

Growing with Purpose

CITY OF TEXARKANA, TEXAS
POPULAR ANNUAL FINANCIAL REPORT FY24



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Letter to Texarkana, TX Residents

Citizens of Texarkana, Texas,

We are pleased to present the Popular Annual Financial Report (PAFR) for the fiscal year which ended September 30, 2024. This report is designed to provide a clear, concise, and easily understandable summary of the financial activities and position of the City of Texarkana, Texas. Our goal is to enhance transparency and provide insight into how public funds are managed and used.

The information in this report is derived from our Annual Comprehensive Financial Report (ACFR), which is prepared in accordance with generally accepted accounting principles (GAAP) and audited by independent certified public accountants. While the ACFR provides a detailed and technical review of the City's finances, the PAFR is intended for a broader audience and focuses on key highlights and simplified summaries.

Inside this report, you'll find a snapshot of the City's financial performance, highlights of major projects and accomplishments, and a look at how tax dollars were spent over the past fiscal year. It not only outlines where funds were spent, but also how those investments supported infrastructure improvements, enhanced public safety, supported economic development, and maintained essential services that make Texarkana a great place to live and work.

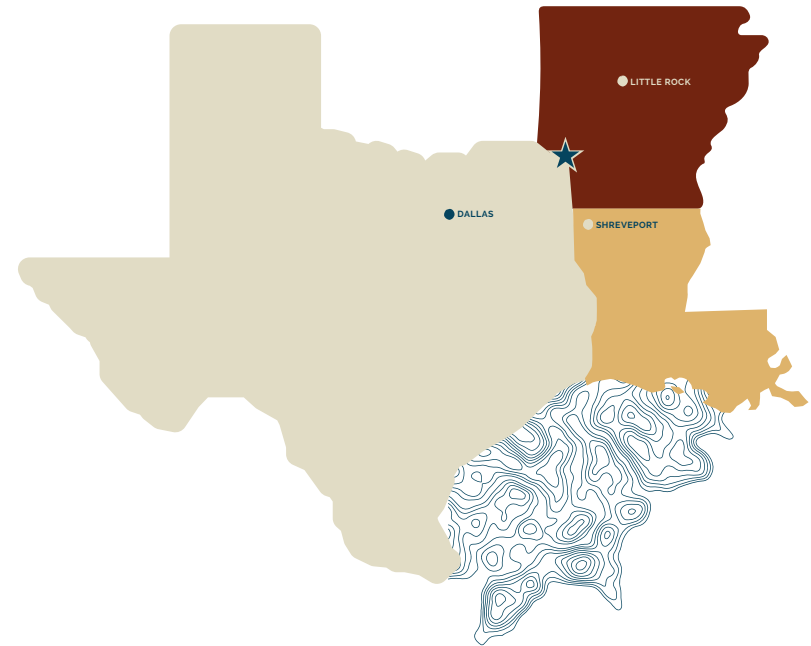
We take pride in our commitment to financial stewardship and accountability. This report reflects our ongoing efforts to be transparent with our community and to provide meaningful and accessible financial information. We hope that you find this report informative.



Respectfully submitted,

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

Kristin Peeples, CPA
Chief Financial Officer



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 approximately 37,000 residents within the city limits, with the daily work population swelling to over 150,000 as people from surrounding areas commute to work here.

CITY COUNCIL & WARDS



Mayor Bob Bruggeman



Jean Matlock, Ward 1



Mary Hart, Ward 2



Steve Thompson, Ward 3



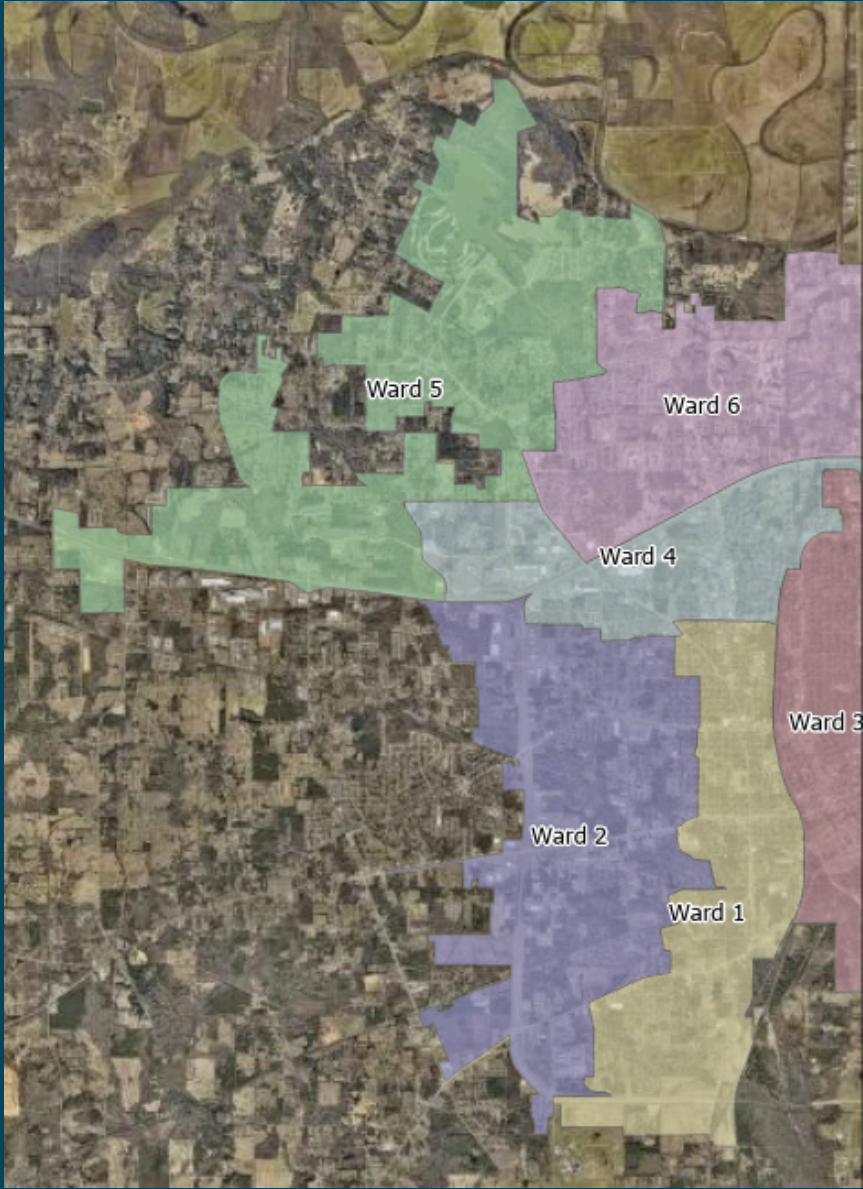
Christie Page, Ward 4



Cole Meador, Ward 5



Jay Davis, Ward 6



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	
	2024	2023	2024	2023	2024	2023
Current and other assets	139,441,893	110,516,234	49,790,484	29,538,586	189,232,377	140,054,820
Capital assets	135,668,346	131,555,132	63,936,702	60,271,605	199,605,048	191,826,737
Total assets	275,110,239	242,071,366	113,727,186	89,810,191	388,837,425	331,881,557
Deferred outflows of resources	24,296,504	17,822,518	1,814,782	3,045,152	26,111,286	20,867,670
Long-term liabilities	126,231,223	107,660,011	28,540,063	9,628,938	154,771,286	117,288,949
Other liabilities	2,431,991	3,475,151	5,577,313	6,067,333	8,009,304	9,542,484
Total liabilities	128,663,214	111,135,162	34,117,376	15,696,271	162,780,590	126,831,433
Deferred inflows of resources	5,506,310	4,537,327	424,186	569,235	5,930,496	5,106,562
Net position						
Net invested in capital assets	99,950,227	96,891,657	53,887,695	58,166,584	153,837,922	155,058,241
Restricted	10,410,109	29,751,487	-	-	10,410,109	29,751,487
Unrestricted	54,876,883	17,578,251	27,112,711	18,423,253	81,989,594	36,001,504
Total net position	165,237,219	144,221,395	81,000,406	76,589,837	246,237,625	220,811,232

NET POSITION
UNRESTRICTED

\$81,989,594

NET POSITION

Total Statement of Activities: Total net position increased by \$25,426,393 during fiscal year 2024.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	3,806,104	4,337,160	31,264,900	27,970,761	35,071,004	32,307,921
Operating grants and contributions	16,959,964	7,951,978			16,959,964	7,951,978
Capital grants and contributions			-	50,928	-	50,928
General revenues						
Property taxes	21,310,807	19,961,801	-	-	21,310,807	19,961,801
Other taxes	25,817,856	25,752,983	-	-	25,817,856	25,752,983
Other revenue	6,195,433	4,606,814	1,948,482	855,035	8,143,915	5,461,849
Total revenue	74,090,164	62,610,736	33,213,382	28,876,724	107,303,546	91,487,460
Expenses						
General government	14,907,647	13,661,540	-	-	14,907,647	13,661,540
Public safety	19,382,374	17,909,977	-	-	19,382,374	17,909,977
Public works	10,045,041	10,428,093	-	-	10,045,041	10,428,093
Parks and recreation	4,682,711	4,751,912	-	-	4,682,711	4,751,912
Health and welfare	1,441,364	1,114,074	-	-	1,441,364	1,114,074
Interest on long-term debt	2,146,404	1,745,750	-	-	2,146,404	1,745,750
Water and sewer	-	-	29,271,612	26,930,284	29,271,612	26,930,284
Total Expenses	52,605,541	49,611,346	29,271,612	26,930,284	81,877,153	76,541,630
Change in net position before transfers	21,484,623	12,999,390	3,941,770	1,946,440	25,426,393	14,945,830
Transfers	(468,799)	(1,183,310)	468,799	1,183,310	-	-
Change in net position	21,015,824	11,816,080	4,410,569	3,129,750	25,426,393	14,945,830
Beginning net position	144,221,395	132,405,315	76,589,837	73,460,087	220,811,232	205,865,402
Ending net position	165,237,219	144,221,395	81,000,406	76,589,837	246,237,625	220,811,232

Governmental Activities: Governmental activities increased the City's net position by \$21,015,824. Total revenue for the governmental activities (excluding transfers) increased from the previous year by \$11,479,428. General revenues had a net increase of \$3,002,498.

Business Type Activities: Net position from business-type activities increased by \$4,410,569. Total revenue for the business-type activities increased from the previous year by \$4,336,658 primarily due to an increase in demand for water, along with adoption of a new water and sewer rate structure.

TOTAL OPEB LIABILITY

\$15,490,595

CHANGES IN TOTAL OPEB LIABILITY

	Total OPEB Liability
Balance at 9/30/23	15,280,566
Changes for the year:	
Service cost	645,220
Interest	706,704
Difference in expected and actual experience	(1,383,252)
Change in assumptions	303,644
Benefit payments	(62,287)
Net changes	<u>210,029</u>
Balance at 9/30/24	<u><u>15,490,595</u></u>

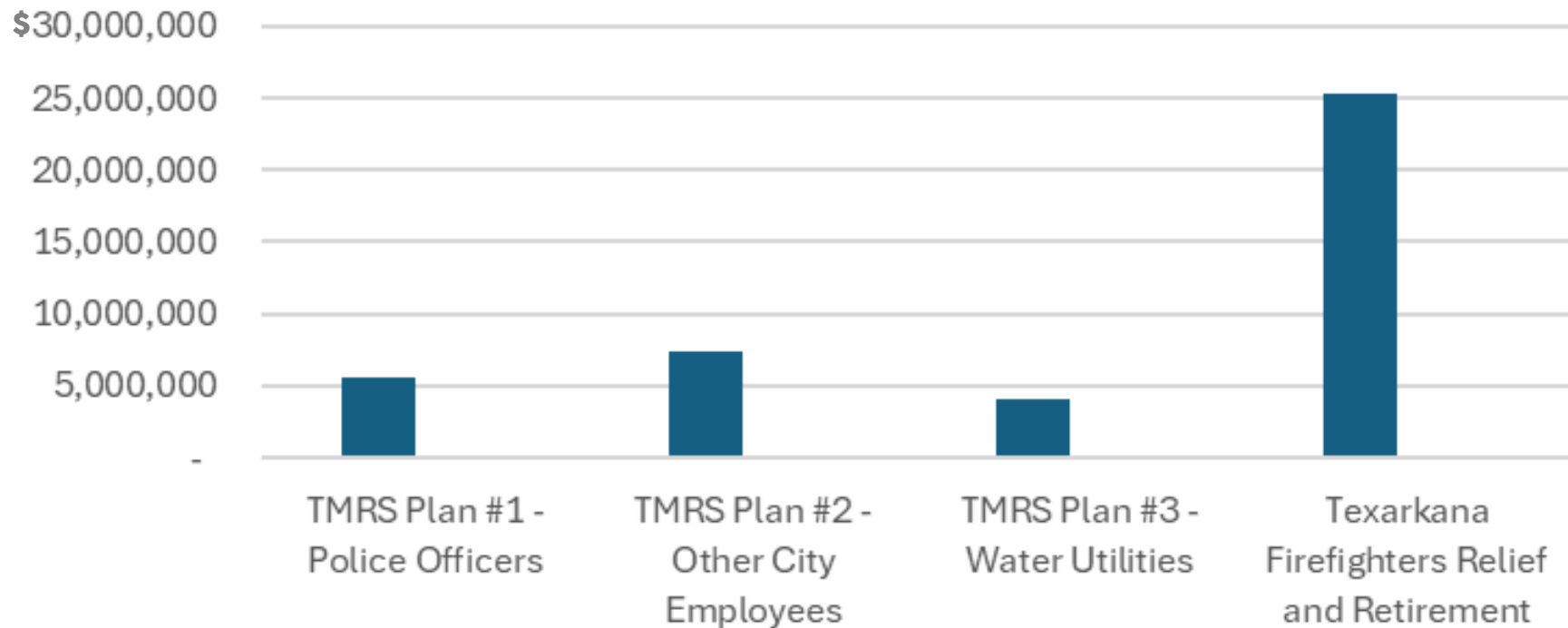


EMPLOYER'S TOTAL OPEB LIABILITY

← This chart presents the total OPEB liability of the City, calculated using the discount rate of 4.06%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.06%) or 1% higher (5.06%) than the current rate.



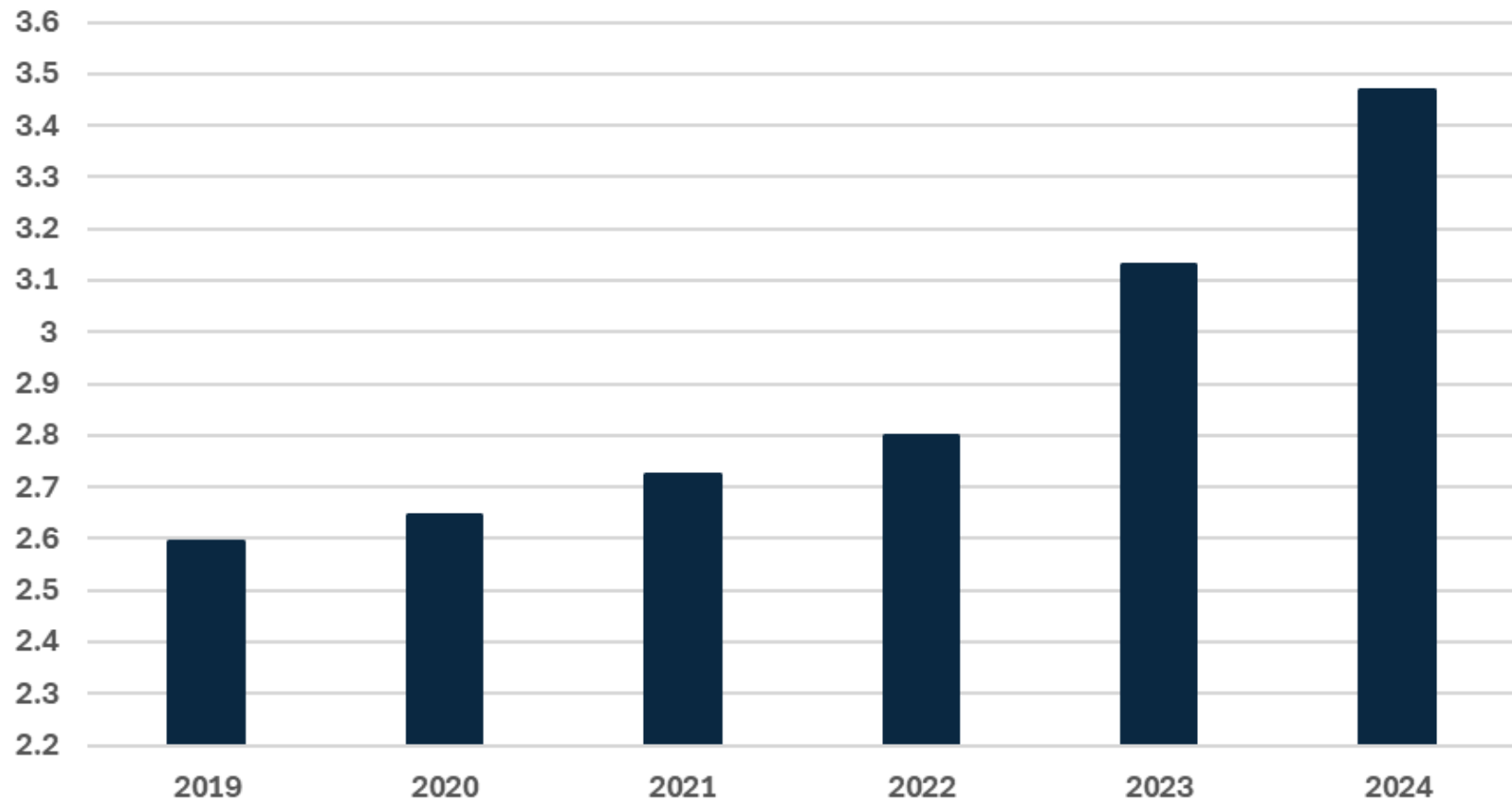
PENSION LIABILITY REPORTED





ASSESSED PROPERTY VALUATION (IN BILLIONS)

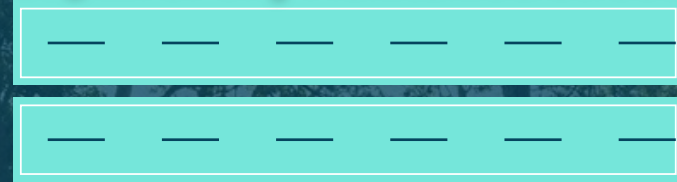
Property Tax Rate for Texarkana, TX = \$0.65 per \$100 of assessed valuation



2024 Population | 35,694



263 mi of City Maintained Streets



Unemployment Rate | 3.7%



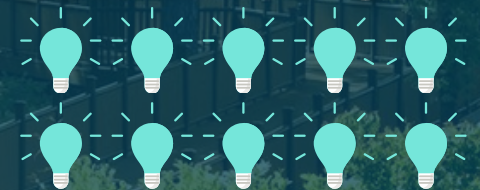
3,953 Building Inspections



506 Certificate of Occupancy Permits Issued



3,500 Street Lights



439 Acres of Parks Maintained



497 Cases Cleared by TTPD



4,437 Fire Calls for Service



GENERAL FUND REVENUES

	2024	2023	2022	2021	2020
Property Taxes	\$13,719,193	\$13,573,584	\$13,725,050	\$14,344,548	\$13,590,241
Other Taxes	22,087,022	22,050,593	21,071,552	19,723,201	17,148,381
Franchise Receipts	1,298,279	1,358,895	1,336,653	1,392,093	1,339,218
Fees and Permits	1,141,126	1,966,459	567,147	427,598	548,957
Charges for Services	1,440,445	1,167,883	1,056,585	981,375	1,023,335
Municipal Court	1,050,592	1,235,227	1,043,046	599,736	943,011
Interest and Dividends	1,820,817	1,504,877	421,591	225,101	277,397
Intergovernmental	266,858	409,738	186,573	187,724	225,102
Other	972,162	1,235,662	913,240	868,003	737,552
	\$43,796,494	\$44,502,918	\$40,321,437	\$38,749,379	\$35,833,194

Property Taxes

Property taxes are 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 2023, except what is exempt by the Constitution and Laws of the State of Texas.

Other Taxes

Sales tax and mixed beverage taxes make up the City's other taxes. 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

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

Fee and Permits

Includes all building code permits.

Charges for Services

Charges for services are fees assessed by the City based on the adopted fee schedule.

Municipal Court

The City's municipal court collects fines and forfeitures.

Investment Income

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

Intergovernmental

Includes revenue from federal and state grants and contract billing to governmental entities.

Other

This is revenue that doesn't readily fit into the other categories.



GENERAL FUND EXPENDITURES

	2024	2023	2022	2021	2020
General Government	\$ 9,435,121	\$ 8,678,432	\$ 7,769,666	\$ 7,502,444	\$ 7,040,859
Public Safety	17,390,942	16,544,660	9,127,069	11,541,472	12,861,586
Public Works	5,470,084	5,501,451	4,989,140	4,873,767	4,881,526
Parks and Recreation	2,472,129	2,344,136	2,029,856	1,826,997	1,766,537
Health and Welfare	450,662	241,161	213,165	169,587	224,988
Capital Outlay	4,068,288	4,041,803	2,106,074	2,504,373	2,324,120
Debt Service:					
Principal Retirement	6,270	92,096	198,776	217,139	212,866
Interest and Fiscal Charges	278	613	4,395	10,127	14,400
	\$39,293,774	\$37,444,352	\$26,438,141	\$28,645,906	\$29,326,882

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

The public works department is comprised of engineering design, streets, fleet services, sign & signal, stormwater division, and building and code administration.

Parks and Recreation

Expenses include the maintenance and administration of the City's parks and recreation programs.

Health and Welfare

Expenditures include the Planning and Community Development Department and the programs they offer that are available to citizens.

Capital Outlay

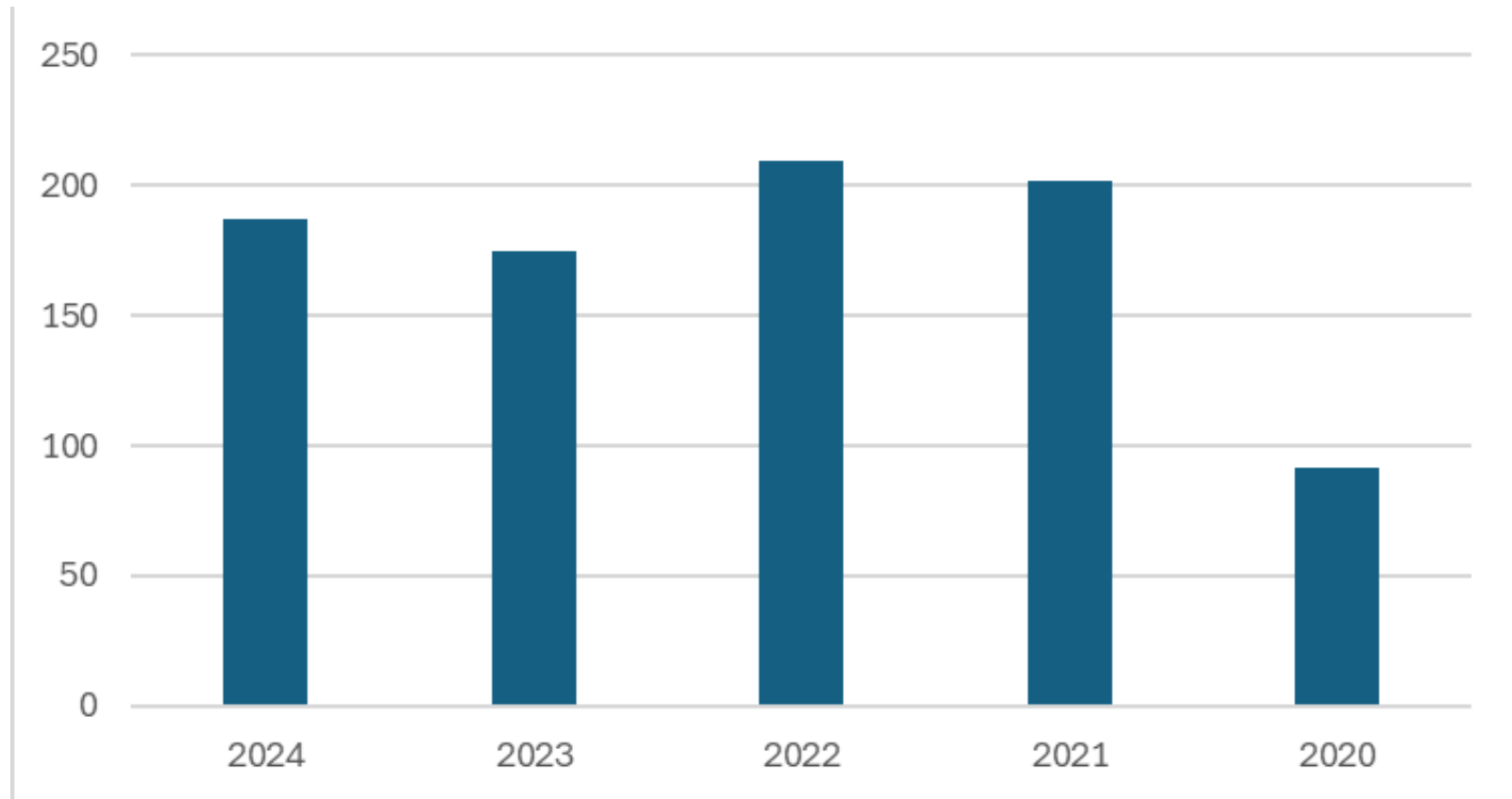
Expenditures for assets that are intended to be held or used for an extended period of time. Includes land, land improvements, building and building improvements, machinery, equipment, and furniture and fixtures. Also includes infrastructure such as streets, sidewalks, culverts, roads and bridges.



GENERAL FUND

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 services expenditures.

LONG-TERM OBLIGATIONS

Net Pension and Other Post Employment Liabilities

Accrued Compensated Absences

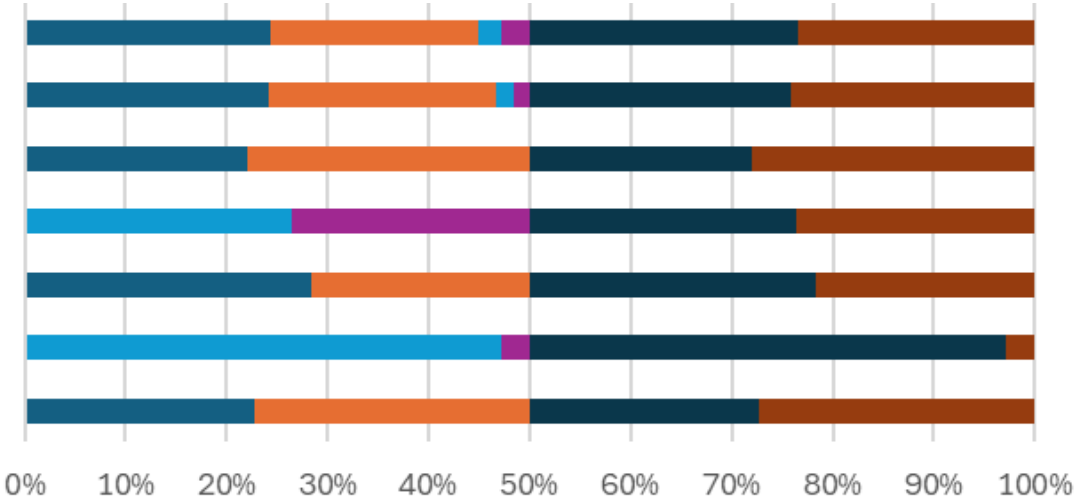
Subscription Liability

Loans Payable

Certificates of Obligation

Revenue Bonds

General Obligation Bonds



- Governmental Activities 2024
- Governmental Activities 2023
- Business-Type Activities 2024
- Business-Type Activities 2023
- Total 2024
- Total 2023

GENERAL OBLIGATION BONDS: GOVERNMENTAL ACTIVITIES

<i>City of Texarkana, Texas Bonds</i>	Rate of Interest	Original Issue	Outstanding September 30, 2024
General Obligation Refunding Bonds, Series 2013	2.00% - 5.00%	14,550,000	4,130,000
General Obligation Refunding Bonds, Series 2016	2.00% - 3.00%	9,090,000	6,565,000
General Obligation Refunding Bonds, Series 2020B	1.87%	4,330,000	2,695,000
		<u>27,970,000</u>	<u>13,390,000</u>

CERTIFICATES OF OBLIGATION: GOVERNMENTAL ACTIVITIES

<i>City of Texarkana, Texas Bonds</i>	Rate of Interest	Original Issue	Outstanding September 30, 2024
Combination Tax and Revenue Certificates of Obligation, Series 2012	0.50% - 3.500%	4,115,000	2,355,000
Combination Tax and Revenue Certificates of Obligation, Series 2017	2.625 - 4.00%	14,160,000	10,615,000
Combination Tax and Revenue Certificates of Obligation, Series 2019	2.50 - 3.50%	6,780,000	4,825,000
Combination Tax and Revenue Certificates of Obligation, Series 2022	4.03%	20,475,000	18,950,000
Combination Tax and Revenue Certificates of Obligation, Series 2023	5.00%	13,955,000	13,435,000
		<u>59,485,000</u>	<u>50,180,000</u>

REVENUE BONDS: BUSINESS-TYPE ACTIVITIES

<i>Texarkana, Texas Water Utilities</i>			Outstanding September 30, 2024
<i>Bond</i>	Rate of Interest	Original Issue	
Waterworks and Sanitary Sewer System Revenue Bonds, Series 2013	2.00% - 4.875%	2,200,000	1,180,000
Waterworks and Sanitary Sewer System Revenue Bonds, Series 2023	4.25% - 5.00%	19,915,000	19,915,000
		<u>22,115,000</u>	<u>21,095,000</u>

LONG-TERM OBLIGATIONS CONT.