



**AGENDA
CITY OF ALLEN
CITY COUNCIL REGULAR MEETING
TUESDAY, FEBRUARY 25, 2025 – 7:00 PM
CITY COUNCIL CHAMBERS
ALLEN CITY HALL
305 CENTURY PARKWAY
ALLEN, TEXAS 75013**

1. Call to Order and Announce a Quorum is Present.

2. Pledge of Allegiance.

2.1 Posting of the Colors by Boy Scout Troop 1299.

3. Public Recognition.

3.1 Presentation of a Proclamation by the Office of the Mayor.
• Allen Flower Shop

4. Citizens' Comments.

[The City Council invites citizens to speak to the Council on any topic not on the agenda or not already scheduled for Public Hearing. Prior to the meeting, please complete a "Public Meeting Appearance Card" and present it to the City Secretary. The time limit is three minutes per speaker, not to exceed a total of fifteen minutes for all speakers.]

5. Consent Agenda.

[Routine Council business. Consent Agenda is approved by a single majority vote. Items may be removed for open discussion by a request from a Councilmember or member of staff.]

5.1 Approve minutes of the February 11, 2025, Regular City Council Meeting.

5.2 Approve minutes of the February 12, 2025, Joint Workshop of the Allen City Council and Planning and Zoning Commission.

5.3 Adopt an Ordinance declaring each unopposed candidate elected for Council Place Nos. 4 and 6 and canceling the May 3, 2025, General Election.

5.4 Authorize the City Manager to execute an agreement with Nortex Concrete Lift and Stabilization, Inc., for the Pavement Leveling Services Project for an annual amount of \$165,000.

5.5 Receive the Quarterly Financial Report for period ending December 31, 2024.

5.6 Receive the Quarterly Investment Report for period ending December 31, 2024.

6. Regular Agenda.

6.1 Motion to Accept the Fiscal Year 2023-2024 Annual Comprehensive Financial Report.

6.2 Authorize the City Manager to negotiate and execute on behalf of the City of Allen, Texas a Hotel Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Building Lease Agreement with Kalahari TX LLC, a PUT Option Agreement with Kalahari Allen TX LLC, and the Economic Development Incentive Agreement with Kalahari Allen TX LLC; including any amendments or instruments related thereto.

7. Other Business.

[Council announcements regarding local civic and charitable events, meetings, fundraisers, and awards.]

7.1 Calendar.

7.2 Items of Interest.

8. Executive Session (As needed).

Legal, Section 551.071.

As authorized by Section 551.071(2) of the Texas Government Code, the Workshop Meeting and/or the Regular Agenda may be Convened into Closed Executive Session for the Purpose of Seeking Confidential Legal Advice from the City Attorney on any Agenda Item Listed Herein. (Closed to Public as Provided in the Texas Government Code.)

8.1 Reconvene and Consider Action on Items Resulting from Executive Session.

9. Adjournment.

This notice was posted at Allen City Hall, 305 Century Parkway, Allen, Texas, at a place convenient and readily accessible to the public at all times. Said notice was posted on Friday, February 21, 2025, at 5:00 p.m.

Shelley B. George, City Secretary

Allen City Hall is wheelchair accessible. Access to the building and special parking are available at the entrance facing Century Parkway. Requests for sign interpreters or special services must be received forty-eight (48) hours prior to the meeting time by calling the City Secretary at 214.509.4105.

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: February 25, 2025

AGENDA CAPTION: Approve minutes of the February 11, 2025, Regular City Council Meeting.

STAFF RESOURCE: Shelley B. George, City Secretary

STRATEGIC PLANNING GOAL: Engaged and Connected Allen Community.

ATTACHMENT(S)

[Minutes](#)

ALLEN CITY COUNCIL

REGULAR MEETING

FEBRUARY 11, 2025

Present:

Baine L. Brooks, Mayor

Allen City Council:

Ben Trahan, Mayor Pro Tem

Michael Schaeffer

Tommy Baril

Ken Cook

Chris Schulmeister

Carl Clemencich (arrived 6:06 p.m.)

City Staff:

Eric Ellwanger, City Manager

Eric Strong, Deputy City Manager

Tim Dentler, Assistant City Manager (absent)

Rebecca Vice, Assistant City Manager

Shelley B. George, City Secretary

Chelsey Aprill, Director, Public and Media Relations

Rocio Gonzalez, Deputy City Secretary

Pete Smith, City Attorney

Workshop Session

1. Call to Order and Announce a Quorum is Present

With a quorum of the Allen City Council present, the Workshop of the Allen City Council was called to order by Mayor Brooks at 6:00 p.m. on Tuesday, February 11, 2025, in the Basement Meeting Rooms A and B at Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Discussion Items

2.1 Update on Allen Police Headquarters Project.

2.2 Committee Updates from City Council Liaisons.

2.3 Questions on the Current Agenda.

3. Adjourn to Regular Meeting

With no further discussion, Mayor Brooks adjourned the Workshop of the Allen City Council at 6:36 p.m. on Tuesday, February 11, 2025, in Basement Meeting Rooms A and B at Allen City Hall, 305 Century Parkway, Allen, Texas.

**ALLEN CITY COUNCIL
REGULAR MEETING
FEBRUARY 11, 2025**

Regular Meeting

1. Call to Order and Announce a Quorum is Present

With a quorum of the Allen City Council present, the Regular Meeting of the Allen City Council was called to order by Mayor Brooks at 7:00 p.m. on Tuesday, February 11, 2025, in the Council Chambers at Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Pledge of Allegiance

Mayor Brooks asked everyone to join him and the Allen City Council in a moment of silence.

3. Public Recognition

4. Citizens' Comments

5. Reports from City of Allen Boards, Commissions, and Committees.

5.1 Annual Report of the Public Art Committee.

5.2 Annual Report of the Parks and Recreation Advisory Board.

6. Consent Agenda

MOTION: Upon a motion made by Mayor Pro Tem Trahan and a second by Councilmember Clemencich, the Council voted seven (7) for and none (0) opposed to approve all items on the Consent Agenda as follows:

6.1 Approve minutes of the January 28, 2025, Regular City Council Meeting.

6.2 Approve minutes of the February 1, 2025, City Council Called Workshop for Strategic Planning.

6.3 Adopt a Resolution ordering the May 3, 2025, Joint General Election and authorize the City Manager to enter into a Joint General Election Services Agreement with the Elections Administrator of Collin County.

RESOLUTION NO. 4138-2-25(R): A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ORDERING A JOINT GENERAL ELECTION TO BE HELD ON MAY 3, 2025, FOR THE PURPOSE OF ELECTING THE CITY COUNCILMEMBERS FOR PLACE NOS. 4 AND 6; DESIGNATING THE LOCATION OF POLLING PLACES; ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW IN CONNECTION WITH SUCH ELECTION; AUTHORIZING EXECUTION OF JOINT ELECTION AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

The motion carried.

**ALLEN CITY COUNCIL
REGULAR MEETING
FEBRUARY 11, 2025**

7. Regular Agenda

- 7.1 Adopt a Resolution establishing fees for (A) the use of City Park and Recreation Facilities and (B) a Resolution establishing fees and charges for the use of The Courses at Watters Creek Golf Course and related Facilities.**

RESOLUTION NO. 4139-2-25(R): A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ESTABLISHING FEES FOR THE USE OF CITY PARK AND RECREATION FACILITIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

RESOLUTION NO. 4140-2-25(R): A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, AUTHORIZING THE CITY MANAGER, OR DESIGNEE TO ESTABLISH FEES AND CHARGES FOR THE USE OF THE COURSES AT WATTERS CREEK GOLF COURSE AND RELATED FACILITIES; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

MOTION: Upon a motion made by Councilmember Schulmeister and a second by Councilmember Schaeffer, the Council voted seven (7) for and none (0) opposed to adopt Resolution No. 4139-2-25(R), as previously captioned, establishing fees for the use of City Park and Recreation Facilities, and Resolution No. 4140-2-25(R), as previously captioned, establishing fees and charges for the use of The Courses at Watters Creek Golf Course and related Facilities. The motion carried.

- 7.2 Award Bid and authorize the City Manager to execute an agreement with Ratliff Hardscape, Ltd., for the 2025 Street and Alley Rehabilitation Project, for \$4,500,000.**

MOTION: Upon a motion made by Councilmember Cook and a second by Councilmember Clemencich, the Council voted seven (7) for and none (0) to award bid and authorize the City Manager to execute an Agreement with Ratliff Hardscape, Ltd., for the 2025 Street and Alley Rehabilitation project for \$4,500,000. The motion carried.

- 7.3 Authorize the City Manager to negotiate and execute the First Guaranteed Maximum Price Agreement with CORE Construction for the initial construction phase of the City of Allen Police Headquarters Building for an amount not to exceed \$23,963,890.**

MOTION: Upon a motion made by Councilmember Baril and a second by Councilmember Schaeffer, the Council voted seven (7) for and none (0) to authorize the City Manager to negotiate and execute the first Guaranteed Maximum Price agreement with CORE Construction for the initial construction phase of the City of Allen Police Headquarters Building for an amount not to exceed \$23,963,890. The motion carried.

8. Other Business

8.1 Calendar.

- **February 12 - Council Joint Workshop with the Planning and Zoning Commission | City Hall Basement Meeting Rooms | 5 p.m.**

**ALLEN CITY COUNCIL
REGULAR MEETING
FEBRUARY 11, 2025**

- **February 19 – Groundbreaking Ceremony for the Police Department Headquarters | 3 p.m.**

8.2 Items of Interest.

- Council wished a happy birthday to Deputy City Manager Strong.
- Councilmember Clemencich encouraged the public to support the Allen Public Safety Recovery Fund by attending the Police vs Fire on Ice hockey game on Saturday, February 15 at the Credit Union of Texas Event Center.
- Mayor Brooks shared the following Good News about groups and individuals in Allen:
 - The Allen Flower Shop was recognized by the Texas Historic Commission for its historic significance with the Texas Treasure Business Award.
 - The Allen Public Library was recognized by the Texas Municipal Library Directors Association as a recipient of the Achievement of Excellence in Libraries Award.

Mayor Brooks announced the Executive Session and recessed the Regular Session at 8:00 p.m.

9. Executive Session.

In accordance with Texas Government Code Section 551.071 (2), the Allen City Council convened into Executive Session at 8:08 p.m. on Tuesday, February 11, 2025, in the Basement Meeting Rooms A and B at Allen City Hall, 305 Century Parkway, Allen, Texas, to discuss matters pertaining to:

- 9.1 Executive Session pursuant to Texas Government Code, Section 551.071 (1)(A) Consultation with Attorney: Hemp Industry Leaders of Texas, et al. v. City of Allen, et al. Civil Action No. 4:24-CV-00944-SDJ; in the U.S. District Court Eastern District of Texas.**
- 9.2 Executive Session pursuant to Texas Government Code, Section 551.087 (1) and (2) - Deliberation regarding Economic Development Negotiations: Incentives for State Hwy. 121 Retail Projects.**

The Executive Session was adjourned at 10:11 p.m.

9.3 Reconvene and Consider Action on Items Resulting from Executive Session.

The Allen City Council reconvened into the Regular Meeting at 10:16 p.m. on Tuesday, February 11, 2025, in the Council Chambers at Allen City Hall, 305 Century Parkway, Allen, Texas. There was no action taken on items discussed during the Executive Session.

9. Adjournment

Mayor Brooks adjourned the Regular Meeting of the Allen City Council at 10:16 p.m. on Tuesday, February 11, 2025.

**ALLEN CITY COUNCIL
REGULAR MEETING
FEBRUARY 11, 2025**

These minutes were approved on the 25th day of February 2025.

APPROVED:

Baine L. Brooks, MAYOR

ATTEST:

Shelley B. George, TRMC, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: February 25, 2025

AGENDA CAPTION: Approve minutes of the February 12, 2025, Joint Workshop of the Allen City Council and Planning and Zoning Commission.

STAFF RESOURCE: Shelley B. George, City Secretary

STRATEGIC PLANNING GOAL: Engaged and Connected Allen Community.

ATTACHMENT(S)

[Minutes](#)

**ALLEN CITY COUNCIL
JOINT WORKSHOP WITH THE
PLANNING AND ZONING COMMISSION
FEBRUARY 12, 2025**

Present:

Allen City Council:

Baine Brooks, Mayor
Ben Trahan, Mayor Pro Tem
Michael Schaeffer
Tommy Baril (arrived 5:11 p.m.)
Ken Cook
Carl Clemencich (arrived 5:31 p.m.)
Chris Schulmeister

Planning and Zoning Commission:

Dan Metevier, Chair
Gary Stocker, 1st Vice-Chair
Sandeep Kathuria, 2nd Vice-Chair (absent)
Danielle Westgard
Tim Voss
Doug Galletti
Cynthia Walker

City Staff:

Eric Ellwanger, City Manager
Eric Strong, Deputy City Manager
Tim Dentler, Assistant City Manager
Rebecca Vice, Assistant City Manager (absent)
Shelley B. George, City Secretary
Chelsey Aprill, Public and Media Relations Director
Marc Kurbansade, Community Development Director
Peter G. Smith, City Attorney

1. Call to Order and Announce a Quorum is Present.

With a quorum of the members present, the Allen City Council Joint Workshop with the Planning and Zoning Commission was called to order by Mayor Brooks, in conjunction with Chair Metevier, at 5:00 p.m. on Wednesday, February 12, 2025, in the Basement Meeting Rooms at Allen City Hall, 305 Century Parkway, Allen, Texas.

2. Discussion Items.

2.1 Update to Comprehensive Plan – Allen 2045.

3. Adjournment.

Mayor Brooks, in conjunction with Chair Metevier, adjourned the Allen City Council Joint Workshop with the Planning and Zoning Commission at 6:57 p.m. on Wednesday, February 12, 2025.

These minutes approved on the 25th day of February 2025.

APPROVED:

Baine L. Brooks, MAYOR

**ALLEN CITY COUNCIL
JOINT WORKSHOP MEETING
FEBRUARY 12, 2025**

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ATTEST:

Shelley B. George, TRMC, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: February 25, 2025

AGENDA CAPTION: Adopt an Ordinance declaring each unopposed candidate elected for Council Place Nos. 4 and 6 and canceling the May 3, 2025, General Election.

STAFF RESOURCE: Shelley B. George, City Secretary

PREVIOUS COUNCIL ACTION: Adopted Resolution No. 4138-2-25(R) ordering the May 3, 2025, General Election

STRATEGIC PLANNING GOAL: Financially Sound and Transparent City Government.

BACKGROUND

In accordance with Section 2.053(a) of the Texas Election Code, cities must cancel their elections if each candidate whose name is to appear on the ballot is unopposed, there are no declared write-in candidates, and no proposition is to appear on the ballot. The deadline to file an application for a place on the ballot was February 14 and to declare as a write-in candidate was February 18. Each candidate whose name is to appear on the ballot is unopposed, there are no declared write-in candidates, and there is no proposition to appear on the ballot.

As provided by Section 2.052 of the Texas Election Code, I submit to you the certification of unopposed candidates. Upon receipt of the certification, the City Council of the City of Allen by ordinance must declare each unopposed candidate elected to the office specified. The attached ordinance declares the two unopposed candidates be elected to said places for the office of Councilmember Place No. 4 and 6 and provides for the cancellation of the City of Allen General Election. A copy of the ordinance will be posted on the bulletin board at City Hall and at each polling place on Election Day in accordance with State Law.

BUDGETARY IMPACT

The Joint Election Services Contract with the Collin County Elections Administrator provides for a \$75 administrative fee when an entity cancels its election. Section 6, General Provisions, Item C states “If the Participating Political Subdivision cancels their elections pursuant to Section 2.053 of the Texas Election Code, the Participating Political Subdivision shall pay the Contracting Officer a contract preparation fee of \$75.00 and will not be liable for any further costs incurred by the Contracting Officer.”

STAFF RECOMMENDATION

Staff recommends approval.

MOTION

I move to adopt Ordinance No. _____ declaring each unopposed candidate elected for Council Place Nos. 4 and 6 and canceling the May 3, 2025, General Election.

ATTACHMENT(S)

Certification of Unopposed Candidates
Ordinance



CITY OF ALLEN

**CERTIFICATION
OF
UNOPPOSED CANDIDATES**

As the authority responsible for preparing the official ballot, I, Shelley B. George, hereby certify that I am the City Secretary of the City of Allen and the following candidates are unopposed for election to said places for the office of Councilmember Place Nos. 4 and 6, for the May 3, 2025, City of Allen General Election.

Councilmember Place No. 4 Amy Gnadt

Councilmember Place No. 6 Ben Trahan

**WITNESS MY HAND AND SEAL OF THE CITY OF ALLEN, TEXAS, this the
21st day of February 2025.**



Shelley George
City Secretary
City of Allen, Texas



**CERTIFICACIÓN DE CANDIDATOS ÚNICOS
PARA OTRAS SUBDIVISIONES POLITICAS**

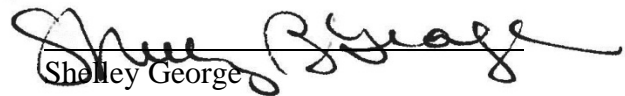
Como autoridad a cargo de la preparación de la boleta de votación oficial, por la presente certifico que los siguientes candidatos son candidatos únicos para elección para un cargo en la elección que se llevará a cabo el 3 de mayo de 2025.

Lista de cargos y nombres de los candidatos:

Miembro por Puesto Numero 4	Amy Gnadt
Miembro por Puesto Numero 6	Ben Trahan

TESTIGO DE MI MANO Y SELLO DE LA CIUDAD DE ALLEN, TEXAS, este 21 de febrero de 2025.




Shelley George
Secretaria Municipal
Ciudad de Allen, Texas

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, CANCELING THE ELECTION SCHEDULED TO BE HELD MAY 3, 2025, FOR THE PURPOSE OF ELECTING THE CITY COUNCILMEMBERS FOR PLACE NO. 4 AND 6; DECLARING EACH UNOPPOSED CANDIDATE ELECTED TO OFFICE; ORDERING THE POSTING OF THIS ORDINANCE AT CITY HALL AND AT THE MUNICIPAL COURT AND PARKS ADMINISTRATION BUILDING POLLING PLACE ON ELECTION DAY; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, Resolution No. 4138-2-25(R), was adopted by the City Council on February 11, 2025, for the purpose of electing the City Councilmembers for Place No. 4 and 6 to the Allen City Council; and,

WHEREAS, the election is for officers of the City in which write-in votes may be counted only for names appearing on a list of write-in candidates and in which each candidate whose name is to appear on the ballot is unopposed, and no proposition is to appear on the ballot; and,

WHEREAS, the filing deadlines for name placement on the ballot and declaration of write-in candidacy have passed; and,

WHEREAS, the City Council has received the City Secretary's written certification that each candidate is unopposed for the election; and,

WHEREAS, in these circumstances, Section 2.053(a) of the Texas Election Code requires the governing body to declare each unopposed candidate elected to office and to cancel the election.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, THAT:

SECTION 1. The general election for the purpose of electing the City Councilmembers Place No. 4 and 6 previously called for May 3, 2025, is hereby canceled.

SECTION 2. The following candidates, who are unopposed for the May 3, 2025, General Election, are hereby declared elected to office and shall be issued a certificate-of-election:

Councilmember Place No. 4	Amy Gnadt
Councilmember Place No. 6	Ben Trahan

SECTION 3. The City Secretary shall post a copy of this ordinance at City Hall and on Election Day shall post a copy of this ordinance at the polling places open under full contract services with the Collin County Elections Administration.

SECTION 4. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this ordinance or of the Code of Ordinances, as amended hereby, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance or the Code of Ordinances, as amended hereby, which shall remain in full force and effect.

SECTION 5. This ordinance shall take effect immediately in accordance with the provisions of the Charter of the City of Allen, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF ALLEN, COLLIN COUNTY, TEXAS, ON THIS THE 25TH DAY OF FEBRUARY 2025.

APPROVED:

Baine L. Brooks, MAYOR

APPROVED AS TO FORM:

ATTEST:

Peter G. Smith, CITY ATTORNEY

Shelley B. George, TRMC, CITY SECRETARY

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: February 25, 2025

AGENDA CAPTION: Authorize the City Manager to execute an agreement with Nortex Concrete Lift and Stabilization, Inc., for the Pavement Leveling Services Project for an annual amount of \$165,000.

STAFF RESOURCE: Steve Massey, Community Services Director

STRATEGIC PLANNING GOAL: Financially Sound and Transparent City Government.

BACKGROUND

Nortex Concrete Lift and Stabilization ("Nortex") has been the city's contractor for foam injection pavement leveling since 2021. Nortex is a proven company that serves municipal projects throughout the Dallas/Fort Worth area. The Drainage Enterprise Fund increased its budget for pavement lifting from \$75,000 in FY24 to \$150,000 in FY25. This doubles the annual budget expenditures for pavement lifting from FY24. Additionally, the Allen Event Center has periodic need for pavement leveling in its parking and delivery areas. They requested a \$15,000 contract allocation to perform these services. This total new higher contract amount of \$165,000 exceeds the City Manager's approval authority and, therefore, the new proposed contract requires City Council approval. Nortex also grinds joints between unequal concrete panels of roads and sidewalks to slope the vertical edge at an angle to smooth the transition. This capability is added in the new contract.

The existing Allen contract with Nortex was established using the terms and conditions of a competitively bid contract by the City of Grand Prairie. This process is allowed because Allen has an Interlocal Cooperation Agreement with Grand Prairie. The Grand Prairie original contract with Nortex is dated August 16, 2021. The contract has been extended three times since its inception. The contract extension dated October 19, 2023, established the current costs for foam injection pavement leveling and joint grinding. Grand Prairie's most recent November 23, 2024, contract extension continued the contract through October 31, 2025. However, no cost changes were made for two services that will be used by Allen in the latest extension.

Under Allen's new contract, Nortex will perform foam injection pavement lifting at the cost per pound of the foam injection material. They will also joint grind for Allen at a cost per foot as specified in the August 16, 2023, extension to the Grand Prairie Nortex Contract. These prices remain in effect until October 31, 2025. Allen may continue to contract with Nortex through the Grand Prairie contract for one more renewal period that would take the contract through October 31, 2026.

For agenda completeness, the Grand Prairie contract extension from October 19, 2023, is attached without the insurance and liability statements that relate to Grand Prairie. Exhibit A from that contract provides the current costs the city will pay for pavement leveling and joint grinding.

The Grand Prairie contract extension from October 31, 2024, is attached only to demonstrate a valid contract exists to create our new contract with Nortex. As with the attached 2023 contract, the insurance and liability information related to Grand Prairie are not included with this contract

attachment.

Nortex has provided the Allen purchasing department a state-required "Disclosure of Interested Parties" (Form 1295) and required insurance/liability certificates reflecting the City of Allen as the insured certificate holder.

The Allen contract with Nortex uses the City Standard Form of Contract that was reviewed by the City Attorney.

BUDGETARY IMPACT

The Drainage Enterprise Fund budgeted \$150,000 for pavement lifting and joint grinding funded under infrastructure maintenance in FY25. The Allen Event Center will use programmed facility maintenance funds to fund pavement lifting and joint grinding.

STAFF RECOMMENDATION

Staff recommends approval.

MOTION

I make a motion to authorize the City Manager to execute an agreement with Nortex Concrete Lift and Stabilization, Inc., for the Pavement Leveling Services Project for an annual amount of \$165,000.

ATTACHMENT(S)

- NORTEX Agreement
- Grand Prairie Agreement - 2024
- Grand Prairie Agreement - 2023
- Images of Joint Grinding Method

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

AGREEMENT FOR SERVICES

This agreement ("Agreement") is made by and between the City of Allen, Texas ("City") and Nortex Concrete Lift and Stabilization, Inc, a Domestic For-Profit Corporations] ("Contractor") (each a "Party" and collectively the "Parties"), acting by and through their authorized representatives.

Recitals

WHEREAS, the City desires to engage the services of the Contractor as an independent contractor, and not as an employee, to provide the labor, goods, materials, equipment and services (collectively the "Services") described in the Contract Documents (hereinafter defined) for Pavement Leveling Services (the "Project"); and

WHEREAS, the City has procured this Agreement through City of Grand Prairie contract number 21259-R3, pursuant to an interlocal cooperative purchasing agreement, and will utilize the same Statement of Work; and

WHEREAS, the Contractor desires to provide the labor, goods, materials, equipment, installation and services described in the Contract Documents in accordance with the terms and conditions set forth in this Agreement (hereinafter defined as the "Work"); and

NOW THEREFORE, in exchange for the mutual covenants set forth herein, and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

Article I
Term; Termination

1.1 Term. The term of this Agreement shall commence on the last date of execution hereof (the Effective Date) and continue until the completion of the Services by the Contractor unless sooner terminated as provided herein.

1.2 Termination. This Agreement may be terminated upon any one of the following:

- (a) by written agreement of the Parties;
- (b) upon written notice by either Party in the event the other Party breaches any of the terms or conditions of this Agreement and such breach is not cured within thirty (30) days after written notice thereof;
- (c) upon written notice by City, if the Contractor suffers an event of Bankruptcy or Insolvency (for purpose of this section "Bankruptcy or Insolvency" shall mean the

dissolution or termination of Contractor's existence as an on-going business, insolvency, appointment of receiver for any part of Contractor's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Contractor and such proceeding is not dismissed within ninety (90) days after the filing the filing thereof)

Article II

Scope of Work; Contract Documents

2.1 The Contract Documents shall include the documents identified below and are incorporated herein for all purposes. The Contract Documents are in descending order of precedence. Any conflict between or among any of the documents shall be resolved in favor of the document with higher precedence:

1. This Agreement;
2. The Contractor's Proposal attached hereto.

2.2 Contractor shall perform the Work (hereinafter defined) as set forth in the Contract Documents.

Article III

Project Scope of Work

3.1 General. Contractor shall perform the Work required, implied or reasonably inferable from the Contract Documents for the Services. The term "Work" shall mean whatever is done by the Contractor or required of the Contractor to perform and complete its duties under this Agreement including but not limited to the furnishing of any requested insurance, and the provision and furnishing of labor, supervision, goods, services, materials, tools, fuel, equipment and permits required by this Agreement necessary unless otherwise specified in the Contract Documents.

3.2 Notice to Proceed. Contractor shall not commence the Work necessary until receipt of a written notice to proceed from the City unless otherwise provided in the Contract Documents. Contractor shall commence the Work required under the Contract Documents within ten (10) calendar days after receipt of the City written notice to proceed. Any Work performed or expenses incurred by Contractor prior to Contractor receipt of the written notice to proceed shall be at the sole risk and cost of the Contractor and shall not be eligible for payment by City under the Contract Documents.

3.3 Change Orders.

(a) City, may from time to time, authorize change orders after the performance of the Work under the Contract has commenced necessary to decrease, increase the quantity of Work to

be performed or materials, equipment or supplies to be furnished by the Contractor.

(b) The execution of a change order by the Contractor shall constitute the Contractor's agreement to the ordered changes to the Work under the Contract Documents. Contractor by executing the change order waives and releases any claim against the City for additional time or compensation relating to the Work included in the change order.

(c) Any Work performed, or expenses incurred by Contractor prior to execution of the approved change order shall be at the sole risk and cost of the Contractor and shall not be eligible for payment by City under the Contract Documents.

3.4 Cleaning the Project Site. Contractor shall cause the Project site to be kept reasonably clean during performance of the Project Work. Upon completion of the Project Work, Contractor shall cause the Project site to be cleaned and cause the removal of all waste, rubbish, temporary structures, and other materials together with all of Contractor's property therefrom. Contractor shall cause the disposal of all refuse at a TCEQ-approved landfill. Contractor shall cause the restoration of all property damaged during the prosecution of the Project Work and shall leave the Project site in a clean and presentable condition. No additional payment shall be made by the City for this work, the compensation having been considered and included in the Project Price.

3.5 Suspension or Stoppage of Work.

(a) City shall have the right to immediately suspend the Work wholly or in part for such period or periods of time as it may deem appropriate due to unsuitable considerations considered unfavorable for the proper prosecution of the Work or for failure of the Contractor to carry out the instructions from the City or if City determines in its sole discretion that Contractor has, or will fail to perform, in accordance with this Agreement. In such event, any payments due Contractor shall be suspended until Contractor has taken satisfactory corrective action. During any period in which the Contractor shall not be compensated for periods of delay caused by suspension of Work by City. If Work is suspended due to no fault of Contractor, an extension of time shall be granted by City by change order upon written application, which extension shall not be unreasonably denied.

(b) If Contractor persistently fails or refuses to perform the Work in accordance with this Agreement, or if City has sufficient reason to believe that Contractor is not and will not complete the Work by the scheduled date for completion or if the best interests of the public health, safety or welfare so require, City may order the Contractor to stop the Work, or any described portion thereof, until the cause for stoppage has been corrected, no longer exists, or the City orders that Work be resumed. In such event, the Contractor shall immediately obey such order.

3.6 Contractor Representations. Contractor represents and covenants that its forces can perform the Work for the Project and agrees to work simultaneously with any representatives assigned by or contracted by the City, as a part of the Project to ensure continuity of Project Work.

3.7 Contractor Representative. Contractor agrees to provide a representative on the

Project site at all times Work is being performed, for communication with the City, receiving materials and equipment, directing Contractors Work, and to provide daily Project clean-up.

3.8 Compliance with applicable law. Contractor shall and shall cause its employees and sub-contractors to comply with all personnel safety programs applicable for the Project Work and to keep the Project area clean and free from debris on a daily-basis, and to keep noise and obnoxious odors to a minimum. Personnel safety programs include but are not limited to protective eyewear; protective clothing; appropriate footwear; ear protection; hard hat, and reflective vest. The Contractor shall comply with all applicable federal, State, and local laws regarding occupational safety and health, as well as providing protection of the environment. This shall include but is not limited to compliance with the U.S. Department of Labor-Occupational Safety and Health Administration (OSHA), and the U.S. Environmental Protection Agency (EPA) guidelines and regulations.

3.9 Project Work Disturbance. In the event Project work by the Contractor and/or its subcontractors disrupts any City service, causes damage to City property, or causes harm to any person, Contractor agrees, at its sole cost and expense, to immediately contact the City Project Manager, while providing appropriate emergency response, including but not limited to, calling police, fire and/or the appropriate utility company regarding service.

3.10 Criminal Backgrounds. From time to time, at its sole discretion, the City may require criminal background checks on Contractor and its employees (and its sub-contractors and its employees) who will be performing after-hours Work, and/or require access to Public Safety or City facilities, technology rooms, or secure areas. Criminal background checks are conducted in accordance with Department of Public safety regulations at no charge to the Contractor. All information obtained as part of the criminal background process is kept strictly confidential. Contractor agrees to submit and cause its employees (and to cause its sub-contractor and its employees) to the criminal background process, if required by the City. All decisions regarding Contractor and its employees (and its sub-contractor and its employees) access to City facilities are final.

3.11 Contractor Conduct. Contractor (and its sub-contractors) representatives, and employees shall conduct themselves in a professional and workmanlike manner at all times when performing the Work and on the Project site, including wearing appropriate clean work attire consistent with the type of work being performed, and hard hat, reflective vest, and protective eyewear when required by the Contract Documents. The use of any tobacco product, including smokeless tobaccos, vapor and E-cigarettes, inside City facilities is prohibited. Smoking is permitted outside of City facilities, in designated smoking areas, if at least 50-feet from any facility door. City shall cause the removal of, and, to require Contractor to remove Contractor's (and its sub-contractor's) employees from the Project site if in violation of the foregoing standards.

Article IV Compensation and Method of Payment

4.1 General.

(a) Contract Price. City shall pay, and Contractor shall accept, as full and complete payment for the Work required under the Contract Documents a total amount not to exceed One Hundred Sixty-Five Dollars (\$165,000) (the “Contract Price”) on a unit price basis as set forth in Contractor’s Proposal, to be paid as set forth herein.

(b) Payment of the Contract Price. Unless otherwise provided in the Contract Documents the Contractor shall be paid on a monthly-basis within thirty (30) days after City receipt of the Contractor’s detailed monthly itemized invoice for Work and City verification of the work and Services set forth in the Contractor’s monthly invoice. Contractor shall submit a monthly invoice on or before the 5th calendar day of each month beginning with the first calendar month following the date of the City notice to proceed for the Work provided during the previous ending calendar monthly period, in a form prescribed by the City of Allen, if applicable. The Contractor’s detailed monthly itemized invoice shall, at a minimum include and show the Contract Price, the billing period, Project name, contract number issued by the City, amount of Work complete, percentage of the Work completed, the amount of Work being invoiced, amount of any City approved change orders and the amount of the Contract Price remaining to be paid.

4.2 Project Records and Audits. Contractor shall keep, and cause each sub-contractor to keep, a complete and accurate record to document the performance of the Work and to expedite any audit that might be conducted by City. Contractor shall maintain, and cause each contractor to maintain all books, documents, papers, accounting records and other documentation relating to costs incurred under this Agreement for the Work; and Contractor shall make, and cause each contractor to make such materials available to City for review and inspection during the term of this Agreement and for a period of two (2) years from the date of City acceptance of the Work, or until any pending litigation or claims are resolved, whichever is later.

4.3 No Damages for Delay. No claim shall be made by the Contractor to City, and no damages, costs or extra compensation shall be allowed or paid by City to Contractor for any delay or hindrance from any cause in the progress or completion of the Work or this Agreement, unless the cause for delay is attributable solely to City’s arbitrary and capricious conduct, active interference, bad faith, or fraud. The Contractor’s sole remedy in the event of any delay or hindrance shall be to request time extensions by written change order. Should the Contractor be delayed by an act of City, or should City order a stoppage of the Work for insufficient cause, an extension of time shall be granted by the City by written authorization upon written application, which extension shall not be unreasonably denied, to compensate for the delay.

Article V

Devotion of Time; Personnel; and Equipment

5.1 Contractor shall devote such time as reasonably necessary for the satisfactory performance of the Work under this Agreement. Should the City require additional services not included under this Agreement, Contractor shall make reasonable efforts to provide such additional services within the time schedule without decreasing the effectiveness of the performance of the Work required under this Agreement, and shall be compensated for such additional services on a time and materials or unit price basis, in accordance with Contractor’s Proposal or as otherwise agreed in writing by the Parties.

5.2 To the extent reasonably necessary for the Contractor to perform the Work under this Agreement, Contractor shall be authorized to engage the services of any agents, assistants, persons, or corporations that the Contractor may deem proper to aid or assist in the performance of the Work under this Agreement. The cost of such personnel and assistance shall be included as part of the total compensation to be paid Contractor hereunder and shall not otherwise be reimbursed by the City unless provided differently herein.

5.3 Contractor shall furnish the facilities, equipment and personnel necessary to perform the Work required under this Agreement unless otherwise provided herein, without relying on City resources for water, sewage disposal, cleaning, or any other waste disposal.

Article VI Insurance and Indemnification

6.1 Insurance.

(a) Contractor shall during the term hereof maintain in full force and effect the following insurance: (i) a comprehensive general liability policy of insurance for bodily injury, death and property damage insuring against all claims, demands or actions relating to the Contractor's performance of services pursuant to this Agreement with a minimum combined single limit of not less than \$1,000,000.00 per occurrence for injury to persons (including death), and for property damage, and minimum aggregate limit of not less than \$2,000,000.00 (this policy shall be primary to any policy or policies carried by or available to City and shall include products/completed operations coverage with a minimum aggregate of \$2,000,000.00 and personal and advertising injury coverage with a minimum occurrence limit of \$1,000,000.00); (ii) policy of automobile liability insurance covering any vehicles owned and/or operated by Contractor, its officers, agents, and employees, and used in the performance of this Agreement with policy limits of not less than \$1,000,000.00 combined single limit and aggregate for bodily injury, death and property damage; (iii) statutory Worker's Compensation Insurance and shall include bodily injury, occupational illness or disease coverage with Employers Liability limits of \$1,000,000 / \$1,000,000 / \$1,000,000 covering all of Contractor's employees involved in the provision of services under this Agreement and shall contain an Alternate Employer Endorsement to include the City being named an Alternate Employer under the Workers Compensation policy. A copy of the endorsement shall be provided to the City and attached to the Certificate of insurance signed by person authorized by the insurer to confirm coverage on its behalf; and (iv) Excess Liability Insurance with a limit of not less than \$2,000,000.00. Such policy shall be in excess of the commercial general liability insurance, automobile insurance and employer's liability insurance. This insurance shall be primary to any policy or policies carried by or available to City and shall be provided on a "following form basis.

(b) All policies of insurance shall be endorsed to provide the following provisions: (1) name the City, its council, officers, employees and representatives as additional insureds as to all applicable coverage with the exception of Workers Compensation Insurance; (2) provide for a waiver of subrogation against the City for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance and (3) provide for at least

thirty (30) days prior written notice to the City for cancellation, non-renewal, and/or material changes of the policies of the insurance. In the event the companies providing the required insurance are prohibited by law to provide any such specific endorsements Contractor shall provide at least thirty (30) days prior written notice to the City of any cancellation, non-renewal and/or material changes to any of the policies of insurance.

(c) All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service.

(d) A certificate of insurance and copies of the policy endorsements evidencing the required insurance shall be submitted prior to commencement of the Work and upon request by the City.

(e) Contractor shall cause its subcontractors performing the Work to obtain and maintain the insurance coverages as required in this Section, which shall remain in full force and effect during the term of this Agreement.

(f) If required by City of Grand Prairie contract number 21259-R3, the Contractor shall furnish separate performance and payment bonds to the City, per the requirements set out in the bid documents and state statutes to guaranty full and faithful performance of the Contract and the full and final payment of all persons supplying labor or materials to the Project. Each bond required by the bid documents or state statute shall set forth a penal sum in an amount not less than the Contract Price. Each bond furnished by the Contractor shall incorporate by reference the terms of this Contract as fully as though they were set forth verbatim in such bonds. In the event the Contract Price is adjusted by Change Order executed by the Contractor, the penal sum of both the performance bond and the payment bond shall be deemed increased by like amount. The performance and payment bonds furnished by the Contractor shall be in form suitable to the City and shall be executed by a surety, or sureties, reasonably suitable to the City and authorized to do business in the State of Texas by the State Board of Insurance.

(g) If required by City of Grand Prairie contract number 21259-R3, the Contractor, upon execution of the Contract and prior to commencement of the Work, shall furnish to the City a two-year maintenance bond in the amount of one hundred percent (100%) of the Contract Price covering the guaranty and maintenance prescribed herein, written by an approved surety authorized and duly licensed to conduct business in the State of Texas. The cost of said maintenance bond shall be included in the Contractor's unit bid prices and shall be paid by the Contractor.

6.2 Indemnification.

CITY SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE WORK OF CONTRACTOR PURSUANT TO THIS AGREEMENT. CONTRACTOR HEREBY WAIVES ALL CLAIMS AGAINST CITY, ITS COUNCIL, OFFICERS, AGENTS, EMPLOYEES AND REPRESENTATIVES (COLLECTIVELY REFERRED TO IN THIS SECTION AS "CITY") FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON

ARISING AT ANY TIME AND FROM ANY CAUSE OTHER THAN THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY. CONTRACTOR AGREES TO DEFEND, INDEMNIFY AND SAVE HARMLESS CITY FROM AND AGAINST ANY AND ALL LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, ATTORNEYS' FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY TO THE EXTENT CAUSED BY THE CONTRACTOR'S NEGLIGENT PERFORMANCE OF THE WORK UNDER THIS AGREEMENT OR BY REASON OF ANY NEGLIGENT ACT OR OMISSION ON THE PART OF CONTRACTOR, ITS OFFICERS, DIRECTORS, SERVANTS, EMPLOYEES, REPRESENTATIVES, CONSULTANTS, LICENSEES, SUCCESSORS, SUBCONTRACTORS OR PERMITTED ASSIGNS (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO THE SOLE GROSS NEGLIGENCE OF THE CITY, IN WHOLE OR IN PART, IN WHICH CASE CONTRACTOR SHALL INDEMNIFY CITY ONLY TO THE EXTENT OR PROPORTION OF NEGLIGENCE ATTRIBUTED TO CONTRACTOR AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION). THE CONTRACTOR'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY CONTRACTOR UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

WITHOUT LIMITING THE FOREGOING, AND TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR HEREBY DEFENDS, INDEMNIFIES AND HOLDS HARMLESS CITY FROM AND AGAINST ALL DAMAGES, LOSSES, COSTS, AND EXPENSES, INCLUDING BUT NOT LIMITED TO REASONABLE ATTORNEYS' FEES, INCURRED BY CITY IN CONNECTION WITH ANY ACTION AGAINST CITY FOR PERSONAL INJURY OF ANY EMPLOYEE OF THE CONTRACTOR OR ANY OF CONTRACTOR'S SUBCONTRACTORS AND CONSULTANTS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM, BROUGHT BY SUCH INJURED EMPLOYEE OR THE EMPLOYEE'S WORKERS COMPENSATION INSURANCE CARRIER (HEREINAFTER REFERRED TO AS AN "EMPLOYEE INJURY CLAIM), EXCEPT TO THE EXTENT CAUSED BY THE NEGLIGENCE OF CITY.

The indemnification provisions of this Contract and the rights and remedies afforded herein are solely for the benefit of the parties to this Contract. Nothing in this Contract is intended nor shall be construed to grant, create or confer any right, benefit, interest or cause of action in any person not a party to this Contract, or to the public in general.

Article VII Miscellaneous

7.1 Force Majeure. As used herein, "force majeure" means an incident, situation, or act of a third party that is beyond a party's reasonable control such as an act of God, an act of the public enemy, strikes or other labor disturbances (other than strikes within such party's own labor force), hurricanes, earthquakes, fires, floods, epidemics, embargoes, war, and riots. The Contractor will not be liable or responsible for its failure to perform any obligation under this Agreement

because of an event of Force Majeure, provided, however, that the Contractor submits notice thereof to the City within seven (7) days of such an event, obtains a written Change Order, signed by all parties, that allows an extension of the scheduled completion date, and identifies the specific causes and number of days in the Statement of Delay submitted with the next ensuing Application for Payment.

7.2 Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings written or oral agreements between the Parties with respect to this subject matter.

7.3 Assignment. The Contractor may not assign this Agreement, without the prior written consent of the City.

7.4 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

7.5 Governing Law. The laws of the State of Texas shall govern this Agreement without regard to any conflict of law rules; and venue for any action concerning this Agreement shall be in the State District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court; provided, however, that the City retains and does not waive its defenses and immunities, whether sovereign, governmental, qualified or otherwise, otherwise available to the City under Texas law.

7.6 Amendments. This Agreement may be amended by the mutual written agreement of the Parties.

7.7 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

7.8 Independent Contractor. It is understood and agreed by and between the Parties that Contractor, in satisfying the conditions of this Agreement, is acting independently, and that the City assumes no responsibility or liabilities to any third party in connection with these actions. All Work to be performed by Contractor pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of the City. Contractor shall supervise the performance of its work and services and shall be entitled to control the manner and means by which its work and services are to be performed, subject to the terms of this Agreement.

7.9 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for City, to:

Eric Ellwanger
City Manager
City of Allen, Texas
3rd Floor, Allen City Hall
305 Century Parkway
Allen, Texas 75013
214.509.4110 - telephone
214.509.4118 - fax

With a copy to:

Peter G. Smith
City Attorney
Nichols, Jackson, Dillard,
Hager & Smith, L.L.P.
1800 Ross Tower
500 North Akard Street
Dallas, Texas 75201
214.965.9900 – telephone
214.965.0010 – facsimile

If intended for Contractor:

Nortex Concrete Lift and Stabilization, Inc.
Attn: Casey DeRosa
201 NW 26th Street
Fort Worth, TX 76164

7.10 Debarment and Suspension.

(a) In accordance with 2 CFR section 180.300, the principal of this Agreement as described in 2 CFR section 180.995 being duly sworn or under penalty of perjury under the laws of the United States, certifies that neither this company nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, the State of Texas or any of its departments or agencies.

(b) If during the Agreement period the principal becomes debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation, the principal shall immediately inform the City.

(c) For contracts that are financed by Federal or State grants, the principal agrees that this section will be enforced on each of its subcontractors and will inform the City of any violations of this section by subcontractors to the contract.

(d) The certification in this section is a material representation of fact relied upon by the City in entering into this contract.

7.11 No Waiver. The failure of either party to assert a demand or claim of default or breach of any provision of this Agreement shall not operate as a waiver of the provision. No waiver by either party of any event of default under this Agreement will operate as a waiver of any subsequent default under the terms of this Agreement.

7.12 Prohibition Against Boycott Israel. The Contractor verifies that it does not Boycott Israel, and agrees that during the term of this Contract will not Boycott Israel as that term is defined

in Texas Government Code Section 808.001, as amended. For purposes of this verification, “Boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

7.13 Prohibition of Boycott Energy Companies. Contractor verifies that it does not Boycott Energy Companies and agrees that during the term of this Contract will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended. This section does not apply if Contractor is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Contractor has ten (10) or more fulltime employees and (ii) this Contract has a value of \$100,000.00 or more to be paid under the terms of this Contract.

7.14 Critical Infrastructure. In accordance with Chapter 2274, Texas Government Code, the City may not enter into a contract or agreement with a company, excluding a sole proprietorship, with 10 or more full-time employees for goods or services valued at \$100,000 or more (1) if the company would be granted direct or remote access to or control of critical infrastructure in Texas, excluding access specifically allowed by the City for product warranty and support purposes and (2) if the City knows the company is (A) owned by or the a majority of stock or other ownership interest of the company is held or controlled by (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country or (ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of such countries, or (B) headquartered in such countries. The signatory executing the Contract on behalf of Vendor represents that neither Vendor nor any of its parent companies, wholly-owned subsidiaries, majority-owned subsidiaries, and other affiliates is a company of which the City may not contract pursuant to Section 2274.0102, Texas Government Code. The foregoing verification is made solely to comply with Section 2274.0102, Texas Government Code.

7.15 Prohibition of Discrimination Against Firearm Entities And Firearm Trade Associations. Contractor verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (ii) will not discriminate during the term of the contract against a firearm entity or firearm trade association. This section only applies if: (i) Contractor has ten (10) or more fulltime employees and (ii) this Contract has a value of \$100,000.00 or more to be paid under the terms of this Contract. However, this prohibition does not apply: (i) if Contractor is a sole proprietor, a non-profit entity, or a governmental entity; (ii) to a contract with a sole-source provider; or (iii) to a contract for which none of the bids from a company were able to provide the required certification.

7.16 Iran, Sudan, and Foreign Terrorist Organizations. The Contractor represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,

<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or

<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal or State law and excludes the Contractor and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Contractor understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Contractor and exists to make a profit.

7.17 Counterparts. This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto. The Effective Date of this Agreement is the last date of signature hereunder.

EXECUTED this _____ day of _____, 2025.

CITY OF ALLEN, TEXAS

By: _____
Eric Ellwanger, City Manager

ATTEST:

By: _____
Shelley George, City Secretary

APPROVED AS TO FORM:

By: _____
Peter G. Smith, City Attorney

EXECUTED this _____ day of _____, 2025.

Nortex Concrete Lift and Stabilization Inc.

By: _____
Casey DeRosa, General Manager

**CITY OF GRAND PRAIRIE
AMENDMENT TO ANNUAL CONTRACT**

THIS AMENDMENT is made and entered into this date by and between the **CITY OF GRAND PRAIRIE**, a Texas municipal corporation (hereinafter referred to as the "**CITY**"), and **NORTEX CONCRETE LIFT & STABLIZATION, INC** (hereinafter referred to as "**VENDOR**").

WHEREAS, the **CITY** and **VENDOR** have entered into an annual contract to provide pavement leveling services, per bid award resulting from vendor's response to **RFB #21158**, submitted by Simpson on August 16, 2021; and

WHEREAS, the above-referenced agreement was for an initial term of one year with the option to renew for four additional one year periods, totaling **FOUR MILLION ONE HUNDRED THIRTY-TWENTY FIVE THOUSAND NINE HUNDRED THIRTY SEVEN DOLLARS 50/100 (\$4,125,937.50)** if all extensions were exercised. The Agreement was effective as of **November 1, 2021**, and was to terminate at midnight on **October 31, 2022**, unless the parties mutually agree in writing to extend the term of the Agreement through an allowable renewal option, or unless otherwise terminated as provided in Paragraph XVI of the original Agreement; and

WHEREAS, the **(1) first of (4) four available** renewals was executed on **October 3, 2022** and extended the term of the contract through **October 31, 2023** and increased the **annual authorized amount** to be paid to vendor by **ONE HUNDRED SEVEN THOUSAND DOLLARS (\$107,000)** totaling an amount to be paid to **VENDOR** not to exceed **NINE HUNDRED THIRTY-FOUR THOUSAND ONE HUNDRED EIGHTY-SEVEN DOLLARS (\$934,187.50) annually**; total amount paid to vendor under contract is not to exceed **FOUR MILLION FIVE HUNDRED SIXTY-THREE THOUSAND NINE HUNDRED THIRTY-SEVEN DOLLARS 50/100 (\$4,563,937.50)** if all extensions are executed; and the **(2) second of (4) four available** renewals was executed on **October 19, 2023** and extended the term of the contract through **October 31, 2024**; and

WHEREAS, the above-referenced agreement provides that **VENDOR** may request a price redetermination substantiated in writing, to become effective on the anniversary date of the contract to cover verifiable increases in cost to the applicable industry.

NOW, THEREFORE, for and in consideration of the mutual acts and covenants set out herein, the **CITY** and **VENDOR** agree as follows:

1. The above-mentioned recitals are true, correct, and incorporated herein for all purposes.
2. The **CITY** agrees that the price redetermination (hereinafter "**PRICE REDETERMINATION**", attached hereto as "**EXHIBIT A**", and incorporated herein in its entirety) is acceptable and in the best interest of the **CITY**.
3. The parties mutually agree to execute the **(3) third of the (4) four available renewal options** to extend the contract expiration to **midnight on October 31, 2025**, at which time all of the work called for under this Contract must be completed unless the parties mutually agree in writing to extend the term of the Contract through an additional allowable renewal option, or, unless otherwise terminated as provided in provided in Paragraph XVI of the original contract.

4. The amount to be paid to VENDOR under such contract shall remain an amount not to exceed **NINE HUNDRED THIRTY-FOUR THOUSAND ONE HUNDRED EIGHTY-SEVEN DOLLARS 50/100 (\$934,187.50)**.
5. VENDOR shall obtain and shall continue to maintain at no cost to the CITY, in full force and effect during the term of this Contract, a comprehensive liability insurance policy with a company licensed to do business in the State of Texas and rated not less than "A" in the current Best Key Rating Guide, which shall include bodily injury, death, automobile liability, worker's compensation, and property damage coverage, in accordance with any CITY ordinance or directive. The minimum limits for this coverage shall be \$1,000,000.00 per occurrence / \$2,000,000 aggregate for general liability and for property damage, and \$1,000,000 combined single limit for automobile liability unless modified in accordance with any ordinance or directive. Insurance obtained by VENDOR shall be primary and noncontributory, and CITY shall be named as an additional insured under the general liability and automobile policies. A provision shall be incorporated in the policies whereby CITY shall be given at least thirty (30) days prior notice of any material change in coverage or of cancellation of such policies, and Vendor shall provide the City with a copy of any such notice of material change in coverage or cancellation of any such policies, within three (3) business days of its receipt of such a notice. For purposes of this section, a material change in coverage includes, but is not limited to, a reduction in coverage below the amounts required under this agreement. VENDOR shall provide a waiver of subrogation in favor of the CITY on all coverages and represents that it has taken all actions necessary under the policy or policies for the City to have the status of additional insured and to effectuate any required waiver of subrogation. VENDOR shall furnish the CITY with original copies of the policies or certificates evidencing such coverage prior to commencement of any work under this Contract.
6. This shall constitute an authorization for extension of the Agreement as set out in the agreement between the parties, and an amendment to such Agreement. All of the terms and conditions of the original Agreement shall remain in full force and effect, as amended hereto, unless set out otherwise herein.
7. NOTICES

All notices, requests, or other communications (excluding invoices) hereunder must be in writing and transmitted via overnight courier, email, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the CITY and VENDOR as follows:

CITY:

City of Grand Prairie
ATTN: Kimberley Ruiz, Senior Buyer, Purchasing Division
300 W. Main Street, Grand Prairie, TX 75050
PO Box 534045, Grand Prairie, TX 75053-4045
Phone 972-237-8089 | Email purchasingfax@gptx.org
Accounts Payable Contact: accountspayable@gptx.org

VENDOR:

NORTEX CONCRETE LIFT & STABILIZATION, INC
ATTN: Casey DeRosa
201 NW 26th St., Fort Worth, TX 76164
Phone 817-831-1240 | Email: casey@nortexconcretelift.com

Any notice required or desired to be given to either party hereto shall be deemed to be delivered: (i) on the date of delivery, if hand delivered or emailed; (ii) one (1) day after sending, if sent by overnight courier; or (iii) three (3) days after the same is deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by registered or certified mail, return receipt requested, and addressed to such party at the address hereinafter specified. Either party hereto may change such party's address for notice to another address within the United States of America, but until written notice of such change is received by the other party, the last address of such party designated for notice shall remain such party's address for notice. **VENDOR VERIFIES THAT:** (1) It does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, as defined in Texas Government Code § 2274.001, and that it will not during the term of the contract discriminate against a firearm entity or firearm trade association; (2) It does not "boycott Israel" as that term is defined in Texas Government Code § 808.001 and it will not boycott Israel during the term of this contract; and (3) It does not "boycott energy companies," as those terms are defined in Texas Government Code §§ 809.001 and 2274.001, and it will not boycott energy companies during the term of the contract.

REST OF PAGE INTENTIONALLY BLANK. SIGNATURE PAGE FOLLOWS.

EXECUTED this the 23 day of November, 2024

CITY OF GRAND PRAIRIE, TEXAS

By: Megan Mahan
Deputy City Manager

NORTEX CONCRETE LIFT &
STABILIZATION, INC.

By: David Simpson
Printed
Name: David Simpson

ATTEST:

Mona Lisa Galicia
Mona Lisa Galicia, City Secretary

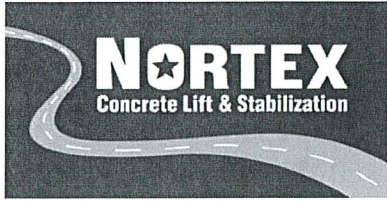
Title: CFO

APPROVED AS TO FORM:



Ron Harper
Assistant City Attorney

Exhibit A



201 NW 26th St.
 Fort Worth, TX 76164
 (817) 831-1240 office
 (817) 831-1245 fax

**Addendum proposal for contract 21159 - Pavement Leveling Services,
 considering sidewalk leveling per panel price**

Work to be performed: Contractor to inject high density polyurethane foam to lift and level sidewalk panels.

Payment:

Pipe Size	Unit	Price per Panel
2ft x 4ft panel	Each	\$150.00
3ft x 4ft panel	Each	\$175.00
4ft x 4ft panel	Each	\$200.00
4ft x 5ft panel	Each	\$225.00
5ft x 5ft panel	Each	\$250.00
Self-Leveling Silicone Joint Sealant	Linear Foot	\$20.00

Terms: Approval of work to be performed at each specified location must be given by owner before work can begin. Work not approved will not be paid.

Sidewalk panels of larger sizes i.e. 10ft x10ft will go off normal contract price per pound since they are of similar size and scope of a roadway panel.

Self-leveling Silicone Joint sealant is typically used when performing sidewalk repairs. The old sealant will be removed, and the joint will be cleaned and prepped. Backer rod or silica sand will be used to ensure the proper amount of sealant is being used for each linear foot being repaired. Once the backer rod or sand is in place, the joint sealant can be applied in dry conditions. Nortex will supply the necessary coverings, wet sealant signs, caution tape, and/or cones to ensure sealant will not be disturbed during its curing phase. All coverings will be removed from the job site the following day once sealant has cured in place.

Payment and terms may be altered with written consent and approval by both the owner and contractor.

**CITY OF GRAND PRAIRIE
AMENDMENT TO ANNUAL CONTRACT**

THIS AMENDMENT is made and entered into this date by and between the **CITY OF GRAND PRAIRIE**, a Texas municipal corporation (hereinafter referred to as the "CITY"), and **NORTEX CONCRETE LIFT & STABILIZATION, INC.** (hereinafter referred to as "VENDOR").

WHEREAS, the CITY and VENDOR have entered into an annual contract to provide pavement leveling services, per bid award resulting from vendor's response to RFB #21158, submitted by David Simpson on August 16, 2021; and

WHEREAS, the above referenced agreement was for an initial term of one year with the option to renew for four additional one year periods, totaling \$4,135,937.50 if all extensions were exercised. The Agreement was effective as of November 1, 2021, and was to terminate at midnight on October 31, 2022, unless the parties mutually agree in writing to extend the term of the Agreement through an allowable renewal option, or unless otherwise terminated as provided in paragraph XVI of the original Agreement; and

WHEREAS, the first of four available renewals were executed on October 3, 2022 and extended the term of the contract through October 31, 2023 and in which the vendor requested a price increase; and

WHEREAS, the above referenced agreement provides that VENDOR may request a price decrease through a price redetermination request, substantiated in writing, to become effective on the anniversary date of the contract to cover verifiable increases in cost to the applicable industry; and

NOW, THEREFORE, for and in consideration of the mutual acts and covenants set out herein, the CITY and VENDOR agree as follows:

1. The CITY agrees that the price redetermination, price decrease, and proposed amended scope of work, attached hereto and incorporated herein as Exhibit A, are acceptable and in the best interest of the City.
2. The parties mutually agree to execute the second of the four available renewal options and extend the contract expiration to midnight on October 31, 2024, at which time all of the work called for under this Contract must be completed unless the parties mutually agree in writing to extend the term of the Contract through an additional allowable renewal option, or, unless otherwise terminated as provided in provided in paragraph XVI of the original contract; and
3. The estimated annual amount to be paid to VENDOR under such contract shall remain the sum of \$934,187.50 to reflect the contract renewal; and
4. VENDOR shall obtain and shall continue to maintain at no cost to the CITY, in full force and effect during the term of this Contract, a comprehensive liability insurance policy with a company licensed to do business in the State of Texas and rated not less than "A" in the current Best Key Rating Guide, which shall include bodily injury, death, automobile liability, worker's compensation, and property damage coverage, in accordance with any CITY ordinance or directive. The minimum limits for this coverage shall be \$1,000,000.00 per occurrence / \$2,000,000 aggregate for general liability and for property damage, and \$1,000,000 combined

single limit for automobile liability unless modified in accordance with any ordinance or directive. Insurance obtained by VENDOR shall be primary and noncontributory, and CITY shall be named as an additional insured under the general liability and automobile policies. A provision shall be incorporated in the policies whereby CITY shall be given at least thirty (30) days prior notice of any material change in coverage or of cancellation of such policies, and Vendor shall provide the City with a copy of any such notice of material change in coverage or cancellation of any such policies, within three (3) business days of its receipt of such a notice. For purposes of this section, a material change in coverage includes, but is not limited to, a reduction in coverage below the amounts required under this agreement. VENDOR shall provide a waiver of subrogation in favor of the CITY on all coverages and represents that it has taken all actions necessary under the policy or policies for the City to have the status of additional insured and to effectuate any required waiver of subrogation. VENDOR shall furnish the CITY with original copies of the policies or certificates evidencing such coverage prior to commencement of any work under this Contract; and

5. This shall constitute an authorization for extension of the Agreement as set out in the agreement between the parties, and an amendment to such Agreement. All of the terms and conditions of the original Agreement shall remain in full force and effect, as amended hereto, unless set out otherwise herein.

6. NOTICES

All notices, requests, or other communications (excluding invoices) hereunder must be in writing and transmitted via overnight courier, email, hand delivery, or certified or registered mail, postage prepaid and return receipt requested to the CITY and VENDOR as follows:

CITY:

City of Grand Prairie

ATTN: Kimberley Ruiz, Senior Buyer, Purchasing Division

300 W. Main Street, Grand Prairie, TX 75050

PO Box 534045, Grand Prairie, TX 75053-4045

Phone 972-237-8089 | Email purchasingfax@gptx.org

Accounts Payable Contact: accountspayable@gptx.org

VENDOR:

Nortex Concrete Lift & Stabilization, Inc.

ATTN: Casey DeRosa

201 NW 26th St., Fort Worth, TX 76164

Phone 817-831-1240 | Email: casey@nortexconcretelift.com

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7. VENDOR VERIFIES THAT: (1) It does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, as defined in Texas Government Code § 2274.001, and that it will not during the term of the contract discriminate against a firearm entity or firearm trade association; (2) It does not “boycott Israel” as that term is defined in Texas Government Code § 808.001 and it will not boycott Israel during the term of this contract; and (3) It does not “boycott energy companies,” as those terms are defined in Texas Government Code §§ 809.001 and 2274.001, and it will not boycott energy companies during the term of the contract.

EXECUTED this the _____ day of _____, 2023.

CITY OF GRAND PRAIRIE, TEXAS

NORTEX CONCRETE LIFT &
STABILIZATION, INC.

By: Megan Mahan
Deputy City Manager

By: David Simpson
Printed
Name: David Simpson
Title: CFO

ATTEST:

Gloria Colvin
for
Mona Lisa Galicia, City Secretary

APPROVED AS TO FORM:

Megan Mahan
Megan Mahan, City Attorney
Approved as to form
City Attorney's Office
Grand Prairie, TX

Pavement Leveling Services

RFB # 21158

				Original		R1 Increase		R2 Decrease	
NO.	DESCRIPTION	QTY	UOM	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE	UNIT PRICE	EXTENDED PRICE
1	Pavement Leveling Services	170000	LB	\$3.55	\$603,500.00	\$4.05	\$688,500.00	\$3.90	\$663,000.00
2	Joint Grinding 0-12 LF	50	LF	\$3.75	\$187.50	\$3.75	\$187.50	\$3.75	\$187.50
3	Joint Grinding 13-120 LF	1000	LF	\$3.50	\$3,500.00	\$3.50	\$3,500.00	\$3.50	\$3,500.00
4	Joint Grinding 121-600 LF	3000	LF	\$3.25	\$9,750.00	\$3.25	\$9,750.00	\$3.25	\$9,750.00
5	Joint Grinding 601-3000 LF	4000	LF	\$3.00	\$12,000.00	\$3.00	\$12,000.00	\$3.00	\$12,000.00
6	Joint Grinding 3001+ LF	5000	LF	\$3.00	\$15,000.00	\$3.00	\$15,000.00	\$3.00	\$15,000.00
7	Soil Densification 4ft - 8ft	15000	LB	\$4.55	\$68,250.00	\$5.10	\$76,500.00	\$4.90	\$73,500.00
8	Soil Densification 8ft - 15ft	15000	LB	\$4.60	\$69,000.00	\$5.15	\$77,250.00	\$5.00	\$75,000.00
9	Soil Densification 15ft +	10000	LB	\$4.60	\$46,000.00	\$5.15	\$51,500.00	\$5.00	\$50,000.00



201 NW 26th St.
Fort Worth, TX 76164
(817) 831-1240 office
(817) 831-1245 fax

To: City of Grand Prairie, TX
Purchasing Department/Public Works Department
300 West Main Street
Grand Prairie, TX

Attn: Angi Mize
Purchasing Manager

Re: Contract 21159 – Pavement Leveling Services Price Decrease

Date: September 14, 2023

Mrs. Mize,

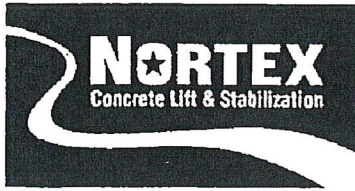
Nortex Concrete Lift & Stabilization, Inc. would like to offer the City of Grand Prairie a price reduction of \$.15/LB for all pavement leveling items associated with polyurethane injection for contract 21159. This would lower the contract price from \$4.05/LB to \$3.90/LB for contract item 1 for Pavement Leveling Services. Decrease item 7 for Soil Densification 4ft-8ft from \$5.10/LB to \$4.90/LB, and decrease items 8 & 9 for Soil Densification 8ft-15ft and 15+ft from \$5.15/LB to \$5.00/LB.

Since renewal #1 started on November 1, 2022 we have seen decreases in freight and labor costs. We intend to offer those savings to Grand Prairie based on the general terms and conditions of the contract.

Also being requested for review are two included addendum proposals to add in items to the contract for storm drains/water way system repairs and sidewalk panel repairs. These items could be added in the event of a repair is needed for these specific services with polyurethane foam injection.

Respectfully,


Casey DeRosa
General Manager



201 NW 26th St.
 Fort Worth, TX 76164
 (817) 831-1240 office
 (817) 831-1245 fax

**Addendum proposal for contract 21159 - Pavement Leveling Services,
 considering storm drain line/waterway system repairs per joint price**

Work to be performed: Contractor to inject high density polyurethane foam to stop inflow and infiltration on reinforced concrete pipe (RCP) for storm drain systems.

Payment:

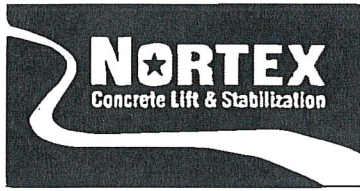
RCP Pipe Size	Unit	Price per Joint Repaired
18 inch	Each	\$800.00
24 inch	Each	\$1,000.00
30 inch	Each	\$1,200.00
36 inch	Each	\$1,400.00
42 inch	Each	\$1,600.00
48 inch	Each	\$1,800.00
54 inch	Each	\$2,000.00
60 inch	Each	\$2,200.00
72 inch	Each	\$2,600.00
Box Culvert Joint	Linear Foot	\$125.00

Terms: Approval of work to be performed at each specified location must be given by owner before work can begin. Work not approved will not be paid.

RCP's smaller than 36" may need the use of a camera truck and/or flush/vacuum truck. Nortex does not have this equipment. The municipality is to provide them, if not available from the municipality then Nortex can contract them out. These services will cost \$400.00/hour with a 4 hour minimum requirement. Discounts may be applied for multi day projects where the contracted equipment will be utilized for a longer duration.

RCP's or box culverts larger than 36" can typically be worked from inside the pipe. Nortex would drill holes in a "shoe string" pattern around the joint line and inject the polyurethane directly behind the leaking joint/s.

Payment and terms may be altered with written consent and approval by both the owner and contractor.



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4ft x 4ft panel	Each	\$300.00
4ft x 5ft panel	Each	\$325.00
5ft x 5ft panel	Each	\$350.00
Self-Leveling Silicone Joint Sealant	Linear Foot	\$20.00

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Sidewalk panels of larger sizes i.e. 10ft x10ft will go off normal contract price per pound since they are of similar size and scope of a roadway panel.

Self-leveling Silicone Joint sealant is typically used when performing sidewalk repairs. The old sealant will be removed, and the joint will be cleaned and prepped. Backer rod or silica sand will be used to ensure the proper amount of sealant is being used for each linear foot being repaired. Once the backer rod or sand is in place, the joint sealant can be applied in dry conditions. Nortex will supply the necessary coverings, wet sealant signs, caution tape, and/or cones to ensure sealant will not be disturbed during its curing phase. All coverings will be removed from the job site the following day once sealant has cured in place.

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Concrete Joint Grinding Images

Step 1- Rough-Cut the “Raised Edge” With 7-Inch Angle Grinder
With Diamond Saw Blade



Step 2- Use Diamond Blade Concrete Grinder to Smooth & Slope the Edge



Final Image of Raised Edge Removed and Sloped to Grade



CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: February 25, 2025

AGENDA CAPTION: Receive the Quarterly Financial Report for period ending December 31, 2024.

STAFF RESOURCE: Pete Phillis, Chief Financial Officer

STRATEGIC PLANNING GOAL: Financially Sound and Transparent City Government.

BACKGROUND

Financial reports are prepared each quarter for the General Fund, Water and Sewer Fund, and other relevant funds. Attached are copies of the unaudited reports for the period ending December 31, 2024. In the first quarter, total revenues reached \$92,635,952, which is 28.1% of the budgeted amount. Total expenditures were \$55,869,986, which is 17.5% of the budgeted amount. This report includes data from the first quarter of the current fiscal year, along with actual figures from the prior fiscal year for comparison.

STAFF RECOMMENDATION

Staff recommends approval.

MOTION

I make a motion to receive the Quarterly Financial Report for period ending December 31, 2024.

ATTACHMENT(S)

[2025 Qtr 1 Memo](#)
[Q1 2025 Quarterly Financials](#)

MEMO

To: The Honorable Mayor Baine Brooks, Members of City Council and City Manager

From: Peter Phillis, Chief Financial Officer & Allyson Baker, Controller

Date: February 25, 2025

Re: Fiscal Year 2025 – First Quarter Financial Report

This report is for the financial activity, specifically Revenue and Expenditures, for the period between October 1, and December 31, of 2024 and for the first quarter of the fiscal year ending September 30, 2025.

GENERAL FUND

Overall Revenue for the quarter was \$37,582,490. Revenue collections are meeting expectations and in line with revenue estimates for the fiscal year.

- Property tax revenue is in-line with expectations. Most of the property tax revenue is collected within the first four months of the fiscal year; property tax is due on January 1 of the calendar year. The City has collected \$28,860,773 in property taxes this fiscal year to date, which is 43.2% of budgeted collections.
- Sales tax revenue includes only one month of collection. The economy is working its way through geopolitical uncertainty, uncertainty of inflation, gas prices, wage increases, and interest rates, all of which can hinder the growth of the economy. Despite these pressures, sales tax is slightly behind this time last year but is trending to meet its budget target for the year.
- Franchise fee revenue is trending ahead of this time last year. The majority of Franchise Fees are normally collected within 60 days of quarter-end, so the percent of budget is behind, but the City is confident in its ability to reach the budget adopted.
- Building permit activity for the year is behind prior year, but still on track to exceed the budgeted amount.
- Charges for Services are ahead of last year at this time, already reaching 27.7% of budgeted revenues compared to 14.3% in FY2024.
- Interest earnings are ahead of prior year, with \$1.2M in earnings in the first quarter, up almost 20% from this time last year. Interest earnings are already at 33% of the annual budget.



DEBT SERVICE FUND

- A portion of the property tax collected is recognized in the City's Debt Service Fund to pay for the City's annual debt payments. These payments are made in February (interest only) and August (principal and interest) of each year. This year's debt payments total \$21,024,828.

TAX INCREMENT FINANCING (TIF) FUND

- The City has 4 TIFs, only 2 of which are active. TIF 1 is commonly referred to as Watters Creek TIF formerly known as Montgomery Farms. It was established to create the development and pay for the public improvements that exist within the Watters Creek Development today. TIF 2 is the Central Business District TIF which was established for the purpose of improving the City's Central Business District which includes the City of Allen's downtown.
- Revenues are generally recognized in the TIF fund in the third quarter of the fiscal year. There are certain economic thresholds for each TIF that must be met before payments can be made for the infrastructure improvements within the TIFs.

WATER & SEWER FUND

- Revenues from Water sales and Sewer Charges are meeting expectations. Weather has a significant impact on revenues and expenses of the fund. Most of the operations expense is related to North Texas Municipal Water District and these costs are passed through to the user – residents and businesses of the City of Allen. The predictability of the revenue can be relatively certain; however, in an unseasonably dry or rainy year revenue can vary from expectations. Water and Sewer operating revenues through the quarter are \$13,789,113 and operating expenses are \$11,076,441. Most of the financial activity in the Water and Sewer fund occurs during the summer months.
- Water & Sewer operations professional services are currently at 82% of budgeted revenues due to expenditures being part of ongoing projects that are not included in the original budget. The budget for these projects will be included in the mid-year budget adjustment.

SOLID WASTE FUND

- The City has contracted with CWD to dispose of its trash, North Texas Municipal Water District for composting services, and the City of Plano for household hazardous waste. The current activity is performing as expected with revenues in line with estimates and expenses meeting expectations.

DRAINAGE FUND

- The City has a stormwater management fee that it collects to maintain the stormwater drainage system. Most of the expense activity occurs during the summer months, meaning there is an expectation that expenses will increase in the latter half of the year.

GOLF COURSE FUND

- The Courses at Watters Creek recognized revenue of \$1,234,126 and expenses of \$1,038,708 for the first quarter of FY2025. Revenues and expenses are performing as expected for the fiscal year. The fund is expected to generate a return.

CREDIT UNION OF TEXAS EVENT CENTER

- The Credit Union of Texas Event Center was moved to its own fund as of October 1, 2022. Revenues total \$2,577,265 so far in FY2025, representing 26.1% of original budget. Expenses total \$2,304,251 year to date, representing 23.4% of budget.

HOTEL OCCUPANCY FUND

- Hotel occupancy rates for the period averaged 65.2%, which is up from 60.4% for this time last year. The average daily rate is on par with last year - \$111 compared to \$114 per night. Many of the Hotel Occupancy Tax Grants are for performance guarantees to secure events at the Event Center.

SPECIAL REVENUE FUND

- Public, Educational and Governmental (PEG) Fees are collected on a quarterly basis. These funds are used for production of content by ACTV.
- Other revenue in this fund is restricted to its use as defined by State Statute. These revenues are generated by the police department from citations and collected by the City's municipal court. Revenue is meeting expectations.
- New in this fund was the collection of Tree Mitigation fees collected from developers that the Parks Forestry and Horticulture department will use to plant trees to replace those cut down for development.

NEIGHBORHOOD REINVESTMENT FUND

- This new fund will have multiple funding sources and will be restricted for the use of improvements to City of Allen neighborhoods. Currently, the majority of funding is transferred from the General Capital Projects fund that was allocated for neighborhood reinvestment projects in that fund that will now be carried out in the Neighborhood Reinvestment fund.

GRANT FUND

- This fund accounts for most of the grant activity in the City. Grant revenue is recognized when the applicable eligibility requirements have been met by the Governmental Accounting Standards Board. The City's largest continual grant is the Community Development Block Grant (CDBG), although the current and prior fiscal year saw an increase in police department grants due to internal efforts to seek outside funding.

REPLACEMENT FUND

- Contributions are made bi-annually to cover required amounts needed for asset replacements in future years for the respective funds and departments. Expenditures for vehicle purchases are typically recognized later in the fiscal year

to allow for the lead time required to fulfill orders. Larger vehicles like fire engines are purchased in installment payments made over a couple of years because of the build time for these vehicles. Police and Fire have purchased several vehicles to date in FY2025.

FACILITY MAINTENANCE FUND

- The City maintains its facilities through this fund. Operating Transfers In of \$1,800,000 were allocated for this fiscal year. Year to date, the City has spent \$190,791 on maintenance costs. The majority of these costs year to date have been on generator repairs for City Hall and multiple Fire Stations.

RISK MANAGEMENT FUND

- Expenses related to Property & Liability Insurance and Worker's Comp premiums are paid at the beginning of each fiscal year, and the policies cover the duration of each fiscal year.
- Expenses related to Workers Compensation are dependent upon the number of claims that are paid by the Risk Fund and fluctuate from year to year.

ECONOMIC DEVELOPMENT CORPORATION

- The Allen Economic Development Corporation's major revenue source is sales tax. Currently, sales tax reflects one month of revenue totaling \$1,114,501. Expenses year to date are \$2,395,642. The EDC's large professional services expense is attributable to the closing costs related to the large land sale completed in the first quarter where the EDC sold land to a major retailer for \$17,585,830.

COMMUNITY DEVELOPMENT CORPORATION

- The Allen Community Development Corporation's major revenue source is sales tax. Currently, sales tax reflects one month of revenue totaling \$1,114,501. Expenses year to date are \$970,684. The majority of non-administrative costs are related to Parks and Event Center projects.

NON-BOND CAPITAL PROJECTS

- The Non-Bond Capital Projects Fund was created for the purposes of making long-term capital improvements to the City and its facilities. These improvements are lesser in scale and scope than an improvement that generally would require the use of borrowed funds to pay for the improvement. Fiscal year to date, the City has spent \$364,147 on improvements within the City. The most notable were for Neighborhood Revitalization and Neighborhood Entryway Improvements as well as bridge evaluation and repairs.



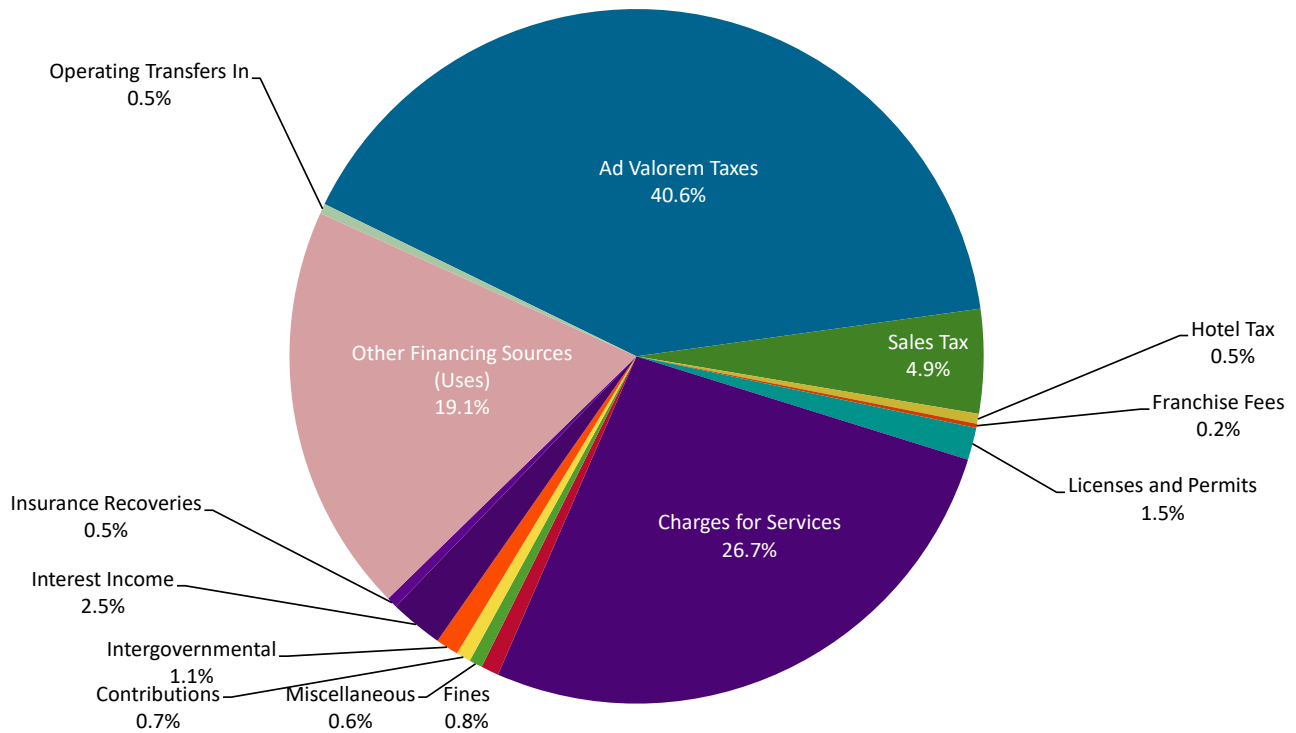
CITY OF ALLEN, TEXAS
QUARTERLY FINANCIAL REPORT
For the Quarter Ended
December 31, 2024
(Unaudited)

Prepared by: City of Allen Finance Department

City of Allen
FY2025 Quarterly Statement of Actual Revenues & Expenditures
For the Fiscal Year 2024-2025
1st Quarter Financial Report

	General Fund	Debt Service	TIF Fund	Enterprise Funds					Spec. Rev. Hotel Occup. Tax
				Water & Sewer	Solid Waste	Drainage Utility	Golf Course	Event Center	
REVENUES									
Ad Valorem Taxes	28,860,773	8,730,036	-	-	-	-	-	-	-
Sales Tax	2,270,485	-	-	-	-	-	-	-	-
Hotel Tax	-	-	-	-	-	-	-	-	419,824
Franchise Fees	177,358	-	-	-	-	-	-	-	-
Licenses and Permits	807,042	-	-	-	-	-	-	-	2,900
Charges for Services	2,634,875	-	-	13,344,168	1,380,870	423,380	1,214,963	2,139,933	-
Fines	695,233	-	-	-	-	-	-	-	-
Miscellaneous	142,551	-	-	400,928	4	-	325	11,832	-
Contributions	21,018	-	-	609,713	-	-	-	-	-
Intergovernmental	732,527	-	-	-	-	-	-	-	-
Interest Income	1,203,841	33,233	89,611	421,736	13,725	10,902	17,438	501	20,178
Insurance Recoveries	9,170	-	-	-	-	-	-	-	-
Other Financing Sources (Uses)	27,616	-	-	44,017	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	1,400	425,000	-
TOTAL REVENUES	37,582,490	8,763,269	89,611	14,820,561	1,394,599	434,281	1,234,126	2,577,265	442,902
EXPENDITURES									
Salaries	14,333,755	-	-	1,042,439	105,454	114,466	313,986	487,616	89,979
Benefits	6,049,571	-	-	524,024	46,379	68,615	154,374	211,125	37,052
Operating Costs	3,764,717	-	-	8,028,783	941,470	13,770	126,822	542,518	68,979
Supplies	308,479	-	-	69,140	8,627	6,595	85,624	45,769	1,616
Maintenance	847,142	-	-	172,701	91	12,979	33,274	99,717	20
Professional Services	1,467,986	-	-	773,754	740,127	74,890	189,881	917,506	43,690
Debt Service	-	-	-	465,600	-	-	-	-	-
Capital	-	-	-	677,297	41,500	-	134,748	-	-
Operating Transfers Out	101,400	-	-	-	-	-	-	-	87,500
TOTAL EXPENDITURES	26,873,050	-	-	11,753,738	1,883,646	291,315	1,038,708	2,304,251	328,836

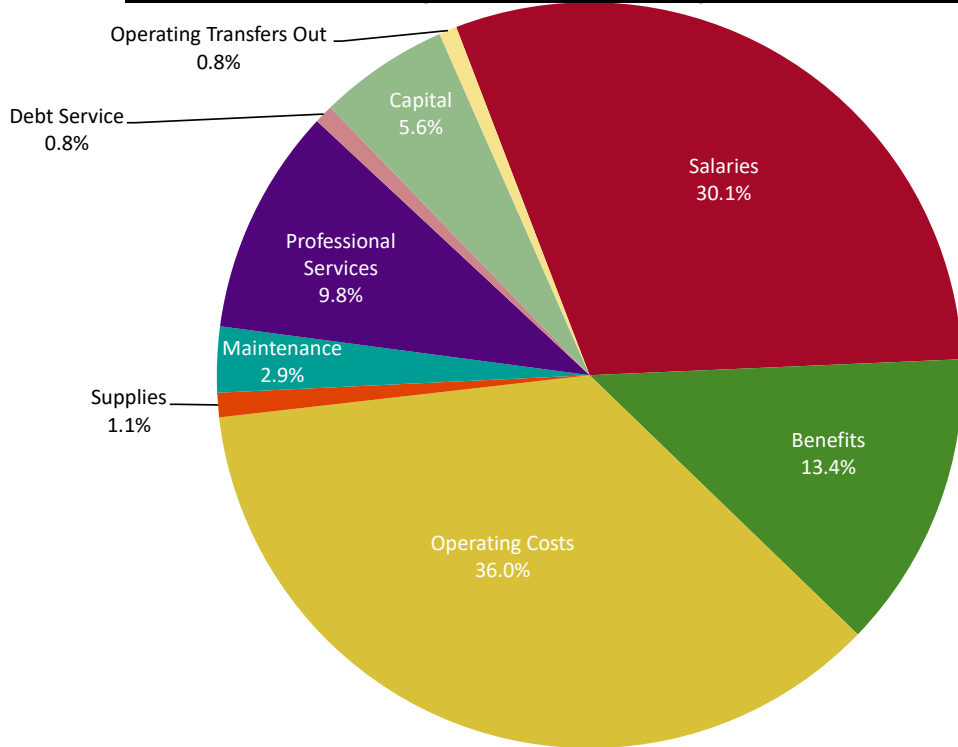
Breakdown of YTD Revenue Actuals by Character - All Funds



City of Allen
FY2025 Quarterly Statement of Actual Revenues & Expenditures
For the Fiscal Year 2024-2025
1st Quarter Financial Report

Special Revenue				Internal Service Funds			Component Units		YTD FY2025 Actual	Total FY2025 Budget	Percent of Budget
Asset Forfeiture	Special Revenue	Grant Fund	Neighborhood Reinvestment	Replacement Fund	Facility Maintenance	Risk Management	Economic Development	Community Development			
-	-	-	-	-	-	-	-	-	37,590,809	90,156,906	41.7%
-	-	-	-	-	-	-	1,114,501	1,114,501	4,499,486	64,659,728	7.0%
-	-	-	-	-	-	-	-	-	419,824	2,418,156	17.4%
-	971	-	-	-	-	-	-	-	178,329	7,800,186	2.3%
-	582,700	-	-	-	-	-	-	-	1,392,642	2,733,875	50.9%
-	-	-	-	-	-	3,621,681	-	-	24,759,869	126,294,433	19.6%
14,619	65,144	-	-	-	-	-	-	-	774,997	1,866,284	41.5%
-	-	-	-	15	-	-	-	-	555,655	513,987	108.1%
-	-	-	-	-	-	-	-	-	630,730	64,700	974.9%
-	-	253,459	-	-	-	-	-	-	985,987	6,535,852	15.1%
1,997	822	5,624	844	152,588	6,666	93,161	107,815	111,989	2,292,668	5,439,238	42.2%
-	-	-	-	-	-	457,159	-	-	466,329	607,600	76.7%
-	-	-	-	4,764	-	-	17,585,830	-	17,662,227	260,000	6793.2%
-	-	-	-	-	-	-	-	-	426,400	19,830,954	2.2%
16,616	649,637	259,083	844	157,367	6,666	4,172,001	18,808,146	1,226,489	92,635,952	329,181,899	28.1%
-	-	-	-	-	-	94,477	199,206	58,581	16,839,958	83,486,460	20.2%
-	-	-	-	-	-	41,129	66,807	22,141	7,221,216	31,854,205	22.7%
-	16,000	18,428	-	-	-	5,212,503	1,258,067	102,805	20,094,863	99,665,340	20.2%
-	-	-	-	21,099	-	1,730	1,371	37,274	587,324	4,229,863	13.9%
-	-	22,645	-	-	162,123	-	-	242,558	1,593,251	9,956,106	16.0%
3,526	-	104,306	84,793	-	-	65,169	870,191	156,113	5,491,930	22,092,436	24.9%
-	-	-	-	-	-	-	-	-	465,600	27,637,544	1.7%
-	853	72,800	-	2,079,866	28,669	-	-	113,712	3,149,444	14,629,123	21.5%
-	-	-	-	-	-	-	-	237,500	426,400	25,503,649	1.7%
3,526	16,853	218,179	84,793	2,100,965	190,791	5,415,009	2,395,642	970,684	55,869,986	319,054,726	17.5%

Breakdown of YTD Expenditure Actuals by Character - All Funds



CITY OF ALLEN
General Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Property Taxes	\$ 66,751,327	\$ 66,751,327	\$ 28,860,773	\$ 28,860,773	43.2%	\$ 62,045,375	\$ 25,720,802	41.5%
Sales Tax ¹	32,488,068	32,488,068	2,270,485	2,270,485	7.0%	31,255,779	2,564,024	8.2%
Franchise Fees	7,684,829	7,684,829	177,358	177,358	2.3%	7,418,414	8,656	0.1%
Licenses & Permits	2,733,875	2,733,875	807,042	807,042	29.5%	2,215,435	978,803	44.2%
Charges for Services	9,518,206	9,518,206	2,634,875	2,634,875	27.7%	8,247,781	1,179,593	14.3%
Fines	1,573,433	1,573,433	695,233	695,233	44.2%	1,329,588	278,918	21.0%
Miscellaneous	280,167	280,167	170,167	170,167	60.7%	2,274,877	869,859	38.2%
Interest Income	3,629,873	3,629,873	1,203,841	1,203,841	33.2%	2,733,004	1,010,337	37.0%
Contributions	64,700	64,700	21,018	21,018	32.5%	57,925	33,623	58.0%
Intergovernmental	2,049,882	2,049,882	732,527	732,527	35.7%	261,304	-	0.0%
Insurance recoveries	31,600	31,600	9,170	9,170	29.0%	-	-	-
Transfers In	14,292,145	14,292,145	-	-	0.0%	11,090,008	-	0.0%
TOTAL Revenue	\$ 141,098,105	\$ 141,098,105	\$ 37,582,490	\$ 37,582,490	26.6%	\$ 128,929,490	\$ 32,644,615	25.3%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>General Government</i>								
City Administration	\$ 1,541,337	\$ 1,541,337	\$ 302,381	\$ 302,381	19.6%	\$ 1,428,613	\$ 301,882	21.1%
City Secretary	1,173,398	1,173,398	251,756	251,756	21.5%	1,042,390	395,510	37.9%
Public & Media Relations	1,976,609	1,976,609	388,352	388,352	19.6%	1,796,676	370,326	20.6%
Information Technology	7,684,033	7,684,033	1,576,591	1,576,591	20.5%	6,645,375	1,392,054	20.9%
Human Resources	1,704,674	1,704,674	361,850	361,850	21.2%	1,390,584	334,905	24.1%
Internal Services	10,260,073	10,260,073	749,965	749,965	7.3%	9,196,780	231,596	2.5%
Finance	4,217,129	4,217,129	745,376	745,376	17.7%	4,080,725	732,163	17.9%
Municipal Court	1,165,611	1,165,611	296,900	296,900	25.5%	1,086,016	277,732	25.6%
Building Maintenance	1,871,063	1,871,063	325,233	325,233	17.4%	1,610,960	376,491	23.4%
Service Center	183,743	183,743	28,393	28,393	15.5%	205,287	20,389	9.9%
<i>Public Safety</i>								
Fire	26,700,881	26,700,881	5,501,742	5,501,742	20.6%	25,101,945	4,672,618	18.6%
Police	38,511,810	38,511,810	8,631,613	8,631,613	22.4%	35,007,569	7,805,193	22.3%
<i>Public Works</i>								
Community Services Admin	860,271	860,271	159,775	159,775	18.6%	862,477	157,463	18.3%
Streets	2,670,549	2,670,549	528,478	528,478	19.8%	3,480,066	290,600	8.4%
Engineering	6,129,097	6,129,097	808,698	808,698	13.2%	3,952,207	713,513	18.1%
<i>Culture & Recreation</i>								
Library	4,242,860	4,242,860	858,498	858,498	20.2%	3,968,683	813,283	20.5%
Parks & Recreation	24,661,597	24,661,597	4,414,160	4,414,160	17.9%	23,018,978	3,964,095	17.2%
<i>Community Development</i>								
Community Development	5,296,744	5,296,744	943,288	943,288	17.8%	4,879,159	943,548	19.3%
<i>Capital Expenditures</i>								
Capital Expenditures	246,627	246,627	-	-	0.0%	175,000	237,373	135.6%
TOTAL Expenditures	\$ 141,098,105	\$ 141,098,105	\$ 26,873,050	\$ 26,873,050	19.0%	\$ 128,929,490	\$ 24,030,733	18.6%

¹ Actual Represents 1 Month of Sales Tax Collections.

CITY OF ALLEN
Debt Service Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Property Taxes	\$ 20,396,378	\$ 20,396,378	\$ 8,730,036	\$ 8,730,036	42.8%	\$ 18,934,142	\$ 7,746,780	40.9%
Interest Income	258,582	258,582	33,233	33,233	12.9%	108,766	29,567	27.2%
TOTAL Revenue	\$ 20,654,960	\$ 20,654,960	\$ 8,763,269	\$ 8,763,269	42.4%	\$ 19,042,908	\$ 7,776,347	40.8%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Principal	\$ 12,725,000	\$ 12,725,000	\$ -	\$ -	0.0%	\$ 13,635,000	\$ -	0.0%
Interest and Fiscal Charges	8,299,828	8,299,828	-	-	0.0%	5,211,856	-	0.0%
TOTAL Expenditures	\$ 21,024,828	\$ 21,024,828	\$ -	\$ -	0.0%	\$ 18,846,856	\$ -	0.0%

CITY OF ALLEN
Tax Increment Financing (TIF) Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>TIF#1 - Montgomery Farms</i>								
Property Taxes	\$ 612,934	\$ 612,934	\$ -	\$ -	0.0%	\$ 797,811	\$ -	0.0%
Intergovernmental	190,660	190,660	-	-	0.0%	190,660	-	0.0%
<i>TIF#2 - Central Business District</i>								
Property Taxes	2,396,267	2,396,267	-	-	0.0%	2,229,603	-	0.0%
Sales Tax	222,674	222,674	-	-	0.0%	222,674	-	0.0%
<i>Non-Operating Revenues</i>								
Interest Income	173,702	173,702	89,611	89,611	51.6%	119,518	87,225	73.0%
TOTAL Revenues	\$3,596,237	\$3,596,237	\$ 89,611	\$ 89,611	2.5%	\$3,560,266	\$ 87,225	2.4%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>TIF#1 - Montgomery Farms</i>								
Economic Grant Expenses	\$ 755,760	\$ 755,760	\$ -	\$ -	0.0%	\$ 755,760	\$ -	0.0%
Transfers Out - GF G&A	17,000	17,000	-	-	0.0%	17,000	-	0.0%
<i>TIF#2 - Central Business District</i>								
Transfers Out - GF G&A	17,000	17,000	-	-	0.0%	17,000	-	0.0%
TOTAL Expenditures	\$ 789,760	\$ 789,760	\$ -	\$ -	0.0%	\$ 789,760	\$ -	0.0%

CITY OF ALLEN
Water & Sewer Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Water Sales	\$41,833,086	\$ 41,833,086	\$ 7,774,763	\$ 7,774,763	18.6%	\$38,401,346	\$ 6,258,222	16.3%
Sewer Charges	31,664,898	31,664,898	5,252,727	5,252,727	16.6%	29,136,447	4,373,166	15.0%
Connections	70,000	70,000	28,157	28,157	40.2%	80,000	8,067	10.1%
Service Charges	776,500	776,500	288,520	288,520	37.2%	666,900	262,557	39.4%
Miscellaneous	100,000	100,000	444,945	444,945	444.9%	335,000	405,413	121.0%
<i>Non-Operating Revenues</i>								
Development Fees	-	-	609,713	609,713		-	216,681	
Interest Income	244,706	244,706	421,736	421,736	172.3%	189,381	413,825	218.5%
Insurance Recoveries	60,000	60,000	-	-		-	-	
Operating Transfer In	917,830	917,830	-	-	0.0%	1,433,136	-	0.0%
TOTAL Revenues	\$75,667,020	\$ 75,667,020	\$14,820,561	\$14,820,561	19.6%	\$70,242,210	\$11,937,931	17.0%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
<i>W&S Debt Service</i>								
Debt Service	\$ 2,358,000	\$ 2,358,000	\$ 465,600	\$ 465,600	19.7%	\$ 2,623,608	\$ 485,904	18.5%
<i>W&S Operations</i>								
Personnel	7,405,234	7,405,234	1,406,299	1,406,299	19.0%	7,126,195	1,325,346	18.6%
Professional Services	643,618	643,618	527,717	527,717	82.0%	520,968	139,523	26.8%
Operating Costs	1,994,908	1,994,908	362,041	362,041	18.1%	1,962,541	351,104	
NTMWD - Water/Pre-Treatment	41,912,500	41,912,500	7,659,314	7,659,314	18.3%	38,953,797	10,796,482	27.7%
Supplies	799,850	799,850	67,331	67,331	8.4%	603,720	83,299	13.8%
Maintenance	902,500	902,500	172,701	172,701	19.1%	966,000	130,660	13.5%
<i>Utility Billing/Collections</i>								
Personnel	802,632	802,632	160,164	160,164	20.0%	794,808	150,174	18.9%
Professional Services	1,032,694	1,032,694	246,036	246,036	23.8%	691,923	163,046	
Operating Costs	110,150	110,150	7,428	7,428	6.7%	135,341	7,635	5.6%
Supplies	8,000	8,000	1,809	1,809	22.6%	8,000	2,416	30.2%
<i>Non-Operating Expenditures</i>								
Transfers Out	16,644,328	16,644,328	-	-	0.0%	14,455,547	-	0.0%
Capital	500,000	500,000	677,297	677,297	135.5%	76,000	884,923	1164.4%
TOTAL Expenditures	\$75,114,414	\$ 75,114,414	\$11,753,738	\$11,753,738	15.6%	\$68,918,448	\$14,520,512	21.1%

CITY OF ALLEN
Solid Waste Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Garbage Fees	\$7,089,214	\$7,089,214	\$ 1,216,517	\$1,216,517	17.2%	\$6,656,772	\$ 1,059,202	15.9%
Commercial Garbage	1,500,000	1,500,000	117,981	117,981	7.9%	1,266,000	-	0.0%
Household Haz Waste	225,486	225,486	35,617	35,617	15.8%	228,594	32,922	14.4%
Recycling Revenues	96,869	96,869	6,774	6,774	7.0%	90,089	5,829	6.5%
Composting Revenue	120,000	120,000	3,981	3,981	3.3%	95,000	-	0.0%
Miscellaneous	36,500	36,500	4	4	0.0%	36,500	35	0.1%
<i>Non-Operating Revenues</i>								
Interest Income	30,046	30,046	13,725	13,725	45.7%	25,181	14,950	59.4%
TOTAL Revenues	\$9,098,115	\$9,098,115	\$ 1,394,599	\$1,394,599	15.3%	\$8,398,136	\$ 1,112,938	13.3%
EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
Personnel	\$ 972,945	\$ 972,945	\$ 151,833	\$ 151,833	15.6%	\$ 846,779	\$ 178,833	21.1%
Operating Costs	137,074	137,074	22,587	22,587	16.5%	114,246	19,514	17.1%
Solid Waste Services	2,849,625	2,849,625	918,883	918,883	32.2%	2,653,276	859,246	32.4%
Supplies	47,705	47,705	8,627	8,627	18.1%	44,780	3,997	8.9%
Maintenance	8,050	8,050	91	91	1.1%	8,050	188	2.3%
Professional Services	4,397,523	4,397,523	740,127	740,127	16.8%	4,284,106	665,770	15.5%
<i>Non-Operating Expenditures</i>								
Capital	50,000	50,000	41,500	41,500	83.0%	-	-	-
Transfers Out	668,267	668,267	-	-	0.0%	664,774	300,000	45.1%
TOTAL Expenditures	\$9,131,189	\$9,131,189	\$ 1,883,646	\$1,883,646	20.6%	\$8,616,011	\$ 2,027,547	23.5%

CITY OF ALLEN
Drainage Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Drainage Fees	\$2,300,000	\$2,300,000	\$ 381,295	\$ 381,295	16.6%	\$2,254,200	\$ 356,028	15.8%
Inspection Fees	100,000	100,000	42,084	42,084	42.1%	70,000	59,126	84.5%
<i>Non-Operating Revenues</i>								
Interest Income	24,350	24,350	10,902	10,902	44.8%	16,628	11,832	71.2%
Insurance Recoveries	15,000	15,000	-	-	-	-	-	-
Miscellaneous	10,000	10,000	-	-	0.0%	15,000	-	0.0%
TOTAL Revenues	\$2,449,350	\$2,449,350	\$ 434,281	\$ 434,281	17.7%	\$2,355,828	\$ 426,986	18.1%
EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
Personnel	\$ 957,517	\$ 957,517	\$ 183,081	\$ 183,081	19.1%	\$ 859,037	\$ 178,055	20.7%
Operating Costs	226,161	226,161	13,770	13,770	6.1%	257,969	10,109	3.9%
Supplies	73,475	73,475	6,595	6,595	9.0%	72,000	7,242	10.1%
Maintenance	538,763	538,763	12,979	12,979	2.4%	450,463	1,706	0.4%
Professional Services	326,218	326,218	74,890	74,890	23.0%	301,218	60,818	20.2%
<i>Non-Operating Expenditures</i>								
Transfers Out	509,905	509,905	-	-	0.0%	443,269	-	0.0%
Capital	53,000	53,000	-	-	0.0%	183,992	32,861	17.9%
TOTAL Expenditures	\$2,685,039	\$2,685,039	\$ 291,315	\$ 291,315	10.8%	\$2,567,948	\$ 290,790	11.3%

CITY OF ALLEN
Golf Course Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
Green Fees	\$3,207,660	\$3,207,660	\$ 806,697	\$ 806,697	25.1%	\$2,962,675	\$ 649,442	21.9%
Driving Range	805,200	805,200	173,747	173,747	21.6%	743,640	195,156	26.2%
Lesson Fees	305,000	305,000	47,583	47,583	15.6%	385,000	47,080	12.2%
Concession Sales	312,919	312,919	73,092	73,092	23.4%	290,588	69,351	23.9%
Alcohol Sales	246,629	246,629	57,557	57,557	23.3%	240,975	56,646	23.5%
Retail Pro Shop	182,890	182,890	43,956	43,956	24.0%	180,732	34,898	19.3%
Facility Rental	10,000	10,000	2,450	2,450	24.5%	10,000	350	3.5%
Sponsorships	50,000	50,000	9,883	9,883	19.8%	50,000	8,382	16.8%
<i>Non-Operating Revenues</i>								
Miscellaneous	300	300	325	325	108.4%	(300)	23	-7.8%
Transfers In	-	-	1,400	1,400		-	-	
Interest Income	-	-	17,438	17,438		-	12,620	
TOTAL Revenues	\$5,120,598	\$5,120,598	\$ 1,234,126	\$1,234,126	24.1%	\$4,863,310	\$ 1,073,947	22.1%
EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2024 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Expenses</i>								
Personnel	\$2,250,218	\$2,250,218	\$ 468,360	\$ 468,360	20.8%	\$2,156,792	\$ 438,853	20.3%
Operating Costs	707,521	707,521	126,822	126,822	17.9%	1,025,987	149,848	14.6%
Supplies	330,650	330,650	85,624	85,624	25.9%	221,641	26,424	11.9%
Maintenance	112,725	112,725	33,274	33,274	29.5%	108,625	25,968	23.9%
Professional Services	1,092,299	1,092,299	189,881	189,881	17.4%	1,042,850	166,259	15.9%
<i>Non-Operating Expenditures</i>								
Capital	48,000	48,000	134,748	134,748	280.7%	-	-	
TOTAL Expenditures	\$4,541,413	\$4,541,413	\$ 1,038,708	\$1,038,708	22.9%	\$4,555,895	\$ 807,353	17.7%

CITY OF ALLEN
Allen Event Center Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
<i>Ice Rink</i>								
Facility/Activities Rentals	\$ 228,664	\$ 228,664	\$ 101,247	\$ 101,247	44.3%	\$ 228,664	\$ 71,556	31.3%
Membership/Admission	1,216,700	1,216,700	332,476	332,476	27.3%	1,143,800	325,340	28.4%
Retail Pro Shop	51,605	51,605	16,876	16,876	32.7%	48,605	14,833	30.5%
Sponsorships	36,000	36,000	15,359	15,359	42.7%	36,000	7,046	19.6%
<i>Box Office</i>								
Facility Ticket Fees	395,010	395,010	112,055	112,055	28.4%	363,237	98,995	27.3%
Administrative Fees	520,063	520,063	142,892	142,892	27.5%	515,542	16,067	3.1%
<i>Food & Beverage</i>								
Concessions	1,880,809	1,880,809	633,847	633,847	33.7%	1,450,618	672,528	46.4%
Alcohol	918,100	918,100	238,800	238,800	26.0%	755,000	341,379	45.2%
Retail Pro Shop	30,000	30,000	2,378	2,378	7.9%	900	19,452	2161.3%
<i>Operations</i>								
Facility Rentals	2,451,066	2,451,066	471,791	471,791	19.2%	1,500,000	166,827	11.1%
Sponsorships	385,582	385,582	72,212	72,212	18.7%	352,104	76,129	21.6%
<i>Non-Operating Revenues</i>								
Interest Income	-	-	501	501		-	658	
Miscellaneous	74,520	74,520	11,832	11,832	15.9%	669,830	240,208	35.9%
Operating Transfer In	1,700,000	1,700,000	425,000	425,000	25.0%	1,851,351	462,838	25.0%
TOTAL Revenues	\$9,888,119	\$9,888,119	\$ 2,577,265	\$ 2,577,265	26.1%	\$8,915,651	\$ 2,513,854	28.2%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Expenses</i>								
Personnel	\$3,308,241	\$3,308,241	\$ 698,741	\$ 698,741	21.1%	\$3,232,435	\$ 671,773	20.8%
Operating Costs	2,752,556	2,752,556	542,518	542,518	19.7%	2,481,137	462,179	18.6%
Supplies	193,654	193,654	45,769	45,769	23.6%	136,054	35,210	25.9%
Maintenance	367,807	367,807	99,717	99,717	27.1%	304,807	187,467	61.5%
Professional Services	3,173,556	3,173,556	917,506	917,506	28.9%	2,724,678	865,507	31.8%
<i>Non-Operating Expenditures</i>								
Transfers Out	44,450	44,450	-	-	0.0%	36,540	-	0.0%
TOTAL Expenditures	\$9,840,264	\$9,840,264	\$ 2,304,251	\$ 2,304,251	23.4%	\$8,915,651	\$ 2,222,135	24.9%

CITY OF ALLEN
Hotel Occupancy Fund
FY2024 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Hotel Occupancy Tax	\$2,418,156	\$2,418,156	\$ 419,824	\$ 419,824	17.4%	\$2,118,156	\$ 371,452	17.5%
Licenses & Permits	-	-	2,900	2,900		-	1,050	0.0%
Interest Income	64,750	64,750	20,178	20,178	31.2%	31,898	20,622	64.6%
TOTAL Revenue	\$2,482,906	\$2,482,906	\$ 442,902	\$ 442,902	17.8%	\$2,150,054	\$ 393,124	18.3%

EXPENDITURES	Original FY2024 Budget	Revised FY2024 Budget	1st Quarter FY2024 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Hotel Tax Admin</i>								
Hotel Tax Grants*	\$ 355,500	\$ 355,500	\$ 260	\$ 260	0.1%	\$ 362,500	\$ 12,099	3.3%
Economic Grants	750,000	750,000	-	-	0.0%	750,000	-	0.0%
Operating Costs	36,660	36,660	-	-	0.0%	36,660	-	0.0%
Professional Services	34,000	34,000	65	65	0.2%	34,000	8,202	24.1%
<i>Convention/Visitor Bureau</i>								
Personnel	732,605	732,605	127,031	127,031	17.3%	791,961	148,523	18.8%
Operating Costs	397,738	397,738	68,719	68,719	17.3%	376,147	56,147	14.9%
Supplies	5,000	5,000	1,616	1,616	32.3%	5,000	856	17.1%
Maintenance	512	512	20	20	3.9%	437	43	9.7%
Professional Services	198,694	198,694	43,625	43,625	22.0%	217,805	41,425	19.0%
Operating Transfer Out	355,562	355,562	87,500	87,500	24.6%	355,562	87,500	24.6%
TOTAL Expenditures	\$2,866,271	\$2,866,271	\$ 328,836	\$ 328,836	11.5%	\$2,930,072	\$ 354,795	12.1%

HOTEL TAX GRANTS*	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Grant Organizations</i>								
Allen-Fairview Chamber	\$ 1,000	\$ 1,000	\$ -	\$ -	0.0%	\$ 1,000	\$ -	0.0%
Allen Civic Ballet	10,000	10,000	-	-	0.0%	10,000	-	0.0%
Allen Community Band	6,000	6,000	-	-	0.0%	6,000	-	0.0%
Allen Heritage Guild	2,500	2,500	-	-	0.0%	2,500	-	0.0%
Allen Philharmonic Symphony	30,000	30,000	-	-	0.0%	30,000	12,099	40.3%
Allen's Community Theatre	3,000	3,000	-	-	0.0%	3,000	-	0.0%
City of Allen - Parks & Recreation	60,000	60,000	260	260	0.4%	60,000	-	0.0%
CUTXEC	235,000	235,000	-	-	0.0%	235,000	-	0.0%
Connemara Conservancy	3,000	3,000	-	-	0.0%	3,000	-	0.0%
Friends of the Library	5,000	5,000	-	-	0.0%	10,000	-	0.0%
Note-Ably North Texas Chorus	-	-	-	-		2,000	-	0.0%
TOTAL Grant Amounts	\$ 355,500	\$ 355,500	\$ 260	\$ 260	0.1%	\$ 362,500	\$ 12,099	3.3%

CITY OF ALLEN
Asset Forfeiture Fund
FY2024 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
State Forfeiture	\$ 35,000	\$ 35,000	\$ 14,619	\$ 14,619	41.8%	\$ 35,000	\$ 1,171	3.3%
Federal Forfeiture	150,000	150,000	-	-	0.0%	150,000	-	0.0%
Auction Revenue	-	-	-	-	0.0%	5,000	-	0.0%
Interest Income	5,559	5,559	1,997	1,997	35.9%	3,644	2,193	60.2%
TOTAL Revenues	\$ 190,559	\$ 190,559	\$ 16,616	\$ 16,616	8.7%	\$ 193,644	\$ 3,364	1.7%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Professional Services	\$ 32,687	\$ 32,687	\$ 3,526	\$ 3,526	10.8%	\$ 32,687	\$ -	0.0%
TOTAL Expenditures	\$ 32,687	\$ 32,687	\$ 3,526	\$ 3,526	10.8%	\$ 32,687	\$ -	0.0%

CITY OF ALLEN
Special Revenue Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues</i>								
PEG Fees	\$ 115,357	\$ 115,357	\$ 971	\$ 971	0.8%	\$ 138,560	\$ 1,017	0.7%
Juvenile Case Management	39,701	39,701	23,567	23,567	59.4%	39,701	8,179	20.6%
Court Security	37,500	37,500	22,862	22,862	61.0%	59,478	7,751	13.0%
Court Technology	30,650	30,650	18,715	18,715	61.1%	30,650	6,392	20.9%
Tree Mitigation	-	-	582,700	582,700		-	-	
<i>Non-Operating Revenues</i>								
Interest Income	27,919	27,919	822	822	2.9%	21,192	9,124	43.1%
TOTAL Revenues	\$ 251,127	\$ 251,127	\$ 649,637	\$ 649,637	258.7%	\$ 289,581	\$ 32,463	11.2%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Restricted Expenditures</i>								
PEG Expenses	\$ 30,500	\$ 30,500	\$ 16,853	\$ 16,853	55.3%	\$ 67,300	\$ 77,569	115.3%
Juvenile Case Management	39,701	39,701	-	-	0.0%	39,701	-	0.0%
Court Security	37,500	37,500	-	-	0.0%	59,478	-	0.0%
Court Technology	4,500	4,500	-	-	0.0%	4,500	-	0.0%
TOTAL Expenditures	\$ 112,201	\$ 112,201	\$ 16,853	\$ 16,853	15.0%	\$ 170,979	\$ 77,569	45.4%

CITY OF ALLEN
Neighborhood Reinvestment Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Non-Operating Revenues</i>								
Interest Income	\$ -	\$ -	\$ 844	\$ 844		\$ -	\$ 70	
Miscellaneous Revenue	12,500	12,500	-	-	0.0%	12,500	-	
Transfers In	120,960	120,960	-	-	0.0%	1,075,000	1,535,410	142.8%
TOTAL Revenues	\$ 133,460	\$ 133,460	\$ 844	\$ 844	0.6%	\$ 1,087,500	\$ 1,535,481	141.2%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Professional Services	\$ 117,500	\$ 117,500	\$ 84,793	\$ 84,793	72.2%	\$ 1,087,500	\$ -	0.0%
Operating Costs	15,960	15,960	-	-	0.0%	-	-	
TOTAL Expenditures	\$ 133,460	\$ 133,460	\$ 84,793	\$ 84,793	63.5%	\$ 1,087,500	\$ -	0.0%

CITY OF ALLEN
Grant Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE <i>Org - Object</i>	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Grant Revenue</i>								
Fire Grants	\$ 800	\$ 800	\$ 4,717	\$ 4,717	589.6%	\$ 700	\$ 3,307	472.4%
Police Grants	232,560	232,560	48,081	48,081	20.7%	198,413	44,647	22.5%
Library Grants	1,800	1,800	5,365	5,365	298.1%	19,700	2,766	14.0%
Community Development Block Grants	408,000	408,000	-	-	0.0%	408,708	-	0.0%
American Rescue Plan Act Grant	-	-	95,445	95,445	-	-	-	-
Environmental Health/CE Grants	-	-	941	941	-	-	842	-
Municipal Court Grants	-	-	98,911	98,911	-	-	-	-
<i>Non-Operating Revenues</i>								
Interest Income	-	-	5,624	5,624	-	-	38,254	-
Operating Transfers	1,300	1,300	-	-	0.0%	6,776	-	0.0%
TOTAL Revenues	\$ 644,460	\$ 644,460	\$ 259,083	\$ 259,083	40.2%	\$ 634,297	\$ 89,816	14.2%

EXPENDITURES <i>Org - Object</i>	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Fire Department Grants</i>								
Operating Costs	\$ 800	\$ 800	\$ 65	\$ 65	8.1%	\$ 700	\$ -	0.0%
<i>Police Department Grants</i>								
Operating Costs	15,300	15,300	-	-	0.0%	21,052	-	0.0%
Professional Services	25,000	25,000	-	-	0.0%	-	-	-
Supplies	123,560	123,560	-	-	0.0%	184,137	-	0.0%
Capital	70,000	70,000	-	-	0.0%	-	-	-
<i>Library Grants</i>								
Operating Costs	-	-	2,500	2,500	-	-	-	-
Professional Services	1,800	1,800	-	-	0.0%	19,700	-	0.0%
<i>Community Development Block Grants</i>								
Operating Costs	5,000	5,000	14,922	14,922	298.4%	5,000	17,520	350.4%
Professional Services	403,000	403,000	5,395	5,395	1.3%	403,708	-	0.0%
<i>American Rescue Plan Act Grant</i>								
Maintenance	-	-	22,645	22,645	-	-	121,316	-
Professional Services	-	-	-	-	-	-	269,610	-
Capital	-	-	72,800	72,800	-	-	320,113	-
<i>Environmental Health/Community Enhancement Grants</i>								
Operating Costs	-	-	941	941	-	-	842	-
<i>Municipal Court Grants</i>								
Professional Services	-	-	98,911	98,911	-	-	-	-
TOTAL Expenditures	\$ 644,460	\$ 644,460	\$ 218,179	\$ 218,179	33.9%	\$ 634,297	\$ 729,401	115.0%

CITY OF ALLEN
Replacement Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Charges for Services</i>								
General Fund	\$2,115,447	\$2,115,447	\$ -	\$ -	0.0%	\$2,218,682	\$ 314,051	14.2%
Risk Fund	14,505	14,505	-	-	0.0%	15,000	-	0.0%
Water & Sewer Fund	331,132	331,132	-	-	0.0%	400,000	-	0.0%
Solid Waste Fund	43,457	43,457	-	-	0.0%	15,000	-	0.0%
Drainage Fund	116,819	116,819	-	-	0.0%	148,815	-	0.0%
Hotel Fund	1,317	1,317	-	-	0.0%	1,317	-	0.0%
<i>Non-Operating Revenues</i>								
Miscellaneous	-	-	15	15		-	-	
Interest Income	338,540	338,540	152,588	152,588	45.1%	109,319	178,121	162.9%
Auction Revenue	260,000	260,000	4,764	4,764	1.8%	135,782	14,551	10.7%
TOTAL Revenues	\$3,221,217	\$3,221,217	\$ 157,367	\$ 157,367	4.9%	\$3,043,915	\$ 506,724	16.6%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>By Department</i>								
Information Technology	\$ 630,473	\$ 630,473	\$ 124,018	\$ 124,018	19.7%	\$ 120,000	\$ -	0.0%
Fire	4,638,250	4,638,250	1,440,820	1,440,820	31.1%	-	634,045	
Police	-	-	234,880	234,880		1,195,700	319,446	26.7%
Parks & Recreation	355,069	355,069	534	534	0.2%	486,833	-	0.0%
Community Development	150,342	150,342	-	-	0.0%	-	40,215	
Community Enhancement	-	-	2,997	2,997		38,500	-	0.0%
Community Services	218,895	218,895	362	362	0.2%	-	-	
Engineering	50,114	50,114	-	-	0.0%	-	-	
Water & Sewer	640,658	640,658	297,355	297,355	46.4%	600,000	-	0.0%
Drainage	72,465	72,465	-	-	0.0%	-	-	
Solid Waste	60,895	60,895	-	-	0.0%	-	-	
TOTAL Expenditures	\$6,817,161	\$6,817,161	\$ 2,100,965	\$2,100,965	30.8%	\$2,441,033	\$ 993,707	40.7%

CITY OF ALLEN
Facility Maintenance Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Interest Income	\$ 27,986	\$ 27,986	\$ 6,666	\$ 6,666	23.8%	\$ 14,247	\$ 14,514	101.9%
Transfer In	1,800,000	1,800,000	-	-	0.0%	800,000	-	0.0%
TOTAL Revenues	\$ 1,827,986	\$ 1,827,986	\$ 6,666	\$ 6,666	0.4%	\$ 814,247	\$ 14,514	1.8%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Operating Expenses	\$ 242,000	\$ 242,000	\$ 162,123	\$ 162,123	67.0%	\$ 40,000	\$ 15,524	38.8%
Capital	2,738,335	2,738,335	28,669	28,669	1.0%	-	-	
TOTAL Expenditures	\$ 2,980,335	\$ 2,980,335	\$ 190,791	\$ 190,791	6.4%	\$ 40,000	\$ 15,524	38.8%

CITY OF ALLEN
Risk Management Fund
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUE	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Revenues:</i>								
Medical & Dental	\$ 12,703,690	\$ 12,703,690	\$ 3,294,381	\$ 3,294,381	25.9%	\$ 12,196,697	\$ 2,870,614	23.5%
Workers Comp.	881,073	881,073	327,300	327,300	37.1%	881,073	295,894	33.6%
Property/Liability	1,558,837	1,558,837	-	-	0.0%	1,330,830	-	0.0%
Insurance Recoveries	501,000	501,000	457,159	457,159	91.2%	-	-	
<i>Non-Operating Revenues</i>								
Interest Income	115,405	115,405	93,161	93,161	80.7%	63,114	73,703	116.8%
Miscellaneous	-	-	-	-		501,000	931,901	186.0%
Operating Transfer In	797,691	797,691	-	-	0.0%	797,691	-	0.0%
TOTAL Revenues	\$ 16,557,696	\$ 16,557,696	\$ 4,172,001	\$ 4,172,001	25.2%	\$ 15,770,405	\$ 4,172,113	26.5%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Administration	\$ 1,257,465	\$ 1,257,465	\$ 185,760	\$ 185,760	14.8%	\$ 1,194,196	\$ 291,530	24.4%
Health & Dental Insurance	12,528,057	12,528,057	3,332,690	3,332,690	26.6%	12,528,057	3,231,077	25.8%
Workers Comp Insurance	890,000	890,000	397,500	397,500	44.7%	805,000	472,427	58.7%
Property & Liability Insurance	1,859,900	1,859,900	1,499,058	1,499,058	80.6%	1,579,900	1,217,116	77.0%
Transfers Out	375,000	375,000	-	-	0.0%	375,000	-	0.0%
TOTAL Expenditures	\$ 16,910,422	\$ 16,910,422	\$ 5,415,009	\$ 5,415,009	32.0%	\$ 16,482,153	\$ 5,212,150	31.6%

CITY OF ALLEN
Economic Development Corporation
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Sales Tax	\$ 15,974,493	\$ 15,974,493	\$ 1,114,501	\$ 1,114,501	7.0%	\$ 15,466,204	\$ 1,260,154	8.1%
Interest Income	292,958	292,958	107,815	107,815	36.8%	344,656	126,753	36.8%
Miscellaneous ²	-	-	17,585,830	17,585,830		6,000	1,500	25.0%
Operational Support	201,028	201,028	-	-	0.0%	202,068	-	0.0%
TOTAL Revenues	\$ 16,468,479	\$ 16,468,479	\$ 18,808,146	\$ 18,808,146	114.2%	\$ 16,018,928	\$ 1,388,407	8.7%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Operating Expenditures</i>								
Personnel	\$ 1,165,532	\$ 1,165,532	\$ 266,012	\$ 266,012	22.8%	\$ 1,099,617	\$ 224,780	20.4%
Operating Costs	456,800	456,800	112,589	112,589	24.6%	386,407	107,801	27.9%
Marketing/BRE	428,000	428,000	105,887	105,887	24.7%	408,000	81,299	19.9%
Supplies	12,000	12,000	1,371	1,371	11.4%	10,000	1,745	17.5%
Professional Services	258,278	258,278	870,191	870,191	336.9%	222,958	59,121	26.5%
<i>Non-Operating Expenditures</i>								
Debt Service ¹	1,836,346	1,836,346	-	-	0.0%	1,832,043	-	0.0%
Economic Grant Expense	6,729,296	6,729,296	1,039,591	1,039,591	15.4%	10,058,293	720,000	7.2%
Operational Support	114,745	114,745	-	-	0.0%	112,495	-	0.0%
TOTAL Expenditures	\$ 11,000,997	\$ 11,000,997	\$ 2,395,642	\$ 2,395,642	21.8%	\$ 14,129,813	\$ 1,194,745	8.5%

¹ Revenue and Expenditures correspond with the Advance Refunding and Defeasance of Revenue Bonds.

² Proceeds from sale of land to major retailer

CITY OF ALLEN
Community Development Corporation
FY2025 Quarterly Statement of Revenues & Expenditures Compared to Budget
With Comparative Information from Prior Fiscal Year

REVENUES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
Sales Tax	\$ 15,974,493	\$ 15,974,493	\$ 1,114,501	\$ 1,114,501	7.0%	\$ 15,466,204	\$ 1,260,154	8.1%
Interest Income	204,862	204,862	111,989	111,989	54.7%	255,312	183,984	72.1%
Auction Revenue	-	-	-	-		-	3,885	
TOTAL Revenues	\$ 16,179,355	\$ 16,179,355	\$ 1,226,489	\$ 1,226,489	7.6%	\$ 15,721,516	\$ 1,448,023	9.2%

EXPENDITURES	Original FY2025 Budget	Revised FY2025 Budget	1st Quarter FY2025 Actual	YTD Actual as of 12/31/24	Percent of Original Budget	Original FY2024 Budget	1st Quarter FY2024 YTD Actual	Percent of Original Budget
<i>Org - Character</i>								
<i>CDC Administration</i>								
Personnel	\$ 249,649	\$ 249,649	\$ 80,721	\$ 80,721	32.3%	\$ 341,006	\$ 63,232	
Operating Costs	132,587	132,587	2,421	2,421	1.8%	132,587	6,254	4.7%
Supplies	287,250	287,250	18	18	0.0%	187,250	243,080	
Maintenance	1,400,000	1,400,000	54,308	54,308	3.9%	450,000	72,895	16.2%
Professional Services	273,272	273,272	156,113	156,113	57.1%	326,272	29,365	9.0%
Economic Incentives	832,600	832,600	100,384	100,384	12.1%	855,000	600,000	70.2%
Capital	500,000	500,000	-	-	0.0%	-	-	
<i>CDC - Allen Event Center Administration</i>								
Supplies	-	-	37,256	37,256		-	-	
Maintenance	-	-	188,250	188,250		-	-	
<i>CDC - Capital Improvement Fund</i>								
Capital	-	-	113,712	113,712		7,270,750	3,633,299	50.0%
<i>CDC - Debt Service</i>								
Debt Service	2,418,370	2,418,370	-	-	0.0%	2,417,842	-	0.0%
<i>CDC - Contribution</i>								
Operational Support ¹	3,585,843	3,585,843	237,500	237,500	6.6%	3,325,833	237,500	7.1%
TOTAL Expenditures	\$ 9,679,571	\$ 9,679,571	\$ 970,684	\$ 970,684	10.0%	\$ 15,306,540	\$ 4,885,625	31.9%

¹ Operational Support to:

Allen Event Center	\$ 950,000	
Neighborhood Reinvestment Fund	95,960	
General Fund	267,998	Project Admin Fees & Staff Support
	99,985	Parks Planner
	160,000	Allen USA Celebration
	2,011,900	SGTRC Contribution to pay \$25MM CO Bona
	<u>\$ 3,585,843</u>	

CITY OF ALLEN
Non-Bond Capital Projects
Statement of Activities
For the Quarter Ended
December 31, 2024
(Unaudited)

CITY OF ALLEN
Non-Bond Capital Projects
Statement of Activities
As of December 31, 2024

REVENUE								
Revenue Source	FY2024	1st Quarter	FY2025 YTD	Life to Date	Life to Date	LTD as %	Variance	
	Actual	Actual	Actual	Actual	Budgeted	of Budget	Over(Under)	
Sweep	\$ -	\$ -	\$ -	\$ 2,350,000	\$ 2,350,000	100.00%	\$ -	
Streets & Alleys Repairs	-	-	-	1,650,000	1,650,000	100.00%	-	
Interest Revenue	654,622	100,990	100,990	1,635,462	1,635,462	100.00%	-	
Reimbursements	-	-	-	1,233,617	1,233,617	100.00%	-	
Transfer In	-	-	-	1,500,000	1,500,000	100.00%	-	
TOTAL Revenues	\$ 654,622	\$ 100,990	\$ 100,990	\$ 8,369,079	\$ 8,369,079	100.00%	\$ -	
EXPENDITURES								
	Project Total	FY2024	1st Quarter	FY2025 YTD	Life to Date	Life to Date	LTD as %	Variance
	Prior to 9/30/23	Actual	Actual	Actual	Actual	Budgeted	of Budget	Over(Under)
The Farm Economic Development	3,562,980	-	-	-	3,562,980	3,562,980	100.00%	-
Comprehensive Plan Update	-	133,765	17,621	17,621	151,386	250,000	60.55%	98,614
Neighborhood Revitalization	-	450,000	-	-	450,000	450,000	100.00%	-
FY25 Transfer to General Fund	-	-	-	-	-	289,469	0.00%	289,469
Neighborhood Revitalization	110,000	-	-	-	110,000	110,000	100.00%	-
Neighborhood Entryway Improvements	64,590	835,410	-	-	900,000	900,000	100.00%	-
Neighborhood Revitalization	-	250,000	-	-	250,000	250,000	100.00%	-
Library Expansion Phase II	-	145,863	6,295	6,295	152,158	2,750,000	5.53%	2,597,842
Lithonia Lighting	347,696	25,512	-	-	373,208	373,208	100.00%	-
SGTRC Grant will be reimbursed	410,377	-	-	-	410,377	410,377	100.00%	-
Fire Station #6	748,346	555,995	195,991	195,991	1,500,332	2,467,382	60.81%	967,050
PD Headquarter Parking Lot Improvements	802,787	49,360	-	-	852,147	861,389	98.93%	9,242
CBD Street Rehabilitation	263,980	-	-	-	263,980	263,980	100.00%	-
2022 Street & Alley	1,349,962	-	-	-	1,349,962	1,349,962	100.00%	-
Bridge Evaluation	99,690	800,310	-	-	900,000	900,000	100.00%	-
2023 Concrete Street Repairs	197,526	699,683	-	-	897,209	897,209	100.00%	(0)
2024 Street & Alley Rehabilitation	-	-	-	-	-	146,559	0.00%	146,559
Bridge Repairs	-	905,760	144,240	144,240	1,050,000	1,050,000	100.00%	-
TOTAL Expenditures		\$ 4,851,658	\$ 364,147	\$ 364,147	\$ 13,173,739	\$ 17,282,515	76.23%	\$ 4,108,776
NET CHANGE		(4,197,036)	(263,157)	(263,157)	(4,804,660)	(8,913,435)		(4,108,776)
BALANCE, BEGINNING		20,495,573	16,298,537	16,298,537	20,495,573	20,495,573		-
BALANCE, ENDING		\$ 16,298,537	\$ 16,035,381	\$ 16,035,381	\$ 15,690,914	\$ 11,582,138		\$ (4,108,776)

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE: February 25, 2025

AGENDA CAPTION: Receive the Quarterly Investment Report for period ending December 31, 2024.

STAFF RESOURCE: Pete Phillis, Chief Financial Officer

STRATEGIC PLANNING GOAL: Financially Sound and Transparent City Government.

BACKGROUND

In agreement with the Public Funds Investment Act (the Act), the investment officer of an entity is required to prepare and submit a written investment report to the governing body for all funds covered under this chapter for the preceding reporting period. This report must be submitted quarterly. The attached report for the period ending December 31, 2024, fulfills this requirement. The Act mandates that the report include the following information: beginning market value, ending market value, beginning book value, ending book value, accrued interest, and maturity date. Additionally, the report must be prepared and signed by all authorized investment officers, certifying the accuracy of the presented information.

STAFF RECOMMENDATION

Staff recommends approval.

MOTION

I make a motion to receive the Quarterly Investment Report for period ending December 31, 2024.

ATTACHMENT(S)

[Q1 FY25 Investment Report](#)



City of Allen
Quarterly Investment Report
October 1, 2024 to December 31, 2024



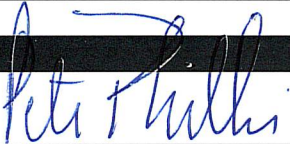


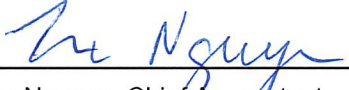
City of Allen | Compliance

This quarterly report is in full compliance with the investment policy and strategy as established for the City of Allen, Texas and the Public Funds Investment Act (Chapter 2256, Texas Government Code). This report, which covers the quarter ended December 31, 2024, is signed by the City's investment officers and includes the disclosures required in the PFIA.

Performance Benchmark

US Treasury | 6 Months per policy

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	Treasury 6 Month	Interest Earned	Days To Maturity
10/31/2024	361,511,455.89	363,958,431.07	-2,446,975.18	4.09	4.44	1,262,934.36	97
11/30/2024	357,198,301.45	359,466,201.24	-2,267,899.79	4.02	4.43	1,182,791.55	91
12/31/2024	409,187,371.18	411,229,436.48	-2,042,065.30	3.97	4.32	1,247,342.50	73
Total / Average	375,965,709.51	378,218,022.93	-2,252,313.42	4.02	4.40	3,693,068.41	86

	<u>2/10/2025</u>		<u>2/10/25</u>
Pete Phillis, CFO	Date	Mark Davies, Assistant CFO	Date
	<u>2/10/25</u>		<u>2/10/25</u>
Allyson Baker, Controller	Date	Tru Nguyen, Chief Accountant	Date

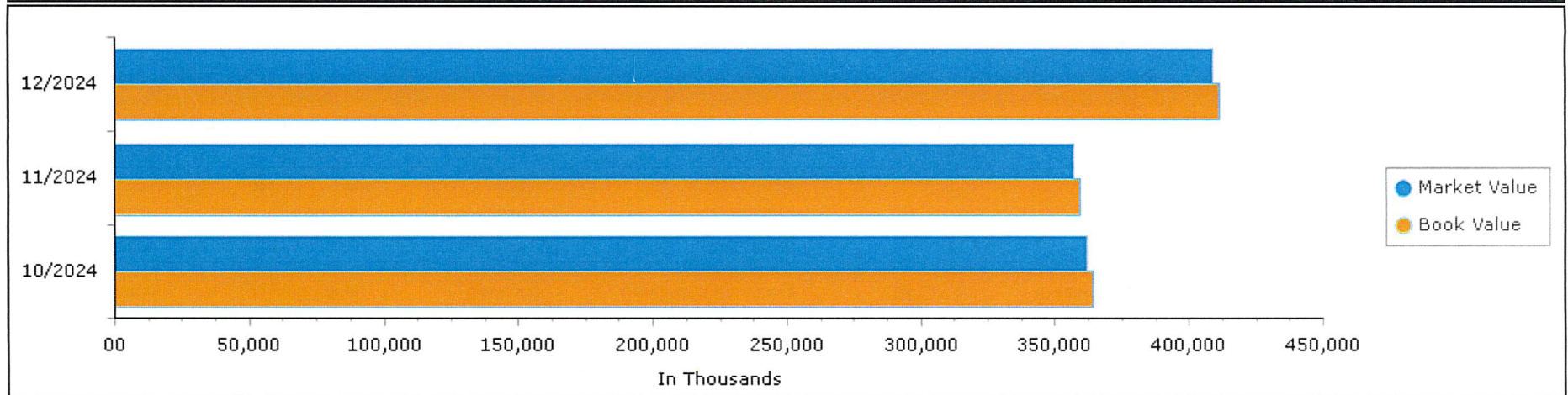


City of Allen | TX Portfolio Summary by Month All Portfolios

Begin Date: 10/31/2024, End Date: 12/31/2024

Month	Market Value	Book Value	Unrealized Gain/Loss	YTM @ Cost	YTM @ Market	Duration	Days To Maturity
10/31/2024	361,511,455.89	363,958,431.07	-2,446,975.18	4.09	4.83	0.26	97
11/30/2024	357,198,301.45	359,466,201.24	-2,267,899.79	4.02	4.75	0.25	91
12/31/2024	409,187,371.18	411,229,436.48	-2,042,065.30	3.97	4.57	0.20	73
Total / Average	375,965,709.51	378,218,022.93	-2,252,313.42	4.03	4.71	0.24	86

Market Value / Book Value Comparison

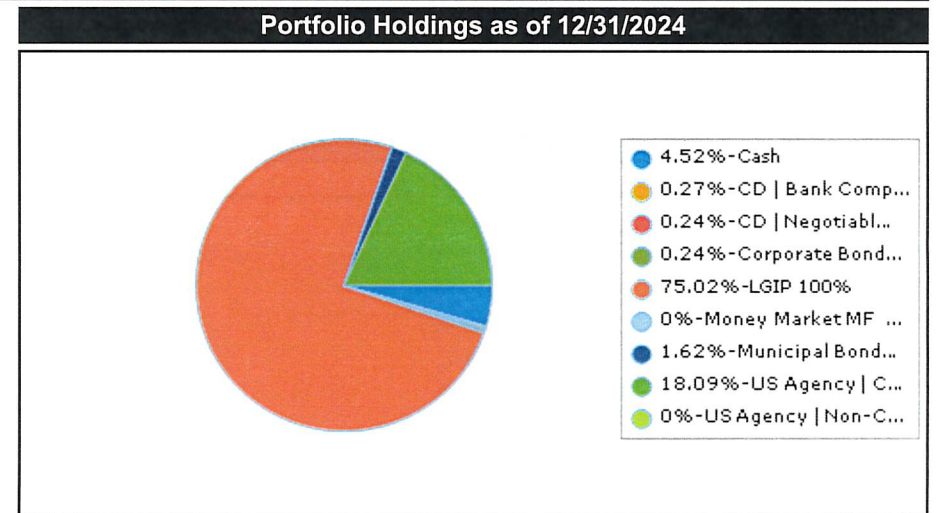
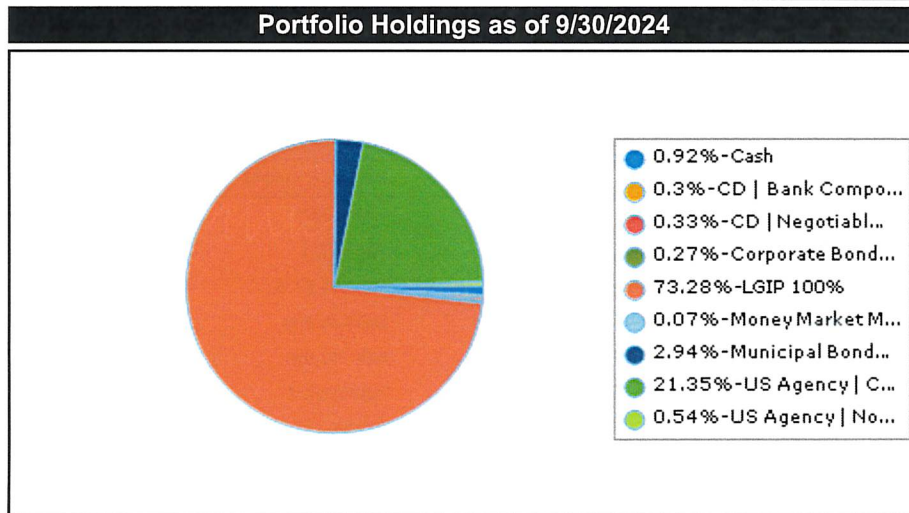




City of Allen | TX Distribution by Asset Category - Market Value All Portfolios

Begin Date: 9/30/2024, End Date: 12/31/2024

Asset Category Allocation				
Asset Category	Market Value 9/30/2024	% of Portfolio 9/30/2024	Market Value 12/31/2024	% of Portfolio 12/31/2024
Cash	3,337,268.06	0.92	18,502,156.79	4.52
CD Bank Compounding 50%	1,089,987.86	0.30	1,095,009.20	0.27
CD Negotiable 50%	1,207,617.86	0.33	970,333.26	0.24
Corporate Bond TBD%	988,070.00	0.27	1,000,000.00	0.24
LGIP 100%	267,119,694.52	73.28	306,964,583.03	75.02
Money Market MF 15%	248,300.89	0.07	0.00	0.00
Municipal Bonds 50%	10,719,941.20	2.94	6,639,154.40	1.62
US Agency Callable 70%	77,836,248.00	21.35	74,016,134.50	18.09
US Agency Non-Callable 75%	1,986,220.00	0.54	0.00	0.00
Total / Average	364,533,348.39	100.00	409,187,371.18	100.00





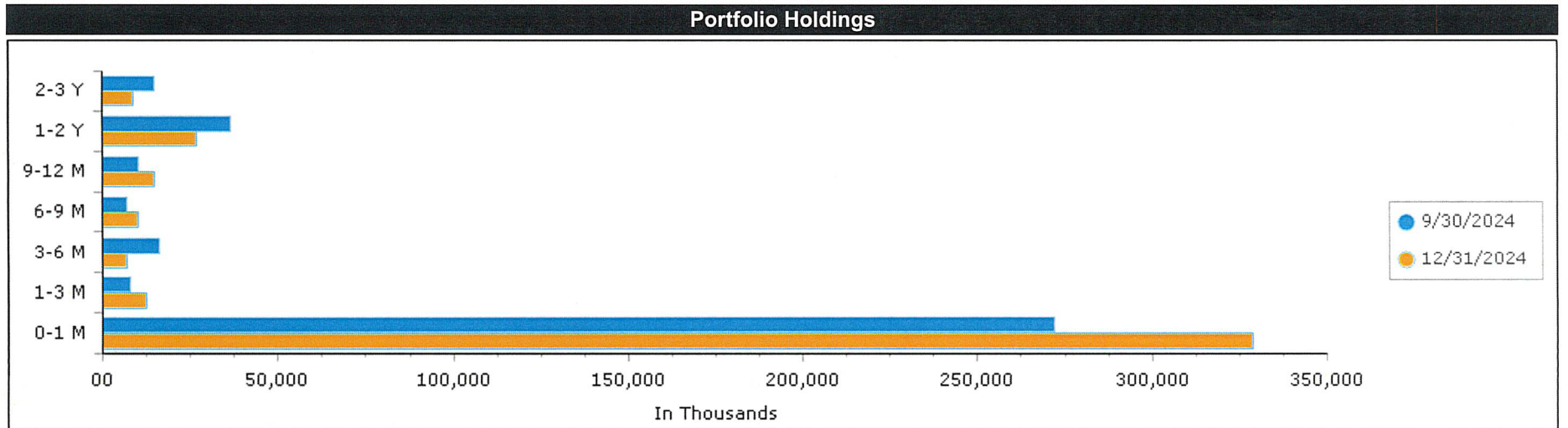
City of Allen | TX

Distribution by Maturity Range - Market Value

All Portfolios

Begin Date: 9/30/2024, End Date: 12/31/2024

Maturity Range Allocation				
Maturity Range	Market Value 9/30/2024	% of Portfolio 9/30/2024	Market Value 12/31/2024	% of Portfolio 12/31/2024
0-1 Month	272,185,263.47	74.67	328,806,084.12	80.36
1-3 Months	7,850,974.85	2.15	12,682,722.60	3.10
3-6 Months	15,934,518.96	4.37	7,151,028.00	1.75
6-9 Months	7,117,518.00	1.95	10,120,669.56	2.47
9-12 Months	10,302,195.11	2.83	14,741,762.40	3.60
1-2 Years	36,406,438.00	9.99	26,902,064.50	6.57
2-3 Years	14,736,440.00	4.04	8,783,040.00	2.15
Total / Average	364,533,348.39	100.00	409,187,371.18	100.00





City of Allen | TX Portfolio Holdings by Asset Category All Portfolios

Date: 12/31/2024

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Cash								
JPMorgan Chase MM		7/31/2022	18,502,156.79	100.00	18,502,156.79	4.5%	NR	1
CHASE-MM0757	18,502,156.79	2.82	18,502,156.79	2.82		0.00	NR	0
			18,502,156.79		18,502,156.79	4.5%		1
Sub Total Cash	18,502,156.79	2.82	18,502,156.79	2.82		0.00		0
CD Bank Compounding 50%								
Prosperity Bank 1.85 1/14/2025		1/14/2020	1,095,009.20	100.00	1,095,009.20	0.27%	NR	14
CD60050009771	1,095,009.20	1.85	1,095,009.20	1.85	943.51	0.00	NR	0.04
			1,095,009.20		1,095,009.20	0.27%		14
Sub Total CD Bank Compounding 50%	1,095,009.20	1.85	1,095,009.20	1.85	943.51	0.00		0.04
CD Negotiable 50%								
Austin Telco FCU TX 1.8 2/28/2025		2/28/2020	245,000.00	99.55	243,892.60	0.06%	NCUA Insured	59
052392AA5	245,000.00	1.80	245,000.00	4.53	362.47	-1,107.40	NCUA Insured	0.17
Citadel FCU PA 1.85 1/29/2025		1/29/2020	245,000.00	99.80	244,505.10	0.06%	NCUA Insured	29
17286TAF2	245,000.00	1.85	245,000.00	4.46	25.18	-494.90	NCUA Insured	0.08
Credit Union of Texas FCU 3.3 7/22/2025		7/22/2022	245,000.00	99.36	243,423.16	0.06%	NCUA Insured	203
22551KAB8	245,000.00	3.30	245,000.00	4.48	3,588.41	-1,576.84	NCUA Insured	0.55
US Alliance FCU NY 0.5 9/29/2025-20		9/29/2020	245,000.00	97.35	238,512.40	0.06%	NCUA Insured	88
90352RBF1	245,000.00	0.50	245,000.00	4.13	6.71	-6,487.60	NCUA Insured	0.74
			980,000.00		970,333.26	0.24%		95
Sub Total CD Negotiable 50%	980,000.00	1.86	980,000.00	4.40	3,982.77	-9,666.74		0.38
Corporate Bond TBD%								
Southern New Hampshire 1.95 1/1/2025-24		1/4/2021	1,031,330.64	100.00	1,000,000.00	0.24%	NR	1
84352JAA4	1,000,000.00	1.15	1,000,000.00	0.00	9,750.00	0.00	S&P-A+	0
			1,031,330.64		1,000,000.00	0.24%		1
Sub Total Corporate Bond TBD%	1,000,000.00	1.15	1,000,000.00	0.00	9,750.00	0.00		0
LGIP 100%								



City of Allen | TX
Portfolio Holdings by Asset Category
All Portfolios

Date: 12/31/2024

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Texas CLASS LGIP		7/31/2022	6,602,850.94	100.00	6,602,850.94	1.61%	NR	1
TEXCLASS02-F701	6,602,850.94	4.75	6,602,850.94	4.75		0.00	NR	0
Texas CLASS LGIP		7/31/2022	233,501.19	100.00	233,501.19	0.06%	NR	1
TEXCLASS03-F390	233,501.19	4.75	233,501.19	4.75		0.00	NR	0
Texas CLASS LGIP		9/30/2022	280,331,812.64	100.00	280,331,812.64	68.17%	None	1
TEXCLASS01	280,331,812.64	4.75	280,331,812.64	4.75		0.00	None	0
Texas CLASS LGIP		7/31/2022	388,616.48	100.00	388,616.48	0.09%	NR	1
TEXCLASS08-F550	388,616.48	4.75	388,616.48	4.75		0.00	NR	0
TexPool LGIP		7/31/2022	1,959,588.46	100.00	1,959,588.46	0.48%	NR	1
TEXPOOL05-F700	1,959,588.46	4.56	1,959,588.46	4.56		0.00	NR	0
TexPool LGIP		7/31/2022	1,857,884.86	100.00	1,857,884.86	0.45%	NR	1
TEXPOOL47-F801	1,857,884.86	4.56	1,857,884.86	4.56		0.00	NR	0
TexPool LGIP		9/30/2022	845.22	100.00	845.22	0%	NR	1
TEXPOOL013	845.22	4.56	845.22	4.56		0.00	NR	0
TexPool LGIP		9/11/2023	442,951.74	100.00	442,951.74	0.11%	NR	1
TEXPOOL07-F801	442,951.74	4.56	442,951.74	4.56		0.00	NR	0
TexPool LGIP		7/31/2022	1,913,938.02	100.00	1,913,938.02	0.47%	NR	1
TEXPOOL44-F700	1,913,938.02	4.56	1,913,938.02	4.56		0.00	NR	0
TexPool LGIP		7/31/2022	10,788,994.46	100.00	10,788,994.46	2.62%	NR	1
TEXPOOL18-F400	10,788,994.46	4.56	10,788,994.46	4.56		0.00	NR	0
TexPool LGIP		7/31/2022	2,443,599.02	100.00	2,443,599.02	0.59%	NR	1
TEXPOOL46-F804	2,443,599.02	4.56	2,443,599.02	4.56		0.00	NR	0
Sub Total LGIP 100%	306,964,583.03	4.73	306,964,583.03	4.73	306,964,583.03	74.65%		1
Municipal Bonds 50%								



City of Allen | TX Portfolio Holdings by Asset Category All Portfolios

Date: 12/31/2024

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Bloomfield Township NJ 1.089 9/1/2025		9/10/2020	510,000.00	97.81	498,851.40	0.12%	NR	244
094226DD6	510,000.00	1.09	510,000.00	4.45	1,851.30	-11,148.60	S&P-AA	0.66
Connecticut State 0 3/15/2025		3/16/2020	461,690.00	99.08	495,420.00	0.12%	NR	74
20772KFJ3	500,000.00	1.60	498,466.76	4.52	0.00	-3,046.76	NR	0.21
New Jersey State NJ 3.236 9/1/2025-25		1/28/2021	2,200,180.00	99.16	1,983,140.00	0.49%	Moodys-A2	213
6460662F6	2,000,000.00	1.00	2,025,904.22	4.53	21,573.33	-42,764.22	S&P-A-	0.66
New York City NY 2.61 2/1/2025-25		2/3/2020	1,035,040.00	99.85	998,510.00	0.24%	Moodys-Aa1	1
64971WF70	1,000,000.00	1.87	1,000,595.53	4.36	10,875.00	-2,085.53	S&P-AAA	0.08
Oklahoma State 1.053 7/1/2025		12/29/2020	1,013,090.00	98.37	983,660.00	0.24%	NR	182
679075BX8	1,000,000.00	0.76	1,001,441.17	4.39	5,265.00	-17,781.17	S&P-AA-	0.5
Oregon State 0.899 4/1/2025-25		4/29/2021	1,207,212.00	99.14	1,189,668.00	0.29%	Moodys-Aa2	60
68607V2P9	1,200,000.00	0.74	1,200,308.64	4.37	2,697.00	-10,640.64	S&P-AAA	0.25
Tarrant County TX 1.386 9/1/2025-25		1/6/2021	507,605.00	97.98	489,905.00	0.12%	Moodys-A1	213
87638QQW2	500,000.00	1.05	500,971.14	4.49	2,310.00	-11,066.14	S&P-AA	0.66
Sub Total Municipal Bonds 50%	6,710,000.00	1.10	6,934,817.00	4.45	6,639,154.40	1.62%		142
US Agency Callable 70%			6,737,687.46		44,571.63	-98,533.06		0.44
FHLB 0.6 2/12/2026-21		2/12/2021	3,000,000.00	96.02	2,880,600.00	0.73%	Moodys-Aaa	43
3130AKXQ4	3,000,000.00	0.60	3,000,000.00	4.30	6,950.00	-119,400.00	S&P-AA+	1.11
FHLB 0.6 8/27/2025-20		9/2/2020	1,000,000.00	97.65	976,520.00	0.24%	Moodys-Aaa	239
3130AJZ36	1,000,000.00	0.60	1,000,000.00	4.27	2,066.67	-23,480.00	S&P-AA+	0.65
FHLB 0.625 1/28/2026-22		1/28/2021	3,000,000.00	96.19	2,885,700.00	0.73%	Moodys-Aaa	28
3130AKQZ2	3,000,000.00	0.63	3,000,000.00	4.29	7,968.75	-114,300.00	S&P-AA+	1.07
FHLB 0.65 2/24/2026-21		2/24/2021	3,000,000.00	95.95	2,878,620.00	0.73%	Moodys-Aaa	55
3130AL5X8	3,000,000.00	0.65	3,000,000.00	4.30	6,879.17	-121,380.00	S&P-AA+	1.14



City of Allen | TX Portfolio Holdings by Asset Category All Portfolios

Date: 12/31/2024

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
FHLB 0.75 3/16/2026-21 3130ALF33	3,000,000.00	3/16/2021 0.75	3,000,000.00 3,000,000.00	95.86 4.31	2,875,710.00 6,562.50	0.73% -124,290.00	Moodys-Aaa S&P-AA+	75 1.2
FHLB 0.75 4/28/2025-21 3130AM4D1	3,000,000.00	4/28/2021 0.75	3,000,000.00 3,000,000.00	98.84 4.35	2,965,320.00 3,937.50	0.73% -34,680.00	Moodys-Aaa S&P-AA+	28 0.33
FHLB 0.75 6/30/2025-21 3130ALU93	3,000,000.00	3/30/2021 0.75	3,000,000.00 3,000,000.00	98.30 4.22	2,949,030.00 5,625.00	0.73% -50,970.00	Moodys-Aaa S&P-AA+	89 0.5
FHLB 0.875 3/23/2026-21 3130ALGC2	2,000,000.00	3/23/2021 0.88	2,000,000.00 2,000,000.00	95.94 4.31	1,918,740.00 4,763.89	0.49% -81,260.00	Moodys-Aaa S&P-AA+	82 1.22
FHLB 1 3/23/2026-21 3130ALGJ7	1,950,000.00	3/23/2021 1.00	1,950,000.00 1,950,000.00	96.03 4.35	1,872,604.50 5,308.33	0.47% -77,395.50	Moodys-Aaa S&P-AA+	23 1.22
FHLB 1.05 4/15/2026-21 3130ALU51	2,000,000.00	4/15/2021 1.05	2,000,000.00 2,000,000.00	95.93 4.33	1,918,540.00 4,433.33	0.49% -81,460.00	Moodys-Aaa S&P-AA+	15 1.28
FHLB 3 4/21/2027-22 3130ARGE5	5,000,000.00	4/21/2022 3.00	5,000,000.00 5,000,000.00	96.90 4.43	4,844,900.00 29,166.67	1.22% -155,100.00	Moodys-Aaa S&P-AA+	21 2.23
FHLB 3.175 4/19/2027-22 3130ARHJ3	2,000,000.00	4/20/2022 3.18	2,000,000.00 2,000,000.00	97.29 4.43	1,945,740.00 12,700.00	0.49% -54,260.00	Moodys-Aaa S&P-AA+	19 2.22
FHLB 4 7/11/2025-22 3130ASG45	1,000,000.00	7/11/2022 4.00	1,000,000.00 1,000,000.00	99.74 4.50	997,400.00 18,888.89	0.24% -2,600.00	Moodys-Aaa S&P-AA+	11 0.52
FHLB 4.25 7/14/2025-22 3130ASGL7	1,000,000.00	7/14/2022 4.25	1,000,000.00 1,000,000.00	99.87 4.49	998,740.00 19,715.28	0.24% -1,260.00	Moodys-Aaa S&P-AA+	14 0.53
FHLB Step 11/24/2026-22 3130APV51	5,000,000.00	11/24/2021 1.97	5,000,000.00 5,000,000.00	97.37 4.90	4,868,600.00 7,708.33	1.22% -131,400.00	Moodys-Aaa S&P-AA+	55 1.87
FHLB Step 4/14/2025-23 3130ARHA2	3,000,000.00	4/14/2022 2.98	3,000,000.00 3,000,000.00	99.87 4.43	2,996,040.00 25,666.67	0.73% -3,960.00	Moodys-Aaa S&P-AA+	104 0.29



City of Allen | TX Portfolio Holdings by Asset Category All Portfolios

Date: 12/31/2024

Description CUSIP	Face Amount / Shares	Settlement Date YTM @ Cost	Cost Value Book Value	Market Price YTM @ Market	Market Value Accrued Interest	% Portfolio Unre. Gain/Loss	Credit Rating Credit Rating	Days To Call/Maturity Duration To Maturity
FHLB Step 4/26/2027-22 3130ARN98	2,000,000.00	4/26/2022 4.10	2,000,000.00 2,000,000.00	99.62 5.56	1,992,400.00 12,638.89	0.49% -7,600.00	Moody's-Aaa S&P-AA+	26 2.23
FHLMC 0.55 2/26/2025-21 3134GWSE7	1,000,000.00	9/2/2020 0.55	1,000,000.00 1,000,000.00	99.43 4.30	994,300.00 1,909.72	0.24% -5,700.00	Moody's-Aaa S&P-AA+	57 0.15
FHLMC 0.7 12/30/2025-21 3134GXHL1	5,000,000.00	12/30/2020 0.70	5,000,000.00 5,000,000.00	96.50 4.32	4,824,750.00 0.00	1.22% -175,250.00	Moody's-Aaa S&P-AA+	89 1
FHLMC 2.35 3/28/2025-22 3134GXPS7	10,000,000.00	3/28/2022 2.35	10,000,000.00 10,000,000.00	99.51 4.39	9,950,600.00 60,708.33	2.43% -49,400.00	Moody's-Aaa S&P-AA+	28 0.24
FHLMC 4 1/13/2025-22 3134GXZL1	1,000,000.00	7/13/2022 4.00	1,000,000.00 1,000,000.00	99.98 4.43	999,830.00 18,666.67	0.24% -170.00	Moody's-Aaa S&P-AA+	13 0.03
FNMA 0.53 1/22/2026-21 3135GAC58	5,000,000.00	1/22/2021 0.53	5,000,000.00 5,000,000.00	96.06 4.38	4,802,950.00 11,704.17	1.22% -197,050.00	Moody's-Aaa S&P-AA+	22 1.05
FNMA 0.56 11/17/2025-22 3135GA2Z3	5,000,000.00	11/17/2020 0.56	5,000,000.00 5,000,000.00	96.84 4.26	4,842,150.00 3,422.22	1.22% -157,850.00	Moody's-Aaa S&P-AA+	321 0.88
FNMA 0.6 11/25/2025-22 3135GA3Z2	5,000,000.00	11/25/2020 0.60	5,000,000.00 5,000,000.00	96.73 4.35	4,836,350.00 3,000.00	1.22% -163,650.00	Moody's-Aaa S&P-AA+	329 0.9
Sub Total US Agency Callable 70%	75,950,000.00	1.52	75,950,000.00	4.42	74,016,134.50 280,390.98	18.49% -1,933,865.50		84 1.02
TOTAL PORTFOLIO	411,201,749.02	3.97	411,229,436.48	4.56	409,187,371.18 339,638.89	100.00% -2,042,065.30		19 0.2

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

AGENDA DATE:	February 25, 2025
AGENDA CAPTION:	Motion to Accept the Fiscal Year 2023-2024 Annual Comprehensive Financial Report.
STAFF RESOURCE:	Pete Phillis, Chief Financial Officer
BOARD/COMMISSION ACTION:	February 17, 2025 - Council / Finance Audit Committee received a summary of the audit report by Sara Dempsey, Partner from Weaver and Tidwell, LLP.
PREVIOUS COUNCIL ACTION:	April 9, 2024 - City Council accepted the prior fiscal year 2022-2023 Annual Comprehensive Financial Report.
STRATEGIC PLANNING GOAL:	Financially Sound and Transparent City Government.

BACKGROUND

An annual independent audit of the City's funds and account groups is required by Section 2.20 of the City of Allen Charter. The Annual Comprehensive Financial Report covering the 2023-2024 fiscal year ending September 30, 2024, was prepared upon completion of the audit. Also, when federal or state funds received by the City are greater than \$750,000, a separate audit is required to determine the City's compliance with requirements of laws, regulations, contracts, and grants applicable to federal and state programs.

In Fiscal Year 2023-2024, the City exceeded the \$750,000 threshold for federal awards. Therefore, a report on federal and financial assistance was prepared. The City received an unmodified opinion or "clean audit" from Weaver and Tidwell, LLP (Weaver) that the financial statements present fairly, in all material respects, the City's financial position. In addition to the audit report, the audit firm also prepares a Report on Internal Control over Financial Reporting to bring attention, if necessary, to any matters involving accounting control structure or other operational matters found during the audit. None were found during this audit.

The Annual Comprehensive Financial Report is now being submitted to the City Council for formal acceptance. A representative of Weaver will be available at the Council meeting to make a presentation concerning the audit and report to the City Council. The City will again, for the 27th consecutive year, submit the Annual Comprehensive Financial Report to the Government Finance Officers Association to determine eligibility for a Certificate of Achievement for Excellence in Financial Reporting. The Annual Comprehensive Financial Report will be posted on the City website. Also, it will be available for review in the Allen Public Library and the Finance Department of City Hall.

STAFF RECOMMENDATION

Staff recommends that the City Council accept the Fiscal Year 2023-2024 Annual Comprehensive Financial Report.

MOTION

I make a motion to accept the Fiscal Year 2023-2024 Annual Comprehensive Financial Report.

ATTACHMENT(S)

Annual Comprehensive Financial Report
City of Allen Single Audit Report



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

CITY OF ALLEN • 305 CENTURY PARKWAY • ALLEN, TEXAS

CITY OF ALLEN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024



AS PREPARED BY THE CITY OF ALLEN CITY MANAGER'S OFFICE AND FINANCE
DEPARTMENT:

CITY MANAGER	ERIC ELLWANGER
DEPUTY CITY MANAGER	ERIC STRONG
ASSISTANT CITY MANAGER	TIM DENTLER
ASSISTANT CITY MANAGER	REBECCA VICE
CHIEF FINANCIAL OFFICER	PETE PHILLIS
ASSISTANT CHIEF FINANCIAL OFFICER	MARK DAVIES
CONTROLLER	ALLYSON BAKER
CHIEF ACCOUNTANT	TRU NGUYEN
SENIOR ACCOUNTANT	ASHLEY CAPANGPANGAN
SENIOR ACCOUNTANT	ALICIA CASTANEDA
ACCOUNTANT	SHEILA ALEXANDER
ACCOUNTANT	KENNETH LAMOREAUX

City of Allen, Texas
 Annual Comprehensive Financial Report
 For the Fiscal Year Ended September 30, 2024
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Introductory Section





February 25, 2025

Mayor Baine Brooks,
The Honorable Mayor and Members of the Allen City Council,
Citizens of Allen:

The Finance Department is pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Allen, Texas (the City), for the fiscal year ended September 30, 2024.

This report is published to provide the City Council, our citizens, City staff, and other readers with detailed information concerning the financial position and activities of the City. Management has prepared the report and is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Also included in this report is an unmodified ("clean") opinion on the City of Allen's financial statements for the year ended September 30, 2024, issued by Weaver and Tidwell, L.L.P. The independent auditors' report is located at the beginning of the financial section of the ACFR.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and the two should be read in conjunction with each other.

REPORTING ENTITY

This report includes all funds of the City including its component units. Component units are legally separate entities for which the City is financially accountable but are not part of the City's operations. The Allen Economic Development Corporation (AEDC) and Allen Community Development Corporation (ACDC) are included in the financial statements as discreetly presented component units.

CITY PROFILE

The City of Allen is in Collin County, which is the 3rd fastest-growing county in the nation. Collin County's population, 1,195,359 in 2023 and is expected to reach 2.4 million by 2050. Located 25 miles north of downtown Dallas on US 75, Allen encompasses approximately 27 square miles. The George Bush Tollway and Sam Rayburn Tollway (Hwy 121) provide direct access into the Metroplex and access to Love Field (27 miles) and Dallas Ft Worth International Airport (31 miles). The City of Allen sits in a prime location for restaurants, shopping centers and other retail venues. The quality of the City's community attracts well-

educated residents with a high level of spending power and disposable income. Allen’s population reached 113,885 residents in 2023, more than doubling from just over 45,000 in the year 2000 and is projected to reach approximately 140,000 at build-out.

Incorporated in 1953, Allen is a home rule charter city. The Charter can be amended only by a vote of the people and provides for seven non-partisan Council members, including the Mayor, to be elected at-large to staggered terms of three years. The Council is responsible for enacting ordinances, resolutions, and regulations governing the City as well as adopting the annual budget which serves as the foundation for financial planning and control. The City Council appoints the City Manager, who has full responsibility for carrying out Council policies and administering city operations. The Council also appoints the Municipal Judge and various advisory boards.

City service departments provide a full range of services including police and fire protection, emergency ambulance service, municipal courts, building code enforcement, library, parks and recreation, tourism, water and sewer services, sanitation/solid waste services, traffic engineering, and construction and maintenance of streets and infrastructure. The City currently has a staff of 957.17 full time equivalent employees.

ECONOMIC CONDITIONS AND OUTLOOK

Regional Economy

The Dallas-Fort Worth area has an incredibly diversified economy, an extremely low unemployment rate, a growing labor force, low cost of living, affordable real estate, and a superior business climate. The City of Allen’s unemployment rate as of September 2024 was 3.4%, and the Collin County unemployment rate was 3.5% -- both of which were below the national rate of 4.1%. Allen has increasingly become a home for highly educated, high-income professionals, yet maintains a welcoming spirit for people and families from all stations of life. The median household income in Allen was \$129,130 in 2023, and over 56% of the City’s residents have earned a bachelor’s degree or higher.

Allen’s Position in the Region

Along with being situated in an ideal location just 12 miles north of Dallas on US 75, Allen’s appealing demographics have spurred along record-breaking growth. The population of 113,885 is expanding at a moderate growth rate. Allen is a community that offers exceptional housing, award-winning schools, steady job growth, and a dynamic business climate, all of which are strong factors in the success of the City’s economy.

Allen is a vibrant city with award winning amenities. The pro-business environment and superior quality of life come together to empower Allen’s residents and businesses to achieve higher levels of success. This unique combination has received national recognition, including Wallet Hub ranking Allen the 2nd best real-estate market in America. (2022 and 2024)

Long Range Financial Planning

The City's responsiveness to emerging economic challenges and its long-term planning have been key factors in its fiscal health. The City has a five-year financial plan and a seven-year capital improvement plan where departments reevaluate project priorities, review funding sources, and identify new projects as needed. Using this plan allows the City to plan the timing of projects associated with debt issuance and the effects on the tax rate. The ratings on the City's General Obligation debt were reaffirmed at AAA by Standard and Poor's and Aaa by Moody's. The Water and Sewer Revenue Bonds are rated 'AAA' from Standard and Poor's and Aaa from Moody's. S&P's recent rating report supporting the 'AAA' rating stated the following credit factors:

- Very strong economy
- Very strong management with strong financial policies and practices
- Very strong budgetary flexibility and strong budgetary performance
- Very strong liquidity
- Adequate debt and contingent liability position
- Strong institutional framework score.

The City held a Bond Election in November of 2023 for \$156.5 Million. There were five propositions on the ballot and but for one proposition, all were approved by the voters. The four propositions that passed are for public improvements. Of this amount authorized by the voters, the City issued \$89 Million for street improvements and a new Police Headquarters in the current year.

Fiscal Year 2024 Highlights

During fiscal year 2024, the City accomplished many initiatives to enhance livability, to improve personal experience, to invest in the future, and to celebrate the successes. From quality neighborhoods to park development, to community safety, and to environmental initiatives, it's no surprise that people move here to experience the quality of life the citizens of Allen enjoy.

The City continues to meet the growing diversity of residents by adding a variety of housing types: single-family homes, townhomes, and multifamily units. Single-family and townhome revenue activity represent the predominant revenue sources. Permit activity for commercial and mixed-use development showed the greatest revenue across all development types, due largely to the development activity in the Watters Creek District and The Farm, a mixed-use development.

The City has an overall crime rate of 10 per 1,000 residents compared to other communities of similar population size, the City has a crime rate that is one of the lowest in the nation. According to Homesnacks list of Safest Cities in America for 2024, Allen ranks 5th, among lists of the safest cities with a population exceeding 100,000 residents. Regarding violent crimes, Neighborhood Scout's research shows that Allen's violent crime rate is 1.15 per 1,000 inhabitants, which is well below the national average for all communities of all population sizes.

The Fire Department is committed to advancing emergency services and care for its citizens and visitors. Recent accomplishments include updating medical treatment protocols to reflect the latest in-patient care

and expanding professional development programs for staff. The department has enhanced its training capabilities with the launch of the ARIES simulation platform, offering state-of-the-art virtual environments for high-stress incident training. Community education efforts have grown through programs like Drive to Thrive, which promotes safety and risk reduction. Construction of Fire Station #6 has been completed, increasing response capabilities in the community. Additionally, interoperability with neighboring departments has strengthened through joint training and resource sharing, enhancing regional response coordination.

The City's public works activities continued to support community needs in 2024. In Water and Sewer Operations, the City completed fielding its Advanced Meter Infrastructure (AMI) system to 24,000 customers. This system provides the capability for data-driven water use analysis and the proactive detection of water leaks for all customers. The water system also installed two Residual Control Systems at elevated water towers. These systems optimize chloramine disinfectant levels to prolong water life and avoid over 200 million gallons of water line flushing annually. The City's oldest pump station was also completely refurbished with new controls, pumps, and an additional auxiliary generator. The engineering department also began a project to replace the water lines and concomitantly replace the asphalt road in two old subdivisions. Water and sewer system maintenance and capital improvements are optimally funded. This is accomplished while the City's fees for customers continues to be among the lowest few of thirteen local comparison cities. Road maintenance and replacement was funded and proceeded in accordance with the road condition assessment study. The City continued to support citizen focused solid waste and drainage services. The Solid Waste and Drainage enterprise funds operate at costs to citizens that are the lowest of the five similar comparison cities that are proximate to Allen.

Environmentally focused public activities continued to be a priority for the community and residents of the City. Environmental education opportunities were provided to homeschoolers, our local public and private schools, scouts, and youth camps. The City was able to provide 50 programs to 3,125 children and adults. Various Keep Allen Beautiful (KAB) Board youth contests and award ceremonies were conducted before the Allen City Council at Regular City Council meetings. Our franchised waste services provider, Community Waste Disposal, continued to support all residential and commercial waste and recycling activities including the major KAB events like Great American Clean Up, the City's "Allen USA" Independence Day Celebration, and Allen Recycles Day. KAB and the City continue to be recognized by Keep Texas Beautiful as a Gold Star Affiliate and Sustained Excellence Award Winner. KAB has won the Keep Texas Beautiful Governor's Community Achievement award a total of three times. This state level award recognizes the City for sponsoring the best in public environmental education activities among Texas cities with a population like Allen's.

The Allen Public Library continues to provide a vibrant, welcoming environment for Allen citizens with an emphasis on exemplary customer service and support for lifelong learning, literacy, access to information, and bringing the community closer together. Physical books and videos remain popular among patrons of all ages. The Library's annual circulation has exceeded one million for ten consecutive years and was recognized by the Texas Municipal Library Directors Association for the tenth consecutive year for Achievement of Library Excellence.

In 2024, Allen Parks and Recreation made significant progress in achieving its mission of creating meaningful LIFE experiences. A major milestone was the grand opening of the Stephen G. Terrell Recreation Center, a 149,000-square-foot facility offering diverse fitness and leisure amenities for all ages. In its first

partial year of operations, the center exceeded expectations by surpassing both membership and revenue goals, reflecting the community's enthusiasm for this state-of-the-art addition.

The department also advanced several key parks and trail projects. A highlight was the launch of "Reimagining Ford Park," a master planning process focused on redeveloping one of Allen's oldest and most-used parks. Community engagement was a vital component, with residents contributing ideas through public events and surveys. Another significant accomplishment was the June 2024 opening of The Bark Yard, a highly anticipated dog park that features unique and interactive Public Art installations. Additionally, the department secured further grant funding for the Rowlett Creek Trail expansion, a project with a total budget of \$8 million and a construction start date planned for late 2025. There were many other accomplishments achieved during the year as well.

The Allen Economic Development Corporation (AEDC) worked to bring a variety of companies and related development to Allen. There were many successes this past year with the development along the City's northern boundary with the establishment of a new tax increment reinvestment zone for a large mixed-use development and several land transactions that will further economic development opportunities.

One of the City's major draws, The Credit Union of Texas Event Center. The Center hosts a wide variety of activities including shows, concerts, exhibitions, contests, athletic competitions, cultural events, trade shows, as well as civic ceremonies and activities. The Event Center is also the home to professional sports; the Allen American Hockey Club (ECHL), and the Dallas Sidekicks Soccer Club (MASL). The Center celebrated its 14th anniversary in November 2024.

Relevant Financial Policies

The City's financial policies and practices set forth the basic framework for the fiscal management of the City. The policies and procedures were developed within the parameters established by applicable provisions of the Texas Local Government Code, the City of Allen charter, and internal management laws, and are reviewed on a periodic basis. The Investment Policy is also approved annually by the Council. All other policies (accounting, budgeting, procurement, capital improvements, asset management, and risk management) are internal policies approved by the Finance department and City Manager. On a quarterly basis, the Finance Department prepares financial and investment reports that are presented to the City Council.

Budget Controls

By August 10 of each year the City Manager shall prepare and submit the budget for the ensuing year to the City Council. The budget is to include revenues and expenditure associated with the plan. City Council is required to have a public hearing on the budget or annual service plan. After the hearing City Council is to discuss, deliberate, amend the proposed budget as appropriate and shall at least by the second City Council meeting in September prior to the beginning of the next fiscal year, adopt by favorable majority. There are extended technical provisions that could require a super majority vote for the passage of the budget.

Internal Control

Management of the City, through its Finance Department, is responsible for the implementation, maintenance, and monitoring of a set of comprehensive internal controls. The goal of the City's system of internal control is to limit opportunity for theft, fraud, or abuse by ensuring adequate separation of duties and systematic monitoring with a positive control environment set at the top of the organization. The internal control structure is designed to provide reasonable assurance that these objectives are met. 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 valuation of costs and benefits requires estimates and judgments by management.

AWARDS AND ACKNOWLEDGEMENTS

Awards -- The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Allen for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. Fiscal year 2023 was the twenty-sixth consecutive year for which the City has achieved this prestigious award. To be awarded a Certificate of Achievement for Excellence in Financial Reporting, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current ACFR 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.

The City also received the GFOA's Award for Distinguished Budget Presentation for its annual program of services dated October 1, 2023. This is the twenty-fourth consecutive year the City has received the award. To qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy document, financial plan, operations guide, and communications device.

Acknowledgements – We would like to express our sincere gratitude to City's personnel who contributed to the production of this report, especially the accounting division. Appreciation is expressed to representatives of Weaver, LLP, for their invaluable assistance in producing the final document, and to the City Manager's office and the members of the City Council, whose leadership and commitment are vital to the health and vitality of the City of Allen.

Respectfully submitted,



Eric Ellwanger
City Manager





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Allen
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

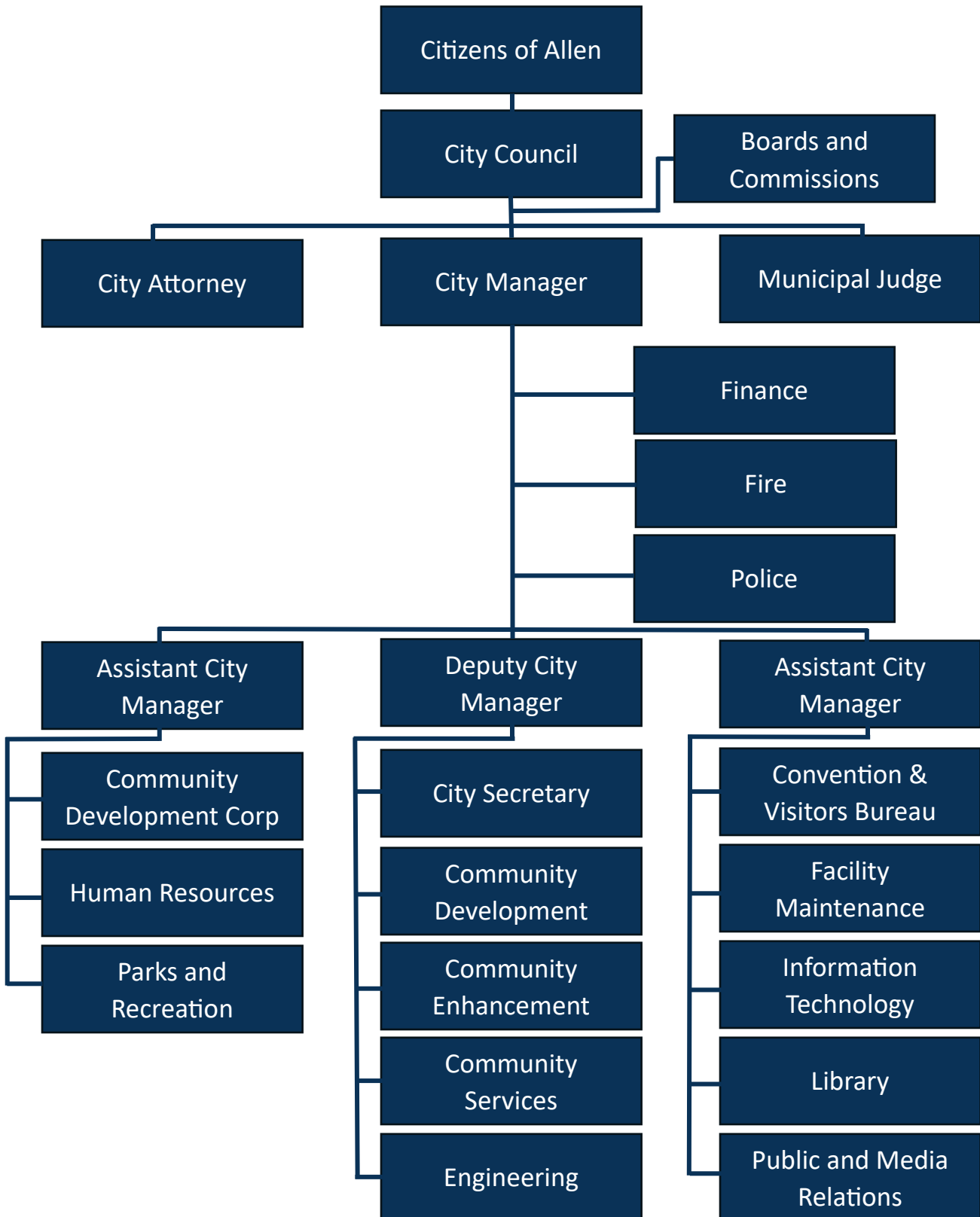
September 30, 2023

Christopher P. Morrill

Executive Director/CEO

CITY OF ALLEN, TEXAS

ORGANIZATIONAL CHART



**CITY OF ALLEN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL (ELECTED)

Mayor	Baine Brooks
Mayor Pro Tem, Place No. 6	Ben Trahan
Councilmember, Place No. 1	Michael Schaeffer
Councilmember, Place No. 2	Tommy Baril
Councilmember, Place No. 3	Ken Cook
Councilmember, Place No. 4	Chris Schulmeister
Councilmember, Place No. 5	Carl Clemencich

MANAGEMENT STAFF AND DIRECTORS

City Manager (appointed)	Eric Ellwanger
Deputy City Manager	Eric Strong
Assistant City Manager	Tim Dentler
Assistant City Manager	Rebecca Vice
City Secretary	Shelley George
Chief Financial Officer	Pete Phillis
Chief Information Officer	Eric Matthews
Municipal Court Judge (appointed)	Cynthia Gore
Fire Chief	Jon Boyd
Police Chief	Steve Dye
Director of Economic Development Corporation	Dan Bowman
Director of Community Development Corporation	Jason Cooley
Director of Community Services	Steve Massey
Director of Engineering	Chris Flanigan
Director of Community Development	Marc Kurbansade
Director of Community Enhancement	Lee Battle
Director of Human Resources	Cheree Bontrager
Director of Parks and Recreation	Kate Meacham
Director of Public and Media Relations	Chelsey Aprill
Director of the Convention & Visitors Bureau	Brandy O'Keefe
Director of the Library	Jeff Timbs

Financial Section



Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Allen, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Allen, Texas (City) as of and for the year ended September 30, 2024, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 the City 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

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

Supplementary 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 budgetary comparison schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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 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. The 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 GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 20, 2025, 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P

Dallas, Texas
February 20, 2025



Management's Discussion and Analysis

As management of the City of Allen, 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, 2024.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources (net position) at September 30, 2024, by \$717,284,807. Of this amount, \$158,351,687 (22%) represented the unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$38,110,357. Out of this, \$13,335,485 is from governmental activities and \$24,774,872 is from business-type activities.
- On a government-wide basis, the City's total assets increased by \$105,049,430 or 12% and total liabilities increased by \$58,292,803 or 23%.
- As of September 30, 2024, the City's governmental funds reported combined ending fund balances of \$201,946,760, an increase of \$76,870,797 or 61% in comparison to the previous year. As of September 30, 2024, \$34,260,644 or 17% of the fund balance, is available for spending at the government's discretion (unassigned fund balance).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner like that of a private-sector business.

The Statement of Net Position presents information on all the City's assets, deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, other non-financial factors should also be taken into consideration, such as changes in the City's property tax base and the condition of the City's infrastructure.

The Statement of Activities presents information that shows how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event that gives rise to the change occurs, regardless of the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused compensated absences). Both the Statement of Net Position and the Statement of Activities are prepared utilizing the accrual basis of accounting.

In the government-wide financial statements, on pages 35 through 37, the City is divided into three kinds of activities:

- **Governmental activities** - Most of the City's basic services are reported here, including the police, fire, library, community development, parks and recreation, municipal court, and general administration. Property and sales taxes, charges for services, franchise fees, and state and federal grants finance most of these activities.
- **Business-type activities** - The City's water, sewer, solid waste, drainage, golf course, and Allen event center operations are reported here. These are functions intended to recover all or a significant portion of their costs through user fees and charges.
- **Component units** - The City includes two separate legal entities in this report: the Allen Economic Development Corporation (AEDC) and the Allen Community Development Corporation (ACDC). Although legally separate, these component units are important because the City is financially accountable for them.

Fund financial statements. A fund is a grouping of related accounts 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. The funds of the City can be divided into two categories: governmental and proprietary.

Governmental Funds. These funds are used to account for most of the City's activities, which are essentially the same functions as governmental activities in the government-wide 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 resources available for future spending at fiscal year-end. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. When compared with similar information in the broader government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliation is provided, which details the relationships or differences between governmental activities and governmental funds; reconciliation follows the fund financial statements.

The City maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, General Capital Projects Fund, and General Obligation Bond Fund, all of which are major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 36 through 45 of this report.

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, solid waste collection and disposal services, drainage operations, golf course and event center operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for vehicle, machinery, and equipment replacements, costs associated with workers compensation, liability and property insurance and employee medical and dental insurance programs, and costs associated with the maintenance of City facilities. These services have been included within governmental activities and

business-type activities in the government-wide financial statements as they provide benefit to both functions of the primary government.

Proprietary funds 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 water and sewer operations and other enterprise fund services are grouped into a single aggregated presentation in the proprietary fund statements as they do not meet the requirements to be classified as major funds. Individual nonmajor enterprise fund data is provided in the form of combining statements in another section of this report. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is also provided in the form of combining schedules elsewhere in this report. The basic proprietary fund financial statements are located on pages 47 through 51 of this report.

Notes to the Financial Statements. Additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements is provided in the notes to the financial statements located on pages 55 through 90 of this report.

Required Supplementary Information. Required supplementary information includes budgetary comparison schedules that have been provided for the general fund to demonstrate compliance with the budget. Required supplementary information also includes schedules of changes in net liabilities and related ratios and on contributions to the City's pension and other postemployment benefits (OPEB). The City participates in Texas Municipal Retirement System (TMRS) for its pension plan and provides its employees with post-retirement healthcare benefits (OPEB). The City also has a separate defined benefit retiree healthcare plan that is no longer adding new beneficiaries and will eventually terminate. The required supplementary information is found on pages 95 through 104 of this report.

The combining and budgetary schedules referred to earlier include information for nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and the discretely presented component units, and are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, over time net position may serve as a useful indicator of the financial position of a government. The assets and deferred outflows of the City of Allen exceed the liabilities and deferred inflows by \$717,284,807 at September 30, 2024.

By far the largest portion of the City's net position, \$529,858,623 or 74%, reflects its net investment in capital assets (i.e. land, buildings, infrastructure, vehicles, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City's net position, \$29,074,497 or 4%, represents resources that are subject to external restrictions on how those resources can be used. The remaining balance of \$158,351,687 (22%) is available to be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City reported a positive balance in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The net position for governmental activities and business-type activities are summarized as follows:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 252,210,622	\$ 182,460,034	\$ 99,098,303	\$ 81,731,599	\$ 351,308,925	\$ 264,191,633
Capital assets	506,322,303	492,207,665	154,414,704	150,597,204	660,737,007	642,804,869
Total assets	758,532,925	674,667,699	253,513,007	232,328,803	1,012,045,932	906,996,502
Deferred outflows of resources	20,441,056	28,117,426	3,035,514	4,127,809	23,476,570	32,245,235
Long-term liabilities	260,251,908	191,786,745	34,891,921	36,931,924	295,143,829	228,718,669
Other liabilities	15,824,078	21,269,923	5,669,874	8,356,386	21,493,952	29,626,309
Total liabilities	276,075,986	213,056,668	40,561,795	45,288,310	316,637,781	258,344,978
Deferred inflows of resources	1,393,046	1,558,993	206,868	163,316	1,599,914	1,722,309
Net position:						
Net investment in capital assets	404,047,053	389,804,091	125,811,570	122,533,611	529,858,623	512,337,702
Restricted	26,737,949	22,260,823	2,336,548	2,634,465	29,074,497	24,895,288
Unrestricted	70,719,947	76,104,550	87,631,740	65,836,910	158,351,687	141,941,460
Total net position	\$ 501,504,949	\$ 488,169,464	\$ 215,779,858	\$ 191,004,986	\$ 717,284,807	\$ 679,174,450

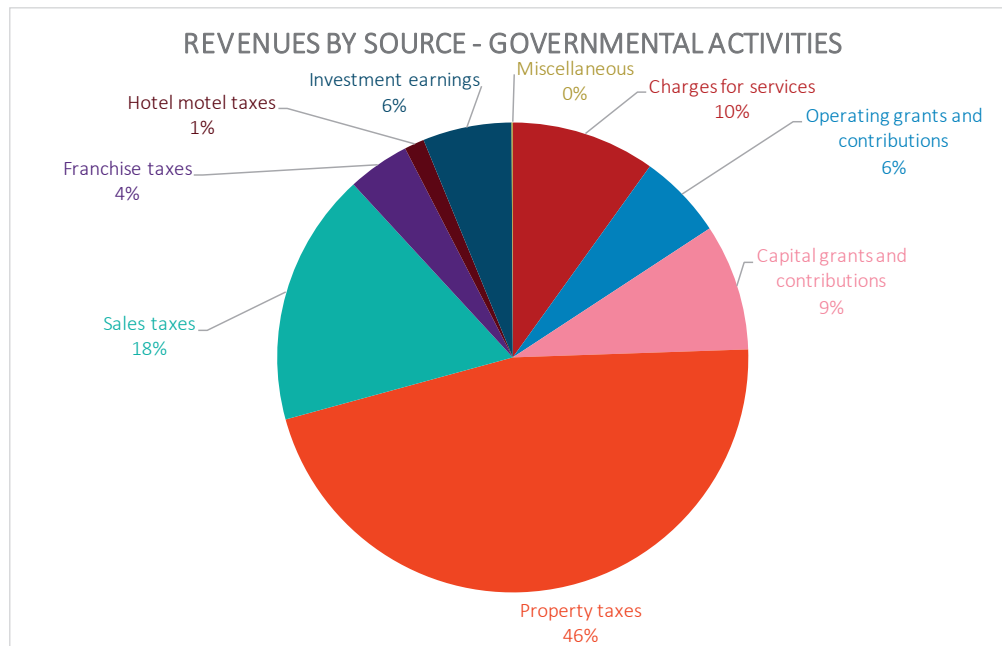
As of September 30, 2024, the City had an overall increase in net position of \$38,110,357 for the primary government, which represents an increase of \$13,335,485 for governmental activities and an increase of \$24,774,872 for business-type activities. Details are in Table 2 as listed below.

Table 2
Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 17,899,679	\$ 11,516,145	\$ 101,385,132	\$ 86,317,673	\$ 119,284,811	\$ 97,833,818
Operating grants and contributions	10,617,394	3,639,508	-	-	10,617,394	3,639,508
Capital grants and contributions	15,764,984	1,675,949	7,014,220	4,267,362	22,779,204	5,943,311
General revenues						
Property taxes	83,821,874	76,465,116	-	-	83,821,874	76,465,116
Sales taxes	31,547,688	29,480,960	-	-	31,547,688	29,480,960
Franchise taxes	7,735,536	7,573,389	-	-	7,735,536	7,573,389
Hotel motel taxes	2,481,874	2,382,951	-	-	2,481,874	2,382,951
Investment earnings (loss)	11,035,616	8,614,384	2,853,701	2,238,213	13,889,317	10,852,597
Miscellaneous	162,288	11,688,618	2,600,635	1,075,923	2,762,923	12,764,541
Total revenues	181,066,933	153,037,020	113,853,688	93,899,171	294,920,621	246,936,191
Expenses						
General government	36,583,521	29,565,683	-	-	36,583,521	29,565,683
Public safety	67,135,182	57,988,034	-	-	67,135,182	57,988,034
Public works	29,858,727	27,241,203	-	-	29,858,727	27,241,203
Culture and recreation	31,337,978	29,952,582	-	-	31,337,978	29,952,582
Community development	6,470,480	6,731,357	-	-	6,470,480	6,731,357
Interest on long-term debt	4,022,874	4,966,234	-	-	4,022,874	4,966,234
Water and sewer	-	-	57,160,608	54,520,345	57,160,608	54,520,345
Solid waste services	-	-	7,725,311	7,563,726	7,725,311	7,563,726
Drainage	-	-	1,808,497	1,588,923	1,808,497	1,588,923
Golf course	-	-	4,579,932	4,267,842	4,579,932	4,267,842
Allen event center	-	-	10,127,154	9,442,654	10,127,154	9,442,654
Total expenses	175,408,762	156,445,093	81,401,502	77,383,490	256,810,264	233,828,583
Change in net position before transfers	5,658,171	(3,408,073)	32,452,186	16,515,681	38,110,357	13,107,608
Transfers	7,677,314	5,712,575	(7,677,314)	(5,712,575)	-	-
Change in net position	13,335,485	2,304,502	24,774,872	10,803,106	38,110,357	13,107,608
Net position, beginning of year	488,169,464	485,864,962	191,004,986	180,201,880	679,174,450	666,066,842
Net position, end of year	<u>\$ 501,504,949</u>	<u>\$ 488,169,464</u>	<u>\$ 215,779,858</u>	<u>\$ 191,004,986</u>	<u>\$ 717,284,807</u>	<u>\$ 679,174,450</u>

Governmental Activities

Revenues – The following chart visually illustrates the City’s revenue by sources for governmental activities:



Revenues for the City’s governmental activities totaled \$181,066,933, an increase of \$28,029,913 (18%) from prior year. Major components of revenue increases and decreases are explained as follows:

- Property taxes increased by \$7,356,758 (10%), due to an increase in assessed value and new property additions.
- Sales taxes increased by \$2,066,728 (7%), as a result of better than expected economic conditions, the City of Allen is largely dependent upon retail sales. Consumers purchased more goods than expected.
- Franchise taxes increased by \$162,147 (2%), due to new growth in the City.
- Hotel motel taxes increased by \$98,923 (4%), as a result of increased tourism.
- Charges for services increased by \$6,383,534 (55%) primarily due to the opening of the Steven G. Terrell Recreation Center. The City has also seen a significant increase in fines revenues during the fiscal year.
- Operating grants and contributions increased by \$6,977,886 (192%), due in large part to a reclassification of revenues previously classified as miscellaneous. These revenues were in large part non-grant intergovernmental revenues.
- Capital grants and contributions increased by \$14,089,035 (841%) with an increase of construction activity in the City causing an increase in developer contributions.
- Investment earnings increased by \$2,421,232 (28%) over prior year, as a result of higher interest rates and an increase in fair market values of investments during fiscal 2024.
- Miscellaneous revenues decreased by \$11,526,330 (99%) from prior year as a result of efforts to more properly classify reimbursement revenues based on source. The majority of these revenues were reclassified as charges for services and operating grants and contributions.

Expenses for governmental activities totaled \$175,408,762, an increase of \$18,963,669 (8%) from fiscal year 2023. Components of increases and decreases are explained as follows:

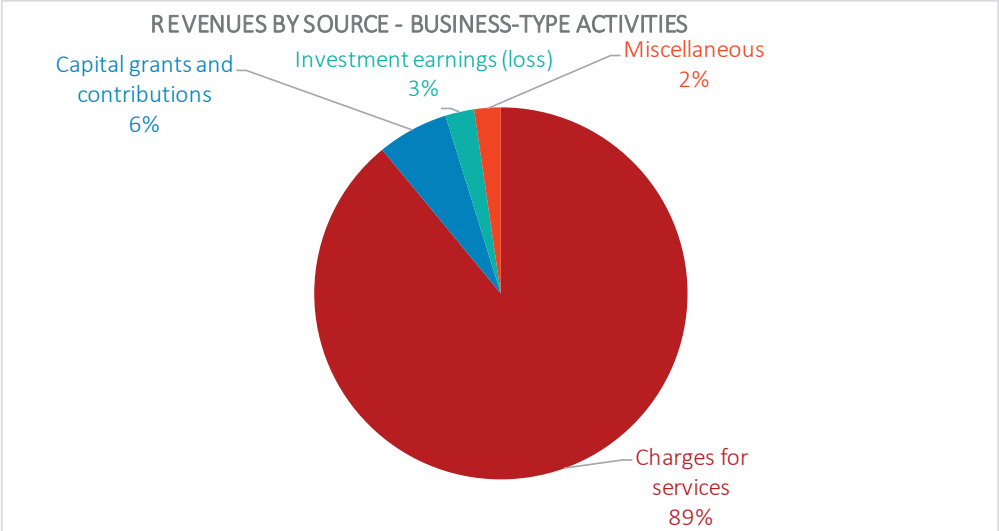
- Expenses for General Government increased by \$7,017,838 (24%), due primarily to the City’s strategic goal of contributing more reserve funding to its Facility Maintenance internal service fund.
- Expenses for Public Safety increased by \$9,147,148 (14%), due primarily to the scheduled salaries market adjustment for both Fire and Police departments and the expense of contributing to the internal service fund for equipment replacement.
- Expenses for Public Works increased by \$2,617,524 (10%), because the City is completing its bond program. The increase can also be attributed to the large portion of depreciation allocated to public service for improvements to City infrastructure.
- Expenses for Culture and Recreation increased by \$1,385,396 (5%), due to it being the first full fiscal year of operating costs to the Steven G. Terrell Recreation Center.
- Expenses for Community Development decreased \$260,877 (4%) due mostly to decreases in Community Development Block Grant (CDBG) projects.

Business-type Activities

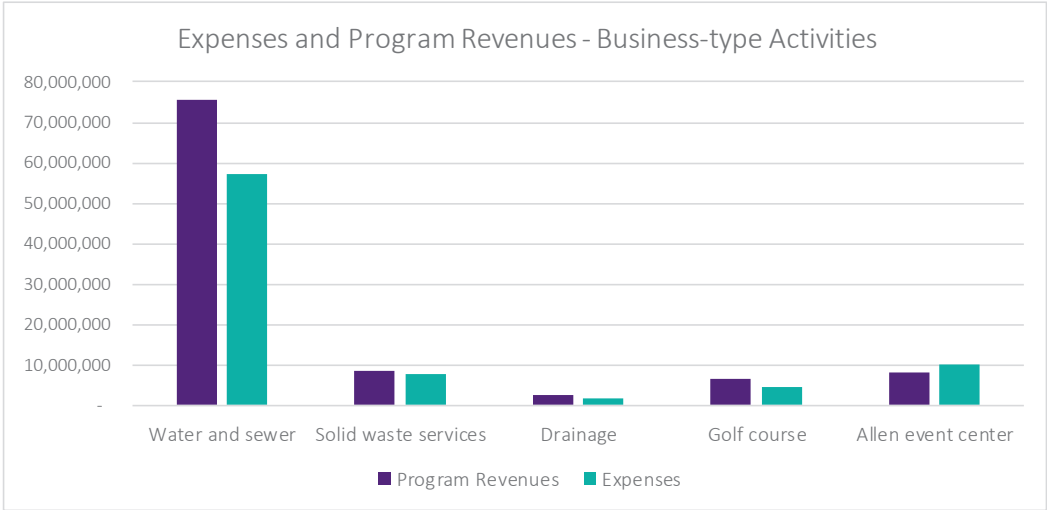
Revenues from business-type activities totaled \$113,853,688, an increase of \$19,954,517 , or 21%. Major components of the net increase are as follows:

- Charges for services for business-type activities increased by \$15,067,459 (17%), due to an increase in water and sewer rates and a very dry summer.
- Capital grants and contributions increased by \$2,746,858 (64%) over fiscal 2023 due to an increase in developer contributions.
- Miscellaneous revenues increased by \$1,524,712 (142%) due to revenue from interlocal agreements.

The following chart visually illustrates the City’s revenue by sources for business-type activities:



Expenses for business-type activities increased by \$4,018,012, or 5%. The increase was due to an increase in cost of services and supplies. The following chart illustrates the relationship between expenses and program revenues for business-type activities:



FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

Governmental Funds

The focus of the City of Allen’s governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City’s measure of a government’s net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the governmental funds reported a combined ending fund balance of \$201,946,760, an increase of \$76,870,797 or (61%) in comparison with the prior fiscal year. Approximately 17%, or \$34,260,644, constitutes unassigned fund balance, which is available for spending at the government’s discretion. The remaining fund balances are classified as non-spendable, restricted, or assigned to indicate that they are not available for new spending allocation. The non-spendable portion totals \$36,946 for both prepaid items and inventories. The restricted portion includes: \$4,388,795 restricted for debt service, \$112,630,874 restricted for capital expenditures, \$2,605,761 restricted for tourism, \$14,752,338 restricted for tax increment financing agreements, and \$4,851,043 restricted for other purposes detailed in the basic financial statements and notes to the financial statements. In addition, \$26,437,292 was assigned to capital expenditures and \$1,983,067 to neighborhood reinvestment.

General Fund. The General Fund is the chief operating fund of the City. As of the end of the current fiscal year, the total unassigned fund balance was \$34,260,644, while the total fund balance was \$34,368,679. As a measure of the general fund’s liquidity, it may be useful to compare unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 26% or 3 months of total General Fund expenditures.

The original budget included a planned balanced budget with no change in fund balance. However, the General Fund balance increased by \$1,820,566 or 6% during the current fiscal year. This was the result of actual revenues significantly exceeding budgeted revenues, especially in investment earnings, licenses, charges for services, and fines and forfeitures. A favorable investment activity in local government

investment pools contributed to investment earning more than \$2 Million over prior year and budgeted amounts. The General fund had expenditures in excess of appropriations in the general government and public safety functions due to additional contributions to the City's facility maintenance internal service fund and higher than expected personnel costs. These overages did not cause the City to go over total budget appropriations of \$299.6 Million City-wide and therefore did not cause an excess of expenditures over appropriations at the legal level of budgetary control.

Debt Service Fund. The Debt Service Fund balance of \$4,388,795, all of which is restricted for the payment of debt, represents an increase from the prior year of \$450,758 (11%). The increase was primarily related to the refunding of a portion of General Obligation Bonds, Series 2013 and Series 2014.

Capital Projects Fund. The General Capital Projects Fund provides information on cash financed capital projects and had an ending fund balance of \$28,420,359 at September 30, 2024, a decrease of \$1,384,967 (5%). The decrease was caused by the use of fund balance for capital projects.

General Obligation Bond Fund. The General Obligation Bond Fund had an ending fund balance of \$112,630,874, which represents an increase of \$72,159,567 (178%) from the prior year. The increase was due to the issuance of General Obligation Improvement and Refunding Bonds, Series 2024. The fund also had expenditures of \$18,391,878 for the purchase and construction of capital assets.

Proprietary Funds

The City's proprietary funds provide information like the presentation in the government-wide financial statements, but in more detail. As of September 30, 2024, the unrestricted net position for all enterprise funds were \$81,538,814, an increase of \$22,102,190 (34%) from prior year.

Water and Sewer Fund. The Water and Sewer Fund had an ending net position of \$197,791,974, which represents an increase in net position of \$15,922,310 (9%). This change was as a result of an increase in water and sewer rates.

GENERAL FUND BUDGETARY HIGHLIGHTS

During April and May each year, all accounts are evaluated to determine whether they are in line with the original budgets. Accounts that are under or over budget are revised in a mid-year adjustment to meet year-end final estimates. New projects are not added to the year-end estimate; only the cost of maintaining the current base operation is revised as needed. As is customary, during fiscal year ended September 30, 2024, the City Council amended the budget for the General Fund one time.

Adjustments made during fiscal year 2024 increased the original revenue budget by \$2,301,496 and increased the expenditure budget by \$3,760,897. Due to actual revenues over the revised budget by \$5,057,375, and expenditures being more than the revised budget by \$2,447,516 the City was able to increase the unassigned General Fund balance by \$1,820,567, after net transfers and other financing sources and uses. The unassigned fund balance of \$34,260,644 is equal to 24%, or 89 days of next year's operating budget.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, was \$660,737,007 (net of accumulated depreciation). Investment in capital assets includes land and

improvements, buildings, vehicles, machinery and equipment, park land and facilities, and roads and bridges. About 77% of the capital assets are governmental and 23% represent business-type activities. There was an increase of 3% in the investment in capital assets for the current fiscal year.

Table 3
Capital Assets at Year-end, Net of Accumulated Depreciation/Amortization

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 176,321,479	\$ 168,211,753	\$ 4,091,626	\$ 4,091,626	\$ 180,413,105	\$ 172,303,379
Construction in progress	79,372,216	69,476,814	18,605,322	28,553,669	97,977,538	98,030,483
Buildings	66,400,594	64,628,539	-	-	66,400,594	64,628,539
Towers, tanks, and pump stations	-	-	82,673,061	107,883,393	82,673,061	107,883,393
Intangibles	-	-	7,461,370	7,727,847	7,461,370	7,727,847
Other improvements	169,289,376	175,953,014	36,637,498	882,943	205,926,874	176,835,957
Furniture and fixtures	81,371	136,519	-	-	81,371	136,519
Vehicles	8,936,269	7,156,718	2,312,889	347,641	11,249,158	7,504,359
Machinery and equipment	5,920,998	6,644,308	2,632,938	1,110,085	8,553,936	7,754,393
Total	\$ 506,322,303	\$ 492,207,665	\$ 154,414,704	\$ 150,597,204	\$ 660,737,007	\$ 642,804,869

The major governmental-type capital improvement projects and developer contributions during the current fiscal year included the following:

Developer Contributed Street, Alley, and Right-of-Way	\$15,764,984
Fire Station #6	4,599,218
Allen Media Productions Center	1,232,668
Library Expansion – Phase II	2,135,462
Police Department Headquarters	1,633,939
Street construction:	
Ridgeview Dr – Chelsea to US-75	\$5,323,393
Highway Safety Improvement Project	778,378
Completed CIP Projects (not equal to current year expenditures)	
Traffic Signal Project	\$1,844,670
Collin County Community College District Gun Range	4,600,000
City Hall Waterproofing	389,336

Business-type capital improvement projects and developer contributions during the current fiscal year include the following:

Developer Contributed Water Mains and Sewer Lines	\$ 4,432,507
Stacy Road Pump Station Rehabilitation	796,767
Advanced Meter Infrastructure	837,123
Completed CIP Projects (not equal to current year expenditures)	
Windridge 1&2 Water and Sewer Rehabilitation	\$6,006,554
Tank Repaint Stacy & Bethany	1,275,791
24" Waterline Sloan Creek	4,859,838

Additional information on the City's capital assets can be found in Note 3-C of this report.

DEBT ADMINISTRATION

As shown in Table 4, the City's total outstanding long-term liabilities of the primary government at September 30, 2024, was \$295,143,829. This includes gross bonded debt of \$237,774,448 and other long-term debt of \$57,369,381. Gross bonded debt includes general obligation bonds, certificates of obligation, revenue bonds, sales tax revenue bonds, tax notes, and premiums and discounts on gross bonded debt. Other long-term debt includes accrued compensated absences, net pension liability, total OPEB liability, leases, and financing arrangements. Outstanding debts associated with the component units totaled \$24,443,687. Out of which, \$24,225,000 are secured by future sales tax revenue; and \$218,687 are premiums and discounts from bond issuances.

Table 4
Outstanding Debt at Year-end
Bonds and Other Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government		Component Units	
	2024	2023	2024	2023	2024	2023	2024	2023
Gross bonded debt								
General obligation bonds	\$ 169,025,000	\$ 100,895,000	\$ -	\$ -	\$ 169,025,000	\$ 100,895,000	\$ -	\$ -
Certificates of obligation	19,550,000	20,740,000	-	-	19,550,000	20,740,000	-	-
Revenue bonds payable	-	-	24,180,000	25,825,000	24,180,000	25,825,000	-	-
Premiums and discounts	20,988,725	13,394,731	2,890,723	2,973,693	23,879,448	16,368,424	218,687	291,582
Sales tax revenue bonds	-	-	-	-	-	-	24,225,000	27,630,000
Tax notes	1,140,000	1,680,000	-	-	1,140,000	1,680,000	-	-
Total gross bonded debt	210,703,725	136,709,731	27,070,723	28,798,693	237,774,448	165,508,424	24,443,687	27,921,582
Other long-term debt								
Compensated absences	9,428,600	8,709,800	1,286,610	1,169,170	10,715,210	9,878,970	-	-
Net pension liability	37,675,672	44,094,117	5,594,881	6,582,950	43,270,553	50,677,067	-	-
Total OPEB liability	1,649,539	1,448,322	244,959	216,225	1,894,498	1,664,547	-	-
Leases	794,372	824,775	662,774	117,372	1,457,146	942,147	-	-
Financing arrangements	-	-	31,974	47,514	31,974	47,514	-	-
Total other long-term debt	49,548,183	55,077,014	7,821,198	8,133,231	57,369,381	63,210,245	-	-
Total	\$ 260,251,908	\$ 191,786,745	\$ 34,891,921	\$ 36,931,924	\$ 295,143,829	\$ 228,718,669	\$ 24,443,687	\$ 27,921,582

During fiscal year 2024, the City issued General Obligation Improvement and Refunding Bonds in the amount of \$84,455,000.

The revenue bond debt for both component units relates to debt issued to support public infrastructure improvements, land acquisition, and construction of the Allen Event Center. Total debt of the Component Units decreased by 12%.

The underlying credit ratings from both Moody's Investors Service and Standard and Poor's for the City's and Component Unit Bond types are shown below in Table 5. Additional information on the City's long-term debt can be found in Note 5 to the basic financial statements.

Table 5
Bond Ratings

	Moody's Investors Service	Standard & Poor's
General Obligation Bonds	Aaa	AAA
Certificates of Obligation	Aaa	AAA
Water & Sewer Revenue Bonds	n/a	AAA
CDC Sales Tax Revenue Bonds	Aaa	
EDC Sales Tax Revenue Bonds	Aaa	

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City of Allen, Texas continues to be financially strong. Although the economy is the primary factor, the City's elected and appointed officials considered many factors when setting the fiscal year 2025 budget, tax rates and fees that will be charged for the business-type activities. The priority for fiscal year 2025 continues to be maintaining quality service while observing prudent spending practices. Highlights of the 2025 budget include:

- Balanced budget, with total revenues equal to total expenditures
- Property tax rate reduced to \$0.4175 per \$100 assessed value
- Total City budget \$348.8 million
- General Fund budget \$141 million
- Sustained funding for equipment and facilities improvements
- Additional 20 full-time equivalent (FTE) positions

REQUEST FOR INFORMATION

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 information, please contact the Finance Department at 305 Century Parkway, Allen, Texas, 75013, or call (214) 509-4626.





Basic Financial Statements



City of Allen, Texas
Statement of Net Position
As of September 30, 2024

	Primary Government			Allen Economic Development Corporation	Allen Community Development Corporation
	Governmental Activities	Business-Type Activities	Total		
ASSETS					
Cash and cash equivalents	\$ 186,472,845	\$ 46,368,982	\$ 232,841,827	\$ 12,480,544	\$ 14,733,870
Investments	55,688,062	18,930,257	74,618,319	5,181,009	14,277,060
Receivables (net of allowance for uncollectibles)	9,364,736	22,280,056	31,644,792	2,396,101	2,434,955
Intergovernmental receivable	425,722	-	425,722	-	-
Prepaid items	229,000	-	229,000	5,000	-
Inventories	30,257	101,950	132,207	-	-
Restricted cash and cash equivalents	-	11,417,058	11,417,058	-	-
Land held for sale	-	-	-	41,819,020	-
Capital assets:					
Non-depreciable assets	255,693,695	22,696,948	278,390,643	-	15,871,514
Depreciable assets (net of accumulated depreciation/amortization)	250,628,608	131,717,756	382,346,364	727,966	38,305,997
TOTAL ASSETS	<u>758,532,925</u>	<u>253,513,007</u>	<u>1,012,045,932</u>	<u>62,609,640</u>	<u>85,623,396</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pension	20,095,876	2,984,258	23,080,134	-	-
Deferred outflows of resources - OPEB	345,180	51,256	396,436	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>20,441,056</u>	<u>3,035,514</u>	<u>23,476,570</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Accounts payable	9,398,602	1,889,704	11,288,306	112,781	1,210,794
Accrued liabilities	3,337,691	440,284	3,777,975	26,583	9,539
Accrued interest payable	697,841	307,360	1,005,201	20,336	38,190
Customer deposits	2,850	1,090,286	1,093,136	-	-
Unearned revenue	952,897	1,196,632	2,149,529	-	-
Retainage payable	1,434,197	745,608	2,179,805	-	63,509
Non-current liabilities:					
Due within one year	15,001,040	1,835,457	16,836,497	1,580,000	1,935,000
Total OPEB liability - current	31,316	4,646	35,962	-	-
Due in more than one year	205,925,657	27,216,624	233,142,281	5,888,687	15,040,000
Net pension liability	37,675,672	5,594,881	43,270,553	-	-
Total OPEB liability	1,618,223	240,313	1,858,536	-	-
TOTAL LIABILITIES	<u>276,075,986</u>	<u>40,561,795</u>	<u>316,637,781</u>	<u>7,628,387</u>	<u>18,297,032</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - pension	710,074	105,447	815,521	-	-
Deferred inflows of resources - OPEB	682,972	101,421	784,393	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,393,046</u>	<u>206,868</u>	<u>1,599,914</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	404,047,053	125,811,570	529,858,623	727,966	36,343,888
Restricted for:					
Debt service	3,763,246	2,336,548	6,099,794	2,253,259	2,376,477
Net OPEB Asset	765,561	-	765,561	-	-
Tourism	2,605,761	-	2,605,761	-	-
State and federal grants	238,514	-	238,514	-	-
Park acquisition and development	1,928,355	-	1,928,355	-	-
Tax increment financing	14,752,338	-	14,752,338	-	-
Other purposes	2,684,174	-	2,684,174	-	-
Unrestricted	70,719,947	87,631,740	158,351,687	52,000,028	28,605,999
TOTAL NET POSITION	<u>\$ 501,504,949</u>	<u>\$ 215,779,858</u>	<u>\$ 717,284,807</u>	<u>\$ 54,981,253</u>	<u>\$ 67,326,364</u>

The notes to the financial statements are an integral part of this statement.

City of Allen, Texas
Statement of Activities
For the Year Ended September 30, 2024

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Functions/Programs:				
PRIMARY GOVERNMENT:				
Governmental activities:				
General government	\$ 36,583,521	\$ 2,502,305	\$ 5,126,486	\$ -
Public safety	67,135,182	2,811,849	2,220,974	-
Public works	29,858,727	1,903,232	266,057	15,764,984
Culture and recreation	31,337,978	7,116,231	246,105	-
Community development	6,470,480	3,566,062	2,757,772	-
Interest	4,022,874	-	-	-
Total governmental activities	<u>175,408,762</u>	<u>17,899,679</u>	<u>10,617,394</u>	<u>15,764,984</u>
Business-type activities:				
Water and sewer	57,160,608	75,772,356	-	7,014,220
Solid waste	7,725,311	8,511,164	-	-
Drainage	1,808,497	2,417,885	-	-
Golf course	4,579,932	6,685,903	-	-
Allen event center	10,127,154	7,997,824	-	-
Total business-type activities	<u>81,401,502</u>	<u>101,385,132</u>	<u>-</u>	<u>7,014,220</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 256,810,264</u>	<u>\$ 119,284,811</u>	<u>\$ 10,617,394</u>	<u>\$ 22,779,204</u>
COMPONENT UNITS				
Allen Economic Development Corporation	\$ 6,367,914	\$ -	\$ -	\$ -
Allen Community Development Corporation	10,519,628	-	-	-
TOTAL COMPONENT UNITS	<u>\$ 16,887,542</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:
Property taxes
Sales taxes
Franchise taxes
Hotel occupancy taxes
Unrestricted investment earnings
Gain on sale of capital assets
Miscellaneous
Transfers
Total general revenues and transfers

CHANGE IN NET POSITION
NET POSITION - 9/30/2023
NET POSITION - 9/30/2024

Net (Expense) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Allen Economic Development Corporation	Allen Community Development Corporation
\$ (28,954,730)	\$ -	\$ (28,954,730)	\$ -	\$ -
(62,102,359)	-	(62,102,359)	-	-
(11,924,454)	-	(11,924,454)	-	-
(23,975,642)	-	(23,975,642)	-	-
(146,646)	-	(146,646)	-	-
(4,022,874)	-	(4,022,874)	-	-
<u>(131,126,705)</u>	<u>-</u>	<u>(131,126,705)</u>	<u>-</u>	<u>-</u>
-	25,625,968	25,625,968	-	-
-	785,853	785,853	-	-
-	609,388	609,388	-	-
-	2,105,971	2,105,971	-	-
-	(2,129,330)	(2,129,330)	-	-
<u>-</u>	<u>26,997,850</u>	<u>26,997,850</u>	<u>-</u>	<u>-</u>
<u>\$ (131,126,705)</u>	<u>\$ 26,997,850</u>	<u>\$ (104,128,855)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (6,367,914)	\$ -
-	-	-	-	(10,519,628)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,367,914)</u>	<u>\$ (10,519,628)</u>
83,821,874	-	83,821,874	-	-
31,547,688	-	31,547,688	15,528,579	15,528,579
7,735,536	-	7,735,536	-	-
2,481,874	-	2,481,874	-	-
11,035,616	2,853,701	13,889,317	750,805	1,340,736
-	9,650	9,650	-	5,231
162,288	2,590,985	2,753,273	710,068	41,279
<u>7,677,314</u>	<u>(7,677,314)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>144,462,190</u>	<u>(2,222,978)</u>	<u>142,239,212</u>	<u>16,989,452</u>	<u>16,915,825</u>
13,335,485	24,774,872	38,110,357	10,621,538	6,396,197
<u>488,169,464</u>	<u>191,004,986</u>	<u>679,174,450</u>	<u>44,359,715</u>	<u>60,930,167</u>
<u>\$ 501,504,949</u>	<u>\$ 215,779,858</u>	<u>\$ 717,284,807</u>	<u>\$ 54,981,253</u>	<u>\$ 67,326,364</u>

The notes to the financial statements are an integral part of this statement.

City of Allen, Texas
Balance Sheet - Governmental Funds
September 30, 2024

	General	Debt Service	General Capital Projects
ASSETS			
Cash and cash equivalents	\$ 13,997,466	\$ 4,399,464	\$ 11,844,222
Investments	21,070,109	-	18,341,896
Receivables, net of allowances for uncollectibles			
Ad valorem taxes	239,970	72,292	-
Sales taxes	4,760,021	-	-
Franchise and right-of-way fees	1,862,054	-	-
Municipal court	199,820	-	-
Accounts receivable	1,658,389	-	-
Accrued interest	81,087	-	65,373
Due from other governments	79,377	-	75,713
Inventories	30,257	-	-
Prepaid items	6,689	-	-
TOTAL ASSETS	<u>\$ 43,985,239</u>	<u>\$ 4,471,756</u>	<u>\$ 30,327,204</u>
LIABILITIES			
Accounts payable	4,703,774	10,669	1,552,202
Accrued liabilities	3,010,240	-	154,204
Retainage payable	36,995	-	200,439
Deposits payable	2,850	-	-
Unearned revenue	393,589	-	-
TOTAL LIABILITIES	<u>8,147,448</u>	<u>10,669</u>	<u>1,906,845</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - ad valorem taxes	239,970	72,292	-
Unavailable Revenue - ambulance	1,006,858	-	-
Unavailable Revenue - police alarms	22,464	-	-
Unavailable Revenue - municipal court	199,820	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,469,112</u>	<u>72,292</u>	<u>-</u>
FUND BALANCES			
Nonspendable			
Prepaid items	6,689	-	-
Inventories	30,257	-	-
Restricted			
Debt service	-	4,388,795	-
Capital expenditures	-	-	-
Tourism	-	-	-
State and federal grants	-	-	-
Park acquisition and development	-	-	-
Tax increment financing agreement	-	-	-
Other purposes	71,089	-	-
Assigned			
Capital expenditures	-	-	26,437,292
Neighborhood reinvestment	-	-	1,983,067
Unassigned	34,260,644	-	-
TOTAL FUND BALANCES	<u>34,368,679</u>	<u>4,388,795</u>	<u>28,420,359</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 43,985,239</u>	<u>\$ 4,471,756</u>	<u>\$ 30,327,204</u>

The notes to the financial statements are an integral part of this statement.

General Obligation Bond	Other Governmental Funds	Total Governmental Funds
\$ 111,163,507	\$ 18,832,502	\$ 160,237,161
3,301,366	4,304,041	47,017,412
-	-	312,262
-	-	4,760,021
-	15,107	1,877,161
-	-	199,820
7,653	253,315	1,919,357
12,705	16,564	175,729
-	270,632	425,722
-	-	30,257
-	-	6,689
<u>\$ 114,485,231</u>	<u>\$ 23,692,161</u>	<u>\$ 216,961,591</u>
874,292	639,112	7,780,049
-	160,857	3,325,301
980,065	194,831	1,412,330
-	-	2,850
-	559,308	952,897
<u>1,854,357</u>	<u>1,554,108</u>	<u>13,473,427</u>
-	-	312,262
-	-	1,006,858
-	-	22,464
-	-	199,820
<u>-</u>	<u>-</u>	<u>1,541,404</u>
-	-	6,689
-	-	30,257
-	-	4,388,795
112,630,874	-	112,630,874
-	2,605,761	2,605,761
-	238,514	238,514
-	1,928,355	1,928,355
-	14,752,338	14,752,338
-	2,613,085	2,684,174
-	-	26,437,292
-	-	1,983,067
-	-	34,260,644
<u>112,630,874</u>	<u>22,138,053</u>	<u>201,946,760</u>
<u>\$ 114,485,231</u>	<u>\$ 23,692,161</u>	<u>\$ 216,961,591</u>

The notes to the financial statements are an integral part of this statement.



City of Allen, Texas

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position September 30, 2024

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

Total fund balances - governmental funds	\$	201,946,760
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Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.

Total capital assets		936,334,765
Accumulated depreciation		(439,630,035)

Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.

Deferred outflows of resources - pension		20,095,876
Deferred inflows of resources - pension		(710,074)
Deferred outflows of resources - OPEB		345,180
Deferred inflows of resources - OPEB		(682,972)

Internal service funds are used by management to charge the cost of fleet management and risk management to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position. This is net of the amount allocated to business-type activities (\$9,180,626).

43,213,794

Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds:

General obligation bonds payable		(169,025,000)
Certificates of obligation payable		(19,550,000)
Tax notes payable		(1,140,000)
Leases payable		(794,372)
Accrued interest payable on long-term debt		(697,841)
Compensated absences		(9,428,600)
Net pension liability		(37,675,672)
Total OPEB liability		(1,649,539)

Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Premiums on general obligation bonds		(20,988,725)
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Revenues earned but not available within sixty days of the fiscal year-end are not recognized as revenue in the funds.

1,541,404

Net position of governmental activities	\$	<u>501,504,949</u>
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City of Allen, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2024

	General	Debt Service	General Capital Projects
REVENUES			
Taxes			
Ad valorem taxes	\$ 62,144,429	\$ 18,689,627	\$ -
Sales taxes	31,360,809	-	-
Franchise and right-of-way fees	7,642,112	-	-
Hotel occupancy taxes	-	-	-
Licenses, permits and fees	3,846,034	-	-
Charges for services	9,073,053	-	1,492,084
Fines and forfeitures	1,815,041	-	-
Intergovernmental	2,069,112	-	2,688,131
Investment earnings	6,815,962	606,486	1,696,061
Gifts and contributions	2,744,347	-	30,000
Miscellaneous	165,782	-	-
TOTAL REVENUES	<u>127,676,681</u>	<u>19,296,113</u>	<u>5,906,276</u>
EXPENDITURES			
Current			
General government	31,116,493	-	2,341,486
Public safety	62,652,800	-	1,095,113
Public works	7,729,175	-	2,819,798
Culture and recreation	25,457,095	-	-
Community development	4,488,521	-	208,946
Capital outlay	954,211	-	2,150,900
Debt Service			
Principal retirement	666,255	13,635,000	-
Interest and fiscal charges	23,207	5,199,856	-
Issuance costs	-	46,824	-
TOTAL EXPENDITURES	<u>133,087,757</u>	<u>18,881,680</u>	<u>8,616,243</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,411,076)</u>	<u>414,433</u>	<u>(2,709,967)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	8,221,810	-	1,325,000
Transfers out	(1,673,198)	-	-
Issuance of bonds	-	3,955,000	-
Premium on bonds issued	-	511,481	-
Payment to escrow agent	-	(4,430,156)	-
Leases	635,852	-	-
Insurance recoveries	37,898	-	-
Proceeds from sale of capital assets	9,280	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>7,231,642</u>	<u>36,325</u>	<u>1,325,000</u>
NET CHANGE IN FUND BALANCES	1,820,566	450,758	(1,384,967)
FUND BALANCES - 9/30/2023, as previously presented	<u>32,548,113</u>	<u>3,938,037</u>	<u>29,805,326</u>
Change within financial reporting entity (major to nonmajor fund)	-	-	-
FUND BALANCES - 9/30/2023, as restated	<u>32,548,113</u>	<u>3,938,037</u>	<u>29,805,326</u>
FUND BALANCES - 9/30/2024	<u>\$ 34,368,679</u>	<u>\$ 4,388,795</u>	<u>\$ 28,420,359</u>

The notes to the financial statements are an integral part of this statement.

General Obligation Bond	Previously reported as major: Grants	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,864,772	\$ 83,698,828
-	-	186,879	31,547,688
-	-	93,424	7,735,536
-	-	2,481,874	2,481,874
-	-	1,475,450	5,321,484
-	-	-	10,565,137
-	-	211,391	2,026,432
-	-	3,018,642	7,775,885
1,157,458	-	759,649	11,035,616
-	-	-	2,774,347
781	-	15,001	181,564
1,158,239	-	11,107,082	165,144,391
227,318	-	984,895	34,670,192
30,339	-	89,074	63,867,326
2,828,484	-	-	13,377,457
-	-	2,311,354	27,768,449
-	-	1,680,333	6,377,800
14,583,348	-	2,357,091	20,045,550
-	-	-	14,301,255
-	-	-	5,223,063
722,389	-	-	769,213
18,391,878	-	7,422,747	186,400,305
(17,233,639)	-	3,684,335	(21,255,914)
-	-	584,847	10,131,657
(336,836)	-	(444,309)	(2,454,343)
80,500,000	-	-	84,455,000
9,230,042	-	-	9,741,523
-	-	-	(4,430,156)
-	-	-	635,852
-	-	-	37,898
-	-	-	9,280
89,393,206	-	140,538	98,126,711
72,159,567	-	3,824,873	76,870,797
40,471,307	238,514	18,074,666	125,075,963
-	(238,514)	238,514	-
40,471,307	-	18,313,180	125,075,963
\$ 112,630,874	\$ -	\$ 22,138,053	\$ 201,946,760

The notes to the financial statements are an integral part of this statement.



City of Allen, Texas

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended September 30, 2024

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

Net change in fund balance - total governmental funds	\$ 76,870,797
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays expense in the current period.</p>	
	(1,820,877)
<p>The net effect of various miscellaneous transactions involving capitals assets (i.e. sales, trade-ins, and donations) increases (decreases) net position.</p>	
Contributed capital assets	15,764,984
Gain (loss) on sale of assets	(1,168,569)
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>	
Issuance of bonds and payment to escrow agent	(80,024,844)
Premium on bonds issued	(9,741,523)
Bond and lease principal paid	14,301,255
Amortization of bond premiums and refunding	2,147,528
Deferred loss/gain on refunding charges	(126,692)
Issuance of leases	(635,852)
<p>Internal service funds are used by management to charge the cost of certain activities such as insurance, asset replacement, and facility maintenance, to individual funds. The net operating and non-operating income and transfers of the internal service funds is reported with governmental activities net of amounts allocated to business-type activities.</p>	
	326,994
<p>Some revenues and expenses reported in the statement of activities do not provide or require the use of current financial resources and, therefore, are not reported in the governmental funds.</p>	
Accrued interest on long-term debt	(51,434)
Changes in compensated absences	(718,800)
Changes in pension liabilities and related deferred outflows and inflows of resources	(1,209,187)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(733,032)
Changes in unavailable revenue	154,737
	154,737
Change in net position of governmental activities	\$ 13,335,485

The notes to the financial statements are an integral part of this statement.



City of Allen, Texas
Statement of Net Position - Proprietary Funds
September 30, 2024

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 32,206,876	\$ 8,614,593	\$ 40,821,469	\$ 31,783,197
Investments	16,727,034	1,353,719	18,080,753	9,520,154
Receivables, net of allowances for uncollectibles:				
Accounts	20,136,174	2,069,515	22,205,689	87,018
Accrued Interest	65,888	5,210	71,098	36,637
Inventories	-	101,950	101,950	-
Prepaid items	-	-	-	222,311
Restricted cash and cash equivalents	11,417,058	-	11,417,058	-
TOTAL CURRENT ASSETS	80,553,030	12,144,987	92,698,017	41,649,317
NONCURRENT ASSETS				
CAPITAL ASSETS				
Land	4,091,626	-	4,091,626	-
Construction in Progress	18,605,322	-	18,605,322	580,275
Towers, tanks and pump stations	196,225,055	-	196,225,055	-
Other improvements	43,846,000	1,230,546	45,076,546	-
Intangible assets	7,994,325	-	7,994,325	-
Machinery and equipment	2,403,038	2,349,493	4,752,531	7,046,364
Vehicles	914,075	437,815	1,351,890	25,843,394
Less: accumulated depreciation/amortization	(124,363,711)	(2,104,121)	(126,467,832)	(21,067,219)
TOTAL NONCURRENT ASSETS	149,715,730	1,913,733	151,629,463	12,402,814
TOTAL ASSETS	230,268,760	14,058,720	244,327,480	54,052,131
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	1,562,524	1,421,734	2,984,258	-
Deferred outflows of resources - OPEB	26,838	24,418	51,256	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,589,362	1,446,152	3,035,514	-
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	780,626	1,104,177	1,884,803	560,651
Accrued liabilities	169,121	271,163	440,284	12,390
Retainage payable	745,608	-	745,608	21,867
Financing arrangements - current	-	16,311	16,311	-
Leases - current	-	141,824	141,824	-
Compensated absences - current	116,489	140,833	257,322	-
Total OPEB liability - current	2,433	2,213	4,646	-
Unearned revenue	153,992	1,042,640	1,196,632	-
Incurred but not reported claims	-	-	-	1,062,803
Payable from restricted assets:				
Revenue bonds payable - current	1,420,000	-	1,420,000	-
Accrued interest payable	307,360	-	307,360	-
Customer deposits payable	1,090,286	-	1,090,286	-
TOTAL CURRENT LIABILITIES	4,785,915	2,719,161	7,505,076	1,657,711
NONCURRENT LIABILITIES				
Revenue bonds payable	25,650,723	-	25,650,723	-
Financing arrangements	-	15,663	15,663	-
Leases	-	520,950	520,950	-
Net pension liability	2,929,416	2,665,465	5,594,881	-
Total OPEB liability	125,825	114,488	240,313	-
Compensated absences	465,955	563,333	1,029,288	-
TOTAL NONCURRENT LIABILITIES	29,171,919	3,879,899	33,051,818	-
TOTAL LIABILITIES	33,957,834	6,599,060	40,556,894	1,657,711
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	55,211	50,236	105,447	-
Deferred inflows of resources - OPEB	53,103	48,318	101,421	-
TOTAL DEFERRED INFLOWS OF RESOURCES	108,314	98,554	206,868	-
NET POSITION				
Net investment in capital assets	121,812,245	1,218,985	123,031,230	12,094,813
Restricted for debt service	2,336,548	-	2,336,548	-
Unrestricted	73,643,181	7,588,273	81,231,454	40,299,607
TOTAL NET POSITION	\$ 197,791,974	\$ 8,807,258	\$ 206,599,232	\$ 52,394,420
Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time.			9,180,626	
Net position of business-type activities			<u>\$ 215,779,858</u>	

The notes to the financial statements are an integral part of this statement.

City of Allen, Texas
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the year ended September 30, 2024

	Business-type Activities Enterprise Funds			
	Water and Sewer	Previously reported as major: Solid Waste	Previously reported as major: Drainage	Previously reported as major: Golf Course
OPERATING REVENUES				
Charges for services:				
Water sales	\$ 40,045,794	\$ -	\$ -	\$ -
Sewer charges	29,039,194	-	-	-
Connection fees	73,647	-	-	-
Garbage collections	-	-	-	-
Service charges	803,714	-	-	-
Drainage fees	-	-	-	-
Insurance recoveries	75,945	-	-	-
Miscellaneous	892,947	-	-	-
TOTAL OPERATING REVENUES	<u>70,931,241</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATING EXPENSES				
Personnel services	7,151,460	-	-	-
Contractual services	39,373,960	-	-	-
Maintenance	2,820,825	-	-	-
Supplies	423,983	-	-	-
Depreciation and amortization	6,512,419	-	-	-
TOTAL OPERATING EXPENSES	<u>56,282,647</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATING INCOME (LOSS)	<u>14,648,594</u>	<u>-</u>	<u>-</u>	<u>-</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	2,613,834	-	-	-
Interest expense	(877,962)	-	-	-
Gain on disposal of capital assets	9,650	-	-	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>1,745,522</u>	<u>-</u>	<u>-</u>	<u>-</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>16,394,116</u>	<u>-</u>	<u>-</u>	<u>-</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Development fees	2,581,713	-	-	-
Capital contributions	4,432,507	-	-	-
Transfers in	68,019	-	-	-
Transfers out	(7,554,045)	-	-	-
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(471,806)</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	15,922,310	-	-	-
NET POSITION - 9/30/2023, as previously presented	181,869,664	2,858,733	2,534,142	2,838,243
Change within financial reporting entity (major to nonmajor fund)	-	(2,858,733)	(2,534,142)	(2,838,243)
NET POSITION - 9/30/2023, as restated	<u>181,869,664</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION - 9/30/2024	<u>\$ 197,791,974</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.

Changes in net position of business-type activities

Previously reported as major: Allen Event Center	Business-type Activities Enterprise Funds		Governmental Activities
	Total Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
\$ -	\$ -	\$ 40,045,794	\$ -
-	-	29,039,194	-
-	-	73,647	-
-	8,511,164	8,511,164	-
-	13,030,335	13,834,049	23,846,892
-	2,277,643	2,277,643	-
-	25,057	101,002	2,821,589
-	1,597,036	2,489,983	877,900
-	25,441,235	96,372,476	27,546,381
-	6,778,942	13,930,402	645,787
-	14,652,059	54,026,019	17,436,514
-	1,738,935	4,559,760	506,249
-	654,582	1,078,565	121,820
-	409,017	6,921,436	2,800,981
-	24,233,535	80,516,182	21,511,351
-	1,207,700	15,856,294	6,035,030
-	239,867	2,853,701	1,641,238
-	(7,359)	(885,321)	-
-	-	9,650	254,368
-	232,508	1,978,030	1,895,606
-	1,440,208	17,834,324	7,930,636
-	-	2,581,713	-
-	-	4,432,507	-
-	901,351	969,370	-
-	(1,092,639)	(8,646,684)	-
-	(191,288)	(663,094)	-
-	1,248,920	17,171,230	7,930,636
(672,780)	-	-	44,463,784
672,780	7,558,338	-	-
-	7,558,338	-	44,463,784
\$ -	\$ 8,807,258	-	\$ 52,394,420
		7,603,642	
		\$ 24,774,872	

The notes to the financial statements are an integral part of this statement.



City of Allen, Texas
Statement of Cash Flows - Proprietary Funds
For the year ended September 30, 2024

	Business-type Activities Enterprise Funds			Internal Service Funds
	Water and Sewer	Total Nonmajor Enterprise Funds	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 66,736,073	\$ 24,842,948	\$ 91,579,021	\$ 3,699,489
Cash received from transactions with other funds	-	-	-	23,881,098
Cash paid to employees for salaries and benefits	(6,913,697)	(6,613,109)	(13,526,806)	(633,397)
Cash paid for goods and services	(45,202,073)	(16,879,236)	(62,081,309)	(1,307,308)
Cash paid for claims	-	-	-	(17,638,746)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>14,620,303</u>	<u>1,350,603</u>	<u>15,970,906</u>	<u>8,001,136</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in from other funds	68,019	901,351	969,370	-
Transfers out to other funds	(7,554,045)	(1,092,639)	(8,646,684)	-
NET CASH USED FOR NON-CAPITAL FINANCING ACTIVITIES	<u>(7,486,026)</u>	<u>(191,288)</u>	<u>(7,677,314)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Contributions from developers	2,581,713	-	2,581,713	-
Acquisition and construction of capital assets	(2,594,659)	(205,710)	(2,800,369)	(6,925,322)
Proceeds from sale of capital assets	9,650	-	9,650	254,368
Principal paid on capital debt	(1,645,000)	(190,956)	(1,835,956)	-
Interest and fees paid on capital debt	(974,357)	(7,360)	(981,717)	-
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(2,622,653)</u>	<u>(404,026)</u>	<u>(3,026,679)</u>	<u>(6,670,954)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	2,738,924	242,755	2,981,679	1,672,889
Proceeds from sale of investments	6,525,033	398,951	6,923,984	5,245,703
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>9,263,957</u>	<u>641,706</u>	<u>9,905,663</u>	<u>6,918,592</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>13,775,581</u>	<u>1,396,995</u>	<u>15,172,576</u>	<u>8,248,774</u>
CASH AND CASH EQUIVALENTS - BEGINNING	<u>29,848,353</u>	<u>7,217,598</u>	<u>37,065,951</u>	<u>23,534,423</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 43,623,934</u>	<u>\$ 8,614,593</u>	<u>\$ 52,238,527</u>	<u>\$ 31,783,197</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Net operating income	\$ 14,648,594	\$ 1,207,700	\$ 15,856,294	\$ 6,035,030
Adjustments to reconcile income to net cash provided by operating activities:				
Depreciation and amortization expense	6,512,419	409,017	6,921,436	2,800,981
(Increase) decrease in accounts receivable	(8,745,140)	(594,107)	(9,339,247)	34,206
(Increase) decrease in other receivables	4,458,928	470,113	4,929,041	-
(Increase) decrease in prepaid items	-	-	-	(100,387)
(Increase) decrease in inventories	-	(12,582)	(12,582)	-
(Increase) decrease in pension related deferred outflows	489,507	595,833	1,085,340	-
(Increase) decrease in OPEB related deferred outflows	2,515	4,440	6,955	-
Increase (decrease) in accounts payable	(2,455,614)	179,317	(2,276,297)	(850,246)
Increase (decrease) in retainage payable	(127,691)	(395)	(128,086)	21,867
Increase (decrease) in accrued liabilities	38,381	71,263	109,644	12,390
Increase (decrease) in unearned revenue	153,992	746,189	900,181	-
Increase (decrease) in deposits payable	(62,948)	(1,220,482)	(1,283,430)	-
Increase (decrease) in incurred but not reported claims	-	-	-	47,295
Increase (decrease) in net pension liability	(389,932)	(598,137)	(988,069)	-
Increase (decrease) in total OPEB liability	19,230	9,504	28,734	-
Increase (decrease) in compensated absences	52,097	65,343	117,440	-
Increase (decrease) in pension related deferred inflows	36,715	32,050	68,765	-
Increase (decrease) in OPEB related deferred inflows	(10,750)	(14,463)	(25,213)	-
Total adjustments	<u>(28,291)</u>	<u>142,903</u>	<u>114,612</u>	<u>1,966,106</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 14,620,303</u>	<u>\$ 1,350,603</u>	<u>\$ 15,970,906</u>	<u>\$ 8,001,136</u>
NON-CASH INVESTING ACTIVITIES				
Change in the fair value of investments	83,055	-	83,055	-
NON-CASH FINANCING ACTIVITIES				
Contributions of capital assets from developers	4,432,507	-	4,432,507	-
RECONCILIATION OF TOTAL CASH TO THE STATEMENT OF NET POSITION				
Cash and cash equivalents - current	\$ 32,206,876	\$ 8,614,593	\$ 40,821,469	\$ 31,783,197
Restricted cash and cash equivalents	11,417,058	-	11,417,058	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 43,623,934</u>	<u>\$ 8,614,593</u>	<u>\$ 52,238,527</u>	<u>\$ 31,783,197</u>

The notes to the financial statements are an integral part of this statement.



Notes to the Financial Statements



City of Allen, Texas

Notes to the Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Allen (“the City”) was incorporated in 1953, under the provisions of Chapter 11, Title 28, Texas Revised Civil Statutes of 1925. In 1979, the City adopted a charter making it a home rule city operating under a Council-Manager form of government. Allen City Council, which consists of the mayor and six councilmembers, is elected citywide by Allen voters and not by district. The mayor and councilmembers serve three-year, staggered terms of office. The City provides such services as are authorized by its charter to advance the welfare, health, comfort, safety and convenience of its inhabitants.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), and the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*. The more significant accounting policies of the City are described below.

B. Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, the financial statements of the City include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City is financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government can impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization.

Some organizations are included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government. The following entities were found to be component units of the City and are included in the basic financial statements:

Allen Economic Development Corporation (AEDC)- The AEDC is responsible for aiding, promoting and furthering economic development within the City.

City of Allen, Texas

Notes to the Financial Statements

Allen Community Development Corporation (ACDC)- The ACDC is responsible for supporting the improvements in community parks and recreation, streets and sidewalks, public safety and the community library.

The members of both the AEDC's and ACDC's Boards of Directors are appointed by the City Council. Both the AEDC and ACDC are fiscally dependent upon the City as the City Council approves their budgets and must approve any debt issuance. However, the component units do not qualify for blending because the component services directly benefit the community rather than the City itself. The AEDC and ACDC are discretely presented as governmental fund types and do not issue separate financial statements.

C. Basis of Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements; however, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Additionally, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a specific program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

D. Adoption of New Accounting Standards- GASB 100 (Accounting Changes and Error Corrections)

GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100), provides guidance meant to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The statement focuses on accounting changes that fall under the categories of changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity. The statement also addresses corrections of errors in previously issued financial statements and provides specific guidance on the disclosure of the effect and nature of the error and its correction.

E. Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental funds and proprietary funds. These statements present each major fund as a separate column on the fund financial statements; all nonmajor funds are aggregated and presented in a single column.

City of Allen, Texas

Notes to the Financial Statements

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balances of current financial resources. The City has presented the following major governmental funds:

General Fund. The General Fund is the general operating fund of the City. It is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund. The Debt Service Fund is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is reserved to signify the amounts that are restricted exclusively for debt service expenditures.

General Capital Projects Fund. The General Capital Projects Fund is used to account for resources used for the acquisition and/or construction of capital facilities by the City, except those financed by proprietary funds and not accounted for by another capital projects fund.

General Obligation Bond Capital Projects Fund. The General Obligation Bond Fund is used to account for financing, acquisitions, and construction of improvements to City facilities and infrastructure not accounted for by other bond funds.

Business-type activities and all proprietary funds are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow. All assets and liabilities are included on the Statement of Net Position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods relating to a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The City reports the following major proprietary funds:

Enterprise Funds

Water and Sewer Fund. The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City. Activities for the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted, if necessary, to ensure integrity of the fund.

City of Allen, Texas

Notes to the Financial Statements

Additionally, the City reports the following Internal Service Funds:

Internal Service Funds

Replacement Fund. The Replacement Fund is an internal service fund that accounts for the costs associated with the acquisition and replacement of vehicles, machinery, and equipment through the rental of such items to other departments.

Risk Management Fund. The Risk Management Fund accounts for the costs associated with workers compensation, liability and property insurance and medical and dental programs established for City employees and their covered dependents.

Facility Maintenance Fund. The Facility Maintenance Fund accumulates resources to address large repairs and aging facility infrastructure. The accumulation of resources will help address major building repairs and prevent building deterioration.

F. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liabilities are incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues as available if they are collected within 60 days after year end.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The revenues susceptible to accrual are property and sales taxes, franchise taxes and interest income. Other receipts (special assessments) become measurable and available when cash is received by the City and are recognized as revenue at that time.

G. Budgetary Information

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, debt service fund, and several nonmajor governmental funds. The general capital projects

City of Allen, Texas

Notes to the Financial Statements

and general obligation bond funds are appropriated on a project-length basis. Other funds do not have appropriated budgets since other means control the use of the resources (e.g. availability and restriction requirements) and sometimes span a period of more than one fiscal year.

The appropriated budget is adopted at the City-wide level. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Manager. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

H. Cash, Cash Equivalents, and Investments

State statutes and policy as established by the City Council authorize the City to invest in certificates of deposit, direct obligations of the U.S. Treasury, investment pools consisting of such U.S. Treasury obligations, repurchase agreements, commercial paper and mutual funds. Substantially all operating cash and cash equivalents are maintained in pooled cash and time deposit accounts. Interest income relating to pooled deposits is allocated to the individual funds based on each fund's pro rata share of total pooled deposits.

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents, as they are available for withdrawal on demand. Investments are recorded at amortized cost when original maturity at the time of purchase is less than one year or at market if greater than one year.

I. Property Taxes

The City's property tax is levied each October 1st on the assessed value listed as of the prior January 1st for all real and certain personal property located within the City. Appraised values are established by Collin County Central Appraisal District at 100% of estimated market value and certified by the Appraisal Review Board. The assessed value upon which the 2023 levy was based is \$19,922,834,991. Taxes are due on October 1st and are delinquent after the following January 31st. The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. For the year ended September 30, 2024, the combined tax rate to finance general government services, including the payment of principal and interest on long-term debt, was \$0.4205 per \$100 of assessed valuation.

In Texas, countywide central appraisal districts are required to assess all property within the appraisal district based on 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years; however, the City may, at its own expense, require annual reviews of appraised values. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on City property. However, if the effective maintenance and operations tax rate, increased by 8% excluding other contractual obligations, adjusted for new improvements, plus the calculated debt tax rate is less than the proposed city tax rate, then qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than the rollback tax rate.

City of Allen, Texas

Notes to the Financial Statements

J. Transactions Between Funds and Between Funds and Component Units

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund reimbursed. All other interfund transactions, except transactions between the component units and the primary government are recorded as transfers. Transactions between the component units and the primary government are accounted for as external transactions (revenues and expenses). During the fiscal year ended September 30, 2024, the General Fund contributed \$202,068 to AEDC to service debt benefiting the City. The ACDC contributed \$3,450,833 to the City during the fiscal year: \$1,887,850 to the General Fund to service debt related to the Terrell Recreation Center, \$492,983 to the General Fund for general and administrative costs, \$120,000 in sponsorship of the Allen USA Celebration, and \$950,000 in operational support funds to the Allen Event Center. The AEDC contributed \$112,495 to the General Fund during the year for general and administrative costs. These revenues were reflected as operating grants and contributions for the primary government in the government-wide statement of activities.

K. Inventories and Prepaid Items

Inventories are valued at cost using the first-in, first-out method for fuel. The inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories for the Golf Course Pro Shop and Event Center food and beverage are valued at cost using the first-in-first out method. The inventories of enterprise funds are recorded as expenditures when purchased and adjusted with an inventory count at yearend.

Payments made to vendors for services that will provide benefit in subsequent fiscal periods are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are reported as non-spendable fund balance in the governmental funds in the fund financial statements to signify that a portion of fund balance is not available for other subsequent expenditures. The consumption method is used in the fund financial statements.

L. Special Assessments

The City has the authority to make special assessments to property owners as part of the financing of capital improvements. Such assessments are recorded in the capital projects fund as receivables when assessed and are recognized as revenue when both the measurable and available criteria have been met (generally when collected).

City of Allen, Texas

Notes to the Financial Statements

M. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at acquisition value on the date donated. The costs of normal repairs and maintenance that do not add value to assets or materially extend asset lives are not capitalized. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment. Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Financed purchase assets are City owned assets and follow the depreciation of regular capital assets. Capital assets and right-to-use assets of the City are depreciated and amortized using the straight-line method over the following estimated useful lives:

Buildings	10 - 40 Years
Right-to-use buildings	10 - 40 Years
Towers, tanks, and pump stations	5 - 40 Years
Infrastructure	3 - 50 Years
Machinery and equipment	3 - 15 Years
Vehicles	2 - 15 Years
Furniture and fixtures	5 - 10 Years
Other improvements	2 - 30 Years
Right-to-use equipment	Lease Term

The City has established the Replacement Fund to account for the replacement of the City-owned vehicles, machinery, and equipment. Charges for use in the form of user payments are made by City departments to the Replacement Fund to provide for future acquisitions and replacements.

N. Compensated Absences

City employees earn vacation and sick leave, which may either be taken or accumulated up to certain amounts until paid upon retirement or termination. Upon termination or retirement, an employee is reimbursed up to a maximum number of hours of vacation pay and sick leave based upon the years of service. Accumulated vacation and sick leave are accrued when incurred in the government-wide and proprietary financial statements.

O. Leases- Lessee

The City is a lessee for a noncancellable lease of equipment and vehicles. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial individual value of \$20,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

City of Allen, Texas

Notes to the Financial Statements

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain not to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long term debt on the statement of net position.

P. 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. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company.

Q. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total Texas Municipal Retirement System Supplemental Death Benefit Fund (TMRS SDBF) OPEB liability, related deferred outflows and inflows of resources, and expense, City specific information about its total TMRS SDBF liability and additions to/deductions from the City's total TMRS SDBF liability have been determined on the same basis as they are reported by TMRS. The TMRS SDBF expense and deferred (inflows)/outflows of resources related to TMRS SDBF, primarily result from changes in the components of the total TMRS SDBF liability. Most changes in the total TMRS SDBF liability will be included in TMRS SDBF expense in the period of the change. For example, changes in the total TMRS SDBF liability resulting from current-period service cost, interest on the TOL, and changes of benefit terms are required to be included in TMRS SDBF expense immediately. Changes in the total TMRS SDBF liability that have not been included in TMRS SDBF expense are required to be reported as deferred outflows of resources or deferred inflows of resources related to TMRS SDBF.

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows 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. These are deferred and recognized

City of Allen, Texas

Notes to the Financial Statements

over the estimated average remaining lives of all members as of the measurement date. The City has the following items that qualify for reporting in this category:

- Contributions after measurement date – These contributions are deferred and recognized in the following fiscal year.
- Difference between projected and actual investment earnings related to pension and OPEB plans.
- Difference between expected and actual pension and OPEB experience – This difference is deferred and amortized over a closed period.
- Changes in actuarial assumptions – these are deferred and recognized over the remaining lives of all members as of the measurement date.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent 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 City has three types of items that qualify for reporting in this category. In the statement of net position, the City reports the difference in expected and actual pension and OPEB experience, the changes in actuarial assumptions. These are deferred and recognized over the estimated average remaining lives of all members as of the measurement date. In the balance sheet for the governmental funds, the City reports unavailable revenue for revenue not received within 60 days of year end.

S. Net Position

Net position represents the difference between assets, liabilities, and deferred inflows and outflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

T. Fund Balance

Fund balance classifications are non-spendable, restricted, committed, assigned, and unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of constraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund.

The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

The City classifies governmental fund balances as follows:

Non-spendable-- includes fund balance amounts that cannot be spent because they are either not in spendable form, or for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid items and long-term receivables.

Restricted-- includes fund balance amounts that are either constrained for specific purposes imposed by external providers, such as creditors, or restricted due to constitutional provisions or enabling legislation. This classification includes retirement of long-term debt, construction programs, and other federal and state grants.

City of Allen, Texas

Notes to the Financial Statements

Committed-- includes fund balance amounts that are constrained for specific purposes imposed internally by the City through formal action of the highest level of decision-making authority. Committed fund balance is reported pursuant to resolutions passed by the City Council.

Assigned-- includes fund balance amounts that are self-imposed by the City to be used for a particular purpose. Fund balance can be assigned by the City Manager or the Chief Financial Officer. This classification includes internally assigned amounts for capital projects, projected budget deficit for subsequent years and other legal uses.

Unassigned-- includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When multiple categories of fund balance are available for expenditure, the City will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Minimum General Fund Unassigned Fund Balance- It is the goal of the City to achieve and maintain an unassigned General Fund balance that is within a range of 60 to 90 days of annual expenditures. If unassigned General Fund balance falls below the goal or has a deficiency, the City will establish a timeframe and work plan to replenish the fund balance. The work plan may include tax increases, fee increases, reduction of services, and/or reduction of expenditures (i.e. hiring freeze, salary freeze, or reduction of travel/training).

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Equity

At September 30, 2024, the Allen Event Center fund, has a deficit net position balance of \$399,302. The reason for the deficit in this case is that the City reclassified the Allen Event Center fund as a proprietary fund in fiscal year ended September 30, 2023, which caused the fund to have to recognize a portion of net pension and total OPEB liabilities based on the number of employees paid from the fund. The fund is partially supported by the City and the Allen Community Development Corporation and while cash transactions were covered by transfers from the City and CDC, these non-cash transactions were not considered. The City expects this to be corrected in subsequent years as the fund builds net position to cover these long-term accruals.

NOTE 3. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Deposits, Investments and Investment Policies

Deposits. State statutes require all deposits to be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies with market values not less than the principal amount of the deposits. Pursuant to the Texas Public Funds Investment Act (PFIA) and the City's investment policy, all deposits of the City that exceed the federal depository insurance coverage level must be collateralized with irrevocable letters of credit and/or by governmental obligations pledged to the City with market values of at least 103% of the deposit balances plus accrued interest.

City of Allen, Texas

Notes to the Financial Statements

The City's demand deposits and certificates of deposit were fully insured or collateralized at September 30, 2024, with collateral required by state statutes. At year's end, the carrying amount of the City's pooled deposits was \$4,325,297, and the bank balance was \$3,481,196. Of the bank balance, federal depository insurance covered \$250,000 at each depository bank, and the remainder was covered by collateral held by the pledging financial institution's agent in the City's name. The City's petty cash balance at September 30, 2024, was \$28,309. The carrying amount of deposits for ACDC and AEDC, discretely presented component units, were \$418,312 and \$271,902, respectively, with no corresponding bank balances as they are pooled with the City's deposits.

Investments. State statutes authorize the City to invest in U.S. Government obligations, obligations of Texas and its agencies and fully collateralized repurchase agreements. The City, AEDC and ACDC invest in TexPool and TexasCLASS, which are investment funds authorized by the Texas Legislature and administered by the Texas State Treasury. The Texas Treasury Safekeeping Trust Company is trustee of TexPool and is a limited purpose trust company authorized pursuant to Texas Government Code. The purpose of TexPool and TexasCLASS is to allow for the pooling of public funds to provide a higher yield on the pooled investment than would be possible with the investment of the individual public entity's funds. TexPool and Texas CLASS investments are subject to the same investment policies maintained by the State Treasury for all state funds. The Legislature has authorized only certain investment instruments for public funds, including repurchase agreements, U.S. Treasury bills and bonds, securities of other U.S. Government agencies, commercial paper and other safe instruments.

The *PFIA* (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. In compliance with *PFIA*, the City has adopted an investment policy and is authorized to invest in obligations of, or guaranteed by, governmental entities, certificates of deposit, Texas Public Funds Investment Pools, collateralized repurchase agreements, commercial paper, banker's acceptances, no-load money market mutual funds and guaranteed investment contracts. The table below identifies the investment types that are authorized for the City under Government Code Chapter 2256. The table also identifies certain provisions of the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Investment in One Issuer
Certificates of Deposit	5 years	35%
Repurchase Agreements	5 years	35%
U. S. Treasure Obligations	5 years	None
Municipal Investment Pool	5 years	None
Commercial Bank Savings Account	5 years	None
Money Market Mutual Fund	5 years	35%
U. S. Government Securities (non-callable)	5 years	None
U. S. Government Securities (callable)	5 years	None
U. S. Government Sponsored Corp. Instruments: non-calla	5 years	None
U. S. Government Sponsored Corp. Instruments: callable	5 years	None
Commercial Paper	5 years	35%
Bankers' Acceptance	5 years	35%
Guaranteed Investment Contracts	5 years	35%
State or Local Governmental Obligations	5 years	35%

City of Allen, Texas

Notes to the Financial Statements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value by establishing a three-level fair value hierarchy that describes the inputs used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is based on the lowest priority level input that is significant to the entire measurement.

The City's investments are measured as presented in the table below. The City's investment balances, weighted average maturity, and credit risk of such investments are as follows:

Investment Type	Primary Government	AEDC	ACDC	Total September 30, 2024	Significant Other Observable Inputs (Level 2)	% of Total Government-wide Investments	Weighted Avg Maturity (Days)	Credit Rating
Investments Measured at Amortized Cost:								
TexPool	\$ 6,327,149	\$ 1,835,902	\$ 2,414,677	\$ 10,577,728	\$ -	2.93%	0.03	AAAm
Investments Measured at NAV:								
Money Market Accounts	248,301	-	-	248,301	-	0.07%	0.00	AAAm
Texas CLASS	234,244,348	10,396,738	11,900,882	256,541,968	-	71.03%	0.71	AAAm
Investments Measured at Cost:								
Certificates of Deposit	1,089,988	-	-	1,089,988	-	0.30%	0.32	n/a
Investments Subject to Fair Value:								
U.S. Agencies	62,919,178	4,485,445	12,417,845	79,822,468	79,822,468	22.10%	99.41	AA+
Certificates of Deposit	1,156,138	13,661	37,819	1,207,618	1,207,618	0.33%	0.42	n/a
Corporate Bonds	778,835	55,522	153,712	988,069	988,069	0.27%	0.25	A+
Municipal Bonds	8,449,875	602,383	1,667,683	10,719,941	10,719,941	2.97%	4.96	A to AAA
Total	<u>\$ 315,213,812</u>	<u>\$ 17,389,651</u>	<u>\$ 28,592,618</u>	<u>\$ 361,196,081</u>	<u>\$ 92,738,096</u>			

Investment pools, money markets, certificates of deposits (Level 1), and domestic equities are measured at amortized cost, net asset value, or cost; are valued using prices quoted in active markets for those securities; and are not required to be reported by levels in the table.

Investments in U.S. Agencies securities, certificates of deposits (Level 2), commercial paper, and municipal bonds classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique in accordance with pricing sources by the custodian bank. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions.

City of Allen, Texas

Notes to the Financial Statements

TexPool has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium, or national or state emergency that affects the pools' liquidity.

TexPool is an external investment pool measured at amortized cost. The Texas Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. In addition, the TexPool Advisory Board advises on TexPool's Investment Policy. This Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool.

Texas CLASS (Texas Cooperative Liquid Assets Security System) is an external investment pool measured at its net asset value. Texas CLASS' strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short-term marketable securities. The City has no unfunded commitments related to the investment pool. Texas CLASS has a redemption notice period of one day and may redeem daily. Authority over the investment pool may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. Texas CLASS was organized in March 1996 under a trust agreement executed by and among Texas local governmental entities in accordance with the Public Funds Investment Act, and the Texas Government Code and remains in full compliance with Government Code Chapter 2256. The fund is administered by Public Trust Advisors, LLC and is rated AAAM by Standard & Poor's Rating Services.

Investments in the Other Postemployment Benefit Trust Program (the "Trust") are held by a bank trust department separate from the City's cash and investments. The City has contracted with Public Agency Retirement Services (PARS) to manage the investment portfolio of the Trust Fund. The investments are subject to the policies and guidelines established by the committee members of the Trust.

Interest Rate Risk. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods of time are more likely to be subject to increased variability in their fair values due to changes in the market interest rates. The City manages its exposure to market price changes by avoiding over-concentration of assets in a specific maturity sector, limitation of average maturity of operating funds investments to less than eighteen months, and avoidance of over-concentration of assets in specific instruments other than U.S. Treasury Securities, U.S. Agency Obligations or Securities and authorized investment pools.

Credit Risk. The City's Investment policy, in conjunction with state law, specifies the type of credit rating of all authorized investments.

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This type of risk is typically expressed in terms of the credit ratings issued by a nationally recognized statistical rating organization. The City reduces the risk of issuer default by limiting investments to those instruments allowed by the Public Funds Investment Act, Chapter 2256, Texas Government Code. The City's investments in U.S. Agency securities (FFCB, FHLB, FHLMC, and FNMA) are rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service.

City of Allen, Texas

Notes to the Financial Statements

The City's investments in municipal bonds are rated AA- by Standard and Poor's and Aa3 by Moody's Investors Service. Investments in TexPool, TexSTAR, Texas CLASS, and money market accounts carried a credit rating of AAAM by Standard & Poor's as of September 30, 2024.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy controls concentration of credit risk by limiting the amount of investment with a single issuer to no more than 35% of the total portfolio except for State approved investment pools and U.S. Government Securities and Agency Obligations. As of September 30, 2024, apart from funds invested in TexPool or Texas CLASS, the City did not have any investments with a single issuer exceeding 5% or more of the City's investments.

Custodial Credit Risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy minimizes custodial credit risk by requiring pledged securities to be in the name of the City.

The Public Funds Investment Act requires financial institutions to secure deposits made by state or local governmental bodies by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities of the collateral must always remain at least equivalent to the bank balance less the FDIC insurance.

As of September 30, 2024, the City's deposits with financial institutions above the federal depository limits were fully collateralized.

City of Allen, Texas
Notes to the Financial Statements

B. Receivables

Receivables at September 30, 2024, for both governmental and proprietary funds, including the applicable allowances for uncollectible accounts, consist of the following:

Governmental Funds

	General	Debt Service	General Capital Projects	General Obligation Bond	Nonmajor Governmental Funds	Total Governmental Funds
Ad valorem taxes	\$ 772,390	\$ 219,425	\$ -	\$ -	\$ -	\$ 991,815
Sales taxes	4,760,021	-	-	-	-	4,760,021
Franchise and right-of-way fees	1,862,054	-	-	-	15,107	1,877,161
Municipal court	1,488,997	-	-	-	-	1,488,997
PD alarms	105,195	-	-	-	-	105,195
EMS receivable	1,873,373	-	-	-	-	1,873,373
Accounts receivable	736,683	-	-	7,653	253,315	997,651
Accrued interest	81,087	-	65,373	12,705	16,564	175,729
Gross receivables	11,679,800	219,425	65,373	20,358	284,986	12,269,942
Less: allowance for uncollectibles	(2,878,459)	(147,133)	-	-	-	(3,025,592)
Total net receivables	\$ 8,801,341	\$ 72,292	\$ 65,373	\$ 20,358	\$ 284,986	\$ 9,244,350

Proprietary Funds

	Water and Sewer	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Accounts receivable	\$ 20,530,847	\$ 2,141,968	\$ 22,672,815	\$ 87,654
Accrued interest	65,888	5,210	71,098	36,637
Gross receivables	20,596,735	2,147,178	22,743,913	124,291
Less: allowance for uncollectibles	(394,673)	(72,453)	(467,126)	(636)
Total net receivables	\$ 20,202,062	\$ 2,074,725	\$ 22,276,787	\$ 123,655

The Water and Sewer Fund, Solid Waste Fund, and Drainage Fund accounts receivable include unbilled charges for services rendered through September 30, 2024.

City of Allen, Texas
Notes to the Financial Statements

C. Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

Governmental Activities

	Balance September 30, 2023	Additions	Deletions/ Transfers	Balance September 30, 2024
Governmental Activities				
Governmental Funds				
Capital assets, not being depreciated/amortized				
Land	\$ 168,211,753	\$ 8,109,726	\$ -	\$ 176,321,479
Construction in progress	69,209,837	18,837,970	(9,255,866)	78,791,941
Total capital assets, not being depreciated/amortized	237,421,590	26,947,696	(9,255,866)	255,113,420
Capital assets, being depreciated/amortized				
Buildings	108,548,675	-	-	108,548,675
Buildings - right-to-use	-	-	4,600,000	4,600,000
Improvements other than buildings	553,633,718	7,655,258	(12,810,488)	548,478,488
Furniture and fixtures	4,608,135	-	-	4,608,135
Vehicles	1,796,516	271,467	(124,700)	1,943,283
Machinery and equipment	10,896,626	339,498	357,087	11,593,211
Machinery and equipment - right-to-use	1,665,744	635,852	(852,043)	1,449,553
Total capital assets, being depreciated/amortized	681,149,414	8,902,075	(8,830,144)	681,221,345
Less accumulated depreciation/amortization for:				
Buildings	(43,920,136)	(2,751,278)	-	(46,671,414)
Buildings - right-to-use	-	(76,667)	-	(76,667)
Improvements other than buildings	(377,680,704)	(17,399,193)	15,890,785	(379,189,112)
Furniture and fixtures	(4,471,616)	(55,148)	-	(4,526,764)
Vehicles	(1,367,838)	(192,521)	124,700	(1,435,659)
Machinery and equipment	(6,285,529)	(817,434)	49,913	(7,053,050)
Machinery and equipment - right-to-use	(915,989)	(613,423)	852,043	(677,369)
Total accumulated depreciation/amortization	(434,641,812)	(21,905,664)	16,917,441	(439,630,035)
Total governmental funds capital assets, being depreciated/amortized, net	246,507,602	(13,003,589)	8,087,297	241,591,310
Total governmental funds capital assets, net	\$ 483,929,192	\$ 13,944,107	\$ (1,168,569)	\$ 496,704,730
Internal Service Funds				
Capital assets, not being depreciated				
Construction in progress	\$ 266,977	\$ 1,544,161	\$ (1,230,863)	\$ 580,275
Total capital assets, not being depreciated	266,977	1,544,161	(1,230,863)	580,275
Capital assets, being depreciated				
Vehicles	18,634,797	3,835,677	(850,603)	21,619,871
Machinery and equipment	4,614,076	-	225,399	4,839,475
Total capital assets, being depreciated	23,248,873	3,835,677	(625,204)	26,459,346
Less accumulated depreciation for:				
Vehicles	(12,826,417)	(1,980,318)	1,615,509	(13,191,226)
Machinery and equipment	(4,185,995)	(208,719)	163,892	(4,230,822)
Total accumulated depreciation	(17,012,412)	(2,189,037)	1,779,401	(17,422,048)
Total internal service funds capital assets, being depreciated, net	6,236,461	1,646,640	1,154,197	9,037,298
Total internal service funds capital assets, net	6,503,438	3,190,801	(76,666)	9,617,573
Total governmental activities capital assets, net	\$ 490,432,630	\$ 17,134,908	\$ (1,245,235)	\$ 506,322,303

City of Allen, Texas
Notes to the Financial Statements

Business-Type Activities

	Balance September 30, 2023	Additions	Deletions/ Transfers	Balance September 30, 2024
Business-type Activities				
Enterprise Funds				
Capital assets, not being depreciated/amortized				
Land	\$ 4,091,626	\$ -	\$ -	\$ 4,091,626
Construction in progress	28,553,669	2,409,206	(12,357,553)	18,605,322
Total capital assets, not being depreciated/amortized	32,645,295	2,409,206	(12,357,553)	22,696,948
Capital assets, being depreciated/amortized				
Towers, tanks, and pump stations	223,887,758	4,432,507	(32,095,210)	196,225,055
Other improvements	1,230,546	-	43,846,000	45,076,546
Intangible asset	7,994,325	-	-	7,994,325
Vehicles	1,108,996	337,339	(94,445)	1,351,890
Machinery and equipment	4,453,987	269,191	(851,291)	3,871,887
Machinery and equipment - right-to-use	430,202	720,818	(270,376)	880,644
Total capital assets, being depreciated/amortized	239,105,814	5,759,855	10,534,678	255,400,347
Less accumulated depreciation/amortization for:				
Towers, tanks, and pump stations	(116,004,365)	(4,821,317)	7,273,688	(113,551,994)
Other improvements	(347,603)	(1,213,539)	(6,877,906)	(8,439,048)
Intangible asset	(266,478)	(266,477)	-	(532,955)
Vehicles	(761,355)	(144,169)	94,445	(811,079)
Machinery and equipment	(3,502,000)	(236,242)	846,904	(2,891,338)
Machinery and equipment - right-to-use	(272,104)	(239,690)	207,376	(304,418)
Total accumulated depreciation/amortization	(121,153,905)	(6,921,434)	1,544,507	(126,530,832)
Total enterprise funds capital assets, being depreciated/amortized, net	117,951,909	(1,161,579)	12,079,185	128,869,515
Total enterprise funds capital assets, net	\$ 150,597,204	\$ 1,247,627	\$ (278,368)	\$ 151,566,463
Internal Service Funds				
Capital assets, being depreciated				
Vehicles	3,041,137	1,239,763	(57,377)	4,223,523
Machinery and equipment	1,824,502	382,387	-	2,206,889
Total capital assets, being depreciated	4,865,639	1,622,150	(57,377)	6,430,412
Less accumulated depreciation for:				
Vehicles	(2,121,477)	(387,345)	57,377	(2,451,445)
Machinery and equipment	(969,127)	(224,599)	-	(1,193,726)
Total accumulated depreciation	(3,090,604)	(611,944)	57,377	(3,645,171)
Total internal service funds capital assets, being depreciated, net	1,775,035	1,010,206	-	2,785,241
Total internal service funds capital assets, net	1,775,035	1,010,206	-	2,785,241
Total business-type activities capital assets, net	\$ 152,372,239	\$ 2,257,831	\$ (215,366)	\$ 154,414,704

City of Allen, Texas
Notes to the Financial Statements

Component Unit Activities

	Balance September 30, 2023	Additions	Deletions/ Transfers	Balance September 30, 2024
Component Unit Activities				
Allen Economic Development Corporation				
Capital assets, being depreciated				
Buildings	\$ 1,004,091	\$ -	\$ -	\$ 1,004,091
Total capital assets, being depreciated	1,004,091	-	-	1,004,091
Less accumulated depreciation for:				
Buildings	(225,922)	(50,203)	-	(276,125)
Total accumulated depreciation	(225,922)	(50,203)	-	(276,125)
Total AEDC capital assets, being depreciated, net	778,169	(50,203)	-	727,966
Total AEDC capital assets, net	\$ 778,169	\$ (50,203)	\$ -	\$ 727,966

Land previously recorded to capital assets for the Allen Economic Development Corporation was reclassified as land held-for-sale as the corporation intends to use the land in future economic development agreements.

	Balance September 30, 2023	Additions	Deletions/ Transfers	Balance September 30, 2024
Allen Community Development Corporation				
Capital assets, not being depreciated				
Land	\$ 2,239,201	\$ -	\$ -	\$ 2,239,201
Construction in progress	7,434,600	6,610,874	(413,161)	13,632,313
Total capital assets, not being depreciated	9,673,801	6,610,874	(413,161)	15,871,514
Capital assets, being depreciated				
Buildings	36,202,922	-	-	36,202,922
Improvements other than buildings	42,016,201	-	(2,448,841)	39,567,360
Furniture and fixtures	106,211	7,000	-	113,211
Vehicles	702,596	-	(31,703)	670,893
Machinery and equipment	3,822,995	832,480	(9,500)	4,645,975
Total capital assets, being depreciated	82,850,925	839,480	(2,490,044)	81,200,361
Less accumulated depreciation for:				
Buildings	(12,484,688)	(908,843)	-	(13,393,531)
Improvements other than buildings	(26,500,887)	(1,894,033)	2,862,002	(25,532,918)
Furniture and fixtures	(9,348)	(19,395)	-	(28,743)
Vehicles	(660,737)	(18,645)	31,703	(647,679)
Machinery and equipment	(2,954,709)	(346,284)	9,500	(3,291,493)
Total accumulated depreciation	(42,610,369)	(3,187,200)	2,903,205	(42,894,364)
Total ACDC capital assets, being depreciated, net	40,240,556	(2,347,720)	413,161	38,305,997
Total ACDC capital assets, net	\$ 49,914,357	\$ 4,263,154	\$ -	\$ 54,177,511

City of Allen, Texas

Notes to the Financial Statements

Depreciation/amortization expense was charged as direct expense to programs of the primary government and component units as follows:

Governmental activities:	
General government	1,282,264
Public safety	3,085,425
Public works	16,319,253
Culture and recreation	3,358,782
Community development	48,977
Total governmental activities depreciation and amortization expense	<u>24,094,701</u>
Business-type activities:	
Water and sewer	6,918,234
Solid waste	31,045
Drainage	211,004
Golf course	354,997
Event Center	18,100
Total business-type activities depreciation and amortization expense	<u>7,533,380</u>
Component unit activities	
Allen Economic Development Corporation	50,203
Allen Community Development Corporation	3,187,200
Total component unit activities depreciation expense	<u>3,237,403</u>

Outstanding commitments at September 30, 2024, under authorized construction contracts totaled \$14,418,261. These outstanding commitments for capital projects will be funded from unspent bond proceeds and additional general obligation bonds.

D. Water and Sewer Contracts

In 1972, the City entered a forty-year contract with the North Texas Municipal Water District (District) for the purchase of water. Under the terms of this contract, the City is obligated to make a minimum annual payment (adjusted annually) in return for a minimum volume of gallons of water per year. During 1998, the City was annexed into the North Texas Municipal Water District, which guaranteed the City a minimum volume of water. For the year ended September 30, 2024, the cost of water purchased under this contract was \$23,110,447.

In 1978, the City entered a contract with the District for the transportation, treatment and disposal of sanitary sewage and other waste. The contract will continue in force at least until all bonds issued by the District pursuant to the contract have been paid in full and will remain in force thereafter throughout the useful life of the District's sanitary sewer system. The contract requires the City to pay varying amounts based on the costs associated with sewage transported and/or treated and disposed. The cost includes the City's proportionate share of the District's operating and maintenance expenses and related debt service costs. During fiscal year 2024, the cost for transportation, treatment and disposal of sewage and other wastes was \$11,240,844.

City of Allen, Texas
Notes to the Financial Statements

E. Long-term Liabilities

At September 30, 2024, bonds payable consisted of the following individual issues:

	Original Borrowing	Interest Rates	Final Maturity	Outstanding at 9/30/2024
Governmental Activities				
<i>General Obligation Bonds</i>				
General Obligation Bonds, Series 2006	1,595,000	4.0% - 4.2%	8/15/2026	225,000
General Obligation Bonds, Series 2013	5,065,000	2.0% - 3.5%	8/15/2029	1,460,000
General Obligation Bonds, Series 2014	10,595,000	2.0% - 4.0%	8/15/2028	2,355,000
General Obligation Refunding & Improvement Bonds, Series 2015	32,245,000	2.0% - 5.0%	8/15/2034	8,630,000
General Obligation Refunding Bonds, Series 2016	6,910,000	2.0% - 4.0%	8/15/2028	3,545,000
General Obligation Bonds, Series 2017	11,845,000	2.25% - 5.0%	8/15/2032	6,660,000
General Obligation Bonds, Series 2018	8,355,000	2.0% - 5.0%	8/15/2033	5,470,000
General Obligation Refunding & Improvement Bonds, Series 2019	8,630,000	2.5% - 4.0%	8/15/2034	4,925,000
General Obligation Refunding & Improvement Bonds, Series 2020	23,385,000	2.0% - 4.0%	8/15/2035	14,810,000
General Obligation Refunding & Improvement Bonds, Series 2021	10,595,000	3.0% - 5.0%	8/15/2036	4,410,000
General Obligation Bonds, Series 2022	23,000,000	4.0% - 5.0%	8/15/2041	20,805,000
General Obligation Bonds, Series 2023	14,525,000	4.0% - 5.0%	8/15/2043	11,275,000
General Obligation Improvement & Refunding Bonds, Series 2024	<u>84,455,000</u>	5.00%	8/15/2044	<u>84,455,000</u>
Governmental Bonds Total	241,200,000			169,025,000
<i>Certificates of Obligation Bonds</i>				
Combination Tax & Revenue Certificates of Obligation, Series 2021	22,945,000	4.0% - 5.0%	8/15/2036	19,550,000
<i>Tax Notes</i>				
Tax Notes, Series 2020	<u>3,175,000</u>	4.00%	8/15/2026	<u>1,140,000</u>
Total Governmental Activities				189,715,000
Business-type Activities				
Waterworks & Sewer System Revenue Refunding Bonds, Series 2013	3,370,000	2.0% - 3.0%	6/1/2025	260,000
Waterworks & Sewer System Revenue Bonds, Series 2018	9,330,000	2.0% - 5.0%	6/1/2038	7,265,000
Waterworks & Sewer System Revenue Bonds, Series 2019	3,845,000	2.0% - 4.0%	6/1/2039	3,070,000
Waterworks & Sewer System Revenue Bonds, Series 2020	4,880,000	2.0% - 5.0%	6/1/2040	4,135,000
Waterworks & Sewer System Revenue Bonds, Series 2021	<u>10,675,000</u>	2.0% - 5.0%	6/1/2036	<u>9,450,000</u>
Business-type Activities Total	32,100,000			24,180,000
Allen Economic Development Corporation Bonds				
Sales Tax Revenue Refunding Bonds, Series 2017A	11,810,000	2.0% - 5.0%	9/1/2027	3,815,000
Sales Tax Revenue Bonds, Series 2020	2,110,000	0.75% - 2.0%	9/1/2030	1,300,000
Sales Tax Revenue Bonds, Series 2021	<u>2,295,000</u>	0.65% - 2.45%	9/1/2036	<u>2,135,000</u>
AEDC Bonds Total	16,215,000			7,250,000
Allen Community Development Corporation Bonds				
Sales Tax Revenue Refunding Bonds, Series 2016	31,235,000	0.750% - 2.353%	9/1/2032	16,975,000

City of Allen, Texas

Notes to the Financial Statements

The following is a summary of long-term liabilities transactions, including current portion, of the City for the year ended September 30, 2024:

	Balance Beginning of Year	Increases	Decreases	Balance Ending of Year	Due within One Year
Governmental Activities					
General obligation bonds	\$ 100,895,000	\$ 84,455,000	\$ (16,325,000)	\$ 169,025,000	\$ 10,940,000
Certificates of obligation	20,740,000	-	(1,190,000)	19,550,000	1,250,000
Tax notes	1,680,000	-	(540,000)	1,140,000	560,000
Leases	824,775	635,852	(666,255)	794,372	365,320
Premiums (discounts)	13,394,731	9,741,522	(2,147,528)	20,988,725	-
Compensated absences	8,709,800	5,909,295	(5,190,495)	9,428,600	1,885,720
Total Governmental Activities	\$ 146,244,306	\$ 100,741,669	\$ (26,059,278)	\$ 220,926,697	\$ 15,001,040
Business Type Activities					
Water and sewer revenue bonds	\$ 25,825,000	\$ -	\$ (1,645,000)	\$ 24,180,000	\$ 1,420,000
Financing arrangements	47,514	-	(15,540)	31,974	16,311
Leases	117,372	720,818	(175,416)	662,774	141,824
Premiums (discounts)	2,973,693	-	(82,970)	2,890,723	-
Compensated absences	1,169,170	793,348	(675,908)	1,286,610	257,322
Total Business Type Activities	\$ 30,132,749	\$ 1,514,166	\$ (2,594,834)	\$ 29,052,081	\$ 1,835,457
Component Units					
<i>Allen Economic Development Corporation</i>					
Sales tax revenue bonds	\$ 8,765,000	\$ -	\$ (1,515,000)	\$ 7,250,000	\$ 1,580,000
Premiums (discounts)	291,582	-	(72,895)	218,687	-
Total Allen Economic Development Corporation	\$ 9,056,582	\$ -	\$ (1,587,895)	\$ 7,468,687	\$ 1,580,000
<i>Allen Community Development Corporation</i>					
Sales tax revenue bonds	\$ 18,865,000	\$ -	\$ (1,890,000)	\$ 16,975,000	\$ 1,935,000
Total Allen Community Development Corporation	\$ 18,865,000	\$ -	\$ (1,890,000)	\$ 16,975,000	\$ 1,935,000

The general fund has typically been used to liquidate the liability for compensated absences for governmental activities.

City of Allen, Texas

Notes to the Financial Statements

Annual Requirements to Retire Debt Obligations. The City intends to retire all its general long-term liabilities, plus accrued interest, from ad valorem taxes and other current revenues. The proprietary fund type long-term debt, plus accrued interest, will be repaid from operating revenues of the Water and Sewer Fund. The annual aggregate maturities for each bond type for the years subsequent to September 30, 2024, are as follows:

Governmental Activities			
General Obligation Bonds			
Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 10,940,000	\$ 7,402,501	\$ 18,342,501
2026	11,020,000	7,338,008	18,358,008
2027	11,395,000	6,838,246	18,233,246
2028	10,505,000	6,337,846	16,842,846
2029	9,825,000	5,879,131	15,704,131
2030-2034	46,640,000	22,731,950	69,371,950
2035-2039	34,265,000	13,153,700	47,418,700
2040-2044	<u>34,435,000</u>	<u>4,845,300</u>	<u>39,280,300</u>
	\$ 169,025,000	\$ 74,526,682	\$ 243,551,682
Certificates of Obligation			
Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 1,250,000	\$ 866,750	\$ 2,116,750
2026	1,310,000	804,250	2,114,250
2027	1,370,000	738,750	2,108,750
2028	1,445,000	670,250	2,115,250
2029	1,510,000	598,000	2,108,000
2030-2034	8,675,000	1,883,100	10,558,100
2035-2036	<u>3,990,000</u>	<u>241,000</u>	<u>4,231,000</u>
	\$ 19,550,000	\$ 5,802,100	\$ 25,352,100
Tax Notes			
Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 560,000	\$ 45,600	\$ 605,600
2026	<u>580,000</u>	<u>23,200</u>	<u>603,200</u>
	\$ 1,140,000	\$ 68,800	\$ 1,208,800

Business Type Activities

Waterworks and Sewer System Revenue Bonds

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 1,420,000	\$ 929,700	\$ 2,349,700
2026	1,200,000	892,950	2,092,950
2027	1,230,000	862,950	2,092,950
2028	1,260,000	823,900	2,083,900
2029	1,305,000	780,200	2,085,200
2030-2034	7,505,000	2,931,700	10,436,700
2035-2039	8,490,000	1,249,750	9,739,750
2040-2041	1,770,000	81,750	1,851,750
	<u>\$ 24,180,000</u>	<u>\$ 8,552,900</u>	<u>\$ 32,732,900</u>

Component Unit Activities

Sales Tax Revenue Bonds - Allen EDC

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 1,580,000	\$ 253,845	\$ 1,833,845
2026	1,645,000	189,015	1,834,015
2027	1,715,000	120,468	1,835,468
2028	390,000	47,778	437,778
2029	390,000	41,098	431,098
2030-2034	1,135,000	113,983	1,248,983
2035-2036	395,000	14,576	409,576
	<u>\$ 7,250,000</u>	<u>\$ 780,763</u>	<u>\$ 8,030,763</u>

Sales Tax Revenue Bonds - Allen CDC

Fiscal Year Ending September 30,	Principal	Interest	Total
2025	\$ 1,935,000	\$ 476,721	\$ 2,411,721
2026	1,980,000	431,190	2,411,190
2027	2,030,000	382,423	2,412,423
2028	2,080,000	329,176	2,409,176
2029	2,145,000	270,874	2,415,874
2030-2032	6,805,000	427,029	7,232,029
	<u>\$ 16,975,000</u>	<u>\$ 2,317,413</u>	<u>\$ 19,292,413</u>

Bond Issuances. On August 1, 2024, the City issued City of Allen, Texas General Obligation Improvement and Refunding Bonds, Series 2024, in the amount of \$84,455,000 for a new police headquarters capital project, streets improvements, and the refunding of a portion of General Obligation Bonds, Series 2013 and General Obligation Bonds, Series 2014. Bond proceeds totaled \$94,196,522 and includes a premium of \$9,741,522. Expenses incurred to deliver the Series 2024 bonds, including issuance costs, underwriter’s discount, and agents’ fees amounted to \$766,366. The Series 2024 bonds incur an average cost over the life of the debt at a rate of 5.00% and mature annually, with semi-annual interest payments. Bond proceeds related to the partial refunding of existing bonds in the amount of \$4,430,156 was deposited into an escrow account to

City of Allen, Texas

Notes to the Financial Statements

cover issuance costs and the refunding of \$4,420,000 of principal payments to the above-mentioned bond issuances. Due to this refunding, the City received \$296,427 in debt service savings, coming to a present value savings of \$226,169.

A schedule of authorized but unissued direct General Obligation Bonds as of September 30, 2024, is as follows:

Purpose	Date of Authorization	Original Amount Authorized	Issued in Prior Fiscal Years	Issued in Current Year	Unissued Balance
Service Center Facilities	5/12/2007	\$ 14,500,000	\$ 12,500,000	\$ -	\$ 2,000,000
Streets	11/7/2023	47,000,000	-	6,000,000	41,000,000
Parks and Recreation	11/7/2023	17,000,000	-	-	17,000,000
Mobility Projects	11/7/2023	8,000,000	-	-	8,000,000
Police Facilities	11/7/2023	83,000,000	-	83,000,000	-
		<u>\$ 169,500,000</u>	<u>\$ 12,500,000</u>	<u>\$ 89,000,000</u>	<u>\$ 68,000,000</u>

The amount issued in current year includes premium generated in the bond sale and is counted against the amount authorized.

Waterworks and Sewer System Revenue Bonds. Waterworks and Sewer System Revenue Bonds are used to finance the acquisition of major capital improvements for the City’s water and sewer system and related facilities. Water and Sewer Revenue Bonds and Refunding Bonds are payable solely from and, equally secured by, a first lien on and pledge of the net revenue of the City's combined waterworks and sanitary sewer systems.

The City is required by the applicable revenue bond indentures to pledge the net revenues of the Water and Sewer Enterprise Fund for the retirement of its outstanding revenue bonds, including interest thereon, and is required to maintain debt service funds and bond reserve funds for all such bonds outstanding.

Funds aggregating \$2,336,548 at September 30, 2024, are restricted within the Water and Sewer Enterprise Fund for servicing of the debt. The respective bond indentures require the City to make equal monthly payments to the restricted accounts to accumulate the annual principal and interest requirements as they become due.

The ordinances authorizing the Revenue Bonds stipulate that the City will deposit, in addition to principal and interest requirements, certain amounts in a reserve fund. Amounts in the reserve fund are to be used to pay principal and interest on outstanding bonds whenever enough funds are not available in the bond interest and redemption fund. The bond indentures require that the City accumulate reserves to an amount equal to the average annual principal and interest requirements of all outstanding bonds secured by the net revenues of the system. Such reserves are funded up to the required level in equal monthly installments over a maximum five-year period, as defined in the indentures. Amounts in the reserve fund at September 30, 2024, of \$4,288,908 are adequate to meet the reserve requirements.

City of Allen, Texas

Notes to the Financial Statements

As of September 30, 2024, restricted assets, which include amounts in the Water and Sewer Revenue Bond Debt Service and the Revenue Bond Reserve Fund, were as follows:

Revenue bond reserve fund	\$ 1,936,387
Revenue bond debt service fund	<u>2,352,521</u>
	<u>\$ 4,288,908</u>

Net position reserved for Water and Sewer revenue bond retirement is detailed as follows:

Restricted assets, revenue bond debt service and reserve funds	\$ 4,288,908
Accrued interest, payable from restricted assets	(307,360)
Current maturities of revenue bonds, payable from restricted assets	<u>(1,645,000)</u>
Reserved for water and sewer revenue bonds principal and interest	<u>\$ 2,336,548</u>

The City complies with the various requirements of the bond ordinances.

Financing Arrangements. The City has acquired golf course equipment under various agreements accounted for as financed purchases. As of September 30, 2024, the capitalized costs of business-type property under financed purchase arrangements were \$73,292.

The terms of the financed arrangements range from 3- 5 years and call for monthly and annual payments over the life of the agreements. The future minimum payments under financed purchase arrangements and the net present value of the future minimum payments at September 30, 2024, are as follows:

Fiscal Year Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2025	\$ 16,311	\$ 1,193	\$ 17,504
2026	<u>15,663</u>	<u>383</u>	<u>16,046</u>
Total	<u>\$ 31,974</u>	<u>\$ 1,576</u>	<u>\$ 33,550</u>

Leases – Lessee. The City is a lessee for noncancellable leases of vehicles, copiers, and other equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (leased asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with total lease payments of \$20,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life. Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.

City of Allen, Texas

Notes to the Financial Statements

- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The future principal and interest lease payments as of fiscal year-end are as follows:

Fiscal Year Ending September 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 365,320	\$ 31,421	\$ 396,741	\$ 141,824	\$ 29,680	\$ 171,504
2026	266,406	17,929	284,335	139,680	22,875	162,555
2027	162,646	8,132	170,778	146,826	15,729	162,555
2028	-	-	-	154,338	8,217	162,555
2029	-	-	-	80,106	1,173	81,279
Total	<u>\$ 794,372</u>	<u>\$ 57,482</u>	<u>\$ 851,854</u>	<u>\$ 662,774</u>	<u>\$ 77,674</u>	<u>\$ 740,448</u>

F. Fund Balance Classifications

As previously stated in the summary of significant accounting policies, fund balance classifications are non-spendable, restricted, committed, assigned, and unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. A number of restrictions are grouped as “other purposes” in the basic financial statements, therefore, more specific restriction descriptions are provided below.

	General	Debt Service	General Capital Projects	General Obligation Bond	Other Governmental Funds	Total Governmental Funds
FUND BALANCES						
Nonspendable						
Prepaid items	\$ 6,689	\$ -	\$ -	\$ -	\$ -	\$ 6,689
Inventories	30,257	-	-	-	-	30,257
Restricted						
Debt service	-	4,388,795	-	-	-	4,388,795
Capital expenditures	-	-	-	112,630,874	-	112,630,874
Tourism	-	-	-	-	2,605,761	2,605,761
Asset forfeiture	-	-	-	-	130,740	130,740
State and federal grants	-	-	-	-	238,514	238,514
Park acquisition and development	-	-	-	-	1,928,355	1,928,355
Tax increment financing agreement	-	-	-	-	14,752,338	14,752,338
Court technology and security	-	-	-	-	222,092	222,092
Juvenile case manager	-	-	-	-	21,000	21,000
PEG fees	-	-	-	-	186,149	186,149
Radio system	-	-	-	-	483,714	483,714
Tree mitigation	-	-	-	-	1,306,861	1,306,861
Public safety and library enhancements	-	-	-	-	262,529	262,529
Cemetery trust	71,089	-	-	-	-	71,089
Assigned						
Capital expenditures	-	-	26,437,292	-	-	26,437,292
Neighborhood reinvestment	-	-	1,983,067	-	-	1,983,067
Unassigned	34,260,644	-	-	-	-	34,260,644
TOTAL FUND BALANCES	<u>\$ 34,368,679</u>	<u>\$ 4,388,795</u>	<u>\$ 28,420,359</u>	<u>\$ 112,630,874</u>	<u>\$ 22,138,053</u>	<u>\$ 201,946,760</u>

City of Allen, Texas
Notes to the Financial Statements

G. Interfund Transfers

Individual fund operating transfers for fiscal year ended September 30, 2024, were as follows:

<i>Transfers Out:</i>	<i>Transfers In:</i>					Total
	General Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Nonmajor Enterprise Funds	
General Fund	\$ -	\$ 1,025,000	\$ 96,847	\$ -	\$ 551,351	\$ 1,673,198
General Obligation Bond Fund	336,836	-	-	-	-	336,836
Nonmajor Governmental Funds	94,309	-	-	-	350,000	444,309
Water and Sewer Fund	7,066,045	-	488,000	-	-	7,554,045
Nonmajor Enterprise Funds	724,620	300,000	-	68,019	-	1,092,639
Total	\$ 8,221,810	\$ 1,325,000	\$ 584,847	\$ 68,019	\$ 901,351	\$ 11,101,027

Transfers are used to move unrestricted funds to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs and to support cash financing of capital projects.

H. Retirement Plan

TMRS Pension Plan

Plan Description. The City participates as one of 934 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan 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 employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at tmrs.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 Member’s benefit is calculated based on the sum of the Member’s contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employees)	2 to 1
Years required for vesting	5
	20 years at any age, 5 years
Service retirement eligibility	at age 60 and above
Updated service credit	100% Repeating
Annuity increase to retirees	70% of CPI Repeating

City of Allen, Texas

Notes to the Financial Statements

Employees Covered by Benefit Terms. At the December 31, 2023, valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	375
Inactive employees entitled to, but not yet receiving benefits	601
Active employees	<u>807</u>
	<u>1,783</u>

Contributions. Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, 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 City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 15.19% and 14.46% in calendar years 2024 and 2023, respectively. The City's contribution to TMRS for the year ended September 30, 2024 was \$11,266,720, which exceeded the required contribution of \$10,638,139.

Net Pension Liability. The City's Net Pension Liability (NPL) was measured as of December 31, 2023, 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, 2023 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%

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and 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 Scale UMP 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 15 mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

City of Allen, Texas

Notes to the Financial Statements

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. The assumptions were adopted in 2019 and first used in the December 31, 2019, 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 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 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 Equity	35.00%	6.70%
Core Fixed Income	6.00%	4.70%
Non-Core Fixed Income	20.00%	8.00%
Other Public and Private Markets	12.00%	8.00%
Real Estate	12.00%	7.60%
Hedge Funds	5.00%	6.40%
Private Equity	10.00%	11.60%
Total	100.00%	

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 Member 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 Members. 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.

City of Allen, Texas
Notes to the Financial Statements

Changes in the Net Pension Liability. Changes in the net pension liability are as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2022	\$ 300,429,991	\$ 249,752,924	\$ 50,677,067
Changes for the year:			
Service cost	12,173,921	-	12,173,921
Interest	20,392,381	-	20,392,381
Difference between expected and actual experience	4,623,251	-	4,623,251
Change in assumptions	(893,365)	-	(893,365)
Contributions - employer	-	10,143,549	(10,143,549)
Contributions - employee	-	4,771,413	(4,771,413)
Net investment income	-	28,972,918	(28,972,918)
Benefit payments, including refunds of employee contributions	(8,815,211)	(8,815,211)	-
Administrative expense	-	(183,894)	183,894
Other charges	-	(1,284)	1,284
Net changes	<u>27,480,977</u>	<u>34,887,491</u>	<u>(7,406,514)</u>
Balance at 12/31/2023	<u>\$ 327,910,968</u>	<u>\$ 284,640,415</u>	<u>\$ 43,270,553</u>

Sensitivity of the Net Pension Liability 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 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 in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 93,776,789	\$ 43,270,553	\$ 2,126,406

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at tmrs.com.

City of Allen, Texas

Notes to the Financial Statements

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions. For the year ended September 30, 2024, the City recognized pension expense in the amount of \$12,851,781. At September 30, 2024, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,831,896	\$ 131,375
Changes in actuarial assumptions	-	684,146
Difference between projected and actual investment earnings	6,425,721	-
Contributions subsequent to the measurement date	<u>8,822,517</u>	<u>-</u>
Total	\$ 23,080,134	\$ 815,521

\$8,822,517 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement year ending <u>December 31</u>	
2024	\$ 4,460,535
2025	4,731,012
2026	6,437,618
2027	<u>(2,187,069)</u>
Total	13,442,096

I. Postemployment Benefits Other than Pensions

Supplemental Death Benefits Plan - TMRS

Plan Description. Texas Municipal Retirement System (“TMRS”) administers a defined benefit group-term life insurance plan 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. Employers 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 City has elected to participate in the SDBF for its active members including retirees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded single-employer OPEB plan (i.e., no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75) for City reporting.

Benefits Provided. 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). The death benefit for retirees is considered an other postemployment benefit (“OPEB”) and is a fixed amount of \$7,500.

City of Allen, Texas

Notes to the Financial Statements

Contributions and Funding Policy. 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. 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 to not pre-fund retiree term life insurance during employees' entire careers.

Contributions are made monthly based on the covered payroll of employee members of the participating member city. The contractually required contribution rate is determined annually for each city. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the City. There is a one-year delay between the actuarial valuation that serves as the basis for the employer contribution rate and the calendar year when the rate goes into effect. The funding policy of this plan is to assure that adequate resources are available to meet all death benefit payments for the upcoming year.

The City's contribution to the TMRS SDBF for retirees for the fiscal year ended September 30, 2024, was \$35,423, which was equal to the actuarially determined contribution (ADC).

Summary of Actuarial Assumptions and Other Inputs Used

Inflation	2.50%
Salary Increases	3.60% to 11.50%, including inflation
Discount Rate	3.77%, as of December 31, 2023
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Mortality Rates - service retirees	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).
Mortality Rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables 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, 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 floor.

Note: The actuarial assumptions used in the December 31, 2023, valuation was based on the results of an actuarial experience study for the period December 31, 2014, to December 31, 2022.

Employees Covered by Benefit Terms. At December 31, 2023, the actuarial valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	264
Inactive employees entitled to, but not yet receiving benefits	146
Active employees	<u>807</u>
	<u>1,217</u>

City of Allen, Texas

Notes to the Financial Statements

Changes in Total OPEB Liability. Changes in total OPEB liability are as follows:

Total OPEB Liability - beginning of year	\$ 1,664,547
Changes for the year:	
Service cost	109,061
Interest on Total OPEB Liability	68,932
Difference between expected and actual experience	(11,425)
Change in assumptions or other inputs	97,465
Benefit payments, including	<u>(34,082)</u>
Net changes	<u>229,951</u>
Total OPEB Liability - end of year	<u>\$ 1,894,498</u>

The City’s total OPEB liability of \$1,894,498 was measured at December 31, 2023, and determined by an actuarial valuation as of that date. Accordingly, no roll-forward is required.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current discount rate:

	1% Decrease in Discount Rate (2.77%)	Discount Rate (3.77%)	1% Increase in Discount Rate (4.77%)
City's total OPEB liability	\$ 2,301,994	\$ 1,894,498	\$ 1,579,410

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB. For the year ended September 30, 2024, the City recognized OPEB expense of \$126,626. OPEB expense recognized is as follows:

Components of OPEB Expense:	
Service cost	\$ 109,061
Interest on Total OPEB Liability	68,932
Difference between expected and actual experience	(26,099)
Change in assumptions or other inputs	<u>(25,268)</u>
Total OPEB Expense	<u>126,626</u>

City of Allen, Texas

Notes to the Financial Statements

At September 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,748	\$ 98,657
Changes in actuarial assumptions or other inputs	353,715	685,736
Contributions subsequent to the measurement date	<u>26,973</u>	<u>-</u>
Total	396,436	784,393

Deferred outflows of resources in the amount of \$26,973 related to OPEB that resulted from contributions made subsequent to the measurement date but before September 30, 2025, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

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

Year ending September 30,	Net deferred outflows/ (inflows) of resources
2025	\$ (67,712)
2026	(68,610)
2027	(86,964)
2028	(121,768)
2029	(73,452)
Thereafter	<u>3,576</u>
Total	(414,930)

J. Risk Management

Health and Dental Insurance. The City provides health and dental insurance benefits to City employees under a modified self-insurance plan. Under the plan, the City and the employee pay a portion of a predetermined monthly premium, which is based on the estimated claims cost for the plan and the extent of medical coverage selected by the employee. To cover annual costs, premium payments are reported as operating revenues of the Risk Management Fund and operating expenditures/expenses of the participating funds.

A commercial insurance carrier is utilized to adjudicate and pay medical claims on behalf of the City. The City’s medical claims liability is limited by a stop loss insurance policy that covers individuals’ medical claims in excess of \$125,000 per plan year. Aggregate stop loss coverage of \$2,000,000 per plan year provides protection to limit claim liability for the plan as a whole. The liabilities for insurance claims reported are based on GASB No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

City of Allen, Texas

Notes to the Financial Statements

These liabilities include an estimate for incurred but not reported claims. The estimated amount at September 30, 2024, was \$1,062,803. Changes in the Risk Management liability during the past five fiscal years were as follows:

Year Ending September 30,	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year
2020	\$ 1,202,007	\$ 8,285,276	\$ 8,433,972	\$ 1,053,311
2021	1,053,311	9,400,218	9,386,807	1,066,722
2022	1,066,722	9,789,575	9,721,444	1,134,853
2023	1,134,853	10,807,931	10,927,276	1,015,508
2024	1,015,508	12,106,056	12,058,761	1,062,803

Workers Compensation & Property and Liability Insurance. The City participates in the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) for workers’ compensation claims, liability (general, automobile, law enforcement, and errors/omissions), and property insurance. The cost is based on the pool’s claims cost, which is adjusted to reflect the City’s individual claims experience. As claims arise they are submitted to and paid by TMLIRP. To cover annual costs, premium payments are reported as operating revenues of the Risk Management Fund and operating expenditures/expenses of the participating funds.

The City has a workers’ compensation deductible of \$25,000 per occurrence, with an annual aggregate deductible of \$330,000. During fiscal 2024, the City contributed \$1,181,632 to the Risk Management Fund for workers’ compensation.

The City has various levels of insurance deductibles for property, liability, and automobile insurance with the maximum deductible set at \$10,000. All insured claims are paid by TMLIRP, less the appropriate deductible. During fiscal 2024, the City contributed \$1,330,530 for property and general liability.

K. Tax Abatements and Economic Incentives

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax, and enhance the property tax base and economic vitality of the City. These programs abate or rebate property and sales taxes and include incentive payments and rebates of fees that are not tied to taxes. The City’s economic development agreements are authorized under Chapter 380 of the Texas Local Government Code, Chapter 311 (Tax Increment Financing Act), and 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code. Recipients may be eligible to receive economic assistance based on the employment impact, economic impact, or community impact of the project requesting assistance. Recipients of assistance generally commit to building or remodeling real property and related infrastructure, demolishing and redeveloping outdated properties, expanding operations, renewing facility leases, or bringing targeted businesses to the City. Agreements generally contain recapture provisions that may require repayment or termination if recipients do not meet the required provisions of the economic incentives. The following are the three categories of economic development agreements City has contracted:

General Economic Development. The City, Allen Economic Development Corporation, and Allen Community Development Corporation enter into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount or percentage of property

City of Allen, Texas

Notes to the Financial Statements

taxes or sales tax received, may result in fee reductions or rebates, or make lump sum payments to offset moving expenses, tenant finish-outs, demolition costs, infrastructure reimbursements, redevelopment costs or other expenses. During fiscal year 2024, the City rebated \$6,618,557 in taxes. Additionally, for fiscal year 2024, the Allen Economic Development Corporation rebated taxes in the amount of \$49,205 and made incentive payments of \$3,539,155, while the Allen Community Development Corporation rebated taxes in the amount of \$49,205, and made a grant payment of \$615,000.

Tax Abatements. Tax Abatements under Chapter 312 of the Texas Tax Code allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants. These abatement agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer pays taxes on the lower assessed value during the term of the agreement. Property taxes abated under this program were \$88,102 for the fiscal year ended September 30, 2024.

Tax Increment Financing. The City has adopted two Tax Increment Financing (TIF) zones under Chapter 311 of the Texas Tax Code. The City enters into economic development and infrastructure reimbursement agreements that earmark TIF revenues for payment to developers and represent obligations over the life of the TIF or until all terms of the agreements have been met. Additionally, the City may enter into general economic development agreements, under Chapter 380 of the Texas Local Government Code, which are funded with TIF resources. The City made \$935,002 in payments for TIF obligations during fiscal year 2024.

L. Commitments and Contingent Liabilities

Litigation. The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Economic Development Grant. The City has several economic development agreements whereby the City has agreed to pay a grant(s) to a developer and/or business in return for the design, construction, operating, and/or managing of the business within the City of Allen. All grants are performance based and do not constitute liabilities on the City's financial records.

M. Subsequent Events

On December 10, 2024, the Allen Economic Development Corporation (AEDC) sold two parcels of land held-for-sale to a major retailer for \$17,584,830. The historical cost of the land was recorded by AEDC at \$9,314,602, causing the corporation to have a gain on the sale of the land of \$8,270,228.





Required Supplementary Information



City of Allen, Texas
General Fund Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2024

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget - Positive (Negative)
REVENUES				
Taxes				
Ad valorem taxes	\$ 62,045,375	\$ 62,045,375	\$ 62,144,429	\$ 99,054
Sales taxes	31,255,779	31,259,261	31,360,809	101,548
Franchise and right-of-way fees	7,418,414	7,529,768	7,642,112	112,344
Licenses, permits and fees	2,215,435	3,015,435	3,846,034	830,599
Charges for services	8,247,781	8,578,483	9,073,053	494,570
Fines and forfeitures	1,329,588	1,334,588	1,815,041	480,453
Intergovernmental	261,304	1,828,950	2,069,112	240,162
Investment earnings	2,733,004	4,042,676	6,815,962	2,773,286
Gifts and contributions	2,546,253	2,681,753	2,744,347	62,594
Miscellaneous	2,264,877	303,017	165,782	(137,235)
TOTAL REVENUES	<u>120,317,810</u>	<u>122,619,306</u>	<u>127,676,681</u>	<u>5,057,375</u>
EXPENDITURES				
Current				
General government	26,433,259	27,806,033	31,116,493	(3,310,460)
Public safety	60,109,514	61,041,437	62,652,800	(1,611,363)
Public works	8,294,750	8,555,265	7,729,175	826,090
Culture and recreation	26,987,661	27,172,252	25,457,095	1,715,157
Community development	4,879,159	5,037,688	4,488,521	549,167
Capital outlay	175,000	338,103	954,211	(616,108)
Debt Service				
Principal retirement	-	666,255	666,255	-
Interest and fiscal charges	-	23,207	23,207	-
TOTAL EXPENDITURES	<u>126,879,343</u>	<u>130,640,240</u>	<u>133,087,757</u>	<u>(2,447,517)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,561,533)</u>	<u>(8,020,934)</u>	<u>(5,411,076)</u>	<u>2,609,858</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,601,680	8,600,810	8,221,810	379,000
Transfers out	(2,050,147)	(577,638)	(1,673,198)	1,095,560
Leases	-	-	635,852	(635,852)
Insurance recoveries	-	31,600	37,898	(6,298)
Proceeds from sale of capital assets	10,000	16,015	9,280	6,735
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,561,533</u>	<u>8,070,787</u>	<u>7,231,642</u>	<u>839,145</u>
NET CHANGE IN FUND BALANCES	-	49,853	1,820,566	3,449,003
FUND BALANCES - BEGINNING	<u>32,548,113</u>	<u>32,548,113</u>	<u>32,548,113</u>	<u>32,548,113</u>
FUND BALANCES - ENDING	<u>\$ 32,548,113</u>	<u>\$ 32,597,966</u>	<u>\$ 34,368,679</u>	<u>\$ 35,997,116</u>

City of Allen, Texas

Schedule of Change in Net Pension Liability and Related Ratios - Retirement Plan (TMRS)

Last Ten Measurement Years

Measurement year ended December 31,	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 12,173,921	\$ 10,871,510	\$ 10,401,936	\$ 9,715,534
Interest	20,392,381	18,606,874	17,039,222	15,828,804
Difference in expected and actual experience	4,623,251	5,017,307	4,068,814	-
Change in assumptions or other inputs	(893,365)	-	-	(735,396)
Benefit payments, including refunds of employee contributions	<u>(8,815,211)</u>	<u>(8,574,676)</u>	<u>(8,465,892)</u>	<u>(5,974,169)</u>
Net change in total pension liability	27,480,977	25,921,015	23,044,080	18,834,773
Total pension liability - beginning of year	<u>300,429,991</u>	<u>274,508,976</u>	<u>251,464,896</u>	<u>232,630,123</u>
Total pension liability - end of year (a)	<u>\$ 327,910,968</u>	<u>\$ 300,429,991</u>	<u>\$ 274,508,976</u>	<u>\$ 251,464,896</u>
Plan fiduciary net position				
Contributions - employer	\$ 10,143,549	\$ 9,488,440	\$ 8,906,713	\$ 8,425,764
Contributions - employee	4,771,413	4,281,593	4,111,437	3,850,652
Net investment income (loss)	28,972,918	(19,290,735)	29,958,269	15,770,860
Benefit payments, including refunds of employee contributions	(8,815,211)	(8,574,676)	(8,465,892)	(5,974,169)
Administrative expense	(183,894)	(166,644)	(138,398)	(101,906)
Other	<u>(1,284)</u>	<u>198,855</u>	<u>949</u>	<u>(3,976)</u>
Net change in plan fiduciary net position	34,887,491	(14,063,167)	34,373,078	21,967,225
Plan fiduciary net position - beginning of year	<u>249,752,924</u>	<u>263,816,091</u>	<u>229,443,013</u>	<u>207,475,788</u>
Plan fiduciary net position - end of year (b)	<u>\$ 284,640,415</u>	<u>\$ 249,752,924</u>	<u>\$ 263,816,091</u>	<u>\$ 229,443,013</u>
Plan pension liability - ending (a) - (b)	<u>\$ 43,270,553</u>	<u>\$ 50,677,067</u>	<u>\$ 10,692,885</u>	<u>\$ 22,021,883</u>
Plan fiduciary net position as a % of total pension liability	86.80%	83.13%	96.10%	91.24%
Covered payroll	\$ 68,163,049	\$ 61,007,354	\$ 58,734,814	\$ 54,952,114
Net pension liability as a % of covered payroll	63.48%	83.07%	18.21%	40.07%

2019	2018	2017	2016	2015	2014
\$ 9,118,332	\$ 8,503,427	\$ 8,091,540	\$ 7,740,829	\$ 7,377,440	\$ 6,407,942
14,492,431	13,379,960	12,232,446	11,165,087	10,562,818	9,749,386
1,564,808	(680)	1,293,282	894,580	196,259	(1,791,341)
409,038	-	-	-	(231,950)	-
<u>(6,195,996)</u>	<u>(5,222,230)</u>	<u>(4,423,768)</u>	<u>(3,902,489)</u>	<u>(3,247,435)</u>	<u>(3,213,118)</u>
19,388,613	16,660,477	17,193,500	15,898,007	14,657,132	11,152,869
<u>213,241,510</u>	<u>196,581,033</u>	<u>179,387,533</u>	<u>163,489,526</u>	<u>148,832,394</u>	<u>137,679,525</u>
<u>\$ 232,630,123</u>	<u>\$ 213,241,510</u>	<u>\$ 196,581,033</u>	<u>\$ 179,387,533</u>	<u>\$ 163,489,526</u>	<u>\$ 148,832,394</u>
\$ 8,050,585	\$ 7,423,200	\$ 7,130,557	\$ 6,473,617	\$ 6,063,051	\$ 5,455,902
3,661,981	3,423,774	3,274,594	3,129,050	3,021,766	2,754,779
27,097,746	(5,239,779)	20,569,321	9,039,319	188,559	6,648,346
(6,195,996)	(5,222,230)	(4,423,768)	(3,902,489)	(3,247,435)	(3,213,118)
(152,888)	(101,162)	(106,520)	(102,024)	(114,830)	(69,397)
<u>(4,592)</u>	<u>(5,284)</u>	<u>(5,400)</u>	<u>(5,497)</u>	<u>(5,671)</u>	<u>(5,706)</u>
32,456,836	278,519	26,438,784	14,631,976	5,905,440	11,570,806
<u>175,018,952</u>	<u>174,740,433</u>	<u>148,301,649</u>	<u>133,669,673</u>	<u>127,764,233</u>	<u>116,193,427</u>
<u>\$ 207,475,788</u>	<u>\$ 175,018,952</u>	<u>\$ 174,740,433</u>	<u>\$ 148,301,649</u>	<u>\$ 133,669,673</u>	<u>\$ 127,764,233</u>
<u>\$ 25,154,335</u>	<u>\$ 38,222,558</u>	<u>\$ 21,840,600</u>	<u>\$ 31,085,884</u>	<u>\$ 29,819,853</u>	<u>\$ 21,068,161</u>
89.19%	82.08%	88.89%	82.67%	81.76%	85.84%
\$ 52,314,010	\$ 48,814,159	\$ 46,476,391	\$ 44,410,952	\$ 43,142,910	\$ 39,335,988
48.08%	78.30%	46.99%	70.00%	69.12%	53.56%

City of Allen, Texas
Schedule of Contributions - Retirement Plan (TMRS)
Last Ten Fiscal Years

Fiscal year ended September 30,	2024	2023	2022	2021
Actuarially determined contributions	\$ 10,638,139	\$ 9,556,198	\$ 8,810,782	\$ 8,333,070
Contributions in relation to actuarially determined contributions	<u>(11,266,720)</u>	<u>(9,866,638)</u>	<u>(8,810,782)</u>	<u>(8,739,669)</u>
Contribution deficiency (excess)	<u>\$ (628,581)</u>	<u>\$ (310,440)</u>	<u>\$ -</u>	<u>\$ (406,599)</u>
Covered payroll	\$ 70,846,166	\$ 66,253,024	\$ 66,253,024	\$ 58,367,657
Contributions as a percentage of covered payroll	15.90%	14.89%	13.30%	14.97%

Notes to Schedule of OPEB contributions:

Valuation Date Actuarial determined contribution rates are calculated as of December 31 each year and become effected 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	23 years (longest amortization ladder)
Asset Valuation Method	10 years smoothed fair value; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50 % to 11.5% 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 2019 valuation pursuant to an experience study of the period 2014-2018.
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: There were no benefit changes during the year.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 7,555,689 <u>(7,890,278)</u>	\$ 7,228,643 <u>(7,736,900)</u>	\$ 6,678,295 <u>(6,927,485)</u>	\$ 6,217,858 <u>(6,545,488)</u>	\$ 6,028,939 <u>(6,181,797)</u>	\$ 5,785,220 <u>(5,797,651)</u>
<u>\$ (334,589)</u>	<u>\$ (508,257)</u>	<u>\$ (249,190)</u>	<u>\$ (327,630)</u>	<u>\$ (152,858)</u>	<u>\$ (12,431)</u>
\$ 53,937,361	\$ 51,562,996	\$ 47,782,955	\$ 45,962,313	\$ 43,564,466	\$ 40,985,314
14.63%	15.00%	14.50%	14.24%	14.19%	14.15%

City of Allen, Texas

Schedule of Change in Total OPEB Liability and Related Ratios - Supplemental Death Benefits Fund
Last Ten Measurement Years

Measurement year ended December 31,	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability ³			
Service cost	\$ 109,061	\$ 176,921	\$ 170,331
Interest	68,932	46,027	44,623
Difference in expected and actual experience	(11,425)	903	(7,796)
Change in assumptions or other inputs	97,465	(960,097)	83,821
Benefit payments ²	<u>(34,082)</u>	<u>(24,403)</u>	<u>(23,494)</u>
Net change in total OPEB liability	229,951	(760,649)	267,485
Total OPEB liability - beginning of year	<u>1,664,547</u>	<u>2,425,196</u>	<u>2,157,711</u>
Total OPEB liability - end of year	<u>\$ 1,894,498</u>	<u>\$ 1,664,547</u>	<u>\$ 2,425,196</u>
Covered-employee payroll	\$ 68,163,049	\$ 61,007,654	\$ 58,734,814
Total OPEB liability as a percentage of covered-employee payroll	2.78%	2.73%	4.13%

Notes to the Schedule:

¹ GASB 75 requires ten fiscal years of data to be provided in this schedule. However information prior to 2017 is unavailable. Additional years will be displayed as they become available until ten years are presented.

² Due to the SDBP being considered an unfunded plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

³ There are no assets accumulated in trust to pay related benefits for the OPEB plan.

2020	2019	2018	2017 ¹
\$ 126,390	\$ 94,165	\$ 97,628	\$ 83,658
49,783	56,186	45,926	42,992
(78,736)	(183,037)	101,506	-
315,925	317,781	(111,311)	121,271
<u>(5,495)</u>	<u>(5,231)</u>	<u>(4,881)</u>	<u>(4,648)</u>
407,867	279,864	128,868	243,273
<u>1,749,844</u>	<u>1,469,980</u>	<u>1,341,112</u>	<u>1,097,839</u>
<u>\$ 2,157,711</u>	<u>\$ 1,749,844</u>	<u>\$ 1,469,980</u>	<u>\$ 1,341,112</u>
\$ 54,952,114	\$ 52,314,010	\$ 48,814,159	\$ 46,476,391
3.93%	3.34%	3.01%	2.89%

City of Allen, Texas
Schedule of OPEB Contributions - Supplemental Death Benefits Fund
Last Ten Fiscal Years

Fiscal year ended September 30, ²	2024	2023	2022
Actuarially determined contributions	\$ 35,423	\$ 31,627	\$ 24,889
Contributions in relation to actuarially determined contributions	(35,423)	(31,627)	(24,889)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 70,846,166	\$ 66,253,024	\$ 62,223,037
Contributions as a percentage of covered-employee payroll	0.05%	0.05%	0.04%

Notes to the Schedule

¹ GASB 75 requires ten fiscal years of data to be provided in this schedule. However information prior to 2018 is unavailable. Additional years will be displayed as they become available until ten years are presented.

² GASB 75, paragraph 57, requires that the data in this schedule be presented as of the City's fiscal year as opposed to the time period covered by the measurement date.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018¹</u>
\$ 18,595 <u>(18,595)</u>	\$ 5,394 <u>(5,394)</u>	\$ 5,156 <u>(5,156)</u>	\$ 4,778 <u>(4,778)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 58,367,657	\$ 53,937,361	\$ 51,562,996	\$ 47,782,955
0.03%	0.01%	0.01%	0.01%

City of Allen, Texas

Notes to Required Supplementary Information
For the Fiscal Year Ended September 30, 2024

Budgetary Information

The City Council adheres to the following procedures in establishing the budgets reflected in the financial statements:

1. Each year, the City Manager is required to submit to the City Council a proposed budget for the fiscal year beginning on the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayers' comments.
3. Prior to each October 1, the budget is legally enacted by the City Council through passage of an ordinance.
4. Annual budgets are legally adopted for the General Fund, Grants Fund and Debt Service Fund on a basis consistent with accounting principles generally accepted in the United States of America. Formal budgetary integration is not employed for proprietary funds. However, the City adopts an annual budget for those funds for managerial control purposes.
5. The City Manager is authorized to adjust budgeted amounts. However, such revisions may not result in total expenditures (appropriations) in excess of budgeted expenditures without approval of the City Council. Therefore, the legal level of budgetary control is the combined total budgeted expenditures for all fund types.
6. Formal budgetary integration is not employed for nonmajor Special Revenue Funds, Proprietary Funds or Capital Projects Funds. However, the City also adopts an annual budget for those funds for managerial control purposes.
7. Budgetary data for the non-major Special Revenue Funds and Capital Projects Funds has not been presented in the accompanying basic financial statements because such funds are budgeted over the life of the respective grant or project and not on an annual basis. Budgetary information for the Proprietary Funds has not been presented since reporting on such budgets is not legally required.

The Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual — General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results.

Combining and Budgetary Comparison Schedules



City of Allen, Texas
Debt Service Fund Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes				
Ad valorem taxes	\$ 18,934,142	\$ 18,934,142	\$ 18,689,627	\$ (244,515)
Investment earnings	108,766	369,403	606,486	237,083
TOTAL REVENUES	<u>19,042,908</u>	<u>19,303,545</u>	<u>19,296,113</u>	<u>(7,432)</u>
EXPENDITURES				
Debt Service				
Principal retirement	13,635,000	13,635,000	13,635,000	-
Interest and fiscal charges	5,199,856	5,199,856	5,199,856	-
Issuance costs	-	-	46,824	(46,824)
TOTAL EXPENDITURES	<u>18,834,856</u>	<u>18,834,856</u>	<u>18,881,680</u>	<u>(46,824)</u>
Excess of revenues over expenditures	<u>208,052</u>	<u>468,689</u>	<u>414,433</u>	<u>39,392</u>
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	-	-	3,955,000	3,955,000
Premium on bonds issued	-	-	511,481	511,481
Payment to escrow agent	-	-	(4,430,156)	(4,430,156)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>36,325</u>	<u>36,325</u>
NET CHANGE IN FUND BALANCES	208,052	468,689	450,758	(17,931)
FUND BALANCES - BEGINNING	<u>3,938,037</u>	<u>3,938,037</u>	<u>3,938,037</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 4,146,089</u>	<u>\$ 4,406,726</u>	<u>\$ 4,388,795</u>	<u>\$ (17,931)</u>



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

HOTEL OCCUPANCY TAX FUND – This fund is used to account for funds received from hotels for hotel occupancy taxes. These revenues are restricted for use on expenditures that directly enhance and promote tourism and the convention and hotel industry. The City’s Convention and Visitors Bureau is operated out of this fund.

ASSET FORFEITURE FUND – This fund is used to account for assets legally seized and forfeited. These revenues are restricted by state and federal statute.

SPECIAL REVENUE FUND – This fund is used to account for several programs that have external legal restrictions associated with their use. These programs are restricted for court technology and security, juvenile case manager, public, education, and government (“PEG”) fees, and a radio system.

GRANTS FUND – This fund accounts for the revenues and expenditures associated with certain state and federal grants.

PARK DEDICATION FUND – This fund accounts for funds received and expended for the specified purpose of acquisition of additional park land and the development of neighborhood parks.

GIFT FUND – This fund accounts for the funds received as substantial gifts from the public and their restricted use.

TAX INCREMENT FINANCING FUND – This fund accounts for a portion of property and sales tax collected in tax increment financing (TIF) zones. The agreements associated with these zones restricts the expenditures for project and financing costs in these areas. The 2 active TIF zones are the Montgomery Farm “Garden District”, and the Central Business District.

City of Allen, Texas
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2024

	Special Revenue		
	Hotel Occupancy Tax Fund	Asset Forfeiture Fund	Special Revenue Fund
ASSETS			
Cash and cash equivalents	\$ 2,160,854	\$ 277,175	\$ 1,693,669
Investments	320,347	-	648,976
Receivables, net of allowances for uncollectibles			
Franchise and right-of-way fees	-	-	15,107
Accounts receivable	253,315	-	-
Accrued interest	1,233	-	2,498
Due from other governments	-	-	-
TOTAL ASSETS	<u>\$ 2,735,749</u>	<u>\$ 277,175</u>	<u>\$ 2,360,250</u>
LIABILITIES			
Accounts payable	115,566	-	140,434
Accrued liabilities	14,422	146,435	-
Retainage payable	-	-	-
Unearned revenue	-	-	-
TOTAL LIABILITIES	<u>129,988</u>	<u>146,435</u>	<u>140,434</u>
FUND BALANCES			
Restricted			
Tourism	2,605,761	-	-
State and federal grants	-	-	-
Park acquisition and development	-	-	-
Tax increment financing agreement	-	-	-
Other purposes	-	130,740	2,219,816
TOTAL FUND BALANCES	<u>2,605,761</u>	<u>130,740</u>	<u>2,219,816</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,735,749</u>	<u>\$ 277,175</u>	<u>\$ 2,360,250</u>

Special Revenue

Grants Fund	Park Dedication Fund	Gift Fund	Tax Increment Financing Fund	Total Nonmajor Governmental Funds
\$ 1,083,566	\$ 1,928,355	\$ 284,096	\$ 11,404,787	\$ 18,832,502
-	-	-	3,334,718	4,304,041
-	-	-	-	15,107
-	-	-	-	253,315
-	-	-	12,833	16,564
270,632	-	-	-	270,632
<u>\$ 1,354,198</u>	<u>\$ 1,928,355</u>	<u>\$ 284,096</u>	<u>\$ 14,752,338</u>	<u>\$ 23,692,161</u>
361,545	-	21,567	-	639,112
-	-	-	-	160,857
194,831	-	-	-	194,831
559,308	-	-	-	559,308
<u>1,115,684</u>	<u>-</u>	<u>21,567</u>	<u>-</u>	<u>1,554,108</u>
-	-	-	-	2,605,761
238,514	-	-	-	238,514
-	1,928,355	-	-	1,928,355
-	-	-	14,752,338	14,752,338
-	-	262,529	-	2,613,085
<u>238,514</u>	<u>1,928,355</u>	<u>262,529</u>	<u>14,752,338</u>	<u>22,138,053</u>
<u>\$ 1,354,198</u>	<u>\$ 1,928,355</u>	<u>\$ 284,096</u>	<u>\$ 14,752,338</u>	<u>\$ 23,692,161</u>

City of Allen, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended September 30, 2024

	Special Revenue		
	Hotel Occupancy Tax Fund	Asset Forfeiture Fund	Special Revenue Fund
REVENUES			
Taxes			
Ad valorem taxes	\$ -	\$ -	\$ -
Sales taxes	-	-	-
Franchise and right-of-way fees	-	-	93,424
Hotel occupancy taxes	2,481,874	-	-
Licenses, permits and fees	17,720	-	1,306,800
Fines and forfeitures	-	47,886	163,505
Intergovernmental	-	-	-
Investment earnings	101,262	8,717	66,832
Miscellaneous	-	15,001	-
TOTAL REVENUES	<u>2,600,856</u>	<u>71,604</u>	<u>1,630,561</u>
EXPENDITURES			
Current			
General government	-	-	49,893
Public safety	-	29,173	-
Culture and recreation	2,272,139	-	-
Community development	-	-	-
Capital outlay	-	-	1,100,776
TOTAL EXPENDITURES	<u>2,272,139</u>	<u>29,173</u>	<u>1,150,669</u>
Excess (deficiency) of revenues over (under) expenditures	<u>328,717</u>	<u>42,431</u>	<u>479,892</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	488,000
Transfers out	<u>(350,000)</u>	<u>-</u>	<u>(64,309)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(350,000)</u>	<u>-</u>	<u>423,691</u>
NET CHANGE IN FUND BALANCES	<u>(21,283)</u>	<u>42,431</u>	<u>903,583</u>
FUND BALANCES - 9/30/2023, as previously presented	2,627,044	88,309	1,316,233
Change within financial reporting entity (major to nonmajor fund)	-	-	-
FUND BALANCES - 9/30/2023, as restated	<u>2,627,044</u>	<u>88,309</u>	<u>1,316,233</u>
FUND BALANCES - 9/30/2024	<u>\$ 2,605,761</u>	<u>\$ 130,740</u>	<u>\$ 2,219,816</u>

Special Revenue

Grants Fund	Park Dedication Fund	Gift Fund	Tax Increment Financing Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 2,864,772	2,864,772
-	-	-	186,879	186,879
-	-	-	-	93,424
-	-	-	-	2,481,874
-	150,930	-	-	1,475,450
-	-	-	-	211,391
2,769,094	-	-	249,548	3,018,642
-	35,520	10,175	537,143	759,649
-	-	-	-	15,001
<u>2,769,094</u>	<u>186,450</u>	<u>10,175</u>	<u>3,838,342</u>	<u>11,107,082</u>
-	-	-	935,002	984,895
15,350	-	44,551	-	89,074
18,316	20,899	-	-	2,311,354
1,680,333	-	-	-	1,680,333
<u>1,055,095</u>	<u>86,465</u>	<u>114,755</u>	<u>-</u>	<u>2,357,091</u>
<u>2,769,094</u>	<u>107,364</u>	<u>159,306</u>	<u>935,002</u>	<u>7,422,747</u>
<u>-</u>	<u>79,086</u>	<u>(149,131)</u>	<u>2,903,340</u>	<u>3,684,335</u>
-	-	96,847	-	584,847
-	-	-	(30,000)	(444,309)
-	-	96,847	(30,000)	140,538
<u>-</u>	<u>79,086</u>	<u>(52,284)</u>	<u>2,873,340</u>	<u>3,824,873</u>
-	1,849,269	314,813	11,878,998	18,074,666
238,514	-	-	-	238,514
<u>238,514</u>	<u>1,849,269</u>	<u>314,813</u>	<u>11,878,998</u>	<u>18,313,180</u>
<u>\$ 238,514</u>	<u>\$ 1,928,355</u>	<u>\$ 262,529</u>	<u>\$ 14,752,338</u>	<u>\$ 22,138,053</u>



NONMAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the majority of revenues come from fees charged to external users for goods or services.

SOLID WASTE FUND – This fund is used to account for the provision of solid waste services to residents of the city and associated operating and non-operating costs.

DRAINAGE FUND – This fund is used to account for the provision of developing and maintaining proper drainage services to the residents of the city.

GOLF COURSE FUND – This fund is used to account for activities associated with the operations of The Courses at Watters Creek Golf Course that has been owned by the City since October 2004.

ALLEN EVENT CENTER FUND – This fund accounts for the activities associated with the operations of the Credit Union of Texas Event Center. The Event Center is a multi-purpose indoor arena built by the City in 2009 and renamed to the Credit Union of Texas Event Center in 2021.

City of Allen, Texas
Combining Statement of Net Position - Nonmajor Enterprise Funds
September 30, 2024

	Enterprise Funds				Total Nonmajor Enterprise Funds
	Solid Waste	Drainage	Golf Course	Allen Event Center	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 2,468,170	\$ 1,475,127	\$ 2,925,053	\$ 1,746,243	\$ 8,614,593
Investments	-	-	1,353,719	-	1,353,719
Receivables, net of allowances for uncollectibles:					
Accounts	1,340,984	363,236	78,717	286,578	2,069,515
Accrued Interest	-	-	5,210	-	5,210
Inventories	-	-	32,091	69,859	101,950
TOTAL CURRENT ASSETS	3,809,154	1,838,363	4,394,790	2,102,680	12,144,987
NONCURRENT ASSETS					
CAPITAL ASSETS					
Other improvements	-	1,230,546	-	-	1,230,546
Machinery and equipment	-	632,091	1,717,402	-	2,349,493
Vehicles	140,440	297,375	-	-	437,815
Less: accumulated depreciation/amortization	(119,374)	(959,471)	(1,025,276)	-	(2,104,121)
TOTAL NONCURRENT ASSETS	21,066	1,200,541	692,126	-	1,913,733
TOTAL ASSETS	3,830,220	3,038,904	5,086,916	2,102,680	14,058,720
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pension	184,641	166,177	429,289	641,627	1,421,734
Deferred outflows of resources - OPEB	3,171	2,854	7,373	11,020	24,418
TOTAL DEFERRED OUTFLOWS OF RESOURCES	187,812	169,031	436,662	652,647	1,446,152
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	311,208	16,620	212,865	563,484	1,104,177
Accrued liabilities	126,548	16,155	51,327	77,133	271,163
Financing arrangements - current	-	-	16,311	-	16,311
Leases - current	-	-	141,824	-	141,824
Compensated absences - current	24,457	13,800	51,903	50,673	140,833
Total OPEB liability - current	287	259	668	999	2,213
Unearned revenue	-	-	82,059	960,581	1,042,640
TOTAL CURRENT LIABILITIES	462,500	46,834	556,957	1,652,870	2,719,161
NONCURRENT LIABILITIES					
Financing arrangements	-	-	15,663	-	15,663
Leases	-	-	520,950	-	520,950
Net pension liability	346,164	311,548	804,832	1,202,921	2,665,465
Total OPEB liability	14,869	13,381	34,570	51,668	114,488
Compensated absences	97,827	55,199	207,614	202,693	563,333
TOTAL NONCURRENT LIABILITIES	458,860	380,128	1,583,629	1,457,282	3,879,899
TOTAL LIABILITIES	921,360	426,962	2,140,586	3,110,152	6,599,060
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - pension	6,524	5,872	15,169	22,671	50,236
Deferred inflows of resources - OPEB	6,275	5,647	14,590	21,806	48,318
TOTAL DEFERRED INFLOWS OF RESOURCES	12,799	11,519	29,759	44,477	98,554
NET POSITION					
Net investment in capital assets	21,066	1,200,541	(2,622)	-	1,218,985
Unrestricted	3,062,807	1,568,913	3,355,855	(399,302)	7,588,273
TOTAL NET POSITION	\$ 3,083,873	\$ 2,769,454	\$ 3,353,233	\$ (399,302)	\$ 8,807,258

City of Allen, Texas

Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds

For the year ended September 30, 2024

	Enterprise Funds				Total Nonmajor Enterprise Funds
	Solid Waste	Drainage	Golf Course	Allen Event Center	
OPERATING REVENUES					
Charges for services:					
Garbage collections	\$ 8,511,164	\$ -	\$ -	\$ -	\$ 8,511,164
Service charges	-	138,104	4,894,407	7,997,824	13,030,335
Drainage fees	-	2,277,643	-	-	2,277,643
Insurance recoveries	-	16,930	8,127	-	25,057
Miscellaneous	37,554	-	59,706	1,499,776	1,597,036
TOTAL OPERATING REVENUES	<u>8,548,718</u>	<u>2,432,677</u>	<u>4,962,240</u>	<u>9,497,600</u>	<u>25,441,235</u>
OPERATING EXPENSES					
Personnel services	850,716	833,777	2,083,400	3,011,049	6,778,942
Contractual services	6,779,829	329,133	1,229,304	6,313,793	14,652,059
Maintenance	46,057	431,169	648,353	613,356	1,738,935
Supplies	34,665	80,658	350,303	188,956	654,582
Depreciation and amortization	14,044	133,760	261,213	-	409,017
TOTAL OPERATING EXPENSES	<u>7,725,311</u>	<u>1,808,497</u>	<u>4,572,573</u>	<u>10,127,154</u>	<u>24,233,535</u>
OPERATING INCOME (LOSS)	<u>823,407</u>	<u>624,180</u>	<u>389,667</u>	<u>(629,554)</u>	<u>1,207,700</u>
NON-OPERATING REVENUES (EXPENSES)					
Investment earnings	58,805	46,699	132,682	1,681	239,867
Interest expense	-	-	(7,359)	-	(7,359)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>58,805</u>	<u>46,699</u>	<u>125,323</u>	<u>1,681</u>	<u>232,508</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>882,212</u>	<u>670,879</u>	<u>514,990</u>	<u>(627,873)</u>	<u>1,440,208</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Transfers in	-	-	-	901,351	901,351
Transfers out	(657,072)	(435,567)	-	-	(1,092,639)
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(657,072)</u>	<u>(435,567)</u>	<u>-</u>	<u>901,351</u>	<u>(191,288)</u>
CHANGE IN NET POSITION	225,140	235,312	514,990	273,478	1,248,920
NET POSITION - 9/30/2023, as previously presented	-	-	-	-	-
Change within financial reporting entity (major to nonmajor fund)	2,858,733	2,534,142	2,838,243	(672,780)	7,558,338
NET POSITION - 9/30/2023, as restated	<u>2,858,733</u>	<u>2,534,142</u>	<u>2,838,243</u>	<u>(672,780)</u>	<u>7,558,338</u>
NET POSITION - 9/30/2024	<u>\$ 3,083,873</u>	<u>\$ 2,769,454</u>	<u>\$ 3,353,233</u>	<u>\$ (399,302)</u>	<u>\$ 8,807,258</u>



City of Allen, Texas
Combining Statement of Cash Flows - Nonmajor Enterprise Funds
For the year ended September 30, 2024

	Enterprise Funds				Total Nonmajor Enterprise Funds
	Solid Waste	Drainage	Golf Course	Allen Event Center	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 8,593,431	\$ 2,371,169	\$ 4,903,722	\$ 8,974,626	\$ 24,842,948
Cash paid to employees for salaries and benefits	(805,204)	(798,524)	(2,050,076)	(2,959,305)	(6,613,109)
Cash paid for goods and services	(6,925,147)	(846,085)	(2,230,015)	(6,877,989)	(16,879,236)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>863,080</u>	<u>726,560</u>	<u>623,631</u>	<u>(862,668)</u>	<u>1,350,603</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers in from other funds	-	-	-	901,351	901,351
Transfers out to other funds	(657,072)	(435,567)	-	-	(1,092,639)
NET CASH PROVIDED BY (USED FOR) NON-CAPITAL FINANCING ACTIVITIES	<u>(657,072)</u>	<u>(435,567)</u>	<u>-</u>	<u>901,351</u>	<u>(191,288)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	-	(205,710)	-	-	(205,710)
Principal paid on capital debt	-	-	(190,956)	-	(190,956)
Interest and fees paid on capital debt	-	-	(7,360)	-	(7,360)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>-</u>	<u>(205,710)</u>	<u>(198,316)</u>	<u>-</u>	<u>(404,026)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	58,805	46,699	135,570	1,681	242,755
Proceeds from sale of investments	-	-	398,951	-	398,951
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>58,805</u>	<u>46,699</u>	<u>534,521</u>	<u>1,681</u>	<u>641,706</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	264,813	131,982	959,836	40,364	1,396,995
CASH AND CASH EQUIVALENTS - BEGINNING	<u>2,203,357</u>	<u>1,343,145</u>	<u>1,965,217</u>	<u>1,705,879</u>	<u>7,217,598</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 2,468,170</u>	<u>\$ 1,475,127</u>	<u>\$ 2,925,053</u>	<u>\$ 1,746,243</u>	<u>\$ 8,614,593</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES					
Net operating income (loss)	\$ 823,407	\$ 624,180	\$ 389,667	\$ (629,554)	\$ 1,207,700
Adjustments to reconcile income (loss) to net cash provided by (used for) operating activities:					
Depreciation and amortization expense	14,044	133,760	261,213	-	409,017
(Increase) decrease in accounts receivable	(417,712)	(62,362)	(78,717)	(35,316)	(594,107)
(Increase) decrease in other receivables	462,425	854	6,834	-	470,113
(Increase) decrease in inventories	-	-	(4,744)	(7,838)	(12,582)
(Increase) decrease in pension related deferred outflows	81,652	43,724	197,286	273,171	595,833
(Increase) decrease in OPEB related deferred outflows	637	148	1,590	2,065	4,440
Increase (decrease) in accounts payable	(64,596)	(4,730)	2,689	245,954	179,317
Increase (decrease) in retainage payable	-	(395)	-	-	(395)
Increase (decrease) in accrued liabilities	38,225	2,515	12,307	18,216	71,263
Increase (decrease) in unearned revenue	-	-	82,059	664,130	746,189
Increase (decrease) in deposits payable	-	-	(68,694)	(1,151,788)	(1,220,482)
Increase (decrease) in net pension liability	(84,591)	(27,988)	(208,709)	(276,849)	(598,137)
Increase (decrease) in total OPEB liability	1,007	2,488	1,947	4,062	9,504
Increase (decrease) in compensated absences	6,469	11,271	24,289	23,314	65,343
Increase (decrease) in pension related deferred inflows	4,124	3,980	9,521	14,425	32,050
Increase (decrease) in OPEB related deferred inflows	(2,011)	(885)	(4,907)	(6,660)	(14,463)
Total adjustments	<u>39,673</u>	<u>102,380</u>	<u>233,964</u>	<u>(233,114)</u>	<u>142,903</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>\$ 863,080</u>	<u>\$ 726,560</u>	<u>\$ 623,631</u>	<u>\$ (862,668)</u>	<u>\$ 1,350,603</u>

NONMAJOR PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of services provided by one fund to the other funds within the City on a cost-reimbursement basis.

REPLACEMENT FUND – This fund is used to account for the costs associated with the replacement of capital assets in other funds and departments.

RISK MANAGEMENT FUND – This fund is used to account for the costs associated with workers compensation, liability and property insurance, and medical and dental programs established for City employees and their covered dependents.

FACILITY MAINTENANCE FUND – This fund is used to account for the accumulation of resources to address large repairs and aging facility infrastructure. The accumulation of resources will help address major building repairs and prevent building deterioration.

City of Allen, Texas
Combining Statement of Net Position - Internal Service Funds
September 30, 2024

	Replacement Fund	Risk Management Fund	Facility Maintenance Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 17,590,225	\$ 7,999,223	\$ 6,193,749	\$ 31,783,197
Investments	4,099,129	4,924,686	496,339	9,520,154
Receivables, net of allowances for uncollectibles:				
Accounts	50,248	36,770	-	87,018
Accrued Interest	15,775	18,952	1,910	36,637
Prepaid items	-	222,311	-	222,311
TOTAL CURRENT ASSETS	21,755,377	13,201,942	6,691,998	41,649,317
NONCURRENT ASSETS				
CAPITAL ASSETS				
Construction in Progress	558,180	-	22,095	580,275
Machinery and equipment	7,046,364	-	-	7,046,364
Vehicles	25,843,394	-	-	25,843,394
Less: accumulated depreciation	(21,067,219)	-	-	(21,067,219)
TOTAL NONCURRENT ASSETS	12,380,719	-	22,095	12,402,814
TOTAL ASSETS	\$ 34,136,096	\$ 13,201,942	\$ 6,714,093	\$ 54,052,131
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	345,497	116,028	99,126	560,651
Accrued liabilities	-	12,390	-	12,390
Retainage payable	-	-	21,867	21,867
Incurred but not reported claims	-	1,062,803	-	1,062,803
TOTAL LIABILITIES	345,497	1,191,221	120,993	1,657,711
NET POSITION				
Net investment in capital assets	12,072,718	-	22,095	12,094,813
Unrestricted	21,717,881	12,010,721	6,571,005	40,299,607
TOTAL NET POSITION	\$ 33,790,599	\$ 12,010,721	\$ 6,593,100	\$ 52,394,420

City of Allen, Texas
Combining Statement of Revenues, Expenses and
Changes in Net Position - Internal Service Funds
For the year ended September 30, 2024

	Replacement Fund	Risk Management Fund	Facility Maintenance Fund	Totals
OPERATING REVENUES				
Charges for services	\$ 3,542,830	\$ 14,871,062	\$ 5,433,000	\$ 23,846,892
Insurance recoveries	151,937	2,669,652	-	2,821,589
Miscellaneous	877,900	-	-	877,900
TOTAL OPERATING REVENUES	<u>4,572,667</u>	<u>17,540,714</u>	<u>5,433,000</u>	<u>27,546,381</u>
OPERATING EXPENSES				
Personnel services	-	645,787	-	645,787
Contractual services	26,725	17,377,203	32,586	17,436,514
Maintenance	-	15,199	491,050	506,249
Supplies	95,261	26,559	-	121,820
Depreciation and amortization	2,800,981	-	-	2,800,981
TOTAL OPERATING EXPENSES	<u>2,922,967</u>	<u>18,064,748</u>	<u>523,636</u>	<u>21,511,351</u>
OPERATING INCOME (LOSS)	<u>1,649,700</u>	<u>(524,034)</u>	<u>4,909,364</u>	<u>6,035,030</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	973,023	611,641	56,574	1,641,238
Gain (loss) on disposal of capital assets	254,368	-	-	254,368
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>1,227,391</u>	<u>611,641</u>	<u>56,574</u>	<u>1,895,606</u>
CHANGE IN NET POSITION	2,877,091	87,607	4,965,938	7,930,636
NET POSITION - 9/30/2023	<u>30,913,508</u>	<u>11,923,114</u>	<u>1,627,162</u>	<u>44,463,784</u>
NET POSITION - 9/30/2024	<u>\$ 33,790,599</u>	<u>\$ 12,010,721</u>	<u>\$ 6,593,100</u>	<u>\$ 52,394,420</u>

City of Allen, Texas
Combining Statement of Cash Flows - Internal Service Funds
For the year ended September 30, 2024

	Replacement Fund	Risk Management Fund	Facility Maintenance Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,029,837	\$ 2,669,652	\$ -	\$ 3,699,489
Cash received from transactions with other funds	3,492,582	14,955,516	5,433,000	23,881,098
Cash paid to employees for salaries and benefits	-	(633,397)	-	(633,397)
Cash paid for goods and services	(727,453)	-	(579,855)	(1,307,308)
Cash paid for claims	-	(17,638,746)	-	(17,638,746)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>3,794,966</u>	<u>(646,975)</u>	<u>4,853,145</u>	<u>8,001,136</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(6,903,227)	-	(22,095)	(6,925,322)
Proceeds from sale of capital assets	254,368	-	-	254,368
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(6,648,859)</u>	<u>-</u>	<u>(22,095)</u>	<u>(6,670,954)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	989,395	625,861	57,633	1,672,889
Proceeds from sale of investments	2,858,405	2,241,023	146,275	5,245,703
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>3,847,800</u>	<u>2,866,884</u>	<u>203,908</u>	<u>6,918,592</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	993,907	2,219,909	5,034,958	8,248,774
CASH AND CASH EQUIVALENTS - BEGINNING	<u>16,596,318</u>	<u>5,779,314</u>	<u>1,158,791</u>	<u>23,534,423</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 17,590,225</u>	<u>\$ 7,999,223</u>	<u>\$ 6,193,749</u>	<u>\$ 31,783,197</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES				
Net operating income (loss)	\$ 1,649,700	\$ (524,034)	\$ 4,909,364	\$ 6,035,030
Adjustments to reconcile income (loss) to net cash provided by (used for) operating activities:				
Depreciation and amortization expense	2,800,981	-	-	2,800,981
(Increase) decrease in accounts receivable	(50,248)	84,454	-	34,206
(Increase) decrease in prepaid items	-	(100,387)	-	(100,387)
Increase (decrease) in accounts payable	(605,467)	(166,693)	(78,086)	(850,246)
Increase (decrease) in retainage payable	-	-	21,867	21,867
Increase (decrease) in accrued liabilities	-	12,390	-	12,390
Increase (decrease) in incurred but not reported claims	-	47,295	-	47,295
Total adjustments	<u>2,145,266</u>	<u>(122,941)</u>	<u>(56,219)</u>	<u>1,966,106</u>
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	<u>\$ 3,794,966</u>	<u>\$ (646,975)</u>	<u>\$ 4,853,145</u>	<u>\$ 8,001,136</u>

DISCRETELY PRESENTED COMPONENT UNITS

The City has two legally separate organizations included as component units because of their fiscal dependency on the primary government. An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

ALLEN ECONOMIC DEVELOPMENT CORPORATION (AEDC) – The AEDC was formed in 1992 and is responsible for aiding, promoting, and furthering economic development within Allen.

ALLEN COMMUNITY DEVELOPMENT CORPORATION (ACDC) – This ACDC was formed in 1996 and receives funds from the Type 4B half-cent sales tax for community development projects. The ACDC is responsible for supporting the improvements in community parks and recreation, streets and sidewalks, public safety, and the community library.

City of Allen, Texas
Balance Sheet - Discretely Presented Component Units
September 30, 2024

	Allen Economic Development Corporation	Allen Community Development Corporation	Total
ASSETS			
Cash and cash equivalents	\$ 12,480,544	\$ 14,733,870	\$ 27,214,414
Investments	5,181,009	14,277,060	19,458,069
Receivables, net of allowances for uncollectibles			
Sales taxes	2,380,011	2,380,011	4,760,022
Accrued interest	16,090	54,944	71,034
Prepaid items	5,000	-	5,000
TOTAL ASSETS	<u>\$ 20,062,654</u>	<u>\$ 31,445,885</u>	<u>\$ 51,508,539</u>
LIABILITIES			
Accounts payable	112,781	1,210,794	1,323,575
Accrued liabilities	26,583	9,539	36,122
Retainage payable	-	63,509	63,509
TOTAL LIABILITIES	<u>139,364</u>	<u>1,283,842</u>	<u>1,423,206</u>
FUND BALANCES			
Nonspendable			
Prepaid items	5,000	-	5,000
Restricted			
Debt service	2,273,595	2,414,667	4,688,262
Unassigned	17,644,695	27,747,376	45,392,071
TOTAL FUND BALANCES	<u>19,923,290</u>	<u>30,162,043</u>	<u>50,085,333</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 20,062,654</u>	<u>\$ 31,445,885</u>	<u>\$ 51,508,539</u>

City of Allen, Texas
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 Discretely Presented Component Units
 September 30, 2024

	Allen Economic Development Corporation	Allen Community Development Corporation
Amounts reported for governmental activities in the statement of net position are different because:		
Total fund balances - governmental funds	\$ 19,923,290	\$ 30,162,043
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.		
Total capital assets	42,823,111	97,071,875
Accumulated depreciation	(276,125)	(42,894,364)
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds:		
Sales tax revenue bonds payable	(7,250,000)	(16,975,000)
Accrued interest payable on long-term debt	(20,336)	(38,190)
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Premiums on general obligation bonds	(218,687)	-
Net position of governmental activities	\$ 54,981,253	\$ 67,326,364

City of Allen, Texas
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - Discretely Presented Component Units
For the Year Ended September 30, 2024

	Allen Economic Development Corporation	Allen Community Development Corporation	Total
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Taxes			
Sales taxes	\$ 15,528,579	\$ 15,528,579	\$ 31,057,158
Investment earnings	750,805	1,340,736	2,091,541
Miscellaneous	<u>710,068</u>	<u>41,279</u>	<u>751,347</u>
TOTAL REVENUES	<u>16,989,452</u>	<u>16,910,594</u>	<u>33,900,046</u>
EXPENDITURES			
Current			
Economic development	5,943,623	-	5,943,623
Community development	-	4,847,775	4,847,775
Culture and recreation	-	1,962,469	1,962,469
Capital outlay	6,739,766	7,450,354	14,190,120
Debt Service			
Principal retirement	1,515,000	1,890,000	3,405,000
Interest and fiscal charges	<u>321,798</u>	<u>525,518</u>	<u>847,316</u>
TOTAL EXPENDITURES	<u>14,520,187</u>	<u>16,676,116</u>	<u>31,196,303</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,469,265</u>	<u>234,478</u>	<u>2,703,743</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	-	4,201	4,201
Insurance recoveries	<u>-</u>	<u>1,030</u>	<u>1,030</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>5,231</u>	<u>5,231</u>
NET CHANGE IN FUND BALANCES	2,469,265	239,709	2,708,974
FUND BALANCES - 9/30/2023	<u>17,454,025</u>	<u>29,922,334</u>	<u>47,376,359</u>
FUND BALANCES - 9/30/2024	<u>\$ 19,923,290</u>	<u>\$ 30,162,043</u>	<u>\$ 50,085,333</u>

City of Allen, Texas

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Discretely Presented Component Units
Year Ended September 30, 2024

	Allen Economic Development Corporation	Allen Community Development Corporation
Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balance - total governmental funds	\$ 2,469,265	\$ 239,709
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	6,689,563	4,263,154
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Bond and lease principal paid	1,515,000	1,890,000
Amortization of bond premiums	72,895	-
Deferred loss/gain on refunding charges	(129,925)	-
Some revenues and expenses reported in the statement of activities do not provide or require the use of current financial resources and, therefore, are not reported in the governmental funds.		
Accrued interest on long-term debt	4,740	3,334
Change in net position of governmental activities	\$ 10,621,538	\$ 6,396,197

Statistical Section
(Unaudited)



STATISTICAL SECTION

This part of the City of Allen's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.

<u>Contents</u>	<u>Table #s</u>
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1, 2, 3 & 4
Revenue Capacity These tables contain information to help the reader assess the City's two most significant local revenue sources, the property and sales taxes.	5, 6, 7 & 8
Debt Capacity These tables 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.	9, 10, 11 & 12
Economic and Demographic Information These tables offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	13 & 14
Operating Information These tables 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.	15, 16 & 17

Source: Unless otherwise noted, the information in these tables is derived from the annual comprehensive financial reports for the relevant year.

City of Allen, Texas
Net Position by Component (Accrual Basis of Accounting) (Unaudited)
Last Ten Fiscal Years

Fiscal year ended September 30,	2024	2023	2022	2021
Governmental activities				
Net investment in capital assets	\$ 404,047,053	\$ 389,804,091	\$ 392,949,598	\$ 388,795,081
Restricted	26,737,949	22,260,823	16,101,110	14,807,800
Unrestricted	<u>70,719,947</u>	<u>76,104,550</u>	<u>76,814,254</u>	<u>72,520,903</u>
Total governmental net position	<u>\$ 501,504,949</u>	<u>\$ 488,169,464</u>	<u>\$ 485,864,962</u>	<u>\$ 476,123,784</u>
Business-type activities				
Net investment in capital assets	\$ 125,811,570	\$ 122,533,611	\$ 108,374,156	\$ 113,396,556
Restricted	2,336,548	2,634,465	1,230,726	764,763
Unrestricted	<u>87,631,740</u>	<u>65,836,910</u>	<u>70,596,998</u>	<u>56,890,299</u>
Total business-type net position	<u>\$ 215,779,858</u>	<u>\$ 191,004,986</u>	<u>\$ 180,201,880</u>	<u>\$ 171,051,618</u>
Primary government				
Net investment in capital assets	\$ 529,858,623	\$ 512,337,702	\$ 501,323,754	\$ 502,191,637
Restricted	29,074,497	24,895,288	17,331,836	15,572,563
Unrestricted	<u>158,351,687</u>	<u>141,941,460</u>	<u>147,411,252</u>	<u>129,411,202</u>
Total primary government net position	<u>\$ 717,284,807</u>	<u>\$ 679,174,450</u>	<u>\$ 666,066,842</u>	<u>\$ 647,175,402</u>

Source: City of Allen Annual Comprehensive Financial Reports

Table 1

2020	2019	2018	2017	2016	2015
\$ 392,368,425	\$ 391,261,029	\$ 379,153,944	\$ 366,322,218	\$ 364,667,251	\$ 355,756,224
13,891,413	44,872,796	39,588,223	38,303,226	32,485,173	31,476,026
<u>57,821,649</u>	<u>20,238,419</u>	<u>15,312,432</u>	<u>15,902,576</u>	<u>14,435,604</u>	<u>16,596,955</u>
<u>\$ 464,081,487</u>	<u>\$ 456,372,244</u>	<u>\$ 434,054,599</u>	<u>\$ 420,528,020</u>	<u>\$ 411,588,028</u>	<u>\$ 403,829,205</u>
\$ 113,355,391	\$ 113,459,625	\$ 103,762,241	\$ 107,926,811	\$ 106,174,191	\$ 102,340,588
513,520	571,053	46,350	195,485	216,664	344,421
<u>50,803,699</u>	<u>40,240,619</u>	<u>43,785,615</u>	<u>31,920,455</u>	<u>33,592,809</u>	<u>34,165,174</u>
<u>\$ 164,672,610</u>	<u>\$ 154,271,297</u>	<u>\$ 147,594,206</u>	<u>\$ 140,042,751</u>	<u>\$ 139,983,664</u>	<u>\$ 136,850,183</u>
\$ 505,723,816	\$ 504,720,654	\$ 482,916,185	\$ 474,249,029	\$ 470,841,442	\$ 458,096,812
14,404,933	45,443,849	39,634,573	38,498,711	32,701,837	31,820,447
<u>108,625,348</u>	<u>60,479,038</u>	<u>59,098,047</u>	<u>47,823,031</u>	<u>48,028,413</u>	<u>50,762,129</u>
<u>\$ 628,754,097</u>	<u>\$ 610,643,541</u>	<u>\$ 581,648,805</u>	<u>\$ 560,570,771</u>	<u>\$ 551,571,692</u>	<u>\$ 540,679,388</u>

City of Allen, Texas
Changes in Net Position (Accrual Basis of Accounting) (Unaudited)
Last Ten Fiscal Years

Fiscal year ended September 30,	2024	2023	2022	2021
Expenses				
Governmental activities:				
General government	\$ 36,583,521	\$ 29,565,683	\$ 26,469,412	\$ 22,940,360
Public safety	67,135,182	57,988,034	63,891,672	49,532,988
Public works	29,858,727	27,241,203	9,148,396	19,661,514
Culture and recreation	31,337,978	29,952,582	36,053,830	29,359,242
Community development	6,470,480	6,731,357	5,587,202	6,330,539
Interest on long-term debt	4,022,874	4,966,234	2,312,561	3,103,192
Total governmental activities expenses	<u>175,408,762</u>	<u>156,445,093</u>	<u>143,463,073</u>	<u>130,927,835</u>
Business-type activities:				
Water and sewer	57,160,608	54,520,345	46,917,817	46,442,937
Solid waste	7,725,311	7,563,726	7,088,901	6,824,441
Drainage	1,808,497	1,588,923	1,349,306	1,497,014
Golf Course	4,579,932	4,267,842	3,800,645	3,557,076
Allen event center	10,127,154	9,442,654	-	-
Total business-type activities expenses	<u>81,401,502</u>	<u>77,383,490</u>	<u>59,156,669</u>	<u>58,321,468</u>
Total primary government expenses	<u>\$ 256,810,264</u>	<u>\$ 233,828,583</u>	<u>\$ 202,619,742</u>	<u>\$ 189,249,303</u>
Program Revenues				
Governmental activities:				
Charges for Services:				
General government	\$ 2,502,305	\$ 43,068	\$ 570,560	\$ 598,846
Public safety	2,811,849	3,198,388	2,221,519	2,063,311
Public works	1,903,232	247,203	484,796	587,112
Culture and recreation	7,116,231	2,949,789	7,154,042	4,649,476
Community development	3,566,062	3,671,645	2,828,805	4,024,897
Operating grants and contributions	10,617,394	3,639,508	5,477,428	4,874,743
Capital grants and contributions	15,764,984	1,675,949	11,162,094	8,535,198
Total governmental activities program revenue	<u>44,282,057</u>	<u>15,425,550</u>	<u>29,899,244</u>	<u>25,333,583</u>
Business-type activities:				
Charges for services:				
Water and sewer	75,772,356	64,410,519	57,519,014	49,099,338
Solid waste	8,511,164	8,057,287	7,278,382	7,039,328
Drainage	2,417,885	2,333,571	1,984,067	1,826,950
Golf Course	6,685,903	4,666,829	4,502,056	4,196,161
Allen event center	7,997,824	6,849,467	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	7,014,220	4,267,362	4,072,343	5,695,888
Total business-type activities program revenue	<u>108,399,352</u>	<u>90,585,035</u>	<u>75,355,862</u>	<u>67,857,665</u>
Total primary government program revenues	<u>\$ 152,681,409</u>	<u>\$ 106,010,585</u>	<u>\$ 105,255,106</u>	<u>\$ 93,191,248</u>
Net (Expenses) Revenue				
Governmental activities	\$ (131,126,705)	\$ (141,019,543)	\$ (113,563,829)	\$ (105,594,252)
Business-type activities	<u>26,997,850</u>	<u>13,201,545</u>	<u>16,199,193</u>	<u>9,536,197</u>
Total primary government net expenses	<u>\$ (104,128,855)</u>	<u>\$ (127,817,998)</u>	<u>\$ (97,364,636)</u>	<u>\$ (96,058,055)</u>

Table 2

2020	2019	2018	2017	2016	2015
\$ 24,937,087	\$ 21,238,061	\$ 26,764,210	\$ 28,251,550	\$ 25,304,811	\$ 24,464,246
47,369,212	44,993,635	39,213,768	39,624,788	35,199,937	31,607,444
22,393,268	27,039,953	24,161,991	20,209,785	19,083,214	18,349,569
29,015,632	33,287,645	33,791,438	28,968,534	32,851,598	32,407,934
5,238,233	3,160,050	3,079,242	3,007,047	3,251,555	2,861,704
<u>2,745,698</u>	<u>2,888,831</u>	<u>2,920,824</u>	<u>2,980,513</u>	<u>3,356,234</u>	<u>3,921,989</u>
131,699,130	132,608,175	129,931,473	123,042,217	119,047,349	113,612,886
45,524,999	44,511,123	41,134,685	39,527,816	35,604,182	32,304,628
6,525,391	6,248,035	6,223,788	6,078,853	5,870,269	5,560,294
1,555,570	1,396,935	1,260,262	1,193,057	1,146,138	914,322
3,166,856	3,332,927	3,397,180	3,135,144	3,089,041	2,911,476
-	-	-	-	-	-
<u>56,772,816</u>	<u>55,489,020</u>	<u>52,015,915</u>	<u>49,934,870</u>	<u>45,709,630</u>	<u>41,690,720</u>
\$ <u>188,471,946</u>	\$ <u>188,097,195</u>	\$ <u>181,947,388</u>	\$ <u>172,977,087</u>	\$ <u>164,756,979</u>	\$ <u>155,303,606</u>
\$ 509,691	\$ 500,122	\$ 525,542	\$ 497,243	\$ 467,786	\$ 705,064
2,189,114	1,954,810	2,171,332	2,712,076	1,801,984	1,647,407
725,209	1,485,962	1,333,506	293,559	210,687	233,808
3,793,429	9,744,309	9,803,084	8,747,206	10,289,465	9,177,211
2,530,977	4,798,471	4,025,326	4,266,140	3,216,799	3,021,708
3,427,631	2,056,001	2,423,768	2,443,054	1,557,260	1,749,567
<u>10,639,664</u>	<u>19,888,044</u>	<u>18,942,856</u>	<u>15,327,094</u>	<u>16,039,869</u>	<u>10,552,610</u>
23,815,715	40,427,719	39,225,414	34,286,372	33,583,850	27,087,375
49,461,636	43,103,920	42,453,681	37,163,882	36,335,868	34,135,714
7,116,831	7,006,423	6,933,356	6,735,559	6,687,182	6,474,386
2,162,770	1,763,694	1,907,407	1,648,681	1,519,405	1,465,044
3,199,136	3,138,144	2,810,424	2,959,361	2,705,799	2,361,384
-	-	-	-	-	-
-	-	-	-	-	1,000,000
<u>8,332,962</u>	<u>10,175,397</u>	<u>9,734,528</u>	<u>5,622,911</u>	<u>6,172,301</u>	<u>4,416,642</u>
70,273,335	65,187,578	63,839,396	54,130,394	53,420,555	49,853,170
\$ <u>94,089,050</u>	\$ <u>105,615,297</u>	\$ <u>103,064,810</u>	\$ <u>88,416,766</u>	\$ <u>87,004,405</u>	\$ <u>76,940,545</u>
\$ (107,883,415)	\$ (92,180,456)	\$ (90,706,059)	\$ (88,755,845)	\$ (85,463,499)	\$ (86,525,511)
<u>13,500,519</u>	<u>9,698,558</u>	<u>11,823,481</u>	<u>4,195,524</u>	<u>7,710,925</u>	<u>8,162,450</u>
\$ <u>(94,382,896)</u>	\$ <u>(82,481,898)</u>	\$ <u>(78,882,578)</u>	\$ <u>(84,560,321)</u>	\$ <u>(77,752,574)</u>	\$ <u>(78,363,061)</u>

City of Allen, Texas
Changes in Net Position (Accrual Basis of Accounting) (Unaudited)
Last Ten Fiscal Years (continued)

Fiscal year ended September 30,	2024	2023	2022	2021
General Revenues				
and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
Property taxes	\$ 83,821,874	\$ 76,465,116	\$ 74,289,475	\$ 71,946,802
Sales taxes	31,547,688	29,480,960	27,609,918	25,599,945
Franchise taxes	7,735,536	7,573,389	7,481,353	6,821,738
Hotel / Motel taxes	2,481,874	2,382,951	2,074,533	1,337,147
Other taxes	-	1,406,052	1,425,226	1,171,378
Investment earnings	11,035,616	8,614,384	(4,921,824)	1,118,970
Gain on disposition of capital assets	-	-	291,333	322,084
Miscellaneous	162,288	11,688,618	8,689,016	5,311,149
Transfers	7,677,314	5,712,575	6,365,977	4,007,336
Total governmental activities	<u>144,462,190</u>	<u>143,324,045</u>	<u>123,305,007</u>	<u>117,636,549</u>
Business-type activities:				
Investment earnings	2,853,701	2,238,213	(1,830,191)	398,387
Gain on disposition of capital assets	9,650	-	-	7,585
Miscellaneous	2,590,985	1,075,923	1,147,237	444,175
Transfers	<u>(7,677,314)</u>	<u>(5,712,575)</u>	<u>(6,365,977)</u>	<u>(4,007,336)</u>
Total business-type activities	(2,222,978)	(2,398,439)	(7,048,931)	(3,157,189)
Total primary government	<u>\$ 142,239,212</u>	<u>\$ 140,925,606</u>	<u>\$ 116,256,076</u>	<u>\$ 114,479,360</u>
Change in Net Position				
Governmental activities	\$ 13,335,485	\$ 2,304,502	\$ 9,741,178	\$ 12,042,297
Business-type activities	<u>24,774,872</u>	<u>10,803,106</u>	<u>9,150,262</u>	<u>6,379,008</u>
Total primary government	<u>\$ 38,110,357</u>	<u>\$ 13,107,608</u>	<u>\$ 18,891,440</u>	<u>\$ 18,421,305</u>

Source: City of Allen Annual Comprehensive Financial Reports

Table 2
(continued)

2020	2019	2018	2017	2016	2015
\$ 70,917,335	\$ 68,865,078	\$ 63,929,379	\$ 58,816,876	\$ 54,102,952	\$ 50,143,986
21,686,335	21,648,401	20,717,505	19,450,088	19,274,983	18,141,683
7,454,713	7,810,093	7,990,092	7,553,013	7,295,931	7,412,447
1,156,398	1,759,159	1,487,066	1,547,244	1,607,263	1,544,160
1,195,296	2,204,220	1,704,227	1,912,559	1,621,012	1,851,397
4,246,550	4,048,112	944,196	837,577	735,832	689,736
144,347	-	446,117	263,627	-	-
4,188,530	3,460,124	3,592,229	2,703,964	3,794,277	2,650,103
4,603,154	4,702,914	4,398,244	4,610,889	4,790,072	6,249,489
<u>115,592,658</u>	<u>114,498,101</u>	<u>105,209,055</u>	<u>97,695,837</u>	<u>93,222,322</u>	<u>88,683,001</u>
1,140,957	1,284,728	210,045	199,508	197,125	194,051
9,713	-	13,228	-	15,503	-
353,278	396,719	21,030	274,944	-	1,003,939
<u>(4,603,154)</u>	<u>(4,702,914)</u>	<u>(4,398,244)</u>	<u>(4,610,889)</u>	<u>(4,790,072)</u>	<u>(6,249,489)</u>
<u>(3,099,206)</u>	<u>(3,021,467)</u>	<u>(4,153,941)</u>	<u>(4,136,437)</u>	<u>(4,577,444)</u>	<u>(5,051,499)</u>
\$ <u>112,493,452</u>	\$ <u>111,476,634</u>	\$ <u>101,055,114</u>	\$ <u>93,559,400</u>	\$ <u>88,644,878</u>	\$ <u>83,631,502</u>
\$ 7,709,243	\$ 22,317,645	\$ 14,502,996	\$ 8,939,992	\$ 7,758,823	\$ 2,157,490
<u>10,401,313</u>	<u>6,677,091</u>	<u>7,669,540</u>	<u>59,087</u>	<u>3,133,481</u>	<u>3,110,951</u>
\$ <u>18,110,556</u>	\$ <u>28,994,736</u>	\$ <u>22,172,536</u>	\$ <u>8,999,079</u>	\$ <u>10,892,304</u>	\$ <u>5,268,441</u>

City of Allen, Texas
Fund Balances of Governmental Funds (Modified Accrual Basis of Accounting) (Unaudited)
Last Ten Fiscal Years

Fiscal year ended September 30,	2024	2023	2022	2021
General Fund				
Nonspendable	\$ 36,946	\$ 141,304	\$ 28,677	\$ 145,700
Restricted	71,089	67,335	64,234	63,627
Assigned	-	922,899	71,742	-
Unassigned	34,260,644	31,416,575	28,615,271	27,554,966
Total General Fund	<u>\$ 34,368,679</u>	<u>\$ 32,548,113</u>	<u>\$ 28,779,924</u>	<u>\$ 27,764,293</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ 751	\$ 751
Restricted	139,157,722	62,722,524	66,742,207	72,968,241
Assigned	28,420,359	29,805,326	35,208,805	42,842,631
Unassigned (deficit)	-	-	-	-
Total all other governmental funds	<u>\$ 167,578,081</u>	<u>\$ 92,527,850</u>	<u>\$ 101,951,763</u>	<u>\$ 115,811,623</u>

Source: City of Allen Annual Comprehensive Financial Reports

Table 3

2020	2019	2018	2017	2016	2015
\$ 8,777	\$ 209,323	\$ 25,747	\$ 126,833	\$ 2,129	\$ 1,486
63,185	61,304	59,386	58,910	907,908	779,185
-	-	-	2,000,000	-	921,030
26,826,184	25,744,069	23,626,108	19,684,053	20,911,943	18,407,873
<u>\$ 26,898,146</u>	<u>\$ 26,014,696</u>	<u>\$ 23,711,241</u>	<u>\$ 21,869,796</u>	<u>\$ 21,821,980</u>	<u>\$ 20,109,574</u>
\$ 751	\$ 751	\$ -	\$ -	\$ -	\$ -
46,411,439	31,444,917	27,922,044	57,540,668	46,610,702	51,398,430
34,703,219	32,023,933	28,349,191	-	-	-
-	-	(4,428)	-	-	-
<u>\$ 81,115,409</u>	<u>\$ 63,469,601</u>	<u>\$ 56,266,807</u>	<u>\$ 57,540,668</u>	<u>\$ 46,610,702</u>	<u>\$ 51,398,430</u>

City of Allen, Texas

Changes in Fund Balances - Governmental Funds (Modified Accrual Basis of Accounting) (Unaudited)

Last Ten Fiscal Years

Fiscal year ended September 30,	2024	2023	2022	2021
REVENUES				
Taxes				
Ad valorem taxes	\$ 83,698,828	\$ 76,460,066	\$ 74,300,459	\$ 71,825,685
Sales taxes	31,547,688	29,480,960	27,609,918	25,599,945
Franchise and right-of-way fees	7,735,536	7,573,389	7,481,353	6,821,738
Hotel occupancy taxes	2,481,874	3,765,001	2,074,533	1,337,147
Licenses, permits and fees	5,321,484	6,112,789	3,101,820	4,509,535
Charges for services	10,565,137	1,406,052	10,959,753	8,061,820
Fines and forfeitures	2,026,432	2,565,742	1,425,226	1,171,378
Intergovernmental	7,775,885	2,382,951	7,511,497	9,506,946
Investment earnings	11,035,616	9,319,418	(3,634,356)	877,724
Gifts and contributions	2,774,347	7,182,239	2,917,033	1,296,178
Miscellaneous	181,564	3,233,944	3,148,527	4,725,411
TOTAL REVENUES	165,144,391	149,482,551	136,895,763	135,733,507
EXPENDITURES				
Current				
General government	34,670,192	29,073,166	26,252,997	22,222,641
Public safety	63,867,326	56,237,944	51,607,583	49,928,774
Public works	13,377,457	16,403,207	14,556,933	11,430,042
Culture and recreation	27,768,449	23,433,197	30,551,147	25,883,652
Community development	6,377,800	4,137,402	3,807,968	3,590,155
Capital outlay	20,045,550	30,316,623	36,748,922	8,483,652
Debt Service				
Principal retirement	14,301,255	11,641,269	12,507,068	11,049,141
Interest and fiscal charges	5,223,063	5,199,805	4,412,050	3,737,148
Issuance costs	769,213	-	-	-
TOTAL EXPENDITURES	186,400,305	176,442,613	180,444,668	136,325,205
Excess (deficiency) of revenues over (under) expenditures	<u>(21,255,914)</u>	<u>(26,960,062)</u>	<u>(43,548,905)</u>	<u>(591,698)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	10,131,657	12,746,544	9,865,902	10,180,045
Transfers out	(2,454,343)	(7,033,969)	(5,314,683)	(7,481,221)
Issuance of bonds	80,500,000	14,525,000	23,000,000	27,200,000
Issuance of refunding bonds	3,955,000	-	-	6,340,000
Premium on bonds issued	9,741,523	771,340	2,777,611	6,881,772
Financing arrangements	-	-	-	100,674
Leases	635,852	280,177	318,698	-
Payment to escrow agent	(4,430,156)	-	-	(7,105,226)
Insurance recoveries	37,898	-	-	-
Proceeds from sale of capital assets	9,280	15,246	57,148	38,015
TOTAL OTHER FINANCING SOURCES (USES)	98,126,711	21,304,338	30,704,676	36,154,059
NET CHANGE IN FUND BALANCES	<u>\$ 76,870,797</u>	<u>\$ (5,655,724)</u>	<u>\$ (12,844,229)</u>	<u>\$ 35,562,361</u>
Debt service as a percentage of noncapital expenditures	13.84%	11.5%	11.8%	11.6%

Source: City of Allen Annual Comprehensive Financial Reports

Table 4

	2020	2019	2018	2017	2016	2015
\$	71,018,733	\$ 68,884,826	\$ 63,775,055	\$ 58,875,936	\$ 54,104,132	\$ 50,177,840
	21,686,335	21,648,401	20,717,504	19,450,088	19,274,983	18,141,683
	7,454,713	7,810,093	7,990,092	7,553,013	7,295,931	7,412,447
	1,156,398	1,758,858	1,487,066	1,547,244	1,607,263	1,544,160
	3,341,367	5,279,425	4,494,361	4,450,639	3,064,580	3,134,551
	6,845,248	13,586,474	13,442,785	11,664,328	13,002,770	11,734,344
	1,195,296	2,214,571	1,710,354	1,851,735	1,579,628	1,805,230
	4,210,605	1,258,398	3,555,241	1,927,567	2,645,089	3,570,737
	3,648,787	3,280,340	851,954	643,928	627,760	577,014
	821,914	1,585,613	852,322	712,437	832,211	1,012,103
	3,896,892	3,106,994	3,276,677	3,428,366	3,711,870	3,420,441
	<u>125,276,288</u>	<u>130,413,993</u>	<u>122,153,411</u>	<u>112,105,281</u>	<u>107,746,217</u>	<u>102,530,550</u>
	23,770,757	19,902,542	26,141,256	27,182,391	24,101,637	23,996,598
	45,372,064	43,283,984	38,524,578	37,294,550	32,966,265	30,731,310
	10,342,827	11,194,393	8,899,247	5,428,996	4,865,431	4,888,798
	24,910,955	30,044,660	29,714,212	23,745,884	24,287,382	22,540,516
	3,254,786	3,161,679	3,076,260	2,951,864	2,833,011	2,880,880
	9,458,085	11,921,047	13,114,988	7,053,863	15,408,293	6,555,445
	11,094,986	11,382,162	11,181,377	10,445,000	9,135,000	9,322,537
	3,414,094	3,407,768	3,461,414	3,378,943	3,801,812	3,931,548
	-	-	-	-	-	-
	<u>131,618,554</u>	<u>134,298,235</u>	<u>134,113,332</u>	<u>117,481,491</u>	<u>117,398,831</u>	<u>104,847,632</u>
	<u>(6,342,266)</u>	<u>(3,884,242)</u>	<u>(11,959,921)</u>	<u>(5,376,210)</u>	<u>(9,652,614)</u>	<u>(2,317,082)</u>
	7,388,801	11,412,228	9,682,182	9,805,859	9,137,082	9,711,565
	(4,554,357)	(8,554,069)	(6,639,012)	(6,295,989)	(6,384,490)	(4,847,771)
	18,830,000	894,793	8,355,000	11,845,000	1,940,000	-
	7,730,000	1,660,000	-	-	6,910,000	32,245,000
	4,034,604	9,570,000	978,386	955,225	1,039,610	3,772,133
	-	(1,675,000)	75,622	-	1,700,000	-
	-	-	-	-	-	-
	(8,595,000)	33,908	-	-	(7,789,058)	(28,097,931)
	-	-	-	-	-	-
	<u>37,476</u>	<u>38,631</u>	<u>85,327</u>	<u>43,897</u>	<u>24,148</u>	<u>19,585</u>
	<u>24,871,524</u>	<u>13,380,491</u>	<u>12,537,505</u>	<u>16,353,992</u>	<u>6,577,292</u>	<u>12,802,581</u>
\$	<u>18,529,258</u>	<u>\$ 9,496,249</u>	<u>\$ 577,584</u>	<u>\$ 10,977,782</u>	<u>\$ (3,075,322)</u>	<u>\$ 10,485,499</u>
	11.9%	12.1%	12.1%	12.5%	12.7%	13.6%

City of Allen, Texas

Table 5

Assessed Value And Estimated Actual Value Of Taxable Property
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year Ended September 30,	Estimated Market Value		Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Real Property	Personal Property			
2015	\$ 9,347,795,862	\$ 885,946,440	\$ 1,071,401,599	\$ 9,162,340,703	0.5400
2016	10,892,510,607	949,453,680	1,665,547,504	10,176,416,783	0.5300
2017	12,247,829,044	1,019,719,862	1,799,062,766	11,468,486,140	0.5200
2018	13,546,087,428	1,031,270,509	1,878,212,643	12,699,145,294	0.5100
2019	14,696,634,742	1,158,167,450	1,903,666,393	13,951,135,799	0.4980
2020	15,295,656,455	1,233,701,862	2,005,309,071	14,524,049,246	0.4890
2021	15,713,691,463	1,149,504,775	1,960,955,511	14,902,240,727	0.4850
2022	16,684,318,807	1,139,418,829	2,036,419,680	15,787,317,956	0.4700
2023	20,765,442,449	1,194,141,922	3,725,617,131	18,233,967,240	0.4212
2024	24,170,521,989	1,206,106,723	5,453,793,721	19,922,834,991	0.4205

Source: Collin Central Appraisal District

City of Allen, Texas

Table 6

Direct and Overlapping Property Tax Rates (Per \$100 of Assessed Value)
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year Ended September 30,	City Direct Rates			Overlapping Rates					
	Operating/ General Rate	General Obligation Debt Service	Total Direct	Allen Independent School District	Plano Independent School District	McKinney Independent School District	Lovejoy Independent School District	Collin County	Collin College District
2015	0.39836	0.14164	0.54000	1.64000	1.44800	1.67000	1.56000	0.23500	0.08196
2016	0.40627	0.12373	0.53000	1.61000	1.43900	1.67000	1.56000	0.22500	0.08196
2017	0.39627	0.12373	0.52000	1.59000	1.43900	1.62000	1.67000	0.20840	0.08122
2018	0.39274	0.11726	0.51000	1.57000	1.43900	1.62000	1.67000	0.19225	0.07981
2019	0.39346	0.10454	0.49800	1.55000	1.43900	1.59000	1.67000	0.18079	0.08122
2020	0.38704	0.10196	0.48900	1.45890	1.33735	1.48835	1.56835	0.17495	0.08122
2021	0.39052	0.09448	0.48500	1.43250	1.32375	1.47470	1.55470	0.17253	0.08122
2022	0.36876	0.10124	0.47000	1.40680	1.32075	1.37670	1.50500	0.16809	0.08122
2023	0.33070	0.09050	0.42120	1.33040	1.25975	1.31290	1.44290	0.15244	0.08122
2024	0.32315	0.09735	0.42050	1.14120	1.21690	1.12750	1.44290	0.14934	0.08122

Source: Collin Central Appraisal District

City of Allen, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Table 7

2024			2015		
Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value ^a	Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value ^b
VAA Improvements LLC	\$ 169,537,728	0.85%	AT&T Mobility LLC	\$ 146,741,227	1.60%
Allen Premium Outlets LP	155,356,833	0.78%	The Village At Allen LP	144,127,995	1.57%
S2 Twin Creek I LP	117,988,311	0.59%	Watters Creek Owner LLC	102,933,076	1.12%
Charter DW Watters Creek Village	116,786,263	0.59%	Cisco Systems Inc	89,245,493	0.97%
Cisco Systems Inc	99,630,000	0.50%	AT&T Services Inc	79,723,251	0.87%
CL Allen TX LLC & ETAL	98,800,000	0.50%	Chelsea Allen Development LP	78,000,000	0.85%
HS/P Montgomery LLC	90,366,575	0.45%	BH Benton Pointe Apartments LLC	39,000,560	0.43%
1175 Montgomery (TX) Owner LP	88,727,000	0.45%	Oncor Electric Delivery Company	38,352,995	0.42%
Creskide Acquisition LP &	87,696,733	0.44%	BH Settler's Gate Apartments LP	37,476,928	0.41%
DD Andrews Parkway 10.495 LLC	82,526,071	0.41%	Allen Station Apartments LLC	30,578,210	0.33%
Sovereign Twin Creeks Phase 1 LLC	78,698,222	0.40%	TC Village Inc	30,164,677	0.33%
Total	\$ 1,186,113,736	5.95%	Total	\$ 816,344,412	8.92%
Total Assessed Valuation	\$ 19,922,834,991	100.00%	Total Assessed Valuation	\$ 9,162,340,703	100.00%

Source: Collin Central Appraisal District

Notes: ^aTaxpayers are assessed on January 1, 2023 (2023 tax year) for the 2024 fiscal year.

^bTaxpayers are assessed on January 1, 2014 (2014 tax year) for the 2015 fiscal year.

City of Allen, Texas
 Ad Valorem Tax Levies and Collections
 Last Ten Fiscal Years
 (Unaudited)

Table 8

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 49,958,933	\$ 49,472,535	99.03 %	\$ 475,581	\$ 49,948,116	99.98 %
2016	54,342,759	53,821,573	99.04 %	513,508	54,335,081	99.99 %
2017	58,617,868	58,282,589	99.43 %	335,279	58,617,868	100.00 %
2018	63,184,129	62,950,713	99.63 %	214,033	63,164,746	99.97 %
2019	67,684,728	67,511,154	99.74 %	173,574	67,684,728	100.00 %
2020	70,617,878	70,550,256	99.90 %	67,623	70,617,879	100.00 %
2021	71,909,214	71,715,864	99.73 %	193,351	71,909,215	100.00 %
2022	73,930,484	73,746,318	99.75 %	184,166	73,930,484	100.00 %
2023	76,291,666	76,102,449	99.75 %	72,685	76,175,134	99.85 %
2024	83,005,456	82,693,194	99.62 %	-	82,693,194	99.62 %

Source: Collin County Tax Assessor

City of Allen, Texas

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

(Unaudited)

Table 9

Fiscal Year Ended September 30,	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Leases and Financing Arrangements	Water and Sewer Revenue Bonds	Leases and Financing Arrangements				
2015	\$ 95,690,000	\$ 490,000	\$ -	\$ 7,258,749	\$ 6,735,000	\$ 596,700	\$ 110,770,449	2.81%	1,188	
2016	93,920,844	450,000	1,940,000	1,700,000	5,760,000	448,387	104,219,231	2.73%	1,102	
2017	96,184,995	405,000	1,255,000	1,250,000	4,760,000	282,326	104,137,321	2.60%	1,043	
2018	94,460,400	-	635,000	864,245	13,850,800	719,391	110,529,836	2.34%	1,077	
2019	91,466,739	-	2,600,000	75,991	16,637,388	569,182	111,349,300	2.37%	1,039	
2020	98,980,840	-	4,920,000	46,005	21,520,600	423,155	125,890,600	2.58%	1,149	
2021	92,079,808	28,278,061	3,917,980	102,538	32,435,106	332,535	157,146,028	3.26%	1,452	
2022	104,656,037	26,338,466	2,379,838	1,020,867	30,469,408	279,154	165,143,770	3.14%	1,515	
2023	112,730,945	20,740,000	3,238,786	824,775	28,798,693	164,886	166,498,085	2.72%	1,497	
2024	188,974,535	19,550,000	2,179,190	794,372	27,070,723	694,748	239,263,568	3.83%	2,101	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^aSee Table 13 for personal income and population data.

City of Allen, Texas
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Table 10

Fiscal Year Ended September 30,	General Bonded Debt Outstanding				Percentage of Actual Taxable Value of	
	General Obligation Bonds	Certificates of Obligation	Tax Notes	Total	Property ^a	Per Capita ^b
2015	\$ 95,690,000	\$ 490,000	\$ -	\$ 96,180,000	1.05%	1,031
2016	93,920,844	450,000	1,940,000	96,310,844	0.95%	1,018
2017	96,184,995	405,000	1,255,000	97,844,995	0.85%	980
2018	94,460,400	-	635,000	95,095,400	0.75%	927
2019	91,466,739	-	2,600,000	94,066,739	0.67%	878
2020	98,980,840	-	4,920,000	103,900,840	0.72%	948
2021	92,079,808	28,278,061	3,917,980	124,275,849	0.83%	1,149
2022	104,656,037	26,338,466	2,379,838	133,374,341	0.84%	1,223
2023	112,730,945	20,740,000	3,238,786	136,709,731	0.75%	1,229
2024	188,974,535	19,550,000	2,179,190	210,703,725	1.06%	1,851

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

^aSee Table 5 for property value data.

^bSee Table 13 for population data.

City of Allen, Texas

Table 11

Direct and Overlapping Governmental Activities Debt
as of September 30, 2024
(Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes:			
Allen I.S.D.	\$ 583,281,098	84.83%	\$ 494,797,355
Plano I.S.D.	886,020,000	0.84%	7,442,568
McKinney I.S.D.	478,860,000	0.08%	383,088
Lovejoy I.S.D.	127,735,000	8.62%	11,010,757
Collin County	459,865,000	8.52%	39,180,498
Collin College	886,020,000	8.52%	75,488,904
Subtotal, overlapping debt			\$ 628,303,170
City of Allen direct debt outstanding	211,498,097	100.00%	211,498,097
Total Direct and Overlapping Debt			<u>\$ 839,801,267</u>

Source: Taxable value data used to estimated applicable percentages provided by Collin Central Appraisal District. Net Bonded Debt Outstanding and Percentage of debt obtained from the Texas Municipal Report ("TMR") that was prepared by the Municipal Advisory Council of Texas ("MAC").

Notes: (a) The percentage of applicable overlapping debt is estimated using taxable property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City of Allen's boundaries and dividing it by the county's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. This does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

City of Allen, Texas
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

Table 12

Fiscal Year Ended September 30,	Water and Sewer System Revenue Bonds				
	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Annual Requirement ^c	Times Coverage
2015	\$ 36,275,063	\$ 26,397,770	\$ 9,877,293	\$ 1,513,860	6.52
2016	36,509,983	29,287,984	7,221,999	1,173,576	6.15
2017	37,609,746	33,023,729	4,586,017	1,169,082	3.92
2018	42,629,369	34,843,950	7,785,419	1,181,675	6.59
2019	44,571,666	38,156,431	6,415,235	1,749,739	3.67
2020	50,756,732	39,026,679	11,730,053	1,501,611	7.81
2021	49,805,566	39,647,944	10,157,622	1,874,030	5.42
2022	56,776,891	40,235,647	16,541,244	2,595,735	6.37
2023	66,903,325	47,203,212	19,700,113	2,594,366	7.59
2024	73,554,725	56,282,647	17,272,078	2,615,308	6.60

Notes: ^aAs of 2009, Development fees are no longer included as part of the non-operating revenues and therefore are not included in the times coverage calculation.

^bIncludes operating expenses minus depreciation.

^cIncludes Principal and Interest.

City of Allen, Texas
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 (Unaudited)

Table 13

Fiscal Year Ended September 30,	Estimated Population ^a	Personal Income	Per Capita Personal Income ^b	School Enrollment ^c	Unemployment Rate ^d
2015	93,261	\$ 3,940,277,250	\$ 42,250	20,755	3.2%
2016	94,576	3,823,896,832	40,432	20,973	3.6%
2017	99,852	4,007,759,724	40,137	21,054	3.1%
2018	102,632	4,715,221,976	45,943	21,567	3.2%
2019	107,151	4,694,285,310	43,810	21,791	2.8%
2020	109,591	4,876,032,363	44,493	21,538	6.2%
2021	108,207 ^e	4,814,454,051	44,493	21,283	3.6%
2022	109,039	5,267,128,895	48,305	21,808	2.8%
2023	111,218	6,119,436,796	55,022	21,443	3.5%
2024	113,855	6,245,288,315	54,853	20,871	4.1%

Sources: ^aEstimated population provided by the City of Allen.

^bEstimated Per Capita Income provided by U.S. Census Bureau based on current income trends

^cAllen Independent School District.

^dTexas Workforce Commission.

^eThe reduction in population from prior years is due to inaccurate estimates used between the 2010 and 2020 decennial censuses.

City of Allen, Texas
Principal Employers
Current Year and Nine Years Ago
(Unaudited)

Table 14

2024			2015		
Employer	Total Employees	Percentage of Total City Employment	Employer	Total Employees	Percentage of Total City Employment
Allen Independent School District	2,775	6.57%	Allen Independent School District	2,210	7.00%
City of Allen	957	2.27%	Experian	865	2.74%
Experian Information Solutions	817	1.93%	Frontier Communications	850	2.69%
Credit Union of Texas	579	1.37%	City of Allen	775	2.46%
Andrew's Distributing	454	1.08%	Texas Health Presbyterian Hospital	670	2.12%
Jack Henry & Associates	400	0.95%	Jack Henry & Associates	600	1.90%
Motorola Solutions	391	0.93%	CVE Technology Group, Inc	600	1.90%
Crawford and Company	365	0.86%	PFSweb	450	1.43%
Texas Health Presbyterian Hospital	340	0.81%	Andrew's Distributing	400	1.27%
Netscout	334	0.79%	Monkey Sports	203	0.64%
Total	7,412	17.55%	Total	7,623	24.16%
Total Allen Daytime Employees	42,232		Total Allen Daytime Employees	31,557	

Source: Top ten employers and employee count provided by Allen Fairview Chamber of Commerce and Allen Economic Development Corporation.

City of Allen, Texas

Full-Time Equivalent City Government Employees by Function & Program

Last Ten Fiscal Years

(Unaudited)

<u>Function/Program</u>	<u>Fiscal Year Ended September 30,</u>				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Government and Administration	67.00	70.50	72.50	75.50	77.00
Public Safety	295.00	299.00	299.00	305.00	316.00
Public Works	55.50	59.00	59.00	60.50	62.50
Culture and Recreational	215.71	221.31	221.31	226.32	228.32
Water and Sewer	69.00	70.00	74.00	76.50	79.00
Golf Course	33.64	33.64	33.64	33.64	33.64
Risk Management	4.00	4.00	4.00	4.00	3.50
Community Development	27.50	28.50	27.50	30.50	32.00
Economic Development	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>	<u>7.50</u>
Total	<u><u>774.35</u></u>	<u><u>792.95</u></u>	<u><u>797.95</u></u>	<u><u>818.96</u></u>	<u><u>839.46</u></u>

Source: City of Allen's Annual Official Budgets

Table 15

Fiscal Year Ended September 30,				
<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
80.48	82.48	84.73	87.23	89.23
319.00	320.00	326.00	337.00	346.00
63.50	63.50	62.50	63.00	64.00
227.82	223.32	223.32	282.80	283.80
80.00	80.00	83.00	85.50	90.50
32.14	32.14	32.14	32.14	32.14
3.50	4.50	4.50	5.00	39.00
32.00	34.00	35.00	37.00	5.00
<u>7.50</u>	<u>7.50</u>	<u>7.50</u>	<u>7.50</u>	<u>7.50</u>
<u><u>845.94</u></u>	<u><u>847.44</u></u>	<u><u>858.69</u></u>	<u><u>937.17</u></u>	<u><u>957.17</u></u>

City of Allen, Texas

Operating Indicators by Function & Program
 Last Ten Fiscal Years
 (Unaudited)

Function/Program	Fiscal Year Ended September 30,			
	2015	2016	2017	2018
Public Safety				
Police				
Number of Employees	183	185	185	189
Number of Violations (Citations)	14,000	13,645	18,778	17,025
Fire				
Number of Employees	112	114	114	116
Number of Fire/Other runs	1,622	1,822	1,886	1,896
Number of EMS runs	3,812	4,162	4,210	4,667
Public Works				
Streets paved (miles)	1	5	5	6
Building Permits Issued ^a	7,549	7,022	7,116	7,126
Cultural and Recreational				
Parks and Recreation				
Park maintained & operated per acre	\$ 4,083	\$ 4,092	\$ 4,668	\$ 4,675
Participants in Leisure Service Programs	568,503	638,367	911,064	955,441
Library - Volumes in Collection ^b	132,380	138,041	141,774	139,605
Water and Sewer				
Number of Water Consumers	29,750	30,332	30,920	31,391
Average Daily Water Consumption (gallons)	13,284,000	14,472,000	15,107,156	15,926,000
Maximum Storage Capacity (million of gallons)	33.0	33.0	33.0	33.0
Sanitation				
Recyclables Collected (tons)	10,015	10,108	10,578	10,723
Solid Waste Collected (tons)	59,591	62,009	63,712	66,333
Golf				
Rounds of Golf	39,723	44,478	47,010	44,163

Source: City of Allen Departments

Notes:^aIncludes residential, commercial, and miscellaneous permits (e.g. for pools, fences, and roof repairs).

^bIncludes books and media.

Table 16

Fiscal Year Ended September 30,					
2019	2020	2021	2022	2023	2024
199	201	202	204	211	216
21,060	8,774	10,715	11,721	10,596	19,238
117	118	122	122	126	130
1,899	1,912	2,490	2,406	2,236	3,043
4,898	4,725	5,753	6,251	4,725	5,786
2	2	1	26	66	1
9,414	6,440	6,104	5,531	6,705	6,936
\$ 3,679	\$ 3,667	\$ 3,771	\$ 3,988	\$ 4,209	\$ 4,478
1,002,717	528,935	595,869	791,359	844,201	1,284,796
146,699	143,103	142,324	143,495	147,860	139,376
31,922	32,334	33,109	33,385	35,045	35,231
15,454,057	15,710,457	16,143,000	15,296,000	15,075,194	15,100,000
33.0	33.0	33.0	33.0	33.0	33.0
10,073	10,343	9,838	10,340	12,211	9,390
65,242	66,515	66,773	66,288	71,110	69,755
49,293	54,556	66,518	70,597	70,123	66,954

City of Allen, Texas

Capital Asset Statistics by Function & Program

Last Ten Fiscal Years

(Unaudited)

<u>Function/Program</u>	Fiscal Year Ended September 30,				
	2015	2016	2017	2018	2019
Public Safety					
Police Stations	1	1	1	1	1
Police Patrol Units	27	28	31	31	31
Fire Stations	5	5	5	5	5
Police Motorcycle Units	4	4	4	4	4
Public Works					
Streets-Paved (miles)	331	336	341	347	349
Alleys-Paved (miles)	166	167	168	169	169
Cultural and Recreational					
Parks (acres) ^a	599	607	614	689	691
Playgrounds	32	32	32	32	32
Swimming Pools (outdoor)	1	1	1	1	1
Recreation Centers	1	1	1	1	1
Senior Center	1	1	1	1	1
Tennis Courts	5	5	5	5	5
Natatorium	1	1	1	1	1
Visitor (Youth) Center	1	1	1	1	1
Water and Sewer					
Water Mains (miles)	474	481	494	506	515
Fire Hydrants	4,398	4,560	4,675	4,982	4,934
Sanitary Sewers (miles)	356	361	370	379	386
Storm Sewer Lines (miles)	110	112	117	123	129
Golf Course	1	1	1	1	1
Event Center	1	1	1	1	1

Source: City Of Allen Departments

Notes: ^aThe methodology for calculating Park Acres was changed to reflect the total acres managed and controlled by the Parks and Recreation Department, whereas previously Parks Acres only reflected fully developed acres in dedicated parks.

Table 17

Fiscal Year Ended September 30,				
2020	2021	2022	2023	2024
1	1	1	1	1
31	44	53	53	56
5	5	5	5	6
4	4	4	4	4
351	351	377	442	442
169	180	178	178	178
691	691	710	2,249	2,255
32	31	31	31	31
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
5	5	5	5	5
1	1	1	1	1
1	1	1	1	1
524	501	502	508	511
5,316	5,359	5,409	5,358	5,503
393	370	372	372	374
136	224	226	231	232
1	1	1	1	1
1	1	1	1	1

City of Allen, Texas

Single Audit Report

Year Ended September 30, 2024

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Independent Auditor's 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

The Honorable Mayor and Members of the City Council
City of Allen, Texas

We have audited, in accordance with the 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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Allen, Texas (the City) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 20, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's 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 City'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's 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 financial statements. 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*.

The Honorable Mayor and Members of the City Council
City of Allen, Texas

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 20, 2025

**Independent Auditor's Report on Compliance for Each Major
Federal Program; Report on Internal Control over Compliance; and Report
on the Schedule of Expenditures of Federal Awards
Required by the Uniform Guidance**

The Honorable Mayor and Members of the City Council
City of Allen, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Allen, Texas (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

The Honorable Mayor and Members of the City Council
City of Allen, Texas

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 20, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such 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. The 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 20, 2025

City of Allen, Texas

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended September 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Awards				
Community Development Block Grant FY22	14.218	N/A	\$ 50,122	\$ -
Community Development Block Grant FY23	14.218	N/A	397,895	61,306
Total Department of Housing and Urban Development			<u>448,017</u>	<u>61,306</u>
U.S. DEPARTMENT OF JUSTICE				
Direct Awards				
Federal Forfeited Funds DOJ	16.600	N/A	16,632	-
Passed Through Office of the Governor - Criminal Justice Division				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	4280403	70,000	-
Digital Forensics Examiner	16.738	4781001	85,202	-
Total 16.738			<u>155,202</u>	<u>-</u>
VA-Victims of Crime Act Formula Grant Program	16.575	4461302	79,478	-
Total U.S. Department of Justice			<u>251,312</u>	<u>-</u>
DEPARTMENT OF TREASURY				
Direct Awards				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	2,146,200	-
Total Department of Treasury			<u>2,146,200</u>	<u>-</u>
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed through Texas State Library and Archives Commission				
TSLAC TexTreasures	45.310	TXT-24001	15,550	-
Interlibrary Loan Program	45.310	903713	2,766	-
Total Institute of Museum and Library Services			<u>18,316</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Texas Department of Health and Human Services				
SA/VA Workshop	93.103	G-OATR-202209-02699	842	-
Audit Standard 1	93.103	G-BDEV2-202209-02696	2,539	-
Food Safety Videos/EHA Training Record	93.103	G-BDEV2-202308-04255	69	-
Self Assessment and Develop C SIP	93.103	G-OAME-202309-04588	5,105	-
Total U.S. Department of Health and Human Services			<u>8,555</u>	<u>-</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Direct Awards				
2023 UA SI Allen - Night Vision for SWAT	97.067	4892601	140,015	-
Total U.S. Department of Homeland Security			<u>140,015</u>	<u>-</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,012,415</u>	<u>\$ 61,306</u>

The Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

City of Allen, Texas

Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2024

Note 1. General

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of the federal award programs of the City of Allen, Texas (the City). The City's reporting entity is defined in Note 1 to its basic financial statements. The SEFA includes all federal awards received directly from federal agencies and federal awards passed-through other governmental agencies.

Note 2. Basis of Presentation

The accompanying schedule is presented using the modified accrual basis of accounting for program expenditures accounted for in the governmental funds and the accrual basis of accounting for program expenditures accounted for in the proprietary funds as described in Note 1 to the City's basic financial statements.

For reimbursable grants, the City recognizes revenues commencing on the date of grant approval (provided all eligibility requirements are met) since this is when the City is eligible to claim expenditures for reimbursements. Pass-through entity identifying numbers are presented where available.

The City has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Contingencies

The City participates in several grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. Therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable at September 30, 2024 may be impaired. In the opinion of management, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

City of Allen, Texas

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2024

Section I – Summary of Auditors’ Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiencies identified that are not considered to be material weakness(es)? Yes None reported

An unmodified opinion was issued on compliance for major federal programs.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major programs:

Assistance Listing Number

21.027

Program Title

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs? \$750,000

Auditee qualified as low-risk auditee? Yes No

City of Allen, Texas

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended September 30, 2024

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Section IV – Prior Audit Findings

None

CITY COUNCIL REGULAR MEETING AGENDA COMMUNICATION

- AGENDA DATE:** February 25, 2025
- AGENDA CAPTION:** Authorize the City Manager to negotiate and execute on behalf of the City of Allen, Texas a Hotel Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Building Lease Agreement with Kalahari TX LLC, a PUT Option Agreement with Kalahari Allen TX LLC, and the Economic Development Incentive Agreement with Kalahari Allen TX LLC; including any amendments or instruments related thereto.
- STAFF RESOURCE:** Dan Bowman, AEDC Executive Director
- STRATEGIC PLANNING GOAL:** Vibrant Community with Lively Destinations and Successful Commercial Centers.

BACKGROUND

Kalahari Resorts & Conventions is considering a potential expansion into the Dallas-Fort Worth market with a new location proposed for the 123 acres of land located at the southwest corner of SH 121 and Stacy Road in Allen. This project would include approximately 1.2 million square feet of resort and convention space, including at least 900 guest rooms, an indoor and outdoor waterpark, a convention center and a family entertainment center. The resort is anticipated to employ up to 1,000 people and is expected to include an investment of \$950 million.

Known as the creator of America’s Largest Indoor Waterparks, Kalahari operates full-service vacation, meeting and convention facilities in four states, including an existing location in the Austin suburb of Round Rock. The resort is being considered as a potential future use for property located on the southwest corner of State Highway 121 and Stacy Road.

This new project would significantly boost Allen’s economy and support the growth of the community primarily through sales taxes and hotel occupancy taxes paid by visitors. In addition to attracting out-of-town guests, Kalahari has proven to be a cherished amenity and valued partner in other communities where it operates. Locals can purchase day passes and season passes to enjoy waterpark amenities, and many of the resort’s entertainment and dining options are open to the general public. Kalahari also partners with local organizations and initiatives to support community events, schools and charities.

The land for this project is currently under contract by the Allen Economic Development Corporation (EDC). The Allen EDC would acquire the property and deed ownership of the 123 acres of land to the City of Allen. The Allen Community Development Corporation (CDC) previously agreed to contribute

funding for approximately half of the purchase price to support AEDC with this acquisition. The City of Allen is considering three lease agreements that would lease the Hotel Land, Convention Center Land, and Convention Center Building to Kalahari for a period of time not to exceed 21 years. The real estate is being leased in this manner to comply with the State of Texas “Qualified Hotel Project” incentive program, which is critical to ensure the project moves forward.

The City of Round Rock used a similar lease agreement to support Kalahari in developing its first Texas location, which opened in 2020. While the City is taking ownership of the land with Kalahari as a potential use for the property, the City also has the option to explore other uses for the property if the Kalahari project does not move forward. The AEDC has been highly successful in the past with the strategy of purchasing land to support strategic economic development goals.

In addition to the three leases, the City is also considering approval of an Economic Development Incentive Agreement that primarily provides a rebate of a portion of future taxes if the resort delivers on specific performance goals. This incentive package is critical to the success of the project, because this resort is expected to cost at least \$950 million. The Allen location is estimated to be at least \$375 million more expensive than the Round Rock resort, which cost \$575 million at the time it was built. Most of these cost increases are driven by inflation, construction cost increases, and financing considerations.

If the City is successful in securing the land, approving the leases, and approving the incentive package as proposed, Kalahari has indicated they will then proceed to incur significant fees for the design and financing of this complex project. The next step in the architectural and City development review process would include the public zoning process, which would allow for public input and provide additional details on various components of the project.

In addition to the three leases described above, the City is also considering a Put Option Agreement. The primary purpose of this agreement is to ensure the company is required to purchase the land and the convention center building by no later than the end of a 21-year period following completion of construction. By that point, the company would have reimbursed the AEDC and ACDC for the full cost of acquiring the land, which is currently under contract.

BUDGETARY IMPACT

The Allen EDC worked with Hotel & Leisure Advisors to complete a feasibility study that estimates the project would generate more than \$5 billion dollars in direct and indirect spending during its first ten years of operation in Allen. In addition, the firm predicts all Allen hotels will experience higher occupancy, revenue and visitors if Kalahari opens, pointing to real-world examples at Kalahari’s other properties. The City of Allen, AEDC and ACDC are expected to collect \$390 million in taxes from this facility during the first 40 years of operation.

STAFF RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to negotiate and execute, on behalf of the City of Allen, a Hotel Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Building Lease Agreement with Kalahari TX LLC, a Put Option Agreement with Kalahari Allen TX LLC, and the Economic Development Incentive Agreement with Kalahari Allen TX LLC; including any amendments or instruments related thereto.

MOTION

I make a motion authorizing the City Manager to negotiate and execute, on behalf of the City of Allen, a Hotel Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Land Lease Agreement with Kalahari Allen TX LLC, a Convention Center Building Lease Agreement with Kalahari TX LLC, a Put Option Agreement with Kalahari Allen TX LLC, and the Economic Development Incentive Agreement with Kalahari Allen TX LLC; including any amendments or instruments related thereto.

ATTACHMENT(S)

[Map of Proposed Site .pdf](#)
[HOTEL LAND LEASE AGREEMENT SUMMARY.docx](#)
[CONVENTION CENTER BUILDING LEASE AGREEMENT SUMMARY.docx](#)
[CONVENTION CENTER LAND LEASE AGREEMENT SUMMARY.docx](#)
[PUT OPTION AGREEMENT SUMMARY.docx](#)
[ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT SUMMARY.docx](#)



HOTEL LAND LEASE AGREEMENT

BETWEEN CITY OF ALLEN, TEXAS AND KALAHARI ALLEN TX LLC

Summary

- Purpose:** Lease of approximately 108-acres of land (exact size and orientation to be adjusted in the future upon platting) from the City of Allen to Kalahari. This Hotel Land site will be the location of all Kalahari Resort facilities *except* the Convention Center and the Convention Center-related parking, which will be located on the Convention Center Land per the Bifurcation section below. The Hotel Land site will be the location of the Hotel, Family Entertainment Center, Water Park and other related facilities.
- Term:** Term of the lease agreement continues until the 21st anniversary of the date of completion of the Hotel building, unless the company exercises its option to purchase the land sooner.
- Bifurcation:** The agreement allows for the future bifurcation of the land into two lots, one being the Hotel Land that will remain the subject of this current lease agreement, and the second being the Convention Center Land Lease. The future bifurcation of the land will trigger the execution of the Convention Center Land Lease and the Convention Center Building Lease, which will then apply to those components of the project respectively.
- Rent:** The company will reimburse the City for the full cost associated with acquiring the 108-acre site, including the purchase price of \$43 million plus all related closing costs, studies and other customary fees incurred during acquisition. Rent will be paid on the following schedule:
- (A) \$100,000 paid at Effective Date of the lease, which amount shall be refundable to Tenant up until the sixth (6th) calendar month after the Effective Date.
 - (B) \$200,000 paid in the 7th calendar month, which amount shall be refundable to Tenant up until the twelfth (12th) calendar month after the Effective Date.
 - (C) \$300,000 paid in the 13th calendar month, which amount shall be refundable to Tenant up until the eighteenth (18th) calendar month after the Effective Date.
 - (D) \$250,000 paid in the 19th calendar month, which amount shall be refundable to Tenant up until the twenty-first (21st) calendar month after the Effective Date.
 - (E) \$250,000 paid in the 22nd calendar month, which amount shall be refundable to Tenant up until the twenty-fourth (24th) calendar month after the Effective Date.
 - (F) \$15,000,000 (less the amounts paid above in (A) through (E)) paid in the 25th calendar month, if the company has completed replating the property into the Hotel Land and the Convention Center Land by that date.
 - (G) \$10,000,000 paid in the 1st calendar month following the date the hotel building is completed.
 - (H) The remaining unpaid balance of the Rent will be paid in ten (10) annual installments equal to ten percent (10%) of the unpaid balance, the first such payment occurring on the 1st anniversary of the date the hotel building is completed.

Regardless of when the various rent payments above become non-refundable, the City agrees to refund the rent payments to the company if suitable zoning regulations are not passed within

one year following the company's submission of a complete zoning application, or if the City has not created a 1-2% PID on or before December 31, 2025.

The company can also receive a reimbursement of a portion of rent if the City is unable to obtain a Private Letter Ruling (PLR) from the State Comptroller (related to the State Qualified Hotel Program) by or before September 30, 2026. This reimbursement will be the lesser of (i) \$600,000; and (ii) 50 percent of the amount of Rent paid to date and not considered "refundable" as of the date.

In addition, any Use Tax Receipts collected on construction materials during the construction process pursuant to a Texas Direct Payment Permit will be credited towards the payment of Rent above.

Purchase Option: The company will have the option to purchase the property at any time beginning on the 10th anniversary of the date the hotel building is completed and ending on 180th day prior to the last day of the Term.

Additional Company Commitments:

- Company will engage in the design, development, construction, operation and management of the Project on the land, together with all infrastructure necessary for the Project.
- Company is required to purchase and own the land by the end of the 21-year term.
- Company takes on all responsibilities and costs for maintaining, repairing, operating and managing the leased property.
- Company will maintain all appropriate insurance for the property.

**CONVENTION CENTER BUILDING LEASE AGREEMENT
BETWEEN CITY OF ALLEN, TEXAS AND KALAHARI ALLEN TX LLC**

Summary

- Purpose:** Lease of the Convention Center Building from the City of Allen to Kalahari. This building would be constructed by Kalahari at their sole cost and located on the Convention Center Land.
- Rent:** The company will pay the City \$1 per year in rent for this building.
- Term:** Term of the lease agreement continues until the 75th anniversary of the date of completion of the Hotel building, unless the company exercises its option to purchase the land sooner.
- Bifurcation:** This lease will initially be an exhibit to the Hotel Land Lease. The Convention Center Building Lease will be executed upon the bifurcation of the parent tract into the Hotel Land and the Convention Center Land.
- Purchase Option:** The company will have the option to purchase the property at any time beginning on the 10th anniversary of the date the hotel building is completed and ending on 180th day prior to the last day of the Term.

Additional Company Commitments:

- Company will cause the construction of the Convention Center Building on the Convention Center Land.
- Company will operate, maintain, repair, and, from time to time, remodel the Convention Center Building.
- Company will primarily use the Convention Center Building (a) to host conventions or meetings, and (b) for other Events.
- Company will maintain all appropriate insurance for the property.

**CONVENTION CENTER LAND LEASE AGREEMENT
BETWEEN CITY OF ALLEN, TEXAS AND KALAHARI ALLEN TX LLC**

Summary

- Purpose:** Lease of approximately 15-acres of land (exact size and orientation to be adjusted in the future upon platting) from the City of Allen to Kalahari. This site would be the location of the Convention Center and the Convention Center-related parking.
- Rent:** The company will pay the City \$1 per year in rent for this land.
- Term:** Term of the lease agreement continues until the 21st anniversary of the date of completion of the Hotel building, unless the company exercises its option to purchase the land sooner.
- Bifurcation:** This lease will initially be an exhibit to the Hotel Land Lease. The Convention Center Land Lease will be executed upon the bifurcation of the parent tract into the Hotel Land and the Convention Center Land.
- Purchase Option:** The company will have the option to purchase the property at any time beginning on the 10th anniversary of the date the hotel building is completed and ending on 180th day prior to the last day of the Term.

Additional Company Commitments:

- Company will engage in the design, development, construction, operation and management of the Project on the land, together with all infrastructure necessary for the Project.
- Company is required to purchase and own the land by the end of the 21-year term.
- Company takes on all responsibilities and costs for maintaining, repairing, operating and managing the leased property.
- Company will maintain all appropriate insurance for the property.

PUT OPTION AGREEMENT
BETWEEN CITY OF ALLEN, TEXAS AND KALAHARI ALLEN TX LLC

Summary

- Purpose:** The Put Option Agreement gives the City of Allen the ability to require that Kalahari purchase all of the City-owned land and real estate facilities associated with the Kalahari Resort by no later than the 21st anniversary of completion of construction of the hotel building.
- Exercise:** The City can exercise the Put Option during a period beginning on the 19th anniversary of the date construction of the hotel building is complete and ending 15 months thereafter.
- Closing date:** If the City exercises the Put Option, Kalahari is required to purchase the Hotel Land, Convention Center Land and the Convention Center Building as of the 21st anniversary of completion of construction of the hotel building.

**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
BETWEEN CITY OF ALLEN, TEXAS AND KALAHARI ALLEN TX LLC**

Summary

Purpose: The primary purpose of this agreement is to provide a rebate of a portion of the following taxes to support the construction of the Kalahari Resort Project in Allen:

- (a) City Hotel Occupancy Tax Revenue;**
- (b) City, AEDC and ACDC Sales and Use Tax Receipts;**
- (c) Ad Valorem Property Tax;**
- (d) City Mixed Beverage Tax;**
- (e) All State tax revenues generated from the Project and received by City pursuant to Texas Tax Code Section 351.156 and Section 351.157, which includes (1) the TXHOT, (2) the State Sales Tax, and (3) the State Mixed Beverage Tax;**
- (f) PID Funds to be created at a future date**

Term: Term of the agreement continues until the 38th anniversary of the date of completion of the Hotel building.

Required Use: Developer agrees to continuously operate a full Kalahari Resort in Allen for the full term of this agreement.

Project: The company is required to construct a resort and convention center operating under the Kalahari brand that consists of (i) the Hotel Building, (ii) the Convention Center Building; (iii) the Water Park; (iv) the Family Entertainment Center, and other supporting structures. The total size of the building space (under roof) must be 1,100,000 square feet. The developer must submit a complete zoning application to the city within 1 year of the city taking ownership of the Hotel Land. The company must cause commencement of construction by no later than 2030 and complete construction of the project by no later than 2033. Both parties acknowledge that the current intent is to complete the project sooner than these dates.

Contingency: The company can terminate the agreement if any of the following contingency items occur:

- City has not approved the Zoning for the Property on or before 1 year after Developer has submitted to City required applications for rezoning.
- City has not levied the PID Assessments.
- Private Letter Ruling for the State Qualified Hotel Program is not received by on or before September 30, 2026 and Developer has not waived the requirement.

Capital Investment: Company is required to have a \$900 million capital investment for Project.

PID: Pending an acceptable written legal opinion on the application of PID assessments, the City would agree to create a PID with a sales-type assessment of up to 2% to be applied only to the resort project itself.

Jobs: Company agrees to create and maintain 500 fulltime equivalent jobs at the Project.

Bond Funds: The city agrees to consider the future issuance of local bonds (from the City, AEDC or ACDC) at or near the time of completion of construction of the project in the amount of \$50 million, and would consider providing these funds as a loan to the developer, with the stipulation that the company must pay all the costs of servicing these bonds and must fully repay these bonds by the end of the 10th year of operation of the project.

City Fees: The city agrees to cap the amount of city permit fees at the amount of \$1.2 million. This amount is meant to cover (i) all Impact Fees for Roadway Facilities, (ii) all water meter setting charges and sanitary sewer tap fees, and (iii) all median street improvement fees.

Incentive Rebate Payment Schedule:

The Guaranteed Annual Payment to the City is equal to an amount of \$2 million for the first year of the term, and that amount grows by 2.5% each year during the term of this agreement.

- (1) **Years 1-20.** For each of the first (1st) Project Incentive Year (i.e., the Project Initial Incentive Year) through the end of the twentieth (20th) Project Incentive Year, the Total Revenue Sources shall be distributed as follows:
 - (i) First, to pay Debt Service Payments, if any;
 - (ii) Second, to pay City the Guaranteed Annual Payment; and
 - (iii) Third, to Developer on a monthly basis as soon as Project Funds sufficient to pay (i) and (ii) above have been collected by the City.

- (2) **Years 21-30.** For each of the twenty-first (21st) Project Incentive Year through the thirtieth (30th) Project Incentive Year, the Total Revenue Sources shall be distributed each Project Incentive Year as follows:
 - (i) First, to pay Debt Service Payments, if any;
 - (ii) Second, to pay City the greater of:
 - (a) the Guaranteed Annual Payment; or
 - (b) an amount equal to twenty-five percent (25%) of the Total Revenue Sources for the applicable Project Incentive Year; and
 - (iii) Third, to Developer on a monthly basis as soon as Project Funds sufficient to pay (i) and (ii) above have been collected by the City.

- (3) **Years 31-38.** For each of the thirty-first (31st) Project Incentive Year through the thirty-eighth (38th) Project Incentive Year, the Total Revenue Sources shall be distributed each Project Incentive Year as follows:
 - (i) First, to pay Debt Service Payments, if any;
 - (ii) Second, to pay City the greater of:

- a.** the Guaranteed Annual Payment; or
 - b.** an amount equal to fifty percent (50%) of the Total Revenue Sources for the applicable Project Incentive Year; and
- (iii)** Third, to Developer on a monthly basis as soon as Project Funds sufficient to pay (i) and (ii) above have been collected by the City.