

CITY OF TEXARKANA, TEXAS



2025

Popular Annual Financial Report



Fiscal Year Ended
September 30, 2025

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Letter to Texarkana, TX Residents

Citizens of Texarkana, Texas

We are pleased to present the Popular Annual Financial Report (PAFR) of the City of Texarkana, Texas for the fiscal year ended September 30, 2025. This report is intended to provide residents, businesses, and other stakeholders with a clear, concise, and accessible overview of the City's financial condition and results of operations.

The information contained in this report is derived from the City's Annual Comprehensive Financial Report (ACFR), which is prepared in accordance with generally accepted accounting principles (GAAP) and independently audited by certified public accountants. While the ACFR provides a detailed and technical presentation of the City's financial statements, the PAFR presents key financial information in a simplified format intended to make the City's finances more accessible to the general public. The City encourages residents to review the full Annual Comprehensive Financial Report on the City's website.

This report provides an overview of the City's financial performance during the fiscal year and highlights how public resources were used to deliver essential services and support the community. Within these pages, readers will find summaries of revenues and expenditures, major capital investments, and key accomplishments that reflect the City's commitment to maintaining infrastructure, supporting public safety, encouraging economic development, and delivering quality municipal services.



The City of Texarkana remains committed to strong financial stewardship, accountability, and transparency. By providing financial information in a format that is both informative and accessible, this report is intended to help residents better understand how public funds are managed and how those resources support the services and programs that benefit our community.

We appreciate the continued trust and engagement of our residents and stakeholders and hope this report provides meaningful insight into the City's financial operations and priorities.

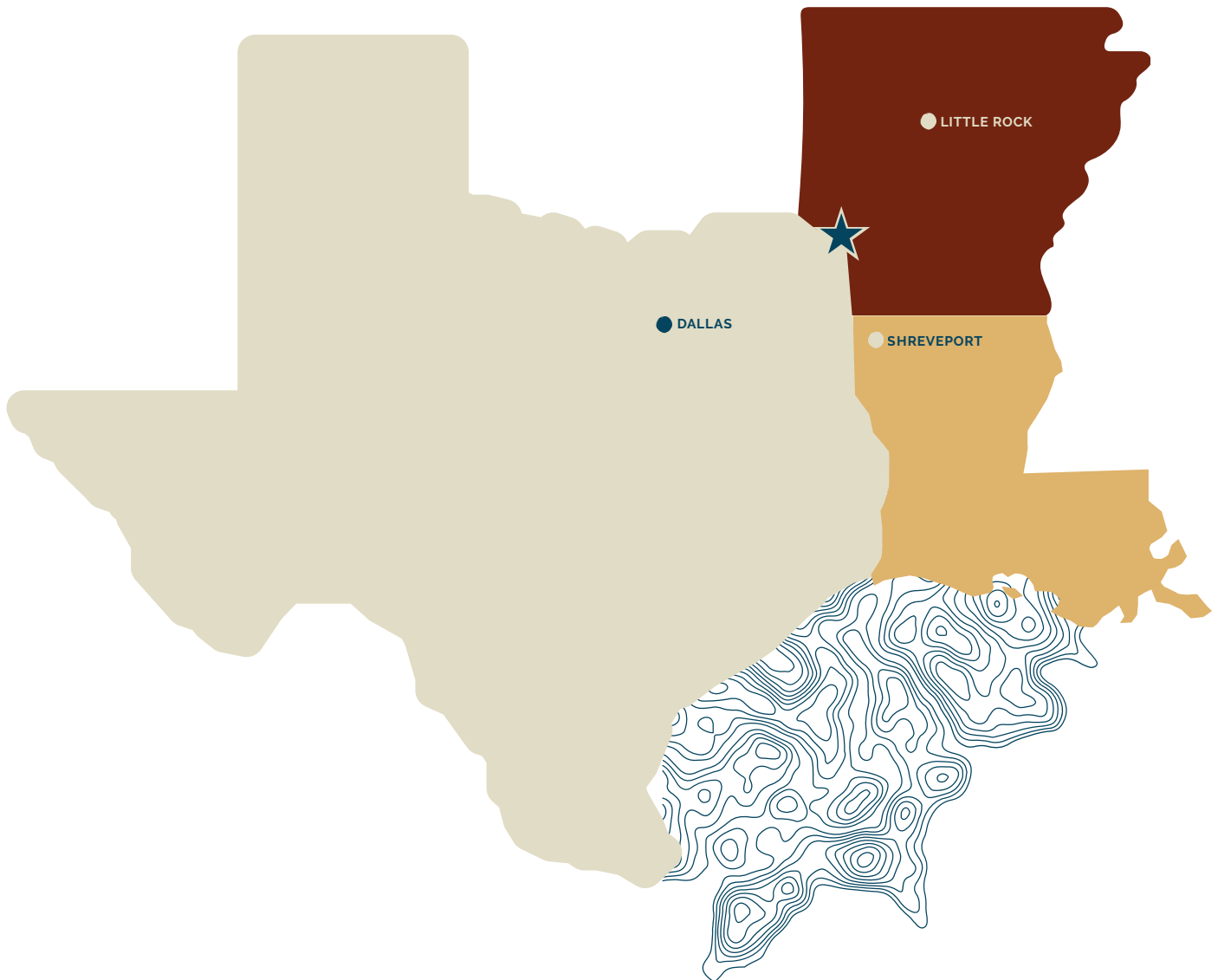
Respectfully submitted,

A handwritten signature in cursive script that reads "Kristin Peeples".

Kristin Peeples, CPA
Chief Financial Officer

City Profile

Nestled in the heart of the Ark-La-Tex region, Texarkana is uniquely positioned on the border of Texas and Arkansas, making it a true twin city. Located just 180 miles northeast of Dallas and 130 miles southwest of Little Rock, we offer the perfect blend of small-town charm and convenient access to big city amenities. Texarkana, TX operates on a City Manager form of government and has a population of just over 35,000 residents within the city limits, with the daily work population swelling to over 150,000 as people from surrounding areas commute to work here.



Texarkana, Texas City Council



Mayor Bob Bruggeman



Jean Matlock, Ward 1



Mary Hart, Ward 2



Steve Thompson, Ward 3



Christie Page, Ward 4



Cole Meador, Ward 5



Jay Davis, Ward 6



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

**City of Texarkana
Texas**

For its Annual Financial Report
For the Fiscal Year Ended
September 30, 2024

Christopher P. Morill

Executive Director/CEO

MISSION, VISION & CORE VALUES



VISION

The vision of the City of Texarkana, Texas is to be a thriving regional center for education, business and culture which attracts and serves our residents and visitors.

MISSION

The mission of the City of Texarkana, Texas is to provide customer focused public services and regional leadership that serves our residents and visitors while offering a safe, vibrant, and welcoming community.



TEAMWORK



INTEGRITY



ACCOUNTABILITY



INNOVATION



LEADERSHIP



PROFESSIONALISM



COMMUNICATION



CHARACTER



STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	132,618,758	139,441,893	50,734,350	49,790,484	183,353,108	189,232,377
Capital assets	152,674,823	135,668,346	69,631,876	63,936,702	222,306,699	199,605,048
Total assets	285,293,581	275,110,239	120,366,226	113,727,186	405,659,807	388,837,425
Deferred outflows of resources	17,598,018	24,296,504	838,982	1,814,782	18,437,000	26,111,286
Long-term liabilities	114,801,400	126,231,223	28,534,898	28,540,063	143,336,298	154,771,286
Other liabilities	3,982,196	2,431,991	6,360,196	5,577,313	10,342,392	8,009,304
Total liabilities	118,783,596	128,663,214	34,895,094	34,117,376	153,678,690	162,780,590
Deferred inflows of resources	8,766,773	5,506,310	726,558	424,186	9,493,331	5,930,496
Net position						
Net invested in capital assets	108,110,975	100,342,644	61,179,750	53,887,695	169,290,725	154,230,339
Restricted	31,106,479	10,410,109	-	-	31,106,479	10,410,109
Unrestricted	36,123,776	54,484,466	24,403,806	27,112,711	60,527,582	81,597,177
Total net position	175,341,230	165,237,219	85,583,556	81,000,406	260,924,786	246,237,625

Net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$260,924,786 as of September 30, 2025.





CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services	2,901,089	3,806,104	32,556,863	31,264,900	35,457,952	35,071,004
Operating grants and contributions	9,773,984	16,959,964			9,773,984	16,959,964
Capital grants and contributions			-	-	-	-
General revenues						
Property taxes	23,525,467	21,310,807	-	-	23,525,467	21,310,807
Other taxes	26,155,039	25,817,856	-	-	26,155,039	25,817,856
Other revenue	4,978,105	6,195,433	1,674,385	1,948,482	6,652,490	8,143,915
Total revenue	67,333,684	74,090,164	34,231,248	33,213,382	101,564,932	107,303,546
Expenses						
General government	16,249,932	14,907,647	-	-	16,249,932	14,907,647
Public safety	21,045,977	19,382,374	-	-	21,045,977	19,382,374
Public works	10,015,163	10,045,041	-	-	10,015,163	10,045,041
Parks and recreation	5,503,759	4,682,711	-	-	5,503,759	4,682,711
Health and welfare	1,800,427	1,441,364	-	-	1,800,427	1,441,364
Interest on long-term debt	2,174,336	2,146,404	-	-	2,174,336	2,146,404
Water and sewer	-	-	30,088,177	29,271,612	30,088,177	29,271,612
Total Expenses	56,789,594	52,605,541	30,088,177	29,271,612	86,877,771	81,877,153
Change in net position before transfers	10,544,090	21,484,623	4,143,071	3,941,770	14,687,161	25,426,393
Transfers	(440,079)	(468,799)	440,079	468,799	-	-
Change in net position	10,104,011	21,015,824	4,583,150	4,410,569	14,687,161	25,426,393
Beginning net position	165,237,219	144,221,395	81,000,406	76,589,837	246,237,625	220,811,232
Ending net position	175,341,230	165,237,219	85,583,556	81,000,406	260,924,786	246,237,625

The total result of the City's activity is an increase in total net position of \$14,687,161 during fiscal year 2025.





OPEB/PENSION LIABILITY



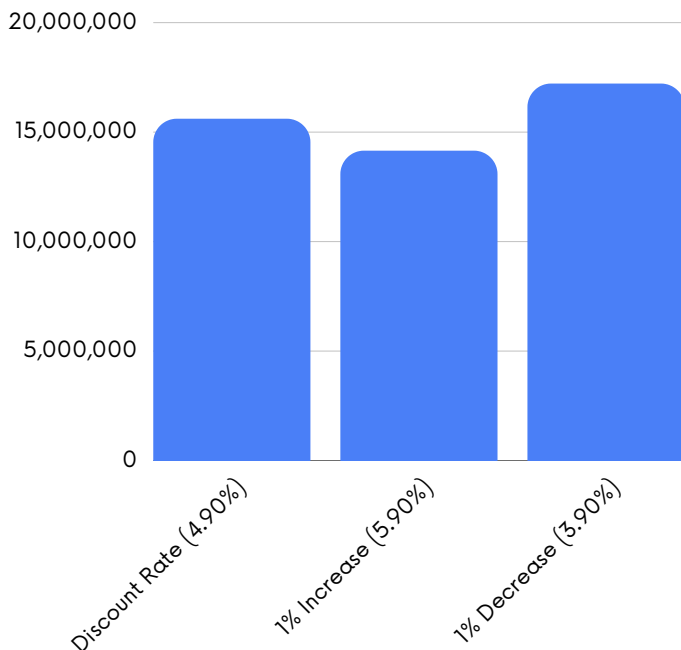
	Total OPEB Liability
Balance at 9/30/24	15,490,595
Changes for the year:	
Service cost	658,124
Interest	788,600
Difference in expected and actual experience	(1,216,084)
Benefit payments	(109,682)
Net changes	120,958
Balance at 9/30/25	15,611,553

TMRS Plan #1 - Police Officers: Net Pension Liability of \$4,336,557

TMRS Plan #2 - Other City Employees: Net Pension Liability of \$4,930,707

TMRS Plan #3 - Water Utilities: Net Pension Liability of \$2,880,439

Texarkana Firefighters Relief and Retirement: Net Pension Liability of \$22,370,113



EMPLOYER'S TOTAL OPEB LIABILITY

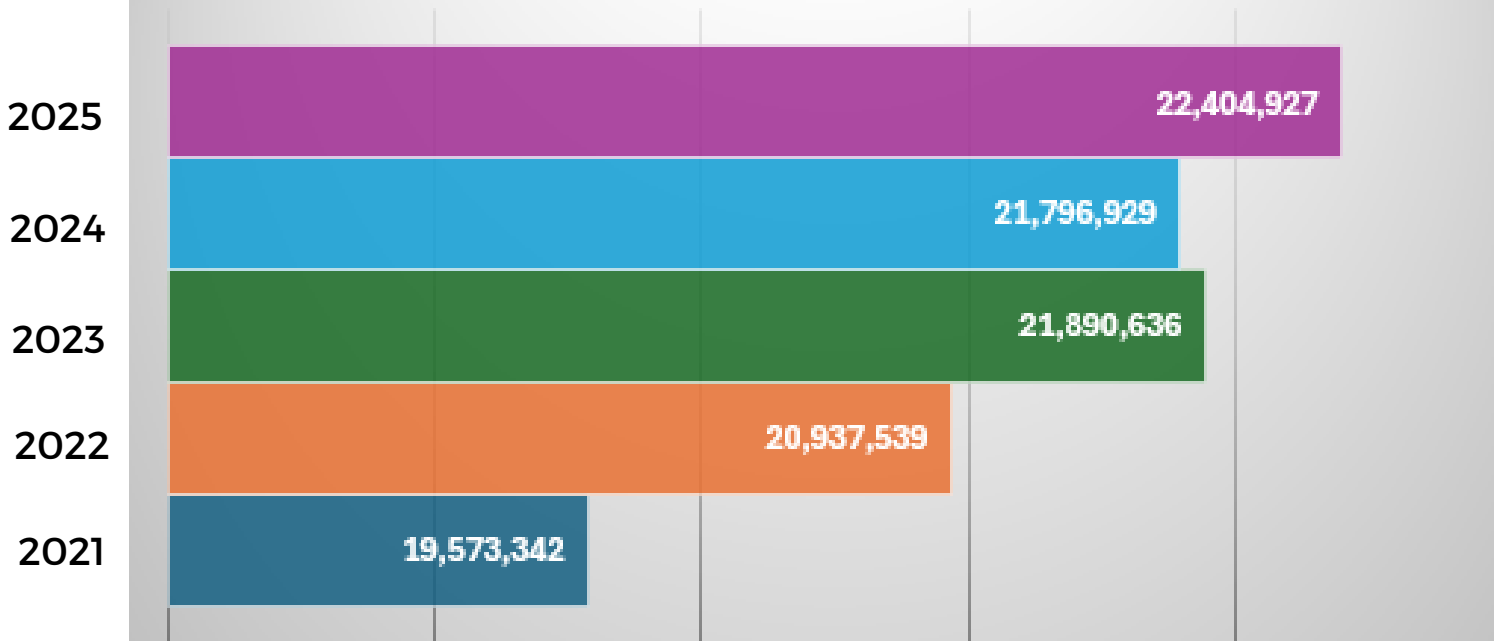


This chart presents the total OPEB liability of the City, calculated using the discount rate of 4.90%, as well as what the City's total OPEB liability would be if it were calculated using the discount rate that is 1% lower (3.90%) or 1% higher (5.90%) than the current rate.

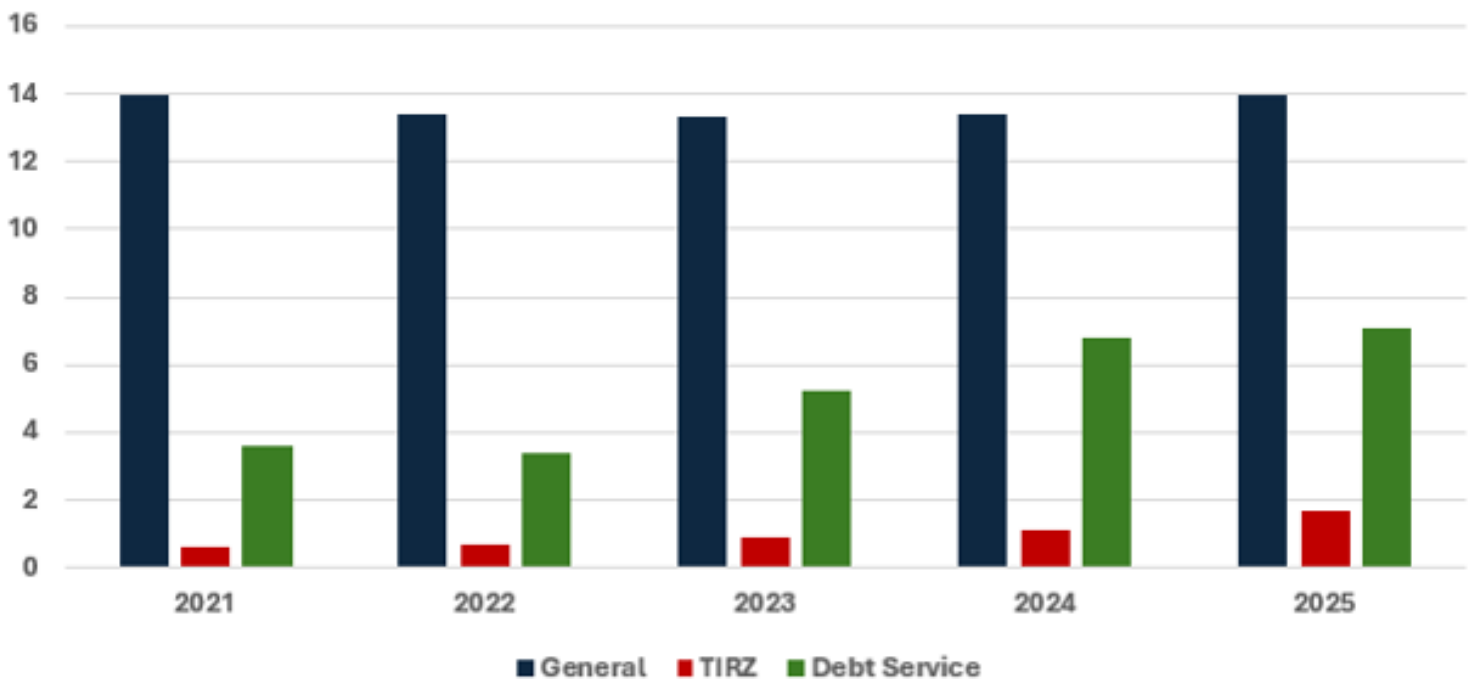


SALES & PROPERTY TAX REVENUES

Annual Sales Tax Collections



Current Property Tax Collections (in millions)





CITY STATISTICS

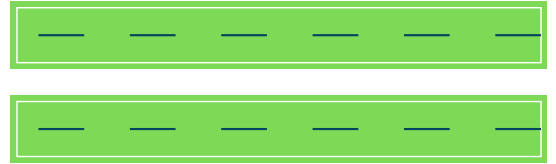
2025 Population 35,231



2.34 Average Household Size



263 mi of City Maintained Streets



Unemployment Rate 4.0%



646 Certificate of Occupancy Permits Issued



3,744 Building Inspections



3,500 Street Lights



38.7 Median Age



4,555 Fire Calls for Service



14 Parks



49,497 Police Calls for Service



\$188,604 Median Home Value



Top 4 Employers

Christus St. Michael Health Care

Red River Army Depot and Tenants

Cooper Tire & Rubber

Wal-Mart/Sam's



GENERAL FUND REVENUES

	2025	2024	2023	2022	2021
Property Taxes	\$ 14,464,229	\$ 13,719,193	\$ 13,573,584	\$ 13,725,050	\$ 14,344,548
Other Taxes	22,443,794	22,087,022	22,050,593	21,071,552	19,723,201
Franchise Receipts	1,233,341	1,298,279	1,358,895	1,336,653	1,392,093
Fees and Permits	468,246	1,141,126	1,966,459	567,147	427,598
Charges for Services	1,385,640	1,440,445	1,167,883	1,056,585	981,375
Municipal Court	1,156,435	1,050,592	1,235,227	1,043,046	599,736
Interest and Dividends	1,391,633	1,820,817	1,504,877	421,591	225,101
Intergovernmental	625,621	266,858	409,738	186,573	187,724
Other	930,300	972,162	1,235,662	913,240	868,003
Total Revenues	\$ 44,099,239	\$ 43,796,494	\$ 44,502,918	\$ 40,321,437	\$ 38,749,379

Property Taxes

Revenue collected on the taxable value of all properties. The property tax rate of \$0.65 per \$100 of valuation is levied upon all real property situated within the corporate limits of the City of Texarkana, Texas and on all personal property which was owned within the corporate limits of the same on the first day of October 2024, except what is exempt by the Constitution and Laws of the State of Texas.

Other Taxes

Sales and mixed beverage taxes collected by the City. The combined sales tax rate for Bowie County is 8.25%. The Texas state sales tax rate is 6.25%, Bowie County rate is 0.5%, and the City is allocated 1.5%.

Franchise Receipts

Fees assessed for private use of public property. Current franchise fees include: electric, gas, telephone, and cable.

Fees and Permits

Revenue generated from all building code permits.

Charges for Services

Fees assessed by the City based on the adopted master fee list.

Municipal Court

Fines and forfeitures collected by the City's municipal court.

Investment Income

Interest, dividends, and other investment income earned on investable funds.

Intergovernmental

Revenue from federal and state grants and contract billing to governmental entities.

Other

Revenue that does not clearly fall within the City's primary revenue classifications.



GENERAL FUND EXPENSES

	2025	2024	2023	2022	2021
General Government	\$ 11,451,344	\$ 9,435,121	\$ 8,678,432	\$ 7,769,666	\$ 7,502,444
Public Safety	18,861,459	17,390,942	16,544,660	9,127,069	11,541,472
Public Works	5,398,726	5,470,084	5,501,451	4,989,140	4,873,767
Parks and Recreation	2,415,390	2,472,129	2,344,136	2,029,856	1,826,997
Health and Welfare	377,440	450,662	241,161	213,165	169,587
Capital Outlay	6,402,081	4,068,288	4,041,803	2,106,074	2,504,373
Debt Service:					
Principal Retirement	50,315	6,270	92,096	198,776	217,139
Interest and Fiscal Charges	-	278	613	4,395	10,127
Total Expenditures	\$ 44,956,755	\$ 39,293,774	\$ 37,444,352	\$ 26,438,141	\$ 28,645,906

General Government

Includes city council, city secretary, municipal court, city manager, human resources, and finance administration.

Public Safety

Expenditures that support the safety of our citizens, such as police, fire, and emergency management.

Public Works

Comprised of engineering design, streets, fleet services, sign & signal, stormwater division, and building and code administration.

Parks and Recreation

Costs incurred to administer and maintain the City's parks and recreation programs.

Health and Welfare

Expenditures include comprehensive planning, neighborhood revitalization, and other programs offered by the planning and community development department.

Capital Outlay

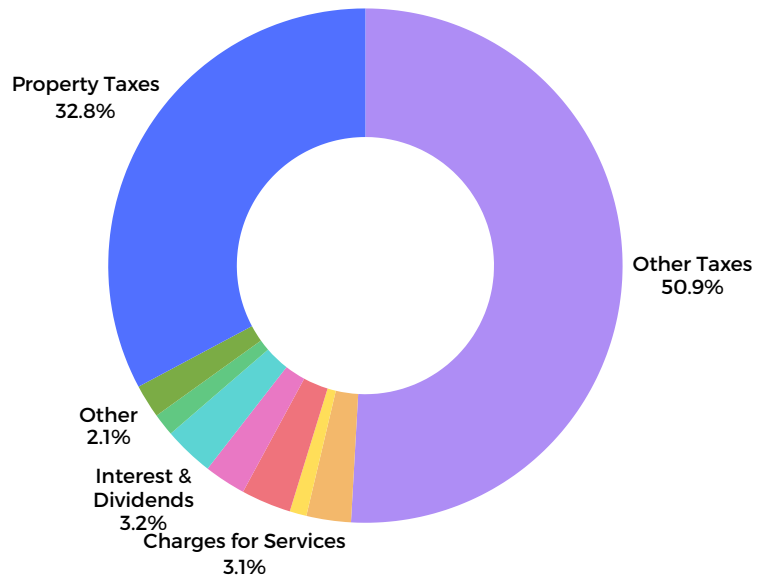
Expenditures for assets that are intended to be held or used for an extended period of time. Includes land, land improvements, building and building improvements, machinery, equipment, and furniture and fixtures. Also includes infrastructure such as streets, sidewalks, culverts, roads and bridges.



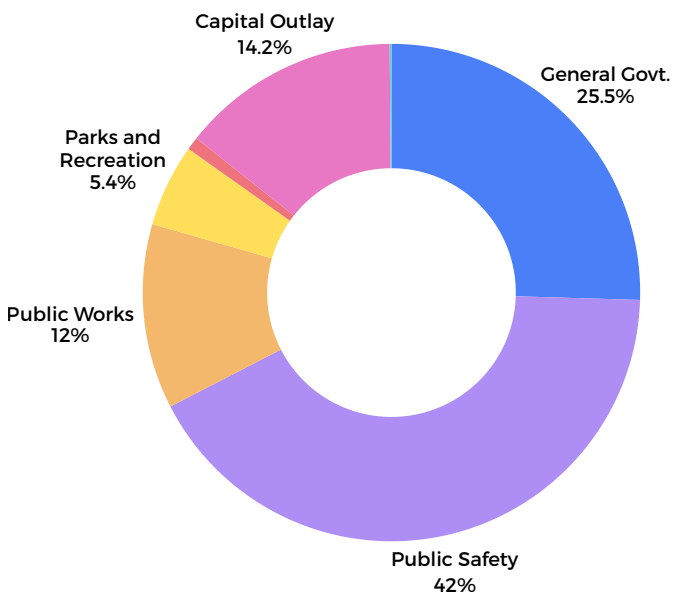
GENERAL FUND REVENUES & EXPENSES



- Other Taxes
- Franchise Receipts
- Fees & Permits
- Charges for Services
- Municipal Court
- Interest & Dividends
- Intergovernmental
- Other
- Property Taxes



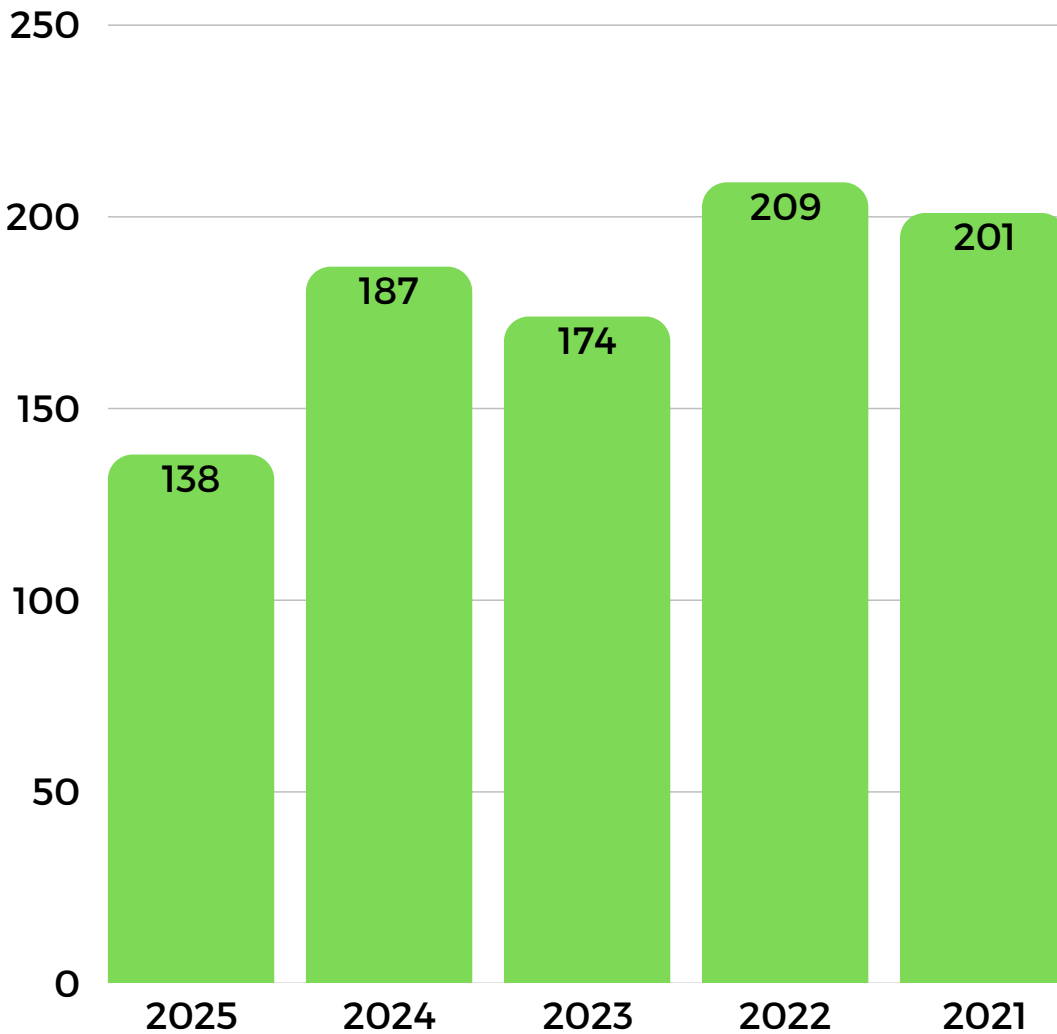
- General Govt.
- Public Safety
- Public Works
- Parks and Recreation
- Health and Welfare
- Capital Outlay
- Principal retirement





GENERAL FUND UNASSIGNED FUND BALANCE

Days of Expenditures

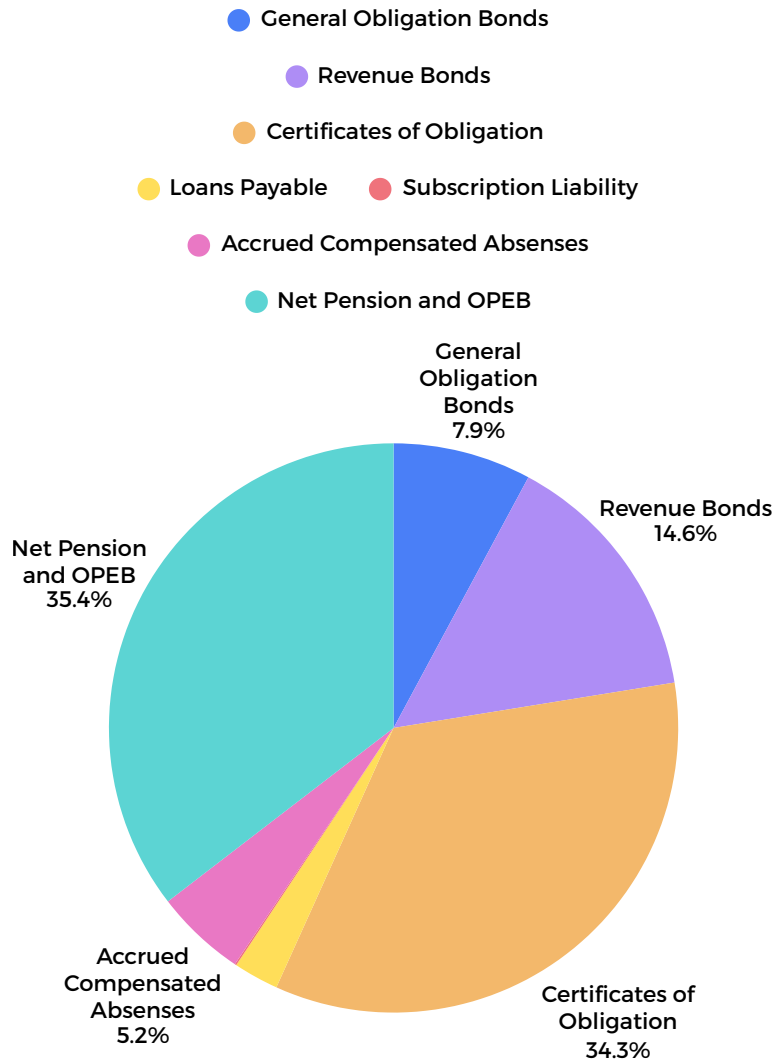


The unassigned fund balance is an indication of the amount of available resources the City has at a point in time to fund unforeseen revenue fluctuations, unanticipated expenditures, and other similar circumstances. The City's goal is to achieve and maintain an unassigned fund balance in the general fund of sixty (60) days of general fund operating expenditures, exclusive of capital outlay and debt service expenditures.



LONG-TERM OBLIGATIONS

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	11,259,930	14,167,499	-	-	11,259,930	14,167,499
Revenue Bonds	-	-	20,917,687	21,493,429	20,917,687	21,493,429
Certificates of Obligation	49,172,592	51,697,572	-	-	49,172,592	51,697,572
Loans Payable	25,000	-	3,657,637	1,769,127	3,682,637	1,769,127
Subscription Liability	131,841	182,156	-	-	131,841	182,156
Accrued Compensated Absenses	6,963,107	6,369,939	423,060	444,130	7,386,167	6,814,069
Net Pension and Other Post Employment Liabilities	47,248,930	53,814,057	3,536,514	4,833,377	50,785,444	58,647,434
	<u>114,801,400</u>	<u>126,231,223</u>	<u>28,534,898</u>	<u>28,540,063</u>	<u>143,336,298</u>	<u>154,771,286</u>





City of Texarkana, Texas
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