



Agenda Item Report

Legislative Board: City Council
Date: March 24, 2026
Contact: Angela Verduzco
Agenda Item ID / Number: 2026-269- / J.1

ITEM TITLE: Presentation and possible action to approve the Fiscal Year 2025 Annual Comprehensive Financial Report and Single Audit (Assistant Finance Director Angela Verduzco and Rebecca Darling of Weaver and Tidwell, L.L.P.) [PUBLIC TESTIMONY]

1. EXECUTIVE SUMMARY

Weaver & Tidwell LLP, Certified Public Accountants, have issued an unmodified (or “clean”) opinion on the City of Buda’s financial statements for the year ended September 30, 2025. This is the highest level of assurance given on financial statements.

2. BACKGROUND/HISTORY

The City entered into its fifth year with Weaver & Tidwell LLP. In August of 2025, the external auditors performed an interim audit where internal controls were reviewed, and other preliminary items were prepared. Early January 2026, the auditors came onsite for about a month for fieldwork testing. The Audit Committee met with external auditors and city staff on February 4th to get an update on status of the audit. A draft of the Annual Comprehensive Financial Report was prepared in mid-March and reviewed with the Audit Committee on March 18th. The report will be filed with the city's annual debt disclosure report to the Texas Comptroller as required by House Bill 1378. The City will submit an application for the GFOA Certificate of Achievement for Excellence in Financial Reporting Award for this years' audited financial statements.

3. ANALYSIS

Weaver & Tidwell LLP had no findings regarding significant risks. During fiscal year 2025, the City implemented two new Governmental Accounting Standards Board (GASB) statements designed to improve transparency and consistency in financial reporting:

- GASB Statement No. 101 – Compensated Absences
This standard updates how governments calculate and report employee leave benefits such as vacation and sick leave. As part of this implementation, the City began recognizing a liability for certain sick leave benefits that were previously not recorded. This resulted in an adjustment of approximately \$450k to recognize the associated liability in the financial statements.
- GASB Statement No. 102 – Certain Risk Disclosures
This standard requires governments to disclose certain significant risks or financial vulnerabilities that could affect operations if conditions change, helping provide readers of the financial statements with better insight into potential financial exposures.

Both standards were implemented in the City’s fiscal year 2025 financial statements and did not materially impact the City’s overall financial position.

4. FINANCIAL IMPACT

Please see the attached reports. The final City of Buda Audit Presentation FY 2025 will be provided after the Audit Committee meeting on March 18, 2026.

5. STRATEGIC PLAN/GOALS

EXCEPTIONAL CITY SERVICES

6. STRATEGIC PLAN OBJECTIVES

Deliver City services consistent with our City of Buda mission and core values

7. PROS AND CONS

Not applicable.

8. ALTERNATIVES

Not applicable.

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Staff recommends acceptance of the Fiscal Year 2025 Annual Comprehensive Financial Report, as submitted by the City's Finance Department and audited by the accounting firm of Weaver and Tidwell, L.L.P., and approval of the Fiscal Year 2025 Single Audit.

Attachments:

[j1 Link Documentation for Agenda v3.pdf](#)