

CITY OF BENBROOK, TEXAS

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

**FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2025**

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BENBROOK, TEXAS 76126
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TEXAS

Our Pride. Your Joy.

*ANNUAL
COMPREHENSIVE FINANCIAL REPORT*

of the

City of Benbrook, Texas

**For the Year Ended
September 30, 2025**

Prepared by

Rick Overgaard
Director of
Finance



TEXAS

Our Pride. Your Joy.

City of Benbrook, Texas

TABLE OF CONTENTS

September 30, 2025

INTRODUCTORY SECTION

	<u>Page</u>
Letter of Transmittal	i
GFOA Certificate of Achievement for Excellence in Financial Reporting	vii
Organizational Chart	viii
List of Elected and Appointed Officials	ix

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	20
Statement of Activities	24
Fund Financial Statements:	
Balance Sheet - Governmental Funds	26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	29
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances	
Governmental Funds to the Statement of Activities	35
Statement of Net Position - Proprietary Fund	36
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	37
Statement of Cash Flows - Proprietary Fund	38
Notes to the Financial Statements	39

Required Supplementary Information:

Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget (GAAP Basis) and Actual - General Fund	79
Schedule of Changes in Net Pension Liability and Related Ratios - TMRS	80
Schedule of Employer Contributions to Pension Plan - TMRS	82
Schedule of Changes in OPEB Liability and Related Ratios - TMRS	84
Schedule of Changes in OPEB Liability and Related Ratios - Retiree Health Care Plan	86

Other Supplementary Information

Combining Balance Sheet - Nonmajor Governmental Funds	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	94
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Debt Service Fund	96
Hotel Fund	97
Balance Sheet - Discretely Presented Component Units	98
Reconciliation of the Balance Sheet to the Statement of Net Position - Discretely Presented Component Units	99
Statement of Revenues, Expenditures, and Changes in Fund Balances - Discretely Presented Component Units	100
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities - Discretely Presented Component Units	101

STATISTICAL SECTION

Financial Trends:

Net Position by Component	104
Changes in Net Position	106
Fund Balances of Governmental Funds	110
Changes in Fund Balances of Governmental Funds	112

Revenue Capacity:

Assessed Value and Estimated Actual Value of Taxable Property	115
Direct and Overlapping Property Tax Rates	116
Principal Property Taxpayers	118
Property Tax Levies and Collections	120

Debt Capacity:

Ratios of Outstanding Debt by Type	122
Direct and Overlapping Governmental Activities Debt	125
Ratios of General Bonded Debt Outstanding	126

Demographic and Economic Information:

Demographic Statistics	127
Principal Employers	128
Local Employment Information	130

Operating Information:

Full-Time Equivalent City Government Employees by Function/Program	132
Operating Indicators by Function/Program	134

Compliance and Internal Controls Section

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	139
Schedule of Findings and Questioned Costs	142

INTRODUCTORY SECTION





March 5, 2026

The Honorable Mayor,
Members of the City Council and Citizens of the City of Benbrook
City of Benbrook
Benbrook, Texas

The Finance Department is pleased to submit the Annual Comprehensive Financial Report for the City of Benbrook, Texas for the fiscal year ended September 30, 2025. This report provides 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. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position and results of operations of the City. We also believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

THE REPORT

The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Statistical section, using tables, presents comparative economic and financial data to give the users of the report a perspective of the City's performance over several years.

The financial statements included in the report were prepared by the Finance Department in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB). The basic financial statements and related notes have been audited by an independent firm of Certified Public Accountants, BrooksWatson & Co., PLLC, whose report is included herein.

CITY PROFILE

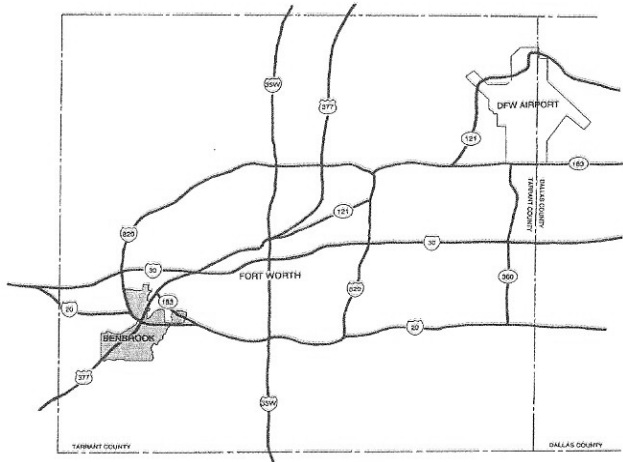
Location

The City of Benbrook is located in Tarrant County, in the north central portion of the State of Texas. The City of Benbrook is located on the southwest side of the City of Fort Worth and is only thirty minutes from Dallas. The City covers approximately eleven square miles. The 2020 Census set the population at 24,520, and the current estimated population is 25,594.

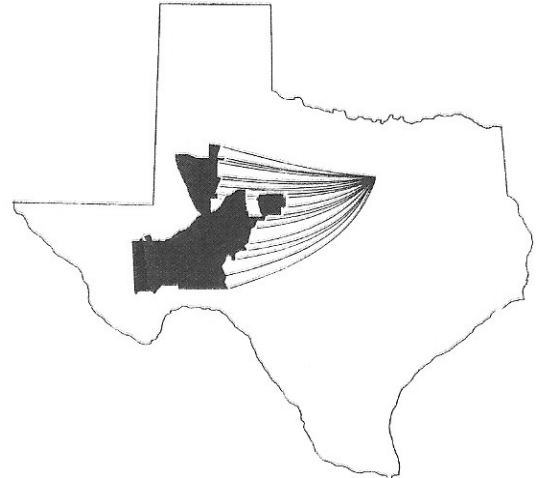
The City was incorporated in 1947 and is operated under a charter adopted in 1983. The City has a Council-Manager form of government with the City Council comprised of a mayor and six council members. All City Council positions are elected by place number and run at large for two-year staggered terms. The City Council is responsible for adopting ordinances and regulations governing the City; adopting the budget; determining policies; and appointing the City Manager, City Attorney,

City Secretary, Municipal Court Judge, as well as members of boards and commissions. The City Manager is responsible to the City Council and appoints and supervises the employees that prepare and administer the annual comprehensive financial report (ACFR), the annual budget, and the capital improvements program.

Benbrook's location in Tarrant County



Benbrook's location in the State



Services Provided

The City provides a full-range of municipal services including general government, community development, police and fire protection, street maintenance, building inspection, recreation services, parks operation and maintenance, and maintenance of City-owned buildings. The Benbrook Economic Development Corporation (EDC) is responsible for the promotion and retention of business within the City. Solid waste collection has been contracted out to a private firm.

This report includes the financial statements of the funds required to account for those activities, organizations, and functions which are related to the City and are controlled by or dependent upon the City's governing body. The criteria used by the City for including activities in preparing its financial statements are set forth by the Governmental Accounting Standards Board (GASB). Based on these criteria, all municipal services listed are included in the City's fiscal year 2024-25 financial statements.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, expenditures are recognized when the services or goods are received, and the liability is incurred.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for

assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City Charter provides that the City Council shall adopt the annual budget prepared by the City Management. The annual budget includes the General Fund and Debt Service Fund. This budget is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items and divisions within a fund, including personnel. Any revisions that alter the total expenditures of any fund must be approved by the City Council.

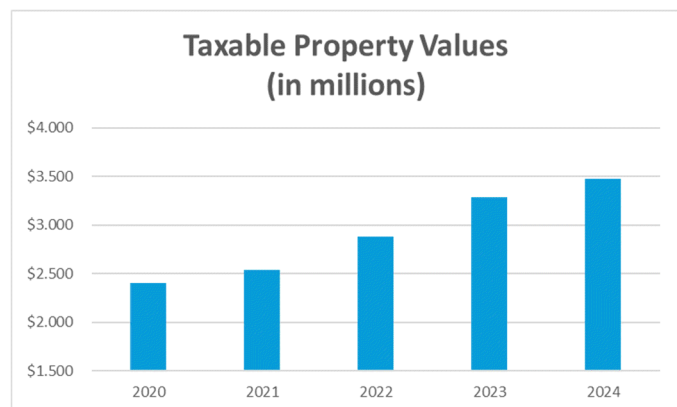
The legal level of budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item. These reports are distributed monthly to City department and division managers. A financial summary is prepared for City Council to approve each month.

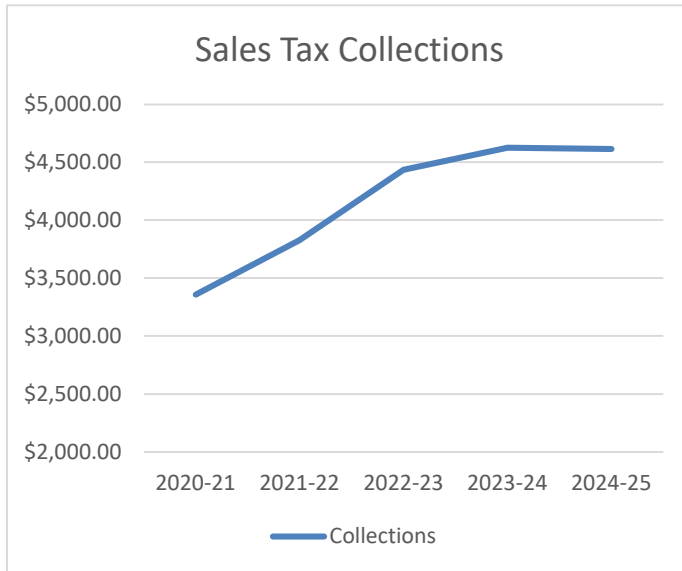
Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures are monitored and controlled by line item. Revenue budgets are reviewed monthly.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

Summary of Local Economy

The City of Benbrook is located in southwest Tarrant County, an area that has experienced significant growth in population since 2000. The City's tax base has grown an average of 8.7% annually over the past five years with annual increases ranging from 4.6% to 14.1%. Commercial and residential construction has remained stable and is expected to continue at current levels.





Overall sales tax collections in Benbrook have increased over the past few years with the completion of the Benbrook Boulevard expansion project that was started in 2014. The last five fiscal years averaged a 7.4% increase. In the first 3 months of the new fiscal year 2025-26, however, we are experiencing a 3.2% decrease from the prior year.

Economic Prospects for the Future

The enhancement of the primary corridor through Benbrook’s center initially stimulated growth of commercial and residential development and attracted

more upscale businesses and enterprises. Benbrook Boulevard expansion project is now complete; however, the growth in sales tax has slowed and it is projected to remain flat over the next year.

Several commercial projects are under construction such as Jakes Burgers, Taco and Avocados, and Taco Bell restaurants. Other projects under construction include various subdivisions and a 300-unit apartment complex.

There are opportunities in Benbrook for commercial expansion, business growth, and residential development in upcoming years. These prospects will have a positive impact on Benbrook’s tax base, sales tax collections, development fees, and other sources of revenue.

Long-Term Financial Planning

The City produces a Comprehensive Capital Improvements Program (CIP). The CIP includes an emphasis on the repair and maintenance of existing facilities and infrastructure. Planned project funding comes from current resources. Storm drainage projects will be funded from the storm water utility fees. Other special projects will be taken on at the discretion of the City Council. These projects will be financed by the Core Value Fund, Parks Fund, Capital Asset Replacement Fund, and cash reserves.

In 2019, as part of the City's updated 2020 Comprehensive Plan, a Citizen Committee recommended a new Municipal Complex to replace several municipal buildings, and to act as an anchor for a proposed downtown development. The existing municipal buildings were aging and had mechanical issues, electrical problems, ADA non-compliance and/or other challenges. In May 2021, voters approved the general obligation bond election to fund the design and construction of a new two-story, approximately 35,000 square-foot Benbrook Municipal Complex to house the Police Station, Senior Citizen's Center, Municipal Court, City Hall Offices, and a Visitor's Center. Construction began in 2022 and the Municipal Complex was opened in November of 2024.

Cash Management

The City's cash management policy is adopted by City Council and strictly defines the types and amounts of investments made for the City. Section 5 of the Public Funds Investment Act prescribes that cities are to develop and maintain an investment policy to govern all investments. The City of Benbrook adopted a revised investment policy on October 4, 2018 to meet updates made to the Public Funds Investment Act. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Collateral is held by the City, its agent, or a financial institution's trust department in the City's name. One hundred percent of the deposits and investments held by the City during the year ending September 30, 2025, are classified in the category of the lowest credit risk as defined by the Governmental Accounting Standards Board. All deposits are held in interest-bearing accounts, Texpool and TexStar investment pools, certificates of deposit, and agency notes.

OTHER INFORMATION

Independent Audit

The City Charter requires an annual audit of the financial statements of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the audit firm of BrooksWatson & Co., PLLC's report on the basic financial statements and required supplementary information is included in the financial section of this report.

Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Benbrook for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This year was the forty first consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles as well as all applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Benbrook has received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2024. This award marked the forty first time the City has received this award. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

Acknowledgements

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has my sincere appreciation for the contribution made in the preparation of this report.

In closing, without the leadership and support of the City Council and the City Manager, preparation of this report would not have been possible.

Respectfully submitted,

Rick Overgaard

Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Benbrook
Texas**

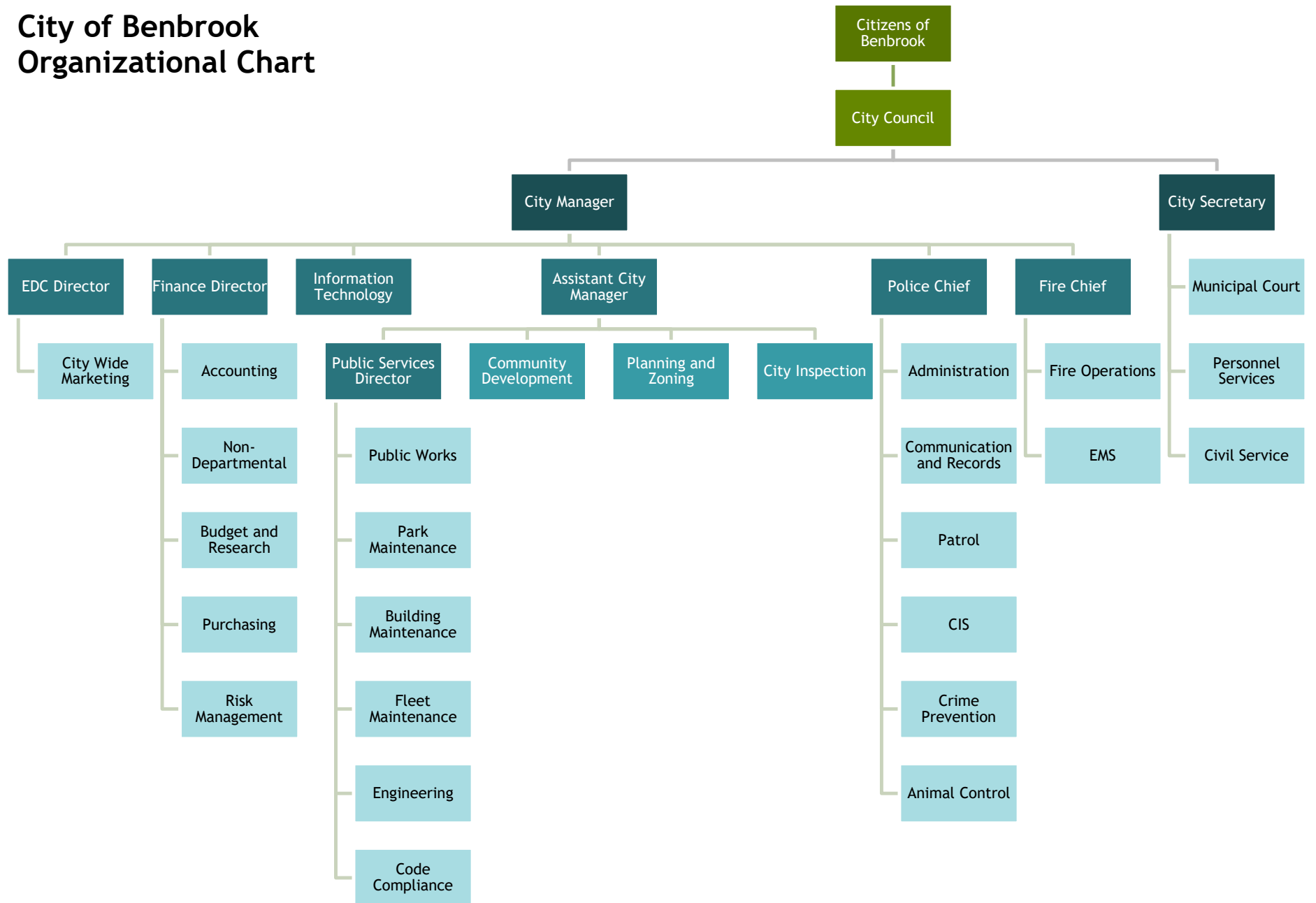
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

City of Benbrook Organizational Chart



**City of Benbrook, Texas
Principal Officials
September 30, 2025**

ELECTED OFFICIALS

Name of Individual	Position	Term Expires	Length of Service (in Years)
Jason Ward	Mayor Place 1	2025	4
Renee Franklin	Councilmember Place 2	2026	11
Dr. Larry Marshall	Mayor Pro Tem Place 3	2025	14
Dustin Phillips	Councilmember Tem Place 4	2026	7
Gary Addison	Councilmember Place 5	2025	4
Laura Mackey	Councilmember Place 6	2026	7
Keith Tiner	Councilmember Place 7	2025	4

APPOINTED OFFICIALS

Jim Hinderaker	City Manager	9
Beth Fischer	City Secretary	20
Ethan Cox	Deputy City Manager	1
Rick Overgaard	Finance Director	7
Doug Howard	Planning Director	8
Craig Ross	Police Chief	27
Jason Tate	Fire Chief	23
Jessica James	EDC Director	5
Wes Cooper	Information Technology Director	21

Bennett C. Howell, III	Public Services Director	11
Heath Haseloff	City Engineer	8



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Benbrook, Texas:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas (the "City") as of and for the year ended September 30, 2025, 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 present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 City of Benbrook, Texas 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

The City's 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 one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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.

Emphasis of Matters

As discussed in Note V.F. to the financial statements, due to the recognition of GASB 101, *Compensated Absences*, the City restated beginning net position for governmental activities. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net pension liability and related ratios, schedule of employer contributions to pension plan, schedule of changes in other postemployment benefits liability and related ratios, and budgetary comparison information be presented to supplement the basic financial statements. Such information, 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.

Other 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 nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This accompanying supplementary 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. Such 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2026 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.

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, flowing script.

Brooks Watson & Co.
Certified Public Accountants
Houston, Texas

March 5, 2026

*MANAGEMENT'S DISCUSSION
AND ANALYSIS*



City of Benbrook, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2025

As management of the City of Benbrook, Texas (the "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, 2025. 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 i-v of this report.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows (net position) at September 30, 2025 by \$83,650,133. Of this amount, \$12,425,472 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$125,817. The majority of the City's net position are invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$30,991,335 at September 30, 2025, an increase of \$44,262 from the prior fiscal year; this includes an increase of \$27,538 in the general fund, a decrease of \$44,646 in the debt service fund, an increase of \$490,639 in the special assessment fund, a decrease of \$795,373 in the municipal complex fund, and an increase of \$366,104 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$23,644,660 or 91% of total general fund expenditures.
- The City's total debt showed a net decrease (including premiums) of \$1,044,274. The total governmental bonds, COO's payable, and premium at the close of the fiscal year was \$21,024,756.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide 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 a private-sector business.

City of Benbrook, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2025

The *statement of net position* presents information on all of the City's assets, deferred outflows, liabilities and deferred inflows. The sum of assets plus deferred outflows, less the sum of liabilities plus deferred inflows is 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. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported 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 other 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, and culture and recreation. The business-type activities of the City include water and sewer and sanitation operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate the Benbrook Economic Development Corporation and the Tax Increment Financing ("TIF") Reinvestment Zone #1, for which the City is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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, governmental 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 assessing a government's near-term financing requirements.

City of Benbrook, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2025

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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, special assessment fund, and the municipal complex fund, which are considered to be major funds. The City's other special revenue/capital projects funds are considered nonmajor for reporting purposes.

The City adopts an annual appropriated budget for its general and debt service funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the budget.

Proprietary Funds

The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses one enterprise fund to account for its sanitation operations. All activities associated with providing such services are accounted for in these funds, including personnel, administration, operation, repairs/maintenance, capital improvements, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Proprietary financial statements 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 sanitation fund, as its considered a major fund of the City.

Component Unit

The City maintains the accounting and financial statements for two component units. The Benbrook Economic Development Corporation and the Tax Increment Financing ("TIF") Reinvestment Zone #1 are reported as discretely presented component units on the government-wide financial statements.

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

City of Benbrook, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2025

Other Information

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The required RSI includes a budgetary comparison schedule for the general fund, schedule of changes in the net pension liability and related ratios and schedule of employer contributions for the Texas Municipal Retirement System, and OPEB schedules. RSI can be found after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Benbrook, assets and deferred outflows exceed liabilities and deferred inflows by \$83,650,133 as of September 30, 2025 in the primary government.

The largest portion of the City's net position, \$65,693,836, reflects its investments in capital assets (e.g., land, buildings, infrastructure, vehicles, machinery and equipment, as well as the public works facilities), less any debt used to acquire those assets that are 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 assets themselves cannot be used to liquidate these liabilities.

Total current and other assets for governmental activities decreased by \$2,300,169 or 6% due to less cash on hand resulting from greater capital asset purchases in the current year. In addition, the decrease is due to a declining investment balance resulting from fewer interest bearing accounts held and a decrease in interest rates in the current year.

Total deferred inflows for governmental activities increased by \$1,262,970 or over 100%. The increase is strictly due to actuarial changes in the City's pension inputs over the course of the year.

Total other liabilities for governmental activities decreased by \$1,977,373 or 26% as a result of prior year capital improvement payables paid in the current year.

Total long-term liabilities for governmental activities decreased by \$2,079,783 or 7% due to debt payments and a significant decrease in the City's net pension liability over the course of the current year.

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	2025			2024		
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
	Activities	Activities		Activities	Activities	
Current and						
other assets	\$ 33,847,909	\$ 337,822	\$ 34,185,731	\$ 36,148,078	\$ 265,901	\$ 36,413,979
Capital assets, net	83,788,261	-	83,788,261	85,109,481	-	85,109,481
Total Assets	117,636,170	337,822	117,973,992	121,257,559	265,901	121,523,460
Total Deferred						
Outflows	2,722,726	-	2,722,726	3,908,577	-	3,908,577
Other liabilities	5,520,528	269,597	5,790,125	7,497,901	277,933	7,775,834
Long-term liabilities	29,335,992	-	29,335,992	31,415,775	-	31,415,775
Total Liabilities	34,856,520	269,597	35,126,117	38,913,676	277,933	39,191,609
Total Deferred						
Inflows	1,920,468	-	1,920,468	657,498	-	657,498
Net Position:						
Net investment						
in capital assets	65,693,836	-	65,693,836	64,013,007	-	64,013,007
Restricted	5,530,825	-	5,530,825	3,105,621	-	3,105,621
Unrestricted	12,357,247	68,225	12,425,472	18,476,334	(12,032)	18,464,302
Total Net Position	\$ 83,581,908	\$ 68,225	\$ 83,650,133	\$ 85,594,962	\$ (12,032)	\$ 85,582,930

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

Statement of Activities:

The following table provides a summary of the City's changes in net position:

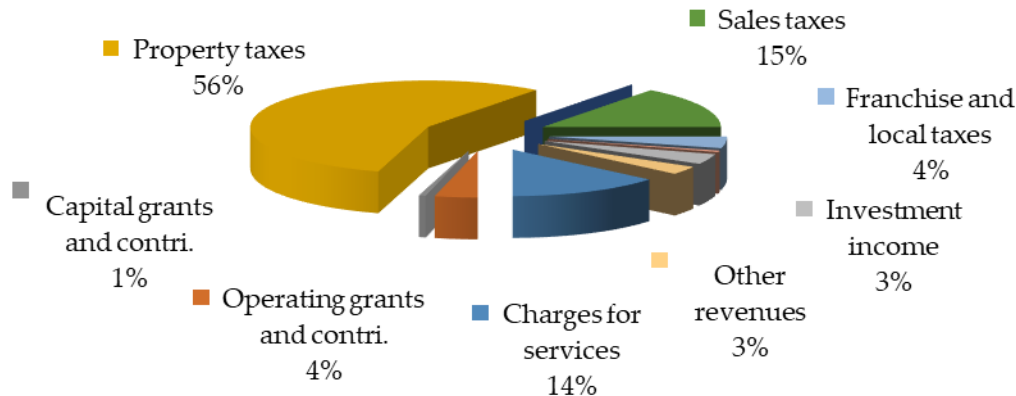
	For the Year Ended September 30, 2025			For the Year Ended September 30, 2024		
	Governmental	Business-Type	Total	Governmental	Business-Type	Total
	Activities	Activities	Primary Government	Activities	Activities	Primary Government
Revenues						
Program revenues:						
Charges for services	\$ 4,395,317	\$ 1,793,931	\$ 6,189,248	\$ 3,745,499	\$ 1,702,006	\$ 5,447,505
Operating grants	1,229,206	-	1,229,206	2,797,602	-	2,797,602
Capital grants	199,290	-	199,290	1,616,890	-	1,616,890
General revenues:						
Property taxes	17,698,153	-	17,698,153	17,531,765	-	17,531,765
Sales taxes	4,628,259	-	4,628,259	4,379,798	-	4,379,798
Hotel occupancy taxes	172,054	-	172,054	176,210	-	176,210
Franchise and local taxes	1,283,593	-	1,283,593	1,352,970	-	1,352,970
Investment income	1,142,985	-	1,142,985	1,635,148	-	1,635,148
Other revenues	920,298	-	920,298	895,975	-	895,975
Total Revenues	31,669,155	1,793,931	33,463,086	34,131,857	1,702,006	35,833,863
Expenses						
General government	4,611,696	-	4,611,696	1,580,907	-	1,580,907
Staff services	1,595,378	-	1,595,378	1,331,838	-	1,331,838
Public safety	14,878,526	-	14,878,526	13,310,911	-	13,310,911
Public services	9,335,373	-	9,335,373	8,899,343	-	8,899,343
Community develop.	1,220,344	-	1,220,344	1,099,860	-	1,099,860
Interest and fiscal chgs.	485,004	-	485,004	519,568	-	519,568
Sanitation	-	1,462,582	1,462,582	-	1,456,958	1,456,958
Total Expenses	32,126,321	1,462,582	33,588,903	26,742,427	1,456,958	28,199,385
Change in Net Position						
Before Transfers and Other	(457,166)	331,349	(125,817)	7,389,430	245,048	7,634,478
Transfers	251,092	(251,092)	-	298,761	(298,761)	-
Total	251,092	(251,092)	-	298,761	(298,761)	-
Change in Net Position	(206,074)	80,257	(125,817)	7,688,191	(53,713)	7,634,478
Beginning Net Position	83,787,982 *	(12,032) *	83,775,950	77,906,771	41,681	77,948,452
Ending Net Position	\$ 83,581,908	\$ 68,225	\$ 83,650,133	\$ 85,594,962	\$ (12,032)	\$ 85,582,930

*The difference between prior year ending net position and current year beginning net position is due to the implementation of GASB 101, Compensated Absences, in the current year. Please see Note V.F to the financial statements.

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.

Governmental Activities - Revenues

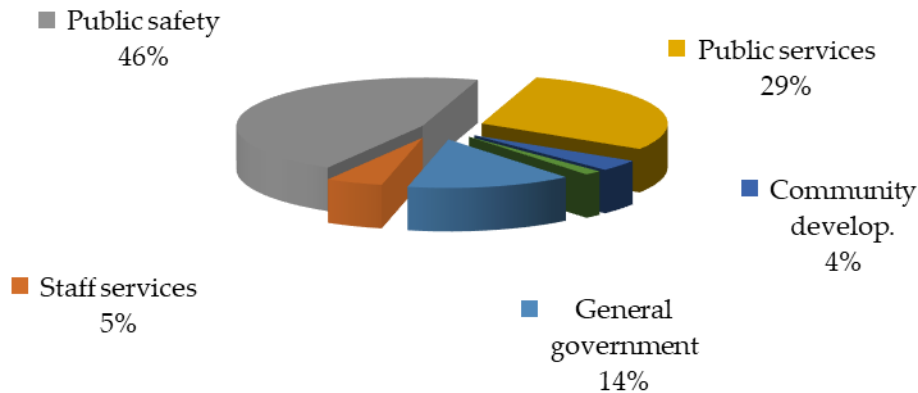


For the year ended September 30, 2025, revenues from governmental activities totaled \$31,669,155. Property taxes, sales taxes, and charges for services are the City's largest general revenue sources. Overall revenue decreased \$2,462,702 or 7% compared to the prior year. Grants and contributions decreased by \$2,985,996 or 68% primarily due to a reimbursement received from the TIF in the prior year. Charges for services increased by \$649,818 or 17%, primarily due to greater building permits received that related to the new apartment complex project in the current year. Sales taxes increased by \$248,461 or 6% primarily due to an increase in local economic activity over the course of the year. Investment income decreased by \$492,163 or 30% primarily due to a decline in interest rates in the current year. All other revenues remained relatively stable compared with the prior year.

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

This graph shows the governmental function expenses of the City:

Governmental Activities - Expenses

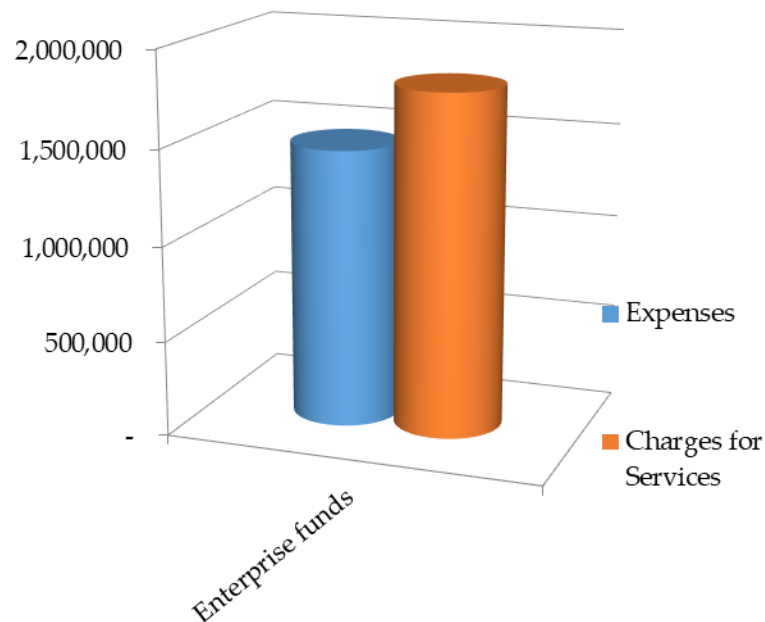


For the year ended September 30, 2025, expenses for governmental activities totaled \$32,126,321. This represents an increase of \$5,383,894 or 20% from the prior year. The City's largest functional expense is public safety of \$14,878,526, which increased by \$1,567,615 or 12% due to greater personnel costs resulting from general wage increases and a fully staffed department in the current year. In addition, the increase is related to greater depreciation costs and nonrecurring vehicle and radio maintenance in the current year. General government expenses increased by \$3,030,789 or 192% primarily due to a loss on land sale and greater personnel costs, resulting from general wage increases, credit card processing fees, and greater building and vehicle insurance costs incurred in the current year. Staff services and community development expenses increased by \$263,540 or 20% and \$120,484 or 11%, respectively, primarily due to greater personnel costs related to general wage increases and new hires in the current year. All other expenses remained relatively consistent with the previous year.

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

Business-type activities are shown comparing operating costs to revenues generated by related services.

Business-Type Activities - Revenues and Expenses



For the year ended September 30, 2025, charges for services by business-type activities totaled \$1,793,931. This is an increase of \$91,925 or 5% from the previous year, which is considered consistent with the previous year.

Total expenses increased by \$5,624 or less than 1%, to a total of \$1,462,582 and is relatively consistent with prior year.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

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

At September 30, 2025, the City's governmental funds reported combined fund balances of \$30,991,335, an increase of \$44,262 in comparison with the prior year. Approximately 76% of the fund balance,

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

\$23,644,660, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is *restricted* to indicate that it is restricted for particular purposes, \$7,346,675.

As of the end of the year the general fund reflected a total fund balance of \$23,644,660. The entire balance is considered unassigned. The general fund balance increased by \$27,538. The fund's increase was primarily due to significantly less transfers out of the fund when compared to the prior year.

As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The total fund balance of general fund is 91% of total general fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of \$23,644,660 is 91% of total general fund expenditures.

The debt service fund had an ending fund balance of \$393,401 at September 30, 2025, a decrease of \$44,646. The decrease was due to debt service expenditures exceeding current year property tax revenues. Property tax revenues decreased by \$46,593 when compared to the prior year.

The special assessment fund had an ending fund balance of \$2,131,361, an increase of \$490,639. The increase is due to nonrecurring grant revenues and transfers from other funds received in the current year.

The municipal complex fund had an ending fund balance of \$1,294,849, a decrease of \$795,373. The decrease is a result of capital outlay expenditures exceeding current year investment income and transfers paid to the fund in the current year. Transfers into the fund decreased by \$2,356,634 from the prior year.

Nonmajor governmental funds had a total ending fund balance of \$3,527,064, an increase of \$366,104.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

GENERAL FUND BUDGETARY HIGHLIGHTS

There was a positive variance of \$957,957 for budgeted general fund revenues. The positive variance was primarily due to all revenues were greater than the budgeted amounts except for property tax in the current year. There was a positive variance of \$205,918 for budgeted general fund expenditures. All expenditures were less than budgeted amounts with the exception of, general government, community development, and public safety totaling, \$334,847, \$5,349, and \$273,595, respectively. Other financing sources and uses had a positive budget variance of \$109,992. Total fund expenditures did not exceed appropriations at the legal level of control.

City of Benbrook, Texas

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

September 30, 2025

CAPITAL ASSETS

As of the end of the year, the City's governmental activities funds had invested \$83,788,261 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, park improvements, and drainage/bridge infrastructure. Major capital asset events during the current year include the following:

- Continued work on Cedar Creek and Timber drainage systems for \$302,233.
- Began work on the Low Water Crossing for \$94,927.
- Continued improvements on the municipal complex for \$2,158,375.
- Purchased two ambulances and related equipment totaling \$1,332,769.
- Purchased four police patrol vehicles and related equipment totaling \$376,440.

More detailed information about the City's capital assets is presented in note IV. C to the financial statements.

LONG-TERM DEBT

At the end of the current fiscal year, the City had total bonded and COO debt obligations of \$21,024,756 (including premiums). During the year, the City made \$985,000 of principal payments. The City monitors its debt obligations and callable bonds for refinancing opportunities with market conditions. More detailed information about the City's long-term liabilities is presented in note IV.E. to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In the fiscal year 2025-26 operating budget, General Fund revenues are budgeted to decrease by \$4,013 from the 2024-25 budget year. Assessed valuations grew by 1.51% leading to a projected increase in revenue from property taxes and the property tax rate remaining the same as the prior year. Sales tax revenue is projected to remain the same as the prior year due to a slowdown in the growth of sales tax. Additionally, there are no new capital purchases or programs in the fiscal year 2025-26 operating budget due to these uncertainties. Essentially, the operating budget is flat from the prior year.

In September 2021 the City issued \$22 million in General Obligation bonds for the construction of a new Municipal Complex that will house City Hall Administration, Police Department, and Senior Center. This project is budgeted in the City's Capital Improvement Projects budget and is mostly complete.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional

City of Benbrook, Texas
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
September 30, 2025

information, contact the City's Finance Director at P. O. Box 26569, Benbrook, Texas 76126, or call (817) 249-3000.

FINANCIAL STATEMENTS

City of Benbrook, Texas
STATEMENT OF NET POSITION (Page 1 of 2)
September 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Current assets:			
Cash and cash equivalents	\$ 28,791,064	\$ 10,241	\$ 28,801,305
Investments	1,934,368	-	1,934,368
Receivables, net	1,774,404	327,581	2,101,985
Due from component unit	108,167	-	108,167
Total Current Assets	32,608,003	337,822	32,945,825
Investments, noncurrent	1,239,906	-	1,239,906
Capital assets:			
Non-depreciable	38,556,416	-	38,556,416
Net depreciable capital assets	45,231,845	-	45,231,845
Noncurrent Assets	85,028,167	-	85,028,167
Total Assets	117,636,170	337,822	117,973,992
<u>Deferred Outflows of Resources</u>			
Pension outflows	2,541,575	-	2,541,575
OPEB outflows - TMRS	10,615	-	10,615
OPEB outflows - Healthcare	168,669	-	168,669
Deferred charge on refunding	1,867	-	1,867
Total Deferred Outflows of Resources	\$ 2,722,726	\$ -	\$ 2,722,726

Component Units	
EDC	TIF
\$ 7,598,414	\$ 275,000
-	-
324,666	-
-	-
7,923,080	275,000
-	-
3,125,946	-
166,518	-
3,292,464	-
11,215,544	275,000
-	-
-	-
-	-
-	-
\$ -	\$ -

City of Benbrook, Texas
STATEMENT OF NET POSITION (Page 2 of 2)
September 30, 2025

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
<u>Liabilities</u>			
Current liabilities:			
Accounts payable			
and accrued liabilities	\$ 2,190,060	\$ 269,597	\$ 2,459,657
Due to primary government	-	-	-
Accrued interest payable	85,771	-	85,771
Customer deposits	284,544	-	284,544
Compensated absences, current	2,215,153	-	2,215,153
Long term debt due within one year	745,000	-	745,000
Total Current Liabilities	5,520,528	269,597	5,790,125
Noncurrent liabilities:			
Compensated absences, noncurrent	1,388,841	-	1,388,841
Long-term debt due in more than one year	20,279,756	-	20,279,756
OPEB liability - TMRS	377,982	-	377,982
OPEB liability - Healthcare	2,112,949	-	2,112,949
Net pension liability	5,176,464	-	5,176,464
Noncurrent Liabilities	29,335,992	-	29,335,992
Total Liabilities	34,856,520	269,597	35,126,117
<u>Deferred Inflows of Resources</u>			
Pension inflows	1,022,320	-	1,022,320
OPEB inflows - Healthcare	814,385	-	814,385
OPEB inflows - TMRS	83,763	-	83,763
Total Deferred Inflows of Resources	1,920,468	-	1,920,468
<u>Net Position</u>			
Net investment in capital assets	65,693,836	-	65,693,836
Restricted for:			
Debt service	393,401	-	393,401
Capital improvements	4,364,822	-	4,364,822
City promotions	252,062	-	252,062
Public safety	520,540	-	520,540
Economic development	-	-	-
Capital improvements - TIF	-	-	-
Unrestricted	12,357,247	68,225	12,425,472
Total Net Position	\$ 83,581,908	\$ 68,225	\$ 83,650,133

See Notes to Financial Statements.

Component Units	
EDC	TIF
\$ 257,759	\$ -
108,167	-
-	-
-	-
-	-
-	-
365,926	-
-	-
-	-
-	-
-	-
-	-
365,926	-
-	-
-	-
-	-
-	-
3,292,464	-
-	-
-	-
-	-
-	-
7,557,154	-
-	275,000
-	-
\$ 10,849,618	\$ 275,000

City of Benbrook, Texas

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 4,611,696	\$ -	\$ 1,229,206	\$ 199,290
Staff services	1,595,378	-	-	-
Public safety	14,878,526	2,261,118	-	-
Public services	9,335,373	1,117,078	-	-
Community development	1,220,344	1,017,121	-	-
Interest and fiscal charges	485,004	-	-	-
Total Governmental Activities	32,126,321	4,395,317	1,229,206	199,290
Business-Type Activities				
Sanitation	1,462,582	1,793,931	-	-
Total Business-Type Activities	1,462,582	1,793,931	-	-
Total Primary Government	\$ 33,588,903	\$ 6,189,248	\$ 1,229,206	\$ 199,290
Component Units				
Economic				
Development Corporation	\$ 1,490,999	\$ -	\$ -	\$ -
Tax Increment Finance (TIF)	-	-	-	-
Total Component Units	\$ 1,490,999	\$ -	\$ -	\$ -

General Revenues:

Taxes
 Property taxes
 Sales taxes
 Franchise and local taxes
 Hotel occupancy taxes
 Investment income
 Other revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Beginning Net Position, as previously reported

New Accounting Standard - GASB 101

Beginning Net Position, as adjusted

Ending Net Position

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	EDC	TIF
\$ (3,183,200)	\$ -	\$ (3,183,200)	\$ -	\$ -
(1,595,378)	-	(1,595,378)	-	-
(12,617,408)	-	(12,617,408)	-	-
(8,218,295)	-	(8,218,295)	-	-
(203,223)	-	(203,223)	-	-
(485,004)	-	(485,004)	-	-
(26,302,508)	-	(26,302,508)	-	-
-	331,349	331,349	-	-
-	331,349	331,349	-	-
(26,302,508)	331,349	(25,971,159)	-	-
			(1,490,999)	-
			-	-
			(1,490,999)	-
17,698,153	-	17,698,153	-	-
4,628,259	-	4,628,259	2,306,693	-
1,283,593	-	1,283,593	-	-
172,054	-	172,054	-	-
1,142,985	-	1,142,985	-	-
920,298	-	920,298	242,439	-
251,092	(251,092)	-	-	-
26,096,434	(251,092)	25,845,342	2,549,132	-
(206,074)	80,257	(125,817)	1,058,133	-
85,594,962	(12,032)	85,582,930	9,791,485	275,000
(1,806,980)	-	(1,806,980)	-	-
83,787,982	(12,032)	83,775,950	9,791,485	275,000
\$ 83,581,908	\$ 68,225	\$ 83,650,133	\$ 10,849,618	\$ 275,000

City of Benbrook, Texas

BALANCE SHEET GOVERNMENTAL FUNDS September 30, 2025

	General	Debt Service	Capital Project Funds	
			Special Assessment	Municipal Complex
<u>Assets</u>				
Cash and cash equivalents	\$ 19,968,123	\$ 395,486	\$ 2,434,506	\$ 2,677,852
Investments	3,174,274	-	-	-
Taxes receivable, net	1,050,025	5,608	-	-
Accounts receivable, net	491,510	-	-	-
Due from other funds	9,043	-	-	-
Due from component units	108,167	-	-	-
Total Assets	\$ 24,801,142	\$ 401,094	\$ 2,434,506	\$ 2,677,852
<u>Liabilities</u>				
Accounts payable and accrued liabilities	\$ 778,703	\$ 3,502	\$ 18,601	\$ 1,383,003
Due to other funds	-	-	-	-
Customer deposits	-	-	284,544	-
Total Liabilities	778,703	3,502	303,145	1,383,003
<u>Deferred Inflows of Resources</u>				
Unavailable revenue - Property taxes	377,779	4,191	-	-
Total Deferred Inflows	377,779	4,191	-	-
<u>Fund Balances</u>				
Restricted for:				
Debt service	\$ -	\$ 393,401	\$ -	\$ -
Capital improvements	-	-	2,131,361	1,294,849
City promotions	-	-	-	-
Public safety	-	-	-	-
Unassigned	23,644,660	-	-	-
Total Fund Balances	23,644,660	393,401	2,131,361	1,294,849
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 24,801,142	\$ 401,094	\$ 2,434,506	\$ 2,677,852

See Notes to Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,315,097	\$ 28,791,064
-	3,174,274
227,261	1,282,894
-	491,510
-	9,043
-	108,167
<u>\$ 3,542,358</u>	<u>\$ 33,856,952</u>

\$ 6,251	\$ 2,190,060
9,043	9,043
-	284,544
<u>15,294</u>	<u>2,483,647</u>

-	381,970
-	381,970

\$ -	\$ 393,401
2,754,462	6,180,672
252,062	252,062
520,540	520,540
-	23,644,660
<u>3,527,064</u>	<u>30,991,335</u>
<u>\$ 3,542,358</u>	<u>\$ 33,856,952</u>



City of Benbrook, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS

September 30, 2025

Fund Balances - Total Governmental Funds \$ 30,991,335

Adjustments for the Statement of Net Position:

Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.

Capital assets - non-depreciable 38,556,416

Capital assets - net depreciable 45,231,845

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.

Property tax receivable 381,970

Deferred outflows (inflows) of resources represent a consumption (acquisition) of net position that applies to a future period(s) and is not recognized as an outflow (inflows) of resources (expense/expenditure)/(revenue) until then.

Deferred charge on refunding 1,867

Pension outflows 2,541,575

Pension inflows (1,022,320)

OPEB outflows - Healthcare 168,669

OPEB inflows - Healthcare (814,385)

OPEB outflows - TMRS 10,615

OPEB inflows - TMRS (83,763)

Some liabilities, including bonds payable, premiums, other long-term liabilities and deferred charges, are not reported as liabilities in the governmental funds.

Accrued interest (85,771)

Bond premium (1,244,756)

Compensated absences (3,603,994)

Non-current liabilities due in one year (745,000)

Non-current liabilities due in more than one year (19,035,000)

Net pension liability - TMRS (5,176,464)

OPEB liability - TMRS (377,982)

OPEB liability - Healthcare (2,112,949)

Net Position of Governmental Activities \$ 83,581,908

See Notes to Financial Statements.

City of Benbrook, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS (Page 1 of 2)

For the Year Ended September 30, 2025

	General	Debt Service	Capital Project Funds	
			Special Assessment	Municipal Complex
Revenues				
Property tax	\$ 16,683,186	\$ 1,148,823	\$ -	\$ -
Sales tax	4,628,259	-	-	-
Franchise and local taxes	1,271,891	-	-	-
Hotel occupancy taxes	-	-	-	-
Charges for services	1,138,132	-	113,030	-
License, permits and fees	1,017,121	-	-	-
Fines and forfeitures	648,766	-	-	-
Investment income	1,015,452	570	37,682	3,949
Grant revenue	-	-	1,428,496	-
Other revenue	777,604	55	-	-
Total Revenues	27,180,411	1,149,448	1,579,208	3,949
Expenditures				
Current:				
General government	1,757,162	4,150	-	-
Staff services	1,603,421	-	-	-
Community development	972,331	-	-	-
Public safety	13,789,429	-	-	-
Public works	7,904,193	-	-	-
Debt service:				
Principal	-	985,000	-	-
Interest and fiscal charges	-	545,063	-	-
Capital outlay	-	-	1,338,569	2,158,373
Total Expenditures	26,026,536	1,534,213	1,338,569	2,158,373

Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 17,832,009
-	4,628,259
11,702	1,283,593
172,054	172,054
1,117,078	2,368,240
-	1,017,121
361,190	1,009,956
85,332	1,142,985
-	1,428,496
17,999	795,658
<u>1,765,355</u>	<u>31,678,371</u>

-	1,761,312
-	1,603,421
189,628	1,161,959
127,536	13,916,965
-	7,904,193
-	985,000
-	545,063
679,246	4,176,188
<u>996,410</u>	<u>32,054,101</u>

City of Benbrook, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS (Page 2 of 2)

For the Year Ended September 30, 2025

			Capital Project Revenue	
	General	Debt Service	Special Assessment	Municipal Complex
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,153,875	\$ (384,765)	\$ 240,639	\$ (2,154,424)
<u>Other Financing Sources (Uses)</u>				
Sale of capital assets	168,900	-	-	-
Transfers in	251,092	340,119	250,000	1,359,051
Transfers (out)	(1,546,329)	-	-	-
Total Other Financing Sources (Uses)	<u>(1,126,337)</u>	<u>340,119</u>	<u>250,000</u>	<u>1,359,051</u>
Net Change in Fund Balances	27,538	(44,646)	490,639	(795,373)
Beginning fund balances	23,617,122	438,047	1,640,722	2,090,222
Ending Fund Balances	<u>\$ 23,644,660</u>	<u>\$ 393,401</u>	<u>\$ 2,131,361</u>	<u>\$ 1,294,849</u>

See Notes to Financial Statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 768,945	\$ (375,730)
-	168,900
50,000	2,250,262
(452,841)	(1,999,170)
(402,841)	419,992
366,104	44,262
3,160,960	30,947,073
\$ 3,527,064	\$ 30,991,335



City of Benbrook, Texas

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2025

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

Net changes in fund balances - total governmental funds	\$	44,262
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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.

Capital outlay		4,495,376
Depreciation expense		(2,951,829)
Adjustment for sale of land assets		(2,820,507)
Adjustment for disposal of capital assets		(44,260)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(133,856)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences		132,171
Accrued interest		5,684
Pension expense - TMRS		124,989
OPEB expense - TMRS		(544,166)
OPEB expense - Healthcare		446,687

The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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 transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are 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.

Amortization of debt premium		59,274
Amortization of deferred charge on refunding		(4,899)
Principal payments on long-term debt		985,000

Change in Net Position of Governmental Activities	\$	(206,074)
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See Notes to Financial Statements.

City of Benbrook, Texas

STATEMENT OF NET POSITION

PROPRIETARY FUND

September 30, 2025

<u>Assets</u>		Sanitation
<u>Current Assets</u>		
Cash and cash equivalents		\$ 10,241
Receivables, net		327,581
	Total Assets	337,822
 <u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts payable and accrued liabilities		269,597
	Total Liabilities	269,597
 <u>Net Position</u>		
Unrestricted		68,225
	Total Net Position	\$ 68,225

See Notes to Financial Statements.

City of Benbrook, Texas
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND
For the Year Ended September 30, 2025

	<u>Sanitation</u>
<u>Operating Revenues</u>	
Sanitation revenue	\$ 1,793,931
Total Operating Revenues	<u>1,793,931</u>
<u>Operating Expenses</u>	
Contractual services	1,462,582
Total Operating Expenses	<u>1,462,582</u>
Operating Income	<u>331,349</u>
Income Before Transfers	331,349
Transfers (out)	<u>(251,092)</u>
Change in Net Position	80,257
Beginning net position	<u>(12,032)</u>
Ending Net Position	<u><u>\$ 68,225</u></u>

See Notes to Financial Statements.

City of Benbrook, Texas

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

For the Year Ended September 30, 2025

	<u>Sanitation</u>
<u>Cash Flows from Operating Activities</u>	
Receipts from customers	\$ 1,756,221
Payments to suppliers and employees	(1,494,888)
Net Cash Provided (Used) by Operating Activities	<u>261,333</u>
<u>Cash Flows from Noncapital Financing Activities</u>	
Transfers (out)	(251,092)
Net Cash (Used for) Noncapital Financing Activities	<u>(251,092)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	10,241
Beginning cash and cash equivalents	<u>-</u>
Ending Cash and Cash Equivalents	<u><u>\$ 10,241</u></u>

Reconciliation of Operating Income (Loss)
to Net Cash Provided (Used) by Operating Activities

Operating Income	\$ 331,349
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	(37,710)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	(8,336)
Due to other funds	(23,970)
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 261,333</u></u>

See Notes to Financial Statements.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

The City of Benbrook (the "City") was incorporated in 1947. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: general government, police and fire protection, street maintenance, building inspection services, recreation, parks operation and maintenance, and operation and maintenance of City-owned buildings.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Benbrook Economic Development Corporation (the "EDC") and the Tax Increment Financing ("TIF") Reinvestment Zone #1 (the "TIF") are legally separate and presented as discretely presented component units. No other entities have been included in the City's reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations or functions in the City's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and is fiscally independent of other state and local governments. Additionally, prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, *Continued*
September 30, 2025

such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Discretely Presented Component Units

Benbrook Economic Development Corporation

The Benbrook Economic Development Corporation (EDC) was created for the purpose of promoting economic development within the City. The Board of Directors is appointed by the City Council. The EDC is authorized to sell bonds or other forms of indebtedness. The EDC provides services to the City and its residents. The Economic Development Corporation is covered under the provisions of the State of Texas, Development Corporation Act of 1979. Under the Act members of the board serve at the pleasure of the governing body and must conduct meetings within the City's boundaries. These provisions meet the criteria for inclusion established by GASB 61. Complete financial statements for the individual component unit may be obtained from the City's Finance Department. The District has a separate board from City council and does not provide services exclusively to the City. Due to these factors the component unit did not meet the criteria for blending and was presented discretely with respect to the City.

Tax Increment Financing Reinvestment Zone #1

The Tax Increment Financing ("TIF") Reinvestment Zone #1 was established by Ordinance No. 1137 in November 2002 for financing and constructing projects within Reinvestment Zone #1. The TIF is legally separate and presented as a discretely presented component unit as none of the criteria for blending are applicable. The District has a separate board from City council and does not provide services exclusively to the City. Due to these factors the component unit did not meet the criteria for blending and was presented discretely with respect to the City.

C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds and the proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and transit functions and various other functions of

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and component units. Separate statements for each fund category; governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

General Fund

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, hotel occupancy taxes, grants and donations, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, staff services, public safety, public works, and community development.

Debt Service Fund

The debt service fund is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of governmental funds. The primary source of revenue for debt service is local property taxes.

Special Assessment Fund

The Special Assessment fund is used to account for proceeds from special assessments of the City. The funds are restricted for future major projects of the City and capital asset purchases.

Municipal Complex Fund

The municipal complex fund is used to account for bond funds to be used to construct the municipal complex.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

The government reports the following major enterprise fund:

Sanitation Fund

This fund is used to account for the provision of sanitation services to the residents of the City. The City contracts sanitation services to a third party service provider.

Additionally, the City reports for the following fund types:

Special Revenue Funds

The City accounts for resources restricted to, or designated for, specific purposes in a special revenue fund.

Capital Project Funds

The City accounts for resources restricted for future major construction projects.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *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 government considers revenues 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 only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

F. Budgetary Information

1. Budgetary Basis of Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general and debt service funds. In the current year, annual budgets were not adopted for the special revenue or capital project funds.

Forty-five (45) days prior to the end of the fiscal year the City Manager submits the proposed annual budget and explanatory budget message to the City Council. The budget must be adopted by the twenty-seventh (27th) day of September or the budget, as submitted by the City Manager, will be deemed to have been adopted. The City Charter requires that the budget set out the proposed expenditures by function. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year.

G. Assets, Liabilities, and Fund Equity or Net Position

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price.

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Statewide investment pools

2. Fair Value Measurement

The City has applied Governmental Accounting Standards Board ("GASB") Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

3. Receivables and Interfund Transactions

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either "interfund receivables/payables" (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" in the fund financial statements. If the transactions are between the primary government and its component unit, these receivables and payables are classified as "due to/from component unit/primary government." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds are offset by a nonspendable fund balance account in the applicable governmental fund to indicate they are not available for appropriation and are not expendable available financial resources.

All trade receivables are shown net of any allowance for uncollectible amounts. Uncollectible personal property taxes are periodically reviewed and written off when deemed uncollectible; however, state statutes prohibit writing off real property taxes without specific authority from the Texas Legislature. The property tax receivable allowance is equal to 41.5% of outstanding property taxes as of September 30, 2025.

4. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). Inventories of supplies to be used internally are valued at cost using the first-in/first-out method. Inventories to be resold are valued at the lower of cost or market, and removed using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government, as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value on the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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 units, are depreciated using the straight-line method over the following estimated useful years.

Asset Description	Estimated Useful Life
Buildings and improvements	30 years
Infrastructure	10-50 years
Machinery and equipment	5-20 years

6. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows / inflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government only has three items that qualify for reporting in this category. One example is the deferred charge on refunding reported in the government-wide statement of net position. A 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 assets 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 only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable*

City of Benbrook, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2025

revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, fines, grants, and hotel taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources can also occur at the government wide level due to differences between investment gains and losses realized on pension investments compared to assumption used within the pension actuarial valuation model.

7. Net Position Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balance Policies

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. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government 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.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, *Continued*
September 30, 2025

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing body (council) has by resolution authorized the finance director to assign fund balance. The 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.

10. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. The long-term debt consists primarily of bonds payable and lease obligations.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums, discounts and issuance costs are deferred and amortized over the life of the bonds using the straight-line method, if material. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed as incurred.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. In the year of acquisition, lease transactions are recorded as other financing sources and as capital outlay expenditures in the general fund. Lease payments representing both principal and interest are recorded as expenditures in the general fund upon payment with an appropriate reduction of principal recorded in the government-wide financial statements.

11. 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 liabilities and disclosure of contingent assets and liabilities at the date

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

12. 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 Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. 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.

13. Other Postemployment Benefits ("OPEB")

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

In addition to the contributions made to TMRS, the City provides certain other post-employment benefits to its retirees and dependents. The retiree health care plan covers both active and retiree benefits with no segregation of assets, therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) as such the plan is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the plan is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The retired employees can participate in the City's health care plan by paying the full amount of the premiums. GASB No. 75 requires the liability of employers and nonemployer contributing entities to employees for defined

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the City.

3. Compensated Absences

City policy allows civil service employees to accumulate 120 hours of sick leave per year and accrue it on an unlimited basis. Civil service employees with one full year of employment are entitled to be paid up to 90 days for unused sick leave upon termination. Non-civil service employees may accrue up to 480 hours of unused sick leave. Non-civil service employees may be paid up to 20 days for unused sick time based on years of service and certain other criteria. Employees with less than 5 years of service earn 10 vacation days whereas employees with more than 5 years of service earn 15 vacations days per year. Non-civil service employees may accumulate two times the current number of vacation days earned per year, up to a maximum of 30 days. All earned vacation leave not taken within one year of its accumulation will be forfeited by civil service employees.

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. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

All sick time is accrued when incurred and determined to be more likely to be used than not to be used.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sanitation fund are charges to customers for sales and services. The sanitation fund 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 fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net position-governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, "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. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general and debt service funds.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Forty-five (45) days prior to the end of the fiscal year the City Manager submits the proposed annual budget and explanatory budget message to the City Council. The budget must be adopted by the twenty-seventh (27th) day of September or the budget, as submitted by the City Manager, will be deemed to have been adopted. The City Charter requires that the budget set out the proposed expenditures by function. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level.

A. Expenditures Exceeding Appropriations

During the year ended September 30, 2025, expenditures exceeded the legal level of control, which is defined by the fund level, in the following funds:

Debt Service Fund	\$350
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IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

As stated in I.G.1., the City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. As of September 30, 2025, the City's only investments were external investment pools and certificates of deposits with maturities greater than three months.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

The City had the following investments at year end:

Investment Type	Value	Weighted Average Maturity (Years)
Certificates of deposits	\$ 3,174,274	0.83
External investment pools	20,610,067	0.13
Total	<u><u>\$ 23,784,341</u></u>	
Portfolio weighted average maturity		0.22

The Benbrook EDC had the following investments at year end:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 4,231,423	0.12
Total	<u><u>\$ 4,231,423</u></u>	
Portfolio weighted average maturity		0.12

The Benbrook TIF had the following investments at year end:

Investment Type	Value	Weighted Average Maturity (Years)
External investment pools	\$ 185,639	0.12
Total	<u><u>\$ 185,639</u></u>	
Portfolio weighted average maturity		0.12

Interest rate risk In accordance with its investment policy, the City manages its exposure to declines in market values by limiting the weighted average of maturity not to exceed three years; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

Credit risk The City's investment policy limits the type of allowable investments to (1) collateralized bank certificates of deposit as per the City's depository contract, (2) direct obligations of the Federal government, (3) direct obligations of Federal agencies and instrumentalities, (4) investments in certificates of deposit at Federally insured banks or savings and loan associations, (5) collateralized savings accounts at the City's depository banks, or (6) Texpool/TexSTAR. As of September 30, 2025, the City's investments consisted solely of bank certificates of deposit and external investment pools.

City of Benbrook, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2025

Custodial credit risk – deposits In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of the deposits. As of September 30, 2025, the fair values of the primary government's and EDC's pledged securities and FDIC insurance exceeded bank balances.

Custodial credit risk – investments For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. There were no limitations or restrictions on withdrawals.

TexSTAR

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAM by Standard &

City of Benbrook, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2025

Poor's. The City's market value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

B. Receivables

The following tables comprise the receivable balances of the primary government at year end:

	General	Debt Service	Speical Assessment	Nonmajor Governmental	Sanitation	Total
Property taxes	\$ 400,694	\$ 5,608	\$ 20,585	\$ -	\$ -	\$ 426,887
Sales taxes	649,332	-	-	-	-	649,332
Franchise taxes	-	-	-	1,753	-	1,753
Ambulance	52,982	-	-	-	-	52,982
Accounts	436,205	-	-	187,284	327,581	951,070
Other	2,322	-	-	38,224	-	40,546
Allowance	-	-	(20,585)	-	-	(20,585)
	<u>\$ 1,541,535</u>	<u>\$ 5,608</u>	<u>\$ -</u>	<u>\$ 227,261</u>	<u>\$ 327,581</u>	<u>\$ 2,101,985</u>

The following comprise receivables balances of the City's discretely presented component unit at year end:

	EDC
Sales tax	<u>\$ 324,666</u>
	<u>\$ 324,666</u>

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

C. Capital Assets

A summary of changes in governmental activities capital assets for the year end was as follows:

	Beginning Balances	Increases	Decreases/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 4,878,708	\$ -	\$ (2,820,507)	\$ 2,058,201
Right of way ("ROW")	9,821,372	-	-	9,821,372
Construction in progress	24,668,331	2,555,535	(547,023)	26,676,843
Total capital assets not being depreciated	<u>39,368,411</u>	<u>2,555,535</u>	<u>(3,367,530)</u>	<u>38,556,416</u>
Capital assets, being depreciated:				
Buildings	12,117,277	-	(1,637,840)	10,479,437
Infrastructure	95,630,674	5,884	547,023	96,183,581
Machinery, equipment, and vehicles	12,357,043	1,933,957	(630,894)	13,660,106
Total capital assets being depreciated	<u>120,104,994</u>	<u>1,939,841</u>	<u>(1,721,711)</u>	<u>120,323,124</u>
Less accumulated depreciation:				
Buildings	(7,935,732)	(327,602)	1,637,840	(6,625,494)
Infrastructure	(60,680,010)	(1,444,909)	-	(62,124,919)
Machinery, equipment, and vehicles	(5,748,182)	(1,179,318)	586,634	(6,340,866)
Total accumulated depreciation	<u>(74,363,924)</u>	<u>(2,951,829)</u>	<u>2,224,474</u>	<u>(75,091,279)</u>
Net capital assets being depreciated	<u>45,741,070</u>	<u>(1,011,988)</u>	<u>502,763</u>	<u>45,231,845</u>
Total Capital Assets	<u><u>\$ 85,109,481</u></u>	<u><u>\$ 1,543,547</u></u>	<u><u>\$ (2,864,767)</u></u>	<u><u>\$ 83,788,261</u></u>

Depreciation was charged to governmental functions as follows:

General government	\$ 37,923
Public safety	1,116,483
Public works	1,796,476
Culture and recreation	947
Total Governmental Activities Depreciation Expense	<u><u>\$ 2,951,829</u></u>

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

A summary of changes in component unit capital assets for the year end was as follows:

	Beginning Balances	Additions	Retirements/ Reclassifications	Ending Balances
Capital assets, not being depreciated:				
Land	\$ 3,125,946	\$ -	\$ -	\$ 3,125,946
Total capital assets not being depreciated	<u>3,125,946</u>	<u>-</u>	<u>-</u>	<u>3,125,946</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ 20,372	\$ -	\$ -	\$ 20,372
Infrastructure	-	166,518	-	166,518
Total capital assets being depreciated	<u>20,372</u>	<u>166,518</u>	<u>-</u>	<u>186,890</u>
Less accumulated depreciation				
Machinery and equipment	(20,372)	-	-	(20,372)
Total accumulated depreciation	<u>(20,372)</u>	<u>-</u>	<u>-</u>	<u>(20,372)</u>
Net capital assets being depreciated	-	166,518	-	166,518
Total Capital Assets	<u><u>\$ 3,125,946</u></u>	<u><u>\$ 166,518</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,292,464</u></u>

D. Compensated Absences

The following summarizes the changes in the compensated absences balances of the primary government during the year. In general, the City uses the general fund to liquidate compensated absences.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 3,736,165	\$ 2,152,736	\$ (2,284,907)	\$ 3,603,994	\$ 2,215,153
Total Governmental Activities	<u><u>\$ 3,736,165</u></u>	<u><u>\$ 2,152,736</u></u>	<u><u>\$ (2,284,907)</u></u>	<u><u>\$ 3,603,994</u></u>	<u><u>\$ 2,215,153</u></u>
Other Long-term Liabilities Due in More than One Year				<u><u>\$ 1,388,841</u></u>	

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

E. Long-term Debt

The following is a summary of changes in the City's total governmental long-term liabilities for the year ended. In general, the City uses the debt service fund to liquidate governmental long-term liabilities.

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
Governmental Activities:					
Bonds, notes and other payables:					
General Obligation Bonds	\$ 20,550,000	\$ -	\$ (915,000)	\$ 19,635,000	\$ 675,000
Certificates of Obligation	215,000	-	(70,000)	145,000	70,000
Premiums	1,304,030	-	(59,274)	1,244,756	-
Total Governmental Activities	\$ 22,069,030	\$ -	\$ (1,044,274)	\$ 21,024,756	\$ 745,000
Long-term liabilities due in more than one year				\$ 20,279,756	

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. The City intends to retire all of its general long-term liabilities, plus accrued interest, from property taxes and other current revenues from the debt service fund as has been done in prior years. Leases are secured by the underlying asset. In the event of default, the lender may demand immediate payment or take possession of the asset.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Long-term debt at year end was comprised of the following debt issues:

Description	Maturity Date	Interest Rates	Original Balance	Current Balance
Governmental Activities:				
2021 General Obligation Refunding Bonds	2/1/2046	2.00-4.00%	\$ 20,920,000	\$ 19,635,000
Total General Obligation Bonds			<u>23,555,000</u>	<u>19,635,000</u>
2007 Combination Tax & Revenue Certificates	2/1/2027	4.04%	\$ 1,455,000	\$ 145,000
Total Certificates of Obligation			<u>1,455,000</u>	<u>145,000</u>
Total Governmental Activities			<u>\$ 25,010,000</u>	<u>\$ 19,780,000</u>

The annual requirements to amortize governmental activities debt issues outstanding at year ending were as follows:

Governmental Activities				
Year ending September 30,	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2026	\$ 675,000	\$ 514,794	\$ 70,000	\$ 4,444
2027	695,000	494,144	75,000	1,515
2028	725,000	465,744	-	-
2029	750,000	436,244	-	-
2030	785,000	405,544	-	-
Thereafter	16,005,000	3,010,216		
Total	<u>\$ 19,635,000</u>	<u>\$ 5,326,686</u>	<u>\$ 145,000</u>	<u>\$ 5,959</u>

F. Deferred Charge on Refunding

Deferred charges resulting from the issuance of the 2011 general obligation refunding bonds and 2013 general obligation refunding bonds has been recorded as a deferred outflow of resources and is being amortized to interest expense over the term of the refunded debt. Current year balances for governmental activities totaled \$1,867. Current year amortization expense for governmental activities totaled \$4,899.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

G. Interfund Transfers

Transfers between the primary government funds during the 2025 year were as follows:

Transfers In:	Transfers Out:			Total
	General Fund	Nonmajor Governmental	Sanitation	
General	\$ -	\$ -	\$ 251,092	\$ 251,092
Debt service	-	340,119	-	340,119
Special assessment	250,000	-	-	250,000
Municipal complex	1,246,329	112,722	-	1,359,051
Nonmajor govt	50,000	-	-	50,000
Total	\$ 1,546,329	\$ 452,841	\$ 251,092	\$ 2,250,262

Transfers between funds were primarily to support debt service requirements and operation of funds.

The compositions of interfund balances as of year end were as follows:

Due from:	Due to:	
	Nonmajor Govt.	Total
General	\$ 9,043	\$ 9,043
Total	\$ 9,043	\$ 9,043

The compositions of balances due to/due from the primary government and component units were as follows:

Due from:	Due to:	
	EDC	Total
General Fund	\$ 108,167	\$ 108,167
Total	\$ 108,167	\$ 108,167

H. Restricted Net Position / Fund Balance

The City records restricted net position / fund balance to indicate that a portion is legally restricted for a specific future use.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

The following is a list of restricted, committed, and assigned fund balance of the City:

	Governmental Funds	Governmental Net Position
Restricted for:		
Debt service	\$ 393,401	\$ 393,401
Capital improvements	6,180,672	4,364,822
City promotions	252,062	252,062
* Public safety	520,540	520,540
Total Restricted	<u>\$ 7,346,675</u>	<u>\$ 5,530,825</u>

* Restricted by enabling legislation

V. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with over 2,700 other entities in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

The City is exposed to various risks of loss related to tort; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance. The City maintained general liability and property coverage through the Texas Municipal League Intergovernmental Risk Pool (TML). The City pays an annual premium to TML for such coverage. TML purchases reinsurance and the City does not retain risks of loss exceeding deductibles. The City did not have any significant reduction in the amount of insurance coverage for this fiscal year. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. No insurance claims of the City have exceeded insurance coverage for the last three fiscal years.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

C. Defined Benefit Pension Plans

1. Texas Municipal Retirement Systems

Plan Description

The City of Benbrook participates as one of 938 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's 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.

All eligible employees of the city 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 payments 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.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Plan provisions for the City were as follows:

	<u>Plan Year 2023</u>	<u>Plan Year 2024</u>
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees covered by benefit terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	97
Inactive employees entitled to but not yet receiving benefits	93
Active employees	126
Total	316

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 Benbrook were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Benbrook were 17.16% and 17.07% in calendar years 2025 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2025, were \$2,202,410, and were equal to the required contributions.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Net Pension Liability

The city's Net Pension Liability (NPL) was measured as of December 31, 2024, 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, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.60 to 11.85%, including inflation
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS as of December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. 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.

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

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

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). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Public Equity	35.0%	6.7%
Core Fixed Income	6.0%	4.7%
Non-Core Fixed Income	20.0%	8.0%
Other Public/Private Markets	12.0%	8.0%
Real Estate	12.0%	7.6%
Hedge Funds	5.0%	6.4%
Private Equity	10.0%	11.6%
Total	100.0%	

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.

Sensitivity of the Net Pension Liability (Asset) 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 (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 16,368,802	\$ 5,176,464	\$ (4,021,866)

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Changes in the Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/23	\$ 77,561,290	\$ 70,377,114	\$ 7,184,176
Changes for the year:			
Service Cost	2,305,772	-	2,305,772
Interest	5,184,360	-	5,184,360
Difference between expected and actual experience	-	-	-
Changes of assumptions	670,837	-	670,837
Contributions – employer	-	2,060,706	(2,060,706)
Contributions – employee	-	845,047	(845,047)
Net investment income	-	7,310,923	(7,310,923)
Benefit payments, including refunds of emp. contributions	(3,817,700)	(3,817,700)	-
Administrative expense	-	(46,898)	46,898
Other changes	-	(1,097)	1,097
Net changes	4,343,269	6,350,981	(2,007,712)
Balance at 12/31/24	<u>\$ 81,904,559</u>	<u>\$ 76,728,095</u>	<u>\$ 5,176,464</u>

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.

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

For the year ended September 30, 2025, the City recognized pension expense of \$2,077,421.

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Contributions subsequent to the measurement date	\$ 1,655,958	\$ -
Difference in experience	885,617	-
Changes in actuarial assumptions	-	(232,244)
Pension investment earnings	-	(790,076)
Total	<u>\$ 2,541,575</u>	<u>\$ (1,022,320)</u>

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

The City reported \$1,655,958 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2026.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended	
December 31:	
2025	\$ 353,777
2026	1,002,877
2027	(1,002,381)
2028	(490,976)
2029	-
Thereafter	-
Total	\$ (136,703)

D. Other Postemployment Benefits

1. Texas Municipal Retirement Systems

The City also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB. The SDBF covers both active and retiree benefits with no segregation of assets and, therefore, doesn't meet the definition of a trust under GASB No. 75, paragraph 4b, (i.e., no assets are accumulated for OPEB). As such, the SDBF is considered to be a single-employer unfunded OPEB plan (and not a cost sharing plan) with benefit payments treated as being equal to the employer's yearly contributions for retirees.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Employees covered by benefit terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	74
Inactive employees entitled to but not yet receiving benefits	20
Active employees	126
Total	220

The City's contributions to the TMRS SDBF for the years ended 2025 and 2024 were \$13,816 and \$11,695, respectively, which equaled the required contributions each year.

Schedule of Contribution Rates
(RETIREE-only portion of the rate)

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2023	0.10%	0.10%	100.0%
2024	0.10%	0.10%	100.0%
2025	0.11%	0.11%	100.0%

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2024, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

City of Benbrook, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2025

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.6% to 11.85%, including inflation per year
Discount rate	4.08%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

Discount Rate:

The discount rate used to measure the Total OPEB Liability was 4.08%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2024.

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 4.08%, as well as what the City's total OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08%) or 1-percentage-point higher (5.08%) than the current rate:

1% Decrease (3.08%)	Current Single Rate Assumption 4.08%	1% Increase (5.08%)
\$ 452,907	\$ 377,982	\$ 320,017

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/23	\$ 390,897
Changes for the year:	
Service Cost	14,487
Interest	14,782
Difference between expected and actual experience	(8,810)
Changes of assumptions	(21,302)
Benefit payments	(12,072)
Net changes	(12,915)
Balance at 12/31/24	<u>\$ 377,982</u>

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

For the year ended September 30, 2025, the City recognized OPEB expense of \$16,367.

At September 30, 2025, the City reported deferred outflows and inflows of resources related to the OPEB liability from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference between expected and actual experience	\$ -	\$ (6,397)
Change in assumptions	-	(77,366)
Contributions subsequent to measurement date	10,615	-
Total	<u>\$ 10,615</u>	<u>\$ (83,763)</u>

The City reported \$10,615 as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the OPEB liability for the year ending September 30, 2026.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

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

Year ended December 31:		
2025	\$	(14,428)
2026		(20,068)
2027		(26,576)
2028		(18,883)
2029		(3,808)
Thereafter		-
	\$	<u>(83,763)</u>

2. City of Benbrook Retiree Health Care Plan

Plan Description

Employees who retire from the City are eligible to continue health insurance (a single-employer) coverage through the City's group plan, the City of Benbrook Retiree Health Care Plan, after their federal COBRA benefits expire. The retiree must continue with no break in coverage. If a retiree declines coverage, then the retiree is not eligible for coverage at some future date. If the retiree drops coverage, then the retiree may not re-enroll at a later date.

The City elected, by ordinance, to provide coverage to both current and retired employees. The City may terminate coverage under and discontinue participation by adopting an ordinance.

Benefits

Retirees are treated the same as active employees with one major exception, the retiree must prepay the monthly insurance premium. If a retiree includes a dependent coverage, the dependent must have been covered prior to the retiree's retirement. The retirees pay the same amount for dependent coverage as an active employee; the City's subsidy applies toward dependent coverage for the retiree only. The other postretirement employment benefits for eligible retirees are funded on a pay-as-you-go basis.

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Employees covered by benefit terms

At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	18
Inactive employees entitled to but not yet receiving benefits	0
Active employees & family members	117
Total	135

Total OPEB Liability

The City's Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2024, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total OPEB Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	3.60% to 11.85, including inflation
Discount rate	4.08%

Mortality

For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements.

Health Care Trend Rates

Initial rate of 7.50% declining to an ultimate rate of 4.25% after 15 years.

Participation Rates

It was assumed that 30% of eligible employees retiring before the age of 65 would choose to receive retiree health care benefits through the City. Of those assumed to elect coverage, 40% of retirees were assumed to elect two-person coverage. Additionally, it was assumed that 35% of eligible retirees would choose to receive retiree life insurance coverage through the City.

City of Benbrook, Texas

NOTES TO FINANCIAL STATEMENTS, *Continued*

September 30, 2025

Discount Rate:

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 4.08% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The discount rate was 4.05% as of the prior measurement date.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Trends

Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the plan's total OPEB liability, calculated using a discount rate of 4.08%, as well as what the plan's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

1% Decrease (3.08%)	Current Discount Rate Assumption 4.08%	1% Increase (5.08%)
\$ 2,338,055	\$ 2,112,949	\$ 1,915,077

Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the plan's total OPEB liability, calculated using the assumed trend rates as well as what the plan's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

1% Decrease	Current Healthcare Cost Trend Rate Assump.	1% Increase
\$ 1,923,467	\$ 2,112,949	\$ 2,338,028

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at 12/31/2023	\$ 2,563,754
Changes for the year:	
Service Cost	99,858
Interest	97,352
Difference between expected and actual experience	(636,074)
Changes of assumptions	50,856
Benefit payments	(62,797)
Net changes	(450,805)
Balance at 12/31/2024	<u>\$ 2,112,949</u>

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

For the year ended September 30, 2025, the City recognized OPEB expense of \$157,725.

At September 30, 2025, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference in experience	\$ -	\$ (814,385)
Changes in actuarial assumptions	168,669	-
Total	<u>\$ 168,669</u>	<u>\$ (814,385)</u>

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

Year ended September 30:	
2026	\$ (39,485)
2027	(41,820)
2028	(56,043)
2029	(67,117)
2030	(107,019)
Thereafter	(334,232)
Total	<u>\$ (645,716)</u>

City of Benbrook, Texas
NOTES TO FINANCIAL STATEMENTS, Continued
September 30, 2025

E. New Accounting Pronouncements

The City adopted GASB 101, *Compensated Absences* during the year. The goal of the standard is to create a more consistent model for accounting for compensated absences that can be applied to all types of compensated absence arrangements.

The new guidance introduces three criteria for recording a liability in financial statements prepared using the economic resources measurement focus (often referred to as a “full accrual” basis). A liability should be recognized for leave that has not been used if all of the following are true:

- The leave is attributable to services already rendered.
- The leave accumulates.
- The leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means (likelihood of more than 50 percent).

This standard was applied retroactively and resulted in a sick leave liability of \$2,051,240 as of September 30, 2025.

F. Restatements

Due to the implementation of GASB 101, *Compensated Absences*, the City restated beginning net position for governmental activities. The below is a summary of the restatement:

	Governmental Activities
Prior year ending net position as reported	\$ 85,594,962
Implementation of GASB 101	(1,806,980)
Restated beginning net position	<u>\$ 83,787,982</u>

G. Subsequent Events

There were no material subsequent events through March 5, 2026, the date the financial statements were available to be issued.



REQUIRED SUPPLEMENTARY INFORMATION



City of Benbrook, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND

For the Year Ended September 30, 2025

	Original Budget	Original & Final Budget	2025 Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>				
Property tax	\$ 17,502,154	\$ 17,502,154	\$ 16,683,186	\$ (818,968)
Sales tax	4,510,000	4,510,000	4,628,259	118,259
Franchise and local taxes	1,270,000	1,270,000	1,271,891	1,891
Charges for services	948,500	948,500	1,138,132	189,632
License, permits and fees	378,300	378,300	1,017,121	638,821
Fines and forfeitures	509,000	509,000	648,766	139,766
Investment income	500,000	500,000	1,015,452	515,452
Other revenue	604,500	604,500	777,604	173,104
Total Revenues	26,222,454	26,222,454	27,180,411	957,957
<u>Expenditures</u>				
Current:				
General government	1,422,315	1,422,315	1,757,162	(334,847)
Staff services	1,710,119	1,710,119	1,603,421	106,698
Community development	966,982	966,982	972,331	(5,349)
Public safety	13,515,834	13,515,834	13,789,429	(273,595)
Public services	8,617,204	8,617,204	7,904,193	713,011
Total Expenditures	26,232,454	26,232,454	26,026,536	205,918
Revenues Over (Under)	(10,000)	(10,000)	1,153,875	1,163,875
<u>Other Financing Sources (Uses)</u>				
Transfers in	300,000	300,000	251,092	(48,908)
Transfers (out)	(300,000)	(1,546,329)	(1,546,329)	-
Sale of capital assets	10,000	10,000	168,900	158,900
Total Other Financing Sources (Uses)	10,000	(1,236,329)	(1,126,337)	109,992
Net Change in Fund Balance	\$ -	\$ (1,246,329)	27,538	\$ 1,273,867
Beginning fund balance			23,617,122	
Ending Fund Balance			\$ 23,644,660	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Benbrook, Texas

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	12/31/2024	12/31/2023	12/31/2022	12/31/2021
Total pension liability				
Service cost	\$ 2,305,772	\$ 2,126,613	\$ 2,004,909	\$ 1,939,692
Interest	5,184,360	4,955,366	4,646,443	4,362,807
Differences between expected and actual experience	-	34,575	719,171	603,724
Changes of assumptions	670,837	(420,296)	-	-
Benefit payments, including refunds of participant contributions	(3,817,700)	(2,968,990)	(2,740,486)	(2,733,125)
Net change in total pension liability	4,343,269	3,727,268	4,630,037	4,173,098
Total pension liability - beginning	\$ 77,561,290	\$ 73,834,022	\$ 69,203,985	\$ 65,030,887
Total pension liability - ending (a)	\$ 81,904,559	\$ 77,561,290	\$ 73,834,022	\$ 69,203,985
Plan fiduciary net position				
Contributions - employer	\$ 2,060,706	\$ 1,815,536	\$ 1,704,117	\$ 1,727,180
Contributions - members	845,047	791,824	749,298	729,207
Net investment income	7,310,923	7,343,188	(5,017,933)	7,965,133
Benefit payments, including refunds of participant contributions	(3,817,700)	(2,968,990)	(2,740,486)	(2,733,125)
Administrative expenses	(46,898)	(46,713)	(43,420)	(36,847)
Other	(1,097)	(326)	51,815	252
Net change in plan fiduciary net position	6,350,981	6,934,519	(5,296,609)	7,651,800
Plan fiduciary net position - beginning	70,377,114	63,442,595	68,739,204	61,087,404
Plan fiduciary net position - ending (b)	\$ 76,728,095	\$ 70,377,114	\$ 63,442,595	\$ 68,739,204
Fund's net pension liability - ending (a) - (b)	\$ 5,176,464	\$ 7,184,176	\$ 10,391,427	\$ 464,781
Plan fiduciary net position as a percentage of the total pension liability	93.68%	90.74%	85.93%	99.33%
Covered payroll	\$ 12,072,103	\$ 11,311,772	\$ 10,704,264	\$ 10,417,248
Fund's net position as a percentage of covered payroll	42.88%	63.51%	97.08%	4.46%

<u>12/31/2020</u>	<u>12/31/2019</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2016</u>	<u>12/31/2015</u>
\$ 1,874,941	\$ 1,858,555	\$ 1,706,379	\$ 1,657,777	\$ 1,575,386	\$ 1,520,604
4,194,045	3,951,004	3,750,563	3,549,305	3,389,690	3,323,230
(884,044)	172,697	(283,128)	(100,498)	(643,705)	(408,073)
-	203,079	-	-	-	(33,726)
(2,701,158)	(2,484,708)	(2,076,098)	(2,222,466)	(1,773,318)	(1,599,725)
2,483,784	3,700,627	3,097,716	2,884,118	2,548,053	2,802,310
\$ 62,547,103	\$ 58,846,476	\$ 55,748,760	\$ 52,864,642	\$ 50,316,589	\$ 47,514,279
\$ 65,030,887	\$ 62,547,103	\$ 58,846,476	\$ 55,748,760	\$ 52,864,642	\$ 50,316,589
\$ 1,654,539	\$ 1,616,740	\$ 1,516,476	\$ 1,534,575	\$ 1,492,510	\$ 1,484,633
704,487	699,456	648,461	634,122	601,949	585,491
4,336,513	7,678,388	(1,531,759)	6,236,147	2,829,895	61,051
(2,701,158)	(2,484,708)	(2,076,098)	(2,222,466)	(1,773,318)	(1,599,725)
(28,057)	(43,378)	(29,601)	(32,310)	(31,954)	(37,184)
(1,095)	(1,303)	(1,547)	(1,636)	(1,722)	(1,836)
3,965,229	7,465,195	(1,474,068)	6,148,432	3,117,360	492,430
57,122,175	49,656,980	51,131,048	44,982,616	41,865,256	41,372,826
\$ 61,087,404	\$ 57,122,175	\$ 49,656,980	\$ 51,131,048	\$ 44,982,616	\$ 41,865,256
\$ 3,943,483	\$ 5,424,928	\$ 9,189,496	\$ 4,617,712	\$ 7,882,026	\$ 8,451,333
93.94%	91.33%	84.38%	91.72%	85.09%	83.20%
\$ 10,064,098	\$ 9,992,229	\$ 9,263,727	\$ 9,058,892	\$ 8,599,269	\$ 8,364,159
39.18%	54.29%	99.20%	50.97%	91.66%	101.04%

City of Benbrook, Texas

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended:

	9/30/2025	9/30/2024	9/30/2023	9/30/2022
Actuarially determined employer contributions	\$ 2,202,410	\$ 1,967,640	\$ 1,787,642	\$ 1,767,735
Contributions in relation to				
the actuarially determined contribution	\$ 2,202,410	\$ 1,967,640	\$ 1,787,642	\$ 1,767,735
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 12,851,349	\$ 11,695,687	\$ 11,159,566	\$ 10,981,563
Employer contributions as				
a percentage of covered payroll	17.14%	16.82%	16.02%	16.10%

NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

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	20 years
Asset Valuation Method	10 Year smoothed fair value; 12% soft corridor
Inflation	2.5%
Salary Increases	3.60% to 11.85% 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 2023 valuation pursuant to an experience study of the period ending 2022.

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.

<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>
\$ 1,700,411	\$ 1,654,042	\$ 1,516,476	\$ 1,534,575	\$ 1,492,510	\$ 1,484,633
<u>\$ 1,700,411</u>	<u>\$ 1,654,042</u>	<u>\$ 1,591,704</u>	<u>\$ 1,542,010</u>	<u>\$ 1,501,312</u>	<u>\$ 1,505,210</u>
\$ -	\$ -	\$ (75,228)	\$ (7,435)	\$ (8,802)	\$ (20,577)
\$ 10,279,543	\$ 10,106,225	\$ 9,767,066	\$ 9,319,802	\$ 9,300,894	\$ 8,663,764
16.54%	16.37%	16.30%	16.55%	16.14%	17.37%

City of Benbrook, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM

Years Ended September 30,

	2025	2024	2023	2022
Total OPEB liability				
Service cost	\$ 14,487	\$ 12,443	\$ 24,620	\$ 21,876
Interest	14,782	14,575	9,753	9,598
Differences between expected and actual experience	(8,810)	(3,764)	10,673	8,347
Changes of assumptions	(21,302)	19,643	(199,198)	17,405
Benefit payments, including refunds of participant contributions	(12,072)	(11,312)	(8,563)	(8,334)
Net change in total OPEB liability	(12,915)	31,585	(162,715)	48,892
Total OPEB liability - beginning	\$ 390,897	\$ 359,312	\$ 522,027	\$ 473,135
Total OPEB liability - ending	\$ 377,982	\$ 390,897	\$ 359,312	\$ 522,027
Covered payroll	\$ 12,072,103	\$ 11,311,772	\$ 10,704,264	\$ 10,417,248
Total OPEB liability as a percentage of covered payroll	3.13%	3.46%	3.36%	5.01%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	¹
\$ 16,103	\$ 11,991	\$ 12,043	\$ 9,965	
11,154	12,023	10,799	10,586	
(16,949)	(6,556)	2,000	-	
66,792	65,028	(24,573)	26,425	
(3,019)	(2,998)	(1,853)	(1,812)	
74,081	79,488	(1,584)	45,164	
\$ 399,054	\$ 319,566	\$ 321,150	\$ 275,986	
\$ 473,135	\$ 399,054	\$ 319,566	\$ 321,150	²
\$ 10,064,098	\$ 9,992,229	\$ 9,263,727	\$ 9,058,892	
4.70%	3.99%	3.45%	3.55%	

City of Benbrook, Texas

SCHEDULE OF CHANGES IN POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) LIABILITY AND RELATED RATIOS

CITY OF BENBROOK

RETIREE HEALTH CARE PLAN

Years Ended September 30,

	2025	2024	2023	2022
Total OPEB liability				
Service cost	\$ 99,858	\$ 87,078	\$ 144,346	\$ 137,266
Interest	97,352	96,958	60,328	61,841
Differences between expected and actual experience	(636,074)	(27,260)	(502,546)	(9,269)
Changes of assumptions	50,856	83,996	(496,267)	58,866
Benefit payments, including refunds of participant contributions	(62,797)	(55,017)	(68,774)	(62,381)
Net change in total OPEB liability	(450,805)	185,755	(862,913)	186,323
Total OPEB liability - beginning	\$ 2,563,754	\$ 2,377,999	\$ 3,240,912	\$ 3,054,589
Total OPEB liability - ending	\$ 2,112,949	\$ 2,563,754	\$ 2,377,999	\$ 3,240,912
 Covered payroll	 \$ 11,965,650	 \$ 11,251,964	 \$ 10,647,845	 \$ 10,422,812
Total OPEB liability as a percentage of covered payroll	17.66%	22.78%	22.33%	31.09%

Notes to schedule:

¹ This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, only available information is shown.

² No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75 to pay related benefits.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	¹
\$ 93,600	\$ 76,675	\$ 80,841	\$ 70,552	
61,121	73,019	60,332	62,575	
183,729	(12,208)	106,101	40,261	
573,187	179,682	(13,183)	103,164	
(65,657)	(76,751)	(96,414)	(106,309)	
845,980	240,417	137,677	170,243	
\$ 2,208,609	\$ 1,968,192	\$ 1,830,515	\$ 1,660,272	
\$ 3,054,589	\$ 2,208,609	\$ 1,968,192	\$ 1,830,515	²
\$ 10,096,402	\$ 10,094,927	\$ 9,401,496	\$ 9,319,802	
30.25%	21.88%	20.93%	19.64%	



OTHER SUPPLEMENTARY INFORMATION



NONMAJOR GOVERNMENTAL FUNDS

HOTEL FUND

The hotel fund collects hotel and motel taxes and spends those funds.

PUBLIC SAFETY FUND

The public safety fund is used for municipal court revenues restricted for public safety and the related expenditures.

PEG FUND

The PEG fund is used for tracking PEG revenues and related expenditures.

GRANT FUND

The grant fund is used for tracking grant revenues and related expenditures.

CORE VALUE FUND

This fund is used to account for proceeds from natural gas leases and mineral interest revenue. These funds will be used for special major improvement projects to be determined by City Council, and therefore, the fund balance is committed.

STORM WATER FUND

This fund is used to account for amounts received and expended for the construction and renovation of major drainage improvements. Initial funding came from the issuance of bonds with additional funding from stormwater fees. The fund balance is restricted for future major stormwater projects.

OTHER CAPITAL PROJECTS FUND

The other capital projects fund is used to track capital projects activities not covered within other funds.

FEDERAL NARCOTICS FUND

This fund is used to account for the local share of net proceeds of federal forfeitures resulting from local law enforcement's participation in an investigation or prosecution.

City of Benbrook, Texas
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2025

		Special Revenue Funds		
		Hotel	Public Safety	PEG
<u>Assets</u>				
Cash and cash equivalents		\$ 191,687	\$ 359,521	\$ 35,692
Receivables, net		38,224	685	1,753
Total Assets		\$ 229,911	\$ 360,206	\$ 37,445
<u>Liabilities</u>				
Accounts payable		\$ 6,251	\$ -	\$ -
Due to other funds		9,043	-	-
Total Liabilities		15,294	-	-
<u>Fund Balances</u>				
Restricted:				
City promotions		214,617	-	37,445
Public safety		-	360,206	-
Capital improvements		-	-	-
Unassigned		-	-	-
Total Fund Balances		214,617	360,206	37,445
Total Liabilities, Deferred Inflows and Fund Balances		\$ 229,911	\$ 360,206	\$ 37,445

Special Revenue	Capital Project Funds			
Federal Narcotics	Core Value	Capital Project Storm Water	Other Capital Projects	Total Nonmajor Governmental
\$ 160,334	\$ 603,295	\$ 1,827,505	\$ 137,063	\$ 3,315,097
-	-	186,599	-	227,261
<u>\$ 160,334</u>	<u>\$ 603,295</u>	<u>\$ 2,014,104</u>	<u>\$ 137,063</u>	<u>\$ 3,542,358</u>
\$ -	\$ -	\$ -	\$ -	\$ 6,251
-	-	-	-	9,043
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,294</u>
-	-	-	-	252,062
160,334	-	-	-	520,540
-	603,295	2,014,104	137,063	2,754,462
-	-	-	-	-
<u>160,334</u>	<u>603,295</u>	<u>2,014,104</u>	<u>137,063</u>	<u>3,527,064</u>
<u>\$ 160,334</u>	<u>\$ 603,295</u>	<u>\$ 2,014,104</u>	<u>\$ 137,063</u>	<u>\$ 3,542,358</u>

City of Benbrook, Texas
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

		Special Revenue Funds		
		Hotel	Public Safety	PEG
<u>Revenues</u>				
Hotel occupancy taxes		\$ 172,054	\$ -	\$ -
Franchise fees		-	-	11,702
Charges for services		-	-	-
Fines and forfeitures		-	228,014	-
Investment income		200	802	57
Other revenue		-	-	-
Total Revenues		172,254	228,816	11,759
<u>Expenditures</u>				
General government		-	-	-
Community development		173,548	-	16,080
Public safety		-	38,774	-
Capital outlay		-	-	-
Total Expenditures		173,548	38,774	16,080
Revenues Over (Under) Expenditures		(1,294)	190,042	(4,321)
<u>Other Financing Sources (Uses)</u>				
Transfers in		-	-	-
Transfers (out)		-	-	(112,722)
Total Other Financing Sources (Uses)		-	-	(112,722)
Net Change in Fund Balances		(1,294)	190,042	(117,043)
Beginning fund balances		215,911	170,164	154,488
Ending Fund Balances		\$ 214,617	\$ 360,206	\$ 37,445

Special Revenue	Capital Project Funds			Total Nonmajor Governmental
Federal Narcotics	Core Value	Capital Project Storm Water	Other Capital Projects	
\$ -	\$ -	\$ -	\$ -	\$ 172,054
-	-	-	-	11,702
-	-	1,117,078	-	1,117,078
133,176	-	-	-	361,190
96	19,031	55,006	10,140	85,332
-	17,999	-	-	17,999
133,272	37,030	1,172,084	10,140	1,765,355
-	-	-	-	-
-	-	-	-	189,628
88,762	-	-	-	127,536
-	-	454,498	224,748	679,246
88,762	-	454,498	224,748	996,410
44,510	37,030	717,586	(214,608)	768,945
-	-	-	50,000	50,000
-	-	(340,119)	-	(452,841)
-	-	(340,119)	50,000	(402,841)
44,510	37,030	377,467	(164,608)	366,104
115,824	566,265	1,636,637	301,671	3,160,960
\$ 160,334	\$ 603,295	\$ 2,014,104	\$ 137,063	\$ 3,527,064

City of Benbrook, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended September 30, 2025

	Original & Final Budget	2025 Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Property tax	\$ 1,199,489	\$ 1,148,823	\$ (50,666)
Investment income	500	570	70
Other income	50	55	5
Total Revenues	1,200,039	1,149,448	(50,591)
<u>Expenditures</u>			
General	-	4,150	(4,150)
Debt service:			
Principal	985,000	985,000	-
Interest	548,863	545,063	3,800
Total Expenditures	1,533,863	1,534,213	(350) *
Revenues Over (Under) Expenditures	(333,824)	(384,765)	(50,241)
<u>Other Financing Sources (Uses)</u>			
Transfers in	340,119	340,119	-
Total Other Financing Sources (Uses)	340,119	340,119	-
Net Change in Fund Balance	\$ 6,295	(44,646)	\$ (50,941)
Beginning fund balance		438,047	
Ending Fund Balance		\$ 393,401	

Notes to Other Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

* Total expenditures exceeded appropriations at the legal level of control.

City of Benbrook, Texas

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL HOTEL FUND

For the Year Ended September 30, 2025

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues</u>			
Hotel occupancy taxes	\$ 200,000	\$ 172,054	\$ (27,946)
Investment income	150	200	50
Total Revenues	200,150	172,254	(27,896)
<u>Expenditures</u>			
Community development	182,871	173,548	9,323
Total Expenditures	182,871	173,548	9,323
Revenues Over (Under) Expenditures	17,279	(1,294)	(37,219)
Net Change in Fund Balance	\$ 17,279	(1,294)	\$ (18,573)
Beginning fund balance		215,911	
Ending Fund Balance		\$ 214,617	

Notes to Required Supplementary Information

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

City of Benbrook, Texas

BALANCE SHEET

DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2025

	EDC	TIF	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 7,598,414	\$ 275,000	\$ 7,873,414
Receivables, net	324,666	-	324,666
Total Current Assets	7,923,080	275,000	8,198,080
<u>Liabilities</u>			
<u>Current Liabilities</u>			
Accounts payable and accrued liabilities	257,759	-	257,759
Due to primary government	108,167	-	108,167
Total Liabilities	365,926	-	365,926
<u>Fund Balances</u>			
Restricted for:			
Economic development	7,557,154	-	7,557,154
Capital improvements	-	275,000	275,000
Total Fund Balance	7,557,154	275,000	7,832,154
Total Liabilities and Fund Balance	\$ 7,923,080	\$ 275,000	\$ 8,198,080

See Notes to Financial Statements.

City of Benbrook, Texas

RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION DISCRETELY PRESENTED COMPONENT UNITS

September 30, 2025

Fund Balance	\$ 7,832,154
Adjustments for the Statement of Net Position:	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets - non-depreciable	3,125,946
Capital assets - net depreciable	166,518
Net Position of the Discretely Presented Component Unit	<u><u>\$ 11,124,618</u></u>

City of Benbrook, Texas

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES DISCRETELY PRESENTED COMPONENT UNITS

For the Year Ended September 30, 2025

	EDC	TIF	Total
<u>Revenues</u>			
Sales taxes	\$ 2,306,693	\$ -	\$ 2,306,693
Other revenues	242,439	-	242,439
Total Revenues	2,549,132	-	2,549,132
<u>Expenditures</u>			
Current:			
General government	83,230	-	83,230
Staff services	335,397	-	335,397
Economic development	1,238,890	-	1,238,890
Total Expenditures	1,657,517	-	1,657,517
Excess of Revenues Over (Under) Expenditures	891,615	-	891,615
Net Change in Fund Balances	891,615	-	891,615
Beginning fund balances	6,665,539	275,000	6,940,539
Ending Fund Balances	\$ 7,557,154	\$ 275,000	\$ 7,832,154

See Notes to Financial Statements.

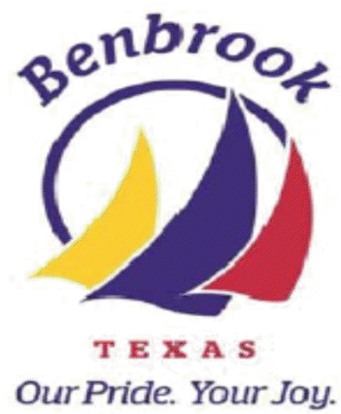
City of Benbrook, Texas
***RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE DISCRETELY PRESENTED
COMPONENT UNITS TO THE STATEMENT OF ACTIVITIES***
For the Year Ended September 30, 2025

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

Net changes in fund balances	\$	891,615
------------------------------	----	---------

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.

Capital outlay		166,518
Change in Net Position of the Discretely Presented Component Unit	\$	<u>1,058,133</u>



STATISTICAL SECTION

This part of the City's annual comprehensive 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.

Contents	Page
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Financial Trends	104
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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	115
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These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity	122
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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	127
--------------------------------------	-----

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	132
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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 Benbrook, Texas

NET POSITION BY COMPONENT

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	\$ 47,197,644	\$ 48,942,935	\$ 55,684,372	\$ 52,647,584
Restricted	6,641,953	7,216,854	5,633,268	11,010,038
Unrestricted	9,162,784	6,483,104	798,459	1,116,251
Total governmental activities net position	<u>\$ 63,002,381</u>	<u>\$ 62,642,893</u>	<u>\$ 62,116,099</u>	<u>\$ 64,773,873</u>
Business-type activities				
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted	-	-	-	-
Total business-type activities net position	<u>(a) \$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government				
Net investment in capital assets	\$ 47,197,644	\$ 48,942,935	\$ 55,684,372	\$ 52,647,584
Restricted	6,641,953	7,216,854	5,633,268	11,010,038
Unrestricted	9,162,784	6,483,104	798,459	1,116,251
Total primary government net position	<u>\$ 63,002,381</u>	<u>\$ 62,642,893</u>	<u>\$ 62,116,099</u>	<u>\$ 64,773,873</u>

Source: City's audited financial statements

(a) Business-type activities commenced during FY2021.

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 58,380,830	\$ 55,708,607	\$ 58,727,273	\$ 59,559,177	\$ 64,013,007	\$ 65,693,836
2,795,311	5,302,213	6,127,230	2,378,885	3,105,621	5,530,825
1,101,578	5,056,527	10,755,421	15,968,709	16,669,354	12,357,247
<u>\$ 62,277,719</u>	<u>\$ 66,067,347</u>	<u>\$ 75,609,924</u>	<u>\$ 77,906,771</u>	<u>\$ 83,787,982</u>	<u>\$ 83,581,908</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	4,173	(16,901)	41,681	(12,032)	68,225
<u>\$ -</u>	<u>\$ 4,173</u>	<u>\$ (16,901)</u>	<u>\$ 41,681</u>	<u>\$ (12,032)</u>	<u>\$ 68,225</u>
\$ 58,380,830	\$ 55,708,607	\$ 58,727,273	\$ 59,559,177	\$ 64,013,007	\$ 65,693,836
2,795,311	5,302,213	6,127,230	2,378,885	3,105,621	5,530,825
1,101,578	5,060,700	10,738,520	16,010,390	16,657,322	12,425,472
<u>\$ 62,277,719</u>	<u>\$ 66,071,520</u>	<u>\$ 75,593,023</u>	<u>\$ 77,948,452</u>	<u>\$ 83,775,950</u>	<u>\$ 83,650,133</u>

City of Benbrook, Texas

CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2016	2017	2018	2019
Expenses				
Governmental activities:				
General government	\$ 1,261,520	\$ 1,341,046	\$ 225,122	\$ 1,316,153
Staff services	941,237	1,038,337	1,009,345	1,228,554
Public safety	9,699,627	10,369,701	7,775,892	11,075,635
Public services	4,393,555	4,930,420	4,588,623	5,165,065
Community development	2,185,174	3,649,961	3,578,257	2,225,782
Intergovernmental	-	-	-	-
Interest on long-term debt	239,440	227,764	188,808	160,953
Total governmental activities				
expenses	<u>18,720,553</u>	<u>21,557,229</u>	<u>17,366,047</u>	<u>21,172,142</u>
Business-type activities:	(a)			
Sanitation	-	-	-	-
Total business-type activities				
expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u><u>\$ 18,720,553</u></u>	<u><u>\$ 21,557,229</u></u>	<u><u>\$ 17,366,047</u></u>	<u><u>\$ 21,172,142</u></u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	\$ 1,574,048	\$ 1,546,117	\$ 1,511,567	\$ 1,336,174
Public safety	184,773	135,860	2,917,549	154,438
Public services	-	-	-	-
Community development	1,572,477	1,617,691	1,431,485	1,766,006
Operating grants and contributions				
Public safety	641,443	449,344	422,003	556,795
General government				
Capital grants and contributions				
Public service	-	-	-	-
General government	-	-	-	-
Total governmental activities				
program revenues	<u>3,972,741</u>	<u>3,749,012</u>	<u>6,282,604</u>	<u>3,813,413</u>
Business-type activities:				
Charges for services:				
Sanitation	\$ -	\$ -	\$ -	\$ -
Total business-type activities				
program revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government program				
revenues	<u><u>\$ 3,972,741</u></u>	<u><u>\$ 3,749,012</u></u>	<u><u>\$ 6,282,604</u></u>	<u><u>\$ 3,813,413</u></u>

2020	2021	2022	2023	2024	2025
\$ 1,297,980	\$ 1,296,361	\$ 1,027,575	\$ 1,508,440	\$ 1,580,907	\$ 4,611,696
1,180,268	1,221,062	1,094,150	1,302,379	1,331,838	1,595,378
11,385,581	10,667,513	10,719,623	13,269,395	13,310,911	14,878,526
5,709,626	5,725,116	6,031,046	8,290,674	8,899,343	9,335,373
851,005	901,385	1,039,334	1,037,279	1,099,860	1,220,344
-	1,086,189	1,269,306	1,498,241	-	-
178,055	479,671	567,982	543,455	519,568	485,004
20,602,515	21,377,297	21,749,016	27,449,863	26,742,427	32,126,321
-	1,202,676	1,307,651	1,400,535	1,456,958	1,462,582
-	1,202,676	1,307,651	1,400,535	1,456,958	1,462,582
\$ 20,602,515	\$ 22,579,973	\$ 23,056,667	\$ 28,850,398	\$ 28,199,385	\$ 33,588,903
\$ 164,607	\$ 1,069,337	\$ -	\$ -	\$ -	\$ -
2,172,110	1,693,397	1,921,656	1,647,457	2,228,223	2,261,118
-	-	1,057,096	1,070,144	1,085,664	1,117,078
56,934	504,049	1,010,760	482,792	431,612	1,017,121
1,800,856	-	-	-	-	-
	2,911,733	3,240,927	-	862,686	1,229,206
-	-	2,844,902	1,543,757	1,417,600	199,290
-	85,760	-	-	-	-
4,194,507	6,264,276	10,075,341	4,744,150	6,025,785	5,823,813
\$ -	\$ 1,441,773	\$ 1,544,641	\$ 1,715,195	\$ 1,702,006	\$ 1,793,931
-	1,441,773	1,544,641	1,715,195	1,702,006	1,793,931
\$ 4,194,507	\$ 7,706,049	\$ 11,619,982	\$ 6,459,345	\$ 7,727,791	\$ 7,617,744

City of Benbrook, Texas
CHANGES IN NET POSITION (Continued)
Last Ten Fiscal Years (Unaudited)
(accrual basis of accounting)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net (Expenses) Revenue				
Governmental activities	\$ (14,747,812)	\$ (17,808,217)	\$ (11,083,443)	\$ (17,358,729)
Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government net expense	<u>\$ (14,747,812)</u>	<u>\$ (17,808,217)</u>	<u>\$ (11,083,443)</u>	<u>\$ (17,358,729)</u>
General Revenues and Other				
Changes in Net Position				
Governmental activities:				
Taxes				
Ad valorem	10,786,456	11,116,712	11,780,850	12,751,779
Franchise taxes	1,683,199	1,569,122	1,436,791	1,580,981
Sales and other	3,409,983	3,617,894	3,848,345	4,522,624
Hotel motel taxes	-	-	-	-
Use of money and property	202,169	324,791	353,573	677,668
Miscellaneous	612,166	820,210	820,203	721,009
Interest income	-	-	-	31,559
Intergovernmental	-	-	-	-
Transfers	-	-	-	-
Gain (loss) on sale of property	-	-	-	(269,117)
Total governmental activities	<u>16,693,973</u>	<u>17,448,729</u>	<u>18,239,762</u>	<u>20,016,503</u>
Business-type activities:				
Transfers	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 16,693,973</u>	<u>\$ 17,448,729</u>	<u>\$ 18,239,762</u>	<u>\$ 20,016,503</u>
Change in Net Position				
Governmental activities	\$ 1,946,161	\$ (359,488)	\$ 7,156,319	\$ 2,657,774
Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 1,946,161</u>	<u>\$ (359,488)</u>	<u>\$ 7,156,319</u>	<u>\$ 2,657,774</u>

Source: City's audited financial statements.
(a) Business-type activities commenced during FY2021.

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ (16,408,008)	\$ (15,113,021)	\$ (11,673,675)	\$ (22,705,713)	\$ (20,716,642)	\$ (26,302,508)
-	239,097	236,990	314,660	245,048	331,349
<u>\$ (16,408,008)</u>	<u>\$ (14,873,924)</u>	<u>\$ (11,436,685)</u>	<u>\$ (22,391,053)</u>	<u>\$ (20,471,594)</u>	<u>\$ (25,971,159)</u>
13,654,436	14,011,982	14,731,226	16,129,043	17,531,765	17,698,153
1,494,185	1,239,339	1,260,483	1,314,209	1,352,970	1,283,593
3,438,596	3,563,941	3,907,011	4,690,258	4,379,798	4,628,259
-	-	163,397	195,808	176,210	172,054
-	-	-	-	-	-
582,468	1,133,817	800,607	713,154	1,095,265	920,298
24,324	21,346	94,238	1,407,649	1,635,148	1,142,985
-	-	297,587	-	1,934,916	-
-	234,924	258,064	256,078	298,761	251,092
-	(1,302,700)	-	-	-	-
<u>19,194,009</u>	<u>18,902,649</u>	<u>21,512,613</u>	<u>24,706,199</u>	<u>28,404,833</u>	<u>26,096,434</u>
-	(234,924)	(258,064)	(256,078)	(298,761)	(251,092)
-	(234,924)	(258,064)	(256,078)	(298,761)	(251,092)
<u>\$ 19,194,009</u>	<u>\$ 18,667,725</u>	<u>\$ 21,254,549</u>	<u>\$ 24,450,121</u>	<u>\$ 28,106,072</u>	<u>\$ 25,845,342</u>
\$ 2,786,001	\$ 3,789,628	\$ 9,838,938	\$ 2,000,486	\$ 7,688,191	\$ (206,074)
-	4,173	(21,074)	58,582	(53,713)	80,257
<u>\$ 2,786,001</u>	<u>\$ 3,793,801</u>	<u>\$ 9,817,864</u>	<u>\$ 2,059,068</u>	<u>\$ 7,634,478</u>	<u>\$ (125,817)</u>

City of Benbrook, Texas

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting)

	2016	2017	2018	2019
General Fund				
Committed	\$ 225,122	\$ 225,122	\$ 225,122	\$ 225,122
Assigned	1,295,285	1,464,917	770,414	-
Nonspendable:				
Prepaid items	-	-	-	-
Unassigned	9,399,726	8,315,151	7,634,054	7,775,892
Total general fund	<u>\$ 10,920,133</u>	<u>\$ 10,005,190</u>	<u>\$ 8,629,590</u>	<u>\$ 8,001,014</u>
All Other Governmental Funds				
Restricted for:				
Debt service	75,180	100,915	160,158	345,129
Economic development	6,579,479	6,301,901	4,685,009	4,739,269
Grant activities	-	-	-	-
City promotions	432,933	422,666	428,083	402,562
Capital improvements	6,747,821	7,146,121	6,650,900	5,204,500
Public safety	400,029	407,222	368,543	317,106
Committed				
Capital projects	2,961,472	3,814,998	2,619,709	2,917,549
Grants	-	-	-	-
Unassigned	-	-	(72,431)	(8,363)
Total all other governmental funds	<u>\$ 17,196,914</u>	<u>\$ 18,193,823</u>	<u>\$ 14,839,971</u>	<u>\$ 13,917,752</u>

Source: City's audited financial statements.

Notes: The City implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2010.

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 225,122	\$ 236,306	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	224,156	725	-	-
9,794,809	13,195,410	16,820,350	21,715,678	23,617,122	23,683,755
<u>\$ 10,019,931</u>	<u>\$ 13,431,716</u>	<u>\$ 17,044,506</u>	<u>\$ 21,716,403</u>	<u>\$ 23,617,122</u>	<u>\$ 23,683,755</u>
347,745	454,353	427,015	421,605	438,047	393,401
4,931,712	-	-	-	-	-
-	1,597,764	2,917,487	150,585	-	-
359,299	408,727	386,759	428,990	370,399	252,062
4,792,792	24,570,588	22,840,114	9,122,214	6,235,517	6,180,672
300,895	270,781	264,233	226,998	285,988	520,540
1,355,483	532,524	537,595	527,575	-	-
11,337	-	-	-	-	-
-	-	-	-	-	(39,095)
<u>\$ 12,099,263</u>	<u>\$ 27,834,737</u>	<u>\$ 27,373,203</u>	<u>\$ 10,877,967</u>	<u>\$ 7,329,951</u>	<u>\$ 7,307,580</u>

City of Benbrook, Texas

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years (Unaudited)
(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Taxes				
Property	\$ 10,775,137	\$ 11,141,571	\$ 11,820,512	\$ 12,722,537
Franchise	1,683,199	1,569,122	1,436,791	1,580,981
Sales & other	3,398,140	3,606,051	3,848,345	4,522,624
Licenses and permits	613,949	636,484	445,618	703,353
Fines and fees	849,464	868,006	754,339	699,366
Use of money and property	202,169	324,791	353,575	677,668
Investment income	-	-	-	36,757
Intergovernmental	-	-	-	-
Charges for service	3,170,890	3,180,229	3,353,286	3,389,850
Grant revenues	-	-	-	-
Other revenues	649,724	615,544	522,750	645,084
Total Revenues	21,342,672	21,941,798	22,535,216	24,978,220
Expenditures				
General government	1,814,956	1,935,773	1,985,015	2,181,124
Staff services	918,376	1,016,834	1,016,521	1,200,744
Public safety	9,025,481	9,710,428	10,148,264	10,328,881
Public services	2,900,514	3,049,832	3,109,217	3,521,576
Community development	1,442,277	1,989,999	1,642,185	1,897,270
Economic development	578,215	577,687	446,985	591,355
Intergovernmental	-	-	-	-
Debt Service:				
Principal	1,260,000	1,310,000	1,340,000	1,390,000
Interest	235,108	207,725	179,300	150,100
Debt issuance cost	-	-	-	-
Capital outlay	2,070,039	2,061,554	7,397,181	6,169,180
Total Expenditures	20,244,966	21,859,832	27,264,668	27,430,230
Excess of Revenues Over (Under)				
Expenditures	1,097,706	81,966	(4,729,452)	(2,452,010)
Other Financing Sources (Uses)				
Issuance of debt	-	-	-	-
Proceeds from sale of assets	-	-	-	901,215
Premium on bonds issued	-	-	-	-
Transfers in	1,860,504	2,442,754	3,170,467	3,159,776
Transfers (out)	(1,860,504)	(2,442,754)	(3,170,467)	(3,159,776)
Total Other Financing Sources (Uses)	-	-	-	901,215
Net change in fund balances	\$ 1,097,706	\$ 81,966	\$ (4,729,452)	\$ (1,550,795)
Debt service as percentage of noncapital expenditures	8.2%	7.7%	7.6%	7.2%

Source: City's audited financial statements.

2020	2021	2022	2023	2024	2025
\$ 13,635,241	\$ 14,098,749	\$ 14,758,875	\$ 16,068,225	\$ 17,346,193	\$ 17,832,009
1,477,050	1,239,339	1,260,483	1,314,209	1,352,970	1,283,593
5,092,120	4,065,144	4,070,408	4,886,066	4,556,008	4,800,313
654,119	504,049	1,010,760	482,792	431,612	1,017,121
675,901	630,341	568,814	453,079	824,961	1,009,956
317,265	-	-	-	-	-
24,324	21,346	94,238	1,407,649	1,635,148	1,142,985
-	-	297,587	-	1,934,916	-
3,811,462	2,129,196	2,409,938	2,289,272	2,488,926	2,368,240
-	2,911,733	3,240,927	-	862,686	1,428,496
2,209,360	632,614	777,010	715,524	1,095,136	795,658
27,896,842	26,232,511	28,489,040	27,616,816	32,528,556	31,678,371
2,160,935	1,392,059	1,399,987	1,453,191	1,578,978	1,800,407
1,069,757	1,260,761	1,439,618	1,253,391	1,331,296	1,564,326
10,691,451	10,441,559	10,899,275	11,913,654	12,474,330	13,916,965
4,211,105	4,285,835	4,609,760	6,306,428	6,919,794	7,904,193
1,013,280	919,394	1,032,214	1,026,980	1,129,520	1,161,959
1,221,738	-	-	-	-	-
-	1,086,189	1,269,306	1,498,241	-	-
1,430,000	1,520,000	1,370,000	305,000	950,000	985,000
119,905	85,259	564,391	600,029	579,429	545,063
-	401,852	-	-	-	-
5,815,624	1,232,983	3,077,620	15,660,896	9,511,396	4,176,188
27,733,795	22,625,891	25,662,171	40,017,810	34,474,743	32,054,101
163,047	3,606,620	2,826,869	(12,400,994)	(1,946,187)	(375,730)
-	20,920,000	-	-	-	-
-	801,069	66,323	321,577	129	168,900
-	1,481,852	-	-	-	-
3,181,679	1,561,068	1,365,437	3,715,091	4,819,408	2,250,262
(3,181,679)	(1,326,144)	(1,107,373)	(3,459,013)	(4,520,647)	(1,999,170)
-	23,437,845	324,387	577,655	298,890	419,992
\$ 163,047	\$ 27,044,465	\$ 3,151,256	\$ (11,823,339)	\$ (1,647,297)	\$ 44,262
7.1%	9.4%	8.6%	3.7%	6.1%	5.6%



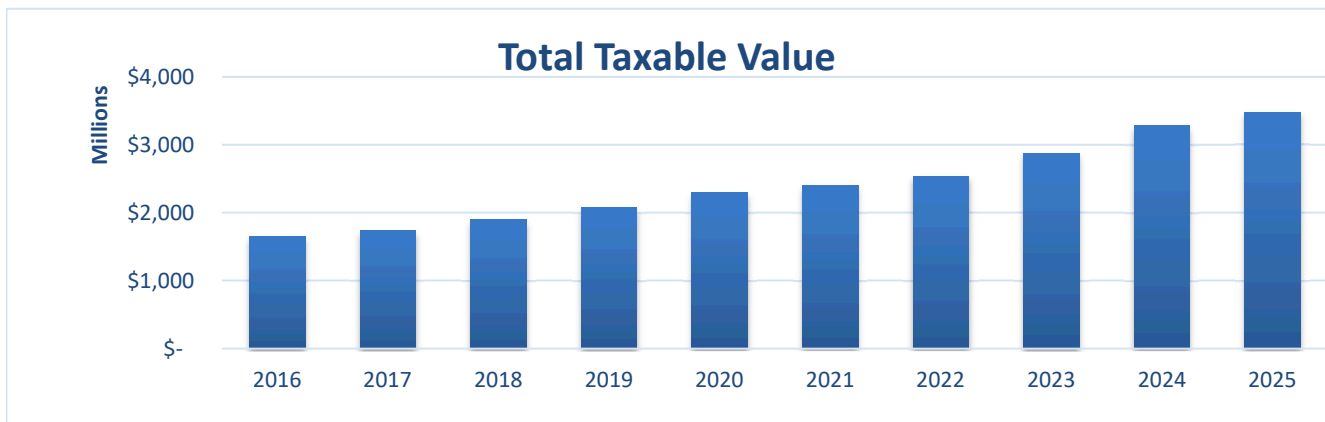
City of Benbrook, Texas

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years (Unaudited)

Fiscal Year Ended	Estimated Market Value		Less Tax-Exempt Property	Total Taxable Value	Total Direct Tax Rate
	Real Property	Personal Property			
2016	\$ 1,583,630,760	\$ 253,047,573	\$ 183,611,094	\$ 1,653,067,239	0.6575
2017	1,816,545,757	173,863,277	256,534,440	1,733,874,594	0.6500
2018	2,029,862,710	148,380,724	283,258,247	1,894,985,187	0.6400
2019	2,219,370,953	147,582,688	287,334,504	2,079,619,137	0.6400
2020	2,373,781,556	156,015,235	236,702,655	2,293,094,136	0.6278
2021	2,489,475,460	165,845,547	257,774,969	2,397,546,038	0.6225
2022	2,641,341,523	157,057,564	260,155,174	2,538,243,913	0.6175
2023	2,967,748,557	181,837,601	274,289,224	2,875,296,934	0.5950
2024	3,368,597,882	223,573,698	311,475,262	3,280,696,318	0.5650
2025	3,618,097,016	189,657,623	335,459,664	3,472,294,975	0.5550

(1) Values taken from the adjusted tax roll at 9/30 prepared by the Tarrant Appraisal District.

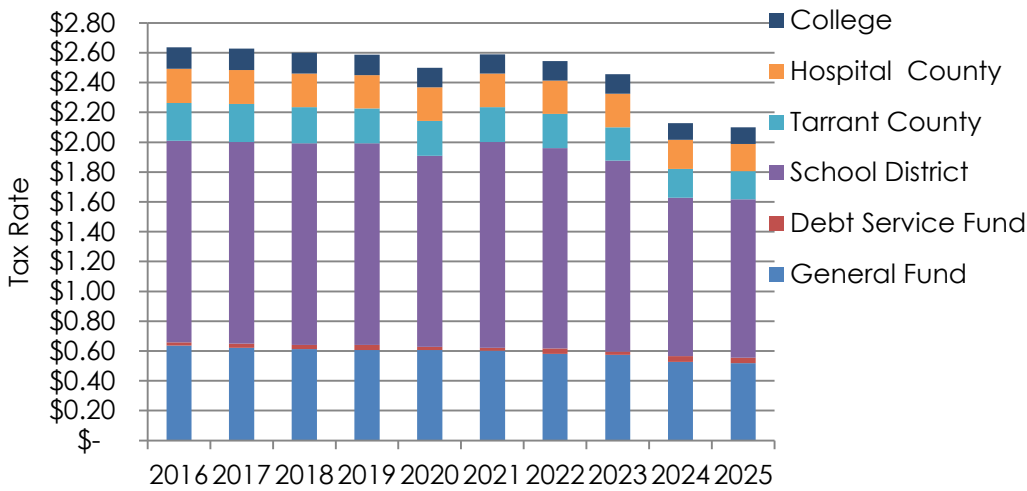


City of Benbrook, Texas

DIRECT & OVERLAPPING PROPERTY TAX RATES

(per \$100 of assessed value)
(Unaudited)

Fiscal Year Ended	City of Benbrook		
	General Fund	Debt Service Fund	City Total
2016	\$ 0.637500	\$ 0.020000	\$ 0.657500
2017	0.622500	0.027500	0.650000
2018	0.612500	0.027500	0.640000
2019	0.607500	0.032500	0.640000
2020	0.606470	0.021300	0.627770
2021	0.601500	0.021000	0.622500
2022	0.581000	0.036500	0.617500
2023	0.574000	0.021000	0.595000
2024	0.526000	0.039000	0.565000
2025	0.519300	0.035700	0.555000



Overlapping Rates

Fort Worth				
School District	Tarrant County	Hospital County	College	Totals
\$ 1.352000	\$ 0.254000	\$ 0.227897	\$ 0.144730	\$ 2.636127
1.352000	0.254000	0.227897	0.144730	2.628627
1.352000	0.244000	0.224429	0.140060	2.600489
1.352000	0.234000	0.224429	0.136070	2.586499
1.282000	0.234000	0.224429	0.130170	2.498369
1.378400	0.234000	0.224429	0.130170	2.589499
1.343200	0.229000	0.224429	0.130170	2.544299
1.281600	0.224000	0.224429	0.130170	2.455199
1.062400	0.194500	0.194500	0.112170	2.128570
1.062400	0.187500	0.182500	0.112280	2.099680

City of Benbrook, Texas
PRINCIPAL PROPERTY TAX PAYERS
Current Year and Nine Years Ago
(Unaudited)

2025		
Taxpayer	Taxable Assessed Value	Percent of Total Taxable Amount
Pecos Housing Finance Corporation	\$ 102,200,000	3.12%
Jackson-Shaw/Benbrook North LP	64,855,514	1.98%
Aura Benbrook Blue LP	61,250,000	1.87%
SW Highland LLC	59,991,600	1.83%
Mac REI Benbrook LLC	47,975,000	1.46%
Westpark Drive TX Partners LLC	47,775,000	1.46%
GD Energy Products LLC	45,737,844	1.39%
CRP-GREP Overture Benbrook Owner LP	27,500,000	0.84%
US Venture Inc	24,831,007	0.76%
Oncor Electric Delivery Co LLC	22,136,463	0.67%
	\$ 504,252,428	15.38%

(1) All information provided by the Tarrant Appraisal District

2016

Taxpayer	Taxable Assessed Value	Percent of Total Taxable Amount
Percision Energy Services	\$ 36,740,678	2.26%
SW Highland LLC	34,964,120	2.15%
Victorian Quarters Owner LLC	26,550,000	1.64%
Garner Denver Petroleum Pumps Inc	19,260,110	1.19%
3Mind Copper Crossing LP	18,600,000	1.15%
LG Benbrook Acquisitions LLC	16,866,000	1.04%
Walmart Real Estate Bus Trust/St	15,588,015	0.96%
Weatherford US LP	15,156,087	0.93%
Oncor Electric Delivery Co LLC	14,032,651	0.86%
TCG Cross Creek Ranch Holdings LLC	12,800,000	0.79%
	\$ 210,557,661	12.97%

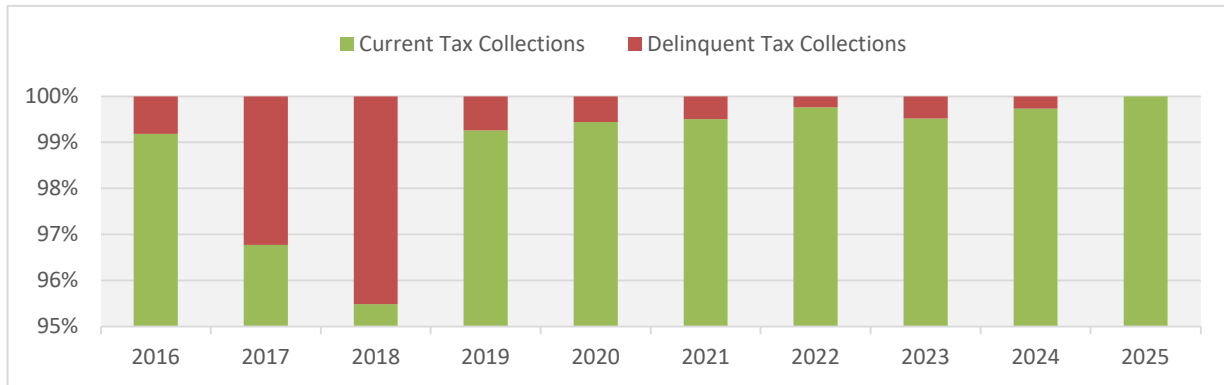
City of Benbrook, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections
2016	\$ 10,751,674	\$ 10,650,522	99.06%	\$ 87,753	\$ 10,738,275
2017	11,286,321	10,909,418	96.66%	364,429	11,273,847
2018	12,207,960	11,642,272	95.37%	550,779	12,193,051
2019	12,706,094	12,594,291	99.12%	93,910	12,688,201
2020	13,615,577	13,514,430	99.26%	76,591	13,591,021
2021	14,073,249	13,978,747	99.33%	69,868	14,048,615
2022	14,713,025	14,650,661	99.58%	35,421	14,686,082
2023	15,995,580	15,885,537	99.31%	76,958	15,962,495
2024	17,300,865	17,200,470	99.42%	46,310	17,246,780
2025	17,931,137	17,825,483	99.41%	-	17,825,483

Source: Tarrant County Tax Assessor-Collector

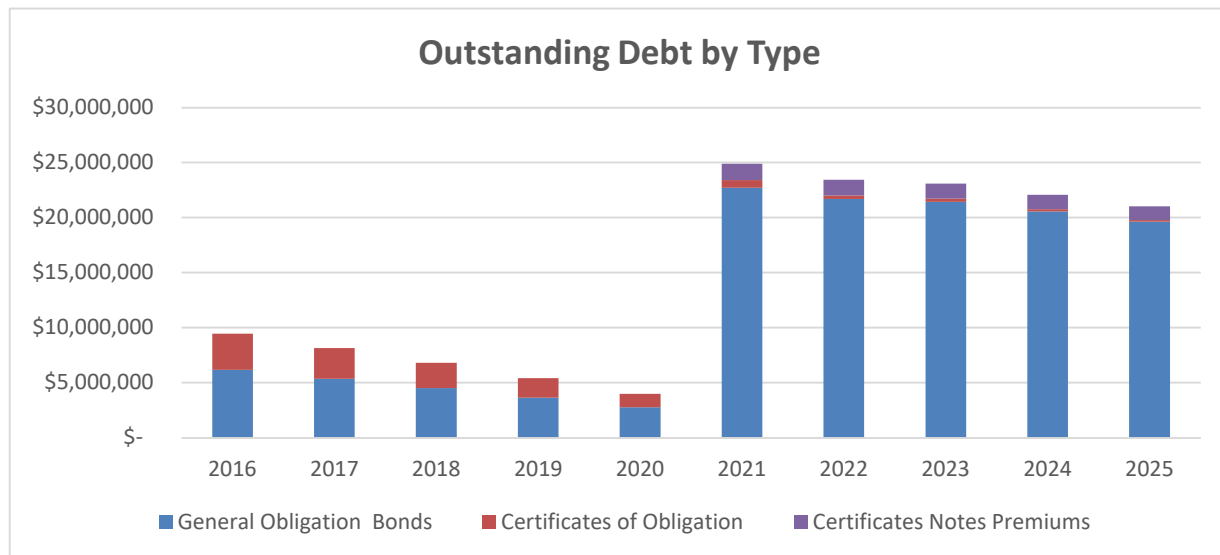


Percent of Total Tax Collections To Tax Levy	Delinquent Tax Outstanding	Percent of Delinquent Tax To Tax Levy
99.64%	\$ 13,399	0.12%
97.77%	12,474	0.11%
99.88%	14,909	0.12%
99.86%	17,893	0.14%
99.82%	24,556	0.18%
99.82%	24,634	0.18%
99.82%	26,943	0.18%
99.79%	33,085	0.21%
99.69%	54,085	0.31%
99.41%	105,654	0.59%

City of Benbrook, Texas
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	Primary Government			Percentage of Actual Taxable Value of Property
	General Obligation Bonds	Certificates of Obligation	Premiums	
2016	\$ 6,165,000	\$ 3,295,000	\$ -	0.57%
2017	5,350,000	2,795,000	-	0.47%
2018	4,515,000	2,295,000	-	0.36%
2019	3,645,000	1,770,000	-	0.26%
2020	2,750,000	1,235,000	-	0.17%
2021	22,695,000	695,000	1,481,852	1.04%
2022	21,680,000	340,000	1,422,578	0.92%
2023	21,435,000	280,000	1,363,304	0.80%
2024	20,550,000	215,000	1,304,030	0.67%
2025	19,635,000	145,000	1,244,756	0.61%

- (1) Details on the City's outstanding debt can be found in the notes to the financial statements
(2) Taxable property and population data is available on Table 5 and Table 12, respectively.
(3) Personal Income provided by Benbrook Economic Development Corporation from ESRI.



**Percentage
of Personal
Income**

0.79%
0.68%
0.57%
0.32%
0.23%
1.33%
1.23%
1.12%
1.04%
0.97%



City of Benbrook, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES - DEBT

September 30, 2025

(Unaudited)

Jurisdiction	Debt Outstanding	Applicable to the City of Benbrook (b)	Estimated Share of Overlapping Debt
Fort Worth Independent School District (a)	\$ 1,561,440,000	4.68%	\$ 73,075,392
Tarrant County	314,050,000	1.00%	3,140,500
Tarrant County Hospital District	431,255,000	1.00%	4,312,550
Tarrant County College District (b)	547,535,000	1.00%	5,475,350
Overlapping Debt	2,854,280,000		86,003,792
City Direct Debt	21,024,756	100.00%	21,024,756
Direct & Overlapping Bonded Debt	<u>\$ 2,875,304,756</u>		<u>\$ 107,028,548</u>
Ratio of Overlapping Bonded Debt to Taxable Assessed Valuation		2.95%	
Per Capita Overlapping Bonded Debt		<u>\$ 4,310</u>	

(a) Outstanding debt information found via <https://comptroller.texas.gov/transparency/local/debt/>.

(b) Benbrook population as reported by <http://www.texassitesearch.com/demographics.html>.

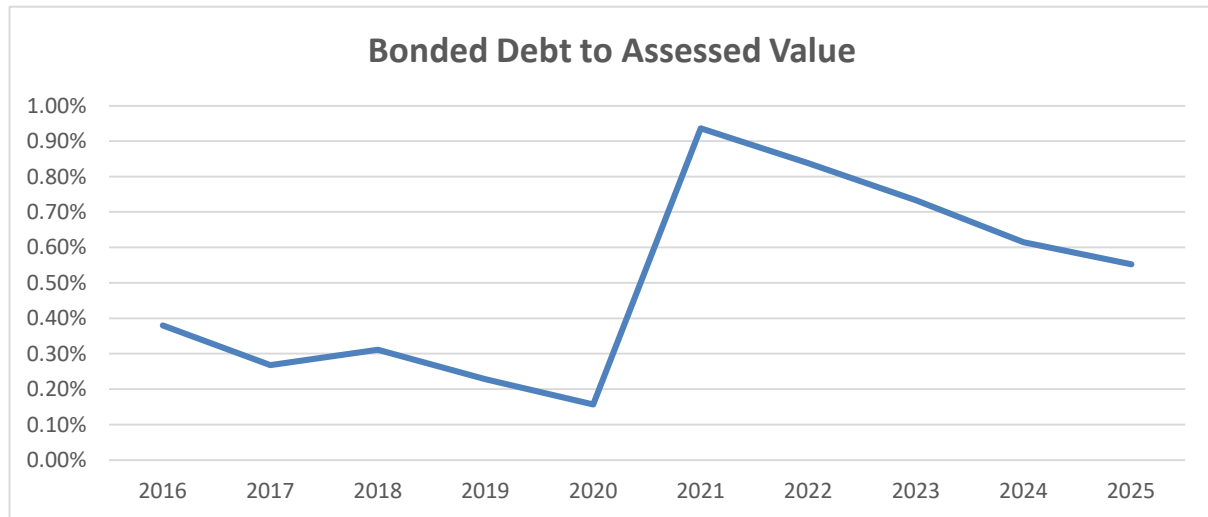
City of Benbrook, Texas

RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

Last Ten Fiscal Years

(Unaudited)

Fiscal Year Ended	Estimated Population	Assessed Value	General Bonded Debt	Bonded Debt to Assessed Value	Bonded Debt per Capita
2016	22,500	\$ 1,859,799,611	\$ 9,460,000	0.38%	274
2017	22,260	1,998,945,298	8,145,000	0.27%	240
2018	22,629	2,188,261,077	6,810,000	0.31%	301
2019	22,760	2,377,391,093	5,415,000	0.23%	238
2020	23,335	2,527,560,856	3,985,000	0.16%	171
2021	24,520	2,656,003,882	24,871,852	0.94%	1014
2022	24,932	2,798,399,087	23,442,578	0.84%	940
2023	25,319	3,149,586,158	23,078,304	0.73%	912
2024	25,416	3,592,171,580	22,069,030	0.61%	868
2025	25,594	3,807,754,639	21,024,756	0.55%	821



City of Benbrook, Texas

DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

(Unaudited)

Fiscal Year Ended	Estimated Population	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (3)
2016	22,500	\$ 51,099	4,857	3.70%
2017	22,260	65,568	4,857	3.20%
2018	22,629	69,803	4,485	3.40%
2019	22,760	75,527	4,683	3.10%
2020	23,335	75,527	4,683	6.30%
2021	24,520	76,501	4,785	4.80%
2022	24,932	76,623	5,347	3.50%
2023	25,319	81,074	4,683	3.40%
2024	25,416	83,862	4,234	3.35%
2025	25,594	84,871	4,209	3.90%

(1) Per Capita Income provided by Benbrook Economic Development Corporation from ESRI.

(2) School enrollment provided by Benbrook Economic Development Corporation from ESRI.

(3) Unemployment rate as of September 2025 as reported by the US Bureau of Labor Statistics for the DFW area data extracted on 11/30/2025.

City of Benbrook, Texas

PRINCIPAL EMPLOYERS

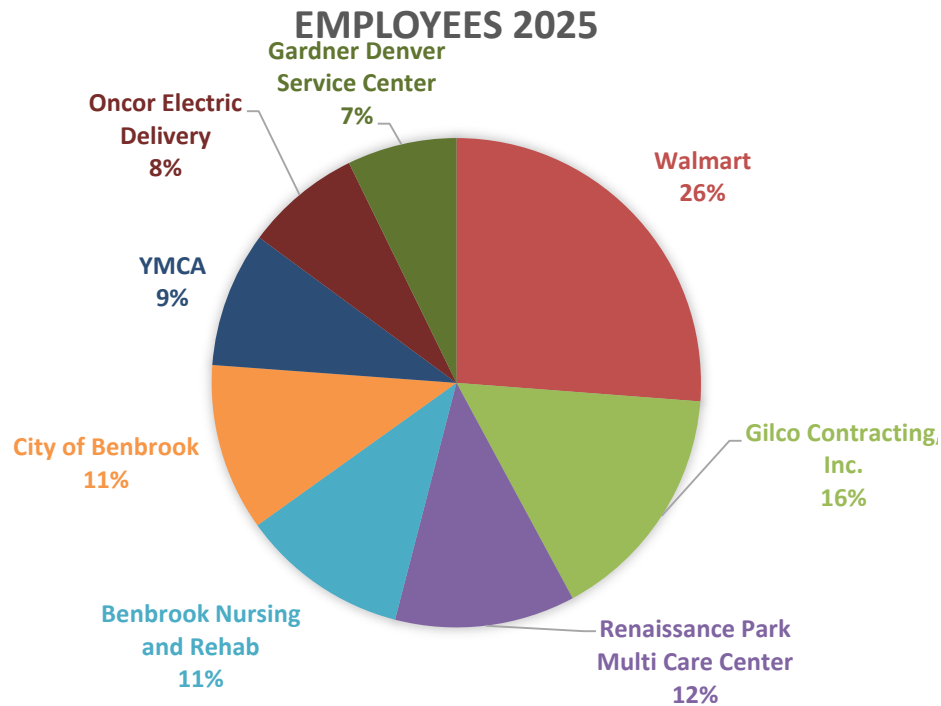
Current Year and Nine Years Ago

2025

Employer	Employees	Percent of Total City Employment
Walmart	308	4.90%
Gilco Contracting, Inc.	187	2.97%
Renaissance Park Multi Care Center	140	2.23%
Benbrook Nursing and Rehab	130	2.07%
City of Benbrook	130	2.07%
YMCA	105	1.67%
Oncor Electric Delivery	90	1.43%
Gardner Denver Service Center	85	1.35%
Total	1,175	18.69%

(1) Top 8 employers from "Benbrook in Brief 2016" provided by EDC.

(2) Total city employment provided by <http://www.texassitesearch.com/demographics.html>.



2016

Employer	Employees	Percent of Total City Employment
Walmart	310	6.72%
Western Hills High School	181	3.93%
Gilco Contracting, Inc.	167	3.62%
Cracker Barrel Old Country Store	150	3.25%
City of Benbrook	119	2.58%
Benbrook Community Center/YMCA	125	2.71%
Oncor Electric Delivery	100	2.17%
Renaissance Park	90	1.95%
	1,242	26.94%

City of Benbrook, Texas
LOCAL EMPLOYMENT INFORMATION
September 30, 2025
(Unaudited)

Fiscal Year Ended	Ag	Construction	Manufacturing	Transportation & Storage	Wholesale	Retail
Number of Establishments						
2016	2	63	14	16	22	97
2017	2	63	14	16	22	97
2018	2	65	14	12	18	117
2019	6	68	14	14	17	121
2020	8	66	19	15	29	89
2021	8	62	19	15	30	89
2022	8	66	15	12	29	95
2023	9	67	14	14	25	96
2024	10	68	19	16	25	94
2025	41	78	22	33	42	116

Employment Levels						
2016	5	340	213	201	257	1,367
2017	5	340	213	201	257	1,367
2018	2	463	191	204	287	1,188
2019	11	439	127	104	263	849
2020	18	616	156	209	303	556
2021	18	621	197	143	340	600
2022	20	468	115	161	280	627
2023	265	427	373	720	230	1,390
2024	25	618	207	175	269	823
2025	274	421	382	723	240	1,567

(1) Information provided by <http://www.texassitesearch.com/demographics.html>.

Services & Information	Finance, Insurance, Real Estate	Oil/Gas & Utilities	Public Admin	Totals
321	128	8	7	678
321	128	8	7	678
346	129	5	5	713
453	112	6	12	823
522	121	4	8	881
527	123	4	8	885
488	109	4	8	834
547	115	5	23	915
544	117	5	9	907
593	154	15	15	1,109
2,794	384	221	214	5,996
2,794	384	221	214	5,996
2,849	402	204	239	6,029
3,203	437	285	568	6,286
3,982	431	57	216	6,544
3,850	491	56	226	6,542
3,385	544	57	229	5,886
2,959	737	92	266	7,459
3,408	592	62	283	6,462
3,145	745	91	266	7,854

City of Benbrook, Texas

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

**Last Ten Fiscal Years
(Unaudited)**

	2016	2017	2018	2019	2020	2021
Function/Program						
General Government						
City Manager	2	2	2	2	2	2
City Secretary	3	3	3	3	3	3
Staff Services						
Finance	3	3	3	3	3	3
Information Services	1	1	2	2	2	2
Human Resources	-	-	-	-	-	-
Public Safety						
Police	53	54	57	55	56	56
Fire	24	27	28	31	31	31
Municipal Court	2	2	2	2	2	2
Code Compliance	1	1	1	1	1	1
Public Services						
Public Services	1	1	1	1	1	1
Public Works	8	8	8	8	8	8
Parks & Recreation	8	8	8	8	8	8
Support Services	4	4	4	4	4	4
City Engineering	2	2	2	2	2	2
Community Development						
Administration	1	1	1	1	1	1
Planning Services	2	2	2	2	2	2
City Inspection	3	3	3	3	3	3
Total	118	122	127	128	129	129

Source: City of Benbrook Budget

2022	2023	2024	2025
2	2	2	2
3	3	3	2
3	3	3	3
2	2	2	2
-	-	-	1
56	56	57	57
31	31	31	31
2	2	2	2
1	1	1	1
1	1	1	1
8	8	8	8
8	8	8	8
4	4	4	4
2	2	2	2
1	1	1	1
2	2	2	2
3	3	3	3
129	129	130	130

City of Benbrook, Texas
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

Function/Program	2016	2017	2018	2019	2020	2021
Police						
Stations	1	1	1	1	1	1
Licensed Officers	42	45	42	40	41	41
Police Reservist	2	2	2	2	2	2
Emergency Warning Sirens	7	7	7	7	7	7
Fire (1)						
Stations	1	1	1	1	1	1
Firefighters	24	27	27	30	30	30
Paramedics/EMT's	24	27	27	30	30	30
City Fire Support Unit Staff	6	6	3	3	3	3
Emergency Vehicles	16	16	18	18	18	18
Public Works						
Miles of Street	107	107	107	108	132	132
Number of Street Lights	1,286	1,286	1,286	1,299	1,308	1,308
Parks & Recreation						
Parks	6	7	7	7	7	7
Acreage	272	272	272	272	272	272
Playgrounds	5	5	5	5	5	5
Recreation Centers	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1
Tennis Courts	6	6	6	6	6	6
Golf Courses	2	2	2	2	2	2
Lakes	1	1	1	1	1	1

Source: City Budget

2022	2023	2024	2025
1	1	1	1
41	41	41	41
2	2	2	2
7	7	7	7
1	1	1	1
30	30	30	30
30	30	30	30
3	3	3	3
18	18	18	18
132	132	132	132
1,308	1,308	1,308	1,308
7	7	7	7
272	272	272	272
5	5	5	5
1	1	1	1
1	1	1	1
6	6	6	6
2	2	2	2
1	1	1	1



TEXAS

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CITY OF BENBROOK, TEXAS
OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION FOR THE YEAR
ENDED SEPTEMBER 30, 2025



TEXAS

Our Pride. Your Joy.



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Benbrook, Texas:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise City of Benbrook, Texas' basic financial statements, and have issued our report thereon dated March 5, 2026.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Benbrook, Texas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Benbrook, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Benbrook, Texas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Benbrook, Texas' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, flowing script.

BrooksWatson & Co., PLLC
14950 Heathrow Forest Pkwy | Ste 530
Houston, TX 77032
March 5, 2026

City of Benbrook, Texas
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended September 30, 2025

I. SUMMARY OF PRIOR YEAR AUDIT FINDINGS:

None.

City of Benbrook, Texas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2025

I. SUMMARY OF AUDITOR'S RESULTS:

Financial Statements

Type of auditor's report issued:

The auditor's report on the basic financial statements of the City expresses an unmodified opinion.

Internal control over financial reporting:

Are any material weaknesses identified?	☐ Yes	☒ No
Are any significant deficiencies identified not considered to be material weaknesses?	☐ Yes	☒ None Reported
Is any noncompliance material to financial statements noted?	☐ Yes	☒ No

II. FINANCIAL STATEMENT FINDINGS:

None.