



CITY OF _____
FARMERS BRANCH
_____ TEXAS

FY2025 Results of the Audit

Dan Barrón, Partner

Tyler Hoffman, Manager

March 17, 2026

**forv/s
mazars**

Introductions



Dan Barrón, Partner

Lead Audit Engagement Executive



Tyler Hoffman, Manager

Agenda



Audit Scope and Results



Future Pronouncements and Other Matters



Questions

Experienced insight to help you reach your goals.



#3

Provider of Single Audits*



850+

Public Sector Clients Served



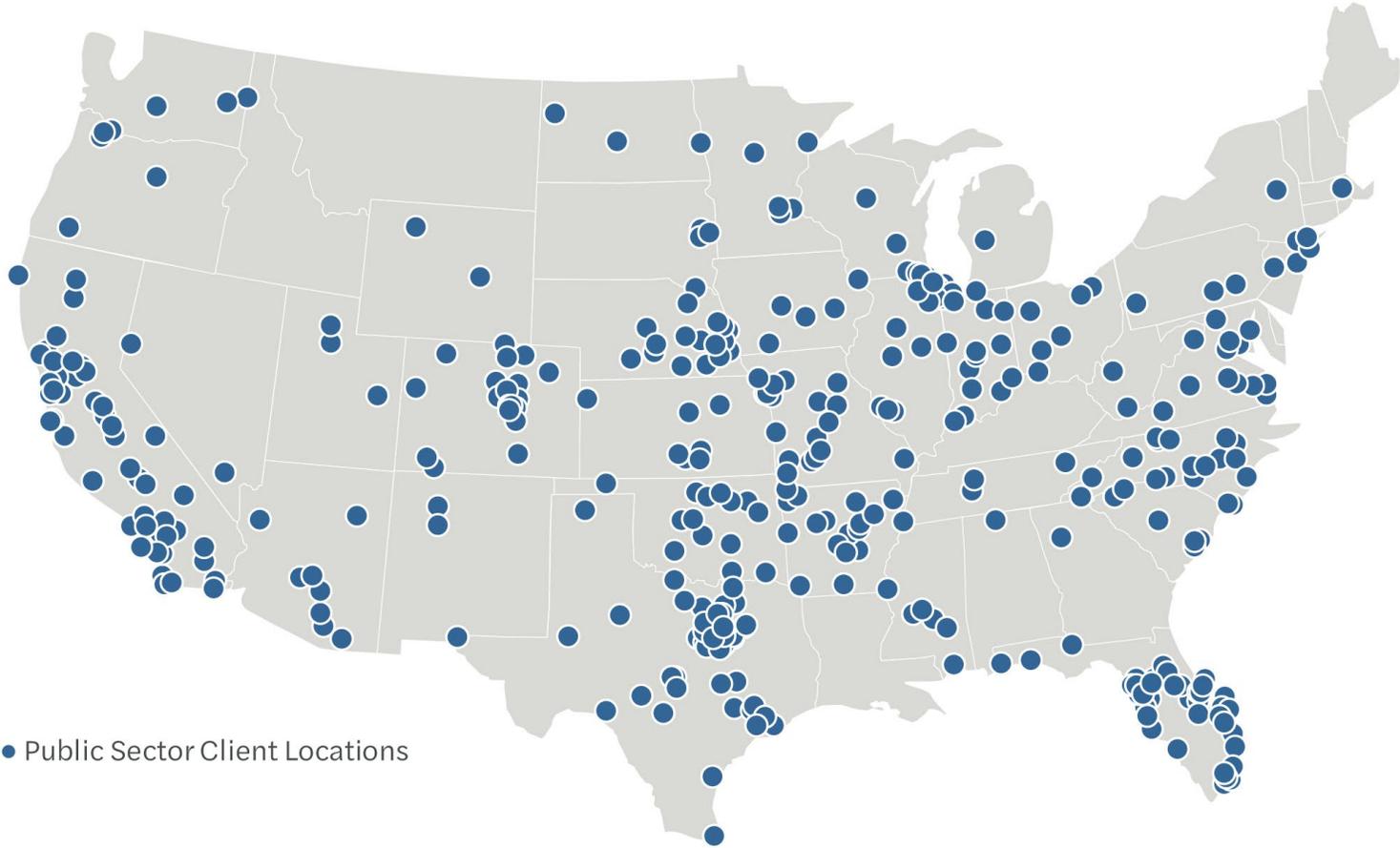
Clients Served

State & local governments, airports, transportation authorities, public power & utility providers, tribal governments, public colleges & universities

*Per Federal Clearinghouse Data for 2024 Year-Ends

850+

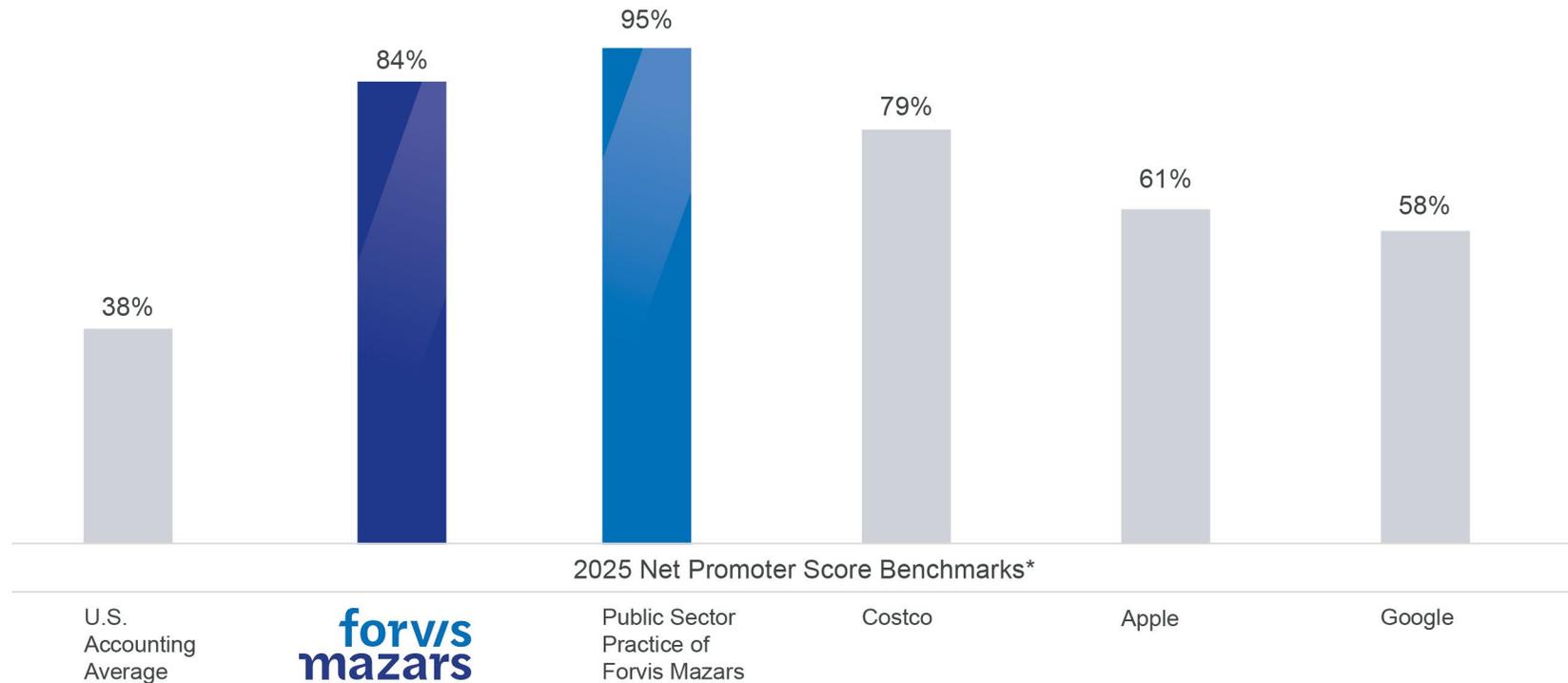
Public Sector Clients Served



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Our firm is committed to delivering an Unmatched Client Experience through exceptional quality and client service. In 2025, Forvis Mazars won ClearlyRated's Best of Accounting™ Five Year Diamond Award for Service Excellence. ClearlyRated® utilizes a Net Promoter® Score (NPS®) to determine the results.

NPS is a simple metric based on a survey question that asks your clients how likely they are to recommend your firm to a friend or colleague on a numeric scale of 0–10. To better understand how the NPS of Forvis Mazars was calculated, visit ClearlyRated's resource for [NPS for Accounting Firms](#). Below, we have shared statistics regarding the NPS of Forvis Mazars and comparable scores from other leading brands and our industry.



NPS Data Source: CustomerGauge (<https://customergauge.com/benchmarks/blog/top-highest-nps-scores>).

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*ClearlyRated – NPS 101 for Accounting Firms & Forvis Mazars FYE 25 Relational Survey



ClearlyRated's 2025
Best of Accounting™
Five Year Diamond Award
for Service Excellence

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Awarded to Forvis Mazars for
Five Consecutive Years

Other Matters

Market Trends

- Leveraging AI to Drive Meaningful Business Impact
 - Evaluating opportunities to further automate routing processes
 - Leveraging data analytics and artificial intelligence to enhance accuracy, consistency, and timeliness of financial information
- State of Texas Cybersecurity Awareness Training – annual basis – must be completed by August 31st each year for all Council Members

Audit Scope and Results

REPORT	RESULTS
Financial Statements Opinions	Unmodified “Clean” Opinions
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> – Independent Auditor’s Report	No reportable findings
Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards	No reportable findings

Audit Scope and Results (cont.)

Single Audit: Major Federal Programs FY25

Major Program	Federal Assistance Listing Number	Expenditures
Coronavirus State and Local Fiscal Recovery Funds	21.027	\$2,555,010



Audit Scope and Results (cont.)

Qualitative Aspects of Significant Accounting Policies and Practices

- Significant Accounting Policies
 - The City's significant accounting policies are described in *Note 1* of the audited financial statements.
 - We want to call your attention specifically to the City's adoption of GASB 101, *Compensated Absences*
- Unusual Policies or Methods
 - No matters are reportable
- Alternative Accounting Treatments
 - No matters are reportable

Audit Scope and Results (cont.)

Qualitative Aspects of Significant Accounting Policies and Practices (continued)

- Management Judgments and Accounting Estimates
 - Accounts receivable and related allowance for uncollectible accounts
 - Net pension liability and related deferred inflows and outflows of resources
 - Total other postemployment benefits (OPEB) liability and related deferred inflows and outflows of resources
 - Leave more likely than not to be used for compensated absences
 - Discount rates and terms used for leases, public-private partnerships, and SBITAs
 - Depreciation expense and useful lives of capital assets
 - Self-insured liabilities
 - Fair value of investments
 - Arbitrage liability
 - Landfill closure and post-closure liabilities

Audit Scope and Results (cont.)

Qualitative Aspects of Significant Accounting Policies and Practices (continued)

- Financial Statement Disclosures
 - Commitments and contingencies
 - Net pension liability
 - Total OPEB liability
 - Tax abatement/ TIFs/ PIDs
 - Leases
 - Subscription-Based Information Technology
 - Public-Private Partnerships

Audit Scope and Results (cont.)

Qualitative Aspects of Significant Accounting Policies and Practices (continued)

- Auditor's Judgments About the Quality of the City's Accounting Principles
 - No matters are reportable

Other Communications

- Significant Issues Discussed with Management During the Audit Process
 - Adoption of GASB 101
- Disagreements with Management
 - No matters are reportable.

Audit Scope and Results (cont.)

Audit Adjustments

- Proposed audit adjustments recorded:
 - Adjustments to convert from modified accrual to full accrual-basis of accounting – outsourced to Forvis Mazars
 - Adjustments related to GASB Statements 68, 75, 87, 94, and 96 – outsourced to Forvis Mazars
 - Adjustments to record year-end capital asset activity – outsourced to Forvis Mazars
 - Adjustments to opening fund balance/net position accounts – outsourced to Forvis Mazars
- Proposed audit adjustments not recorded:
 - Adjustment related to the adoption of GASB 101

Audit Findings

No matters are reportable.

Accounting Updates - GASB Statement No. 103, *Financial Reporting Model Improvements*

Summary

- Objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability
- Will standardize the presentation for various matters within governmental financial statements
- GASB 103 is effective for the City's 2026 fiscal year. Earlier application is encouraged.

Potential Impact

- GASB 103 will have an impact on the following areas:
 - management's discussion and analysis,
 - unusual or infrequent items,
 - the definitions and presentation of operating and nonoperating revenues and expenses in enterprise funds,
 - presentation of major component units,
 - presentation of budgetary information,
 - and financial trends information within the statistical section of separately issued financial reports.

Accounting Updates - GASB Statement No. 104, *Disclosure of Certain Capital Assets*

Summary

- Objective is to provide users of governmental financial statements with essential information about certain types of capital assets.
- This statement requires certain types of capital assets to be disclosed separately in the capital asset note disclosures.
- GASB 104 is effective for the City's 2026 fiscal year. Earlier application is encouraged.

Potential Impact

- GASB 104 will have an impact on the following capital assets:
 - Lease assets,
 - Intangible right-to-use assets,
 - Subscription assets,
 - Intangible assets other than those three types,
 - Capital assets held for sale

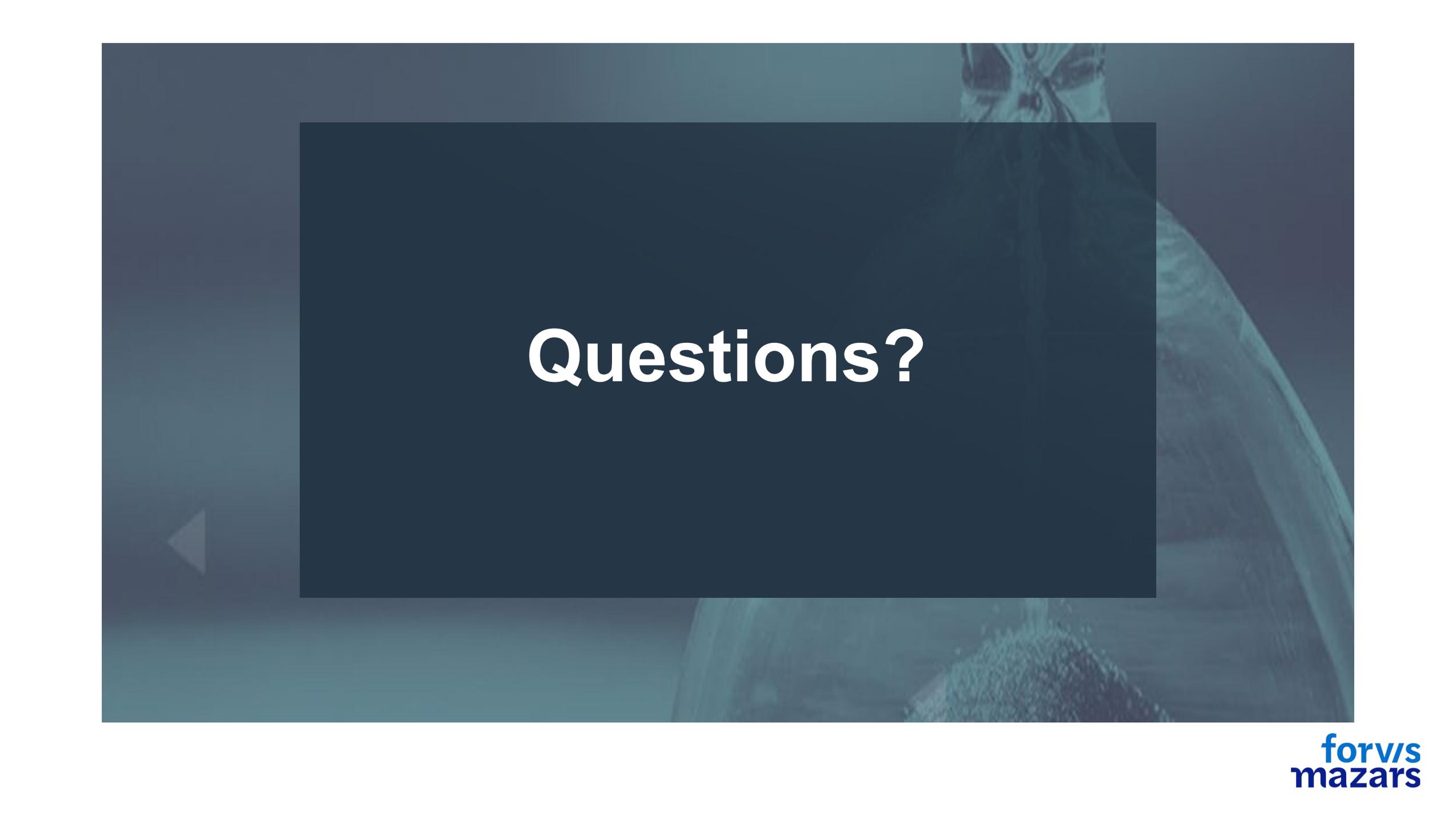
Accounting Updates - GASB Statement No. 105, *Subsequent Events*

Summary

- The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in the application and better meeting the information needs of financial statement users.
- GASB 105 is effective for the City's 2027 fiscal year. Earlier application is encouraged.

Potential Impact

- GASB 105 will have an impact on the subsequent events footnote, including:
 - Clarification between recognized and nonrecognized events
 - Addition of the date through which subsequent events were evaluated



Questions?

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