,701             |
| <b>Total revenues</b>                                   | <b>39,102,698</b>     | <b>39,233,944</b>     | <b>40,591,668</b>   | <b>41,522,741</b>   |
| <b>EXPENDITURES</b>                                     |                       |                       |                     |                     |
| Current:  |                       |                       |                     |                     |
| General government                                      | 5,778,132             | 6,500,409             | 7,144,935           | 7,789,701           |
| Public safety   | 14,913,921            | 14,900,200            | 14,033,527          | 14,989,492          |
| Public works  | 4,085,840             | 4,674,794             | 5,069,600           | 5,149,470           |
| Parks and recreation                                    | 2,234,747             | 2,429,448             | 2,428,568           | 2,381,295           |
| Health and welfare                                      | 1,727,656             | 1,073,624             | 1,483,091           | 1,286,529           |
| Miscellaneous   | -                     | -                     | -                   | -                   |
| Capital outlay  | 8,921,568             | 5,152,652             | 3,136,260           | 9,459,729           |
| Debt service:   |                       |                       |                     |                     |
| Principal retirement                                    | 3,747,283             | 3,639,164             | 3,643,800           | 3,730,323           |
| Interest and fiscal charges                             | 2,047,350             | 1,939,214             | 1,851,466           | 1,538,361           |
| Bond issuance costs                                     | -                     | -                     | -                   | 449,593             |
| <b>Total expenditures</b>                               | <b>43,456,497</b>     | <b>40,309,505</b>     | <b>38,791,247</b>   | <b>46,774,493</b>   |
| Excess (deficiency) of revenues over expenditures       | (4,353,799)           | (1,075,561)           | 1,800,421           | (5,251,752)         |
| <b>OTHER FINANCING SOURCES (USES)</b>                   |                       |                       |                     |                     |
| Transfers in  | 995,874               | 1,089,860             | 1,621,310           | 2,171,120           |
| Transfers out   | (2,392,810)           | (2,186,683)           | (2,627,481)         | (3,052,626)         |
| Proceeds from issuance of debt                          | -                     | -                     | -                   | -                   |
| Bonds issued  | -                     | -                     | -                   | 23,250,000          |
| Payments to refunded bond escrow agent                  | -                     | -                     | -                   | (9,792,779)         |
| Bond premium  | -                     | -                     | -                   | 1,110,802           |
| Capital lease   | 45,013                | 86,851                | 1,177,496           | -                   |
| <b>Total other financing sources (uses)</b>             | <b>(1,351,923)</b>    | <b>(1,009,972)</b>    | <b>171,325</b>      | <b>13,686,517</b>   |
| <b>Net change in fund balances</b>                      | <b>\$ (5,705,722)</b> | <b>\$ (2,085,533)</b> | <b>\$ 1,971,746</b> | <b>\$ 8,434,765</b> |
| Debt Service as a percentage of noncapital expenditures | 16.8%                 | 15.9%                 | 15.4%               | 14.1%               |

**City of Texarkana, Texas**  
**Statistical Section**  
**Changes in Fund Balance, Governmental Funds**  
**Last Ten Fiscal Years**  
**Schedule 5 (Continued)**

| Fiscal Year         |                       |                     |                     |                     |                      |  |
|---------------------|-----------------------|---------------------|---------------------|---------------------|----------------------|--|
| 2018                | 2019                  | 2020                | 2021                | 2022                | 2023                 |  |
| \$ 37,452,474       | \$ 37,582,888         | \$ 38,279,599       | \$ 41,782,134       | \$ 40,744,793       | \$ 43,782,711        |  |
| 554,698             | 724,420               | 548,957             | 427,598             | 567,147             | 1,966,459            |  |
| 983,120             | 1,095,467             | 1,099,773           | 1,037,669           | 1,155,950           | 1,237,870            |  |
| 1,826,561           | 1,422,961             | 943,011             | 599,736             | 1,043,046           | 1,235,227            |  |
| 1,726,751           | 745,989               | 1,793,192           | 1,583,239           | -                   | -                    |  |
| 494,331             | 700,925               | 539,518             | 414,628             | 627,031             | 2,815,952            |  |
| 1,081,302           | 913,126               | 920,911             | 7,128,675           | 7,028,013           | 1,553,162            |  |
| 483,478             | 746,008               | 1,014,318           | 1,324,107           | 3,167,967           | 3,783,605            |  |
| <u>44,602,715</u>   | <u>43,931,784</u>     | <u>45,139,279</u>   | <u>54,297,786</u>   | <u>54,333,947</u>   | <u>56,374,986</u>    |  |
| 8,295,387           | 7,753,710             | 7,223,505           | 7,795,281           | 8,474,675           | 8,958,264            |  |
| 15,305,697          | 15,503,976            | 15,935,509          | 11,653,823          | 9,961,148           | 16,924,281           |  |
| 5,142,191           | 5,443,261             | 4,986,705           | 5,220,381           | 5,883,180           | 5,723,494            |  |
| 2,437,334           | 2,708,328             | 2,742,918           | 2,860,944           | 3,150,825           | 3,782,728            |  |
| 1,586,089           | 1,192,402             | 882,349             | 5,715,591           | 7,767,601           | 1,114,074            |  |
| -                   | -                     | 4,363               | -                   | -                   | -                    |  |
| 8,593,001           | 3,717,535             | 5,424,271           | 6,449,327           | 3,747,529           | 7,529,399            |  |
| 3,791,639           | 8,106,130             | 4,055,256           | 4,267,631           | 4,191,419           | 4,632,096            |  |
| 2,102,754           | 1,929,912             | 1,636,949           | 1,373,439           | 1,257,341           | 1,818,602            |  |
| -                   | -                     | -                   | -                   | 20,449              | -                    |  |
| <u>47,254,092</u>   | <u>46,355,254</u>     | <u>42,891,825</u>   | <u>45,336,417</u>   | <u>44,454,167</u>   | <u>50,482,938</u>    |  |
| <u>(2,651,377)</u>  | <u>(2,423,470)</u>    | <u>2,247,454</u>    | <u>8,961,369</u>    | <u>9,879,780</u>    | <u>5,892,048</u>     |  |
| 7,366,390           | 6,506,530             | 2,769,947           | 1,848,480           | 4,926,969           | 2,477,018            |  |
| (2,436,585)         | (7,345,117)           | (4,074,595)         | (2,912,307)         | (6,459,692)         | (5,978,268)          |  |
| -                   | -                     | 663,110             | -                   | -                   | 20,475,000           |  |
| -                   | -                     | 13,575,000          | -                   | -                   | -                    |  |
| -                   | -                     | (6,815,689)         | -                   | -                   | -                    |  |
| -                   | -                     | 356,018             | -                   | -                   | -                    |  |
| 156,581             | 40,364                | 30,075              | -                   | -                   | -                    |  |
| <u>5,086,386</u>    | <u>(798,223)</u>      | <u>6,503,866</u>    | <u>(1,063,827)</u>  | <u>(1,532,723)</u>  | <u>16,973,750</u>    |  |
| <u>\$ 2,435,009</u> | <u>\$ (3,221,693)</u> | <u>\$ 8,751,320</u> | <u>\$ 7,897,542</u> | <u>\$ 8,347,057</u> | <u>\$ 22,865,798</u> |  |
| 15.2%               | 23.5%                 | 15.2%               | 14.5%               | 13.4%               | 15.0%                |  |



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**City of Texarkana, Texas**  
**Statistical Section**  
**Tax Revenue by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
**Schedule 6**

| <b>Fiscal Year</b> | <b>Property</b> | <b>Sales and Use</b> | <b>Franchise</b> | <b>Other</b> | <b>Total</b>  |
|--------------------|-----------------|----------------------|------------------|--------------|---------------|
| 2014               | \$ 15,993,035   | \$14,735,398         | \$ 2,006,662     | \$ 1,241,629 | \$ 33,976,724 |
| 2015               | 15,886,472      | 15,164,177           | 1,891,699        | 1,348,152    | 34,290,500    |
| 2016               | 16,186,609      | 15,899,829           | 1,868,181        | 1,607,536    | 35,562,155    |
| 2017               | 17,178,991      | 15,693,696           | 1,724,035        | 1,560,269    | 36,156,991    |
| 2018               | 17,510,391      | 16,446,745           | 1,844,778        | 1,650,560    | 37,452,474    |
| 2019               | 17,920,441      | 16,241,666           | 1,810,734        | 1,610,047    | 37,582,888    |
| 2020               | 18,127,196      | 16,807,951           | 1,678,268        | 1,666,184    | 38,279,599    |
| 2021               | 18,654,795      | 19,464,683           | 1,733,108        | 1,929,548    | 41,782,134    |
| 2022               | 17,845,219      | 20,910,472           | 1,694,525        | 1,989,102    | 42,439,318    |
| 2023               | 19,747,742      | 21,867,253           | 1,718,014        | 2,167,716    | 45,500,725    |
| Percentage change  | 10.66%          | 4.58%                | 1.39%            | 8.98%        | 7.21%         |

**City of Texarkana, Texas**  
**Statistical Section**  
**Assessed and Estimated Actual Value of Taxable Property**  
**(per \$100 of assessed value)**  
**Last Ten Fiscal Years**  
**Schedule 7**

| <b>Fiscal Year</b> | <b>Tax Roll Year</b> | <b>Personal Property Assessed Value</b> | <b>Real Property Assessed Value</b> | <b>Total Property Assessed Value</b> | <b>Tax Rate (1)</b> | <b>Gross Tax Levy</b> |
|--------------------|----------------------|---|-------------------------------------|--------------------------------------|---------------------|-----------------------|
| 2014               | 2013                 | \$ 369,660,911                          | \$ 2,081,673,471                    | \$ 2,451,334,382                     | 0.669293            | \$ 16,406,609         |
| 2015               | 2014                 | 369,666,514                             | 2,089,129,528                       | 2,458,796,042                        | 0.669293            | 16,456,550            |
| 2016               | 2015                 | 385,406,566                             | 2,089,714,475                       | 2,475,121,041                        | 0.669293            | 16,565,812            |
| 2017               | 2016                 | 409,551,523                             | 2,117,305,243                       | 2,526,856,766                        | 0.700000            | 17,687,997            |
| 2018               | 2017                 | 406,030,360                             | 2,150,060,844                       | 2,556,091,204                        | 0.700000            | 17,892,638            |
| 2019               | 2018                 | 403,949,371                             | 2,200,563,940                       | 2,604,513,311                        | 0.700000            | 18,231,593            |
| 2020               | 2019                 | 404,959,120                             | 2,240,086,326                       | 2,604,513,311                        | 0.700000            | 18,231,593            |
| 2021               | 2020                 | 406,005,575                             | 2,318,140,024                       | 2,724,145,599                        | 0.700000            | 19,069,019            |
| 2022               | 2021                 | 384,803,947                             | 2,413,883,331                       | 2,798,687,278                        | 0.650000            | 18,191,467            |
| 2023               | 2022                 | 409,599,198                             | 2,720,279,514                       | 3,129,878,712                        | 0.650000            | 17,681,822            |

Note:

(1) Tax rate per \$100 of assessed value.

Source: Bowie Central Appraisal District

|    | Frozen Items &<br>Late Penalty Gain | Total<br>Tax Levy | Adjustments | Adjusted<br>Tax Levy | Tax Distribution |                 |
|----|-------------------------------------|-------------------|-------------|----------------------|------------------|-----------------|
|    |                                     |                   |             |                      | General<br>Fund  | Debt<br>Service |
| \$ | (520,491)                           | \$ 15,886,117     | \$ (45,380) | \$ 15,840,737        | \$ 10,779,554    | \$ 5,061,184    |
|    | (456,263)                           | 16,000,287        | (191,570)   | 15,808,717           | 10,832,450       | 4,976,267       |
|    | (453,708)                           | 16,112,104        | (60,396)    | 16,051,708           | 11,282,816       | 4,768,892       |
|    | (501,103)                           | 17,186,894        | 30,201      | 17,217,095           | 12,781,676       | 4,435,419       |
|    | (479,985)                           | 17,412,654        | (24,226)    | 17,388,428           | 12,398,892       | 4,989,535       |
|    | (478,145)                           | 17,753,448        | (11,080)    | 17,742,368           | 13,793,424       | 3,948,944       |
|    | (511,103)                           | 18,004,215        | (38,738)    | 17,965,477           | 14,082,367       | 3,883,113       |
|    | (566,695)                           | 18,502,333        | (30,442)    | 18,471,891           | 14,838,206       | 3,633,685       |
|    | (472,228)                           | 17,719,245        | 873         | 17,720,118           | 14,295,909       | 3,424,208       |

**City of Texarkana, Texas**  
**Statistical Section**  
**District and Overlapping Property Tax Rates**  
**(per \$100 of assessed value)**  
**Last Ten Fiscal Years**  
**Schedule 8**

**City Direct Rates**

| <b>Fiscal Year</b> | <b>General</b> | <b>General<br/>Obligation<br/>Debt<br/>Service</b> | <b>Total City<br/>Direct<br/>Rate</b> |
|--------------------|----------------|--|---------------------------------------|
| 2014               | 0.455451       | 0.213842   | 0.669293                              |
| 2015               | 0.458613       | 0.210680   | 0.458613                              |
| 2016               | 0.470449       | 0.198844   | 0.669293                              |
| 2017               | 0.519668       | 0.180332   | 0.700000                              |
| 2018               | 0.499138       | 0.200862   | 0.700000                              |
| 2019               | 0.544200       | 0.155800   | 0.000000                              |
| 2020               | 0.548700       | 0.151300   | 0.700000                              |
| 2021               | 0.562300       | 0.137700   | 0.700000                              |
| 2022               | 0.524395       | 0.125605   | 0.650000                              |
| 2023               | 0.467811       | 0.182189   | 0.650000                              |

Source: Bowie Central Appraisal District

Notes: Overlapping rates are those of local and county governments that apply to the property owners within the City of Texarkana, Texas. Not all overlapping rates apply to all City property owners.

**City of Texarkana, Texas**  
**Statistical Section**  
**District and Overlapping Property Tax Rates**  
**(per \$100 of assessed value)**  
**Last Ten Fiscal Years**  
**Schedule 8 (Continued)**

**Overlapping Rates**

| <b>Texarkana<br/>Independent<br/>School<br/>District</b> | <b>Bowie<br/>County</b> | <b>Texarkana<br/>College</b> | <b>Liberty-<br/>Eylau<br/>Independent<br/>School<br/>District</b> | <b>Pleasant<br/>Grove<br/>Independent<br/>School<br/>District</b> | <b>Red Lick<br/>Independent<br/>School<br/>District</b> |
|--|-------------------------|------------------------------|---|---|---|
| 1.339  | 0.4736                  | 0.105267                     | 1.26102   | 1.44  |   |
| 1.425  | 0.3992                  | 0.105267                     | 1.26100   | 1.44  |   |
| 1.425  | 0.3992                  | 0.105267                     | 1.26100   | 1.44  |   |
| 1.425  | 0.4243                  | 0.110718                     | 1.37000   | 1.44  |   |
| 1.425  | 0.4243                  | 0.118115                     | 1.37000   | 1.44  |   |
| 1.425  | 0.0424                  | 0.118115                     | 1.37000   | 1.46  | 1.18  |
| 1.323  | 0.0424                  | 0.123081                     | 1.26840   | 1.38  | 1.11  |
| 1.310  | 0.4243                  | 0.123081                     | 1.25470   | 1.37  | 1.09  |
| 1.307  | 0.4243                  | 0.123081                     | 1.25000   | 1.36  | 1.09  |
| 1.198  | 0.4249                  | 0.114295                     | 1.15630   | 1.27  | 1.09  |

**City of Texarkana, Texas**  
**Statistical Section**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**  
**Schedule 9**

| Name of Taxpayer                    | 2023 (1)                  |      |  | 2014 (2)                  |      |  |
|-------------------------------------|---------------------------|------|--|---------------------------|------|--|
|                                     | 2022<br>Taxable Valuation | Rank | Percentage of<br>Total Assessed<br>Taxable Valuation | 2013<br>Taxable Valuation | Rank | Percentage of<br>Total Assessed<br>Taxable Valuation |
|                                     |                           |      | \$ 2,798,687,278                                     |                           |      | \$ 2,451,334,382                                     |
| AEP Southwestern Electric Power Co. | \$ 31,642,382             | 1    | 1.13%  | \$ 20,192,059             | 4    | 0.82%  |
| Christus Health Ark La Tx           | 24,698,940                | 2    | 0.88%  | 25,280,264                | 1    | 1.03%  |
| MPT of Texarkana - Steward LLC      | 21,821,980                | 3    | 0.78%  |                           |      |  |
| Arista Apartments                   | 21,600,000                | 4    | 0.77%  |                           |      |  |
| LPG Apartments LP                   | 18,500,000                | 5    | 0.66%  | 16,038,301                | 5    | 0.65%  |
| Rancho Texarkana Investors LLC      | 17,854,184                | 6    | 0.64%  |                           |      |  |
| Sterno Candle Lamp                  | 14,428,688                | 7    | 0.52%  |                           |      |  |
| MCN Texarkana LLC                   | 13,550,000                | 8    | 0.48%  |                           |      |  |
| Patmos Holding LLC                  | 13,026,170                | 9    | 0.47%  |                           |      |  |
| Central Mall Texar Realty Hold      | 12,379,833                | 10   | 0.44%  |                           |      |  |
| GG&A Central Mall Partners          |                           |      |  | 31,647,469                | 2    | 1.29%  |
| Arden Texarkana LLC                 |                           |      |  | 22,541,394                | 3    | 0.92%  |
| Waggoner Creek Crossing LP          |                           |      |  | 13,971,453                | 6    | 0.57%  |
| Arklatex Real Estate LP             |                           |      |  | 13,352,450                | 7    | 0.54%  |
| Walmart Stores #01-2123             |                           |      |  | 12,520,277                | 8    | 0.51%  |
| William Gregg Orr                   |                           |      |  | 11,041,448                | 9    | 0.45%  |
| Valor Telecom of Texas LP           |                           |      |  | 10,566,949                | 10   | 0.43%  |
|                                     | <b>\$ 189,502,177</b>     |      | <b>6.77%</b>   | <b>\$ 177,152,064</b>     |      | <b>7.23%</b>   |

(1) Per Top 10 Taxpayers Report from BCAD (reported at taxable value)  
(2) Per CAFR document for applicable fiscal year

**City of Texarkana, Texas**  
**Statistical Section**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**  
**Schedule 10**

| Fiscal Year | Tax Roll Year | Total Adjusted Tax Levy | Collected within the Fiscal Year of the Levy |            | Collections in Subsequent Years | Total Collections to Date |            |
|-------------|---------------|-------------------------|--|------------|---------------------------------|---------------------------|------------|
|             |               |                         | Amount                                       | Percentage |                                 | Amount                    | Percentage |
| 2014        | 2013          | 15,840,738              | \$ 15,514,090                                | 97.94%     | \$ 289,795                      | \$ 15,803,885             | 99.77%     |
| 2015        | 2014          | 15,808,717              | 15,452,342                                   | 97.75%     | 309,266                         | 15,761,608                | 99.70%     |
| 2016        | 2015          | 16,051,708              | 15,748,536                                   | 98.11%     | 257,058                         | 16,005,594                | 99.71%     |
| 2017        | 2016          | 17,217,095              | 16,814,025                                   | 97.66%     | 348,469                         | 17,162,494                | 99.68%     |
| 2018        | 2017          | 17,388,427              | 17,037,845                                   | 97.98%     | 284,946                         | 17,322,791                | 99.62%     |
| 2019        | 2018          | 17,742,368              | 17,400,106                                   | 98.07%     | 261,465                         | 17,661,571                | 99.54%     |
| 2020        | 2019          | 18,471,891              | 17,674,056                                   | 98.38%     | 190,670                         | 17,864,726                | 96.71%     |
| 2021        | 2020          | 18,471,891              | 18,227,623                                   | 98.68%     | 123,417                         | 18,351,040                | 99.35%     |
| 2022        | 2021          | 17,720,118              | 17,470,102                                   | 98.59%     | 118,787                         | 17,588,889                | 99.26%     |
| 2023        | 2022          | 17,720,118              | 17,470,102                                   | 98.59%     | -                               | 17,470,102                |            |

Ad valorem taxes are levied on October 1 of each year.

Source - September certified jurisdiction report.

**City of Texarkana, Texas**  
**Statistical Section**  
**Direct and Overlapping Sales Tax Rates**  
**(per \$100 of assessed value)**  
**Last Ten Fiscal Years**  
**Schedule 11**

| <b>Fiscal<br/>Year</b> | <b>City<br/>Direct<br/>Rate</b> | <b>Bowie<br/>County</b> |
|------------------------|---------------------------------|-------------------------|
| 2014                   | 1.50%                           | 0.50%                   |
| 2015                   | 1.50%                           | 0.50%                   |
| 2016                   | 1.50%                           | 0.50%                   |
| 2017                   | 1.50%                           | 0.50%                   |
| 2018                   | 1.50%                           | 0.50%                   |
| 2019                   | 1.50%                           | 0.50%                   |
| 2020                   | 1.50%                           | 0.50%                   |
| 2021                   | 1.50%                           | 0.50%                   |
| 2022                   | 1.50%                           | 0.50%                   |
| 2023                   | 1.50%                           | 0.50%                   |

Source: Texas Comptroller Website



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# City of Texarkana, Texas

## Statistical Section

### Water Sold by Type of Customer – Texarkana, Texas Water Utilities

(in thousands of gallons)

Last Ten Fiscal Years

#### Schedule 12

| Type of Customer                    | 2014                    | 2015                    | 2016                    | 2017                    | 2018                    |
|-------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Residential                         | 1,417,654               | 1,376,505               | 1,287,088               | 1,188,352               | 1,309,564               |
| Commercial                          | 991,064                 | 951,031                 | 973,341                 | 904,554                 | 956,902                 |
| Member Cities                       | 874,055                 | 817,986                 | 850,476                 | 872,256                 | 1,137,326               |
| Wholesale                           | <u>948,195</u>          | <u>918,397</u>          | <u>995,876</u>          | <u>1,021,527</u>        | <u>742,249</u>          |
| <b>Total</b>                        | <u><u>4,230,968</u></u> | <u><u>4,063,919</u></u> | <u><u>4,106,781</u></u> | <u><u>3,986,689</u></u> | <u><u>4,146,041</u></u> |
|                                     |                         |                         |                         |                         |                         |
| Total Direct Rate per 1,000 Gallons |                         |                         |                         |                         |                         |
| Residential (2)                     | 3.01                    | 3.01                    | 3.01                    |                         |                         |
| >0-2,000                            |                         |                         |                         | 1.75                    | 1.75                    |
| >2,000-5,000                        |                         |                         |                         | 2.00                    | 2.00                    |
| >5,000-7,000                        |                         |                         |                         | 3.25                    | 3.25                    |
| >7,000-10,000                       |                         |                         |                         | 3.75                    | 3.75                    |
| >10,000                             |                         |                         |                         | 4.00                    | 4.00                    |
| Commercial (2)                      | 2.26                    | 2.26                    | 2.26                    |                         |                         |
| >0-2,000                            |                         |                         |                         | 3.25                    | 3.25                    |
| >2,000-5,000                        |                         |                         |                         | 3.25                    | 3.25                    |
| >5,000-7,000                        |                         |                         |                         | 3.25                    | 3.25                    |
| >7,000-10,000                       |                         |                         |                         | 3.25                    | 3.25                    |
| >10,000                             |                         |                         |                         | 3.25                    | 3.25                    |
| Member Cities                       | 0.7448                  | 0.7275                  | 0.7986                  | 0.8109                  | 0.8914                  |

(1) Includes TexAmericas Center usage of 231,851 (in 000's) since pass-through usage serving RRAD is billed at Member City consensus rate.

(2) TWU adopted tiered structure for water rates during FY 2016.

# City of Texarkana, Texas

## Statistical Section

### Water Sold by Type of Customer – Texarkana, Texas Water Utilities

(in thousands of gallons)

Last Ten Fiscal Years

Schedule 12 (Continued)

| <u>2019</u>             | <u>2020</u>             | <u>2021</u>             | <u>2022</u>             | <u>2023</u>             |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1,274,485               | 1,469,904               | 1,348,391               | 899,865                 | 1,065,905               |
| 940,855                 | 939,774                 | 898,927                 | 878,972                 | 1,024,104               |
| 1,039,938               | 1,083,498               | 1,087,940               | 1,012,043               | 981,422 (1)             |
| <u>733,093</u>          | <u>710,133 (1)</u>      | <u>758,998 (1)</u>      | <u>988,423 (1)</u>      | <u>982,741</u>          |
| <u><u>3,988,371</u></u> | <u><u>4,203,309</u></u> | <u><u>4,094,256</u></u> | <u><u>3,779,303</u></u> | <u><u>4,054,172</u></u> |
| 1.80                    | 1.80                    | 1.80                    | 1.80                    | 1.80                    |
| 2.06                    | 2.06                    | 2.06                    | 2.06                    | 2.10                    |
| 3.34                    | 3.34                    | 3.34                    | 3.34                    | 3.34                    |
| 3.86                    | 3.86                    | 3.86                    | 3.86                    | 3.92                    |
| 4.11                    | 4.11                    | 4.11                    | 4.11                    | 4.32                    |
| 3.341                   | 3.34                    | 3.34                    | 3.34                    | 3.34                    |
| 3.341                   | 3.34                    | 3.34                    | 3.34                    | 3.68                    |
| 3.341                   | 3.34                    | 3.34                    | 3.34                    | 4.05                    |
| 3.341                   | 3.34                    | 3.34                    | 3.34                    | 4.45                    |
| 3.341                   | 3.34                    | 3.34                    | 3.34                    | 4.90                    |
| 0.9006                  | 0.9389                  | 0.9302                  | 0.9302                  | 1.0043                  |

**City of Texarkana, Texas**  
**Statistical Section**  
**Water and Sewer Rates – Texarkana, Texas Water Utilities**  
**Last Ten Fiscal Years**  
**Schedule 13**

| Fiscal Year        | Water                     |                                 | Sewer                     |                                 |
|--------------------|---------------------------|---------------------------------|---------------------------|---------------------------------|
|                    | Monthly Minimum 2000 Gals | Rate per 1000 Gals Over Minimum | Monthly Minimum 2000 Gals | Rate per 1000 Gals Over Minimum |
| <b>Residential</b> |                           |                                 |                           |                                 |
| 2014               | 8.15                      | 3.01                            | 10.52                     | 3.77                            |
| 2015               | 8.15                      | 3.01                            | 10.52                     | 3.77                            |
| 2016               | 8.15                      | (3)                             | 10.52                     | 3.77                            |
| 2017               | 8.15                      | (3)                             | 10.52                     | 3.77                            |
| 2018               | 8.15                      | (3)                             | 10.52                     | 3.77                            |
| 2019               | 8.38                      | (3)                             | 10.81                     | 3.88                            |
| 2020               | 8.38                      | (3)                             | 10.81                     | 3.88                            |
| 2021               | 8.38                      | (3)                             | 10.81                     | 3.88                            |
| 2022               | 8.38                      | (3)                             | 10.81                     | 3.88                            |
| 2023               | 9.50                      | (3)                             | 12.00                     | 4.35                            |
| >0-2,000           |                           | 1.80                            |                           |                                 |
| >2,000-5,000       |                           | 2.10                            |                           |                                 |
| >5,000-7,000       |                           | 3.34                            |                           |                                 |
| >7,000-10,000      |                           | 3.92                            |                           |                                 |
| >10,000            |                           | 4.32                            |                           |                                 |
| <b>Commercial</b>  |                           |                                 |                           |                                 |
| 2014               | 9.28                      | 2.26                            | 10.52                     | 4.41                            |
| 2015               | 9.28                      | 2.26                            | 10.52                     | 4.41                            |
| 2016               | 9.28                      | (3)                             | 10.52                     | 4.41                            |
| 2017               | 9.28                      | (3)                             | 10.52                     | 4.41                            |
| 2018               | 9.28                      | (3)                             | 10.52                     | 4.41                            |
| 2019               | 9.54                      | (3)                             | 10.81                     | 4.53                            |
| 2020               | 9.54                      | (3)                             | 10.81                     | 4.53                            |
| 2021               | 9.54                      | (3)                             | 10.81                     | 4.53                            |
| 2022               | 9.54                      | (3)                             | 10.81                     | 4.53                            |
| 2023               | 11.00                     | (3)                             | 12.00                     | 5.09                            |
| >0-2,000           |                           | 3.34                            |                           |                                 |
| >2,000-5,000       |                           | 3.68                            |                           |                                 |
| >5,000-7,000       |                           | 4.05                            |                           |                                 |
| >7,000-10,000      |                           | 4.45                            |                           |                                 |
| >10,000            |                           | 4.90                            |                           |                                 |

Note: (3) TWU adopted tiered structure for water rates during FY2016

# City of Texarkana, Texas

## Statistical Section

### Principal Water and Sewer Revenue Payers – Texarkana, Texas Water Utilities

#### Current Year and Nine Years Ago

#### Schedule 14

| Payer                              | 2023     |                       |   | 2014     |                       |   |
|------------------------------------|----------|-----------------------|---|----------|-----------------------|---|
|                                    | Rank (1) | Water & Sewer Revenue | Percentage of Total Water & Sewer Revenue | Rank (1) | Water & Sewer Revenue | Percentage of Total Water & Sewer Revenue |
| Christus St Michael Hospital       | 1        | \$ 697,979            | 3.78%                                     | 2        | \$ 313,155            | 2.82%                                     |
| TCI (Alcoa)                        | 2        | 440,213               | 2.38%                                     |          |                       |   |
| Federal Correctional Institute     | 3        | 781,565               | 4.23%                                     | 1        | 589,762               | 5.31%                                     |
| Wadley Hospital                    | 4        | 285,412               | 1.55%                                     | 3        | 138,823               | 1.25%                                     |
| TISD                               | 5        | 210,919               | 1.14%                                     | 5        | 145,066               | 1.31%                                     |
| West Fraser                        | 6        | 152,903               | 0.83%                                     |          |                       |   |
| Lasalle/Bowie County Jail          | 7        | 172,051               | 0.93%                                     | 9        | 98,738                | 0.89%                                     |
| City of Texarkana, TX              | 8        | 122,076               | 0.66%                                     | 10       | 80,508                | 0.73%                                     |
| River Crossing Apartments          | 9        | 139,510               | 0.76%                                     | 7        | 74,943                | 0.68%                                     |
| Lakeridge Apartments               | 10       | 105,339               | 0.57%                                     |          |                       |   |
| Texarkana Housing Authority        |          |                       |   | 4        | 211,091               | 1.90%                                     |
| Brighton Manor/Westridge/Park Apts |          |                       |   | 6        | 354,731               | 3.20%                                     |
| Town North Apartments              |          |                       |   |          |                       |   |
| Texarkana College                  |          |                       |   | 8        | 68,186                | 0.61%                                     |
| Totals                             |          | <u>\$ 3,107,967</u>   | 16.83%                                    |          | <u>\$ 2,075,003</u>   | 18.70%                                    |

(1) Ranking is computed based on consumption (number of gallons), not revenue.

**City of Texarkana, Texas**  
**Statistical Section**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**Schedule 15**

| <b>Governmental Activities</b> |                                 |                                   |                      |                      |
|--------------------------------|---------------------------------|-----------------------------------|----------------------|----------------------|
| <b>Fiscal Year</b>             | <b>General Obligation Bonds</b> | <b>Certificates of Obligation</b> | <b>Notes Payable</b> | <b>Loans Payable</b> |
| 2014                           | 27,290,448                      | 25,964,808                        | -                    | 54,177               |
| 2015 (3)(4)                    | 25,298,564                      | 24,131,334                        | -                    | 96,864               |
| 2016                           | 22,741,681                      | 22,987,860                        | -                    | 106,088              |
| 2017                           | 29,249,798                      | 22,934,384                        | -                    | 64,230               |
| 2018 (5)                       | 24,395,000                      | 26,515,000                        | -                    | 150,578              |
| 2019 (6)                       | 18,335,000                      | 24,705,000                        | -                    | 114,215              |
| 2020                           | 23,690,000                      | 22,470,000                        | 362,743              | 93,880               |
| 2021 (7)(8)                    | 21,185,000                      | 21,360,000                        | 197,176              | 42,310               |
| 2022                           | 18,575,000                      | 20,210,000                        | -                    | 40,709               |
| 2023 (9)                       | 16,045,000                      | 38,675,000                        | -                    | -                    |

(3) The City issued \$14,550,000 in General Obligation Refunding Bonds in 2013.

(4) The City issued \$2,200,000 in Revenue Bonds in 2013.

(5) The City issued \$9,090,000 in General Obligation Refunding Bonds in 2016.

(6) The City issued \$14,160,000 in Certificates of Obligation in 2017.

(7) The City issued \$6,795,000 in General Obligation Refunding Bonds in 2020.

(8) The City issued \$6,780,000 in Certificates of Obligation in 2020.

(9) The City issued \$20,475,000 in Certificates of Obligation in FY2023.

**City of Texarkana, Texas**  
**Statistical Section**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**Schedule 15 (Continued)**

| <b>Business-type Activities</b>    |                          |   |   |                          |
|------------------------------------|--------------------------|---|---|--------------------------|
| <b>Water<br/>Revenue<br/>Bonds</b> | <b>Loans<br/>Payable</b> | <b>Total<br/>Primary<br/>Government</b> | <b>Percentage<br/>of Personal<br/>Income(1)</b> | <b>Per<br/>Capita(1)</b> |
| 4,132,463                          | 4,734,592                | 62,176,488                              | 6.91%   | 1,666                    |
| 3,727,670                          | 4,516,570                | 57,771,002                              | 6.33%   | 1,526                    |
| 3,325,000                          | 4,132,943                | 53,293,572                              | 5.80%   | 1,409                    |
| 2,890,000                          | 3,731,217                | 58,869,629                              | 6.10%   | 1,554                    |
| 2,645,000                          | 3,307,628                | 57,013,206                              | 5.93%   | 1,508                    |
| 2,395,000                          | 2,866,638                | 48,415,853                              | 5.12%   | 1,290                    |
| 2,135,000                          | 2,511,391                | 51,263,014                              | 4.76%   | 1,396                    |
| 1,865,000                          | 2,305,325                | 46,954,811                              | 4.45%   | 1,304                    |
| 1,575,000                          | 1,931,682                | 42,332,391                              | 400.00%   | 1,180                    |
| 1,279,873                          | 1,576,317                | 57,576,190                              | -   | -                        |

# City of Texarkana, Texas

## Statistical Section

### Ratios of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

#### Last Ten Fiscal Years

#### Schedule 16

| <b>Fiscal Year</b> | <b>Population (1)</b> | <b>Assessed Value</b> | <b>Gross Bonded Debt (2)</b> |
|--------------------|-----------------------|-----------------------|------------------------------|
| 2014               | 37,332                | \$ 2,451,334,382      | \$ 57,387,719                |
| 2015               | 37,857                | 2,458,796,042         | 53,157,568                   |
| 2016               | 37,831                | 2,475,121,041         | 49,054,541                   |
| 2017               | 37,887                | 2,526,856,766         | 55,074,182                   |
| 2018               | 37,818                | 2,556,091,204         | 55,938,352                   |
| 2019               | 37,544                | 2,604,513,311         | 47,503,621                   |
| 2020               | 36,733                | 2,645,045,446         | 50,153,714                   |
| 2021               | 36,017                | 2,604,513,311         | 44,410,000                   |
| 2022               | 35,924                | 2,724,145,599         | 40,360,000                   |
| 2023               | 35,895                | 3,129,878,712         | 55,999,873                   |

# City of Texarkana, Texas

## Statistical Section

### Ratios of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

#### Last Ten Fiscal Years

#### Schedule 16 (Continued)

| Less<br>Debt<br>Service<br>Funds | Less Debt<br>Payable<br>From<br>Enterprise<br>Funds (2) | Net<br>Bonded<br>Debt | Ratio<br>of Net<br>Bonded<br>Debt to<br>Assessed<br>Value | Net<br>Bonded<br>Debt per<br>Capita |
|----------------------------------|---|-----------------------|---|-------------------------------------|
| \$ -                             | \$ 4,132,463  | \$ 53,255,256         | 2.17  | \$ 1,427                            |
| -                                | 3,727,670   | 49,429,898            | 2.01  | 1,306                               |
| 76,937                           | 3,325,000   | 45,652,604            | 1.84  | 1,207                               |
| 22,502                           | 2,890,000   | 52,161,680            | 2.06  | 1,377                               |
| 206,784                          | 2,645,000   | 53,086,568            | 2.08  | 1,404                               |
| 391,806                          | 2,383,497   | 44,728,318            | 1.72  | 1,191                               |
| 366,188                          | 1,844,277   | 47,943,249            | 1.81  | 1,305                               |
| 349,312                          | 1,865,000   | 42,195,688            | 1.62  | 1,172                               |
| 84,604                           | 1,575,000   | 38,700,396            | 1.42  | 1,077                               |
| 352,582                          | 1,279,873   | 54,367,418            | 1.74  | 1,515                               |



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**City of Texarkana, Texas**  
**Statistical Section**  
**Direct and Overlapping Governmental Activities Debt**  
**September 30, 2023**  
**Schedule 17**

| Jurisdiction                              | Outstanding Debt | Percentage of Debt Applicable to City of Texarkana | Amount Applicable to City of Texarkana |
|---|------------------|--|--|
| Direct:                                   |                  |  |  |
| City of Texarkana, Texas                  | \$ 54,720,000    | 100.00%  | <u>\$ 54,720,000</u>                   |
| Overlapping:                              |                  |  |  |
| Texarkana Independent School District     | 167,070,000      | 67.25%   | 112,354,575                            |
| Texarkana College                         | 11,908,742       | 42.96%   | 5,115,996                              |
| Bowie County                              | 14,495,000       | 43.90%   | 6,363,305                              |
| Liberty-Eylau Independent School District | 21,120,000       | 37.16%   | 7,848,192                              |
| Pleasant Grove School District            | 77,085,000       | 78.98%   | 60,881,733                             |
| Red Lick Independent School District      | 3,220,000        | 9.46%  | <u>304,612</u>                         |
| Subtotal - Overlapping debt               |                  |  | <u>192,868,413</u>                     |
| Total direct and overlapping              |                  |  | <u><u>\$247,588,413</u></u>            |
| Per capita overlapping debt               |                  |  | <u><u>\$ 3,824</u></u>                 |

Source - City and County tax records

Note - Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Texarkana, Texas. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

# City of Texarkana, Texas

## Statistical Section

### Legal Debt Margin

#### Last Ten Fiscal Years

#### Schedule 18

|  | <u>2014</u>             | <u>2015</u>             | <u>2016</u>             | <u>2017</u>             |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| Assessed value of real property                        | <u>\$ 2,081,673,471</u> | <u>\$ 2,089,129,528</u> | <u>\$ 2,089,714,475</u> | <u>\$ 2,117,305,243</u> |
| Debt limit - 25% of assessed value<br>of real property | <u>\$ 520,418,368</u>   | <u>\$ 522,282,382</u>   | <u>\$ 522,428,619</u>   | <u>\$ 529,326,311</u>   |
| Total general obligation bonded debt                   | 27,290,448              | 25,298,564              | 22,741,680              | 29,249,798              |
| Less amount available in<br>Debt Service Fund          | <u>-</u>                | <u>-</u>                | <u>(76,937)</u>         | <u>(22,502)</u>         |
| Total amount of debt applicable<br>to debt limit       | <u>27,290,448</u>       | <u>25,298,564</u>       | <u>22,664,743</u>       | <u>29,227,296</u>       |
| Legal debt margin                                      | <u>\$ 493,127,920</u>   | <u>\$ 496,983,818</u>   | <u>\$ 499,763,876</u>   | <u>\$ 500,099,014</u>   |

Notes:

There is a rate limitation of \$2.50 per \$100 of assessed value imposed by the Texas Constitution and City Charter.

**City of Texarkana, Texas**  
**Statistical Section**  
**Legal Debt Margin**  
**Last Ten Fiscal Years**  
**Schedule 18 (Continued)**

| <b>2018</b>             | <b>2019</b>             | <b>2020</b>             | <b>2021</b>             | <b>2022</b>             | <b>2023</b>             |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| <u>\$ 2,150,060,844</u> | <u>\$ 2,200,563,940</u> | <u>\$ 2,240,086,326</u> | <u>\$ 2,318,140,024</u> | <u>\$ 2,413,883,331</u> | <u>\$ 2,720,279,514</u> |
| <u>\$ 537,515,211</u>   | <u>\$ 550,140,985</u>   | <u>\$ 560,021,582</u>   | <u>\$ 579,535,006</u>   | <u>\$ 603,470,833</u>   | <u>\$ 680,069,879</u>   |
| 24,395,000              | 18,335,000              | 23,690,000              | 21,185,000              | 16,045,000              | 16,045,000              |
| <u>(206,784)</u>        | <u>(391,806)</u>        | <u>(366,188)</u>        | <u>(349,312)</u>        | <u>(84,604)</u>         | <u>(352,581)</u>        |
| <u>24,188,216</u>       | <u>17,943,194</u>       | <u>23,323,812</u>       | <u>20,835,688</u>       | <u>15,960,396</u>       | <u>15,692,419</u>       |
| <u>\$ 513,326,995</u>   | <u>\$ 532,197,791</u>   | <u>\$ 536,697,770</u>   | <u>\$ 558,699,318</u>   | <u>\$ 587,510,437</u>   | <u>\$ 664,377,460</u>   |

# City of Texarkana, Texas

## Statistical Section

### Pledged Revenue Coverage (1)

#### Last Ten Fiscal Years

#### Schedule 19

| Fiscal Year | Gross Revenue(2) | Operating Expenses (3) | Net Revenue Available For Debt Service | Debt Service Requirements (4) | Coverage |
|-------------|------------------|------------------------|--|-------------------------------|----------|
| 2014        | \$15,269,056     | \$ 11,064,894          | \$ 4,204,162                           | \$ 559,088                    | 7.52     |
| 2015        | 15,767,506       | 11,261,328             | 4,506,178                              | 562,188                       | 8.02     |
| 2016        | 16,864,947       | 11,262,109             | 5,602,838                              | 560,647                       | 9.99     |
| 2017        | 17,313,475       | 11,650,159             | 5,663,316                              | 566,159                       | 10.00    |
| 2018        | 17,930,971       | 11,279,978             | 6,650,993                              | 360,819                       | 18.43    |
| 2019        | 17,174,995       | 12,434,904             | 4,740,091                              | 357,663                       | 13.25    |
| 2020        | 19,342,744       | 14,363,353             | 4,979,391                              | 353,634                       | 14.08    |
| 2021        | 19,675,217       | 14,452,254             | 5,222,963                              | 348,356                       | 14.99    |
| 2022        | 22,458,272       | 16,329,506             | 6,128,766                              | 352,666                       | 17.38    |
| 2023        | 27,461,424       | 22,520,347             | 4,941,077                              | 290,000                       | 17.04    |

**Notes:**

- (1) Exclusive of Lake Texarkana Water Supply Corporation and Graphic Packaging International utility operations and obligations.
- (2) Total revenue includes interest income on investments and payments received from Texarkana, Arkansas Utilities for debt service on revenue bonds issued for construction on intersystem notes
- (3) Operating expenses exclude depreciation and amortization.
- (4) Principal and interest on revenue bonds only. Amounts do not include payments on other obligations.

**City of Texarkana, Texas**  
**Statistical Section**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
**Schedule 20**

| <b>Fiscal Year</b> | <b>Population (1)</b> | <b>Median Age (1)</b> | <b>Per Capita Income (1)</b> | <b>Unemployment Rate (1)</b> | <b>Personal Income (2)</b> |
|--------------------|-----------------------|-----------------------|------------------------------|------------------------------|----------------------------|
| 2014               | 37,332                | 37                    | \$ 24,118                    | 5                            | \$ 900,373,176             |
| 2015               | 37,857                | 37                    | 24,095                       | 4.8                          | 912,164,415                |
| 2016               | 37,831                | 37                    | 24,285                       | 4.6                          | 918,725,835                |
| 2017               | 37,887                | 37.4                  | 25,491                       | 4.1                          | 965,777,517                |
| 2018               | 37,818                | 37.5                  | 25,425                       | 5.2                          | 961,522,650                |
| 2019               | 37,544                | 37.8                  | 25,202                       | 4                            | 946,183,888                |
| 2020               | 36,733                | 37.8                  | 29,292                       | 8                            | 1,075,983,036              |
| 2021               | 36,017                | 37.2                  | 29,292                       | 5.7                          | 1,055,009,964              |
| 2022               | 35,924                | 38.4                  | 30,348                       | 4.7                          | 1,090,221,552              |
| 2023               | 35,895                | 38.7                  | 31,036                       | 4.3                          | 1,114,037,220              |

Notes:

(1) Information obtained from ESRI reports provided by the Texarkana, Texas Economic Development Manager

(2) Personal income calculated by multiplying estimated population by per capita income.

# City of Texarkana, Texas

## Statistical Section

### Principal Employers, Metropolitan Statistical Area (MSA) – Texarkana, Texas and Texarkana, Arkansas

#### Current Year and Nine Years Ago Schedule 21

| Employer                                | 2023          |      |   | 2014          |      |   |
|---|---------------|------|---|---------------|------|---|
|   | Employees     | Rank | Percentage<br>of Total<br>MSA<br>Employ-<br>ment<br><b>60,943</b> | Employees     | Rank | Percentage<br>of Total<br>MSA<br>Employ-<br>ment<br><b>56,800</b> |
| Christus St. Michael Health Care        | 2,200         | 1    | 3.61%   | 1,900         | 2    | 3.35%   |
| Red River Army Depot and Tenants        | 2,103         | 2    | 3.45%   | 5,300         | 1    | 9.33%   |
| Cooper Tire & Rubber                    | 1,820         | 3    | 2.99%   | 1,860         | 3    | 3.27%   |
| Texarkana Texas ISD                     | 1,350         | 4    | 2.22%   | 795           | 8    | 1.40%   |
| Graphic Packaging (International Paper) | 814           | 5    | 1.34%   | 900           | 6    | 1.58%   |
| Wal-Mart/Sam's                          | 802           | 6    | 1.32%   | 1,100         | 4    | 1.94%   |
| Wadley Regional Medical Ctr             | 622           | 7    | 1.02%   | 850           | 7    | 1.50%   |
| Ledwell                                 | 611           | 8    | 1.00%   |               |      | 0.00%   |
| Texarkana Arkansas School District      | 603           | 9    | 0.99%   | 785           | 9    | 1.38%   |
| Domtar (Georgia Pacific)                | 572           | 10   | 0.94%   | 975           | 5    | 1.72%   |
| Southern Refrigerated Transport         | -             |      | -   | 750           | 10   | 1.32%   |
| <b>Total</b>                            | <b>11,497</b> |      | <b>18.88%</b>   | <b>15,215</b> |      | <b>26.79%</b>   |

Source:

Chamber of Commerce, Texas Workforce Commission LMI Tracer



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# City of Texarkana, Texas

## Statistical Section

### Full-Time-Equivalents City Government Employees by Function/Program

#### Last Ten Fiscal Years

#### Schedule 22

|  | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|------|------|------|------|------|
| <b>General government</b>              |      |      |      |      |      |
| Purchasing- General Services           | -    | -    | -    | -    | -    |
| Finance / Accounting                   | 8.0  | 8.0  | 8.0  | 8.0  | 8.0  |
| Building Maintenance                   | 2.0  | -    | -    | -    | -    |
| City Manager                           | 2.0  | 9.0  | 10.0 | 11.0 | 8.0  |
| City Secretary                         | 3.0  | -    | -    | -    | -    |
| Research and Vital Statistics          | 3.0  | -    | -    | -    | -    |
| Human Resources                        | 4.0  | 4.0  | 4.0  | 5.0  | 5.0  |
| City Attorney                          | -    | -    | -    | -    | -    |
| Municipal Court                        | 7.5  | 9.5  | 8.5  | 8.5  | 8.5  |
| Quality Assurance                      | -    | -    | -    | -    | -    |
| Marketing                              | 1.0  | -    | -    | -    | -    |
| <b>Public safety</b>                   |      |      |      |      |      |
| Police Administration                  | 8.0  | 6.0  | 2.0  | 2.0  | 2.0  |
| Uniform Services- Patrol               | 62.0 | 61.0 | 59.0 | 62.0 | 66.0 |
| Support Services                       | 31.0 | 31.0 | 39.0 | 37.0 | 37.0 |
| Criminal Investigation                 | -    | -    | -    | -    | -    |
| CMV Enforcement Unit                   | -    | -    | -    | -    | -    |
| Narcotics                              | -    | -    | -    | -    | -    |
| Fire Administration                    | 4.0  | 81.0 | 78.0 | 79.0 | 81.0 |
| Fire Operations                        | 70.0 | -    | -    | -    | -    |
| Fire Prevention                        | 6.0  | -    | -    | -    | -    |
| Fire Training                          | -    | -    | -    | -    | -    |
| Emergency Management                   | -    | -    | -    | -    | -    |
| <b>Public works</b>                    |      |      |      |      |      |
| Public Works Administration            | -    | -    | -    | -    | -    |
| Engineering                            | 4.0  | 3.0  | 2.0  | 7.0  | 5.0  |
| Engineering & Infrastructure Administr | 2.0  | 2.0  | 1.0  | 1.0  | 2.0  |
| Street Maintenance                     | 30.0 | 36.0 | 36.0 | 39.0 | 42.0 |
| Building Inspection                    | 6.0  | 13.0 | 12.0 | 13.0 | 11.0 |
| Sign and Signal                        | 5.0  | 6.0  | 6.0  | -    | -    |
| P&Z/Comm & PW Administration           | -    | -    | -    | -    | -    |
| Code Enforcement                       | 3.0  | -    | -    | -    | -    |
| Stormwater Management                  | 2.0  | 2.0  | 2.0  | -    | -    |
| <b>Health and welfare</b>              |      |      |      |      |      |
| Community Development                  | 5.0  | 5.5  | 5.5  | 6.0  | 6.0  |
| Environmental Services                 | 2.0  | -    | -    | -    | -    |
| Environmental Health Services          | 1.0  | -    | -    | -    | -    |
| Demolition                             | -    | -    | -    | -    | -    |
| Animal Control                         | 2.0  | -    | -    | -    | -    |

**City of Texarkana, Texas**  
**Statistical Section**  
**Full-Time-Equivalents City Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 22 (Continued)**

| 2019 | 2020 | 2021 | 2022 | 2023 |
|------|------|------|------|------|
| -    | -    | -    | -    | -    |
| 7.0  | 5.0  | 5.0  | 6.0  | 6.0  |
| -    | -    | -    | -    | -    |
| 7.5  | 9.0  | 8.0  | 2.0  | 4.0  |
| -    | -    | -    | 5.0  | 5.0  |
| -    | -    | -    | -    | -    |
| 5.0  | 4.0  | 4.0  | 4.0  | 5.0  |
| -    | -    | -    | -    | -    |
| 7.5  | 8.5  | 8.5  | 7.5  | 7.5  |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| 2.0  | 2.0  | 2.0  | 2.0  | 2.0  |
| 61.0 | 58.0 | 62.0 | 59.0 | 55.0 |
| 36.0 | 36.0 | 35.0 | 37.0 | 35.0 |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| 81.0 | 78.0 | 80.0 | 80.0 | 77.0 |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| 7.0  | 6.0  | 5.0  | 6.0  | 6.0  |
| 2.0  | 2.0  | 3.0  | 3.0  | 1.0  |
| 43.0 | 38.0 | 36.0 | 36.0 | 38.0 |
| 12.0 | 12.0 | 11.0 | 11.0 | 14.0 |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| 4.5  | 4.5  | 4.5  | 4.5  | 5.0  |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |
| -    | -    | -    | -    | -    |

**City of Texarkana, Texas**  
**Statistical Section**  
**Full-Time-Equivalents City Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 22 (Continued)**

|                                | 2014         | 2015         | 2016         | 2017         | 2018         |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| Economic Development           | -            | -            | -            | -            | 1.0          |
| Parks and recreation           |              |              |              |              |              |
| Parks Administration           | 2.0          | 2.0          | 2.0          | 2.0          | 3.0          |
| Parks Maintenance              | 21.0         | 17.0         | 16.0         | 17.0         | 19.0         |
| Recreational Programs          | 3.0          | 4.0          | 5.0          | 5.0          | 4.0          |
| Senior Citizen Programs        | 1.0          | -            | -            | -            | -            |
| Community Center / Weed & Seed | 1.0          | -            | -            | -            | -            |
| Library                        | 13.5         | 11.0         | 10.5         | 12.5         | 12.5         |
| Teen Court                     | -            | -            | -            | -            | -            |
| Veterans Affairs               | 0.5          | 0.5          | -            | -            | -            |
| Family Health Center           |              |              |              |              |              |
| Administration                 | 4.0          | 3.0          | 3.0          | 3.0          | 3.0          |
| Community                      | 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| Employee Health                | -            | -            | -            | -            | -            |
| WIC                            | 7.0          | 7.0          | 6.0          | 7.5          | 6.5          |
| Reproductive                   | 4.0          | 5.0          | 4.0          | 5.0          | 4.0          |
| TB                             | -            | -            | -            | -            | -            |
| Public Health Response         | -            | -            | -            | -            | -            |
| Tobacco                        | -            | -            | -            | -            | -            |
| Diabetes                       | 1.0          | -            | -            | -            | -            |
| Health Equity                  | -            | -            | -            | -            | -            |
| Central Records - Dispatch     | -            | -            | -            | -            | -            |
| MPO                            | 3.0          | 3.0          | 2.0          | 2.0          | 2.0          |
| Fleet                          | 4.0          | 6.0          | 6.0          | 6.0          | 5.0          |
| Total                          | <u>339.5</u> | <u>336.5</u> | <u>328.5</u> | <u>339.5</u> | <u>342.5</u> |

**Source:** Various City Departments, employee count for last September payroll

**Notes:** Full-time equivalent of non-civil service employees and civil service police is 2,080 hours per year and 2,904 hours per year for civil service firefighters.

**City of Texarkana, Texas**  
**Statistical Section**  
**Full-Time-Equivalents City Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 22 (Continued)**

| <b>2019</b>  | <b>2020</b>  | <b>2021</b>  | <b>2022</b>  | <b>2023</b>  |
|--------------|--------------|--------------|--------------|--------------|
| 0.5          | -            | -            | -            | -            |
| 3.0          | 3.0          | 3.0          | 4.0          | 4.0          |
| 21.0         | 18.0         | 19.0         | 21.0         | 23.0         |
| 4.0          | 4.0          | 4.0          | 3.0          | 4.0          |
| -            | -            | -            | -            | -            |
| -            | -            | -            | -            | -            |
| 12.5         | 12.5         | 11.0         | 11.5         | 13.0         |
| -            | -            | -            | -            | -            |
| -            | -            | -            | -            | -            |
| 3.0          | 2.0          | 2.0          | 2.0          | 2.0          |
| 1.0          | 1.0          | 1.0          | 1.0          | 1.0          |
| -            | 2.0          | 1.0          | 2.0          | 1.0          |
| 6.0          | 6.5          | 7.5          | 6.0          | 7.0          |
| 4.0          | 4.0          | 3.0          | 3.0          | 3.0          |
| -            | -            | -            | -            | -            |
| -            | 1.0          | 1.0          | 1.0          | 1.0          |
| -            | -            | -            | -            | -            |
| -            | -            | -            | -            | -            |
| -            | -            | -            | 1.0          | 1.0          |
| 2.0          | 2.0          | 2.0          | 2.0          | 2.0          |
| 6.0          | 6.0          | 4.0          | 5.0          | 5.0          |
| <u>338.5</u> | <u>325.0</u> | <u>322.5</u> | <u>325.5</u> | <u>327.5</u> |

**City of Texarkana, Texas**  
**Statistical Section**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 23**

| <u>Function/Program</u>                                 | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|-------------|-------------|-------------|-------------|
| General government                                      |             |             |             |             |
| Birth certificate requests                              | 6,056       | 6,257       | 6,718       | 7,137       |
| Public safety   |             |             |             |             |
| Police  |             |             |             |             |
| Commissioned officers                                   | 95          | 90          | 91          | 91          |
| Calls for service                                       | 41,556      | 38,622      | 39,562      | 38,878      |
| Total citations issued                                  | 12,507      | 11,012      | 9,244       | 9,594       |
| Custody arrests   | 2,383       | 3,488       | 3,429       | 4,059       |
| Fire  |             |             |             |             |
| Firefighters  | 78          | 78          | 78          | 78          |
| Responses- Fire   | 220         | 264         | 250         | 246         |
| Responses- EMS/Rescue                                   | 1,871       | 1,761       | 1,748       | 1,770       |
| Responses- Other  | 1,022       | 1,005       | 1,096       | 1,010       |
| Inspections   | 3,950       | 4,032       | 4,028       | 3,445       |
| Public works  |             |             |             |             |
| Street resurfacing (miles)                              | (1)         | (1)         | 2           | 1           |
| Building permits issued                                 | 443         | 481         | 544         | 580         |
| Building permits (\$)                                   | 27,317,875  | 58,075,585  | 38,254,996  | 57,433,786  |
| Water   |             |             |             |             |
| Average daily consumption<br>(millions of gallons)      | 11.467      | 10.677      | 8.815       | 10.395      |
| Raw water production<br>(millions of gallons)           | 12.062      | 11.545      | 9.888       | 11.134      |
| Wastewater  |             |             |             |             |
| Average daily sewage treatment<br>(millions of gallons) |             |             |             |             |
| South Regional Plant                                    | 8.062       | 8.89        | 10.130      | 8.009       |
| Wagner Creek Plant                                      | 1.7         | 1.7         | 1.7         | 1.422       |
| Airlines  |             |             |             |             |
| Scheduled airline arrivals and<br>departures per day    | 6           | 6           | 6           | 6           |
| Passengers enplaning and<br>deplaning per year          | 68,674      | 71,500      | 67,642      | 70,031      |

Source: Various City Departments

**City of Texarkana, Texas**  
**Statistical Section**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 23 (Continued)**

| 2018       | 2019       | 2020       | 2021      | 2022      | 2023    |
|------------|------------|------------|-----------|-----------|---------|
| 6,836      | 7,426      | 3,509      | 4,703     | 4,511     | 5,894   |
| 91         | 91         | 85         | 88        | 87        | 91      |
| 37,387     | 40,716     | 33,458     | 38,377    | 37,287    | 35,325  |
| 8,234      | 7,627      | 2,741      | 3,490     | 6,026     | 5,590   |
| 3,885      | 4,477      | 2,418      | 3,040     | 3,133     | 2,696   |
| 78         | 78         | 78         | 78        | 78        | 76      |
| 287        | 230        | 189        | 230       | 275       | 238     |
| 2,175      | 2,267      | 2,317      | 2,689     | 2,451     | 2,729   |
| 1,031      | 1,084      | 1,091      | 1,304     | 1,221     | 1,213   |
| 3,336      | 3,377      | 1,127      | 1,360     | 2,800     | 2,246   |
| 14         | 4          | 3          | (1)       | 0         | 3       |
| 625        | 698        | 100        | 90        | 73        | 257     |
| 60,555,822 | 70,155,822 | 10,180,000 | 9,162,000 | 7,431,400 | 880,541 |
| 11.742     | 11.034     | 11.516     | 11.217    | 12.438    | 11.107  |
| 12.463     | 12.152     | 9.075      | 12.396    | 12.831    | 12.035  |
| 7.616      | 9.967      | 9.333      | 9.576     | 7.344     | 11.505  |
| 1.513      | 1.880      | 1.741      | 1.708     | 1.606     | 1.258   |
| 8          | 7          | 4          | 6         | 5         | 3       |
| 76,524     | 76,364     | 36,430     | 56,500    | 70,000    | 70,000  |

**City of Texarkana, Texas**  
**Statistical Section**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 24**

| <u>Function/Program</u>               | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---------------------------------------|-------------|-------------|-------------|-------------|
| General Government                    |             |             |             |             |
| Buildings                             | 4           | 4           | 4           | 4           |
| Public safety                         |             |             |             |             |
| Police Stations                       | 1           | 1           | 1           | 1           |
| Number of vehicles                    | 72          | 80          | 72          | 74          |
| Fire Stations                         | 5           | 5           | 5           | 5           |
| Fire Apparatus                        | 7           | 9           | 9           | 9           |
| Other motorized vehicles              | 8           | 8           | 9           | 8           |
| Public works                          |             |             |             |             |
| Buildings                             | 4           | 4           | 4           | 4           |
| Streets (miles)                       | 260         | 261         | 262         | 262         |
| Paved alleys                          | 8           | 8           | 8           | 8           |
| Unpaved alleys                        | 15          | 15          | 15          | 15          |
| Storm sewers                          | 31          | 32          | 33          | 33          |
| Streetlights                          | 3,200       | 3,200       | 3,250       | 3,250       |
| Parks and recreation                  |             |             |             |             |
| Parks                                 | 12          | 12          | 12          | 12          |
| Park acreage developed                | 587         | 587         | 587         | 587         |
| Park acreage partially developed      | 1,330       | 1,330       | 1,330       | 1,330       |
| Playgrounds                           | 24          | 26          | 25          | 25          |
| Swimming pools                        | 0           | 0           | 0           | 0           |
| Tennis courts                         | 4           | 4           | 4           | 4           |
| Baseball diamonds                     | 8           | 8           | 8           | 8           |
| Softball diamonds                     | 10          | 10          | 10          | 10          |
| Recreation centers                    | 1           | 1           | 1           | 1           |
| Senior citizens centers               | 1           | 1           | 1           | 1           |
| Cemetery acreage                      | 19          | 19          | 19          | 19          |
| Landscaped island/ historical markers | 8           | 8           | 8           | 8           |
| Landscaped medians                    | 10          | 10          | 9           | 9           |
| Soccer fields                         | 10          | 12          | 13          | 13          |
| Restroom facilities                   | 18          | 18          | 18          | 18          |
| Boat ramp                             | 2           | 2           | 2           | 2           |
| Splash pad                            | 1           | 1           | 1           | 1           |
| Perot Theatre                         | 1           | 1           | 1           | 1           |

**City of Texarkana, Texas**  
**Statistical Section**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 24 (Continued)**

| <b>2018</b> | <b>2019</b> | <b>2020</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 4           | 4           | 4           | 4           | 4           | 5           |
| 1           | 1           | 1           | 1           | 1           | 1           |
| 74          | 69          | 70          | 72          | 73          | 74          |
| 5           | 5           | 5           | 5           | 5           | 5           |
| 9           | 9           | 9           | 9           | 10          | 10          |
| 11          | 9           | 9           | 9           | 10          | 10          |
| 4           | 4           | 4           | 4           | 4           | 4           |
| 262         | 262         | 262         | 262         | 263         | 263         |
| 8           | 8           | 8           | 8           | 8           | 8           |
| 15          | 15          | 15          | 15          | 15          | 15          |
| 33          | 33          | 33          | 33          | 34          | 34          |
| 3,250       | 3,250       | 3,250       | 3,250       | 3,500       | 3,500       |
| 12          | 12          | 12          | 12          | 12          | 12          |
| 587         | 587         | 587         | 587         | 587         | 587         |
| 1,330       | 1,330       | 1,330       | 1,330       | 1,330       | 1,330       |
| 25          | 27          | 28          | 28          | 28          | 29          |
| 0           | 0           | 0           | 0           | 0           | 0           |
| 4           | 4           | 4           | 4           | 4           | 2           |
| 8           | 8           | 8           | 8           | 8           | 6           |
| 10          | 10          | 10          | 10          | 10          | 10          |
| 1           | 1           | 1           | 1           | 1           | 1           |
| 1           | 1           | 1           | 1           | 1           | 1           |
| 19          | 19          | 19          | 19          | 19          | 19          |
| 8           | 8           | 8           | 8           | 8           | 8           |
| 9           | 9           | 9           | 9           | 9           | 9           |
| 13          | 13          | 13          | 13          | 13          | 13          |
| 18          | 18          | 18          | 18          | 18          | 18          |
| 2           | 2           | 2           | 2           | 2           | 2           |
| 1           | 1           | 1           | 1           | 1           | 1           |
| 1           | 1           | 1           | 1           | 1           | 1           |

**City of Texarkana, Texas**  
**Statistical Section**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 24 (Continued)**

| <u>Function/Program</u>                          | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|--|-------------|-------------|-------------|-------------|
| Health and Welfare                               |             |             |             |             |
| Buildings  | 1           | 1           | 1           | 1           |
| Water  |             |             |             |             |
| Water mains (miles)                              | 483         | 486         | 473         | 498         |
| Water connections                                | 13,170      | 13,224      | 13,285      | 1,377       |
| Fire hydrants                                    | 2,139       | 2,169       | 2,183       | 2,188       |
| Plant capacity (million gallons per day)         | 18          | 18          | 18          | 18          |
| Wastewater                                       |             |             |             |             |
| Sanitary sewer mains (miles)                     | 337         | 342         | 336         | 357         |
| Sewer connections                                | 12,622      | 12,677      | 12,719      | 12,774      |
| Sewer plant capacity ( millions gallons per day) | 20          | 20          | 20          | 20          |
| Airports   |             |             |             |             |
| Number of airports                               | 1           | 1           | 1           | 1           |
| Acres  | 1,200       | 1,200       | 1,200       | 1,200       |
| Length of main runways                           | 6,601       | 6,601       | 6,601       | 6,601       |

Source: Various City of Texarkana, Texas departments

**City of Texarkana, Texas**  
**Statistical Section**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**  
**Schedule 24 (Continued)**

| 2018   | 2019   | 2020   | 2021   | 2022   | 2023  |
|--------|--------|--------|--------|--------|-------|
| 1      | 1      | 1      | 1      | 1      | 1     |
| 477    | 476    | 465    | 465    | 475    | 473   |
| 13,418 | 13,483 | 12,946 | 12,222 | 13,774 | 13882 |
| 2,136  | 2,144  | 2,088  | 2,088  | 2,106  | 2040  |
| 18     | 18     | 18     | 18     | 18     | 18    |
| 347    | 344    | 349    | 349    | 349    | 351   |
| 12,826 | 12,855 | 10,626 | 11,610 | 12,244 | 13160 |
| 20     | 20     | 20     | 20     | 20     | 20    |
| 1      | 1      | 1      | 1      | 1      | 1     |
| 1,200  | 1,200  | 1,200  | 1,235  | 1,235  | 1235  |
| 6,601  | 6,601  | 6,601  | 6,601  | 6,601  | 6601  |